



🌍 PLANET 👤 PEOPLE ✨ BUSINESS

2021 ESG REPORT

: The Beginning of The Good Impact

About This Report

Overview

CJ ENM publishes the first ESG Report to provide a comprehensive picture of our efforts and progress for sustainable management to create a valuable world. Under the subtitle of ‘Content and Commerce, the Beginning of Good Impact’, the report embodies our journey towards Planet, People, and Business oriented ESG management. The annual ESG Report will serve as a basis where we communicate with our stakeholders in a transparent and active way.

Period and Scope

The report details our ESG operations and performances from January 1st, 2020 to December 31st, 2021. It contains the recent three years data for quantitative performance to allow the readers to analyze trends by year.

Principles

The report aligns with the Core Option of GRI(Global Reporting Initiative) Standards, and reflects the ten principles of UNGC(UN Global Compact). Financial data complies with K-IFRS while following SASB(Sustainability Accounting Standards Board) standards fully cover key issues stemming from the nature of industry.

Data Assurance

Quantitative and qualitative indicators in this report are subject to data assurance. The report has been reviewed by KMR(Korea Management Register) to check its compliance with four principles set out in AA1000AP(2018); inclusivity, materiality, responsiveness and impact, and also to assess GRI indicators in terms of credibility and quarelity. The third party assurance reports are available on page 106 and 107.

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CEO LETTER

“Greetings, employees, customers, shareholders and partners joining us in our journey to lead the cultural industry.”

Head of the **Entertainment Division**
Kang, Ho Sung



CJ ENM is driving the growth of Korea's content industry. We deliver content that entertains and resonates with people across the world. With accomplishment as the No.1 company in Korea, we are pressing forward on our journey toward global expansion. CJ ENM leads a global trend on the strength of premium IP and high-quality content, encompassing drama series, entertainment shows, music, and film, while raising the competitiveness and profile of K-content worldwide. Going forward, CJ ENM will play a leading role in innovating the entertainment industry for further growth on the strength of outstanding content competitiveness.

Setting 2021 as the first year for sustainable management, CJ ENM has put our mind to bringing ESG management into full swing. We have shaped our ESG management philosophy, 'Creating a More Valuable World with Captivating Content and Brand Experience', pervading through every aspect of our business while fulfilling our responsibilities as a leading player in the entertainment industry and serving our duties as member of the global society. CJ ENM will preserve the environment and bring a virtuous cycle to the eco-system of the industry across all stages of the business ranging from content planning, production to distribution. Efforts will also be made to concentrate the genuine corporate culture where ethics & compliance and human rights are fully respected.

We firmly believe in the power of content as well as its influence on society. CJ ENM envision a society where viewers across the globe talk about a more valuable world, and diversity in our stories are delivered to more people. We are well cognizant that this is the very first value that content and the entertainment industry should create. CJ ENM will put in efforts to connect viewers to the world through the 'Good Impact of Content'.

Starting with this report, we, as corporate citizens, will actively realize the future value and philosophy that underpins our ESG implementation. CJ ENM will work hand in hand with our employees, customers, shareholders, and partners to vault into a global total entertainment company. We look forward to your unwavering support and attention to our journey towards a sustainable future facing challenges head-on with ceaseless innovation.

CEO of CJ ENM
Kang, Ho Sung

CEO LETTER

“I convey my gratitude to all stakeholders for supporting our efforts to create the world more valuable.”

Head of the **Commerce Division**
Heo, Min Ho



CJ ENM announced the goal of 'Suggesting a Future Lifestyle that is an Inspiration to Society' when launching the integrated brand, CJ ONSTYLE in 2021, striving to transform the business structure to a mobile-centric one based on The ONLYONE philosophy. We will continue to bring selective brands, lifestyles, and unique shopping experiences through CJ ONSTYLE, while securing the NO.1 position in the live commerce sector and the top 5 in e-commerce. We will accomplish it by enhancing the live commerce channel as well as the mobile shopping mall specializing in three key categories, including living, fashion, and beauty, tailored to female consumers aged between 35 and 54. CJ ENM will grow further as a trusted commerce company, offering a joyful shopping experience to customers.

CJ ENM makes multi-faceted efforts to lead the global ESG trend. Acknowledging ESG as a new market order and future lifestyle, we have established ESG management goals and strategies while being equipped with mid- to long-term investment plans to mitigate carbon emissions and expand the use of eco-friendly energy. Our 'All Eco Packaging' strategy, set for increasing the use of environmentally friendly packaging, is being applied in greater areas encompassing partner companies besides CJ ENM.

CEO of CJ ENM
Heo, Min Ho

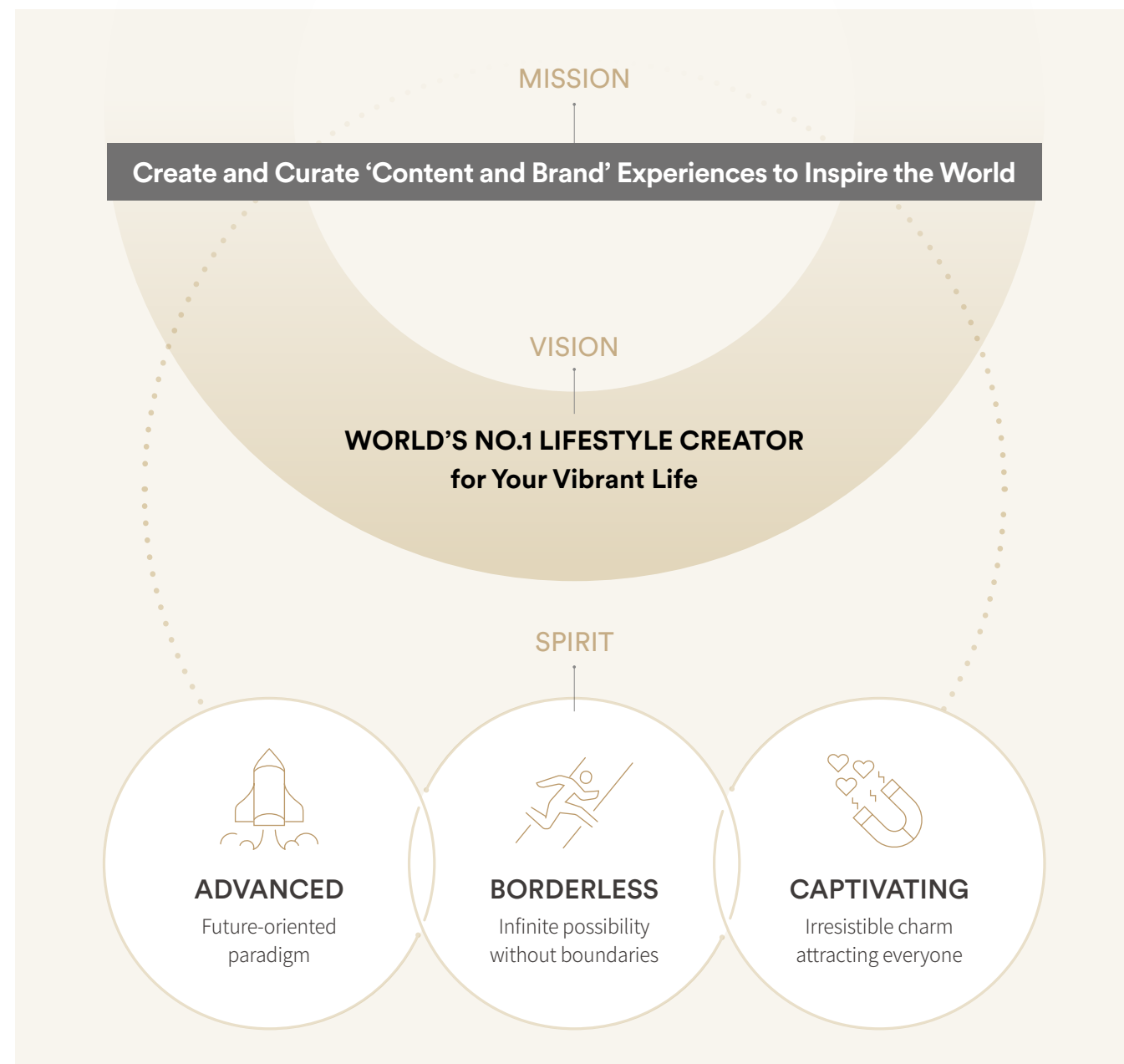
CJ ONSTYLE's 'value consumption' is at the heart of CJ ENM. It is a clear manifestation of our robust intention to provide a live shopping service that respects not only customers' tastes but also their value. Taking full advantage of the know-how on customer experience management earned through TV home shopping business, we will provide products and services palatable to customer tastes and value. And I promise that we will never stop relenting in these efforts to deliver 'value consumption' in full.

Our customers and stakeholders are the top priority of our entire business. Therefore, we are profoundly grateful for your interest and support. Our investment in creating a Win-Win ESG ecosystem will continue in collaboration with a number of industry partners, and at the same time, we will ceaselessly communicate with more stakeholders for the development of the local community as a corporate member of the society. We will reinvent ourselves as a trend leader in the e-commerce market. It would be highly appreciated if you could encourage and support us through this journey. Thank you.



CJ ENM VISION & MISSION

CJ ENM seeks to create the lives of the world more exciting and beautiful and to make the Earth sustainable. We are exploring opportunities for innovative growth and bring the best value, focusing on CJ Group's four major growth engines, C.P.W.S(Culture, Platform, Wellness, Sustainability), thereby contributing to a future society. We will vault into a future lifestyle company that designs a new life for people across the globe.



