



DREAM WITH DRAGON

2nd Sustainability Report
from Studio Dragon
Corporation

**STUDIO
Dragon**



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Report Overview

This report is the second Sustainability Report published by Studio Dragon Corporation (hereinafter referred to as 'Studio Dragon'). Through this report, Studio Dragon aims to communicate its vision, achievements, and future plans for sustainability management with stakeholders.

Reporting Scope

This report includes sustainability management activities and achievements promoted by Studio Dragon's headquarters. Financial information is prepared based on separate financial statements, and notes are provided for those referring to the consolidated financial statements.

Reporting Period and Base Date

The reporting period for this report is from January 1, 2023 to December 31, 2023, coinciding with the fiscal year of 2023. It also includes ESG activities and achievements up to the first half of 2024. For quantitative data, data from the most recent three years (2021-2023) are provided, with the base date for all information being December 31 of each year. Any instances of different base dates will be clearly indicated in the text, and the report is planned to be published annually.

Reporting Standards

This report is prepared according to the GRI (Global Reporting Initiative) Standards 2021, and reflects the disclosure guidelines of TCFD (Task Force on Climate-related Financial Disclosures), UNGC (UN Global Compact Initiative) Ten Principles, and ESRS (European Sustainability Reporting Standards). In addition, by referencing the sustainability disclosure standards (IFRS) set by the International Sustainability Standards Board (ISSB), we report on governance, strategy, risk management, metrics, and targets related to major issues, while also adhering to the Sustainability Accounting Standards Board (SASB) guidelines to address key industry-specific concerns.

Third-Party Assurance

The compliance of this report with reporting standards, as well as the quality and reliability of its sustainability performance information, have been verified by DNV Business Assurance Korea, an independent assurance body, according to AA1000.

For More Information

Studio Dragon Financial Department IR Team ESG Part
studio.dragon@cj.net

Publication Date
September 26, 2024

INTERACTIVE USER GUIDE

This report has been created as an interactive PDF to assist readers' understanding, including navigation to related pages and direct links to relevant web pages.

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CEO MESSAGE



Publishing the Second Sustainability Report

Studio Dragon, a 'Premium Storyteller Group that Creates Unique and Well-made Intellectual Properties,' is at the forefront of developing the Korean drama industry and expanding global influence of K-dramas. In addition to fulfilling our social responsibilities as an industry leader, Studio Dragon aims to exemplify sustainable business practices with the release of our second sustainability report.

Environmental

In response to climate change and environmental pollution, we have established greenhouse gas reduction targets aimed at achieving Net Zero by 2050, conducted environmental impact assessments for studio filming, and obtained ISO 14001 certification. Additionally, we have achieved significant results in resource reuse by managing waste generated during drama planning and production, as well as reducing overall energy consumption. We are further minimizing our environmental footprint by decreasing physical set production and enhancing our technical capabilities through innovations like set reuse, VP, AI, and 3D scanning.

Social

We are dedicated to fostering an exceptional work environment by adhering to the 'Human Rights Management Declaration,' which upholds the rights of all stakeholders involved in drama production and planning. Our commitment extends to improving labor conditions across the entire drama content industry. In particular, we actively encourage compliance with safety management processes, including the implementation of the 'Basic Safety Guidelines Campaign,' to ensure that all collaborators—such as production companies, prop suppliers, and lighting companies—adhere to thorough safety systems and work without accidents.

Governance

Driven by transparent and responsible decision-making from our Board of Directors, we have achieved zero violations of fair competition and anti-corruption laws, received no sanctions from the Korea Communications Standards Commission, and presented 15 ESG agenda items to the Sustainability Management Committee. These efforts have effectively addressed the ethical management and fair trade expectations of our investors and stakeholders, significantly reducing associated risks.

Since 2016, Studio Dragon's Board of Directors, management, and all employees have been united in their commitment to practicing 'Sustainable Studio Dragon.' As we look ahead to 2024, we are confident in our ability to continue delivering boundless value. We greatly appreciate your support as we embark on our journey toward sustainable management and drive transformative change in society.

Jey Hyun Kim
CEO of Studio Dragon
June 27, 2024

STAKEHOLDER COMMUNICATION AND ENGAGEMENT

Stakeholder Communication and Engagement

Studio Dragon recognizes the necessity of continuously sharing two-way communications with internal and external stakeholders in order to achieve sustainable growth across all business activities. Studio Dragon identifies customers, employees, shareholders/investors, partners, government/media, and local communities as key stakeholders. Depending on the characteristics of each stakeholder, Studio Dragon operates various communication channels to disclose the content and results of sustainable management and to listen to the stakeholders' requirements and feedback.

	Customers	Employees	Shareholders/Investors	Partners	Government/Media	Local Communities
Key Communication Channels	<ul style="list-style-type: none">• Studio Dragon Website• Studio Dragon Social Media• Customer Center of Each Platform• Press Release	<ul style="list-style-type: none">• Intranet - CEO Message, Bulletin Board, Discussion Room, Suggestion Box, etc.• Labor Management Council• Cyber Audit Office• Group Internal Broadcasting (Channel CJ) and Newsletter (NI:M)• Quarterly Council• Company-wide Sharing Meeting with CEO	<ul style="list-style-type: none">• General Shareholders' Meeting• Regular and Ad-hoc Disclosures• Earnings Release Conference Call• Non-Deal Roadshow (NDR), Conference• Company Visit• Studio Dragon Website• Monthly Dragon	<ul style="list-style-type: none">• Contact Us• Disclosure Materials• Cyber Audit Office• Fair Trade Agreement	<ul style="list-style-type: none">• Press Release• Meetings/Councils• Studio Dragon Website• CJ Newsroom/Social Media• Group Internal Broadcasting (Channel CJ) and Newsletter (NI:M)	<ul style="list-style-type: none">• Studio Dragon Website• Website of CJ Welfare Foundation and CJ Cultural Foundation• CJ Donors Camp• Volunteer Activities
Major Interest	<ul style="list-style-type: none">• Content Impact• Content Quality• Viewer Communication and Feedback Collection• Protection and Redress of Viewer Rights	<ul style="list-style-type: none">• Horizontal Organizational Culture• Respect for Human Rights and Safe Working Environment• Work-Life Balance• Employee Growth and Self-Development• Equal Opportunities and Performance Evaluation	<ul style="list-style-type: none">• Business Performance and Future Growth Strategies• Policies for Enhancing Shareholder Value• Investment Plans and Financial Stability• ESG (Environmental, Social, and Governance) Strategy	<ul style="list-style-type: none">• Inclusive Growth• Collaboration and Communication with Partners• Human Rights Protection, Ethical Management, and Fair Trade• Transaction Management System	<ul style="list-style-type: none">• Engagement in Key Policies• Compliance with Laws and Regulations• Anti-Corruption and Compliance• Transparent and Timely Communication	<ul style="list-style-type: none">• Social Contribution• Revitalization of Local Communities• Corporate Social Responsibility (CSR)• Environmental Protection• Creating Shared Value



OVERVIEW



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COMPANY PROFILE

Vision and Mission

STUDIO Dragon

Vision

Premium Storyteller Group

Premium Storyteller Group that
Creates Unique and Well-made
Intellectual Properties

Growing from a Dominant
Leader in Korea to a Major
Global Studio

Mission

Fascinating the World with
Infinite Stories

Studio Dragon is leading the advancement of the drama industry by establishing Korea's first drama production studio model and is evolving as a 'Premium Storyteller Group that Creates Unique and Well-made IPs.' We aim to create content that resonates with the world and the times, making life intriguing and beautiful, while growing into a company that fosters a sustainable global environment and social community.



Scan the QR code or click the image to watch the <Studio Dragon Introduction> video.



COMPANY PROFILE

Corporate Overview

* As of December 31, 2023 (Consolidated Basis)

Company	Studio Dragon Corporation
Headquarters	75 Maebongsan-ro, Mapo-gu, Seoul, the Republic of Korea
CEO	Jey Hyun Kim
Establishment	May 3, 2016
Employees	177
Total Assets	KRW 1.922 trillion
Revenue	KRW 753.1 billion
Operating Profit	KRW 55.9 billion
Credit Rating	A2 (Nice Credit Rating, June 2024) A2 (Korea Credit Rating, June 2024)

ESG Ratings

* 2023.12.31

KCGS (Korea Institute of Corporate Governance and Sustainability)



B+
Overall

B+
Environmental

A
Social

B+
Governance

SUSTAINALYTICS

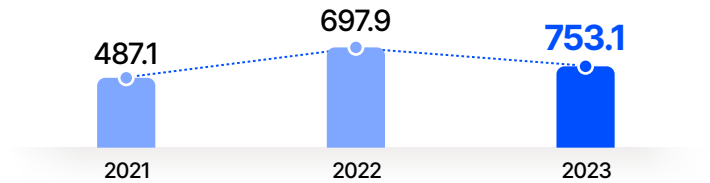


17.3 Low Risk

Business Performance and Revenue

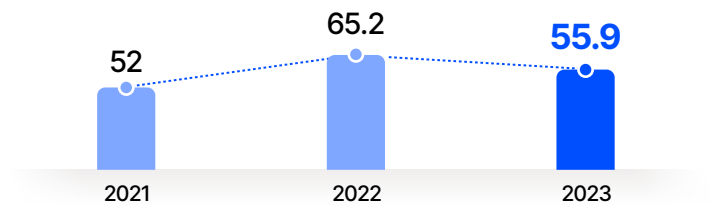
Revenue (Unit: KRW billion)

Year 2023 **7.9% ↑** (YoY)

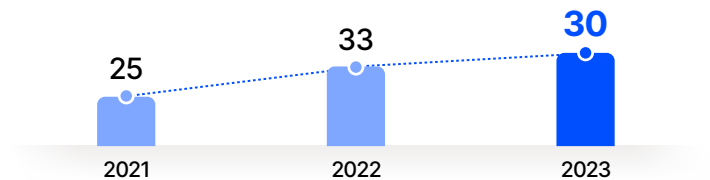


Operating Profit (Unit: KRW billion)

Year 2023 **-14.3% ↓** (YoY)

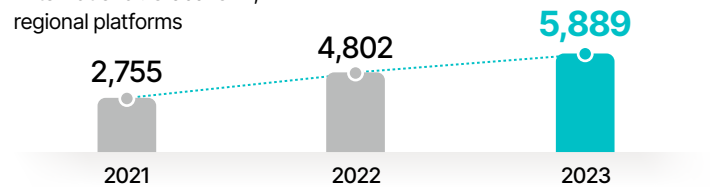


Drama Lineup (Unit: Episodes)



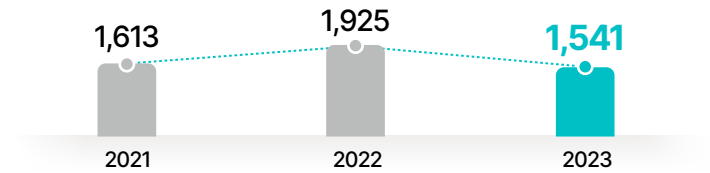
Sales Revenue (Unit: KRW 100 million)

Global Licensing & OTT Originals
▪ Domestic: Korean OTT, VOD, etc.
▪ International: Global OTT, regional platforms
Year 2023 **+23% ↑** (YoY)



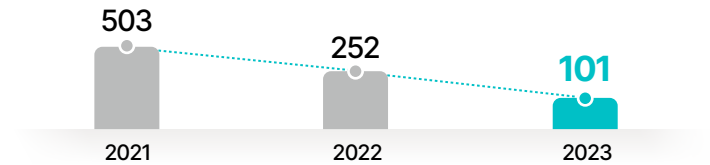
Programming Revenue (Unit: KRW 100 million)

TV Broadcasting Rights
▪ Captive : tvN, OCN
▪ Non-captive : Terrestrial TV channels
Year 2023 **-20% ↓** (YoY)



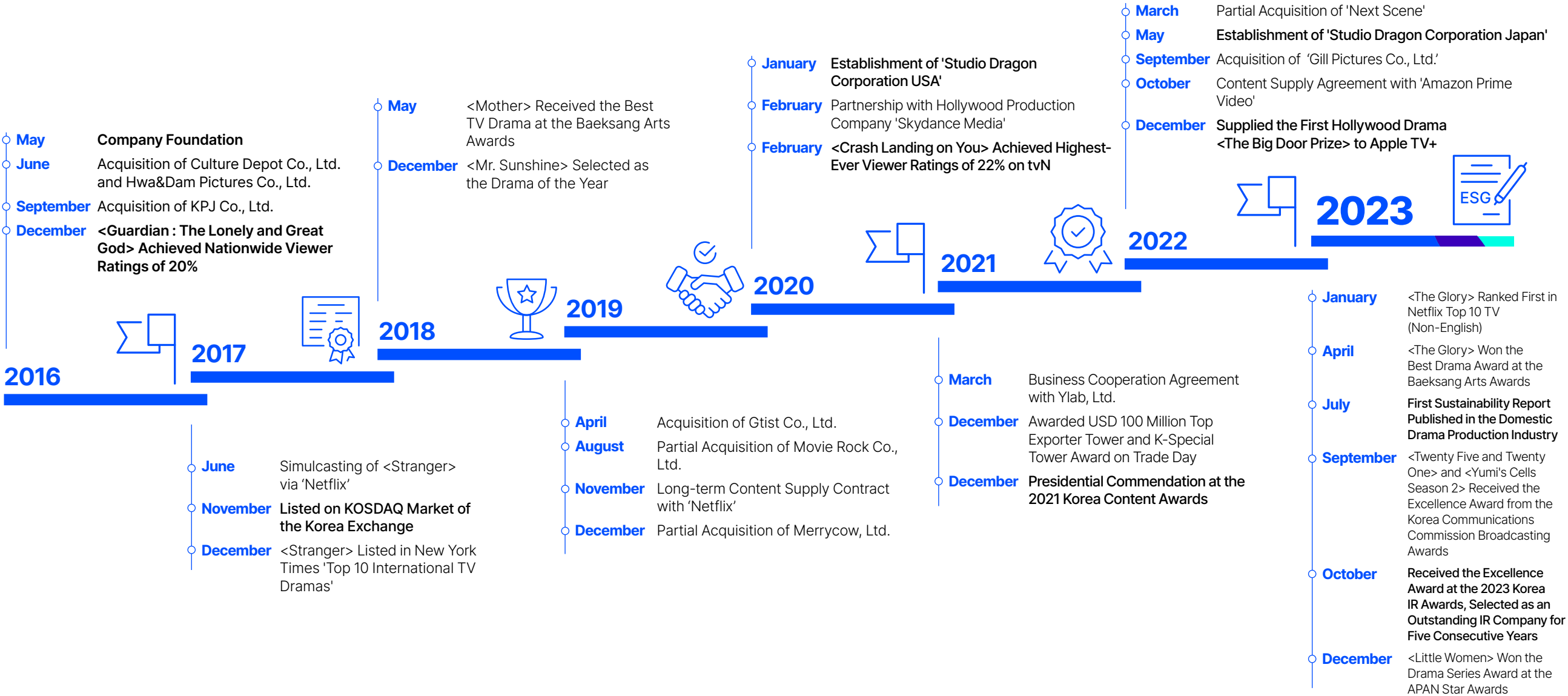
Other Revenue (Unit: KRW 100 million)

Sponsorships or IP Businesses
▪ Sponsorships, games, NFT, metaverse, exhibitions, etc.
Year 2023 **-60% ↓** (YoY)



COMPANY PROFILE

History



BUSINESS MODEL AND FOCUS AREAS

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.

INPUT²⁾

Financial Capital

Total Assets: KRW 1.922 Trillion

Human Capital

Employees: 177

Partner Capital

Production Budget: KRW 581 billion

Content Capital

Creators: 284

Social Investment

Local Community Investment,
Social Contribution

4



3. PRODUCING

Studio Dragon focuses on environmental, energy, and safety elements during the filming process and utilizes VFX³⁾ 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

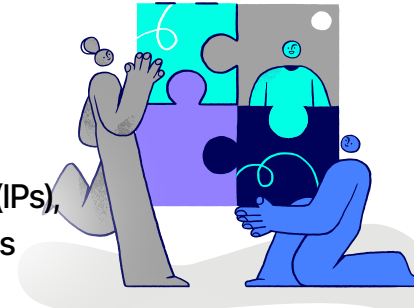
Studio Dragon produces drama content with our creators, networks, and intellectual properties (IPs), thereby expanding our distinctive business areas and enhancing our corporate value.



1. IP DEVELOPING

In the planning stage, a group comprised of PDs, staff, and management teams evaluates scenarios (trends, genres, DEI¹⁾, etc.) as well as production environments (safety, health, etc.) to produce high-quality dramas.

2



2. PROGRAMMING

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.

OUTPUT²⁾

Financial Value

Revenue: KRW 753.1 billion
Operating Profit: KRW 55.9 billion

Human Value

Employee Wages: KRW 32.6 billion
New Hires: 18

Partner Value

Production Partners: 130 (Outsourcing, Set)

Content Value

Drama Production: 30

Social Value

Donation of <When the Stars Gossip>
Set to Local Community
Volunteer Activity: 65 hours, 9 people

1) DEI: Diversity, Equity and Inclusion

2) Period: January 1, 2023 to December 31, 2023

3) VFX: Visual Effects

2023 ESG HIGHLIGHTS

SOCIAL



Spreading Diversity Through
DEI Value-Based Dramas
4 Dramas Aired



Safety Management in Production Sites
Employee Lost Time Injury Frequency Rate **0%**



Managing Human Rights Issues at Production Sites
Held Open Council Meetings 4 Times a year and Received **1 Human Rights Complaint**



Employee Engagement and Satisfaction
CJ Voice One
(Organizational Culture Assessment)
82.6 Points
(out of 100)

GOVERNANCE



Sustainable Management Committee
Reviewed and Approved 15 ESG-Related Cases



Compliance Training Completion Rate **96.4%**
for all employees



Maintained
0 Cases of Violation
Related to Fair Competition, Anti-Corruption, Marketing, and Labeling Regulations



Maintained **0 Sanctions**
Korea Communications Standards Commission
For Compliance with Media and Content Regulations

ENVIRONMENTAL



Establishment of
Greenhouse Gas Reduction
Targets for Achieving 2050 Net-Zero
Short-term goal of **2.0% Reduction** (compared to 2022)



Acquired
ISO 14001, an International Environmental Management Systems Certification in June 2023



Expected Reduction of Approximately
12 Tons of Set Waste
Through Reuse of Drama Set



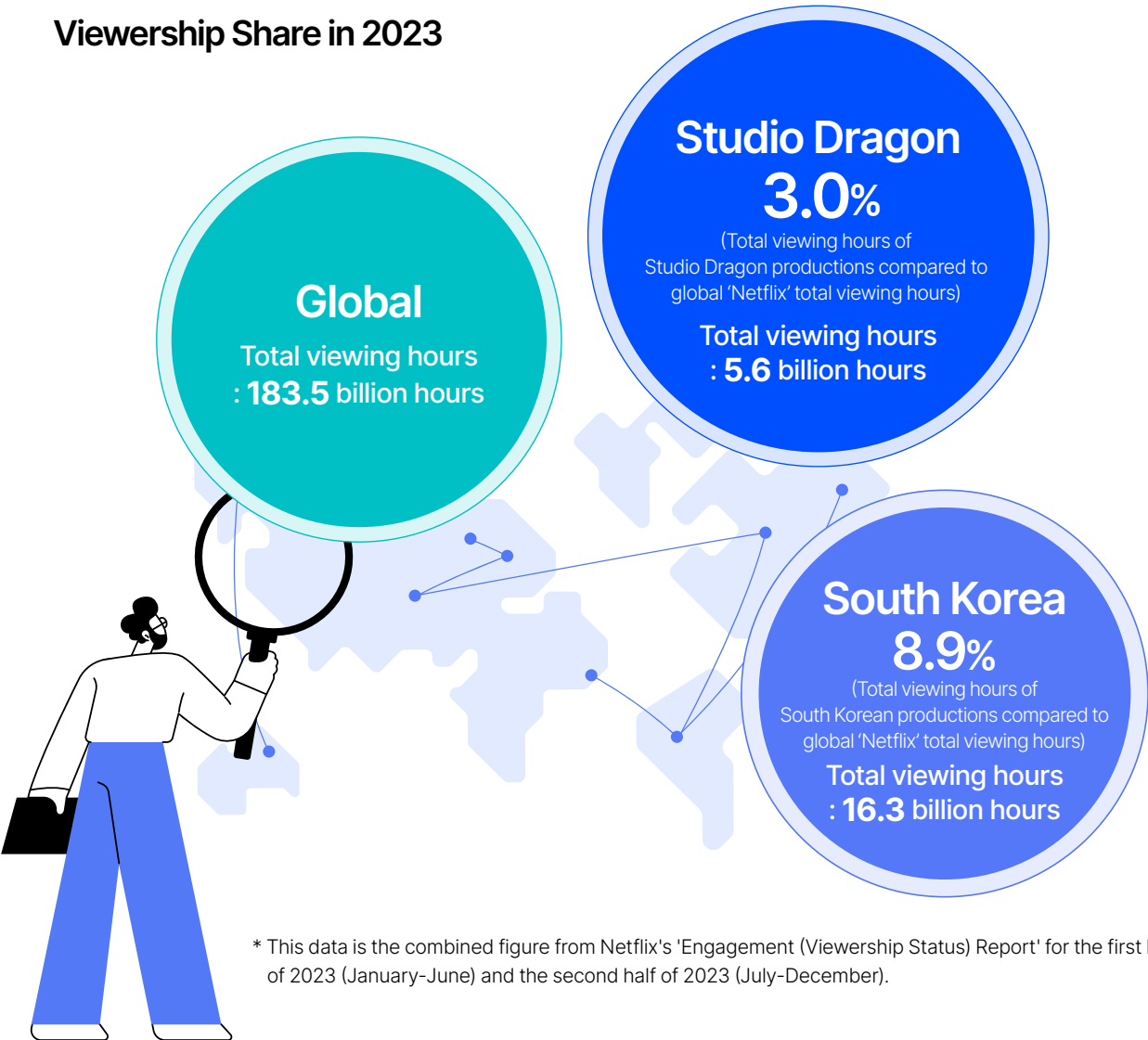
12% Reduction
in Total Energy Consumption
(compared to 2022)
for Climate Change Response

2023 KEY ACHIEVEMENTS IN CONTENT

30 Titles Released in 2023

Netflix Engagement Report*

Viewership Share in 2023



* This data is the combined figure from Netflix's 'Engagement (Viewership Status) Report' for the first half of 2023 (January-June) and the second half of 2023 (July-December).

Key Content in 2023

The Glory

- Total Annual Viewership of **690 Million Hours** in 2023
- Winner of AACA **Best Drama Series**

Photo Credit: Netflix

Crash Course in Romance

- Total Annual Viewership of **270 Million Hours** in 2023

Photo Credit: Drama <Crash Course in Romance>

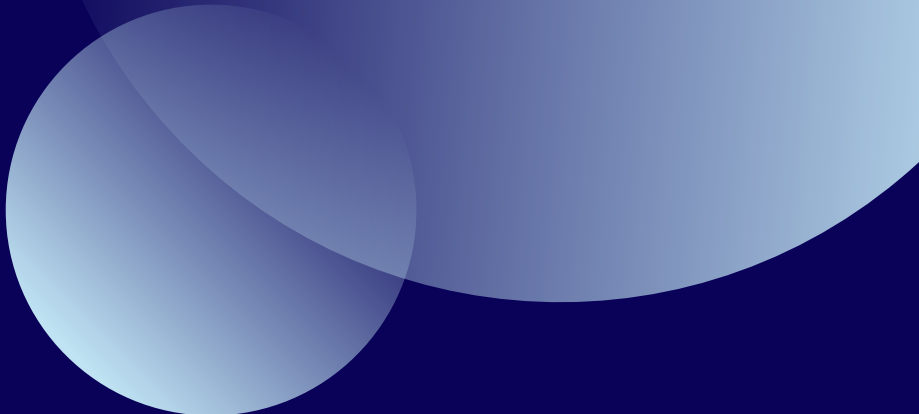
My Lovely Liar

- **Simulcasting on** U-Next (Japan), Viu (Southeast Asia), Viki (North America, Europe)
- **Global No.1 Viewing Share** Record in 141 Countries

Photo Credit: Drama <My Lovely Liar>



SUSTAINABILITY FOUNDATIONS



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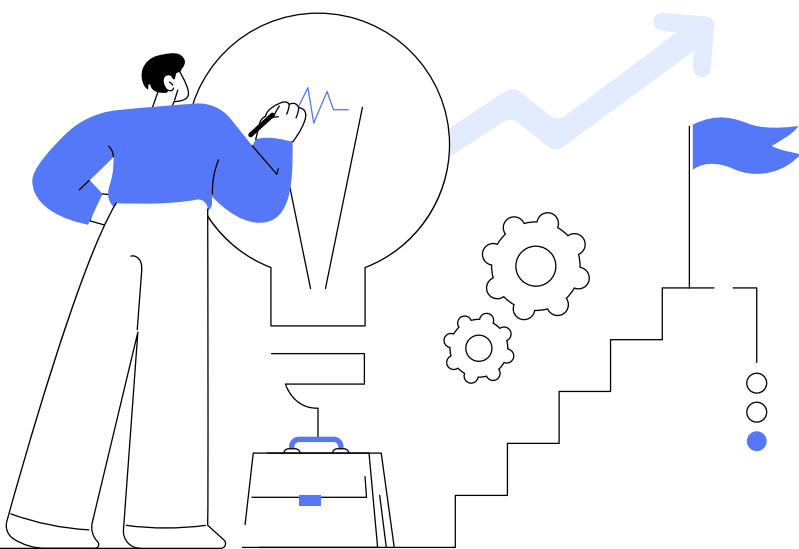
APPROACH TO SUSTAINABILITY STRATEGY

Sustainable Management Mission

 **Creating a More Valuable World through Premium Storytelling** 

Studio Dragon’s mission is to create content that maximizes social value, believing that society can change through content that resonates with people around the world.

We have established sustainable management strategies and goals to achieve our mission. Moving forward, we will generate differentiated results through systematic execution and actively communicate these with our stakeholders.



Sustainable Management Strategy and Goals

PEOPLE		Safe Workplace		S G			
<ul style="list-style-type: none">•Protecting and Respecting Human Rights & Cultivating a Positive Workplace•Ensuring Safety and Health•Strengthening Compliance, Ethical Management, and Fair Trade		2023 Goals		2023 Progress		2050 Goals	
		Preparing for the Implementation of a Human Rights Management		●●●○○○		Creating a Sustainable Ecosystem 	
		Conducting Human Rights Improvement Activities for Production Site Staff		●●○○○○			
		Strengthening Compliance, Ethical Management Training and Monitoring		●●●●●●			
PLANET		Sustainable Production		E			
<ul style="list-style-type: none">•Reducing Waste Generation and Emissions and Promoting Resource Circulation and Reuse•Reducing Greenhouse Gas Emissions, Facilitating Energy Management, and Establishing an Environmental Management System		2023 Goals		2023 Progress		2050 Goals	
		Monitoring Waste Status and Implementing Recycling Programs		●●●○○○		Net-Zero 	
		Establishing a Greenhouse Gas Inventory		●●●●●●			
		Designing Measures for Climate Change Adaptation		●●●●●○			
		Obtaining ISO 14001 Certification		●●●●●●			
		Net-Zero Declaration		●●●●●●			
CONTENT		Content & Social Impact		CV			
<ul style="list-style-type: none">•Promoting DEI Culture Through Content•Contributing to the Development of the Industry Through Business		2023 Goals		2023 Progress		2050 Goals	
		Increasing Content Production with DEI Messages to Generate Societal Value		●●●●●●		Spreading Good Impact around the World 	

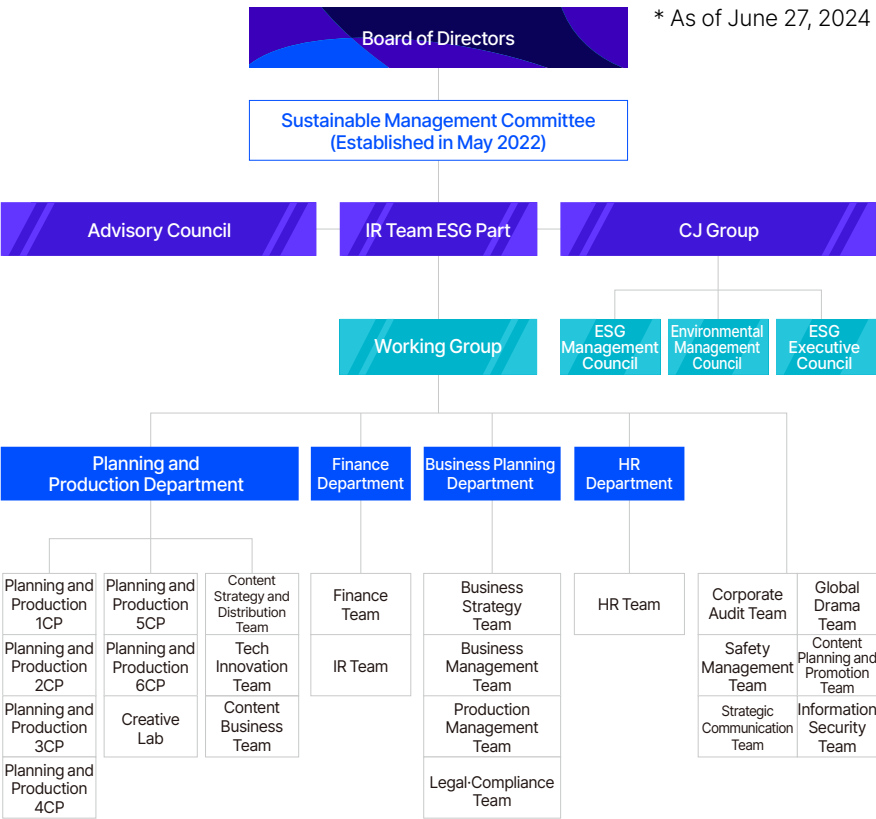


SUSTAINABILITY MANAGEMENT SYSTEM

Decision-Making and Implementation Framework

To achieve the goals of sustainable performance management, as well as to continuously, integratively, and proactively manage sustainable management risks, Studio Dragon established a sustainable management governance system in 2022. The Board of Directors, the highest decision-making body, established a Sustainable Management Committee. This committee serves as the highest decision-making body for sustainable management at Studio Dragon, responsible for deliberating and deciding on sustainable management strategy systems and policies. The dedicated sustainability organizations and working group implement the sustainability strategy and promote sustainability activities linked to the business. Additionally, aligning with the sustainable management direction of the CJ Group, Studio Dragon formulates and executes suitable sustainable management strategies. The Sustainable Management Committee regularly holds meetings to manage and review ESG goals, strategies, and issues, and plans to establish an ESG framework to promote business operations based on ESG management.

* As of June 27, 2024



Board of Directors	
Key Agenda for 2023-2024	<ul style="list-style-type: none">Report on the operation of the internal accounting management system in 2022Approval of the agenda and convening of the 7th Ordinary General Meeting of ShareholdersApproval of transactions with related partiesApproval of executive salary adjustment rateApproval of establishment of sustainability management systemReport on the first quarter of 2023Acquisition of ISO14001 certification and reporting on greenhouse gas emissions managementReport on the second quarter of 2023Approval of 2024 sustainability management focused promotion strategyReport on the 3rd quarter of 2023Report on sustainable management performance in 2023Preliminary review of transactions with related parties in the first quarter of 2024Approval of the 8th annual financial statements and operating reportReport on audit candidates for 2024Selection of material sustainability topics for 2024Amendment of internal accounting management regulationsReport on the first quarter of 2024Report on the Privacy PolicyReport on the publication of the Sustainability ReportReport on the acquisition of ISO14001 post-certificationReport on the establishment of greenhouse gas inventoryAnti-corruption, anti-graft act compliance policy and integrated risks management system reporting





Sustainability Management Committee	
Composition	Total of 3 members including executives and independent directors
Operational Cycle	At least twice a year
Responsibilities	Deliberation and decision-making on sustainable management strategy systems and policies
Key Agenda for 2023-2024	<ul style="list-style-type: none">Report on the appointment of the new chair of the ESG CommitteeReport on the establishment of the sustainable management aystemReport on priority tasks for sustainable management strategyReport on the publication of the sustainability reportApproval of the declarations of sustainable management, human rights management, and environmental managementReport on obtaining ISO 14001 certificationReport on greenhouse gas emissions managementReport on environmental initiatives and campaignsReport on 2023 sustainable management performanceReport on key strategies for sustainable management in 2024Results of the sustainability management assessment and selection of material topicsReport on the publication of the Sustainability ReportReport on the integrated risk management systemReport on the acquisition of ISO 14001 post-certificationReport on the establishment of greenhouse gas inventory

Working Group	
Composition	10 departments including HR, Finance, Strategy, and Global, and etc.
Operational Cycle	Permanently on a need basis
Responsibilities	Implementation of sustainable management strategies, identification and improvement of tasks, sharing of issues
Key Agenda for 2023-2024	<ul style="list-style-type: none">Discussing the appropriateness and prioritization of significant sustainability issues

SUSTAINABILITY MANAGEMENT SYSTEM

Stakeholder Advisory Council Implementation

Studio Dragon conducts an advisory council at least once a year to actively incorporate the demands and opinions of stakeholders into its management activities. Through the "Stakeholder Advisory Council Meetings" held in February 2023 and February 2024, key stakeholders of Studio Dragon—including customers, investment partners, CJ ENM (parent company), partners, and Studio Dragon's operational managers—identified the company's material sustainability issues and freely presented their opinions on the issues identified.

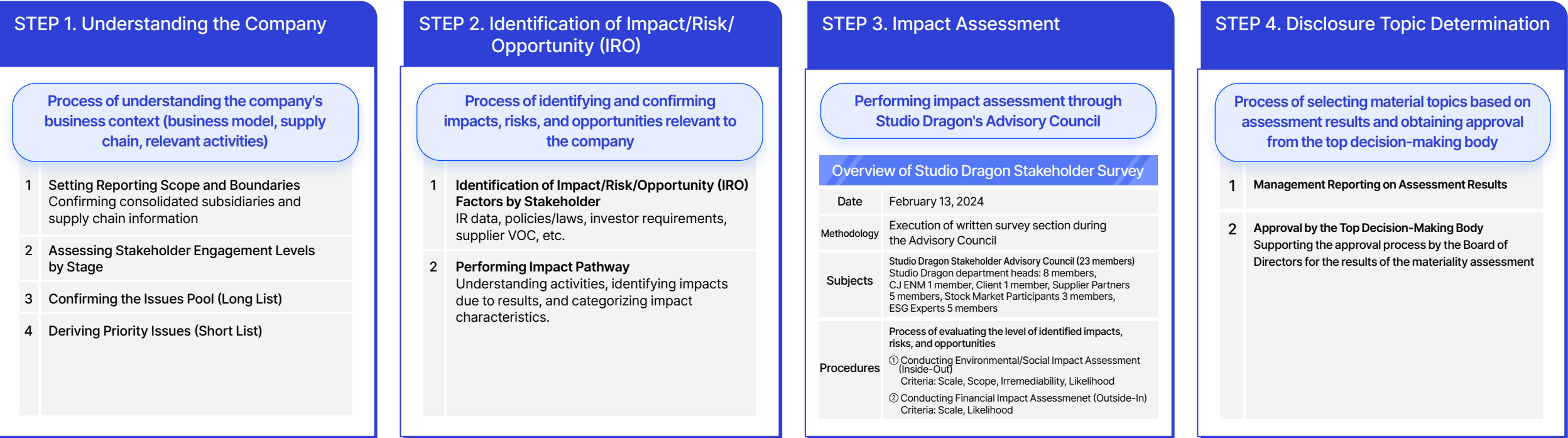
Category	Participants	Key Opinions	Common Opinions
Customers	Juyoung Lee, Director (Korea YWCA Bareun Media Center)	· Studio Dragon's decision to keep the set of <When the Stars Gossip> open to the public is expected to create not only economic value but also environmental and social value.	<div> Annual advisory councils for sharing and discussing sustainable content production with various stakeholders are highly appreciated.</div> <div> Studio Dragon should publicize its activities in environmental, social, and governance areas to enhance ESG competitiveness.</div>
Stock Market Participants Companies	Inhae Ji, Analyst (Shinhan Financial Group)	· Strengthening governance and compliance management is required to respond to investor evaluations.	
	Yeonjeong Ryu, Fund Manager (Eastspring Investments)	· There is a need to expand shareholder return policies to enhance long-term ESG value.	
	Oongyeong Hwang, Team Leader (Hanhwa Asset Management)	· Activities aimed at solving social issues should be undertaken, not just the production of impactful content. (e.g., conducting anti-bullying campaigns following the production of <The Glory>, which addresses school violence)	
CJ	Seunghyeon Oh, Team Manager (CJ ENM)	· As a major drama production company, Studio Dragon should prioritize ESG management that highlights the 'positive impact of content' and consistently create content that fosters diversity, equity, and inclusion to drive social value.	
Partners	Seunghyeon Park, Managing Director (Artin)	· The importance of safety in drama production is recognized, and various safety-related trainings are completed to prevent and manage safety risks. · Future efforts will focus on managing safety down to the smallest details to ensure a safe working environment for all staff and to minimize damage near filming locations. · VFX technology, which contributes to waste reduction by minimizing physical set production, is being used in several recent dramas. We aim to highlight the benefits of VFX technology to various stakeholders and further expand its use to reduce negative environmental impacts.	
	Jihun Gwak, General Manager (DK ENM)		
	Donggu Kim, CEO (DK ENM)		
	Seungwu Ha, Director (Dexter Studios Production)		
	Hanjin Heo, General Manager (WYSIWYG Studios)		
Studio Dragon	Sungho Jang, Seonhwa Jeong, Sungwook Yoon, Ryoung Cha, Hyeonseok Seo, Junhae Song, Jinhyung Lee, Ye Jee Chung	· Studio Dragon is actively utilizing VFX technology to support its ESG management efforts. For example, the drama <A Bloody Lucky Day>, which aired last year, showcased both environmental benefits and cost savings. · Safety is the most important aspect of content production, and neglecting safety can lead to major accidents. · The enforcement of the Serious Accidents Punishment Act could affect business activities due to penalties on business owners in case of accidents. · Stakeholders have highlighted the difficulties in establishing an advanced safety management system, and there are plans to support various production companies and partners in this regard. · Studio Dragon will support various production companies and partners in building their safety management systems. · Various measures are being considered to create a free and creative working environment for employees.	<div> Efforts will be made to ensure that the discussions from this advisory council are translated into actual management activities.</div> <div> The annual publication of the Sustainability Report will detail ESG activities and facilitate transparent communication with various stakeholders.</div>



DOUBLE MATERIALITY ASSESSMENT

Procedure for Double Materiality Assessment

Studio Dragon conducts a materiality assessment to identify ESG issues that require focused management for sustainable business practices. In 2023, to consider not only the environmental and social impacts of Studio Dragon's business activities but also their effects on corporate value and finances, a dual materiality assessment was carried out using the dual materiality concept required by GRI (Global Reporting Initiative) Standards and the EU Sustainability Reporting Standard (ESRS). Based on internal and external environmental analyses, including international standard analysis, benchmarking against leading companies, and media research, Studio Dragon's ESG issue pool was established, and the environmental, social impacts, financial risks and opportunities for each issue were identified. To evaluate the levels of identified impacts, risks, and opportunities Studio Dragon convened an advisory council comprising stakeholders and experts. Through this meeting, six material topics were selected and finalized after reporting to the board of directors on the impacts, risks, and opportunities of each issue. Studio Dragon aims to transparently disclose the impacts, management, response strategies, and performance related to these material topics through this report and enhance communication with stakeholders. Furthermore, the identified material topics will be actively reflected in the board's sustainable management decisions to strengthen Studio Dragon's sustainable management.





DOUBLE MATERIALITY ASSESSMENT

Materiality Assessment Result in 2023

Based on the results of the double materiality assessment¹⁾, a total of 6 material topics have been identified: media and content review and regulatory compliance, safety management in production sites, respect and protection of human rights, promotion of employee diversity and inclusivity, promoting DEI through content, and strengthening compliance, ethical management, and fair trade. By integrating issues with similar impact characteristics and response strategies, we have established four main reporting topics: 1. Safety Management in Production Sites, 2. Promoting DEI Through Content, 3. Respect for Human Rights and Diversity, and 4. Media/Content Compliance & Strengthening Ethics/Compliance Management.

Results of Environmental and Social Impact Assessment

Issues	Impact	Category	Assessment	Reporting Topic	Reporting Page
Media and Content Review and Regulatory Compliance ²⁾	Managing elements that may infringe on viewer/consumer rights due to violent, provocative, or harmful content, and false or exaggerated advertising, through compliance with media ethics	Positive -Actual	●●●●	Media/Content Compliance & Strengthening Ethics/Compliance Management	68-75p
Safety Management in Production Sites	Inadequate management of safety and health in production sites may lead to accidents that negatively impact the health of employees and the quality of life for their families	Negative -Actual	●●●●	Safety Management in Production Sites	34-41p
Respect and Protection of Human Rights	Inadequate management of prolonged and illegal labor practices at production sites may result in human rights violations among stakeholders, leading to negative impacts such as damage to brand image and reduced viewer loyalty	Negative -Actual	●●●●	Respect for Human Rights and Diversity	48-54p
Promotion of Employee Diversity and Inclusivity	A culture of inclusivity that respects the diverse personalities of employees contributes to increased satisfaction among team members and enhances productivity. Securing diversity in production personnel contributes to innovative content creation that reflects diverse viewer needs and opinions	Positive -Actual	●●●○	Respect for Human Rights and Diversity	48-54p

Results of Financial Impact Assessment

Issues	Impact	Category	Assessment	Reporting Topic	Reporting Page
Safety Management in Production Sites	In the event of major accidents, costs related to compensation under the Serious Accidents Punishment Act may arise	Risk-Regulation-Legal	●●●●	Safety Management in Production Sites	34-41p
Respect and Protection of Human Rights	In cases of human rights violations among stakeholders, increased negative feedback from consumers and investors may lead to decreased revenue and capital inflow	Risk-Regulation-Legal	●●●●	Respect for Human Rights and Diversity	48-54p
Promoting DEI Through Content	Enhancing media dominance in the market through content creation that reflects DEI values can lead to securing a diverse viewer base and increased external investment	Opportunity-Reputation	●●●●	Promoting DEI Through Content	42-47p
Strengthening Compliance, Ethical Management, and Fair Trade	Legal costs may arise from fair trade lawsuits with suppliers and non-compliance with compliance standards	Risk-Regulation-Legal	●●●○	Media/Content Compliance & Strengthening Ethics/Compliance Management	68-75p

1) Due to the characteristics of the media industry, the impact of environmental issues decreased compared to the previous year ('Reducing Waste Generation and Emissions & Encouraging Circularity and Reuse of Resources' and 'Minimizing Greenhouse Gas Emissions and Energy Management & Establishing an Environmental Management System' have decreased in issue ranking).
2) In line with the strengthening trend of ethical responsibilities in the media sector, the issue of 'Media and Content Review and Regulatory Compliance' has been newly selected this year



DOUBLE MATERIALITY ASSESSMENT

Key Issue Management in 2023

Key Issues and Management Direction

Key Issues	Management Direction				Reporting Page
	Governance	Strategy	Risk Management	Metrics and Targets	
Safety Management in Production Sites	<ul style="list-style-type: none">Establishment of the Occupational Safety and Health Committee chaired by the CEO, holding meetings quarterlyOperation of a Safety Management Team directly under the CEOHolding the Safety and Health Council with production site partners, with a minimum of three meetings per project	<ul style="list-style-type: none">Establishment of 'Safety and Health Management Policy' for employees, partners, and stakeholdersDistribution of Production Site Safety Standards Manual and deployment of on-site safety monitoring groupConducting training and campaigns to encourage employee participation in safety management	<p>Risk Types: Safety & Health</p> <ul style="list-style-type: none">Conducting risk assessments of the production site at least 3 times per projectIdentifying harmful and hazardous factors in the production site based on safety inspection checklists, calculating risk levels, and setting grades and management scopesCollecting and managing the results of improvement actions based on risk assessment outcomes	<p>Studio Dragon is managing metrics such as the Employee Lost Time Injury Frequency Rate and the status of safety inspections, with the goal of obtaining occupational safety and health management system (ISO 45001) certification by 2024.</p> <p>Performance in 2023</p> <ul style="list-style-type: none">Employee LTIFR: 0%Number of safety inspections conducted at the production sites in 2023: 51 times	34-41p
Media and Content Review and Regulatory Compliance	<ul style="list-style-type: none">Regular meetings of the 'Production Support Sponsorship Advertising Review Council' led by the Content Business Team	<ul style="list-style-type: none">Operating a pre-review system for dramas based on the 'Sponsorship and Indirect Advertising Review Guidelines'Hosting 'Review Q&A' sessions for all employeesProviding compliance training specialized in media and content industry regulations	<p>Risk Types: Business Compliance</p> <ul style="list-style-type: none">Conducting sponsorship and product placement reviews for all productions of Studio DragonReviewing the 'Sponsorship and Indirect Advertising Review Guidelines' twice a year to reflect regulations on timely issues	<p>Studio Dragon is continuously managing this metric to maintain a 100% response rate to advertising review requests from the Korea Communications Standards Commission by 2025.</p> <p>Performance in 2023</p> <ul style="list-style-type: none">Response rate to the advertising review requests from the Korea Communications Standards Commission in 2023: 100%	68-75p
Respect and Protection of Human Rights	<ul style="list-style-type: none">Quarterly meetings of the Open Council composed of the CEO, HR manager, and worker representatives	<ul style="list-style-type: none">Establishing and distributing practical guides for the prevention and response to types of human rights violations that may occur on production sitesEstablishing and applying labor standards to respect labor rights in the production environmentConducting human rights education for all employees	<p>Risk Types: Human Rights</p> <ul style="list-style-type: none">Identifying stakeholder human rights grievances through the operation of the Open CouncilOperating a human rights grievance handling system for all Studio Dragon stakeholders, including partner employees	<p>Studio Dragon aims to introduce a standard labor contract for supporting actors to advance human rights management on production sites by 2025. We are also holding Open Council meetings and conducting human rights trainings to ensure respect for human rights among all stakeholders.</p> <p>Performance in 2023</p> <ul style="list-style-type: none">Held 4 Open Council meetings in 2023Human rights training completion rate in 2023: 100%	48-54p



DOUBLE MATERIALITY ASSESSMENT

Key Issue Management in 2023

Key Issues and Management Direction

Key Issues	Management Direction				Reporting Page
	Governance	Strategy	Risk Management	Metrics and Targets	
Promoting DEI Through Contents	<ul style="list-style-type: none">· Hosting the G.L.C (Green Light Committee) including the CEO· The Content Strategy & Distribution Team promotes discussions with platforms based on G.L.C outcomes	<ul style="list-style-type: none">· Planning and producing content that incorporates DEI (Diversity, Equity, Inclusion) values· Operating a support program for new creators to enhance diversity in production personnel	<p>Risk Types: Business</p> <ul style="list-style-type: none">· Managing content topics and story appropriateness through collaboration with relevant content production departments· Managing compliance risks related to media and content review and regulation by the Content Business Team	<p>Studio Dragon aims to continuously produce content that incorporates DEI values and to create at least five new dramas by new creators every year.</p> <p>Performance in 2023</p> <ul style="list-style-type: none">· Dramas incorporating DEI values in 2023: 4· Dramas produced by new creators in 2023: 7	42-47p
Strengthening Compliance, Ethical Management, and Fair Trade	<ul style="list-style-type: none">· Operating the Compliance Management Committee composed of the CEO (Chair), 1 compliance officer, and 5 department-level compliance management officers· Managing and supervising the performance of anti-corruption, ethical management, and fair trade programs by the Compliance Management Committee	<ul style="list-style-type: none">· Operating the 'Compliance Coordinator' system· Conducting compliance and ethics training for all employees, including contractors and partners· Issuing a compliance newsletter bi-monthly	<p>Risk Types: Compliance</p> <ul style="list-style-type: none">· Identifying compliance, ethical management, and fair trade risks annually· Conducting compliance and ethics audits for employees and subsidiaries· Operating a reporting system for unfair trade, misconduct, etc.	<p>Studio Dragon plans to establish and implement an Ethical Code of Conduct, a Supplier Code of Conduct, and Supplier Transaction Management Regulations by 2024. To ensure the establishment of ethical management, the company is conducting relevant trainings for all employees and monitoring compliance with ethical standards through audit activities.</p> <p>Performance in 2023</p> <ul style="list-style-type: none">· Compliance and ethics trainings conducted in 2023 : 9 times· Number of participants who completed ethics management trainings: 166· Number of regulatory violations: 0· Compliance mandatory training completion rate: 96.4%	68-75p
Promotion of Employee Diversity and Inclusivity	<ul style="list-style-type: none">· Identifying and executing improvement tasks to build HR team diversity and inclusion-based organization culture· The internal grievance committee, under HR supervision, handles and manages complaints related to human rights and diversity	<ul style="list-style-type: none">· Establishing a human rights management policy that includes principles of diversity and inclusion and developing a mid-to-long-term roadmap· Providing additional points for the recruitment of persons with disabilities and veterans· Operating maternity protection systems	<p>Risk Types: Human Rights</p> <ul style="list-style-type: none">· Identifying stakeholder complaints related to diversity and inclusion through the operation of the grievance-handling system· Ensuring the anonymity of whistleblowers· Operating regular Open Councils for managing risks related to diversity and inclusion	<p>Studio Dragon aims to expand its organizational culture based on diversity and inclusion by hiring one additional employee with disabilities by 2027. Additionally, by actively promoting maternity protection policies, the company aims to maintain the proportion of female employees at 60%.</p> <p>Performance in 2023</p> <ul style="list-style-type: none">· Number of employees with disabilities: 1· Number of employees using parental leave: 1· Number of human rights grievance reports received and resolved in 2023: 1	48-54p



SUSTAINABILITY PERFORMANCE

ENVIRONMENTAL

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GOVERNANCE

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Photo Credit: Drama <A Bloody Lucky Day>

Special Page. Resource Circulation and Waste Management

To manage the 'Resource Circulation and Waste Management' issue, which was identified as a material topic in 2022, Studio Dragon established goals for 2022 and developed related strategies to carry out various activities. Although it was not selected as a material topic in 2023, Studio Dragon continues to pay attention and put in hard work on this issue. Accordingly, the 2023 Sustainability Report features a Special Page on 'Resource Circulation and Waste Management,' to share Studio Dragon's ongoing efforts and results regarding this issue.



Scan the QR code or click the image to watch the <Resource Circulation and Waste Management> video.

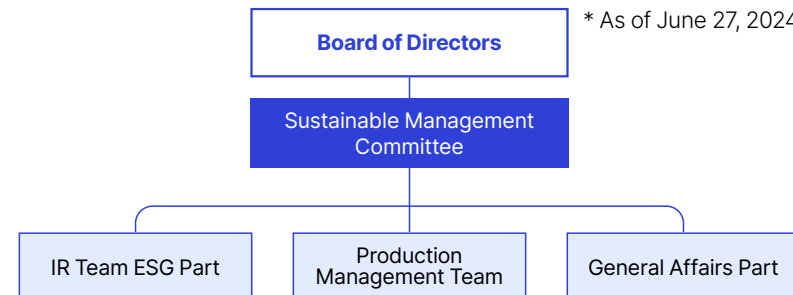
Governance

BOARD Level

The Sustainability Management Committee under the Board of Directors approves environmental management strategies and priority tasks for waste reduction and expansion of resource circulation and performs the role of monitoring related issues.

MANAGEMENT Level

The ESG Part of the IR Team at Studio Dragon, in charge of finance, implements waste generation and reduction projects in conjunction with sustainable management strategies and the construction of environmental management systems. The Production Management Team monitors waste generated on set locations to support the IR Team's waste generation and reduction projects. In addition, the General Affairs Part manages Studio Dragon's business locations and facilities and supports cooperation with the DDMC operation center to jointly strive for waste reduction.



Strategy

Compliance with Waste Management Principles

Studio Dragon strictly adheres to all regulations regarding waste management in its buildings, in accordance with Article 13 of the "Wastes Control Act". For drama production sites, waste generated after filming is processed by specialized waste disposal companies on a per-drama basis, with materials classified for recycling¹⁾, reuse²⁾, and other purposes. Additionally, reusable props are inspected and stored by the Production Management Team.

- 1) Resource reuse through modification or processing
2) Direct use of resources without reprocessing

[Article 13 of the Wastes Control Act]

① Anyone who intends to treat wastes shall comply with the standards and methods prescribed by Presidential Decree: Provided, That with respect to wastes that are made readily recyclable in view of the principles of recycling wastes and matters to be observed under Article 13-2 (hereinafter referred to as "intermediately processed wastes"), relaxed standards and methods may separately be prescribed by Presidential Decree.

Continued Efforts for Waste Reduction

Studio Dragon's headquarters recorded a waste discharge of approximately 13.46 tons in 2023, which is relatively low compared to other industries. Nevertheless, Studio Dragon is actively working to reduce waste generation through activities such as waste separation, encouraging the use of personal tumblers, and reducing paper usage. Additionally, we are conducting resource recycling and reuse projects to minimize waste generation.

Special Page. Resource Circulation and Waste Management

Strategy

Drama Set Recycling

Studio Dragon is devoted to integrating environmental and ethical values into its business practices while focusing on reducing waste and conserving resources. By reusing set materials, we not only promote environmental sustainability but also positively impact the local economy. Going forward, Studio Dragon will make multifaceted efforts to drive sustainable development and deliver a variety of social values.

Case Study 1: <When the Stars Gossip>

After the shooting of the drama <When the Stars Gossip>, it was anticipated that about 12 tons of waste related to the space set would be generated. In response, Studio Dragon discussed set utilization plans with the production team to reduce waste. In April 2023, the set was moved to the CJ ENM Studio Center, where a set tour was conducted for foreign investors and visitors. As of 2024, the sets and props have been relocated to the Oktoki Space Center on Ganghwa Island, where renewal work is underway. They are expected to be officially opened to the general public alongside the broadcast launch of <When the Stars Gossip> in 2025. Studio Dragon will continue to explore ways to reuse sets and contribute to sustainable environmental management.



Photo Credit: Drama <When the Stars Gossip>



Photo Credit: Drama <When the Stars Gossip>

Special Page. Resource Circulation and Waste Management

Strategy

Case Study 2: <Alchemy of Souls>

Studio Dragon signed a business agreement with Mungyeong City during the airing of the drama <Alchemy of Souls> and successfully transformed the Mungyeong set into a tourist attraction, earning the ‘2022 Minister of Public Administration and Security Award at the Korea Local Finance Awards.’ In August, the Maseong Open Set hosted two events for Magic Fantasy Roadventure Season 2, attracting around 600 visitors who enjoyed unique attractions and food. Through these efforts, Studio Dragon has successfully repurposed what could have been an underutilized open set into a valuable tourism resource, making a significant contribution to local economic revitalization and waste reduction. Additionally, following the conclusion of the drama, Studio Dragon began receiving inquiries from external production companies about using the <Alchemy of Souls> outdoor set. The set is now being reused under a separate licensing fee and is currently rented out to external drama productions. (April to July 2024, SLL Drama)

Photo Credit: Drama <Alchemy of Souls>



Photo Credit: Mungyeong City



Photo Credit: Mungyeong City

Special Page. Resource Circulation and Waste Management

Strategy

Minimizing Physical Set Production

VP(Virtual Production)

VP technology replaces traditional blue screens with LED panels, displaying actual background images on an LED media wall instead of relying on computer-generated graphics. This new filming technique allows actors and crew to interact with a real environment during production, resulting in more natural performances and superior visual quality. Additionally, by using LED walls to create the filming setting, VP minimizes the need for physical set construction, significantly reducing waste generated during the production process. This approach also lowers the necessity for overseas shoots, greatly cutting emissions associated with travel. Beyond these environmental advantages, the use of VP contributes to shorter production times and cost savings. Studio Dragon has implemented this technology in the production of the 2023 drama <A Bloody Lucky Day> and the 2024 drama <Queen of Tears>.*

AI(Artificial Intelligence)

Studio Dragon is pioneering the development of AI-based video production technologies for future content creation. By combining advanced face editing techniques such as de-aging and deepfake with AI, we efficiently produce realistic age-specific character faces and perform high-quality face replacements for stunt doubles, overcoming challenges associated with traditional filming methods. Additionally, we are advancing a range of AI technologies to enhance production efficiency, including visualizing and translating stories into video, and optimizing workflows for labor-intensive tasks.

3D Scan

Before the demolition of the <Arthdal Chronicles> set located in Osan, a 3D scan was conducted for the entire interior and exterior of the set. The data scanned in 3D is expected to be reused for virtual production in additional seasons of <Arthdal Chronicles>. Studio Dragon plans to gradually expand the datafication of the set in the future and aims to contribute to an environmentally friendly production environment.

Photo Credit: Drama <Queen of Tears>



Photo Credit: Drama <A Bloody Lucky Day>



* As of June 2024

Special Page. Resource Circulation and Waste Management

Strategy

Space for Reusing Drama Props: Establishment of Prop Warehouse

Studio Dragon has established a prop warehouse of approximately 1245.3sqft within the headquarters in August 2023 to promote the reuse of props used in the production process. By consolidating the props managed and reused at each production site and building a database, we aim to minimize unnecessary prop production and promote prop reuse. We are storing props used in 9 works including <Connect>, <Song of the Bandits>, and <Twinkling Watermelon>, and we are striving to minimize prop production by renting them to works that can utilize them.

Props Warehouse Inventory List

Title	Stored Items and Quantities
Connect	Costumes: 16 sets, Shoes: 5 pairs, Bags: 1
Song of the Bandits	Sword: 1
Vincenzo	Gold Bars: 220
Duty After School	Firearms: 17, Magazines: 13, Scopes: 1
Family	Shotguns: 4
Twinkling Watermelon	Miscellaneous Items: 1, Amps: 1
Captivating the King	Go Boards: 10, Go Game Sets: 10

Props Warehouse



Metrics and Targets

Metrics

Studio Dragon manages metrics for resource recycling and waste management by tracking the total amount of waste generated and the intensity of waste discharge at its headquarters office.

Category	Unit	2021	2022	2023
Total Waste Generated	ton	13.03	14.36	13.46
Waste Discharge Intensity	ton/KRW 100 million	0.003	0.002	0.002

Targets

Studio Dragon plans to expand the reuse of props to reduce waste generated during the production process. In 2024, we intend to add high-cost items (such as furniture and frames, etc.) and special props (such as jewelry and weapons, etc.) from one production to the prop warehouse. By 2025, we aim to increase this to props from two productions, and by 2030, we plan to add props from at least two productions each year to the Studio Dragon prop reuse database.

Climate Change Response

Governance

BOARD Level

Studio Dragon reviews, deliberates, and resolves key issues related to climate change response through the operation of the Sustainability Management Committee under the Board of Directors. By holding the Sustainability Management Committee at least twice a year, we are strengthening the responsibility and role of the highest decision-making body in responding to climate change. The Sustainability Management Committee discusses and decides on matters necessary for active response to climate change, such as establishing mid-to-long-term goals for achieving 2050 Net-Zero and participating in environmental initiatives.

2023 Sustainability Management Committee Resolution on Climate Change Response Agenda

- 1

Resolution to Pursue ISO 14001 Certification
- Establish and maintain an Environmental Management System and proceed with Stage 1 and Stage 2 audits.
- 2

Resolution to Manage Greenhouse Gas Emissions
- Develop a greenhouse gas inventory for 2020-2022 and pursue third-party verification.
- 3

Resolution on Environmental Initiatives and Campaigns
- Commit to the UN Global Compact Initiative (UNGCI), Eco-Balanced Content Production (ECP) initiative, and launch Season 2 of the Everyone Saves Green Dragon (ESGD) campaign.

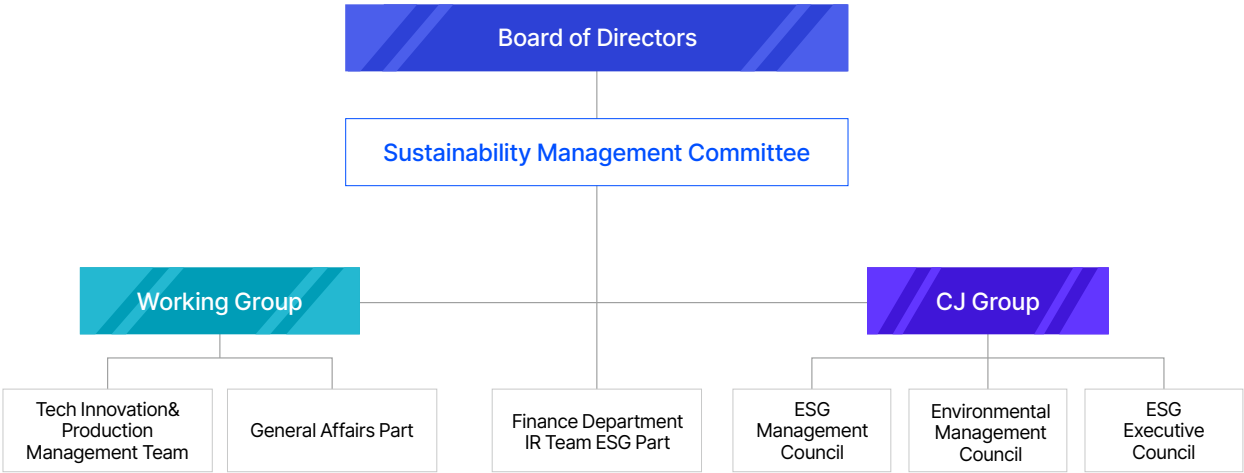


MANAGEMENT Level

The ESG Part of the IR Team in charge of finance at Studio Dragon is responsible for the overall work of responding to climate change in order to effectively manage the impact of climate change on the company and stakeholders. The main tasks related to climate change response include identifying climate-related risks and opportunities, establishing risk response strategies, and measuring greenhouse gas emissions. Through the operation of a Working Group composed of major related departments including the ESG Part, Tech Innovation Team & Production Management Team, and General Affairs Team, we manage the negative environmental impact that can occur in content production and overall business operation.

Studio Dragon Climate Change Response Organizational Structure

* As of June 27, 2024



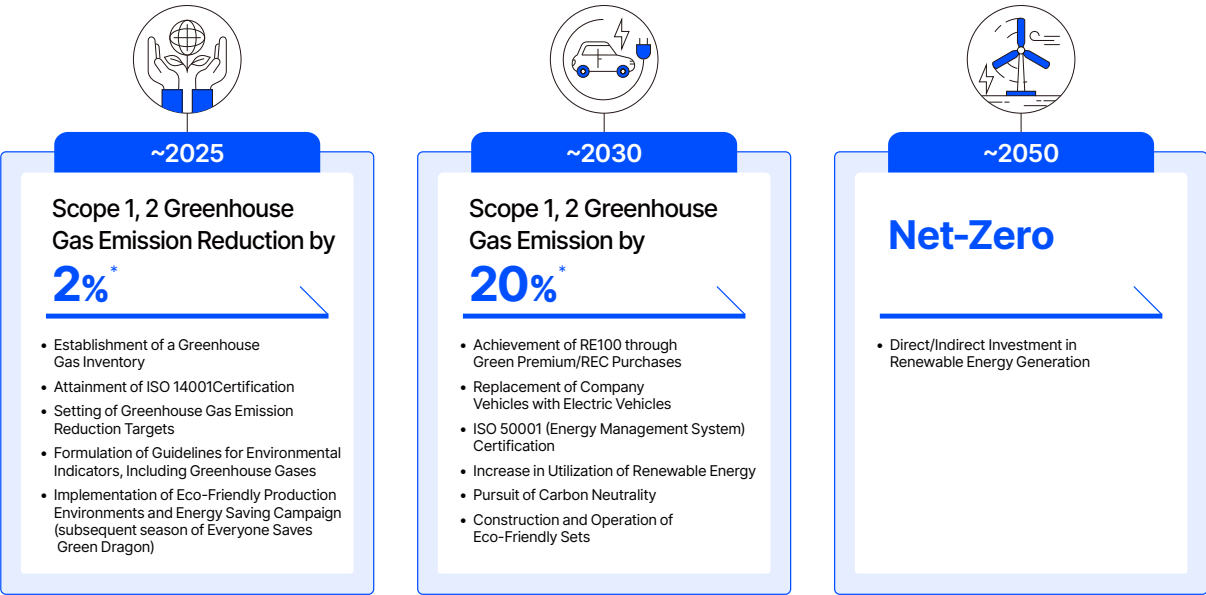
Climate Change Response

Strategy

Establishing Goals for Greenhouse Gas and Energy Reduction

Studio Dragon is actively implementing strategies and targets for greenhouse gas reduction with a focus on short-term (by 2025), medium-term (by 2030), and long-term (by 2050) objectives to address climate change. Through energy-saving campaigns and the creation of a greenhouse gas inventory, the company aims to achieve a 2% annual reduction in Scope 1 and 2 greenhouse gas emissions and energy consumption compared to 2022 levels by 2025. In 2023, the target was to reduce emissions by 9.622 tCO₂eq—2% of the 2022 Scope 1 and 2 emissions. As a result of emission reduction initiatives, approximately 78.11 tCO₂eq were cut, representing around 12% of the 2022 emissions. Similarly, energy consumption was reduced by approximately 1.12 TJ, about 12% of the 2022 levels, significantly surpassing the target reduction of 0.191 TJ (2% of 2022 consumption).

Mid- to Long-Term Greenhouse Gas Reduction Strategy and Targets



* Compared to 2022

Construction of Greenhouse Gas Inventory

Studio Dragon has built an inventory for Scope 1 and 2 greenhouse gas emissions from 2020 to 2023 and completed third-party verification to achieve the greenhouse gas reduction goal. Furthermore, as part of our efforts to respond to climate change, we have expanded the scope of greenhouse gas emission management to Scope 3 (limited to employee commuting and business trips) since 2023.

Category	Unit	2021	2022	2023
Scope 3	tCO ₂ eq	97.18	144.57	168.06

Continued Efforts to Reduce Energy

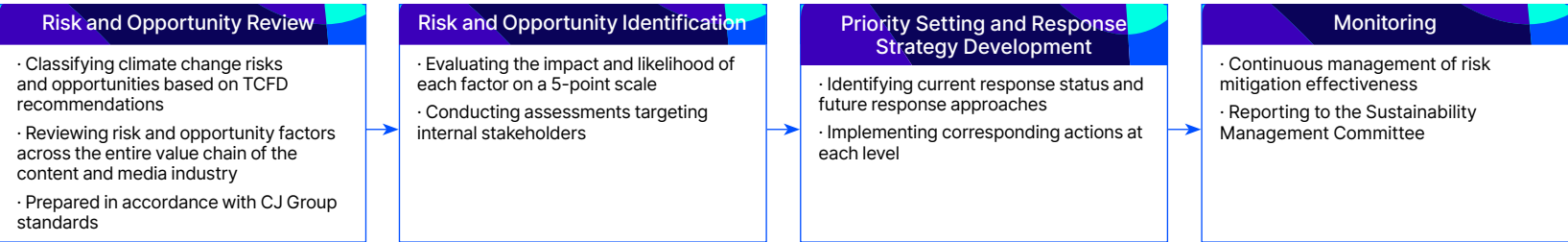
Studio Dragon contributes to energy reduction through the use of the eco-friendly 'CJ ENM Studio Center'. This facility is equipped with LED lighting, high-efficiency transformers, remote meter reading, and automatic lighting control systems, all of which enhance energy efficiency. Studio Dragon has exclusive access to the CJ ENM Studio Center and plans to increase filming volume there in the future to further reduce energy consumption in the content production process.

Climate Change Response

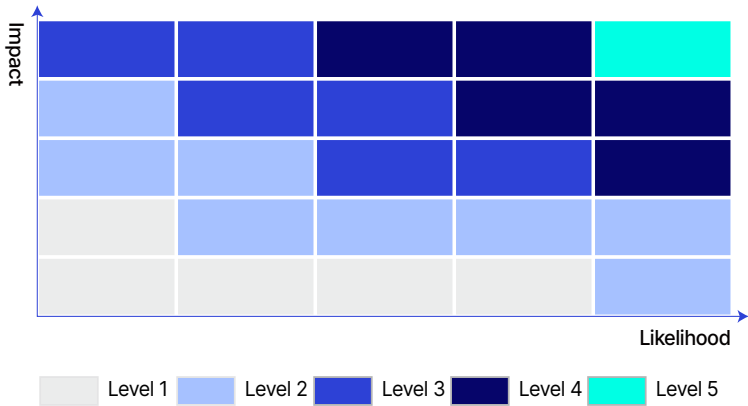
Strategy

Identification of Climate Change Risks and Opportunities Based on TCFD

Studio Dragon conducted a climate change factor analysis to integrate climate change risks and opportunities into our business decision-making processes. Following the recommendations of the TCFD framework, we defined these risks and opportunities and established procedures for their identification, assessment, and response strategies. Our goal is to enhance our climate change resilience through in-depth evaluations and management of each risk's potential impact on the company, as well as by developing proactive future response measures. These climate change risks and opportunities are seamlessly integrated into our overall risk management system and are reported annually to the Sustainable Management Committee within the Board of Directors.