CJ ENM BUSINESS

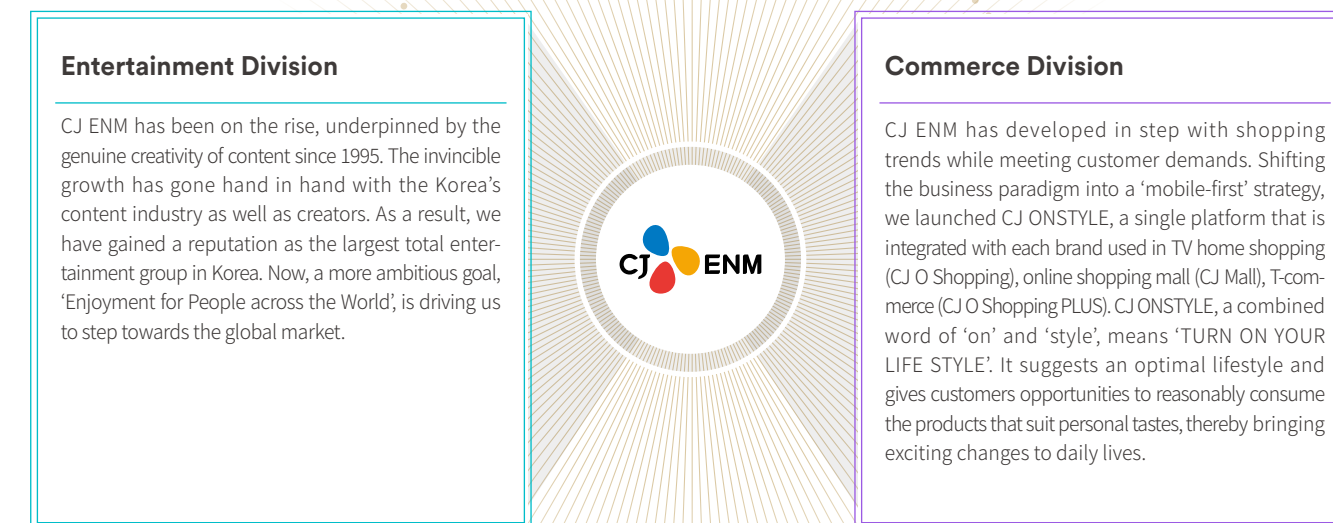
About CJ ENM

CJ ENM, world's NO.1 lifestyle creator, enriches people's daily lives. We are the first to provide global content-commerce services in Korea on the strength of our top-tier content production and product planning capabilities.

Company Status		* As of December 2021	
Company Name CJ ENM Co., Ltd	Head Office Address 870-13 Gwacheon-daero, Seocho-gu, Seoul, Republic of Korea	Total Assets (KRW mn)	7,940,624
	Sangam Office Building 66, Sangamsan-ro, Mapo-gu, Seoul, Korea	Sales (KRW mn)	3,552,397
Date of Establishment December 16th, 1994	No. of Employees 3,366	Operating Profit (KRW mn)	296,876

CJ ENM Business Portfolio

CJ ENM consists of two business sectors. 'Entertainment Division' plays a pivotal role in creating and leading cultural trends through our content and platform services. 'Commerce Division' suggests lifestyles palatable to our customers based on a profound understanding and empathy of them. We create lifestyles that bring enjoyment to people's daily lives.



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CJ ENM Business Portfolio

Entertainment: Content

• Drama · Entertainment Shows

CJ ENM provides distinctive original content that resonates with viewers across the world. Our trend-setting content brings love, laughter, happiness, comfort and catharsis to people. We export formats worldwide and work in partnership with OTT platform providers to deliver our content to overseas markets, thereby expanding our presence on the global stage.

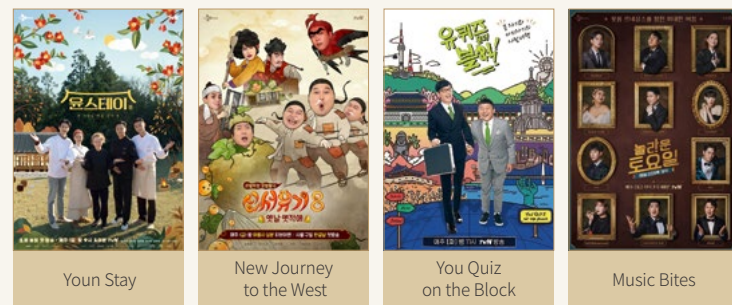
• Film

CJ ENM has led the history of the Korean film industry. We won four Oscar awards and also received awards at the Cannes Film Festival, which has led to the raised stature and advancement of Korean films on the global market. Now we are taking a leap forward to become a global film studio beyond Korea.

Top Rated Drama Series



Top Rated Entertainment Shows

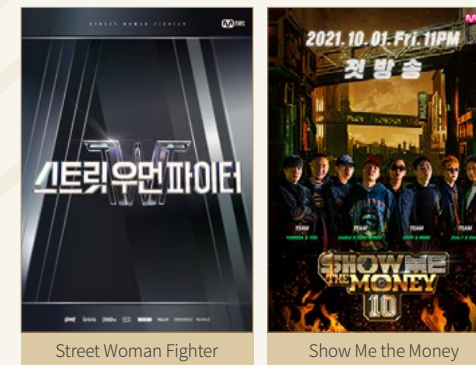


Film by 10 Million theatergoers*

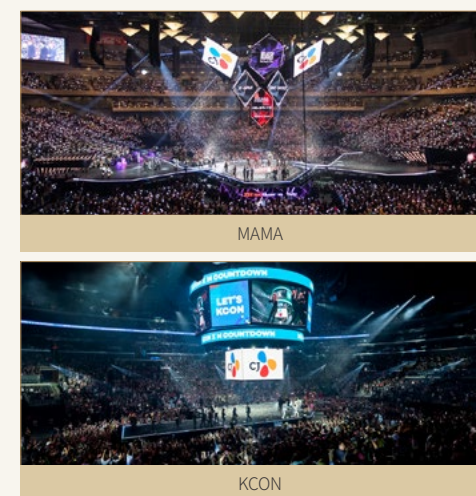


* As of the end of 2020

Top Rated Music Contents



Global Live Event



Top Rated Musicals



• Music

CJ ENM has led the trends of the music industry, by broadcasting a variety of programs on music channel <Mnet>. Providing global platforms and hosting concerts in Korea and abroad, CJ ENM has set the stage for K-Culture to gain traction across the world, transcending generations, genres, and languages. Furthermore, efforts have been made to bring focus to a variety of music genre artists to deliver vitality and diversity to the K-POP music industry.

<MAMA> — MAMA(The Mnet ASIAN MUSIC AWARDS) is the top annual music awards show in Asia, which is broadcasted live in more than 200 regions around the world. It is also a global music festival where music fans all around the world can celebrate, connect and communicate with each other, regardless of nationality, race or age, through various media including online and mobile platforms.

<KCON> — KCON, known as K-Culture Convention is a mix of Korean wave convention and concert. Starting in 2012 in the U.S., it was held in seven countries including Japan, Thailand, UAE, Mexico, Australia and France. KCON serves as an ambassador of Korean culture, providing great opportunities for people to experience Korean music, foods, fashion and beauty, etc.

• Musical

CJ ENM is the only official Korean member of the Broadway League(League of American Theatres and Producers). The release of Co-produced Musicals, such as <Kinky Boots> and <Moulin Rouge!> has positioned us as the leading musical production company on the global market.



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Entertainment: Platform

CJ ENM is a leading player in the diversified media industry. Our services cover TV channels, and digital including OTT platforms to enable viewers to enjoy the best content anywhere they want through the platform they want.



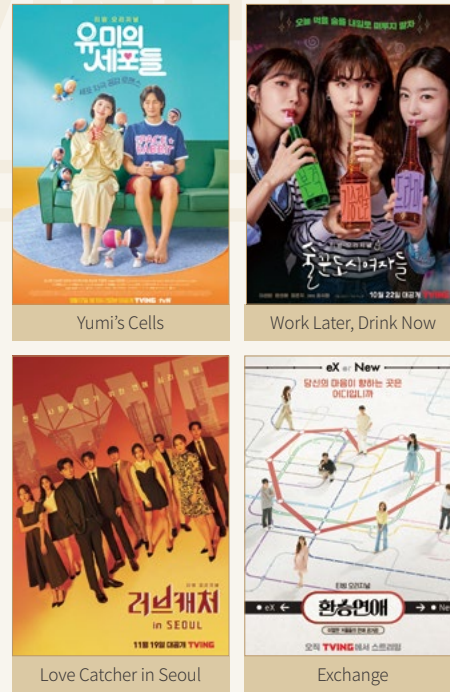
• TVING

TVING is home to a plethora of content. Our viewers can enjoy quality content across a broad range of genres including film, entertainment show, drama, sport and originals anytime anywhere. In addition, we operate the media commerce service, 'TVING Mall', so viewers can make purchases of IP-based products. In the years to come, TVING will expand the presence into global markets including the Americas through the collaboration with partners.

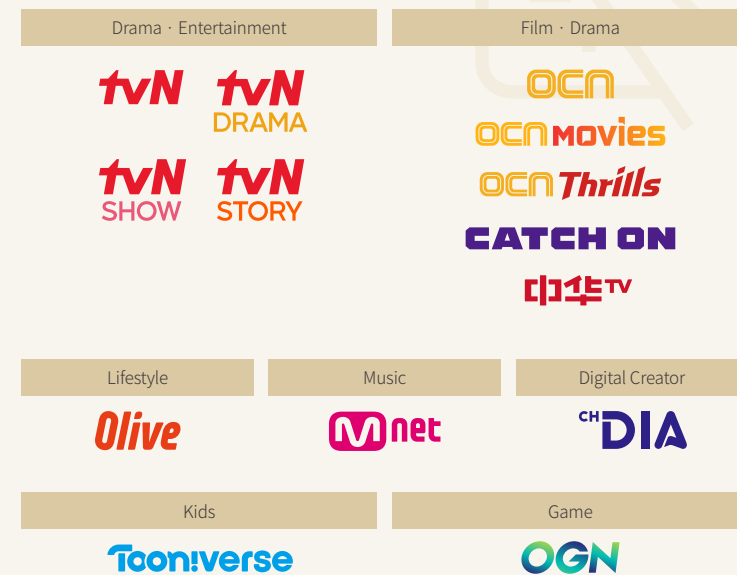
• TV Channel

CJ ENM is Korea's NO.1 Multi Program Provider(MPP) with 16 channels encompassing a variety of genres such as drama, entertainment, music, film, and animation. We shape trends with unrivaled content that resonates with all generations.