Methodology for Evaluating Climate Change Risks and Opportunities



We evaluated the likelihood and impact levels of identified climate change risks and opportunities on a 5-point scale, and determined their significance levels and prioritized action plans based on the assessment results.

Level	Action
Level 1~2	Accept State Quo (Monitoring as Needed)
Level 3~4	Establish and Implement Action Plans
Level 5	Immediately Implement Action Plans in Consultation with Risk Management Officials

Scenario Analysis

While Studio Dragon is not classified as a high greenhouse gas emitter, we recognize that climate change may significantly affect our drama production costs. To assess this risk, we conducted a scenario analysis, predicting additional expenses due to temperature increases between 28.8 and 30 degrees Celsius. Our estimates indicate that production costs could rise by 39 billion KRW by 2025, 50 billion KRW by 2030, 75 billion KRW by 2040, and 106 billion KRW by 2050. To carry out this analysis, Studio Dragon measured the average number of days with temperatures around 30 degrees Celsius using temperature data from the Korea Meteorological Administration spanning 1908 to 2023. This allowed us to evaluate the potential financial impacts on our production costs.

Note: Wet-Bulb Globe Temperature (WBGT) refers to an index that comprehensively considers temperature, humidity, and radiant heat, which can cause heat stress or harm when a worker works in a high-temperature environment. The Korean government recommends that workers adhere to 75% work and 25% rest per hour at a WBGT standard of 25.9 degrees, 50% work and 50% rest at 27.9 degrees, and 25% work and 75% rest at 30.0 degrees.

Climate Change Response

Risk Management

Identification of Major Climate Change Risks and Opportunities

Assessment Result

Studio Dragon has identified 12 climate change-related risks and 3 opportunities, with the results of the materiality assessment outlined below.


Category	Factor	Impact on Studio Dragon	Nature of Impact	Significance
Physical Risks	Natural disasters (typhoons, floods)	· Production interruptions, potential asset damage	Revenue, Cost	Level 4
	Increased abnormal temperatures, such as heatwaves, cold waves	· Reduced labor productivity (production schedule delays)	Cost	Level 4
	Rising average temperatures	· Increased cooling costs (air conditioning, refrigeration)	Cost	Level 3
	Sea level rise	· Impact on coastal filming due to natural disasters	Cost	Level 2
	Resource Scarcity (shortage of resources/water)	· Production delays or increased production costs	Revenue, Cost	Level 2
Transition Risks	Strengthened greenhouse gas/energy regulations	· Increased energy costs (electricity, water, waste disposal)	Cost	Level 2
	Enhanced circular economy regulations (waste, plastics, etc.)	· Expanded scope of regulated facilities (waste, wastewater)	Cost	Level 4
	Increased demand for environmental information disclosure	· Negative business impact if disclosure requirements are not met (fines, reputational damage)	Revenue	Level 3
	Other environmental regulations (greenwashing, etc.)	· Increased costs of compliance (investments, litigation, fines)	Cost	Level 3
	Adoption of low-carbon/efficient/circular technologies	· Development and equipment investment costs	Cost	Level 2
	Changes in consumer behavior and preferences	· Decreased preference for ESG-noncompliant content	Market	Level 3
	Increased stakeholder concerns (investors, shareholders)	· Decreased brand value, credit rating, and potential reduced investment	Revenue, Market	Level 4
Opportunity	Improving energy/resource efficiency	· Cost savings on energy/resources (electricity, water)	Cost	Level 3
	Growing preference for eco-friendly products/services	· Increased sales of eco-friendly products/services	Revenue, Market	Level 2
	Expansion of eco-friendly markets	· Increased opportunities for new business venture	Revenue, Market	Level 2

Climate Change Response Strategy

Identified Climate Change Risks and Opportunities Response Strategy


Studio Dragon has developed and is implementing action plans for four climate change risks assessed at Level 4.

Natural disasters (typhoons, floods)




- Establishment of emergency response systems, training, and monitoring
- Development of operational guidelines for environmental emergencies
- Familiarization with building emergency response manuals for various situations (power outages, fires, leaks, etc.)
- Participation in building-specific emergency response training

Increased abnormal temperatures, such as heatwaves, cold waves




- Development of workplace temperature management guidelines led by the Safety Management Team and establishment of working rules for on-site workers
- Identification, evaluation, improvement, reporting, and re-evaluation processes for potential risks at production sites
- Issuance of safety inspection reports and review of action result reports
- Ongoing risk monitoring

Enhanced circular economy regulations (waste, plastics, etc.)



- Efforts to reduce waste at business facilities
- Continued eco-friendly/energy-saving campaigns considering resource circulation (expansion of reusable item adoption, etc.)
- Implementation of plastic cup recycling and donation programs

Increased stakeholder concerns (investors, shareholders)



- Strengthened disclosure in sustainability reports and other public disclosures

Climate Change Response

Metrics and Targets

Metrics

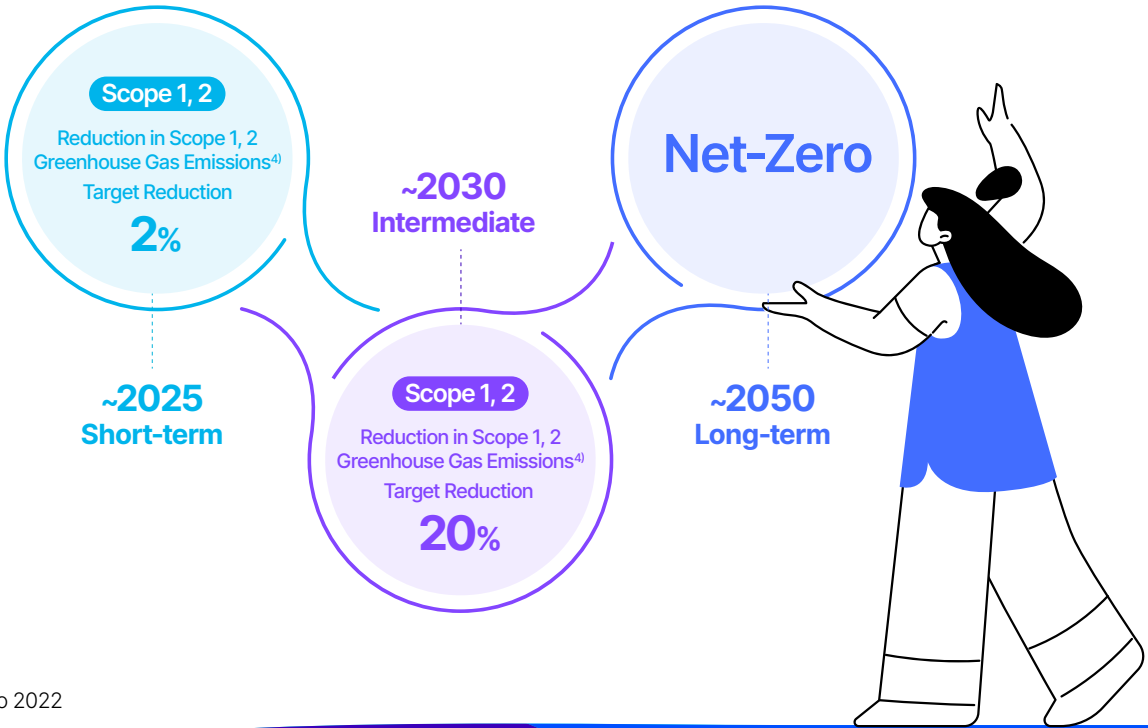
Studio Dragon manages and monitors indicators such as Scope 1 emissions, Scope 2 emissions, greenhouse gas emissions intensity, internal energy consumption, energy intensity, and electricity usage at its headquarters as part of its climate change response.

Category		Unit	2021	2022	2023
Total Emissions (Scope 1+2)		tCO ₂ eq	443.00	481.10	422.99
	Scope 1	tCO ₂ eq	27.34	20.78	17.86
	Scope 2	tCO ₂ eq	415.66	460.32	405.13
Scope 3 ¹⁾		tCO ₂ eq	97.18	144.57	168.06
Greenhouse Gas Emission Intensity ²⁾		tCO ₂ eq/KRW 100 million	0.097	0.078	0.059
Internal Energy Consumption		TJ	8.70	9.55	8.43
Energy Intensity ³⁾		TJ/KRW 100 million	0.0019	0.0015	0.0012
Electricity Usage		TJ	6.85	7.84	6.94

1) Managing Scope 3 emissions (limited to employee commuting and business trips)
2) Greenhouse Gas Emission Intensity = Total Greenhouse Gas Emissions (Scope 1+2) / Annual Revenue (Standalone Basis)
3) Energy Intensity = Total Energy Consumption / Annual Revenue (Standalone Basis)

Targets

Studio Dragon set diverse goals for 2023, focusing on reducing Scope 1 and Scope 2 emissions, energy conservation, engaging in eco-friendly social contribution activities, and participating in global environmental initiatives. In pursuit of the global 2050 net-zero target, Studio Dragon plans to calculate, continuously manage, and reduce Scope 3 greenhouse gas emissions from its value chain beyond its business operations.



4) Compared to 2022

Environmental Management

Governance

BOARD Level

Studio Dragon reviews key environmental management issues through the Sustainability Management Committee under the Board of Directors. In 2023, the Sustainability Management Committee held a total of six meetings, completing approvals for environmental management system (ISO 14001) certification, and matters related to environmental initiatives and campaigns.

MANAGEMENT Level

The ESG Part within the IR Department, which is part of Studio Dragon's Finance Division, is responsible for overseeing environmental management tasks, including operating the Environmental Management System, ensuring compliance with environmental regulations, and managing energy consumption. The General Affairs Part has established a green purchasing policy and considers environmental factors when selecting suppliers. Additionally, Studio Dragon has included environmental management indicators in the CFO's KPIs, such as improving ESG ratings and establishing a greenhouse gas inventory, to enhance the executives' commitment toward environmental management.

Strategy

Environmental Management Declaration

In 2023, Studio Dragon formulated the 'Studio Dragon Environmental Management Declaration,' which includes the vision and concrete commitment to sustainable management for all stakeholders, including employees and partners. The declaration outlines six priority tasks that must be addressed to embed sustainability into the organization's practices

[Environmental Management Declaration](#)

ISO 14001 Certification

In June 2023, Studio Dragon obtained the internationally recognized ISO 14001 environmental management system certification. ISO 14001 is an international standard for environmental management systems applicable to all industries and activities. Through this certification, Studio Dragon aims to publicly demonstrate its efforts towards sustainable management, comply with domestic and international environmental regulations, and minimize potential environmental risks associated with non-compliance. Going forward, Studio Dragon will develop strategies for environmental protection and a sustainable society, implementing them according to the PDCA (Plan, Do, Check, Act) management cycle. In this process, we will encourage the participation of all employees to effectively manage corporate environmental issues.



Environmental Management

Strategy

Energy Saving Campaign 'ESGD'

Since 2022, Studio Dragon has been conducting the energy-saving campaign 'ESGD (Everyone Saves Green Dragon),' which encourages employees to participate in energy-saving activities at work. Through activities such as ① separating waste, ② using tumblers, ③ reducing paper usage, ④ conserving water, ⑤ setting PCs to energy-saving mode during lunch breaks, and ⑥ unplugging electrical devices, we achieved a partial reduction in energy consumption in 2023 compared to the previous year. Additionally, starting in 2024, we have replaced all printing paper with eco-friendly certified paper and have implemented further activities such as distributing mugs, encouraging double-sided printing, and automatic lighting shut-off after 11 p.m., all aimed at making energy savings a daily practice.



Employee Environmental Training

Studio Dragon is enhancing environmental management awareness by regularly conducting environmental training for employees, sharing the company's environmental management strategy and system, key management areas, and issues.

Training Title	Content	Target Participants	Frequency
Recommended Training	Education to raise awareness of the importance of the environment and climate change, including carbon neutrality and resource recycling	All employees	As needed
Capacity Building Training	ISO 14001 system implementation briefing and employee environmental management capacity building training	8 members of the audit collaboration department	Annually (2023.02.08)

Participation in Earth Hour & Earth Day

Studio Dragon is actively participating in international environmental protection campaigns. We take part in the 'Earth Hour' campaign organized by the World Wide Fund for Nature (WWF), conducting activities such as turning off office lights, and are also actively involved in the 'Earth Day' campaign established by the United Nations.



Environmental Management

Strategy

Promotion of Green Purchasing

Studio Dragon has defined green purchasing products and developed a green purchasing policy to minimize the environmental impacts during the production process. In 2023, we recorded green purchasing achievements totaling approximately KRW 8 million, which represents 64% of our total purchasing performance. In response to growing environmental concerns, Studio Dragon plans to enhance its eco-friendly purchasing management system in 2024.

Studio Dragon Green Purchasing Policy

- 1 Purpose
- Studio Dragon aims to contribute to sustainable development by actively encouraging and promoting the purchase of sustainable consumables through green purchasing, thereby preventing resource waste and environmental pollution.
- 2 Overview of Green Products
- Green products refer to those defined under Article 66, Paragraph 4 of the 'Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis'.
- 3 Scope of Application - Consumables
- A. Refers to prioritizing the purchase or use of products defined by domestic laws related to eco-friendly/green products or those that have obtained domestic and international eco-friendly/green certifications.

B. Facility-related consumables and fixtures used in offices

C. Office supplies used for business purposes in offices (desks, chairs, and simple consumables, etc.)

D. Interior construction materials (paint, etc.)
- 4 Purchasing Policy
- To actively practice ESG management through green purchasing activities, we adhere to the following policies.

A. Through green purchasing activities, we establish and expand environmental management, fulfilling our social responsibilities and roles.

B. We prioritize green purchasing when procuring items.

C. We purchase from suppliers who strive to provide high-quality and eco-friendly services.

D. We conduct regular monitoring and evaluation of green purchasing activities and make improvements as needed.

Metrics and Targets

Metrics and Targets

Studio Dragon is committed to strengthening environmental management by monitoring key indicators such as the number of environmental regulation violations and the amount spent on eco-friendly purchases. Recently, the company has demonstrated its dedication to green management by purchasing eco-friendly supplies and consumables that have obtained environmental labels and excellent recycling certifications. For 2024, Studio Dragon aims to maintain its ISO 14001 certification, undergo third-party verification of its greenhouse gas inventory, and conduct training in preparation for ISO 14001 certification audits.

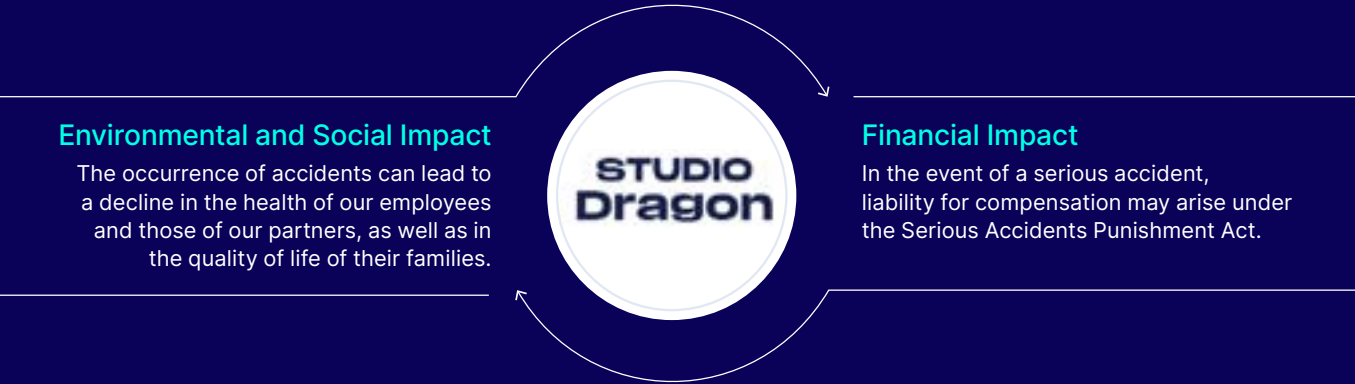
Category	Unit	2021	2022	2023
Number of Environmental Regulation Violations	Case	0	0	0
Amount Spent on Eco-Friendly Purchases	KRW million	2.63	5.75	8.02



Material Topic.

Safety Management in Production Sites

Safety management is paramount in content production. Since 2022, with the implementation of the Serious Accidents Punishment Act for workplaces with 50 or more employees, proactively identifying and addressing safety-related risks for both employees and partners has become essential. Studio Dragon is committed to creating a safe work environment by implementing various safety enhancement activities under its Safety and Health Management Policy, including industrial accident prevention campaigns and risk assessments at production sites. We will continue to support all stakeholders in working safely and strengthening their safety management capabilities through diverse initiatives.



	Activity	Achievement	Goal
2023 Key Activities and Achievements	1 Strengthening safety management in production sites	1. Publication of Safety Standards Manual 2. Safety Campaign: Awarding best practices every quarter 3. Operation of Safety Monitoring Group	~2024 Obtain ISO 45001 certification for the Occupational Health and Safety Management System
	2 Conducted a minimum of three risk assessments at the production site for each project	1. 100% response rate for safety inspection action results 2. Completion Rate of Mandatory Training for Safety Personnel at Partner Companies (Manager: 88.3% / Supervisors: 82.4%)	



Scan the QR code or click the image to watch the <Safety Management in Production Sites> video.

Material Topic. Safety Management in Production Sites

Governance

BOARD Level

Studio Dragon has established an Occupational Safety and Health Committee as the highest decision-making body for safety and health matters, which oversees and manages these concerns. Chaired by the Safety and Health Management Representative (the CEO), the committee meets quarterly and includes an equal number of labor and management representatives. To comply with regulations such as the Serious Accidents Punishment Act and the Occupational Safety and Health Act, the committee formulates, implements, and manages safety and health management policies and regulations. Additionally, it discusses and makes decisions on necessary measures to prevent safety accidents and industrial disasters.

2023 Key Resolutions of the Occupational Safety and Health Committee

- 1

Matters regarding formulating an industrial accident prevention plan (Article 15 of the Act)
- 2

Matters regarding preparation and amendment of safety and health management regulations (Articles 25 and 26 of the Act)
- 3

Matters regarding safety and health education for employees (Article 29 of the Act)
- 4

Matters regarding monitoring and improvement of the work environment, including work environment measurements (Article 125 of the Act)
- 5

Matters regarding health examinations and health management of employees (Article 129 of the Act, etc.)
- 6

Matters regarding investigation of causes of serious accidents and formulation of measures to prevent recurrence (Article 56 of the Act)
- 7

Matters regarding recording and maintaining statistics on industrial accidents (Article 15 of the Act)
- 8

Matters concerning measures to ensure safety and health where hazardous or risky machinery, apparatus, and other equipment are introduced (Article 24, Paragraph 2 and 3 of the Act)
- 9

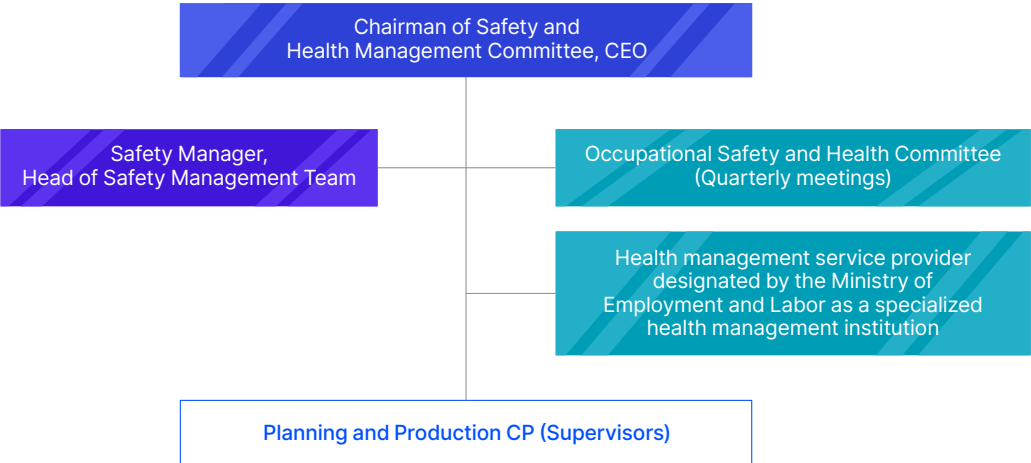
Other matters necessary to maintain and promote the safety and health of employees at the relevant place of business (Article 24, Paragraph 4 of the Act)

MANAGEMENT Level

In 2022, a Safety Management Team was established directly under the CEO to manage and oversee the safety management process throughout all stages of drama production, from planning to production. The Safety Management Team shares decisions made by the Occupational Safety and Health Committee with all employees and on-site workers. On drama production sites, the team holds Safety and Health Councils with partners at least three times per project and conducts frequent on-site safety meetings to ensure quick decision-making and improvement activities related to all safety and health matters.

Studio Dragon Safety and Health Organization Chart

* As of June 27, 2024



Material Topic. Safety Management in Production Sites

Strategy

Safety and Health Management Policy



[Safety and Health Management Policy](#)

In 2022, Studio Dragon established and publicly distributed the ‘Safety and Health Management Policy’ for employees, partners, and stakeholders, which was approved by the CEO. To prevent safety accidents and protect stakeholders vulnerable to safety risks on production sites, we developed the ‘Safety and Health Management Regulations’ and the ‘Safety Management System Manual.’ Additionally, for shoots where emergencies such as explosions, fires, flames, falls, collisions, cuts, electric shocks, and drowning may occur, we enhance our safety and health management by preparing a pre-safety checklist in accordance with the ‘Basic Guide for Dangerous Filming.’ Furthermore, Studio Dragon operates a Work Stoppage Right System, granting all employees and workers on production sites the authority to halt work in the event of imminent or severe industrial accidents, thereby safeguarding the right of all stakeholders to voice concerns about safety.

Establishment of Safety Management System

In 2022, Studio Dragon established a safety management system focused on three key elements: applying safety management standards to production sites, implementing safety management education, and inspecting the current status of safety management. To lead in the management of production environment safety, Studio Dragon is working towards achieving the ISO 45001 certification for Occupational Health and Safety Management Systems by 2024, aiming to be the first in the drama production sector to obtain this certification.

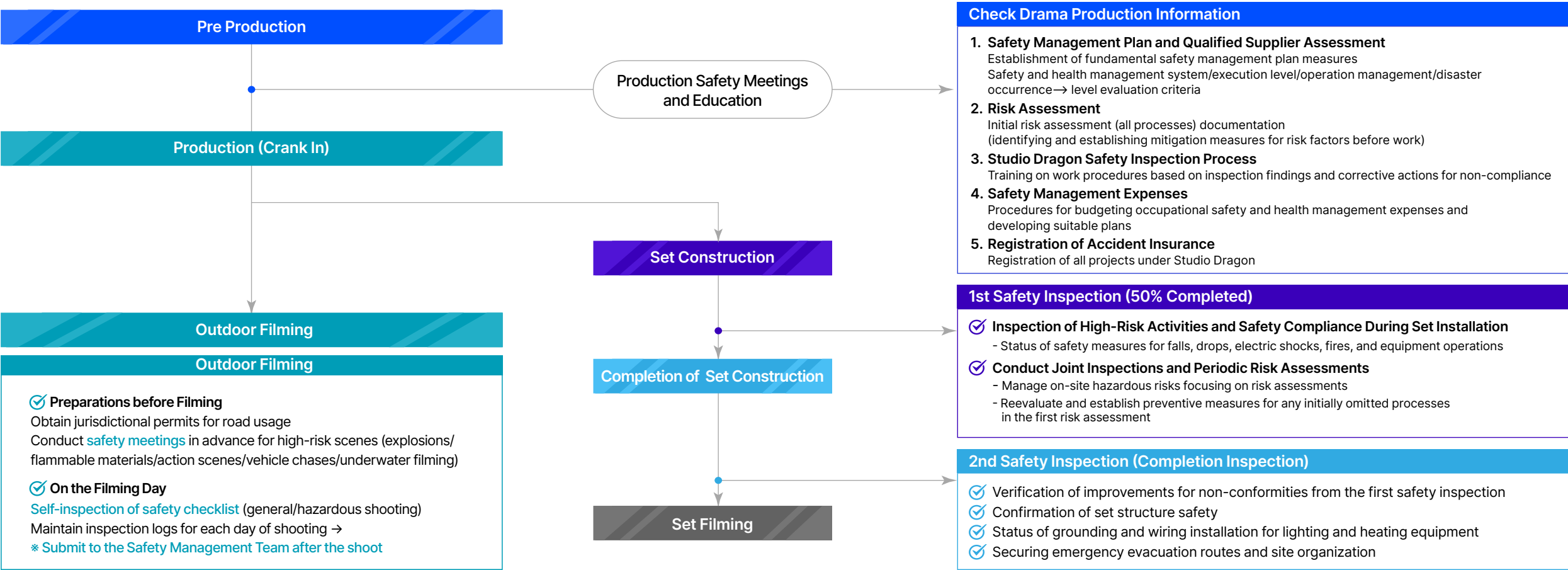


Material Topic. Safety Management in Production Sites

Strategy

Operation of Production Site Safety Management Process

Studio Dragon's Safety Management Team supports and supervises production partners to ensure proactive on-site safety management throughout the entire drama production process, from pre-production to completion, under a systematic safety management system. Before initiating a project, production partners must submit a safety management plan, complete the required legal training for safety management personnel, and perform an initial risk assessment. Once the project is underway, two safety inspections are conducted to verify the safety of the filming site before filming begins.



Material Topic. Safety Management in Production Sites

Strategy

Implementation of Safety TAG System

To prevent fall accidents on production sites, Studio Dragon implemented a Safety TAG system starting in October 2023. This system involves conducting safety inspections on temporary structures and work platforms, such as ladders, mobile scaffolding (B/T), and steel pipe scaffolding, before they are used. If the equipment is deemed safe, a blue tag (use permit) is attached; if it is deemed unsafe, a red tag (usage prohibition) is attached. This system allows users to intuitively confirm the safety of the equipment, thereby preventing accidents and creating a safer working environment.



Distribution of Safety Standards Manual

In September 2023, Studio Dragon distributed a manual for production directors and safety officers at production companies. The manual introduces the obligations for ensuring safety and health compliance with domestic regulations and outlines Studio Dragon's safety management processes. It offers guidance on safety standards and inspection methods based on risk management scenarios encountered during set production and filming, enabling self-sufficient safety management at each production site.

Key Contents of Studio Dragon's Safety Standards Manual

Production Safety Standards	Safety guidelines for construction and filming phases and examples of compliance/non-compliance
Safety Facility Installation Standards	Methods for installing safety facilities to prevent falls and falling objects
Equipment Safety Management Standards	Safety inspection by parts for forklift, mobile crane, and aerial work platform

On-Site Safety Monitoring Group

Starting from November 2023, Studio Dragon is enhancing safety management by deploying on-site safety monitoring groups at the Paju Studio Center, where production projects are concentrated. The safety monitoring groups conduct pre-safety inspections to eliminate hazards during high-risk activities such as set construction, lighting installation, and dismantling. They also oversee the use of personal protective equipment and monitor the worksite to prevent accidents and encourage compliance with safety regulations.

Material Topic. Safety Management in Production Sites

Strategy

Conducting Industrial Accident Prevention Campaigns

Studio Dragon is conducting a 'Basic Safety Rules Campaign' for all production companies involved in drama projects, as well as for collaborators responsible for sets, props, lighting, and other elements. Each quarter, key safety activities are selected, and random site inspections are conducted to raise awareness, with projects that excel in adhering to safety rules being identified and rewarded. If violations of safety rules are found, work is halted until the issues are resolved, and then work resumes. Additionally, specific violations of Occupational Safety and Health Act and safety rules are designated, and a 'Three-Strikes Safety Out' system is implemented to impose sanctions for violations, aiming to prevent industrial accidents.

Selection of Outstanding Projects for Quarterly Key Safety Activities in 2023

Quarter	Project Title	Outstanding Cases
2nd Quarter	Maestra	1) Excellent Implementation of Studio Dragon Safety System 2) First Implementation of Safety Management Guide for 'Temporary Scaffolding' 3) Excellent Improvement of Non-Conformities Identified During Safety Inspections
3rd Quarter	A Bloody Lucky Day	1) Excellent Implementation of Studio Dragon Safety System 2) Excellent Planning and Implementation of Safety Management Plans for High-risk Scenes (Fire) 3) Installation of Safety Guardrails at the Step Boarding Area of Tow Trucks
4th Quarter	The Midnight Romance in Hagwon	1) Excellent Implementation of Studio Dragon Safety System 2) Excellent Application of Steel Structure in Stairwell 3) Excellent Compliance with Safety TAG System for Work Platforms

2023 Q4 Safety Management Excellence Project Awards Ceremony



Safety and Health Training Using VR

Studio Dragon regularly conducts safety training for all employees and safety officers from partner companies in accordance with the Occupational Safety and Health Act. In November 2023, in collaboration with the Korea Occupational Safety and Health Agency, we held an experiential safety training session for production site safety officers using VR technology. Participants experienced virtual scenarios of accidents that could occur from violating safety regulations on set, enhancing their awareness of safety risks and learning about the importance of safety management.

Conducting Safety Training Using VR

Photo Credit: Studio Dragon



Safety and Health Training in 2023

Training Title	Target Participants	Frequency and Duration	Number of Participants
Job Training for Safety and Health Management Officers	Safety and Health Management Officers	Once every 2 years after completing new training (6 hours)	1 person
Regular Safety and Health Training	All Employees (including contract workers)	Quarterly (6 hours)	176 persons
Supervisor Training	Supervisors	Annually (16 hours)	9 persons

Material Topic. Safety Management in Production Sites

Strategy

Conducting Risk Assessments

Studio Dragon conducts risk assessments to identify hazardous factors and their levels at production sites, and to establish corresponding improvement measures. The risk assessments use safety inspection checklists for each piece of equipment, based on the on-site safety management standards developed in 2023. This process identifies hazardous and risk factors, evaluates their likelihood on a scale of high, medium, and low, and assesses their severity on a scale of major, medium, and minor to determine the final risk level. Based on this final risk level, decisions are made regarding the necessity and timing of improvements, and the results of these improvement actions are collected and managed. In 2023, safety inspections were carried out for 17 safety management projects, with each project undergoing three inspections (one initial risk assessment and two ad-hoc risk assessments), totaling 51 safety inspections. The response rate for corrective actions based on safety inspection results was 100%. Studio Dragon plans to continue implementing ongoing improvement measures to reduce risk factors at production sites.

Risk Assessment Operational System

Category	Detail																	
Relevant Laws	<ul style="list-style-type: none">Occupational Safety and Health Act Article 36 (Implementation of Risk Assessment)Enforcement Decree of the Occupational Safety and Health Act Article 15 (Duties of Management Supervisors)Enforcement Decree of the Serious Accidents Punishment Act Article 4 (Establishment and Implementation Measures of Safety and Health Management Systems)																	
Operational Procedures	Steps	Safety Management Team	Producer															
	Newcomer Training	Provision of risk assessment samples	Conduct a pre-construction risk assessment before breaking ground															
	First Inspection	Guidance/advice	Safety personnel and set team-led risk assessments															
	Completion Inspection	Guidance/advice	Safety personnel/set team/lighting/props															
	Incident	Suggestions for improvement	Conduct a risk reassessment (corresponding department)															
Assessment Methods	<ul style="list-style-type: none">Determination of legality based on the implementation of risk assessment																	
	Risk Assessment		Classification and Scope of Management															
	Severity (intensity) Likelihood (frequency)	Major(3 points) Medium(2 points) Minor(1 point)	Risk Level A(6~9 points) B(3~4 points) C(1~2 points)															
	<div><div>Risk Assessment Risk Chart (3x3)</div><table><tr><td>High(3 points)</td><td>A(9 points)</td><td>A(6 points)</td><td>B(3 points)</td></tr><tr><td>Medium(2 points)</td><td>A(6 points)</td><td>B(4 points)</td><td>C(2 points)</td></tr><tr><td>Low(1 point)</td><td>B(3 points)</td><td>C(2 points)</td><td>C(1 point)</td></tr></table></div>	High(3 points)	A(9 points)	A(6 points)	B(3 points)	Medium(2 points)	A(6 points)	B(4 points)	C(2 points)	Low(1 point)	B(3 points)	C(2 points)	C(1 point)	<div><div>Classification of Risk Assessment Improvements</div><table><tr><td>Degree of Improvement</td><td>Immediate Improvement</td><td>Improve</td><td>Maintain Current Status</td></tr></table></div>	Degree of Improvement	Immediate Improvement	Improve	Maintain Current Status
High(3 points)	A(9 points)	A(6 points)	B(3 points)															
Medium(2 points)	A(6 points)	B(4 points)	C(2 points)															
Low(1 point)	B(3 points)	C(2 points)	C(1 point)															
Degree of Improvement	Immediate Improvement	Improve	Maintain Current Status															

Example of Safety Inspection Checklists



Material Topic. Safety Management in Production Sites

Metrics and Targets

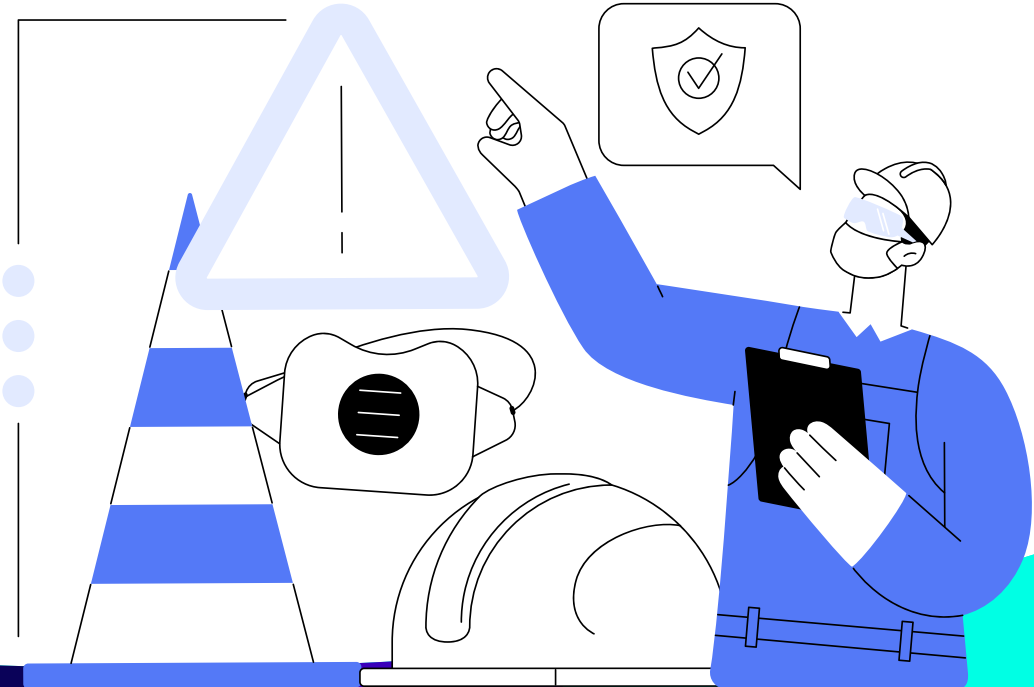
Metrics

Studio Dragon manages indicators such as work-related injuries, health issues for both employees and non-employees, and the employee lost time injury frequency rate to enhance safety management in the production environment.

Category		Unit	2021	2022	2023
Employees	Severe Injuries	Case	0	0	0
	Number of Recordable Work-Related Ill Health	Case	0	0	0
Employee Lost Time Injury Frequency Rate		%	0	0	0
Completion Rate of Mandatory Training for Safety Personnel at Partner Companies	Managers	%	Not Applicable	Not Applicable	88.3
	Supervisors	%	Not Applicable	Not Applicable	82.4

Targets

Studio Dragon is developing quarterly plans to achieve ISO 45001 certification, an international standard for occupational health and safety, while implementing an advanced safety management system. In the first half of the year, we will conduct training for practitioners, review the adequacy of documented information within the safety and health management system, and set up the safety management system. Building on this, in the second half of the year, we aim to meet ISO 45001 requirements through the operation of the safety and health system, internal audits, and management reviews.



Material Topic.

Promoting DEI Through Content

As media content becomes more universal and familiar to the public, adherence to social responsibility by content producers has become essential. Studio Dragon recognizes the impact and influence of content and aims to contribute to solving various social issues and spreading positive influence through content creation that incorporates Diversity, Equity, and Inclusion (DEI) values. To achieve this, regular meetings are held between the management and relevant departments, and efforts are made to ensure diversity in hiring production personnel.



	Activity	Achievement	Goal
2023 Key Activities and Achievements	1 Managing the appropriateness of content themes and stories through the convening of the G.L.C (Green Light Committee).	Producing dramas that incorporate DEI values. 4 dramas	~2024 Dramas produced through the O'PEN program 10 dramas
	2 Operating the O'PEN program to support new creators.	O'PEN produced content in 2023 7 dramas	

이야기를 통한 DEI



Scan the QR code or click the image to watch the <Promoting DEI Through Content> video.

Material Topic. Promoting DEI Through Content

Governance

BOARD Level

Studio Dragon’s business goal is to create stories that embody social values and to share the emotional impact of these values with people around the world. To thoroughly manage the story and message conveyed in the content from the pre-production stage, the G.L.C (Green Light Committee), including the CEO, meets every two weeks to decide on content production and platform proposals. As the global trend in the media and content industry continues to emphasize DEI (Diversity, Equity, and Inclusion) as core values, Studio Dragon also strives to address social issues related to prejudice and discrimination by producing content that reflects DEI values.

G.L.C (Green Light Committee)	
Participants	<div><div>- CEO</div><div>- Head of Planning and Production</div><div>- All CPs (Chief Producers)</div><div>- Head of Content Strategy and Distribution Team</div></div>
Agenda	<div>Proposal of platforms for presented works</div>

MANAGEMENT Level

To create content that includes DEI values, various specialized teams at Studio Dragon collaborate. The Content Strategy and Distribution Team operates the G.L.C. and manages the appropriateness of content materials and stories at the pre-production phase by negotiating with platforms based on G.L.C. results and internal judgment criteria. They also support a program for new creators to promote diversity among production personnel. The Content Business Team manages compliance risks related to media and content review and regulations to ensure that elements contrary to social values are not included in Studio Dragon’s content.

Studio Dragon Content Management Organizational Structure



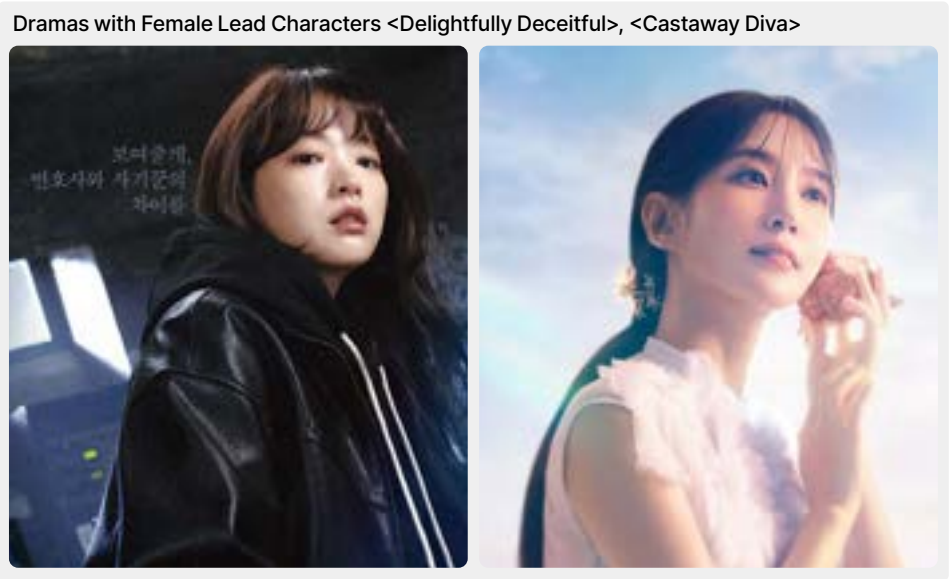
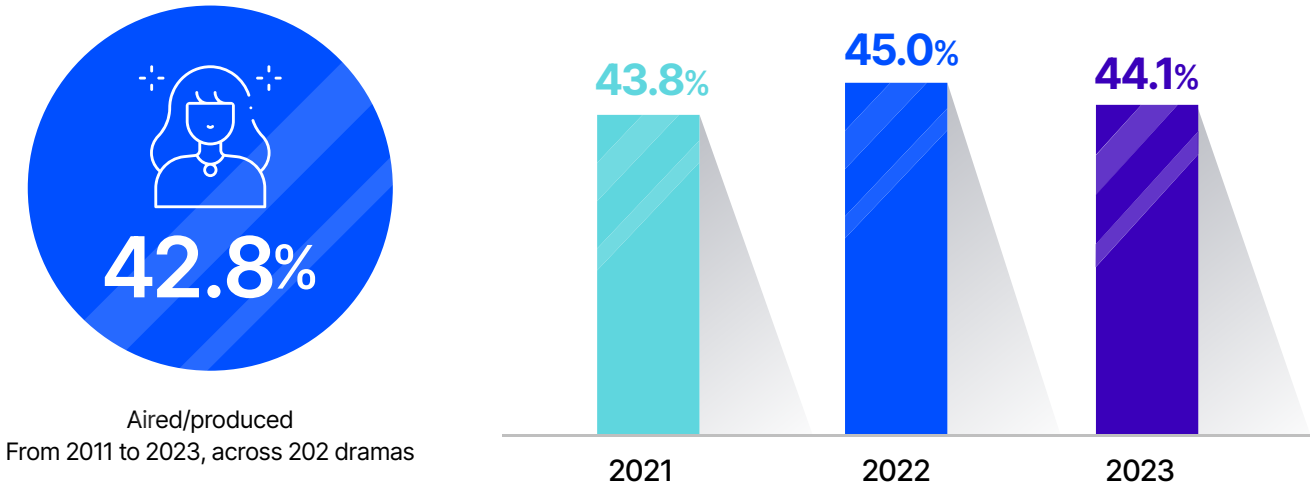
Material Topic. Promoting DEI Through Content

Strategy

Expansion of Content Production with Female Leads

Studio Dragon is committed to advancing DEI values in its content by producing dramas with female leads. An analysis of over 830 lead characters in Studio Dragon-produced dramas broadcast by 2023 revealed that the proportion of female characters was 42.8%. The trend over the past three years shows 43.8% in 2021, 45.0% in 2022, and 44.1% in 2023, indicating a significant increase in the roles of women compared to the 2010s. Additionally, Studio Dragon has produced numerous dramas where female leads break away from traditional gender roles and take on diverse and proactive roles. Historically, male characters often drove the story in genres like investigation, crime, and medical dramas. For example, the 2011 medical drama <Brain>, which achieved a peak rating of 17.9%, featured three out of four major doctors as male, with the main character also being male. Similarly, crime dramas like <38 Task Force> in 2016 and <The Vampire Detective> in 2017 were predominantly led by male characters. In contrast, the 2023 crime drama <Delightfully Deceitful > featured 'Lee Ro-um,' a female genius swindler, as a central character in the narrative. Changes are also evident in the romance genre regarding female roles and relationships between female characters. Previously, romance dramas focused on the relationship between male and female leads, as well as the interactions between female characters and their surrounding figures. However, in the 2023 drama <Castaway Diva>, the romance centers on the growth story of the female lead, 'Seo Mok-ha,' and her relationship with the female lead, 'Yoon Ran-joo.'

Percentage of Female Lead Characters



Material Topic. Promoting DEI Through Content

Strategy

Telling the Stories of Minorities

Studio Dragon strives to convey the stories of marginalized individuals through its content and has produced dramas featuring one sexual minority character and seven characters with disabilities up to 2023. To effectively promote DEI values, it is essential not only to include minorities but also to thoughtfully consider their representation. Studio Dragon portrays social minorities not as passive or dependent but as proactive and independent characters. By continuously producing content that addresses the experiences of marginalized groups, Studio Dragon aims to contribute to the spread of DEI values by encouraging the appreciation of diverse differences.



Twinkling Watermelon 2023 tvN

A time-travel fantasy of CODA teenager, depicting the journey of a teenager with disabled parents as they navigate their struggles and find happiness, while also portraying the hope of overcoming disabilities.



Our Blues 2022 tvN

It portrays socially marginalized individuals, such as people with disabilities, those suffering from depression, and various types of families, with warmth and conveys the message that they should be respected.



Under the Queen's Umbrella 2022 tvN

The drama depicts the struggles of a mother and queen fighting to protect her children. Despite being a historical drama, it incorporates a variety of characters, notably portraying the fourth prince, Gyesung Daegun, as a sexual minority and illustrating the process of embracing him.



Mine 2021 tvN

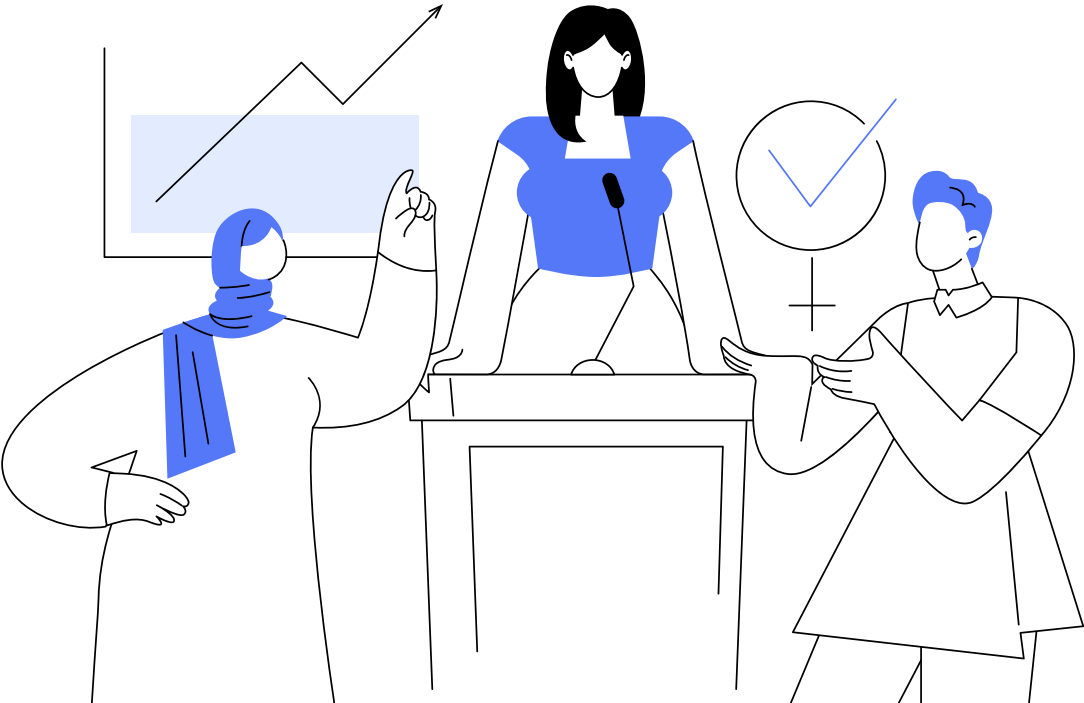
The story depicts the solidarity of women standing up against power. Jang Seo-hyun, a key character who is a sexual minority, is praised for her nuanced depiction of revealing her gender identity, which has elicited understanding and empathy from viewers.

Material Topic. Promoting DEI Through Content

Metrics and Targets

Metrics and Targets

Studio Dragon manages various metrics to promote DEI values through content, including the number of DEI value-based dramas produced, the popularity of DEI dramas, and the number of dramas written by emerging creators. Among Studio Dragon's productions, dramas that address key diversity issues recognized internationally, such as gender (LGBTQ+, women's solidarity), social justice (polarization, school violence), and generational integration in Korean society, are classified as DEI value-based dramas. In 2023, the company produced four dramas incorporating DEI values. In 2024, Studio Dragon plans to increase the number of DEI dramas to spread DEI values through more diverse themes and messages. Additionally, the company aims to produce ten dramas written by emerging creators through ongoing support for new talent.



Broadcast Year	Title of Content	Channel	Social Issues Addressed
2023	Twinkling Watermelon	tvN	Social minorities, diversity, inclusivity
2023	The Glory Part 2	Netflix	Social justice (school violence)
2023	Maestra	tvN	Gender
2023	Lies Hidden in My Garden	ENA	Gender (female solidarity)
2022	Military Prosecutor Doberman	tvN	Diversity, equity
2022	Our Blues	tvN	Social minorities, diversity, inclusivity
2022	Little Women	tvN	Social justice (polarization), equity
2022	Under the Queen's Umbrella	tvN	Gender (family love)
2022	Juvenile Justice	Netflix	Social justice (juvenile delinquent)
2022	The Glory	Netflix	Social justice (school violence)
2021	Navillera	tvN	Social minorities, generational integration
2021	Mine	tvN	Gender (sexual minorities, female solidarity)
2021	The Devil Judge	tvN	Social justice

Material Topic.

Respect for Human Rights and Diversity

Recently, the international society and major global initiatives related to ESG have actively encouraged companies to act responsibly on human rights issues. Studio Dragon is responding to these societal demands by establishing a 'Human Rights Management Declaration' and carrying out human rights management activities based on this framework. Additionally, to build an organizational culture that embraces diversity, Studio Dragon provides job opportunities to socially vulnerable groups. Through these efforts, Studio Dragon aims to internalize human rights management, proactively manage ESG risks, and secure sustainable competitiveness.



	Activity	Achievement	Goal
2023 Key Activities and Achievements	1 Conducting human rights risk management activities under the Open Council	Open Council held in 2023 4 times	~2024 Publicizing human rights management policy
	2 Hiring socially vulnerable groups	Number of disabled employees 1 person	~2025 Identifying key on-site human rights risks through the implementation of human rights impact assessments
	3 Operation of stakeholder human rights grievance handling and remedy system	Receipt and resolution of human rights grievances in 2023 1 case	



Scan the QR code or click the image to watch the <Respect for Human Rights and Diversity> video.

Material Topic. Respect for Human Rights and Diversity

Governance

BOARD Level

Studio Dragon's human rights and diversity-related issues are overseen by the Open Council and are reported to the CEO after obtaining agreements from the HR department.

MANAGEMENT Level

The Internal Grievance Handling Committee, selected through a company-wide vote in the open council, receives and manages grievances related to the human rights of members. The HR department of Studio Dragon respects human rights and identifies and implements improvement tasks to build an organizational culture that recognizes diversity, while monitoring related performance. To ensure that human rights impacts are considered and diversity is respected in all content-related processes, the company prioritizes the review of human rights risks when developing policies and strategies in relevant departments.



Strategy

Human Rights Management Declaration

Studio Dragon respects and supports the Universal Declaration of Human Rights, the UN Global Compact's Ten Principles, and the Eco-Balanced Content Production (ECP) initiative, while complying with human rights and labor regulations in each country or region where it operates. Additionally, we uphold respect for human rights and diversity as fundamental principles of our business management and practice human rights management through our 'Human Rights Management Declaration,' approved by the CEO. This declaration encompasses principles of diversity and inclusiveness, ensuring that Studio Dragon's members are not discriminated against based on factors such as region of origin, age, gender, gender identity, disability, marital or pregnancy status, religion, or political views, and that their human rights are fully respected.

Studio Dragon Human Rights Management Declaration



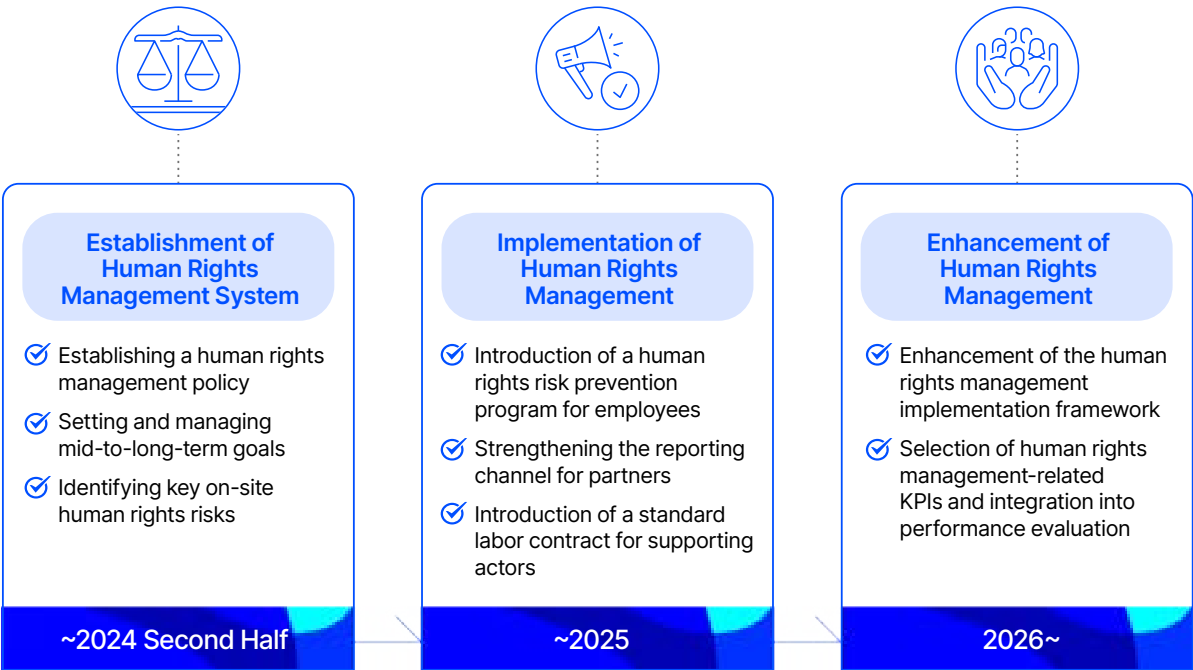
Material Topic. Respect for Human Rights and Diversity

Strategy

Establishment of Human Rights Management Strategy and Goals

In order to build a human rights management system. Studio Dragon is in the process of establishing a human rights management policy, with the aim of announcing it in the second half of 2024. Additionally, we have developed a mid-to-long-term roadmap to lay the foundation for advancing respect for human rights and diversity.

Studio Dragon Mid-to-Long-Term Human Rights Management Roadmap



Efforts to Respect Diversity and Prevent Discrimination

Studio Dragon does not discriminate against employees or applicants based on gender, race, nationality, disability, religion, or any other reason, and ensures fair treatment in employment, wages, promotions, and compensation processes. All employees are given equal opportunities based on their abilities and qualifications, and receive fair evaluations and rewards according to their performance. We offer various maternity protection systems, including maternity leave, parental leave, and infertility leave, to help female employees balance work with childbirth and child-rearing in a healthy and comfortable manner. Additionally, we have policies like child care leave and parental leave available to all employees regardless of gender, supporting their happy family life. Furthermore, Studio Dragon provides preferential treatment in hiring for socially vulnerable groups, such as people with disabilities and veterans, to help them achieve economic independence and a sense of accomplishment through quality employment. Moving forward, Studio Dragon is committed to establishing a corporate culture where diversity and inclusion are assured, securing continuous growth opportunities for all members.

Studio Dragon Maternity Protection System

Category	Target	Support Details
Maternity leave	Female employees who are pregnant and male employees with spouses who are about to give birth	Female 90 days / Male 14 days
Infertility leave	Legally married employees without children who have undergone artificial insemination or in vitro fertilization procedures	Female total 42 days / Male 3 days
Adoption leave	Employees who are adopting a child	14 days
Child's school enrollment leave	Granting leave to employees with children entering elementary school around the date of school enrollment	Total 4 weeks
Family care leave	Supporting family care for employees due to reasons such as illness, accidents, old age, or child-rearing	Up to 10 days
Parental leave	Members with children aged 8 or under, or in 2nd grade or lower, at the start of their leave	Up to 2 years
Spousal leave	Members whose spouse is scheduled for overseas work/assignment/study	Up to 2 years
Fertility leave of absence	Women undergoing infertility treatments	Up to 6 months
Prenatal checkup leave	Female employees in a high-risk pregnancy	2 hours of reduced work per day

Material Topic. Respect for Human Rights and Diversity

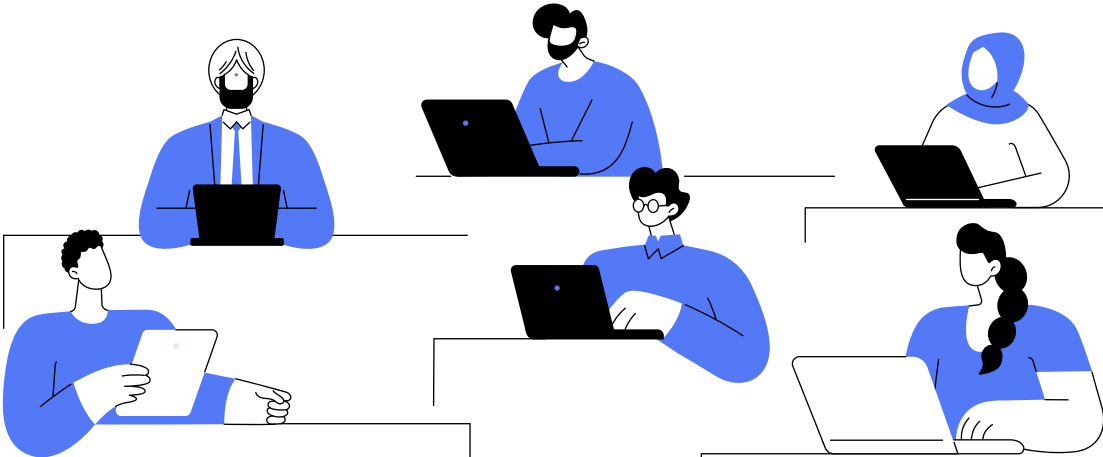
Strategy

Conducting Human Rights and Diversity Education

As part of fostering a culture of mutual respect and recognizing each employee as an individual, Studio Dragon conducts annual training on workplace harassment prevention, sexual harassment prevention, and disability awareness. We provide online training for all employees each year and ensure that production staff receive relevant information through scripts that include educational content and contact details for counseling and reporting. To further enhance human rights awareness and promote human rights management practices among all employees, we create and distribute a 'Human Rights Management Story' card newsletter. In 2023, we released two editions focusing on the 'Introduction to Human Rights Management' and 'Issue Cases and Redress Processes.' Moving forward, we will continue to regularly produce and distribute these newsletters to raise awareness of human rights management and cultivate a work environment where human rights are respected.

2023 'Human Rights Management Story' Card News

Course Name	Key Content	Target Audience
Introduction to Human Rights Management	<ul style="list-style-type: none">• The meaning and importance of human rights management• Guidelines for human rights management, UN Guiding Principles on Business and Human Rights (UNGPs)• Studio Dragon's human rights management roadmap, etc.	All employees
Human Rights Management Issue Cases and Redress Processes	<ul style="list-style-type: none">• Examples of actions that can be defined as human rights violations• Studio Dragon's response to human rights violations (prevention, protection of victims, etc.)• Information on Studio Dragon's grievance handling and reporting channels, etc.	All employees



Material Topic. Respect for Human Rights and Diversity

Strategy

Fostering a Production Environment that Honors Human Rights

Studio Dragon respects and protects the human rights of all employees, partner company staff, and on-site personnel involved in content production. We are implementing various activities to establish and spread human rights management in the production environment, and we plan to expand these efforts in the future to strengthen human rights protection.

Distribution of a Practical Guide for Sustainable Content Production Sites

Studio Dragon established the 'Practical Guide for Sustainable Content Production Sites' in 2023 and includes this guide in all drama scripts. Additionally, we recommend that the production director read the guide before filming. The guide consists of eight topic-specific sections, including mutual respect and the prohibition of sexual harassment, detailing potential misconduct that could occur on set and providing principles for prevention. It also includes contact information for labor, legal, and safety management personnel in the counseling and reporting channels.

Key Content of the Practical Guide for Sustainable Content Production Sites

- | | |
|-------------------------------------|--|
| 01 Mutual Respect | 05 Child/Youth Participation |
| 02 Prohibition of Sexual Harassment | 06 Confidentiality |
| 03 Safety | 07 Community/Environment/Animal Protection |
| 04 Prohibition of Illegal Filming | 08 Reporting and Responding to Misconduct |

Strengthening Psychological Support for Workers, Including Those from Partner Companies

Drama production sites are at high risk for safety accidents and work-related stress due to the nature of the work and long hours of filming. In the event of emergencies such as severe accidents, we have implemented an immediate response system to halt filming and provide psychological support programs for all production staff. To ensure that such responses are not one-time solutions but become systematic, Studio Dragon is developing an Employee Assistance Program (EAP). Studio Dragon is committed to addressing stress and personal grievances for all members, including those from partner companies, to support the well-being of everyone working on set.

Efforts to Respect Labor Rights in the Production Environment

Studio Dragon is dedicated to respecting the labor rights of both our employees and production staff. Since 2020, Studio Dragon has implemented standards for filming hours and break times at production sites and adheres to the 'Standard Contract for the Broadcasting Sector' issued by the Ministry of Culture, Sports, and Tourism, leading efforts to enhance the drama production environment. Additionally, we are working towards introducing a standard employment contract for supporting actors by 2025.

Material Topic. Respect for Human Rights and Diversity

Risk Management

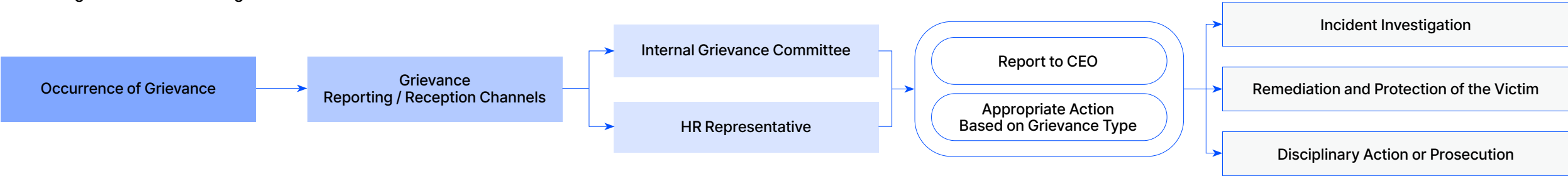
Handling and Redress of Human Rights Grievances

Studio Dragon has established a robust human rights grievance handling system to address concerns from all stakeholders, including employees of partner companies. Internal grievance handling is categorized into ongoing feedback collection and ad-hoc complaint reception, with support provided by an in-house labor counselor through education and counseling. Issues related to production sites can be reported via our hotline, email, and counseling system. We assist with grievances involving human rights violations such as sexual harassment, illegal filming, and infringement on the rights of child and adolescent performers. Additionally, in compliance with relevant laws, we guarantee the anonymity of whistleblowers, and confidentiality agreements are signed. In 2023, Studio Dragon received and promptly investigated one human rights grievance, taking immediate corrective action. Looking ahead, by 2025, we plan to establish a staff consultation committee for drama production sites to create a regular system for addressing and resolving issues that arise on set.

Human Rights Grievance Reporting and Reception Channels

Reporting Channels	Consultation with HR team labor counselor, Labor Management Council hotline, Grievance Handling Committee, Group Hotline System
Scope of Reporting Targets	Studio Dragon and partners' employees
Reporting Content	Reporting workplace harassment, planning activities to enhance organizational culture, etc.
Measures to Ensure Anonymity	Signing a confidentiality agreement, disciplinary action for breaches of confidentiality by responsible personnel, and ensuring confidentiality of reports through the system.

Studio Dragon Grievance Handling and Redress Process





Material Topic. Respect for Human Rights and Diversity

Risk Management

Human Rights Risk Management

As part of its human rights risk management activities, Studio Dragon operates the Open Council to identify human rights issues arising on production sites. The Open Council, composed of an equal number of worker and employer representatives, meets quarterly to address employees' human rights-related grievances and to support necessary actions for resolving these issues.

Category	Details
Frequency	· 4 times a year (1st: March 30, 2023 2nd: April 26, 2023, 3rd: September 21, 2023 4th: November 29, 2023)
Participants	· 1st, 2nd: CEO, HR representative, 2nd-term worker representatives (5 members) · 3rd, 4th: HR team, 3rd-term worker representatives (5 members)
Key Agendas	· Measures to enhance communication, updates on welfare benefit revisions for 2023, discussion on the direction of Labor Management Council operations following the election of new worker representatives
Actions Taken on Key Agendas	· Hosting sessions between the CEO and production staff to promote direct communication (July 7, 2023 - July 21, 2023)

Metrics and Targets

Metrics and Targets

Studio Dragon works to promote a culture of respect for human rights and diversity by tracking indicators such as the number of human rights grievances reported by employees, the number of employees with disabilities, the number of female managers, and the number of employees taking parental leave.

Category	Unit	2021	2022	2023
Human Rights Grievances Reported ¹⁾	Case	0	2	1
Human Rights Training Completion Rate	%	N/A ²⁾	N/A ²⁾	100
Employees with Disabilities	Person	1	1	1
Female Managers	Person	7	15	9
Employees on Parental Leave	Person	1	1	1

1) Number of grievances reported through all channels, including consultations with labor counselors from the HR team, the Labor Management Council hotline, Grievance Handling Committee, and the groups' hotline system
2) Data management started in 2023

Along with holding regular Open Councils, we plan to conduct a human rights impact assessment by 2025 to manage human rights risks. Our goal is to proactively identify both actual and potential human rights risks that may arise during business operations and to develop response strategies and improvement plans for each issue, thereby actively practicing human rights management.

Employees

Governance

Decision-Making and Implementation Structure

Studio Dragon recognizes that employee satisfaction is crucial to our competitive edge and systematically manages various aspects of our operations to support this. Our HR department provides targeted training programs to attract and develop top talent. We also maintain a performance-based, fair compensation system and employee benefits to promote a balanced work-life environment. Additionally, we hold quarterly Labor Management Councils (Open Councils) to strengthen internal communication and explore ways to enhance the work environment. Studio Dragon is dedicated to incorporating diverse employee perspectives into our management practices, ensuring that all voices are heard and reflected in company decisions.

Strategy

Talent Recruitment and Development Strategy

Studio Dragon embraces the CJ Group's 'Talent First' philosophy and strives to evolve as a company that grows with its employees. Recognizing that talent is the cornerstone of future success, we engage in continuous and open recruitment to attract and nurture both new and experienced professionals. To uphold a transparent and equitable hiring process, we have introduced a certification system for interviewers and leverage CJ Group's digital recruitment platform to boost both transparency and efficiency. Furthermore, our specialized onboarding program for new hires enhances their understanding of the media industry and content production, ensuring a smooth transition into their roles.

Talent Recruitment and Development Framework

Recruitment	Blind Recruitment	
	Category	Content
Talent Development	Basic Program	CJ Youniverse (Classroom Training/Web)
		CJ Campus (Year-round Learning)
	Global Program	Language Course
	Role Training	Entry-level Basic Training
		Basic Training for Experienced New Hires
		New Team Leader Training
		Leadership Effectiveness Multi-Rater Assessment
		Performance Management Leadership
	Job Training	Producer Academy
	Other Trainings	BCB ¹⁾ Program
		Retirees ²⁾ Employment Program

1) BCB(Business Competency Build-up)
2) Members over the age of 50 who change jobs due to involuntary reasons such as retirement age or management needs



Employees

Strategy

Employee Capability Enhancement

Company-wide Training Programs

Studio Dragon fosters a self-directed learning culture through a training system designed to enhance individual employee capabilities. We offer approximately 7,114 courses via CJ Group's online education platform, CJ Campus, covering a broad range of topics including mandatory legal training, CJ management philosophy, foreign languages, leadership, and general knowledge. To nurture specialized talent in content creation and advance leadership in the production industry, we launched a Korean-style Showrunner training program in April 2024 and have resumed our talent development program for production staff, which was paused during the COVID-19 pandemic.

Internal Job Mobility Support System

Studio Dragon encourages self-directed career development by offering opportunities for employees to explore different roles and business areas through our internal recruitment system. We facilitate job rotations that enable employees to experience various content-related positions, thereby strengthening the media and content expertise across the organization.