Top Rated TVING Originals



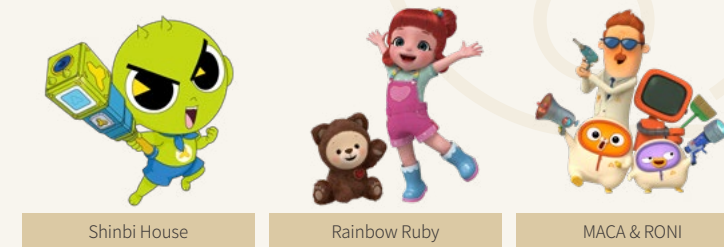
TV Channel



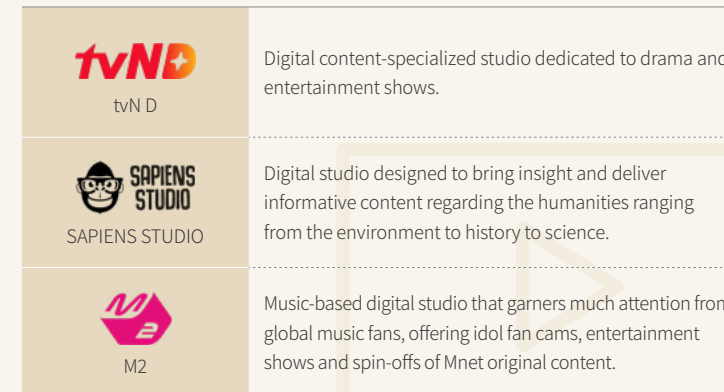
Studio & Record Label



Top Rated Animation



Digital Studio



CJ ENM Business Portfolio

Entertainment: Studio

CJ ENM reinforces the capabilities of our key productions to raise diversity and quality of content. We take the lead in supplying various content through the establishment of a multi-studio model in and outside Korea and collaborative works with partner companies. Together with multiple studios in various areas including drama, music, and film, CJ ENM serves as the foundation for expanding Korea's content industry.

• Animation

We develop and produce a variety of content for children including animations, entertainment shows and drama series. Our business also encompasses ancillaries such as MD business, musicals, exhibitions, films and mobile games. With competitive content, we expand IP through various OSMU (One Source Multi Use) businesses and broaden global markets including Asia, Europe, South America and North America.

• Digital

CJ ENM leads the trend in this field as we operate 300 digital channels encompassing a broad range of genres such as humanities, current affairs, gastronomy trends, reality shows and other subjects. We also have a firm grip on the digital content market with diverse formats and genres including short-form and mid-form. In addition, 'DIA', the largest digital content and influencers' network in Asia, hit 300 million subscribers and established partnerships with 1,400 teams of digital creators across 27 countries.



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Commerce: CJ ONSTYLE

CJ ONSTYLE provides diverse shopping experiences by breaking the boundaries between TV and digital channels, transcending one channel. Customers can enjoy commerce content at any time and place. In addition, CJ ONSTYLE suggests the best optimal lifestyle tailored to a customer's taste based on live commerce for the mobile environment.



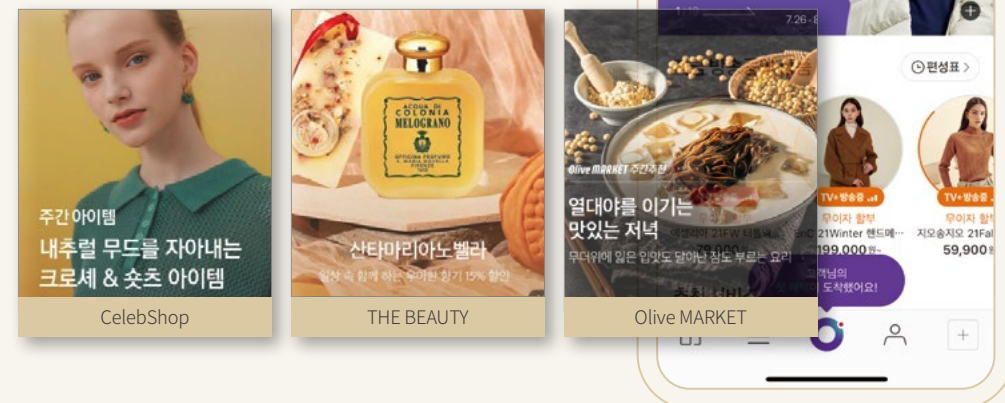
TV

As the top TV home shopping company, we lead the live video shopping culture. CJ ONSTYLE's live broadcasting channel produces commerce content that promotes the interaction with customers, going beyond product sales. Since 2015, we are also actively engaging in business activities in T-commerce(a commerce via TV) through 'CJ ONSTYLE+'.

CJ ONSTYLE

Mobile

As a mobile shopping platform, CJ ONSTYLE curates the optimal product for customers. Specializing in three categories including CelebShop(fashion), Olive MARKET (living), and THE BEAUTY(beauty), we provide a lively shopping experience through mobile live commerce(a commerce combining communication and shopping), streamed since 2017.

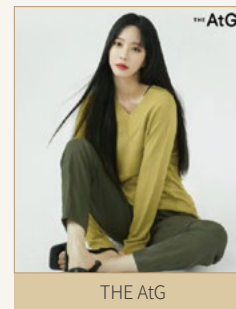


05 CJ ENM Business Portfolio

Commerce: ONLYONE BRAND

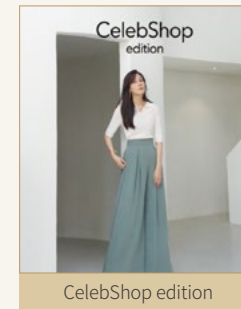
CJ ENM is home to the largest number of exclusive brands in the industry, including Private Brands(PB) managed through the entire process from planning, development to sales and exclusive Licensed Brands(LB) with famous designer brands in and outside Korea. It became the foundation for us to be equipped with unparalleled product competitiveness. A variety of ONLYONE BRAND encompassing fashion, premium food, and kitchenware bring diverse experience to all corners of the daily lives of our customers.

ONLYONE BRAND - ① Fashion



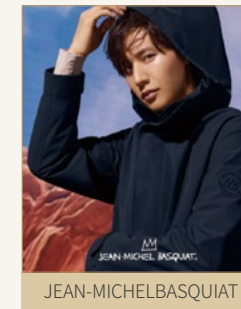
THE AtG

THE AtG leads the home shopping fashion business. As a CJ ENM's representative fashion brand enabling various styling from casual to workwear.



CelebShop edition

As a fashion total brand, CelebShop edition has a product lineup of practical and premium clothing. Its collaboration with global luxury material company and designer brands, in particular, has gained great response.



JEAN-MICHEL BASQUIAT

With the theme of New York pop artist JEAN-MICHEL BASQUIAT's work, it is a stylish and functional golf wear using his artistic detail and freewheeling color.



Eddie Bauer

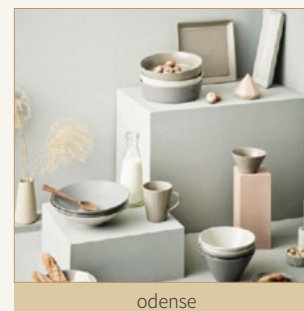
'Eddie Bauer' is American outdoor brand in Korea with a license agreement. It suggests reinterpreted outdoor style has 100 year heritage with modernization.



Others

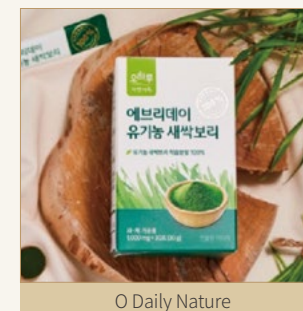
- KARL LAGERFELD PARIS: the first and only brand launched in Korea in collaboration with world-renowned designer 'Karl Lagerfeld'
- g studio: A premium fashion brand in collaboration with Korea's top designer, 'Gee chun-hee'

ONLYONE BRAND - ② Living & Beauty



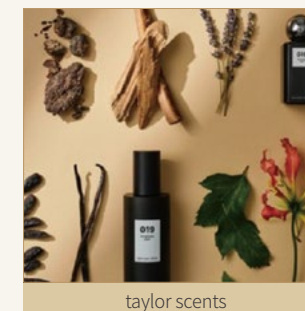
odense

It is a brand specializing in kitchenware based on Korea's ceramic craft expertise. The brand was awarded the world's top three design awards, having a varied lineup of products such as furniture and lighting.



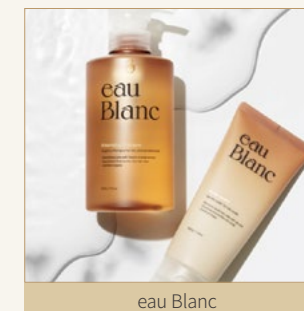
O Daily Nature

O Daily Nature is a nature-centric food brand. Its flagship products include snack and meal replacement that the whole family can easily enjoy.



taylor scents

As a brand specializing in premium fragrance, it has a variety of product lineup including niche perfumes and room sprays to lead the fragrance market. Particularly, taylor scents' hotel diffuser line only uses ingredient made in France, setting a new standard of fragrance interior.



eau Blanc

It produces cosmetic products without animal ingredients, using nature-derived and eco-friendly ingredients. It enables consumers to consume in an eco-friendly and ethical way, and the effort received positive response.



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HISTORY OF CJ ENM

Entertainment

No Culture, No Country

CJ ENM has been leading the cultural content industry in Korea through the inheritance of the philosophy of Lee Byung-Chul, founder of the CJ Group, that there is no country without culture. We are leading the globalization of Korean culture and offer fun and excitement to customers from all over the world by providing various content.

Commerce

Live Shopping Platform, CJ ONSTYLE

In line with the changes of the media environment in which there is no more boundary between TV and mobile, CJ ENM launched the mobile-driven platform, 'CJ ONSTYLE' by integrating 'CJ O Shopping', a TV home shopping channel and 'CJ Mall', an online shopping mall. On the basis of our ever-evolving competitive edge in merchandising and live commerce optimized for mobile, CJ ONSTYLE offers more vivid and lively shopping experience to customers.

1990s

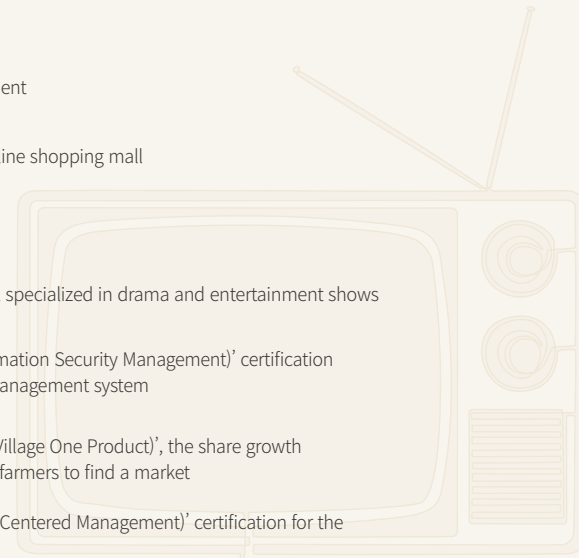
- 1995 Newly established CJ CheilJedang multimedia business, attracted investment from DreamWorks SKG
- 1995 Launched Korea's first TV home shopping

2000s

- 2000 Established CJ Entertainment
- 2001 Launched 'CJ Mall', an online shopping mall
- 2002 Established CJ Media
- 2006 Launched 'tvN', a channel specialized in drama and entertainment shows
- 2006 Acquired 'ISO 27001(Information Security Management)' certification for information security management system
- 2007 Launched 'CJ OVOP(One Village One Product)', the share growth program supporting local farmers to find a market
- 2009 Renamed company and channel as 'CJ O Shopping'

2010s

- 2010 Hosted the K-POP music awards ceremony <MAMA>
- 2011 Established CJ E&M
- 2012 Hosted the first <KCON>, the biggest K-Culture convention in the world, at Irvine United States
- 2012 Provided a sign language consultation service for the first time in TV home shopping and online shopping mall businesses
- 2013 Established a foundation for raising competency and entering into global market
- The first globally co-produced musical, <Kinky Boots> won 6 awards at Tony Awards
- Korea's first global project, <Snowpiercer> was exported to 167 countries



Welcome to CJ ENM CENTER



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2020s

- 2014 Achievements in and outside the Korean market
Film, <The Admiral: Roaring Currents> and <Ode to My Father> hit the historic box office records in Korea
tvN exported <Grandpas over Flowers> format to a major US broadcast network, NBC
Musical <Kinky Boots> received 'Best Musical Theater Album' at the 56th Grammy Awards
Became the official member of 'Broadway League' for the first time as a Korean company
- Built MCN business partnership with Google Youtube
- Launched MCN content and digital business
- 2015 Expanded digital short-form and digital advertising
- Continued global sensation based on content planning and production capabilities
- Musical <Kinky Boots> made its debut in West End production in the U.K.
- A Chinese remake of <Twenty Once Again> hit the highest rank in box office among the same genre, a Vietnamese remake broke the top rank box office record
- 2015 Launched T-commerce channel 'CJ O Shopping PLUS'
- 2016 Divided the Drama business and established 'STUDIO DRAGON'
- Opened O'pen Center as CSV project to discover and train new creators
- <Rainbow Ruby>, the first animation character to become the ambassador of the Girls' Education Global Campaign of UNESCO
- 2016 Acquired consumer-centered management(CCM) for 10 consecutive years
- Launched 'Shock Live', a channel dedicated to a mobile livestream service
- 2018 Merger of CJ E&M and CJ O Shopping, renamed as CJ ENM
- Tooniverse channel, selected as an 'excellent broadcaster for disabled children' and received a citation by the Korea Communications Commission
- 2019 Signed a content distribution · production partnership with Netflix
- <KCON> attracted total viewers of 10 million, leading the globalization of K-lifestyle
- Established 'BELIFT LAB', a joint venture with HYBE
- 2019 Signed a business agreement with the Ministry of Environment for reducing packaging materials for distribution
- Took the first place in TV home shopping and online shopping mall sectors in the National Customer Satisfaction Index(NCSI)
- Received a presidential citation for excellent company from consumer-centered management(CCM)

- 2020 "Well-made content means global" K-content leading the world beyond Asia
Film <PARASITE> won four Academy Awards
Musical <Moulin Rouge!> won America's big three theater awards
The U.S. remake of Mnet format <I Can See Your Voice> aired on FOX
tvN <Crash Landing on You> hit the highest ever record in the national rating

Took lead in the paradigm shift of performing art through non-face-to-face performance technology: <KCON:TACT>, <MAMA>

OTT platform <TVING> separated as an independent entity



- 2020 Signed a business contract for 'supporting with finding sales channels for SMEs and small business owners' as a win-win effort in collaboration with the Ministry of SMEs and Startups and the Korea Foundation for Cooperation of Large&Small Business, Rural Affairs

Recognized as an excellent company for 'eco-friendly technology promotion 2020' by the Ministry of Environment

Received the 'hall of fame Fair Trade Commission chair citation' from consumer-centered management(CCM)

- 2021 Founded the ESG Committee

Launched CJ ONSTYLE, a curated live shopping platform



Produced TVING original content and increase in the number of subscribers

Musical <Moulin Rouge!> won 10 awards including Best Musical at Tony Awards

Acquired 'ISO 37031', a certification for compliance management system

Acquired US-based global premium content studio, Endeavor Content

Winning a prime minister citation in fire safety management

Signing a ViacomCBS partnership

Receiving a citation for the contribution to create jobs in Korea



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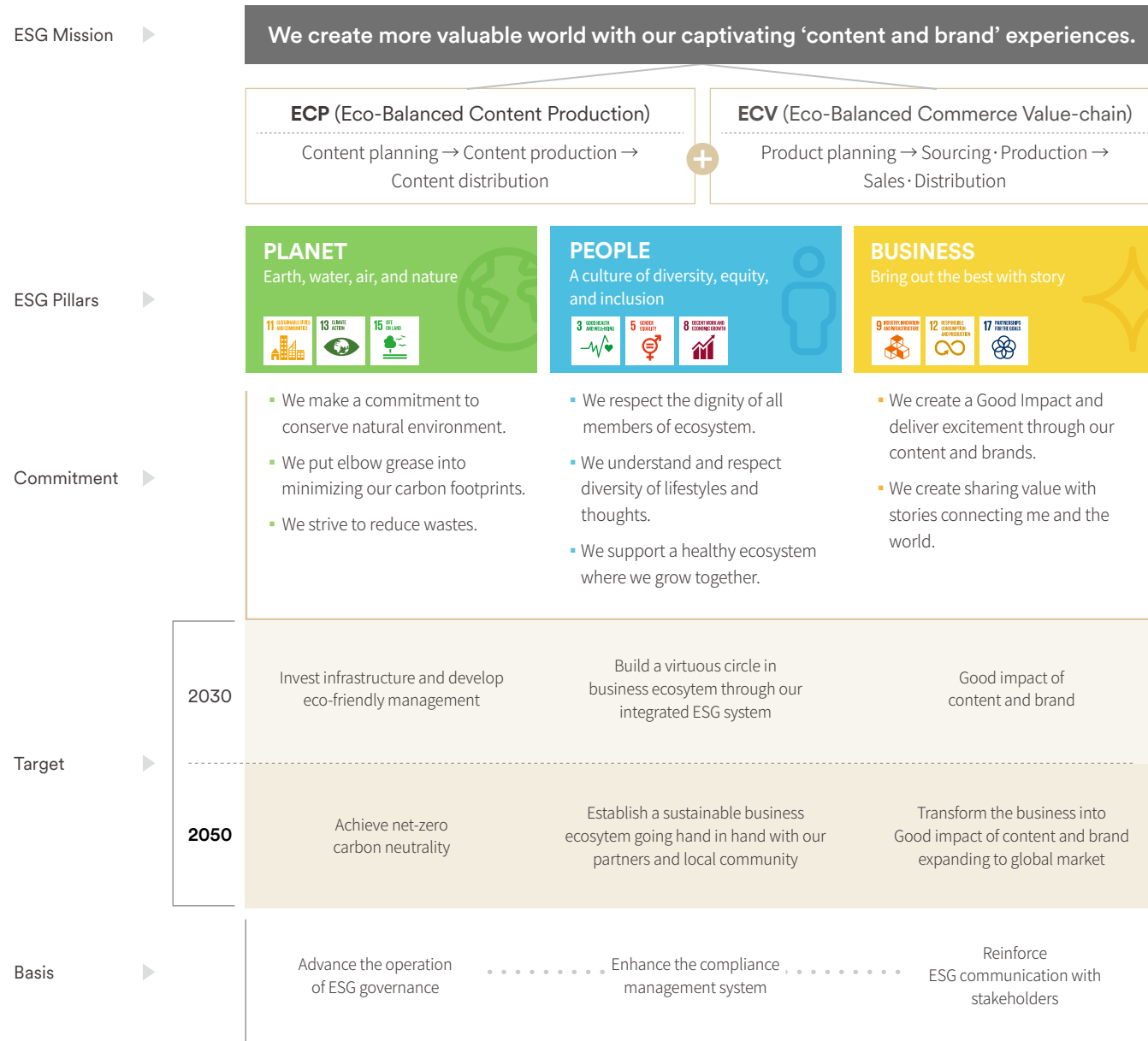
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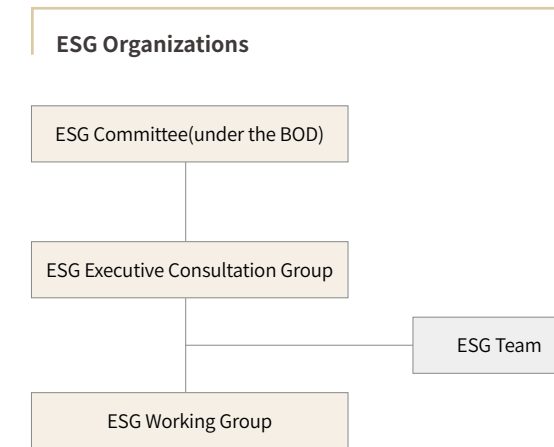
CJ ENM builds an implementation framework for effective ESG management, vaulting into a company that brings positive changes to the environment and the ecosystem of the industry. ESG implementation philosophy complies with global standards and guidelines and goes hand in hand with local and global communities as a responsible corporate citizen.



ESG Organization

Aiming to grow into a sustainable corporation, CJ ENM set up a system fully dedicated to ESG management. We newly established the ESG Committee under the Board of Directors(BOD) as the highest decision-making body related to ESG management. The ESG Executive Consultation Group and the ESG Working Group were also set to organize the systematic execution.

The ESG Committee takes an integral role in responding to changes in the management environment and setting the mid- to long-term directions in ESG strategy to develop environmental and business ecosystem. The ESG Executive Consultation Group establishes and performs mid- to long-term ESG management plans while reviewing various agendas, followed by reporting major issues to the ESG Committee. The ESG Working Group delivers ESG strategies related to its businesses while executing business-related ESG activities.



ESG Committee Operation

With the purpose of enhancing ESG management, CJ ENM newly established the ESG Committee that deliberates and resolves ESG strategies and policies. The ESG committee is comprised of experts in entertainment and commerce industries as well as compliance and social policies, aiming for strategic and systematic sustainable management. It oversees mid- to long-term ESG strategies and business directions while deliberating and resolving the issues in regard to the environment, society, and governance as well as ESG-related major agendas.