Education Program Structure

Category	Content	Target Audience	Frequency
Common/ Language Training	CJ Group Youniverse (Classroom Training/Group-wide Competency Training)	All Employees	Annually
	CJ Group Campus Year-round Training (Mandatory Legal Training, etc.)		Ongoing
	Language Tutoring (Support for English, Chinese, etc.)		Ongoing
Strengthening Training	OT (Introduction to Organization and Employee Benefits, Business Strategy and Status, Branding Strategy & Drama Marketing Process, VFX, IP Business Legal Affairs, Public Relations, Risk Management, Drama Planning and Production, Global Business Strategy, etc.)	New Hired Employees	Ongoing
	Studio Dragon Producer Basic (New PD Job Training)	New PDs	Ongoing
	Position-Specific Training (Assessment and Feedback Skills, Leadership Development, etc)	Managers	Annually
	Mini MBA	Core Talents	Ongoing
	Producer Academy	PDs	Ongoing
	Occupational Safety and Health Education	All Employees	Annually
	Environmental Management Training	All Employees	Annually

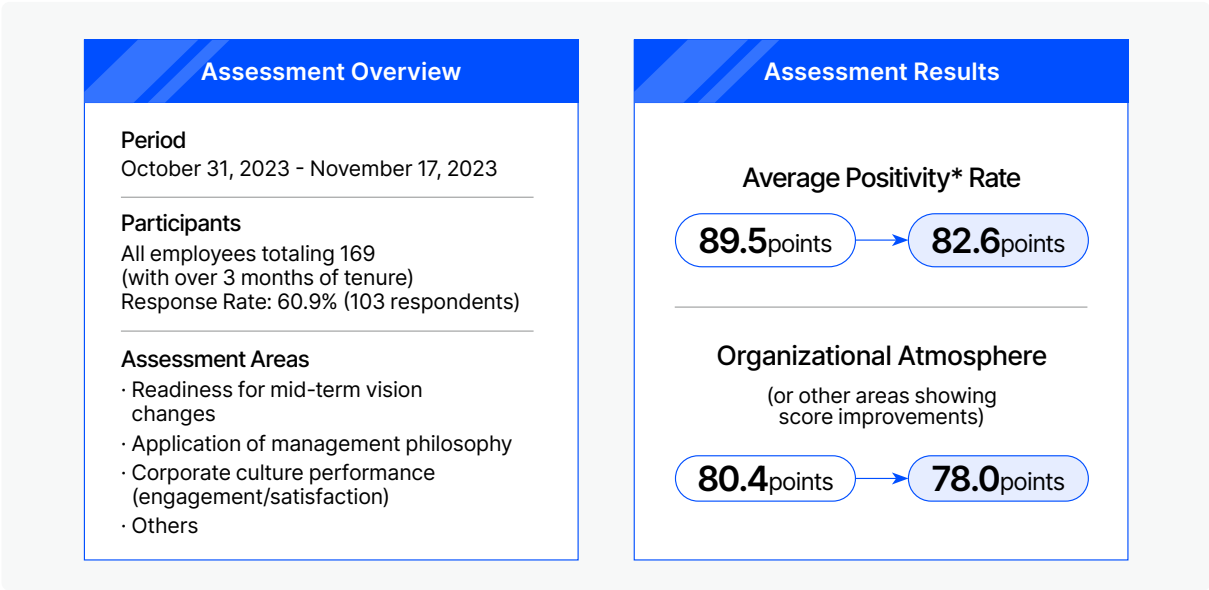


Employees

Strategy

Culture of Conducting Organizational Assessments

Studio Dragon annually utilizes the 'CJ Voice On' survey to assess and enhance employee engagement. Developed by CJ Group, this diagnostic tool evaluates readiness for mid-term vision changes, understanding and application of management philosophy, and the overall organizational atmosphere. By analyzing the results, we identify cultural strengths and weaknesses, develop targeted improvement strategies, and implement initiatives to boost employee engagement and job satisfaction.



* Percentage of employees who rated 3 or higher (on a 5-point scale) among all respondents

Culture of Communication

Studio Dragon operates an ‘Open Council’ (Labor Management Council) to regularly engage with employees, address challenges, and develop solutions. The 2023 committee focused on enhancing communication, updating welfare benefits, and defining operational directions following the election of new worker representatives. Additionally, to strengthen CEO-employee interactions and foster a flexible organizational culture, Studio Dragon hosts regular ‘Company-Wide Sharing Sessions’ (Comm.day) and discussion meetings. In the latter half of 2023, a meeting was organized to address communication enhancement strategies identified by the Open Council. This session provided all production staff with an opportunity to engage directly with the CEO through a Q&A, promoting open dialogue on key issues.

2023 Studio Dragon Employee Communication Enhancement Program Performance

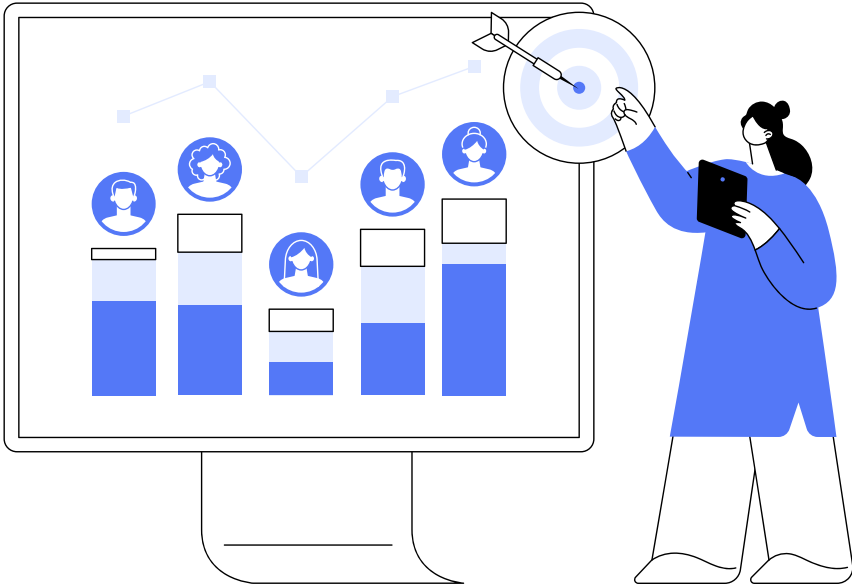
Category	Frequency	Key Agenda	Participants
Open Councils	Quarterly	<ul style="list-style-type: none">- Strategies for enhancing communication- Updates on employee benefits revisions for 2023- Discussion on Labor Management Council directions following the election of new worker representatives	CEO, HR manager, worker representative
Company-Wide Sharing Sessions (Comm.day)	Quarterly	<ul style="list-style-type: none">- Sharing of vision, strategy, and execution directions/progress with the CEO- Sharing business performance, key issues by department, and content portfolio strategy directions	All employees
Discussion Meetings	1st half of the year	<ul style="list-style-type: none">- Identifying and addressing factors that hinder organizational culture through a Q&A session to develop improvement strategies for efficient work performance	Relevant employees
	2nd half of the year	<ul style="list-style-type: none">- Developing specific action plans to achieve the company's vision/mission- Directly communicating with the CEO about key issues identified through a pre-survey	Relevant employees

Employees

Strategy

Fair Performance Evaluation and Compensation Management

Studio Dragon ensures fair evaluation of employee achievements and capabilities through objective assessments, providing reasonable compensation to enhance employees' sense of accomplishment and motivation. Performance evaluations, which apply to all employees including contract staff, are categorized into achievement assessments and competency evaluations. Achievement assessments measure the extent of individual goal attainment and contributions to the organization's annual performance. Competency evaluations are based on observed behaviors and incorporate feedback from peers and key performance results to ensure objectivity and acceptance. Employees regularly conduct self-reviews of their progress and receive quarterly performance management and feedback from evaluators. Compensation is determined annually based on the final evaluation rating by organizational leaders, overall company performance, and individual contributions. Additionally, since 2022, Studio Dragon has enhanced its compensation system for permanent employees by implementing a Restricted Stock Unit (RSU) program.



Employee Welfare Benefits

Studio Dragon offers a range of welfare programs designed to support the health and well-being of its employees. Our flexible working system allows employees to adjust their hours to fit their personal needs, and we provide comprehensive health management support for both employees and their family members. Moving forward, Studio Dragon is dedicated to continually improving its welfare system to ensure that all employees lead stable and prosperous lives, enhance job satisfaction and work efficiency, and ultimately achieve superior work performance.

Studio Dragon Flexible Working System and Health Care System

Category	Support System	Target	Details
Flexible Working System	Flextime System	All employees (full-time/contract)	- Adjust commuting times to fit work or personal situations while maintaining an 8-hour workday
	Flexible Working Hours System	All employees (full-time/contract)	- Adjust working hours within a unit period to ensure that the average weekly working hours do not exceed 40 hours
	Optional Working Hours System	All employees (full-time/contract)	- Choose working hours freely within a unit period, provided that the average weekly working hours do not exceed 40 hours
Health Care System	Medical Expenses	Studio Dragon employees	- (Nursing) Full coverage of the employee's own contribution to care expenses
	Health Check-ups	Employees and their spouses, parents on both sides, and siblings	- Health check-up support for the employee and their spouse by the company - Eligible for application of additional health check-up costs beyond company coverage
	Childcare Expenses for Children with Disabilities	Full-time employees with children who have severe disabilities	- Partial support for costs related to the education and treatment of children with disabilities (support continues until the child reaches adulthood)
	Treatment Costs for Heart Disease	Full-time employees and their children who need heart surgery	- Full coverage of costs related to congenital heart disease surgery, excluding costs covered by the health insurance fund and any additional charges for hospital rooms and meals (outpatient care and follow-up treatments are not covered)
	Infertility Treatment Costs	Legally married employees or their spouses who are diagnosed with infertility and require artificial insemination or in vitro fertilization, and who do not have children	- Support for personal expenses for artificial insemination and coverage for the amount exceeding the insurance fund for in vitro fertilization (support is not available if the employee already has children, even if additionally diagnosed with infertility)

Employees

Strategy

Fostering a Pleasant Work Environment for Creators

Creativity flourishes in a positive environment. Studio Dragon strives to create a pleasant work environment and supports all employees' creative endeavors.

Screening Room

Studio Dragon has made its screening room, initially designed for official events such as drama previews and shareholder meetings, available for internal clubs and small gatherings. Employees can use the screening room to watch and enjoy the premieres or finales of dramas together, fostering a collaborative and enjoyable environment.

Jeju Island Workation

Since 2022, Studio Dragon has operated a base office on Jeju Island, offering employees the opportunity to work there for two-week periods. The Jeju base office was established to help employees immerse themselves in Jeju's stunning natural surroundings, promoting both creativity and relaxation. In 2023, around 20 employees had the chance to experience a workcation on Jeju Island.

Creative Support

Studio Dragon has introduced “B.I+ Fridays” on the second and fourth Fridays of each month to enhance trend awareness and gather valuable insights. On these days, employees can choose to work from the office or remotely, allowing them the freedom to engage in cultural events and networking opportunities. Additionally, the company recognizes long-serving employees through the “Creative Week” program, offering both rejuvenation and rewards for their dedication. This program is available to employees with 3, 5, 7, 10, 15, 20, 25, and 30 years of service, providing two weeks of paid leave and a grant exceeding KRW 3 million.

Metrics and Targets

Metrics and Targets

Studio Dragon is dedicated to fostering a positive organizational culture by monitoring key indicators such as the percentage of employees covered by the collective bargaining agreement, average annual training hours per employee, employee engagement levels, and the proportion of employees receiving regular performance evaluations.

Moving forward, we aim to enhance employee satisfaction and development by implementing management initiatives guided by satisfaction surveys of training programs or organizational engagement.

Category		Unit	2021	2022	2023
Percentage of Employees Covered by the Collective Bargaining Agreement		%	100	100	100
Average Annual Training Hours per Employee		Hour	16.57	13.32	12.00
Employee Engagement*	Number of Engaged Employees	Person	N/A	80	62
	Number of Respondents to Engagement Survey	Person	N/A	89	103
	Employee Engagement Rate	Number of Engaged Employee/Respondent	N/A	0.9	0.6
Percentage of Employees Receiving Regular Performance Evaluations (MBO)		%	92.22	93.37	96.05

* - Employee job satisfaction and engagement are assessed annually through surveys; however, in 2021, assessment was not conducted due to system reforms.

- Number of employees who responded they are 'engaged' in their work was used as the engagement data, '(Number of employees who responded they are 'engaged' in their work) / (Number of respondents)'

- The 2022 data has been revised due to changes in calculation methods.

Partners

Governance

Decision-Making and Implementation Framework

At Studio Dragon, we manage our partners through collaboration among various relevant departments. The Legal-Compliance Team establishes fair and transparent management standards and procedures for transactions with contractors, setting internal guidelines and considerations. The Corporate Audit Team operates the group's hotline system to identify and address issues raised by contractors promptly. Additionally, the Safety Management team evaluates and selects contractors based on established safety management processes.



Strategy

Principles of Partner Management

Studio Dragon has established guidelines for addressing misconduct and reporting under the ‘Sustainable Content Production Site Practice GUIDE’ to rigorously manage any fraudulent issues in partner transactions. To promote fairness and transparency, we are currently drafting partner transaction management regulations and formalizing transaction procedures and standards for 2024. Additionally, we will utilize the new legal information system to collect partner code of conduct pledges, ensuring contractual compliance. We will also review and update subcontracting standard contracts to address any prohibited actions during execution. Through these proactive measures to mitigate legal and ethical risks, we aim to achieve mutual growth with our partners.

Studio Dragon Fair Trade Principles

Partner selection must be conducted according to objective and impartial criteria and procedures, without any consideration of personal interests.

We do not participate in any unfair practices, including soliciting undue economic benefits from partners, settling debts on their behalf, interfering in their management, or engaging in retaliatory actions.

We are committed to providing equitable and transparent information to all our partners and ensuring that this information is not shared externally with the intent to harm any partner or secure unfair advantages.

[Fair Trade Best Practice Guidelines](#)

[CJ Global Fair Competition Policy](#)

[Guidelines for Compliance with Improper Solicitation and Graft Laws](#)

[CJ Global Anti-Corruption Policy](#)

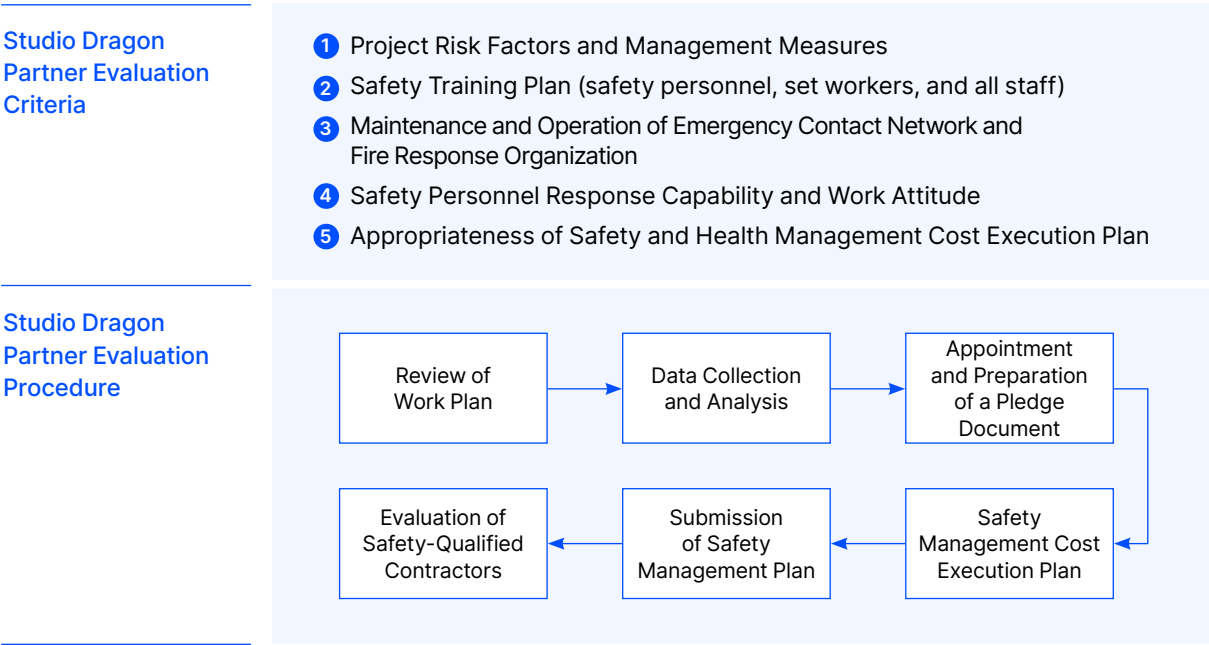


Partners

Strategy

Partner Selection and Evaluation

Studio Dragon's drama production process relies on seamless coordination with a variety of partners for essential tasks, including set design, lighting setup, prop installation, and on-site management. Due to the frequent installation and dismantling of temporary structures in drama productions, Studio Dragon has established a rigorous process for evaluating and selecting safety-qualified partners. An evaluation team, composed of the project CP, the responsible PD, and the safety management team, assesses potential partners against five key criteria. Only those who meet or exceed these standards are chosen, ensuring that safety and quality are consistently upheld throughout the production process.



Studio Dragon
Partner Evaluation
Procedure

Review of
Work Plan

Data Collection
and Analysis

Appointment
and Preparation
of a Pledge
Document

Evaluation of
Safety-Qualified
Contractors

Submission
of Safety
Management Plan

Safety
Management Cost
Execution Plan

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Partner Support Program

Studio Dragon views partner management as a vital competitive edge and is dedicated to achieving mutual growth through diverse support programs. We provide comprehensive training programs and a grievance reporting system for our partners, and we consistently organize Safety and Health Councils to actively engage with and address partner feedback.

Category	Content details
Trainings	<div><div>✓</div>Training on Establishing Safety Management Plans for Partners<ul style="list-style-type: none">- Provide guidance on the components of the safety management plan and support its development</div> <div><div>✓</div>Publication of Safety Standards Manual<ul style="list-style-type: none">- Distribution of the 'Safety Standards Manual' including detailed safety rules for the production environment</div> <div><div>✓</div>Provision of Experiential Safety Education<ul style="list-style-type: none">- Conducting experiential safety education for safety managers of production companies in collaboration with the Korea Occupational Safety and Health Agency (KOSHA)</div>
Strengthening Communication	<div><div>✓</div>Conducting Safety and Health Councils<ul style="list-style-type: none">- Organize a minimum of three council meetings for each project- Share safety issues and gather feedback from employees and partner company workers</div>
Grievance Handling	<div><div>✓</div>Grievance Reporting System for Partners<ul style="list-style-type: none">- Operation of a hotline system for all partners- Received and resolved two issues related to partners in 2023</div>



Partners

Risk Management

ESG Risk Management for Partners

As part of Studio Dragon's ESG risk management for partners, we operate a reporting system to receive and address grievances. In accordance with CJ Group's reporting policy, we ensure the anonymity of whistleblowers and apply policies that protect whistleblowers, prohibit retaliation, and include reward mechanisms. We are committed to resolving issues promptly and effectively. Additionally, we have created and displayed QR codes to facilitate easy and accessible use of the reporting system. In 2023, we received and successfully resolved a total of two partner-related reports.

Anti-Corruption Monitoring for Partners

With the increasing number of partners and transactions each year, the need for transparent and fair dealings, as well as the prevention of legal and ethical risks, has become more critical. To address this, Studio Dragon is in the process of establishing a filtering process for companies suspected of being insolvent or fraudulent.

Metrics and Targets

Metrics and Targets

To strengthen mutual growth and collaborative cooperation through continuous partnerships with our partners, Studio Dragon monitors various indicators such as the number of grievances received from partners and the status of transactions with partners.

Category	Unit	2021	2022	2023
Number of Partner Companies	Number	N/A ¹⁾	N/A ¹⁾	130
Number of Grievances Received from Partners	Case	N/A ¹⁾	N/A ¹⁾	2 ²⁾
Partner Grievance Resolution Rate	%	N/A ¹⁾	N/A ¹⁾	100

1) Data management started in 2023

2) 1 out of 2 grievances was related to human rights.

With global regulations, such as the EU Supply Chain Due Diligence Act, becoming more stringent and with the increasing volume of transactions with partners, Studio Dragon plans to establish a 'Code of Conduct for Partners' and 'Transaction Management Regulations' in 2024.

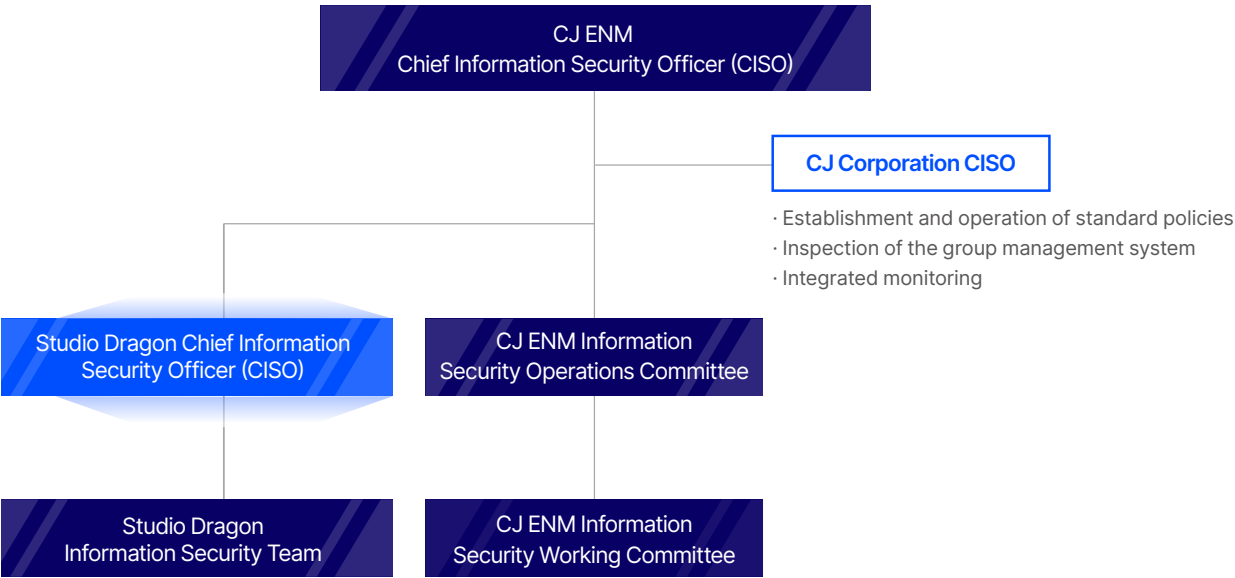
Information Security

Governance

Decision-Making and Implementation Framework

Studio Dragon is committed to fulfilling its information security responsibilities in accordance with the framework set by its parent company, CJ ENM. In 2022, the information security officer from CJ ENM was appointed as Studio Dragon's Chief Information Security Officer (CISO), ensuring alignment with CJ ENM's information security governance. The CISO organization at CJ Corporation oversees information security activities across the CJ Group, developing and supporting policies for all affiliated companies, including Studio Dragon.

Studio Dragon Information Security Organizational Structure



Strategy

Information Security Policy

Studio Dragon adheres to the information security policies and related guidelines of the CJ Group. Based on CJ's information security standards, Studio Dragon is in the process of establishing its own information security standards that reflect the characteristics of the data managed and processed by the company. A comprehensive information security policy is expected to be formalized in the second half of 2024. Additionally, Studio Dragon conducts regular policy reviews and continuously distributes and updates related guidelines and practices to enhance its information security measures.

Expanding Information Security Investment

Studio Dragon develops, reviews, and refines detailed plans for information security initiatives on an annual basis and transparently reports the status of personnel and investments needed to execute these plans through information security disclosures. In 2024, we are increasing our investment in information security by implementing comprehensive operational plans that include upgrading website systems, expanding security reviews, and introducing new security equipment.

Fostering an Information Security Culture

Studio Dragon fosters a strong information security culture by conducting annual training sessions for employees and key partners. In 2023, a one-hour training on data protection was held, with 153 participants successfully completing the course. Additionally, to further raise awareness, Studio Dragon collaborates with CJ ENM to run information security campaigns, including the distribution of information security card news and the organization of O/X quizzes on Information Security Day.

Information Security

Risk Management

Prevention of Information Security Risks

Studio Dragon seeks to identify risks and proactively respond to incidents by exploring areas for improvement through preemptive checks and training. We operate a 24/7 security monitoring system and continuously enhance our security equipment to counter the latest attack techniques. In addition, we conduct regular vulnerability assessments with specialized security firms, review our incident response protocols, and manage an emergency communication network. To safeguard internal information, we also mandate the installation of information security solutions for all internal network access.

Regular Security Vulnerability Assessments

Under the oversight of the CJ Group, Studio Dragon performs annual assessments of system vulnerabilities, web vulnerabilities, and penetration testing. We take corrective actions to address any identified vulnerabilities. For certain vulnerabilities discovered in 2023, we are actively working on implementing improvements.



Metrics and Targets

Metrics and Targets

To strengthen its information security framework, Studio Dragon tracks metrics such as the number of employees completing information security training and the number of sanctions due to violations of information security laws. To adapt to the rapidly changing work environment, Studio Dragon plans to enhance endpoint security for internal protection and establish external intrusion response systems for operational services.

Category		Unit	2021	2022	2023
Information Security Training	Target	Person	137	155	173
	Number of Participants	Person	113	124	153
Number of Sanctions Due to Violations of Information Security Laws		Case	0	0	0

Social Contribution

Governance

Decision-Making and Implementation Framework

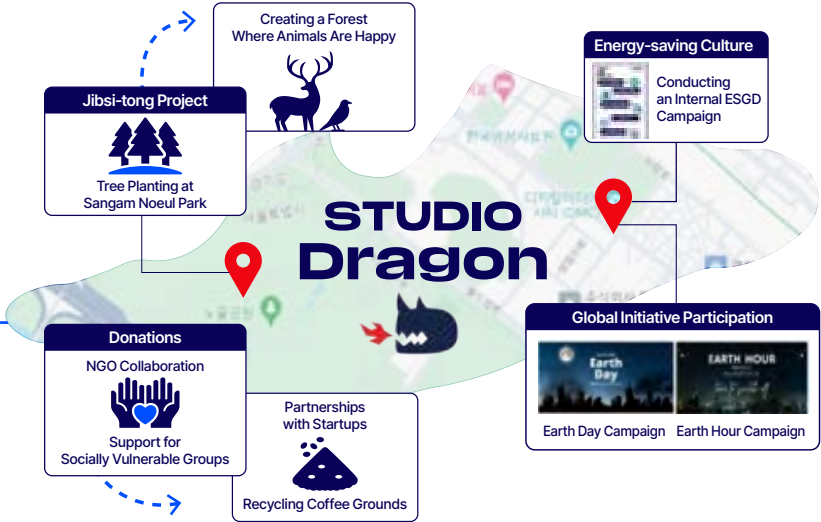
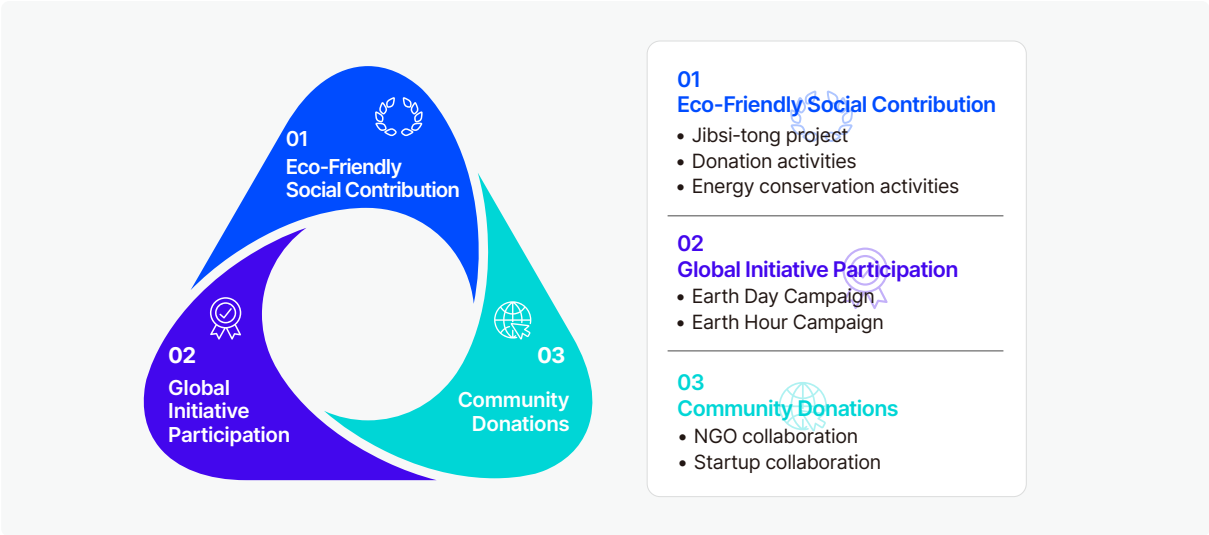
Studio Dragon views the local community as a crucial stakeholder and is committed to fostering a culture of social responsibility for mutual growth. The ESG Part within the Financial IR Department develops and executes social contribution initiatives tailored to the unique characteristics of the area surrounding our headquarters. The outcomes of these initiatives are reported to management through the Sustainability Management Committee.

Strategy

Social Contribution Strategy and Goal Setting

Studio Dragon undertakes social contribution activities based on three key strategies: eco-friendly social contributions, global initiative participation, and community donations.

Studio Dragon's Key Social Contribution Strategies



Studio Dragon's Social Contribution Roadmap



Social Contribution

Strategy

Conducting Eco-friendly Social Contribution Activities

Tree Planting at Sangam Noeul Park

Studio Dragon is enhancing local biodiversity conservation efforts by collaborating with the Noeul Park Citizens Group to plant trees in Sangam Noeul Park. This initiative involves employees receiving 'Jibsi-tong' to grow saplings at home and in the office for approximately 100 days, and then transplanting the saplings on Arbor Day. Typically, a mature oak tree can absorb about 2.5 tons of carbon dioxide and reduce fine dust by approximately 35.7 grams. To date, Studio Dragon has planted 40 trees, achieving a reduction of about 100 tons of carbon dioxide and 1,508 grams of fine dust. We aim to expand the 'Jibsi-tong' program company-wide, accelerating our progress towards net-zero goals and contributing to the creation of thriving forests for both wildlife and nature.

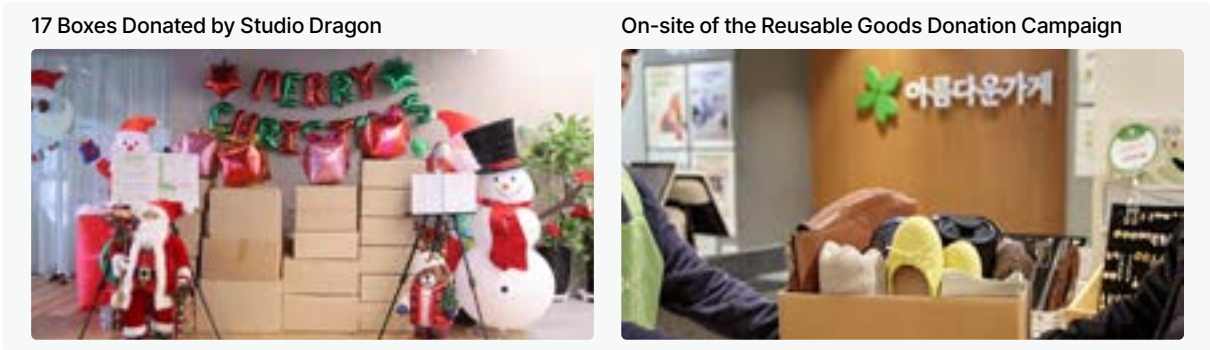


Beautiful Store Donation Campaign

In December 2023, Studio Dragon employees collected approximately 17 boxes of items for a "Reusable Goods Donation Campaign" in collaboration with Beautiful Store. The donated items were sold through Beautiful Store's resource recycling process, and the proceeds were used to support underprivileged communities both domestically and internationally, as well as to fund environmental protection initiatives. As a result, the 328 items donated by Studio Dragon contributed to a reduction of 37kg of carbon emissions, which is equivalent to the carbon absorption of four 30-year-old pine trees, or the reduction of 5,324 paper cups and 769 plastic bags.

Carbon Reduction Conversion Basis*	
Apparel	Approximately 0.12 kg of CO ₂ reduction per item sold
Accessories	Approximately 0.41 kg of CO ₂ reduction per item sold
Books	Approximately 0.01 kg of CO ₂ reduction per item sold
Electronics	Approximately 1.27 kg of CO ₂ reduction per item sold

* Reduction Source: Ministry of Environment's Carbon Neutral Living Practice Guide



Social Contribution

Strategy

Collaboration with Eco-Friendly Startups

Purchase and Use of Eco-Friendly Material Cups

Studio Dragon is creating both environmental and social value through its collaboration with the startup 'LesPol,' which produces bio-based plastic cups made from coffee grounds. During the coffee extraction process, only about 0.2% of the coffee beans are used, while the remaining 99.8% is classified as coffee grounds, most of which end up in landfills or are incinerated. Coffee grounds in landfills emit methane gas, which has a greenhouse effect approximately 24 times more potent than carbon dioxide. When incinerated, coffee grounds produce about 338kg of carbon dioxide per ton. In response, Studio Dragon is addressing its environmental and social responsibilities by purchasing and distributing 'LesPol' cups made from recycled coffee grounds to its employees.