ESG Committee Members					
	Independent Director			Inside Director	
Name	MIN, YOUNG	CHOI, JOONG KYUNG	HAN, SANG DAE	KANG, HO SUNG	HEO, MIN HO
Position	Chair of the ESG Committee	(concurrent) Chair of the Audit Committee	-	CEO of CJ ENM (Entertainment Div.)	CEO of CJ ENM (Commerce Div.)
Key Profile	<ul style="list-style-type: none"> Professor of Media & Communication school, Korea University Research Fellow of Humanities & Social Sciences, National Research Foundation of Korea Press arbitrator, Press Arbitration Commission Advisory Committee, Journalists Association of Korea 	<ul style="list-style-type: none"> President of the Korea Certified Public Accountants Association Chair-professor at Graduate School of Public Administration, Korea University Minister of Knowledge Economy 	<ul style="list-style-type: none"> HAN, SANG DAE Law firm Director of the Seoul Central District Prosecutor's Office Prosecutor General of the Supreme Public Prosecutor's Office 	<ul style="list-style-type: none"> COO, CJ ENM Entertainment Div. COO, Legal Affairs Executive VP of CJ Corp Partner attorney, Law firm Lee&Ko Adjunct professor, Law school of Ewha Womans University 	<ul style="list-style-type: none"> CEO, Olive Young of CJ Olive Networks CEO, CJ Olive Young Executive VP, Donghwa Duty Free
Expertise	Media industry and social science	Finance and administrative system	Law and compliance	Business and overall management	Business and overall management



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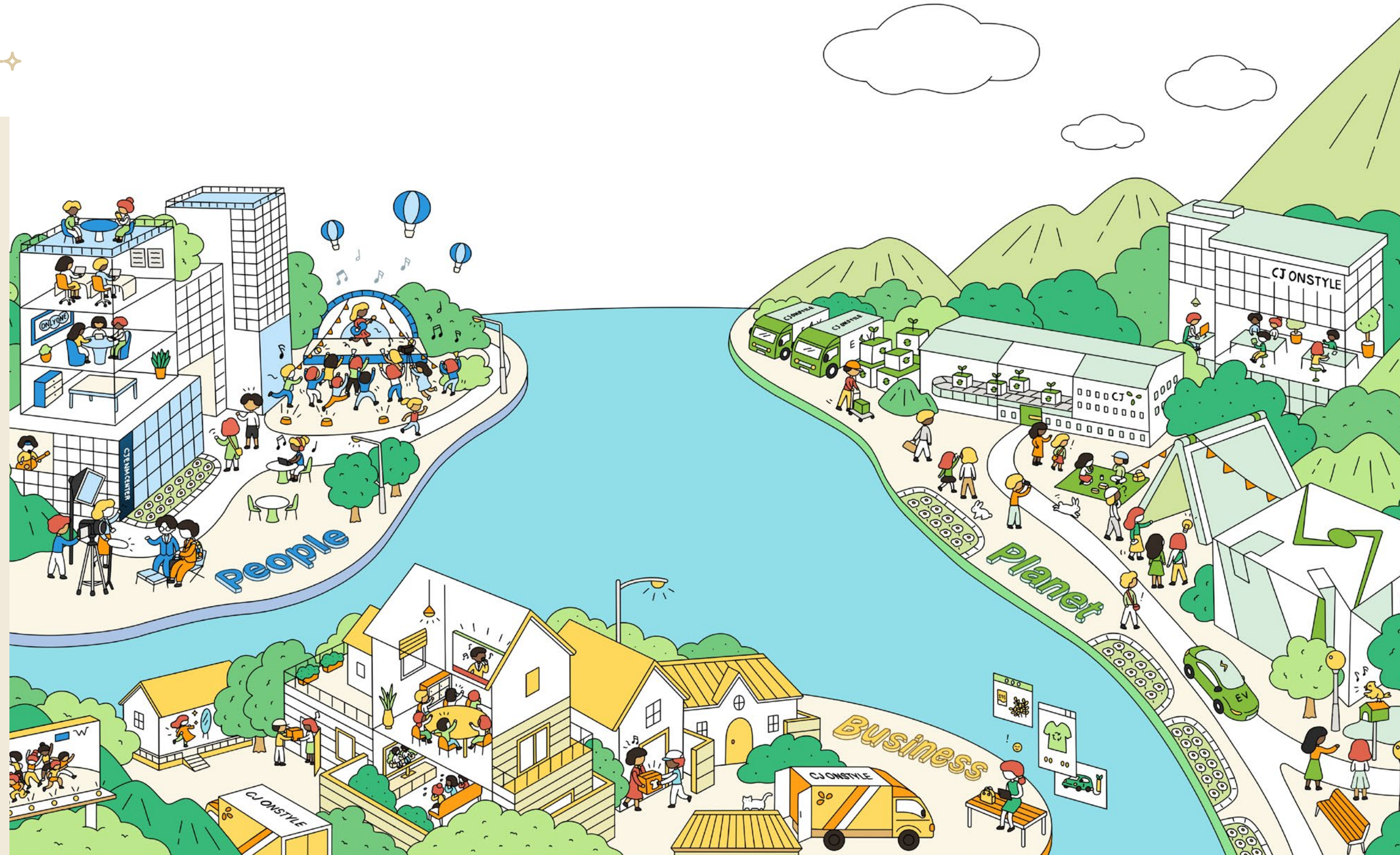
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CJ ENM offers an attractive 'content and brand' experience on the foundation of our ESG philosophy, thereby creating more values in the world.

With an objective of nurturing an industry ecosystem in a balanced manner on top of preserving the natural environment, we push forward the ESG implementation framework by utilizing each industry characteristics based on ECP(Eco-Balanced Content Production) and ECV(Eco-Balanced Commerce Value-chain).

In the capacity as a leading company, CJ ENM will faithfully fulfill our social role and responsibility as the NO.1 lifestyle creator on the pillar of our unique ESG implementation philosophy.



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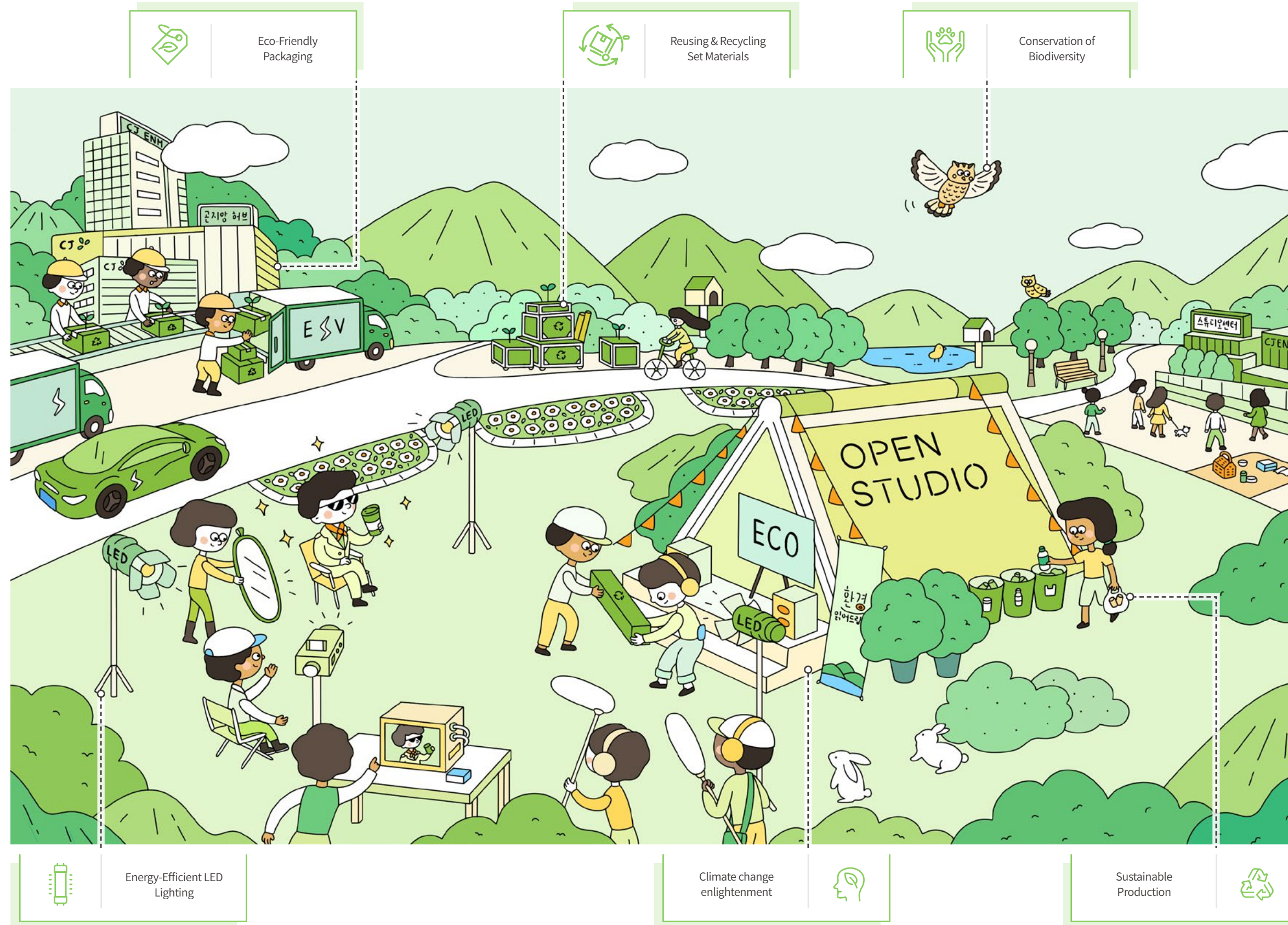
Melting snow on Mt. Kilimanjaro, sinking island due to the rising sea level.

Climate change has transformed our home into something frightening and unfamiliar to us.

Earth, water, air, and healthy nature are our responsibilities for future generations.

CJ ENM carefully minimizes our impact on the environment and practices ESG joined by everyone on the strength of our content and brands, aiming for creating a sustainable environment where nature and people coexist.

With one accord, we take a step further closer toward the goal of Net zero carbon by 2050.