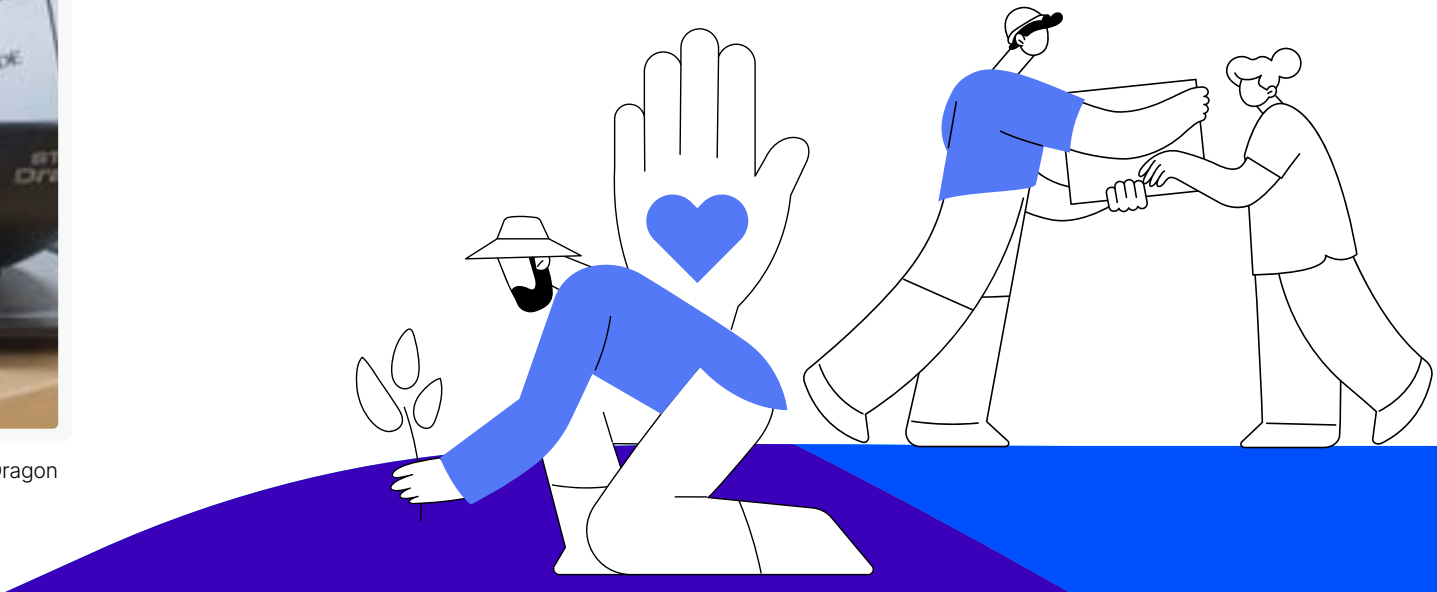
Photo Credit: Studio Dragon

Metrics and Targets

Metrics and Targets

Studio Dragon tracks key metrics to expand its community contributions, including social contribution expenditures, the number of employees participating in volunteer activities, and the total volunteer hours. We regularly engage in company-wide community service activities at least once a year, with a goal of reaching 20% cumulative company-wide participation by 2025.

Category	Unit	2021	2022	2023
Social Contribution Expenses	KRW 100 million	3.2	0.8	6.4
Number of Employees Participating in Volunteering	Person	4	5	9
Total Volunteering Hours	Hour	22	20	65



Material Topic. Media/Content Compliance & Strengthening Ethics/Compliance Management

To ensure business continuity, Studio Dragon prioritizes strict adherence to media and content industry regulations while enhancing compliance and ethical management practices. Regulatory violations and corruption can severely damage a company's reputation and erode stakeholder trust, making recovery challenging and underscoring the need for vigilant management. Studio Dragon regularly conducts compliance and ethics audits and provides training to employees on these principles. Additionally, we operate the 'Production Support Sponsorship Advertising Review Council' to address industry-specific regulatory requirements. In 2024, we will establish a comprehensive Ethics Code of Conduct, Supplier Code of Conduct, and Supplier Transaction Management Regulations to further strengthen our anti-corruption efforts and maintain our commitment to ethical business practices.



	Activity	Achievement	Goal
2023 Key Activities and Achievements	1 Regular meetings of the 'Production Support Sponsorship Advertising Review Council' Conducting reviews of sponsorships and indirect advertising for all productions	Response rate to the advertising review requests from the Korea Communications Standards Commission in 2023 100 %	~2024 Establishment of control measures for identified compliance risks
	2 Identification of compliance risks related to overall drama production laws and internal regulations	Number of serious non-compliance cases with laws and regulations in 2023 0 case	~2030 Acquisition of Compliance Management System Certification (ISO 37301)
	3 Operating a whistleblower channel to monitor and report any misconduct that may occur during the drama production process	Number of valid cases against ethics management in 2023 1 case	

미디어·콘텐츠 심의 및 규제 준수 & 준법 윤리강령



Scan the QR code or click the image to watch the <Media/Content Compliance & Strengthening Ethics/Compliance Management> video.

Material Topic.

Media/Content Compliance & Strengthening Ethics/Compliance Management

Governance

BOARD Level

The Studio Dragon Compliance Management Committee, composed of one chairperson (the CEO), one compliance officer, and five department heads from various departments, is responsible for overseeing and supervising the performance of anti-corruption, ethical management, and fair trading programs. Operational departments report on compliance and ethics management performance—such as compliance risk identification results and compliance coordinator activities—to the Compliance Management Committee at least once a year.

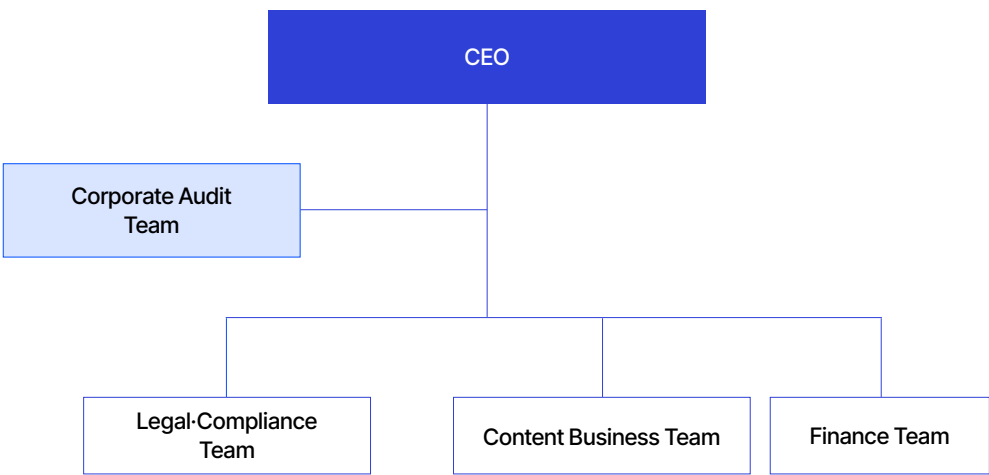
Studio Dragon Ethics/Compliance Management Governance



MANAGEMENT Level

The Studio Dragon Corporate Audit Team, reporting directly to the CEO, maintains its independence and is responsible for overseeing overall compliance and ethical management. The Legal-Compliance Team implements a compliance coordinator system within each operational department to enhance the improvement and monitoring of compliance-related procedures. The Content Business Team handles compliance risk management related to media and content review and regulations, and establishes internal consensus on media and content compliance through the operation of the Production Support Sponsorship Advertising Review Council, while also providing training for employees.

Studio Dragon Legal and Ethical Management Organizational Structure



Material Topic.

Media/Content Compliance & Strengthening Ethics/Compliance Management

Strategy

Media and Content Review Guidelines

The Korea Communications Standards Commission mandates through the ‘Broadcast Review Regulations’ that broadcasting must uphold fairness, objectivity, soundness, and ethics. Studio Dragon operates a pre-review system for dramas based on the 'Sponsorship and Indirect Advertising Review Guidelines' (referred to as the Review Guidelines) to ensure that all productions align with social values. The Content Business Team reviews the Review Guidelines biannually to incorporate regulations on current issues such as human rights, copyright, animal welfare, LGBTQ+ discrimination, and disabilities.

Key Content of the Review Guidelines

Copyright	As of 2023, Studio Dragon holds 219 drama IPs and prioritizes protecting and respecting the original creators' copyrights during the production process. This includes rights related to images, music, and video materials used in the dramas.
Violence	Dramas are viewed by a wide range of ages through various media platforms such as TV and OTT services. To minimize the negative social impacts of its content, Studio Dragon meticulously reviews the portrayal of violent themes, statements about minority groups based on gender, race, and disability, as well as other aspects affecting public sentiment and diplomatic relations.
Sensationalism	The advancement of various media platforms and digital devices increases the risk of minors being exposed to harmful content. Studio Dragon adheres to the 'Promotion of the Motion Pictures and Video Products Act' to protect underage viewers and strives to minimize the negative impact of explicit content on children and adolescents.

Media and Content Regulatory Compliance System

Studio Dragon ensures rigorous oversight and monitoring during both the script preparation and programming stages through the Drama Script Review Panel made up of employees and the Programming Committee that includes the CEO. In 2023, we conducted comprehensive advertising reviews for all our productions and fully addressed all inquiries from the Korea Communications Standards Commission regarding these reviews.

Content Pre-Management System

Script Review Panel	Evaluation of IP from multiple perspectives, involving participation from both production and non-production staff
G.L.C. (Green Light Committee)	Decisions on production are made during bi-weekly programming meetings, which include the CEO
Platform Discussions	Platform programming discussions based on G.L.C. results and internal evaluation criteria
Production	Ongoing review process of produced content

Material Topic.

Media/Content Compliance & Strengthening Ethics/Compliance Management

Strategy

Convening Review Councils

Studio Dragon's Content Business Team regularly organizes 'Production Support Sponsorship Advertising Review Council,' where advertising review officers, PDs, and channel managers review monthly decisions on advertising approvals. These sessions also cover recent trends in advertising regulations and notable industry sanctions. In July 2023, Studio Dragon held a 'Review Q&A' session for all employees, enabling around 50 staff members to address their queries about content and media regulations relevant to their work.

Key Discussion Topics of the 'Review Q&A' Session

- 1 Exposure considerations for individual actor advertisements (e.g., clothing brand ambassadors), distinct from production support
- 2 Classification criteria for children's preferred foods
- 3 Inquiries concerning game exposure

Training on 'RM Cases of Violations of Deliberation Rules'

- 1 'Anti-Defamation' Clause
- 2 'Human Rights Protection' Clause
- 3 'Ethical Conduct' Clause
- 4 'Respect for Life' Clause
- 5 'Maintaining Dignity' Clause
- 6 'Gender Equality' Clause
- 7 'Cultural Diversity' Clause

Principles of Ethics/Compliance Management

Studio Dragon has established its internal regulations based on the compliance, ethical management, and fair trading principles of the CJ Group. We ensure adherence to legal standards and practice fair trading with our partners within the bounds of societal ethics. To formalize the procedures and standards for dealings with partners, we plan to establish and implement an Ethical Conduct Code, a Code of Conduct for Partners, and Partner Transaction Management Regulations in 2024.

- [Fair Trade Best Practice Guidelines](#)
- [CJ Global Fair Competition Policy](#)
- [Guidelines for Compliance with Improper Solicitation and Graft Laws](#)
- [CJ Global Anti-Corruption Policy](#)



Studio Dragon's Principles of Ethics/Compliance Management

Compliance Coordinator Operations

At Studio Dragon, the 'Compliance Coordinator Program' is established to foster a unified understanding of compliance and ethical management across the organization while actively involving all employees in our compliance efforts. Designated within each department, Compliance Coordinators play a vital role in continuously monitoring compliance controls to identify potential risks. They collaborate closely with the compliance support team to address these risks and manage compliance-related tasks. Compliance Coordinators also participate in biannual meetings and occasional briefings and training sessions. These forums provide an opportunity to discuss various compliance-related topics, including recent regulatory trends, response strategies, and approaches to strengthening a culture of compliance. The compliance officer is responsible for ensuring that the activities and effectiveness of the Compliance Coordinator Program are reported to the Compliance Management Committee at least once a year.

Material Topic.

Media/Content Compliance & Strengthening Ethics/Compliance Management

Strategy

Ethics/Compliance Management Training

Studio Dragon is committed to enhancing compliance and ethical management practices, as well as fostering a culture of fair trade, by providing comprehensive training to all employees, including contract and partner staff. With the rise in drama productions based on webtoons, web novels, and international originals, we have tailored our compliance training to address issues closely related to content creation. In 2023, we bolstered our employees' understanding of regulatory compliance through targeted sessions on topics such as "Contracts for Adapting Originals into Dramas" and 'Precautions for Signing Remake Contracts of Foreign Originals.' Additionally, we conducted integrity training in July focused on fair trade practices to support employees in upholding fair trade principles and enhancing their commitment to self-regulation. Looking ahead, Studio Dragon plans to expand the range of training topics and increase the frequency of sessions to further mitigate compliance risks and ensure robust adherence to regulations.

Ethics/Compliance Management Training Performance in 2023

Training Content	Date	Target
Safety Issues Related to Drama Production	2023. 03. 20	Occupational Safety and Health Committee Members
Key Considerations for Securing Domestic Original IP Contracts	2023. 06. 12	Content Business Team / Content Strategy and Distribution Team
Understanding Drama Review Regulations and RM Issues	2023. 07. 12	All Employees (Including Contract Staff)
Integrity Training	2023. 07. 10~2023. 07. 12	All Employees (Including Contract Staff)
Trademark Protection Issues Related to Drama Production	2023. 07. 26	Compliance Coordinators, Content IP Business Team, Tech Innovation Team
Compliance Duties of Directors and Compliance	2023. 09. 20	Studio Dragon's Independent Directors
Precautions for Signing Remake Contracts of Foreign Originals	2023. 10. 11	Content Business Team / Content Strategy and Distribution Team
Music Copyright Processing Guidelines for Drama Production	2023. 10. 24	Compliance Coordinators and Interested Parties
CJ Group Mandatory Compliance Training (CJ Code of Business Conduct + Video Content Production Guidelines + Subcontracting Cautions in Content Field)	2023. 10. 12~2023. 10. 26	All Employees

Issuance of Compliance Newsletter

We issue a compliance newsletter to provide employees with easily understandable information about compliance cases directly related to drama production. Additionally, we share compliance management messages through Communication Days and workshops that involve all employees.

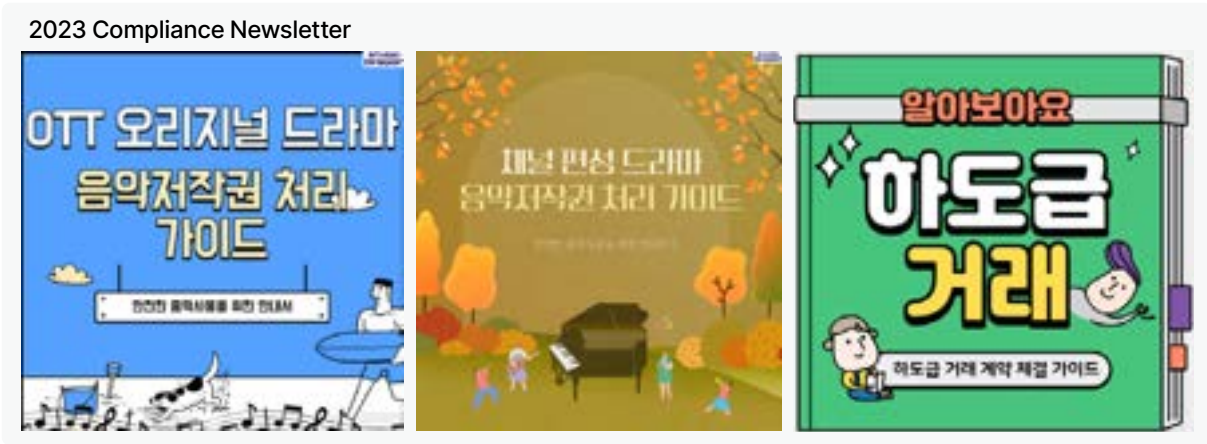


Photo Credit: Studio Dragon

Material Topic.

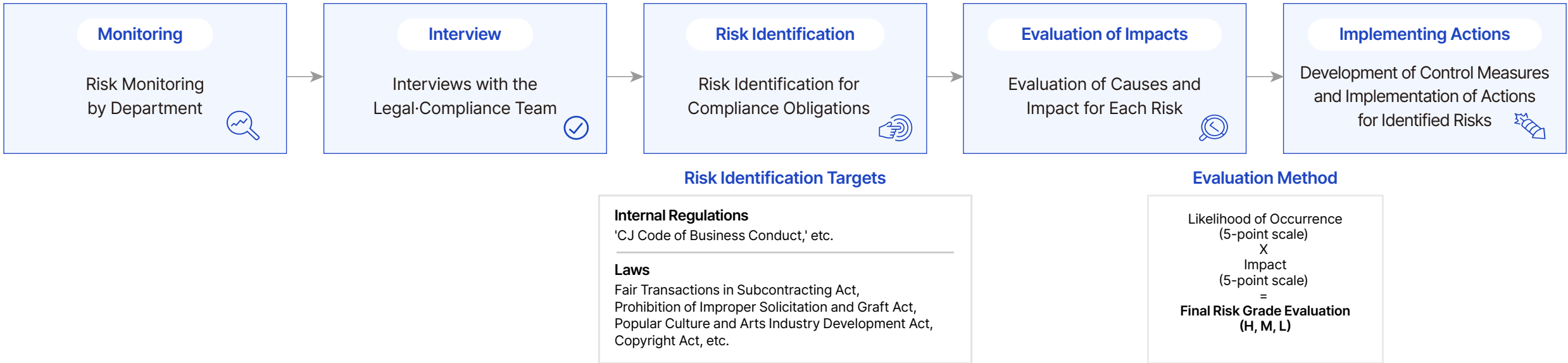
Media/Content Compliance & Strengthening Ethics/Compliance Management

Risk Management

Risk Management in Ethics/Compliance Management and Fair Trade

Studio Dragon verifies compliance obligations related to all relevant laws and internal regulations concerning drama production and identifies and assesses any violations on an annual basis. In 2023, our focus included fair trade laws such as the 'Fair Transactions in Subcontracting Act' and the 'Improper Solicitation and Graft Act,' as well as media laws like the 'Copyright Act' and the 'Popular Culture and Arts Industry Development Act.' We also evaluated adherence to ethical standards outlined in the 'CJ Code of Business Conduct (Code of Conduct for Employees).' Risks were assessed based on their causes and potential impacts using a 5-point scale, which categorized them into management levels. In 2023, we identified a total of 57 risks, with 42 classified as Low (L), 12 as Medium (M), and 3 as High (H). In 2024, we plan to develop control measures for each identified risk category.

Risk Management Process



Conducting Ethics/Compliance Audits

Studio Dragon conducts both regular and ad-hoc audits for its employees and subsidiaries in accordance with the 'CJ ENM Entertainment Division Audit Regulations' set forth by our parent company, CJ ENM. These audits ensure compliance with internal regulations and assess the effectiveness of business processes. We specifically evaluate adherence to ethical standards, including the 'CJ Code of Business Conduct,' and are committed to proactive risk prevention and management.

Material Topic.

Media/Content Compliance & Strengthening Ethics/Compliance Management

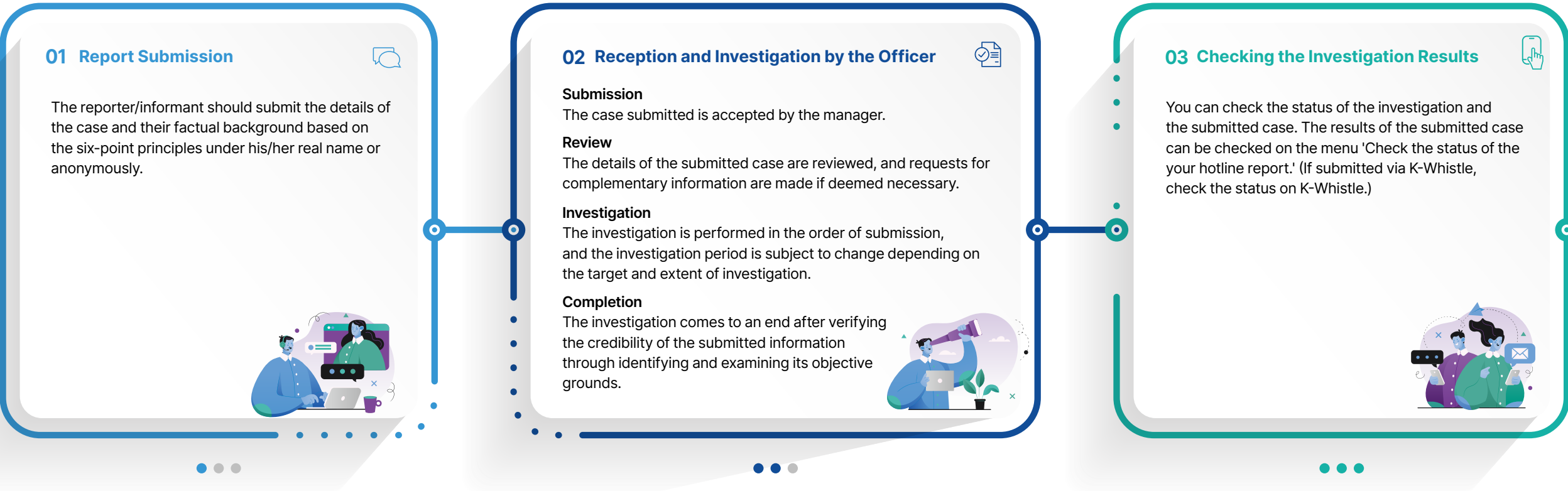
Risk Management

Operation of Reporting Systems for Unfair Trade and Fraudulent Activities

Studio Dragon utilizes the 'CJ Group Hotline System,' managed by CJ Corporation, and the external whistleblowing channel 'K-Whistle,' operated by the Korea Business Ethics Institute, to receive reports on misconduct, corruption, and unfair trade practices during drama production. Reported issues are classified into categories such as legal violations, breaches of internal regulations, and deviations from ethical conduct guidelines. Depending on the case, actions may include implementing measures to protect whistleblowers, investigating the allegations of misconduct, and submitting disciplinary recommendations. The investigation findings and reports are reviewed by the Board of Directors, who, together with the CEO and the Personnel Committee, determine appropriate disciplinary actions based on the severity of the issue.

Reporting System

 [CJ Online Hotline System](#)



Material Topic.

Media/Content Compliance & Strengthening Ethics/Compliance Management

Metrics and Targets

Metrics

Studio Dragon actively manages compliance and ethical risks across its operations by regularly monitoring both compliance and ethics training and incidents of regulatory violations. Additionally, we track the number of specialized media and content compliance training sessions conducted and systematically quantify the sanctions issued by the Korea Communications Standards Commission.

Category		Unit	2021	2022	2023
Ethical Management Training	Training Hours	Hour	176	256	298
	Number of Participants	Person	122	143	166
Mandatory Online Compliance Training Completion Rate		%	N/A*	98	96.4
Number of Valid Cases Against Ethics Management in 2023		Case	1	3	1
Number of Violations of Fair Competition Regulations		Case	0	0	0
Number of Violations of Anti-Corruption Regulations		Case	0	0	0
Number of Violations of Marketing and Labeling Regulations		Case	0	0	0
Rate of Response to Advertising Review Inquiries from the Korea Communications Standards Commission		%	100	100	100

* No mandatory online compliance training conducted in 2021

Targets

Studio Dragon plans to continue its efforts in 2024 to build trust with stakeholders through enhanced compliance and ethical management. Our goals for the year include developing control measures for identified compliance risks and maintaining zero sanctions from the Korea Communications Standards Commission. To further strengthen employees' media and content compliance capabilities, we will issue monthly compliance reports and conduct quarterly internal training sessions. Over the medium to long term, we aim to demonstrate a transparent and fair corporate culture by obtaining ISO 37301 certification for our compliance management system and leading anti-corruption practices based on this certification.





Board of Directors & Shareholders

Governance

Decision-Making and Implementation System

Studio Dragon practices sustainable management through rational and responsible decision-making by the Board of Directors. The BOD is tasked with overseeing and managing the company's overall sustainability efforts, while enhancing executive accountability through rigorous scrutiny and supervision. To ensure transparent governance, Studio Dragon's BOD comprises 2 internal directors, 1 independent director, 1 non-executive director, and 1 auditor, totaling 5 members, along with three committees under the BOD. The Finance Team, dedicated to supporting the BOD, handles all related tasks, including organizing meetings, facilitating training, and conducting evaluations.

Appointment of Directors

At Studio Dragon, all directors are appointed through resolutions at the General Meeting of Shareholders. Independent directors are selected from candidates recommended by the Independent Director Nominating Committee. Candidates proposed by this committee undergo a review process by the Board of Directors before being finalized. The approved candidates are then presented as individual agenda items for election at the General Meeting. To ensure fairness and transparency, Studio Dragon's Independent Director Nominating Committee is chaired by an independent director. The appointment process for independent directors considers various factors, including expertise, potential conflicts of interest, and tenure limits. A comprehensive evaluation of any issues related to conflicts of interest and independence is also conducted.

Strategy

Roles and Responsibilities of the BOD

Studio Dragon is committed to establishing a transparent and advanced governance structure by managing the Board of Directors in accordance with the 'Corporate Governance Charter.' Our primary goal is to ensure that shareholders' perspectives are effectively incorporated into management and to operate the board as the highest decision-making authority with the utmost efficiency. Under the oversight of a professional and independent board, Studio Dragon strives to enhance shareholder value through transparent and rational executive management. Additionally, we are dedicated to promoting a balanced advancement of interests among all stakeholders, including customers, employees, and partners. Studio Dragon's Corporate Governance Charter and Article of Incorporation are transparently disclosed on our website.

[Corporate Governance Charter](#) [Articles of Incorporation](#) [Business Report](#)

BOD Composition

As of April 2024, the Board of Directors of Studio Dragon consists of a total of five members: two internal directors, one independent director, one non-executive director, and one auditor. To facilitate swift decision-making, the CEO also serves as the chairman of the board. Studio Dragon has completed the subscription to Directors and Officers Liability Insurance, which compensates for damages incurred if a board member is sued for misconduct in the performance of their duties.

* As of April, 2024

Position	Name	Gender	Initial Appointment	Term Expiry	Major Career Experience
CEO(Chair)	Jey Hyun Kim	Female	2022. 03. 29	2025. 03. 29	Current) CEO of Studio Dragon Former) Head of IP Operations at CJ ENM Former) Director of Broadcast Content Operations at CJ ENM Former) Head of Global Business at CJ ENM
Internal Director	Sang Won Yoo	Male	2024. 03. 26	2027. 03. 26	Head of Planning and Production Division at Studio Dragon
Independent Director	Seong Cheol Kim	Male	2023. 03. 28	2026. 03. 28	Professor, Department of Media, Korea University
Non-Executive Director	Deuk Soo Hwang	Male	2023. 03. 28	2026. 03. 28	Current) Head of Management Support at CJ ENM Entertainment Division Former) Head of Business Management at CJ CheilJedang Former) Strategy Planning Team at CJ CheilJedang Former) M&A Team at CJ CheilJedang
Auditor	Ki In Yang	Male	2024. 03. 26	2027. 03. 26	Former) Head of Research Center, Shinhan Investment Corp



Board of Directors & Shareholders

Strategy

Key Resolutions of the BOD in 2023

Year-No.	Date	Key Resolutions
2023. 1	February 9	Approved the 7th fiscal year financial statements and business report / Report on the operation of the internal accounting management system for 2022
2023. 2	March 8	Report on the evaluation of the internal accounting management system / Compliance control standards inspection report by Compliance Officer / Finalized and convened the 7th Annual General Shareholders' Meeting agenda / Approved transactions with stakeholders including directors
2023. 3	March 28	Changed the Chair of the Independent Director Nominating Committee / Changed the Chair of the ESG Committee / Changed the Chair of the Internal Transaction Committee
2023. 4	April 20	Approved adjustments to executive salaries
2023. 5	May 4	Approved the establishment of a sustainable management system / Approved prioritization of sustainable management strategies / Reported Q1 2023 performance / Reported on the publication of the sustainability report / Reported on the progress of the internal accounting management system
2023. 6	June 7	Approved transactions with interested parties including directors (Q3 2023) / Changed the name and regulations of the ESG Committee
2023. 7	June 26	Abolished the regulation regarding co-CEOs
2023. 8	June 29	Reported ISO 14001 certification acquisition / Reported on greenhouse gas emissions management / Reported on environmental initiatives and campaigns
2023. 9	July 6	Approved extension of short-term borrowings
2023. 10	August 10	Reported Q2 2023 performance
2023. 11	September 20	Approved transactions with stakeholders including directors (Q4 2023)
2023. 12	November 8	Approved 2024 key strategies for sustainable management / Reported Q3 2023 performance / Reported on 2023 sustainability achievements
2023. 13	December 26	Approved transactions with stakeholders including directors (total for 2024) / Approved transactions with stakeholders including directors (Q1 2024) / Approved strategy to obtain ISO 14001 certification / Approved greenhouse gas emissions management strategy / Approved environmental initiatives and campaigns promotion strategy

BOD Committees

Under the Board of Directors at Studio Dragon, three key committees operate: the Independent Director Nominating Committee, the Sustainability Management Committee, and the Internal Transactions Committee. To ensure the board's independence, each committee is chaired by an independent director. The Independent Director Nominating Committee reviews candidates' experience, expertise, and independence criteria. In December 2023, the committee recommended the final slate of independent director candidates to the Board of Directors for approval and subsequent consideration at the shareholders' meeting. The Sustainability Management Committee evaluates strategies and performance across various ESG areas and supports decision-making processes. Meanwhile, the Internal Transactions Committee focuses on implementing processes to prevent and mitigate conflicts of interest. In accordance with the Article of Incorporation, all committees are authorized to seek expert advice or consult with professionals at the company's expense if needed.

Key Roles and Responsibilities of the Committees

Committee Name	Chair Person	Key Roles/Responsibilities	2023 Meeting Records
Independent Director Nominating Committee	Seong Cheol Kim	Recommend candidates for independent director positions to the General Shareholders' Meeting	1st: March 8, 2023 2nd: April 3, 2023
		Include as nominees for independent directors, the candidates recommended by shareholders who have the right to exercise the privilege under Article 542-6, Paragraph 2 of the Commercial Act.	
Sustainable Management Committee	Seong Cheol Kim	Oversee and review strategies and performance related to sustainable management	1st: April 3, 2023 2nd: May 4, 2023 3rd: June 7, 2023 4th: June 29, 2023 5th: November 8, 2023
		Support decision-making processes concerning shareholder value enhancement	
Internal Transactions Committee	Seong Cheol Kim	Review and investigate internal transactions	1st: March 8, 2023 2nd: April 3, 2023 3rd: June 7, 2023 4th: September 20, 2023 5th: December 26, 2023
		Propose corrective measures for internal transactions to prevent and mitigate conflicts of interest	

Board of Directors & Shareholders

Strategy

BOD Independence

Directors of Studio Dragon are restricted from holding positions as directors, executive officers, or auditors at two or more other companies, in compliance with the legal standards set by the Korean Commercial Law. To enhance the board’s independence, the Corporate Governance Charter outlines criteria for the independence of independent and supports the formation of committees led by independent directors, as well as other related initiatives.

Expertise of the BOD

The BOD of Studio Dragon is composed of experts from various fields including management, content, and media industries. The detailed competencies of BOD members are as follows:

BOD Skills Matrix

* As of April, 2024

Position	Name	Gender	BOD Skills Matrix				
			Management	Production	Industry	Risk Management	Finance
CEO	Jey Hyun Kim	Female	●				
Internal Director	Sang Won Yoo	Male		●			
Independent Director	Seong Cheol Kim	Male			●		
Non-Executive Director	Deuk Soo Hwang	Male	●			●	
Auditor	Ki In Yang	Male					●

BOD Diversity

As of April 2024, Studio Dragon's BOD (excluding the auditor) includes a 25% representation of female directors, reflecting a diverse range of perspectives and experiences.

BOD Education

Studio Dragon is committed to enhancing the risk-related knowledge and expertise of its independent directors through various training programs. In 2022, we provided comprehensive training on ESG principles. In 2023, we focused on governance with a specialized session titled “Directors’ Duty of Compliance and Oversight,” conducted in collaboration with four independent directors from CJ ENM. Studio Dragon will continue to invest in diverse and targeted training initiatives to further improve the board's understanding of the company and to strengthen its overall expertise.

Details of the Independent Director Training

Date of Training	September 20, 2023
Attendees	4 independent directors from CJ ENM and 1 independent director from Studio Dragon
Main Content	Directors' Duty of Compliance and Oversight
Conducted By	CJ ENM's Legal/Compliance Department and CJ ENM's Financial Department

Board of Directors & Shareholders

Strategy

Evaluation of the BOD

To enhance governance transparency and improve the efficiency of Board of Directors operations, Studio Dragon introduced an evaluation system starting in 2024. This evaluation, conducted annually online, assesses the efficiency of BOD operations as well as the adequacy of the BOD’s responsibilities and role performance. The evaluation for 2023, carried out in March 2024, indicated that the BOD was performing well overall. The results will be used as reference material for the reappointment of directors and will help guide the establishment of future objectives and improvements in BOD operations.

BOD and Director Evaluation

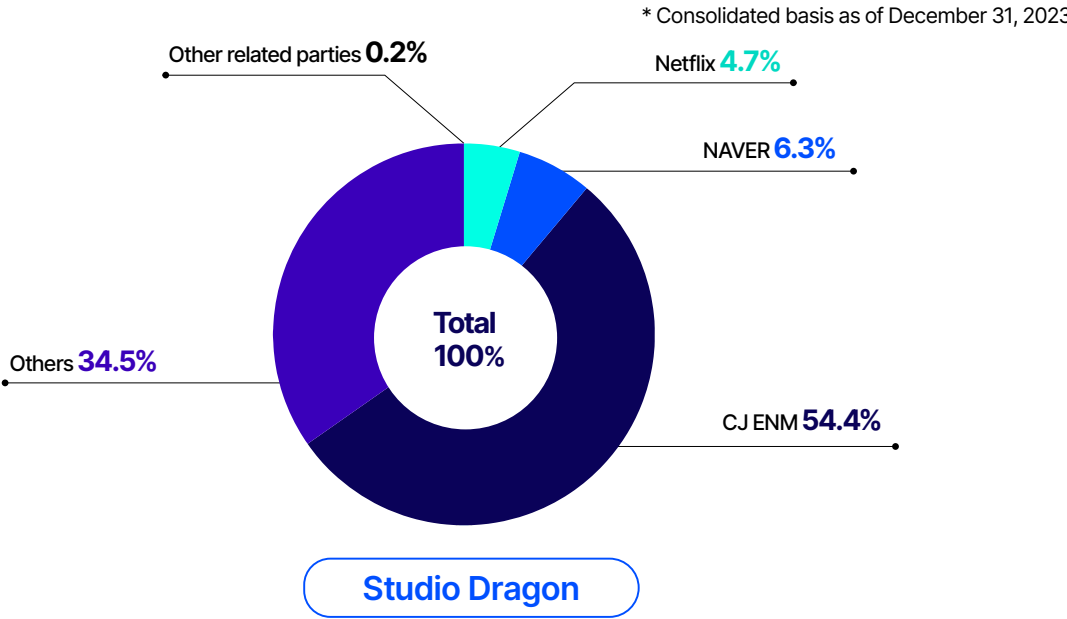
Evaluation Target	Independent Directors
Frequency	Annually
Criteria	<div><div>· BOD Operation Efficiency</div><div>Number of BOD meetings, appropriateness of discussion culture, adequacy of information provision</div><div>· BOD Roles and Responsibilities</div><div>Understanding of management status, review of financial performance, extent of independence secured</div></div>
Method	Combination of multiple-choice questions on a 5-point scale and open-ended questions

Remuneration for Directors

The compensation limits for registered directors, including internal directors, are set by the shareholders' meeting and are managed within these limits. Additionally, long-term incentives are granted every three years based on the mid-to-long-term achievements. Bonuses are determined according to approved executive guidelines and consider both quantitative indicators, such as sales and operating profit, and qualitative factors, including contributions to the company, roles and responsibilities, and non-financial performance goals, such as compliance activities.