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CJ ENM Studio Center – An Environmentally-friendly Studio

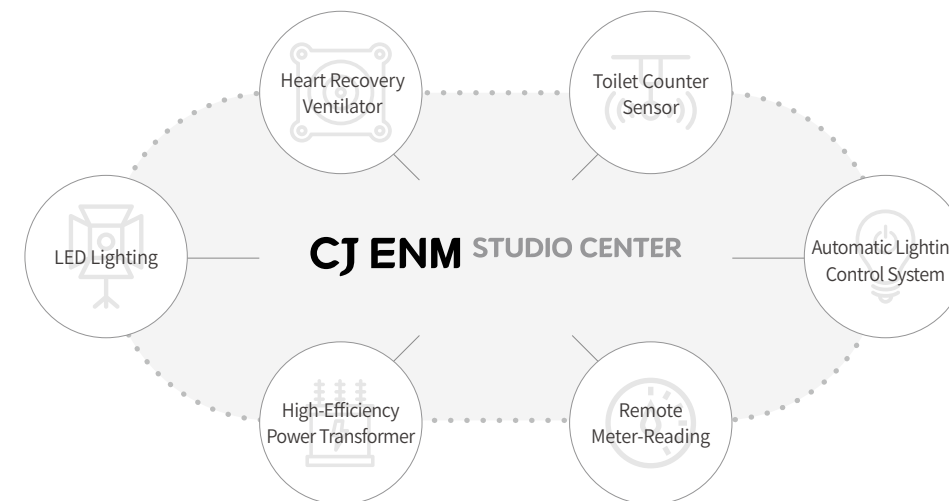
‘CJ ENM Studio Center’, which will be the largest scale multi-production facility in Korea, is scheduled to be opened in Paju, Gyeonggi-do, in 2022. The center has a total of 13 large studios in four different zones; an exhibition zone to interact with content, an engagement-type production studio, an open filming set and permanent studios as well as a themed open filming backlot in the forest. We will particularly focus on internalizing virtual production studios that will reinforce the visual effect technology, aiming at perfecting the content quality.

On top of that, our target is to build an optimal infrastructure and one-stop production system. The center fully accommodates the approximately 49,586-square-meter outdoor filming sets, the standing set production such as hospital and police station, a four-lane road for car scenes and special effect scenes. This innovation will maximize the efficiency of the production process, including production period, cost, and staff travel, while far advancing the technologies to produce our unique content by utilizing the state-of-the-art tangible technology in virtual reality · augmented reality · special effect studios. In addition, we will lease the workplace to small and medium-sized content production companies, leading to the vitalization of nurturing the Korean content industry, thereby creating a win-win scenario for the industry.



CJ ENM Studio Center is designed for energy efficiency by adding eco-friendly elements from the design stage for the first time in Korea as a multi-production facility. We have maximized energy savings by installing LED lighting in each facility, heat recovery ventilators, toilet counter sensors, high-efficiency power transformers, remote meter-reading, and an automatic lighting control system. In addition, we plan to build charging stations for electric vehicles in the facility in order to take part in efforts to mitigate the environmental impact of fossil fuels. We also conduct biodiversity conservation activities such as protecting wild birds and setting up shelters for animals in green areas such as birdhouses are carried out by preserving green areas in and around the studio while opening a nature walking trail for nearby residents, which demonstrates our will to go hand in hand with the local community.

Eco-friendly Elements of CJ ENM Studio Center



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“ CEO of CJ ENM
Kang, Ho Sung

To be part of the solution for the environmental issues we are faced with, we prepared the conference that brings the environment into focus as the first step. Based on our core values of fun, creativity and challenge, we will make an effort to bring about a change to have environmental protection permeating through our culture.

Climate Change Enlightenment - <Let's read: Environmental>

CJ ENM held its first infotainment environment conference, <Let's read: Environmental>. With 50 domestic and overseas public figures and celebrities in attendance, the conference provided an opportunity for us to take a close look at environmental issues for a seven-hour discussion from the perspectives of literature, philosophy, science and arts.

<Let's read: Environmental> is a new concept of entertainment content providing a mix of ESG and the humanities. The very purpose of this content is to enable viewers of various generations to get a grasp on environmental issues in our daily life in an easy manner. To this end, the conference provided diverse programs including one-person lectures by environmental experts, daily activities conducted by celebrities for environmental protection, global environmental issues raised by overseas celebrities and performances by stellar artists.

In the first half, we were joined by many famous lecturers including mind miner Song, Gil Young, futurologist Jeong, Ji Hoon, professor of College of Medicine of Yonsei University Chang, Hang Seok and atmospheric scientist Jo, Cheon Ho. They delivered their lectures on the correlation between our lives and the environment from the viewpoint of macro aspects encompassing scientific technology, disease, climate change, history and others. They also talked about the direction humanity should be headed. In the second half, we had physicist Kim, Sang Wook, cognitive Scientist Kim, Sang Kyun, art historian Yang, Jung Moo and cognitive psychologist Kim, Kyung Il. They showed us how the environment can be dealt with in various fields of the humanities, such as digital, physics, art and psychology. One of the subjects they covered was 'how to save the planet through the metaverse'. Diverse opinions were also shared on how to reduce environmental damage to the minimum at present. On top of that, celebrities across a broad range of fields joined this conference to deliver the message emphasizing the gravity of the environment, thereby showing their robust will towards the efforts to protect our planet.

In line with the thrust of this conference, efforts were made to minimize the environmental impact from on-set construction. We used pictures drawn by children under the theme of 'eco-friendly', environmentally friendly or recycled products, and assets for production stage. Some of the materials and set components of existing stages were recycled and reused to build stages.

Jung, Min Sik, Director of
<Let's read: Environmental>

Given the significance of the environment, we should embrace this issue in our daily lives. We were able to create this valuable conference because of those who with this thought.



Using eco-friendly themed pictures drawn by children at the contest to decorate the stage to deliver the message emphasizing the gravity of the environment

Responsible Packaging - All Eco Packaging

CJ ENM is well cognizant of social issues and plays a leading role in responsible packaging. In 2009, endeavors began to reduce overpackaging with the adoption of delivery boxes tailored to item types. In 2017, we started using paper packing materials instead of vinyl air caps, eco-friendly cold storage packaging instead of ice packs and styrofoam harmful to the environment, and paper hanger boxes instead of unrecyclable non-woven fabrics. Furthermore, in 2019, we introduced an 'eco tapeless box' which doesn't require vinyl tape which is impossible to recycle, thereby taking the initiative in terms of eco-friendly activities. With the aim of contributing to the transition into a resource circulation society, we voluntarily signed an agreement for the mitigation of packaging materials with the Ministry of Environment in 2019. In addition, we are phasing in "Three Materials Free Packaging" which means no vinyl(plastic), non-woven fabric and styrofoam. And this is the first movement in the TV home shopping industry. The 3R (Reduce, Redesign, Reuse) policy has also been formulated. We have been persistent in developing relevant technologies and our efforts have paid off. We have two model utility rights related to eco-friendly packaging materials while reducing the usage of around 50 tons of plastic from October 2017 to December 2021. These achievements led CJ ENM to win awards three times in the eco-friendly category by the Ministry of Environment from 2019 to 2020.

Our efforts engage our partner companies as well. 'Eco-Packaging Together', launched in 2020, is a campaign encouraging our partner companies to join hands in preventing the overuse of materials. With the campaign, we have shared our optimal packaging specifications and guidelines that, we distinguish damage-prone items, such as cosmetic products, glass containers or kitchen appliances from items not prone to damage, such as textiles or miscellaneous goods, to set standards for packaging space ratio and recall guidance for each. It also includes the details regarding Eco-Packaging materials such as paper tape or paper packing material. As of now, about 9,000 SMEs are joining this campaign, and we are going to drum up support for the campaign, attracting more partner companies.

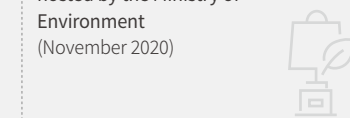
In addition, we voluntarily entered into an agreement to boost the separation and disposal of packaging materials with the Ministry of Environment in 2020. We also place a notice on delivery boxes or send a message about waste separation so that all stakeholders can join this campaign.

Key Awards

The category of eco-friendly consumption at 2020 government awards for promotion of eco-friendly consumption (November 2020)

Winning the Environment Minister's Award

Good Packaging Contest hosted by the Ministry of Environment (November 2020)



Winning the Encouragement Prize

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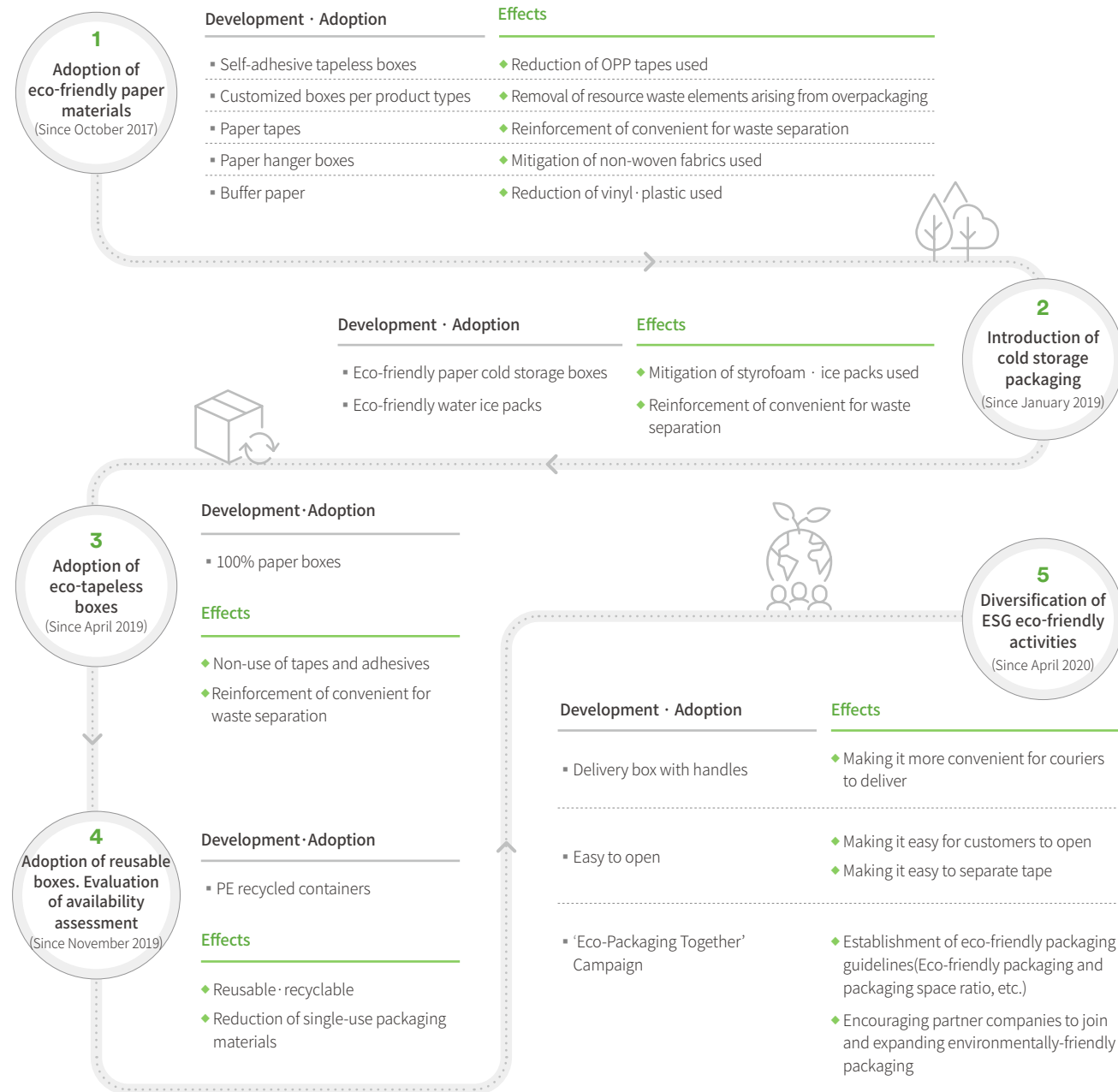
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Responsible Packaging Activities

CJ ENM maximizes our influences on the environment with the adoption of eco-friendly elements into every stage of packaging and delivery. We eliminate parts that are not recyclable while making it more convenient to separate so that our customers can easily join this campaign. All these efforts come together to reduce the use of plastic. By doing this, we are taking the initiative in ESG activities.