Ownership Structure

As of December 31, 2023, the major shareholders of Studio Dragon who own more than 5% of the company's shares are CJ ENM Co., Ltd. and NAVER Corporation. Additionally, Studio Dragon wholly owns 100% of the shares in a total of eight subsidiaries, including five domestic companies and three international ones.



Domestic				International	
Hwa&dam Pictures, Inc	100%	KPJ Co., Ltd.	100%	Studio Dragon Investments, LLC	100%
Culture Depot Co., Ltd.	100%	Gill Pictures Co., Ltd.	100%	Studio Dragon Productions, LLC	100%
GTist Co., Ltd.	100%			Studio Dragon International, Inc	100%



Board of Directors & Shareholders

Strategy

Shareholder Rights Protection

Studio Dragon is committed to safeguarding shareholder rights as outlined by the Korean Commercial Act and facilitates their exercise through the organization of annual general meetings (AGMs). In compliance with Article 542-4 of the Act, we provide detailed information about the AGM, including the venue and agenda, at least two weeks in advance via the DART system and the company’s website. This advance notice enables shareholders to effectively exercise their voting rights. To further enhance shareholder participation, Studio Dragon strategically schedules AGMs to avoid conflicts with other companies’ meetings and offers support for indirect voting to those who cannot attend in person due to logistical constraints. Since 2019, we have introduced electronic voting and proxy solicitation systems to improve convenience for shareholders. We are also committed to improving our processes to provide AGM notices earlier than the legal minimum of two weeks. Additionally, Studio Dragon is actively participating in a voluntary program to schedule general meetings on non-concentrated dates, aiming to better support the smooth exercise of voting rights and to promote shareholder interests.

Shareholder Return Policy

Studio Dragon plans to implement dividends once it has secured investment resources for sustainable growth and achieved stable profitability. The dividend rate will be set based on the achievement of positive free cash flow on a consolidated basis and profitability metrics. We are committed to a shareholder return policy aimed at maximizing shareholder value. According to our Articles of Incorporation, dividends may be declared through resolutions of the Board of Directors and the shareholders' meeting. In March 2023, at the 7th Annual General Meeting, Studio Dragon amended its Articles of Incorporation to allow the Board of Directors to set the dividend record date, moving away from the fiscal year-end date and thereby updating the relevant regulations.

Metrics and Targets

Metrics and Targets

Studio Dragon monitors key indicators, including the ratio of female directors, the number of BOD meetings, and director attendance rates, to ensure transparent governance and efficient board operations. We aim to maintain a 100% attendance rate for the BOD in 2024 and are committed to enhancing the board's independence, expertise, and diversity by increasing the proportion of independent and female directors.

Category		Unit	2021	2022	2023
Female Director Ratio		%	25	25	33*
BOD Meetings	Number of Meetings	Meeting	7	9	13
	Resolutions Passed	Case	18	23	32
	ESG Resolutions	Case	1	1	13
Attendance Rate	Internal Directors	%	100	100	100
	Independent Directors	%	100	100	100

* As of December 2023, the percentage of female directors is 33%, with 1 out of 3 total executives being female. As of March 2024, the percentage is 25%, with 1 out of 4 total executives being female.



ESG DATA



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CJ GROUP ESG COMMON INDICATORS	93
GRI INDEX	106
SASB INDEX	113
TCFD INDEX	114



ESG DATA SHEET

Economic

GRI No.	Indicator	Detail Indicator	Unit	2021	2022	2023	Remarks
Annual Total Compensation Ratio							
2- 21	Annual Total Compensation Ratio	Ratio of annual total compensation of the highest-paid individual to the median annual total compensation of all employees (excluding the highest-paid individual)	%	875.87	902.74	491.27	Refer to 8th Business Report - VIII. Executive and Employee Matters - 2. Executive Compensation
		Ratio of the annual salary increase of the highest-paid individual to the median annual total salary increase of all employees	%	1,370	785	0	
Economic Performance							
201-1	Direct Economic Value Generated and Distributed	Generated direct economic value (separate basis)	Sales	KRW 100 million	4,555	6,199	7,136
			Operating profit	KRW 100 million	529	558	608
			Net income	KRW 100 million	372	427	480
		Distributed economic value (separate basis)	Selling, general, and administrative expenses	KRW 100 million	182	236	215
			Interest expenses	KRW 100 million	6	48	85
			Employee salaries	KRW 100 million	221	260	220
			Corporate tax	KRW 100 million	131	58	72
			Donations	KRW 100 million	3.2	0.8	6.4
		Retained economic value (separate basis)	Total assets	KRW 100 million	8,482	10,580	10,723
			Total liabilities	KRW 100 million	1,782	4,223	3,703
			Total equity	KRW 100 million	6,700	6,357	7,020
201-4	Financial Assistance Received from Government	Tax relief and tax credits	KRW 100 million	87	174	145	
		Subsidies	KRW 100 million	0	0	0	
		Investment grants, R&D 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	Detail Indicator	Unit	2021	2022	2023	Remarks	
Market Presence								
202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage	Male	%	176	157	149	The minimum annual salary at year-end ÷ 12 ÷ legal minimum wage for the year	
		Female	%	137	139	133		
202-2	Proportion of Senior Management Hired from the Local Community	-	%	75	75	100	* (Number of senior managers of Korean nationality ÷ Number of senior managers employed in Korea) x 100 •Scope of senior managers: 2021: Registered Directors (2 Co-CEOs), Non-registered Director (1 Executive Director), Registered Director (1 Non-Executive Director) 2022: Registered Directors (2 Co-CEOs), Non-registered Director (1 Advisor), Registered Director (1 Non-Executive Director) 2023: Registered Director (1 CEO), Non-registered Director (1 Management Leader), Registered Director (1 Non-Executive Director)	
Procurement Practices								
204-1	Procurement Budget Allocation to Suppliers in Key Operation Areas	-	%	100	100	100	All major operations and supply chains are located domestically	
Anti-Corruption								
205-1	Operations Assessed for Risks Related to Corruption	-	Number	1	1	1	Regular audits completed at Studio Dragon headquarters	
			%	100	100	100		
205-2	Communication and Training about Anti-Corruption Policies and Procedures	Number and percentage of decision-makers who received anti-corruption policy and procedure information	Decision-makers	Person	3	3	3	Scope of decision-makers: full-time executives 2021: Registered Directors (2 Co-CEOs), Non-registered Director (1 Executive Director) 2022: Registered Directors (2 Co-CEOs), Non-registered Director (1 Advisor) 2023: Registered Director (1 CEO), Non-registered Director (1 Management Leader)
				%	100	100	100	
		Employees	Person	167	181	177		
			%	100	100	100		
		Total number and percentage of individuals trained in anti-corruption	Decision-makers	Person	2	1	2	
				%	66.67	33.33	66.67	
205-3	Confirmed Incidents of Corruption and Actions Taken	Total number of confirmed corruption cases	Case	1	5	0		
				Case	0	0	0	
		Total number of cases where contracts with partners were terminated or not renewed due to corruption	Case	0	0	0		
			Total number of public legal cases related to corruption against the organization or employees and their outcomes	Case	0	0	0	

* Currently not managing employee categories and geographical distribution data that are distinct from decision-making body and employees.



ESG DATA SHEET

Economic

GRI No.	Indicator	Detail Indicator	Unit	2021	2022	2023	Remarks	
Anti-Competitive Behavior								
206-1	Number of Legal Actions Pending or Completed Regarding Anti-Competitive Behavior and Violations of Anti-Trust and Monopoly Legislation in which the Organization Has Been Identified as a Participant	-	Case	0	0	0		
Tax								
207-4	Country-by-country Reporting (Tax)	Revenues from third-party sales		KRW 100 million	0	0	0	Refer to 8th Business Report - III. Financial Matters - 4. Financial Statements
		Revenues from intra-group transactions with other tax jurisdictions		KRW 100 million	22	32	41	
		Pre-tax income/loss		KRW 100 million	503	486	553	
		Tangible assets excluding cash and cash equivalents	Acquisition cost	KRW 100 million	66	72	92	
			Depreciation total	KRW 100 million	14	25	37	
			Book value	KRW 100 million	52	47	55	
		Corporate income tax paid in cash		KRW 100 million	7	14	57	
		Corporate income tax accrued on profit and loss		KRW 100 million	131	58	72	
		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		Tax credits for film content and other tax credits				



ESG DATA SHEET

Environment

GRI No.	Indicator	Detail Indicator		Unit	2021	2022	2023	Remarks
Energy Consumption								
302-1	Energy Consumption within the Organization	Energy consumption	Non-renewable fuel consumed	TJ	8.70	9.55	8.43	
			Renewable fuel consumed	TJ	0	0	0	
		Energy source	Electricity	TJ	6.85	7.84	6.94	
			Fuel combustion	TJ	0.41	0.31	0.27	
			Heat/steam	TJ	1.44	1.39	1.23	
		Total energy consumption		TJ	8.70	9.55	8.43	
302-2	Energy Consumption Outside of the Organization	-	TJ	0	0	0		
302-3	Energy Intensity	-	TJ/KRW 100 million	0.0019	0.0015	0.0012	Total energy usage / annual revenue (adjusted for separate basis)	
Water and Effluents								
303-3	Water Withdrawal	Total water withdrawal	Total	ton(m ³)	3,197.76	3,389.21	3,295.68	Public water (tap water)
303-4	Water Discharge ¹⁾²⁾	Total water discharge	Total	ton(m ³)	3,197.76	3,389.21	3,295.68	
303-5	Water Consumption	Total water consumption	Total	ton(m ³)	3,197.76	3,389.21	3,295.68	
Emissions								
305-1	Direct (Scope 1) GHG Emissions	Total direct greenhouse gas emissions		tCO ₂ eq	27.34	20.78	17.86	
305-2	Energy Indirect (Scope 2) GHG Emissions	Location-based total indirect greenhouse gas emissions		tCO ₂ eq	415.66	460.32	405.13	
305-3	Other Indirect (Scope 3) GHG Emissions	Total other indirect greenhouse gas emissions		tCO ₂ eq	97.18	144.57	168.06	
305-4	GHG Emissions Intensity	-		tCO ₂ eq/KRW 100 million	0.097	0.078	0.059	Total greenhouse gas emissions / annual revenue (adjusted for separate basis)
305-6	Emissions of Ozone-Depleting Substances (ODS)	-		ton	N/A	N/A	N/A	
305-7	Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and Other Significant Air Emissions	-		ton	N/A	N/A	N/A	
Waste								
306-3	Waste Generated	Total weight of waste generated		ton	13.03	14.36	13.46	General waste
Supply Chain								
308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	Number of suppliers assessed for environmental impacts		Number	0	1	1	BSHS (Environmental Cleaning Company)

1) Connected by sewer to nearby treatment facility in Sangam
2) Not a manufacturing site, therefore all water withdrawn is discharged



ESG DATA SHEET

Social

GRI No.	Indicator	Detail Indicator		Unit	2021	2022	2023	Remarks	
Employment									
2-7	Employees	Total number of employees*	Total number		Person	167	181	177	
			Gender	Male	Person	72	72	72	
				Female	Person	95	109	105	
			Age group	Under 30	Person	43	45	34	
				30 – 50	Person	118	131	138	
				Over 50	Person	6	5	5	
			Nationality	Korean	Person	166	180	177	
				Spanish	Person	1	1	0	
		Permanent employees (full-time, indefinite contract)	Gender	Male	Person	68	69	70	
				Female	Person	91	108	104	
			Nationality	Korean	Person	159	177	174	
		Temporary employees (executives, short-term contracts)	Gender	Male	Person	4	3	2	
				Female	Person	4	1	1	
			Nationality	Korean	Person	7	3	3	
				Spanish	Person	1	1	0	
		Full-time employees	Gender	Male	Person	72	72	72	
				Female	Person	95	109	105	
			Nationality	Korean	Person	166	180	177	
				Spanish	Person	1	1	0	
2-8	Workers Who Are Not Employees	Total number of workers who are not employees and whose work is controlled by the organization	Total number		Person	14	30	19	
			Type	Dispatch workers	Person	10	26	16	Dispatch
				Executive drivers	Person	2	2	1	Contract
				Cleaning services	Person	2	2	2	Contract

* Aggregated based on Studio Dragon's headquarters and head-count



ESG DATA SHEET

Social

GRI No.	Indicator	Detail Indicator		Unit	2021	2022	2023	Remarks
401-1	Number and Rate of New Employee Hires	Gender	Male	Person	14	11	10	
				%	36	31	56	
		Gender	Female	Person	25	24	8	
				%	64	69	44	
		Age group	Under 30	Person	23	10	2	
				%	59	29	11	
			30 - 50	Person	16	25	16	
				%	41	71	89	
			Over 50	Person	0	0	0	
				%	0	0	0	
		Nationality	Korean	Person	39	35	18	
				%	100	100	100	
	Number and Rate of Employee Turnover	Gender	Male	Person	6	11	10	
				%	4	6	6	
		Gender	Female	Person	6	10	12	
				%	4	6	7	
		Age group	Under 30	Person	1	4	1	
				%	1	2	1	
			30 – 50	Person	10	16	21	
				%	6	9	12	
			Over 50	Person	1	1	0	
				%	1	1	0	
		Nationality	Korean	Person	12	21	21	
				%	7	12	12	
			Spanish	Person	0	0	1	
				%	0	0	1	



ESG DATA SHEET

Social

GRI No.	Indicator	Detail Indicator	Unit	2021	2022	2023	Remarks
401-3	Parental Leave	Number of employees eligible for parental leave	Male	Person	24	24	20
			Female	Person	14	15	15
		Number of employees who used parental leave	Male	Person	0	0	0
			Female	Person	1	1	1
		Number of employees who returned after parental leave	Male	Person	0	0	0
			Female	Person	2	1	0
		Number of employees who returned after parental leave in the previous year	Male	Person	0	0	0
			Female	Person	3	2	1
		Number of employees who returned after parental leave and worked for more than 12 months in the current year	Male	Person	0	0	0
			Female	Person	2	2	0
		Return rate of employees who used parental leave	Male	%	0	0	0
			Female	%	100	100	0
		Retention rate of employees who used parental leave	Male	%	0	0	0
			Female	%	66.67	100	0
2-30	Collective Bargaining Agreement	Rate of membership in Labor Management Council*	%	100	100	100	Employees covered by the collective bargaining agreement, whether regular or non-regular, are equally subject to its terms.

* Data revision due to changes in calculation methodology



ESG DATA SHEET

Social

GRI No.	Indicator	Detail Indicator	Unit	2021	2022	2023	Remarks
Occupational Health and Safety							
403-8	Workers Covered by an Occupational Health and Safety Management System	Number and percentage of employees covered by the occupational health and safety management system	Person	N/A	181	177	Data for 403-8, 403-9, 403-10 managed from 2022
			%	N/A	100	100	
		Number and percentage of employees covered by the occupational health and safety management system that has been internally audited	Person	N/A	181	177	
			%	N/A	100	100	
		Number and percentage of employees covered by the occupational health and safety management system that has been audited or certified by an external party	Person	N/A	0	177	
			%	N/A	0	100	
403-9	Work-Related Injuries (Employees)	Number and percentage of fatalities	Case	N/A	0	0	
			%	N/A	0	0	
		Number and percentage of severe injuries	Case	N/A	0	0	
			%	N/A	0	0	
		Number and percentage of recordable work-related injuries	Case	N/A	0	0	
			%	N/A	0	0	
		Work hours ¹⁾	Hour	346,209	375,408	367,066	
	Work-Related Injuries (Non-Employee Workers) ²⁾	Number and percentage of fatalities	Case	N/A	0	0	
			%	N/A	0	0	
		Number and percentage of severe injuries	Case	N/A	0	0	
			%	N/A	0	0	
		Number and percentage of recordable work-related injuries	Case	N/A	0	0	
			%	N/A	0	0	
403-10	Work-Related Ill Health (Employees)	Number of fatalities	-	N/A	N/A	N/A	
		Work hours ³⁾	Hour	N/A	N/A	N/A	
	Work-Related Ill Health (Non-Employee Workers)	Number of fatalities	Case	N/A	0	0	
		Number of recordable work-related ill health	Case	N/A	0	0	
		Number of fatalities	Case	N/A	0	0	
		Number of recordable work-related ill health	Case	N/A	0	0	

1) Total work hours are calculated based on the formula: Total number of employees x 4.345 weeks x 40 hours x 12 months
2) Revised 2022 data (1 fatality, 4 serious injuries) due to changes in the scope criteria for recording work-related injuries (non-employee workers). Starting from 2023, the scope of recording will be limited to the headquarters (business sites).
3) Non-employee worker work hours data is not managed



ESG DATA SHEET

Social

GRI No.	Indicator	Detail Indicator			Unit	2021	2022	2023	Remarks	
Training and Education										
404-1	Average Hours of Training per Year per Employee	Total number of training hours provided to employees			Hour	2,768	2,411	2,124		
		Gender	Male	Hour	1,113	937	850			
			Female	Hour	1,655	1,474	1,274			
		Average training hours per employee			Hour	16.57	13.32	12.00		
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	Total number and percentage			Person	154	169	170		
					%	92.22	93.37	96.05		
		Gender	Male	Person	60	61	63			
			Female	Person	94	108	107			
Diversity and Equal Opportunity										
405-1	Diversity of Governance Bodies and Employees	Decision-Makers	Gender	Male	Person	4	3	2		
				Female	Person	0	1	1		
			Age group	Under 30	Person	0	0	0		
				30 – 50	Person	2	3	2		
				Over 50	Person	2	1	1		
			Employees	Employees under diversity category			Person	97	111	106
		Gender and age group		Female, Under 30		Person	36	39	31	
				Female, 30 – 50		Person	59	70	74	
				Female, Over 50		Person	0	0	0	
		Other		Disability		Person	1	1	1	
			Nationality		Person	1	1	0		
405-2	Ratio of Basic Salary and Remuneration of Women to Men	Ratio of basic salary and remuneration of women to men			%	55.28	56.14	74.00		
Non-discrimination										
406-1	Incidents of Discrimination	-			Case	0	0	0		



ESG DATA SHEET

Social

GRI No.	Indicator	Detailed Indicator	Unit	2021	2022	2023	비고
Indigenous Rights							
411-1	Incidents of Violations Involving Rights of Indigenous Peoples	-	건	0	0	0	
Local Communities							
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 suppliers assessed for safety compliance when selecting new suppliers	%	N/A	0	0	*Safety compliance assessment (safety management plan evaluation) conducted for new drama production suppliers.
414-2	Negative Social Impacts in the Supply Chain and Actions Taken	Number of suppliers assessed for safety compliance when selecting new suppliers	Number	N/A	0	0	*No evaluation of the suppliers' work plans prior to selection.
		Number of suppliers identified as having significant actual/potential negative social impacts	Number	N/A	0	0	
		Percentage of suppliers identified as having significant actual/potential negative social impacts and agreed on the need for improvement as a result of the assessment	%	N/A	0	0	
		Percentage of suppliers identified as having significant actual/potential negative social impacts and terminated as a result of the assessment	%	N/A	0	0	



ESG DATA SHEET

Governance

GRI No.	Indicator	Detailed Indicator		Unit	2021	2022	2023	Remarks
Marketing and Labeling								
417-2	Incidents of Non-compliance Concerning Product and Service Information and Labeling	Non-compliance incidents	Total number of non-compliance incidents	Case	0	0	0	No incidents of violations related to marketing and labeling regulations so far
			Incidents resulting in fines or penalties	Case				
			Incidents resulting in warnings	Case				
			Incidents of non-compliance with voluntary codes	Case				
417-3	Incidents of Non-compliance Concerning Marketing Communications	Non-compliance incidents	Total number of non-compliance incidents	Case	0	0	0	
			Incidents resulting in fines or penalties	Case				
			Incidents resulting in warnings	Case				
			Incidents of non-compliance with voluntary codes	Case				
Legal and Regulatory Compliance								
2-27	Compliance with Laws and Regulations	Total number of significant non-compliance incidents during reporting period	Total	Case	0	0	0	
			Incidents resulting in fines	Case	0	0	0	
			Incidents resulting in non-monetary sanctions	Case	0	0	0	
		Number of incidents of non-compliance resulting in fines and total fines paid during reporting period	Total number of incidents resulting in fines	Case	0	0	0	
			Total amount of fines paid	KRW	0	0	0	
			Number of non-compliance incidents and corresponding fines in current reporting period	Case, KRW	0	0	0	
			Number of non-compliance incidents and corresponding fines in previous reporting period	Case, KRW	0	0	0	



CJ GROUP ESG COMMON INDICATORS (ENVIRONMENTAL)

Greenhouse Gas

Category		Unit	2021	2022	2023
Total Direct and Indirect GHG Emissions (Scope 1+2)		tCO ₂ eq	443.00	481.10	422.99
	Direct GHG Emissions (Scope 1)	tCO ₂ eq	27.34	20.78	17.86
	Indirect GHG Emissions (Scope 2)	tCO ₂ eq	415.66	460.32	405.13
GHG Emission Intensity (Scope 1+2)		tCO ₂ eq/KRW 100 million	0.097	0.078	0.059
Other GHG Emissions (Scope 3)*		tCO ₂ eq	97.18	144.57	168.06

Energy

Category		Unit	2021	2022	2023
Total Energy Usage		TJ	8.70	9.55	8.43
	Non-Renewable Energy Usage	TJ	8.70	9.55	8.43
	Non-Renewable Fuel-Based Energy	TJ	0.41	0.31	0.27
	Purchased Non-Renewable Energy	TJ	8.29	9.24	8.16
	Renewable Energy Usage	TJ	0	0	0
	Renewable Fuel-Based Energy	TJ	0	0	0
	Purchased Renewable Energy	TJ	0	0	0
	Self-Produced Renewable Energy	TJ	0	0	0
Energy Usage Intensity		TJ/KRW 100 million	0.0019	0.0015	0.0012
Total Electricity Usage		TJ	6.85	7.84	6.94
	Purchased Non-Renewable Electricity Usage	TJ	6.85	7.84	6.94
	Purchased Renewable Electricity Usage	TJ	0	0	0
	Self-Generated Renewable Electricity Usage	TJ	0	0	0
Purchased Electricity Usage		TJ	6.85	7.84	6.94
Renewable Electricity Usage		TJ	0	0	0

* Scope 3 emissions (limited to employee commuting and business trips) newly disclosed in 2023.



CJ GROUP ESG COMMON INDICATORS (ENVIRONMENTAL)

Water Resources

Category		Unit	2021	2022	2023
Total Water Withdrawal		ton(m³)	3,197.76	3,389.21	3,295.68
	Domestic Water Usage	ton(m³)	0	0	0
	Industrial Water Usage	ton(m³)	0	0	0
	Recycled Water Usage	ton(m³)	0	0	0
	Municipal Water Usage	ton(m³)	3,197.76	3,389.21	3,295.68
	Surface Water Usage	ton(m³)	0	0	0
	Groundwater Usage	ton(m³)	0	0	0
	Seawater Usage	ton(m³)	0	0	0
	Rainwater Usage	ton(m³)	0	0	0
Total Water Usage ¹⁾		ton(m³)	3,940.08	4,127.89	3,908.74
Water Discharged ²⁾³⁾		ton(m³)	3,197.76	3,389.21	3,295.68
Total Water Consumption		ton(m³)	3,197.76	3,389.21	3,295.68
Water Recycled		ton(m³)	742.32	738.68	613.06
Water Recycling Rate ⁴⁾		%	23.21	21.80	18.60
Water Recycling Ratio ⁵⁾		%	18.84	17.89	15.68
Water Stress Area	Total Volume of Water Withdrawal in Water Stress Areas	ton(m³)	0	0	0
	Water Withdrawal Ratio in Water Stress Areas	%	0	0	0
	Total Water Consumption in Water Stress Areas	ton(m³)	0	0	0
	Water Consumption Ratio in Water Stress Areas	%	0	0	0

1) Total Water Usage = Total Water Consumption + Water Recycling Volume
2) Connected by sewer to nearby treatment facility in Sangam
3) Not a manufacturing site, therefore all water withdrawn is discharged
4) Water Recycling Rate = Water Recycling Volume/Total Water Withdrawal
5) Water Recycling Ratio = Water Recycling Volume / Total Water Withdrawal



CJ GROUP ESG COMMON INDICATORS (ENVIRONMENTAL)

Pollutants

Category		Unit	2021	2022	2023
Water Pollutant Emissions	Biochemical Oxygen Demand (BOD)	ton(m³)	N/A	N/A	N/A
	Chemical Oxygen Demand (COD)	ton(m³)	N/A	N/A	N/A
	Total Organic Carbon (TOC)	ton(m³)	N/A	N/A	N/A
	Suspended Solids (SS)	ton(m³)	N/A	N/A	N/A
	Total Nitrogen (T-N)	ton(m³)	N/A	N/A	N/A
	Total Phosphorus (T-P)	ton(m³)	N/A	N/A	N/A
Air Pollutant Emissions	Sulfur Oxides (SOx) Emissions	ton	N/A	N/A	N/A
	Dust Emissions	ton	N/A	N/A	N/A
	Carbon Monoxide (CO) Emissions	ton	N/A	N/A	N/A
	Heavy Metal Emissions	ton	N/A	N/A	N/A
	Ammonia (NH3) Emissions	ton	N/A	N/A	N/A
	Volatile Organic Compounds (VOCs) Emissions	ton	N/A	N/A	N/A
	Persistent Organic Pollutants (POPs) Emissions	ton	N/A	N/A	N/A



CJ GROUP ESG COMMON INDICATORS (ENVIRONMENTAL)

Waste

Category		Unit	2021	2022	2023
Total Waste Emissions		ton	13.03	14.36	13.46
	General Waste	ton	13.03	14.36	13.46
	Hazardous Waste	ton	0	0	0
Weight of Waste Disposed		ton	13.03	14.36	13.46
	General Waste	ton	13.03	14.36	13.46
	Recycling	ton	N/A	N/A	N/A ¹⁾
	Incinerated (Energy Recovery)	ton	N/A	N/A	N/A
	Incinerated (Without Energy Recovery)	ton	N/A	N/A	N/A
	Landfilled	ton	N/A	N/A	N/A
	Other	ton	13.03	14.36	13.46
	Hazardous Waste	ton	N/A	N/A	N/A
	Recycled	ton	N/A	N/A	N/A
	Incinerated (Energy Recovery)	ton	N/A	N/A	N/A
	Incinerated (Without Energy Recovery)	ton	N/A	N/A	N/A
	Landfilled	ton	N/A	N/A	N/A
	Other	ton	N/A	N/A	N/A
Waste Emission Intensity		ton/KRW 100 million	0.0029	0.0023	0.0019

Environment Management

Category		Unit	2021	2022	2023
Green Procurement		KRW million	2.63	5.75	8.02
	Certified Green Raw Material Procurement Amount	KRW million	N/A	N/A	N/A
	Certified Green Supplies/Consumables Procurement Amount	KRW million	2.63	5.75	8.02
Environmental Regulation Violations		Case	0	0	0
Cost of Investing in Eco-friendly Infrastructure		KRW million	0	0	0
Environmental Management Training		Person	0	159	8 ²⁾

1) Although not officially recorded like recycling, Studio Dragon is making efforts to reuse waste materials, such as reusing set constructions (22-23p) and props (25p)
2) For the responsible personnel of the audit collaboration department.



CJ GROUP ESG COMMON INDICATORS (ENVIRONMENTAL)

Packaging

Category		Unit	2021	2022	2023
Total Packaging Material Usage		ton	N/A	N/A	N/A
	The Weight of Paper Used	ton	N/A	N/A	N/A
	The Weight of Plastics Used	ton	N/A	N/A	N/A
	The Weight of Metals Used	ton	N/A	N/A	N/A
	The Weight of Glass Used	ton	N/A	N/A	N/A
	The Weight of Other Materials Used	ton	N/A	N/A	N/A
Renewable Materials Usage		ton	N/A	N/A	N/A
	Paper Produced from Renewable Materials	ton	N/A	N/A	N/A
	Plastic Produced from Renewable Materials	ton	N/A	N/A	N/A
	Metal Produced from Renewable Materials	ton	N/A	N/A	N/A
	Glass Produced from Renewable Materials	ton	N/A	N/A	N/A
	Other Renewable Materials Usage	ton	N/A	N/A	N/A
Recycled Raw Materials Usage in Packaging		ton	N/A	N/A	N/A
	Recycled Paper Usage in Packaging	ton	N/A	N/A	N/A
	Recycled Plastic Usage in Packaging	ton	N/A	N/A	N/A
	Recycled Metal Usage in Packaging	ton	N/A	N/A	N/A
	Recycled Glass Usage in Packaging	ton	N/A	N/A	N/A
	Other Recycled Materials Usage in Packaging	ton	N/A	N/A	N/A
	Total Recycled Raw Materials Usage in Packaging	ton	N/A	N/A	N/A
	Total Packaging Materials Usage	ton	N/A	N/A	N/A



CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Workforce Status

Category		Unit	2021	2022	2023
Total Employees ¹⁾		Person	167	181	177
	Permanent Employees	Person	159	177	174
	Contract Employees	Person	4	4 ²⁾	3 ³⁾
	Executives (Registered + Unregistered)	Person	4(4 Male)	4(3 Male, 1 Female)	3(2 Male, 1 Female)
	Local Hires (Permanent + Temporary)	Person	0	0	0
Employee Composition by Gender	Male	Person	72	72	72
	Female	Person	95	109	105
Employee Composition by Age	Under 30	Person	43	45	34
	30 – 50	Person	118	131	138
	Over 50	Person	6	5	5

1) Compiled based on the headcount at the Studio Dragon headquarters

2-3) Number of contract employees in 2022-2023, includes executives

Promoting Diversity, Equity, and Inclusion (DEI)

Category		Unit	2021	2022	2023
Number of Social Minority Members	Employees with Disabilities	Person	1	1	1
	Total Number of Social Minority Members	Person	1	1	1
Wage Levels Compared to Men	Average Wage of Male Employees	KRW million	158	168	117
	Average Wage of Female Employees	KRW million	87	94	87
	Gender Wage Gap*	%	55.28	56.14	74.36

* Gender Wage Gap = 100-[(Average Wage of Male Employees-Average Wage of Female Employees) / Average Wage of Male Employees×100] (Based on the business report disclosure criteria)



CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Promoting Diversity, Equity, and Inclusion (DEI)

Category		Unit	2021	2022	2023
Employees Using Parental Leave	Number of Employees Eligible for Parental Leave	Total	38	39	35
		Male	24	24	20
		Female	14	15	15
	Number of Employees Using Parental Leave	Total	1	1	1
		Male	0	0	0
		Female	1	1	1
Parental Leave Return Rate	Total number of employees returned from parental leave	Male	0	0	0
		Female	2	1	0
	Total number of employees expected to return after parental leave	Male	0	0	0
		Female	2	1	0
	Parental Leave Return Rate	%	100	100	0
Retention Rate after Returning from Parental Leave (12 months or more)	Total number of employees who worked for more than 12 months after returning from parental leave in the previous year	Male	0	0	0
		Female	2	2	0
	Total number of employees who returned from parental leave in the previous year	Male	0	0	0
		Female	3	2	0
	Retention Rate after Returning from Parental Leave	%	66.67	100	0
Female Managers ¹⁾ Ratio	Number of Female Managers	Person	7	15	9
	Total Number of Managers	Person	22	32	28
	Female Manager Ratio	%	31.82	46.88	32.14
Female Executive ²⁾ Ratio	Number of Female Executives	Person	0	1	1
	Total Number of Executives ³⁾	Person	4	4	3
	Female Executive Ratio ³⁾	%	0	25	33

1) Definition of Managers: Individuals holding a position of “Team Leader” or higher (authorized for 1st and 2nd round evaluations in the PMDS+ internal performance management system)

2) Executives: 2021: Registered executives (2 co-CEOs), non-registered executives (1 executive director), registered executives (1 other non-executive director) / 2022: Registered executives (2 co-CEOs), non-registered executives (1 advisor), registered executives (1 other non-executive director) / 2023: Registered executives (1 CEO), non-registered executives (1 management leader), registered executives (1 other non-executive director).

3) Female Executive Ratio as of March 2024: 25% (1 out of 4 total executives, excluding auditors).



CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Promoting Diversity, Equity, and Inclusion (DEI)

Category		Unit	2021	2022	2023
STEM Department Female Employees Ratio	Female Employees in STEM Department	Person	No STEM department	No STEM department	No STEM department
	Total STEM Department Employees	Person	No STEM department	No STEM department	No STEM department
	Female Employee Ratio in STEM Department	%	No STEM department	No STEM department	No STEM department
Percentage of Employees Who Received Regular Performance Evaluations	Employees Received MBO Evaluation	Person	154	169	170
	Employees Received 360-Degree Evaluation	Person	144	165	164
	Employees Received Relative Evaluation	Person	N/A	N/A	0
	Total Employees	Person	167	181	177
	MBO Evaluation Ratio	%	92	93	96
	360-Degree Evaluation Ratio	%	86	91	93
	Relative Evaluation Ratio	%	N/A	N/A	0
	Regular Performance Evaluation Ratio	%	92.22	93.37	96.05

Talent Acquisition and Development

Category		Unit	2021	2022	2023
Total New Hires		Person	39	35	18
	Permanent New Hires	Person	39	35	18
	Temporary New Hires	Person	0	0	0
New Hires by Age Group	Under 30	Person	23	10	2
	30 – 50	Person	16	25	16
	Over 50	Person	0	0	0
New Hires by Gender	Male	Person	14	11	10
	Female	Person	25	24	8



CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Talent Acquisition and Development

Category		Unit	2021	2022	2023
Turnover Rate	Total Employees	Person	167	181	177
	Employee Turnover (Voluntary)	Person	12	21	22
	Voluntary Turnover Rate ¹⁾	%	7.19 ²⁾	11.60 ²⁾	12.43
	Employee Turnover (Involuntary)	Person	0	0	0
	Involuntary Turnover Rate	%	0	0	0
Employee Engagement ³⁾	Engaged Employees	Person	N/A	80	62
	Survey Respondents	Person	N/A	89	103
	Employee Engagement Rate	Engaged Employee/ Respondent	N/A	0.9	0.6
Training Hours per Employee	Total Training Hours	Hour	2,768	2,411	2,124
	Total Employees	Person	167	181	177
	Training Hours per Employee	Hour	16.57	13.32	12.00
Training Costs per Employee	CJ CAMPUS Data Training Costs (* Including internal company training, not compiled in CAMPUS)	KRW 10 thousand	19,008	21,474	22,510
	Total Employees	Person	167	181	177
	Training Costs per Employee	KRW 10 thousand / Person	114	119	127

1) Voluntary Turnover:
This refers to employees leaving the organization based on their own decision, unrelated to the organization's actions (e.g., leaving for another job, starting a business, etc., excluding retirement or termination).
Voluntary Turnover Rate = (Number of Voluntary Turnovers / Total Employees) ×100

2) Data has been revised due to changes in calculation methods.

3) - Employee job satisfaction and engagement are assessed annually through surveys; however, in 2021, assessment was not conducted due to system reforms.
- Number of employees who responded they are 'engaged' in their work was used as the engagement data, '(Number of employees who responded they are 'engaged' in their work) / (Number of respondents)'
- The 2022 data has been revised due to changes in calculation methods.



CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Human Rights

Category		Unit	2021	2022	2023
Total Number of Reported Cases Against Human Rights*	Number of Reported Cases Against Human Rights	Case	0	2	0
Number of Valid and Resolved Cases Against Human Rights*	Number of Valid and Resolved Cases Against Human Rights	Case	0	2	0

* This includes valid human rights reports (external abuse, sexual harassment, workplace harassment, safety accidents) through the internal reporting system (CJ Online Reporting).

Safety and Health

Category		Unit	2021	2022	2023
Employee Industrial Accident Rate	Number of Casualty	Person	0	0	0
	Total Employees	Person	167	181	177
	Industrial Accident Rate	%	0	0	0
Employee Deaths	Number of Fatal Accidents	Case	0	0	0
Employee Lost Time Injury Frequency Rate (LTIFR)	Number of Lost Time Injuries	Case	0	0	0
	Total Working Hours	Hour	346,210	375,408	367,066
	Employee Lost Time Injury Frequency Rate (LTIFR)	Case / million hour	0	0	0
Number of Serious Accidents		Case	0	0	0



CJ GROUP ESG COMMON INDICATORS (SOCIAL)

Supply Chain Management

Category		Unit	2021	2022	2023
Coexistence Fund Amount		KRW 100 million	N/A	N/A	N/A
Supplier Code of Conduct Compliance ¹⁾	Number of Annual Contracts with Suppliers ²⁾	Number	N/A	N/A	N/A
	Number of Suppliers with Code of Conduct Compliance Contracts	Number	0	0	0
	Supplier Code of Conduct Compliance Contract Rate	%	0	0	0

1) Although we currently do not have a supplier code of conduct and it is not applied in the current contracts, we plan to comply with the code of conduct in the future by preparing documents such as a compliance plan
2) This data is currently not managed

Social Contribution

Category		Unit	2021	2022	2023
Social Contribution Costs: Donations		KRW 100 million	3.2	0.8	6.4
Volunteer Activities	Participation Hours	Hour	22	20	65
	Number of Participants	Person	4	5	9



CJ GROUP ESG COMMON INDICATORS (GOVERNANCE)

Shareholders

Category		Unit	2021	2022	2023
Ownership Stake of Major Shareholders and Related Parties ¹⁾	Number of Shares Held by Major Shareholders and Related Parties	Shares	16,493,662	16,404,975	16,403,495
	Number of Issued Common Shares	Shares	30,014,185	30,058,498	30,058,498
	Ownership Stake of Major Shareholders and Related Parties	%	54.95	54.58	54.57
Ownership Stake of Registered Executives Excluding Largest Shareholder and His/Her Family Members ¹⁾	Number of Shares Held by Registered Executives Excluding Major Shareholders and Related Parties	Shares	0	0	0
	Number of Issued Common Shares	Shares	30,014,185	30,058,498	30,058,498
	Ownership Stake of Registered Executives Excluding Largest Shareholder and His/Her Family Members	%	0	0	0
Cash Dividend Payout Ratio		%	0	0	0

BOD and Audit Committee

Category		Unit	2021	2022	2023
Composition of the BOD ¹⁾	Total Number of BOD Members	Person	4	4	3
	Number of Independent Directors	Person	1	1	1
	Number of Female Directors	Person	0	1	1
Ratio of Independent Directors ¹⁾		%	25	25	33.33
Number of BOD Meetings		Meetings	7	9	13
Number of Agenda Items	Number of Agenda Items Submitted to the BOD	Items	18	23 ²⁾	32
	Number of Independent Directors' Oppositions/Amendments	Items	0	0	0
Attendance Rate of BOD Members	Internal Directors	%	100	100	100
	Independent Directors	%	100	100	100
	Independent Director Nominating Committee Directors	%	0	0	100
	Sustainability Management Committee Directors	%	Established in May 2022		100
	Compensation Committee Directors	%	N/A	N/A	N/A
	Audit Committee Directors	%	N/A	N/A	N/A

1) Based on the end of December of each year
2) Correction due to an error in the data (24 cases) from the previous year's report



CJ GROUP ESG COMMON INDICATORS (GOVERNANCE)

BOD and Audit Committee

Category		Unit	2021	2022	2023
Total Compensation ¹⁾	Internal Directors	KRW million	1,546.60	2,224.74	1,255.66
	Independent Directors	KRW million	24	24	51
Number of Audit Committee Meetings		Meeting	N/A	N/A	N/A
Percentage of Independent Directors on the Audit Committee	Number of Audit Committee Members	Person	N/A	N/A	N/A
	Number of Independent Directors on the Audit Committee	Person	N/A	N/A	N/A
	Percentage of Independent Directors on the Audit Committee	%	N/A	N/A	N/A
Ratio of Non-Audit Service Fees to Audit Service Fees ²⁾	Non-Audit Service Fees	KRW million	0	0	0
	Audit Service Fees	KRW million	280	399	415
	Ratio of Non-Audit Service Fees to Audit Service Fees	%	0	0	0

1) Paid according to the CJ Group and our compensation policy and compensation limits
Average compensation per executive: Refer to "VIII. Matters Related to Executives and Employees - 2. Compensation of Executives" in the business report

2) External auditor compensation ratio: Refer to "V. Auditor's Opinion" in the business report

Ethics / Compliance Management

Category		Unit	2021	2022	2023
Ethics Management Training	Hours	Hour	176	256	298
	Number of Trainees	Person	122	143	166
Number of Reported Cases Against Ethics Management	Total Number of Reported Cases	Case	1	4	2
	Number of Valid and Resolved Cases	Case	1	3	1
Legal Violations	Marketing and Labeling Regulations	Case	0	0	0
	Personal Data Protection Regulations	Case	0	0	0
	Fair Competition Regulations	Case	0	0	0
	Anti-Corruption Regulations	Case	0	0	0



GRI INDEX

GRI No.	Disclosure	Report Content	Report Location (GRI)	Report Location (CJ Group)	Remarks
2-1	Organizational Details		7p		
2-2	Entities Included in the Sustainability Report		2p, 79p		
2-3	Reporting Period, Frequency, and Contact Point	Annual Reporting	2p		
2-4	Restatements of Information		59p, 88-89p, 101p, 104p		Annotations provided
2-5	External Assurance		2p, 117-119p		

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions	Omission Reason	Additional Explanation
2-6	Activities, Value Chain, and Other Business Relationships		9p, 8th Business Report				
2-7	Employees	No significant changes	86p	98p			
2-8	Workers Who Are Not Employees	No significant changes	86p				
2-9	Governance Structure and Composition		76-78p				
2-10	Nomination and Selection of the Highest Governance Body		76-80p				
2-11	Chair of the Highest Governance Body		76p				
2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts		14p, 16p, 77p				
2-13	Delegation of Responsibility for Managing Impacts		14p				
2-14	Role of the Highest Governance Body in Sustainability Reporting		77p				
2-15	Conflicts of Interest		76-79p				
2-16	Communication of Critical Concerns		14-15p, 77p				
2-17	Collective Knowledge of the Highest Governance Body		78p				
2-18	Evaluation of the Performance of the Highest Governance Body		79p				



GRI INDEX

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions	Omission Reason	Additional Explanation
2-19	Remuneration Policies	<p>* Compensation policy for members of the highest governance body and senior executives (① Fixed and variable pay, ② Retirement benefits/pensions):</p> <p>① The Compensation of the company's directors is categorized into earned income, retirement income, and other income. Earned income include salaries, bonuses, stock option exercise gains, etc. Bonuses are paid based on a comprehensive consideration of quantitative indicators (sales, operating profit, content performance, etc.) and non-quantitative indicators according to the CJ Group and the company's compensation policy and remuneration limits.</p> <p>- In 2023, the total compensation for 2 executive directors, excluding independent directors and audit committee members, is KRW 1,255,662,000.</p> <p>- The average compensation per person is KRW 627,831,000.</p> <p>② The company operates a retirement pension (DB type) for executives, which is calculated by multiplying the monthly remuneration by the service period and the payment rate by position.</p>	31p, 79p				
2-20	Process to Determine Remuneration	- Paid according to the CJ Group and the company's compensation policy and remuneration limits	58p, 79p				
2-21	Annual Total Compensation Ratio		82p				
2-22	Statement on Sustainable Development Strategy		3p				
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 Guide, Guidelines for Compliance with Improper Solicitation and Graft Laws, CJ Human Rights Management Declaration</p> <p>*Policy approval authority, scope of application, and location of publication: Approved by the CEO, applicable to Studio Dragon headquarters and all employees, posted on the Studio Dragon website, etc.</p>	31p, 36p, 49p, 63p, 71p, 76p, 116p				
2-24	Embedding Policy Commitments		31p, 36p, 49p, 60p, 63p, 71p				
2-25	Processes to Remediate Negative Impacts		53p, 62p, 74p				
2-26	Mechanisms for Seeking Advice and Raising Concerns		53p, 62p, 74p				
2-27	Compliance with Laws and Regulations		92p	105p			
2-28	Membership Associations		116p				
2-29	Approach to Stakeholder Engagement		4p				
2-30	Collective Bargaining Agreements		88p				



GRI INDEX

GRI No.	Disclosure	Report Content	Report Location (GRI)	Report Location (CJ Group)			
3-1	Process to Determine Material Topics		16p				
3-2	List of Material Topics		17-19p				
3-3	Management of Material Topics		17-19p, 34-41p, 42-47p, 48-54p, 68-75p				

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions	Omissions Omission Reason	Additional Explanation
201-1	Direct Economic Value Generated and Distributed		82p				
201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change		28-29p				
201-3	Defined Benefit Plan Obligations and Other Retirement Plans	<2023> Total Amount: 6,430,657,088 KRW Number of People: 166 All Defined Benefit (DB) Plans Educational content regarding retirement pensions (retirement pension system and characteristics, contribution payment status and fund management status, procedures for payment of benefits upon retirement, individual retirement pension, etc.) is posted on the company bulletin board. If an employee over the age of 55 is preparing for retirement, reduced working hours are allowed.					
201-4	Financial Assistance Received from Government		82p				
202-1	Ratios of Standard Entry Level Wage by Gender Compared to Local Minimum Wage		83p				
202-2	Proportion of Senior Management Hired from the Local Community		83p				
203-1	Infrastructure Investments and Services Supported			96p			
203-2	Significant Indirect Economic Impacts		29p				
204-1	Proportion of Spending on Local Suppliers		83p				
205-1	Operations Assessed for Risks Related to Corruption		83p				
205-2	Communication and Training about Anti-Corruption Policies and Procedures		69-73p, 83p				
205-3	Confirmed Incidents of Corruption and Actions Taken		75p, 83p				
206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices		84p				



GRI INDEX

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions	Omission Reason	Additional Explanation
207-1	Approach to Tax	<p>Approach to Tax:</p> <p>Studio Dragon, based on one of CJ Group's principles of conduct, 'Integrity,' complies with tax laws and related regulations, faithfully reports and pays taxes, and maintains a transparent relationship with tax authorities. In accordance with the OECD's BEPS (Base Erosion and Profit Shifting) Action Plan, transactions between the headquarters and subsidiaries are conducted at arm's length prices and complied with the tax laws of each country and tax treaties between countries. Additionally, when the transaction amount with overseas affiliates exceeds a certain threshold defined by law, an international transaction information report is submitted to the tax authorities. The use of tax havens for tax avoidance and shifting transactions to countries with low effective tax rates is prohibited, and all transactions are monitored through an internal accounting control system to ensure tax transparency.</p>	71p				
207-2	Tax Governance, Control, and Risk Management	<p>=Tax Management and Control Framework:</p> <p>Studio Dragon reviews and complies with accounting standards (K-IFRS), tax laws, fair trade laws, and other regulations to preemptively identify tax risks by operating a dedicated tax department within the finance team. Additionally, external tax experts are consulted regularly, and for significant tax issues such as major acquisitions and restructurings, authoritative interpretations are obtained from tax authorities through prior inquiries.</p> <p>Furthermore, tax-related control items are included in the internal control system, and control procedures and reporting systems are periodically inspected.</p> <p>Risk management is carried out according to policies approved by the Board of Directors. The BOD reviews and approves documented policies on overall risk management, including specific areas such as foreign exchange risk, interest rate risk, credit risk, the use of derivative and non-derivative financial instruments, and investments exceeding liquidity.</p>	71p, 73p				
207-4	Country-by-country Reporting	<p>Total employee compensation, taxes withheld and paid, taxes collected from customers on behalf of tax authorities, industry-related and other taxes or payments to the government included</p>	84p				



GRI INDEX

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions		
					Omissions	Omission Reason	Additional Explanation
301-1	Materials Used by Weight or Volume			97p			
301-2	Recycled Input Materials Used			97p			
301-3	Reclaimed Products and Their Packaging Materials			97p			
302-1	Energy Consumption within the Organization	<p>* Source of activity data (fuel consumption):</p> <p>1) Proof of consumption using meters, fuel consumption proof in purchase invoices (receipts)</p> <p>2) Estimated consumption based on energy purchase costs and unit prices</p> <p>3) Estimated based on alternative estimation factors (e.g., company area compared to total building consumption)</p> <p>* Applied emission factors and calorific values as per 'Ministry of Environment guidelines'</p>	85p	93p			
302-2	Energy Consumption Outside of the Organization		85p				
302-3	Energy Intensity		30p, 85p	93p			
302-4	Reduction of Energy Consumption		27p, 85p	93p			
303-3	Water Withdrawal		85p	94p			
303-4	Water Discharge		85p	94p			
303-5	Water Consumption		85p	94p			
305-1	Direct (Scope 1) GHG Emissions	<p>Standards, methodologies, assumptions, and/or calculation tools used:</p> <p>1)Confirm 'Scope 1 GHG emissions' in emissions estimation data such as GHG inventory</p> <p>2)Estimate GHG emissions based on fuel consumption * Emissions = activity data (fuel consumption) * emission factors * calorific values</p>	30p, 85p	93p			
305-2	Energy Indirect (Scope 2) GHG Emissions	<p>Standards, methodologies, assumptions, and/or calculation tools used:</p> <p>Indirect GHG emissions (Scope 2) = Σ(purchased electricity, purchased heat (hot water, steam), etc.)</p> <p>* Basic formula = activity data (energy consumption) * emission factors</p>	30p, 85p	93p			
305-3	Other Indirect (Scope 3) GHG Emissions		30p, 85p	93p			
305-4	GHG Emissions Intensity		30p, 85p	93p			
305-5	Reduction of GHG Emissions		30p, 85p	93p			
305-6	Emissions of Ozone-Depleting Substances (ODS)			95p			ODS(Ozone Depleting Substance) emissions not aggregated
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			95p			Emissions of these substances not aggregated
306-1	Waste Generation and Significant Waste-related Impacts		21-25p				
306-2	Management of Significant Waste-related Impacts		21-25p				
306-3	Waste Generated		25p, 85p	96p			
306-4	Waste Diverted from Disposal			96p			Data on recycled waste not aggregated



GRI INDEX

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions		
					Omissions	Omission Reason	Additional Explanation
306-5	Waste Directed to Disposal			96p			
308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken		85p				
401-1	New Employee Hires and Employee Turnover		87p	100-101p			
401-2	Benefits Provided to Full-Time Employees that are not Provided to Temporary or Part-Time Employees	RSU (Restricted Stock Unit) introduced in 2022. Given only to full-time employees due to the 3-year tenure requirement	58p				
401-3	Parental Leave		88p	99p			
402-1	Minimum Notice Periods Regarding Operational Changes	Complies with the procedures and requirements under the Labor Standards Act (Minimum notice period to inform employees and their representatives before implementing significant operational changes, including notice periods and clauses related to negotiation for organizations with collective bargaining agreements)					
403-1	Occupational Health and Safety Management System		34-41p, 60-62p				
403-2	Hazard Identification, Risk Assessment, and Incident Investigation		34-41p, 60-62p				
403-3	Occupational Health Services		34-41p, 60-62p				
403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety		34-41p, 60-62p				
403-5	Worker Training on Occupational Health and Safety		38-40p, 61p				
403-6	Promotion of Worker Health		58p				
403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships		34-41p, 61p				
403-8	Workers Covered by an Occupational Health and Safety Management System		89p				
403-9	Work-Related Injuries		41p, 89p	102p	Work-related injuries (non-employees)	N/A	The number of fatalities (1 case) and serious injuries (4 cases) of non-employee workers were disclosed in 2022, but from 2023, the scope of data collection has been limited to the headquarters (workplace) according to the parent company's standards, and the 2022 data figures have been adjusted accordingly
403-10	Work-related Ill health		89p	102p			
404-1	Average Hours of Training per Year per Employee		90p	101p			
404-2	Programs for upgrading employee skills and transition assistance programs		55-56p				
404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews		90p	100p			



GRI INDEX

GRI No.	Disclosure	Reporting Content	Report Location (GRI)	Report Location (CJ Group)	Omissions		
					Omissions	Omission Reason	Additional Explanation
405-1	Diversity of Governance Bodies and Employees		90p				
405-2	Ratio of Basic Salary and Remuneration of Women to Men		90p	98p			
406-1	Incidents of Discrimination and Corrective Actions Taken	No incidents of discrimination	90p				
407-1	Operations and Suppliers in which the Right to Freedom of Association and Collective Bargaining may be at Risk					Insufficient information	No union
408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor					Legally prohibited	
409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor					Legally prohibited	
410-1	Security Personnel Trained in Human Rights Policies or Procedures					Insufficient information	No security personnel
411-1	Incidents of Violations Involving Rights of Indigenous Peoples		91p				Insufficient information
414-1	New Suppliers that were Screened Using Social Criteria		91p				
414-2	Negative Social Impacts in the Supply Chain and Actions Taken		91p				
417-1	Requirements for Product and Service Information and Labeling					N/A	No major product or service categories assessed for such procedures from 2021-2023
417-2	Incidents of Non-compliance Concerning Product and Service Information and Labeling		92p	105p			
417-3	Incidents of Non-compliance Concerning Marketing Communications		92p	105p			
418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data			105p			



SASB INDEX

Topic	SASB Code (Industry: MEDIA&ENTERTAINMENT)		Accounting Metric	Unit	Reporting Content
Media Diversity	SV-ME-260a.1		(1) Percentage of gender and racial/ethnic diversity in executive management (2) Percentage of gender and racial/ethnic diversity in professional and technical staff (3) Percentage of gender and racial/ethnic diversity in other staff	%	Refer to report pages 86p, 90p, 98-100p of the report
	SV-ME-260a.2		Policies and procedures to ensure diversity in news coverage	-	Not applicable as this indicator pertains to companies operating news programs, which is not relevant to Studio Dragon
Journalist Integrity and Sponsorship Identification	SV-ME-270a.1		Total monetary losses as a result of legal proceedings associated with libel or slander	KRW	0
	SV-ME-270a.2		Revenue from product placement	KRW	0
	SV-ME-270a.3		Description of approach to ensuring journalistic integrity in news programming regarding: (1) Truthfulness, accuracy, objectivity, fairness, and accountability (2) Independence and/or transparency of potential bias in content (3) Protection of privacy and limitation of harm	-	Not applicable as this indicator pertains to companies operating news programs, which is not relevant to Studio Dragon
Intellectual Property Protection and Media Content Protection	SV-ME-520a.1		Description of approach to ensuring the protection of intellectual property (IP)	-	Refer to 70p of the report
Activity Metrics	SASB Code	Activity Metric		Unit	Reporting Content
	SV-ME-000.A	(1) Number of media recipients (2) Number of TV broadcast households (3) Number of cable network subscribers (4) Total number of magazines and newspapers		-	Refer to 11p of the report
	SV-ME-000.B	Total number of media productions and published periodicals		-	Refer to 11p of the report



TCFD INDEX

Topic	TCFD Recommendations	Reporting Page
Governance	a) Description of the BOD's oversight of climate-related risks and opportunities	26p
	b) Description of management's role in assessing and managing climate-related risks and opportunities	26p
Strategy	a) Description of climate-related risks and opportunities over the short, medium, and long term	27p
	b) Description of the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	27p
	c) Description of the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	N/A
Risk Management	a) Description of the organization's processes for identifying and assessing climate-related risks	28-29p
	b) Description of the organization's processes for managing climate-related risks	28-29p
	c) Description of how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	28-29p
Metrics and Targets	a) Disclosure of the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	30p
	b) Disclosure of Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	30p
	C) Description of the targets used by the organization to manage climate-related risks and opportunities and performance against targets	30p



APPENDIX



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Photo Credit: Drama <Queen of Tears>



INITIATIVE ACTIVITIES

UNGC

The UN Global Compact Initiative (UNGC) encourages businesses to integrate its 10 principles in human rights, labor, environment, and anti-corruption into their operations and management strategies to participate in enhancing sustainability and corporate citizenship. As the world's largest voluntary corporate citizenship initiative, it helps companies enhance sustainability and corporate responsibility by offering practical guidance and solutions. Studio Dragon officially joined the UNGC in September 2022. We are dedicated to integrating the UNGC's 10 principles into our management practices and are committed to implementing sustainable management practices that benefit various stakeholders, including customers, shareholders, and local communities.

Category	UNGC 10 Principles	Key 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">Public declaration of human rights managementOperation of CJ Group Hotline System and K-Whistle
Labor	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining, eliminate all forms of forced and compulsory labor, effectively abolish child labor, and eliminate discrimination in respect of employment and occupation.	<ul style="list-style-type: none">Operation of Labor Management CouncilCompliance with labor principles and lawsFair performance management systemIndividual career management support
Environment	Businesses should 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">Maintaining ISO 14001 certificationExpanding greenhouse gas inventory management to Scope 3Reusing sets to reduce waste and promote resource circulationParticipation in energy-saving initiatives and campaigns
Anti-Corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none">Operating a dedicated ethics management team and establishing reporting/consulting systemsImplementing ethics management and anti-corruption educationConducting regular and ad-hoc auditsIdentifying compliance risks

ECP

The Eco-Balanced Content Production (ECP) initiative is an ESG-focused effort aimed at promoting sustainability within the content industry. Launched to safeguard natural ecosystems and encourage balanced development within the industry, this initiative is supported by key organizations including the Korea Creative Content Agency, CJ ENM, the Korea Drama Production Association, and the Korea Independent Productions Association. Studio Dragon became a member of the ECP initiative in December 2022 and is collaborating with 23 other companies to drive these environmental and developmental goals.

Twelve Standards and Guidelines of ECP

Natural Environmental Ecosystem		Content Industrial Ecosystem	
Energy Efficiency	Use energy-efficient equipment and devices.	Creator Rights	Respect and protect the rights of creators of all content.
	Increase the proportion of eco-friendly and renewable energy use.		Continue efforts to encourage captivating content planning and creation.
	Reduce energy usage while maintaining the same level of production.		Strive to create a healthy ecosystem of content production/services.
Carbon Footprint	Measure the carbon emissions of the content production/service process.	IP & Copyright	Respect and protect the copyright of all content.
	Reduce carbon emissions during the content production/service process.		Make clear the copyright and usage standards for the content.
	Gradually increase the proportion of eco-friendly transportation.		Maintain the security of information obtained during the content creation/service process.
Recycle& Upcycle	Increase the proportion of props and sets that can be reused, put to a new purpose, or recycled.	Work Atmosphere	Fulfill responsibility for improving the content production/service environment and protecting human rights.
	Enact efforts to reduce waste.		Create a working environment where everyone can enjoy health and comfort.
	Separate and dispose of trash in the right way.		Share grievance counseling and relief procedures related to the content production/service process.
Water Security	Endeavor to protect and conserve rivers and the marine ecosystem.	Diversity	Embrace differences and respect diversity.
	Save water while maintaining the same level of production.		Eliminate discrimination and violence, and treat each other equally.
	Dispose of generated wastewater in the correct way.		Strive to make closed captioning content using methods such as subtitles, voice commentary, and sign language interpretation.
Forest Protection	Endeavor to protect and conserve the soil and forest ecosystem and do not damage habitats.	Workplace Safety	Consider everyone's safety and health as top priority.
	Seek advice from relevant organizations and experts in nature conservation areas.		Strictly comply with safety management regulations in the content production/service process.
	Restore forests using the correct method if they are damaged.		All members must be aware of the safety management process.
Animal Welfare	Endeavor to preserve animal diversity.	Fair Trading	Produce content through transparent and fair transactions.
	Respect animals as creatures in the process of content creation.		Create a healthy industrial ecosystem through win-win cooperation.
	Ensure the safety and welfare of animals in the process of content production.		Inform all members about the unfair transaction reporting channel.



THIRD-PARTY ASSURANCE STATEMENTS

Third-Party Assurance Statements on Greenhouse Gas Emissions



EVC-24-027-08

GHG Emission Verification Opinion

STUDIO DRAGON Corporation
75, Maebongsan-ro, Mapo-gu, Seoul, Republic of Korea

1. Verification Goal

The goals of greenhouse gas (GHG) emission verification (hereinafter referred to as 'verification') conducted by the Korean Standards Association are as follows.

- Confirming the conformity with standards and procedures of GHG emission and GHG emissions calculated within the scope of verification
- Checking the validity of declarations related to the organization's GHG emissions (or removals)
- Confirming the effective implementation of the organization's management of GHG emissions or removals
- Confirming the conformity of processes for implementing, managing and improving the organization's GHG emissions or removals estimates

2. Verification Scope

Korean Standards Association conducted limited guarantee level verification for Scope1, Scope2 and Scope3 for Studio Dragon Corporation's Greenhouse Gas declaration.

- Reporting Target : Studio Dragon Corporation Head Office
- Boundary : Scope1(Direct emissions), Scope2(indirect emissions), Scope3(Other indirect emissions)
 - Scope1 : Stationary combustion, Mobile combustion
 - Scope2 : Externally purchased power and heat
 - Scope3 : Category 6: Business trip (Domestic business trips and part of commuting)
- Year
 - Scope1,2 : January 1, 2023 to December 31, 2023
 - Scope3 : January 1, 2021 to December 31, 2023

3. Verification Criteria and Guidelines

Korean Standards Association conducted verification according to international standards and the standards and guidelines of the National Institute of Environmental Research.

- KS I ISO 14064-1:2018, KS I ISO 14064-3:2015
- Verification Guidelines for the Operation of the Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- Guidelines for Reporting and Certification of Emissions from Greenhouse Gas Emissions Trading System (Recent Issue, Ministry of Environment)
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- WRI(World Resources Institute) Greenhouse Gas Protocol
- Corporate Value Chain (Scope3) Accounting and Reporting Standard(WRI)

4. Level of assurance verification and Responsibility

Korean Standards Association provides verification at limited level of assurance to strengthen GHG management for your company's GHG emissions.

- On-site inspection : Visit to Studio Dragon Corporation Head Office
- Method of confirmation
 - Interview with greenhouse gas emissions manager and field staff
 - Review of the management system and data used to calculate greenhouse gas emissions during the reporting period
 - Tracking review of internal documents and basic data

Studio Dragon Corporation should provide fair data on information and evidence related to GHG emissions, and the KSA is limited to guaranteeing GHG emissions.

KSA IAF 국립환경과학원

5. Verification Limit

GHG emissions can be affected by factors such as data limits and uncertainties in the scope of verification, and inherent limitations may exist accordingly.

6. Verification Conclusion

No errors or false facts were found in Studio Dragon Corporation's GHG emissions verified through the ISO 14064-3 verification procedure within the scope of verification.

• Appendix 1. GHG emissions and Energy Consumption

Year	GHG Emissions(tCO ₂ eq)				Energy Consumption (TJ)
	Scope1	Scope2	Scope3	Total	
2023	17,855	405,133	168,064	591	8

※ Note : The final greenhouse gas emission was not below the decimal point and expressed in integer units.

• Appendix 2. GHG emission(Scope3) in 2021~2023

Category	Unit : tCO ₂ eq		
	2021	2022	2023
Category 6: Domestic and foreign air travel	97	144	168

※ Note : The final greenhouse gas emission was not below the decimal point and expressed in integer units.

KOREAN STANDARDS ASSOCIATION

KSA IAF 국립환경과학원



THIRD-PARTY ASSURANCE STATEMENTS

DNV Business Assurance Korea, Ltd. ('DNV') has been commissioned by Studio Dragon Corporation (hereafter referred to as 'Studio Dragon' or 'the Company') to undertake an independent limited assurance on the Company's Sustainability Report 2023 (hereafter referred as 'the Report') for the calendar year ending 31 December 2023. The intended users of this assurance statement are the management and stakeholders of Studio Dragon.

Standards of Assurance

This assurance engagement has been carried out in Type 1 limited assurance in accordance with AccountAbility's AA1000 Assurance Standard v3 and DNV's VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report's adherence to the four principles of AA1000 AccountAbility Principles Standard (2018) and the accuracy, completeness, and neutrality principles of VeriSustain. DNV's Verisustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited or/and reasonable assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on Studio Dragon website for the current reporting period.

Scope and Methods of Assurance

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of Studio Dragon. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by Studio Dragon.
- Peer and media review to identify relevant sustainability issues for Studio Dragon in the reporting period;
 - Review of the disclosures according to reporting requirements with a focus on the process and the result of materiality assessment, Topic Standards Disclosures and relevant management processes;
 - Understanding of the key systems, processes and controls for consolidating, collecting, managing and reporting disclosures and KPIs in the Report;
 - Review documentary evidence and management representations supporting adherence to the reporting principles and requirements, with a focus on understanding and testing, on a sample basis, key data sets
 - On-site visit at the Studio Dragon Headquarter in Seoul, Republic of Korea to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy and carried out sample based assessment of site-specific data disclosures.
 - Conduct interviews with representatives in the ESG part of the IR Team and relevant departments with overall responsibility of monitoring, data consolidation and reporting of the selected information.

Our Competence, Independence, and Quality Control

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with Studio Dragon. Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

Limitations

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of the Company's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Responsibilities of the Directors of Studio Dragon and of the assurance providers

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement. DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to Studio Dragon in the form of an independent assurance conclusion, based on the work performed and the evidence obtained. Our statement represents our independent opinion and is intended to inform the management and stakeholders of Studio Dragon. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

THIRD-PARTY ASSURANCE STATEMENTS

Opinion, Observations and Recommendations

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the four principles of AA1000 APS and the accuracy, completeness, and neutrality principles of VeriSustain described below. In terms of reliability of specified sustainability performance information, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. Nothing came to our attention to cause us to believe that Studio Dragon's Report is not prepared, in all material respects, in accordance with the GRI Standards. Without affecting our assurance opinion, we provide the following observations against the principles of AA1000 APS and VeriSustain applicable to the relevant information described in the 'Scope of Assurance':

Inclusivity Stakeholder participation and opinion

Studio Dragon conducts Stakeholder Advisory Council Meetings at least once a year to more actively reflect stakeholder demands and opinions across all management activities, and through this, collects opinions from key stakeholders including customers, stock market participant companies, CJ ENM (parent company), partners, and Studio Dragon working-level managers, and reflects them in deriving key sustainability issues. DNV confirms that key opinions and common opinions of key stakeholders are included in the report.

Materiality Identifying and reporting on material sustainability topics

Studio Dragon conducted a dual materiality assessment and identified six material topics that require management from both a financial perspective and the impact on society and the environment. Among these, topics with similar impact characteristics and response strategies were linked to report on a total of four material topics: 'Safety Management in Production Sites', 'Promoting DEI Through Content', 'Respect for Human Rights and Diversity', 'Media/Content Compliance & Strengthening Ethics/Compliance Management'. During the materiality assessment process, the Company reviewed the internal and external ESG status through review of global ESG reporting and evaluation criteria and stakeholder surveys and conducted an impact assessment with the advisory council composed of internal and external stakeholders to analyze financial, social, and environmental impacts.

Responsiveness Transparent response to critical sustainability topics and related impacts

The Sustainability Management Committee under the Board of Directors of Studio Dragon is responsible for establishing and making decisions on ESG action plans across all aspects of sustainable management, while the dedicated sustainability organizations and working group implement the sustainability strategy and promote sustainability activities linked to the business. Studio Dragon reports on key sustainability actions and achievements using the GRI Topic Standards related to material topics as performance indicators.

Impact Monitoring, measuring and accounting for the impact of organizational activities on the organization and its stakeholders

Studio Dragon reports on the management direction for material topics identified through materiality assessment by categorizing into governance, strategy, risk management, and metrics and targets. Meanwhile, it is recommended to strengthen the management of key impacts by establishing more specific time-bound goals for the long-term sustainability management strategies and 2050 goals.

Reliability Accuracy and comparability of information presented in the report and the quality of underlying data management systems

The data collection and processing process, supporting documents and records were verified through sampling techniques, and based on the result, no intentional errors or misstatements were found in the sustainability performance information described in the report. Studio Dragon can explain the source and meaning of sustainability performance using reliable methods and data, and any errors or unclear expressions found during the verification process were corrected before the publication of the Report.

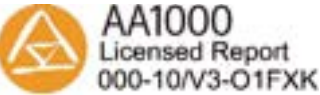
Completeness How much of all the information that has been identified as material to the organization and its stakeholders is reported

Studio Dragon reports on the Company's key non-financial disclosures based on its performance related to material topics during the reporting period of 2023 using appropriate GRI Topic Standard disclosures, for the identified boundaries of operations.

Neutrality Extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone

Studio Dragon discloses the Company's performance, challenges, and stakeholder concerns during the reporting period in a neutral, consistent, and balanced manner.

For and on behalf of DNV Business Assurance Korea Ltd.
Seoul, Republic of Korea
24 June 2024



		
Jae Hee Kim Lead Verifier	Sang Rye Park Verifier	Sang Yeon Park Reviewer

STUDIO
Dragon