Footprint of Responsible Activities



Key Achievements of Responsible Activities

* Accumulated period: October 2017 to December 2021

Before	After	Achievements
<p>General Delivery Box</p>	<p>Adhesive Tapeless Box</p>	<p>Amount of usage</p> <p>457,000 boxes</p> <p>Effects</p> <p>Length of OPP tapes replaced approximately 457km, amount of plastic reduced 22,855m²</p>
<p>General Delivery Box</p>	<p>Eco Tapeless Box</p>	<p>Amount of usage</p> <p>802,000 boxes</p> <p>Effects</p> <p>Length of OPP tapes replaced approximately 802km, amount of plastic reduced 40,102m²</p>
<p>OPP Tapes</p>	<p>Paper Tapes</p>	<p>Amount of usage</p> <p>2,950,000 boxes</p> <p>Effects</p> <p>Length of OPP tapes replaced approximately 3,544km amount of plastic reduced 177,220m²</p>

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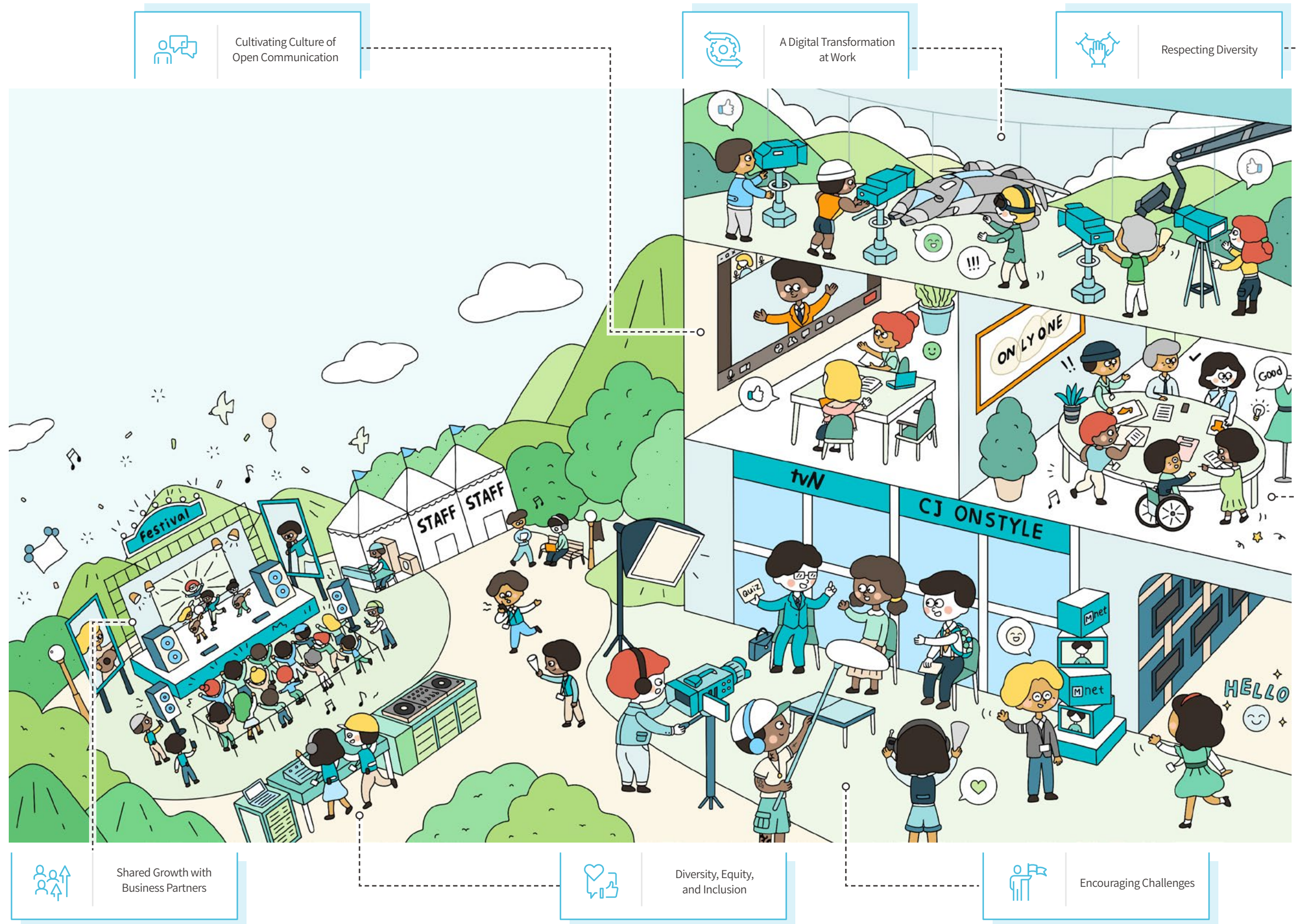
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People in CJ ENM constantly challenge themselves and unlock their creativity in a culture of diversity, equity, and inclusion.

Gathered by passionate talents, CJ ENM respects the dignity of all members and the diversity of lifestyles on top of having flexibility.

We create a healthy business ecosystem where employees, business partners, and stakeholders jointly develop together.



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Employee

Corporate Culture of Diversity, Equity, and Inclusion

Creative and trendy ideas are at the heart of our entertainment business. We are making efforts into creating a culture of communication-‘ONE BODY’-, so our employees can trust their leaders and co-workers, feel proud of what they do and cooperate with each other in an amiable way. We want our employees to find themselves enjoying their work as well as to communicate with co-workers and leaders, rather than forcing a sense of belonging on them. To this end, we have operated various programs to facilitate communication.

Online and Offline Communication Program-ENTalk

With the aim of cultivating a culture of open communication, we have launched our internal communication program, ‘ENTalk’. This program is an in-house broadcast program in the form of a talk show. What we expect from this program is to provide a venue where our leaders and employees can have a conversation to create a culture of empathy and communication. ENTalk serves as a powerful tool for our employees in their 20’s and 30’s who are in favor of an open and horizontal corporate culture, to interact with their leaders. Through this program, leaders, including the CEO, share a broad range of issues concerning corporate visions, goals, their personal experiences, know-how and matters of concern of the employees. Employees also utilize this program to raise issues in the system, and to come up with their groundbreaking ideas and opinions. ENTalk is also available online, and we ensure anonymity by using the external server, AWS. We continue to encourage our employees to actively interact through ENTalk to collect their opinions and feedback, based on refining of our system and infrastructure.



ENTalk, In-house Program to cultivate culture of open communication



The whole view of CJ ENM JEJU Office

Innovation in the Way We Work, ENM JEJU

As the prolonged COVID-19 pandemic has increased the percentage of people working at home to over 50%, fixed offices have faded into insignificance. In line with this trend, CJ ENM has introduced a remote work place system on a pilot basis under the concept of ‘Workation’ with the firm belief that remote working would allow employees to work freely anytime and anywhere, thereby empowering them to come up with more creative ideas. This program enables our employees to enjoy their work and life on Jeju Island, one of the representative vacation destinations. The Workation system is in its pilot stage, under 10 employees are working at the Jeju Office every month with a KRW 2 million of accommodation is provided for each. The system will be evaluated in terms of its work efficiency and employees’ satisfaction, and then we intend to operate this system on a regular basis to have more employees benefit from it.

* Workation: It is a compound word of work and vacation. Workation system is a new type of work system that allows employees to do work and enjoy a vacation at the same time.

‘Blowing Monday Blues Away’ Day

We strive to invigorate to our employees’ daily lives and to lift team morale with a variety of in-house events coming out of employees’ ideas. The events include providing a special meal on Mondays at the cafeteria, making a photo zone filled with flowers, sharing bouquets, installing a game room at the lobby and holding live quiz shows online with prizes. All of these events come together to make the best working environment and to boost communication and collaboration.

‘Blowing Monday Blues Away’ Day: ENM Flower Garden



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1. Events on Your Way to Work in Celebration of the Launch of CJ ONSTYLE

2. Events on Your Way to Work in Support of You Suffering from Corona Blues



Corporate Culture of Dynamics and Innovation

The commerce market has gone through a rapid change stemming from the COVID-19 pandemic and societal and environmental changes for the past two years. CJ ENM has also revamped our Commerce Division shifting its focus to mobile. In addition, we leverage competitiveness in diverse fields while striving to create a young and dynamic working culture.

Encouraging Employees to Challenge Themselves

CJ ENM operates a variety of award systems including Challenge Awards(end of year award ceremony) to motivate employees to challenge themselves to achieve a high level of performance in their work. Various types of working system including staggered working hours and flexible working hours are also adopted. Especially in 2020, with the emergence of the COVID-19 pandemic, we allowed employees to work from home. We have provided an online tool enabling our workers to communicate and collaborate with each other in a smooth and efficient manner even in the non-face-to-face working environment. In addition, we support our employees in keeping up with trends by providing online subscription services so that they stay on top of the recent trends and generate new insights.

A Culture of Horizontal and Communication

As part of the efforts to create a horizontal corporate culture and open communication, we hold meetings on a frequent basis to strengthen the bonding of employees. In the face of the COVID-19, online meetings were held for online and offline communication. To make our corporate culture more vibrant, we put in place a variety of employees' participation-based events such as communication activities on the way to work hosted by the Labor-Management Council and in-house non-face-to-face talent contest. In addition, we operate the Labor-Management Council's Hotline to reach out to employees to handle their grievances.

Work-Life Balance

In pursuit of balancing work and personal life, CJ ENM provides an environment where our employees enjoy their vacation to the fullest so they can concentrate more on their work. 'Shillendar', the company-wide calendar for vacation, is one of the programs to encourage our employees to plans ahead and take leave. Furthermore, we present gifts to employees welcoming newly born babies to celebrate childbirth. Both male and female employees could have days off for prenatal care checkups. On top of that, we provide special leave for those with miscarriages or stillbirths in order to help them and their families recover physically and mentally. In addition, we put in place various family-friendly systems such as shorter working hours for emergency childcare and special leave for child's school admission.

Partner

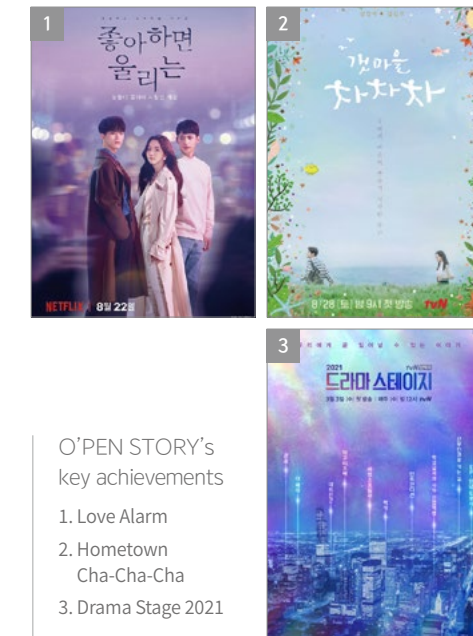
Creator & Writer Support Project <O'PEN>

O'PEN means to provide 'open' opportunities to create their content for those who dream of becoming a writer (pens). This is our CSV(Creating Shared Value) project to discover and develop the next generation of creators throughout every stage from content writing-developing and production to business matching in cooperation with our production subsidiaries, STUDIO DRAGON, WAKE-ONE, etc. Starting with drama and film categories in 2017, we broadened the scope of beneficiaries of this project to music (composition) in 2018 and to the short-form digital content category in 2020. CJ ENM has produced and helped launch the careers of over 161 storywriters and 58 songwriters by 2021.

O'PEN STORY - Single-Episode Drama, Film, Short-Form

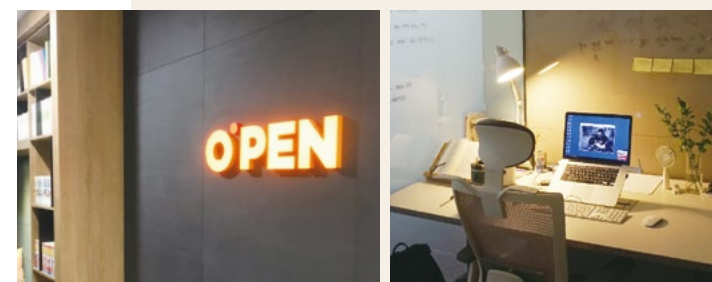
O'PEN STORY presents an open opportunity to those who dream of becoming storytellers. The selected writers are provided with many perks as well as education programs. The benefits encompass funding for content creation, mentoring services by top-notch directors and writers, special lectures-seminars, workshops, field trips-coverage and in-depth interviews to help them reach higher levels of completion. On top of that, they are allowed to use the space for creation(O'PEN Story Center), including shared or personal writer's rooms, meeting rooms and the lounge without time constraints. The O'PEN Story Center serves as a cradle of creation where O'PEN writers' imaginations turn into reality while providing a unique opportunity for experts across a broad range of fields to interact with each other.

The selected script writers in the category of single-episode dramas and short-form originals receive a 10-month training course to plan and develop original series while writers, selected in the film category, further develop the winning scenarios and design new original scenarios. 10 originals of the winning entries are produced as single-episode dramas by STUDIO DRAGON and aired on tvN's annual <Drama Stage> series. In addition, we invite domestic and overseas investors, distributors, and production companies to match their works with the right partners after their training.



O'PEN STORY's key achievements
1. Love Alarm
2. Hometown Cha-Cha-Cha
3. Drama Stage 2021

Special



Where imagination starts - O'PEN Story Center

O'PEN Story Center is an open space for creation where O'PEN writers interact with experts across a broad range of fields. O'PEN provides various educational programs for writers, such as mentoring services by experts, special lectures, seminars and workshops to help them polishing their writing skills. In addition, they can use the writer's room and other amenities without time constraints so they can fully concentrate on their work.

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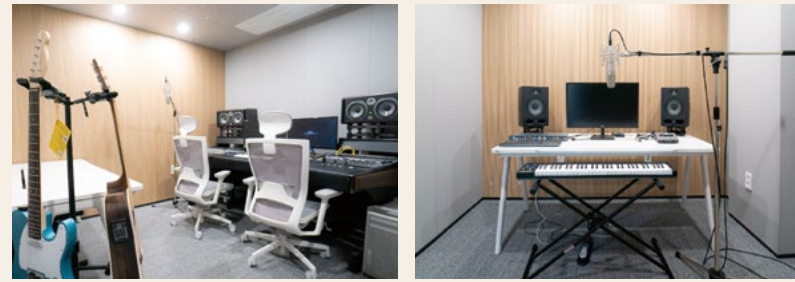
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O'PEN MUSIC - Composition

O'PEN MUSIC offers an opportunity to aspiring composers. The selected creators for O'PEN MUSIC can enjoy abundant perks, including funding and space for content creation, and mentoring services by the industry's leading composers. Well-structured curricular are also provided, including special lectures regarding composition, songwriting, mixing, recording and production, along with opportunities for practice. We also help them actively communicate with various music experts through Song Camp. Furthermore, we provide them with opportunities to participate in drama OST production, to work on the recordings of artists or broadcasting sound source, thereby leading them overcome the high barriers to entry and the unstable environment. In addition, we provide supports to motivate creators to continue in their various pursuits.

◆ Special ◆



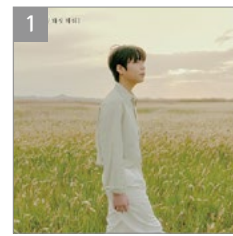
Leading the future of K-POP – O'PEN Music Center(WAKEONE)

O'PEN Music Center is a creation space where a variety of educational programs are provided for new composers of O'PEN MUSIC. The programs include special lectures and seminars in regard of music production(composition), recording, etc. The center is equipped with a lounge for the interaction with other musicians, a recording studio for guide vocal & sessions recording, and a shared music studio.

Follow-up Support through the Agency

CJ ENM assists creators who are completed O'PEN's curricular to become full-time writers or composers. The talented creators could find the opportunities through biz-matching. We also help them to plan, develop and commercialize their works. We also spare no efforts to provide a stable environment for them to work on creation by giving welfare benefits, such as health check-ups or vouchers for cultural events, and conducting activities to protect their rights. By doing so, we play a leading role in creating a sustainable business ecosystem.

O'PEN MUSIC's Key Achievements



1. Jung, Seung Hwan – Thinking of You (2021)
2. Lee, Hae Ri – Where the love goes (2020)
3. Twice – I love you more than anyone (2021)
4. So, Soo Bin, SoHee – Like You (2020)



◆ ◆ ◆ Special Mini-Interview



4th O'PEN's Writer
Cha, Yi Han

What I learned from O'PEN underpins my debut as writer

◆
4th O'PEN writer, Cha, Yi-han wrote <Proxy Emotion> aired on tvN's Drama Stage 2021. She is internationally recognized for excellence by winning four awards at renowned overseas film festivals.

Q There are many practical supports for writers; providing individual spaces for writing, organizing expert lectures or advices for their scripts. Which program was most helpful?

Mentoring programs conducted by professional writers meant the most to me. When I started working on the script of the miniseries, writer Jung, Hyun Jung, my mentor told me, "You are selected as O'PEN's writer, which proves your talent. Don't doubt your talent, do your best in writing." That advice brought back the confidence I had lost, and I polished my writing skills learning about many details such as what's important when writing miniseries.

Q Please give a message of support to those who are about to apply for O'PEN.

Please enjoy all the benefits that O'PEN provides including mentoring program. Average of 10 writers including me, went to the O'PEN Story Center in Sangam and battled with ourselves. I believe that I learned a lot which help me to grow further from O'PEN's supports. So I want you to take time to participate in O'PEN's good programs.

Q What impact did O'PEN have on you? What is the biggest change you experienced after O'PEN?

It made me feel more confident. I am still afraid of the path ahead of me as a writer but I am confident that I can utilize the skills I learned from O'PEN. And the reactions from viewers to <Proxy Emotion> meant a lot. I received both positive feedback, such as 'Your story feels relevant to me', and negative feedback. Either one was meaningful to me. It is a wonderful to find my work becoming the talk of the town.

Q What made you apply for O'PEN? What did you expect from O'PEN? And are there experiences you want to share with us?

The provision of various educational programs for one year makes O'PEN more attractive to me than other programs. O'PEN's programs are well organized ranging from lectures providing the details required when a new writer works on actual drama work to on-site experiences to mentoring programs. I received an impression that O'PEN's purpose was to provide full support to aspiring writers with potentials. Additionally, O'PEN allows writers to freely sign contracts with other production companies through its biz matching program even after we complete the program.

Q tvN has a reputation for its unique genre · topic · flexibility in format and content(diversity) compared to others. Is it one of the significant elements that affected you?

Yes, it had a great impact on me. tvN is never afraid to try new things, so I got an impression that if a story itself was interesting, showcasing the clear strengths in writing style, O'PEN will accept it. The category of sitcom was launched in 2020, and I thought that it was ground-breaking idea that they selected writers for this new category. In my opinion, tvN's greatest strength lies in its boldness to break down the formula, such as <Ugly Miss Young-Ae> and <Reply> series, and I thought that this allows trials of dramas in various formats.

Q What kinds of energy enables you to focus on writing?

I believe the power of drama. Drama could change to somebody's day although it can't change somebody's life. I want my drama to relieve viewers from their unpleasant emotions. I want to deliver my bright and positive energy to viewers, so they can make through the day. And this is the driving force for me to persistently write scripts.

4th O'PEN's Writer

Bang, So Min



O'PEN identifies high potential talents

◆
As 4th O'PEN sitcom writer, she wrote <Mint Condition> aired on tvN's Drama Stage 2021 and <Adult Trainee>, TVING's original high-teen drama series

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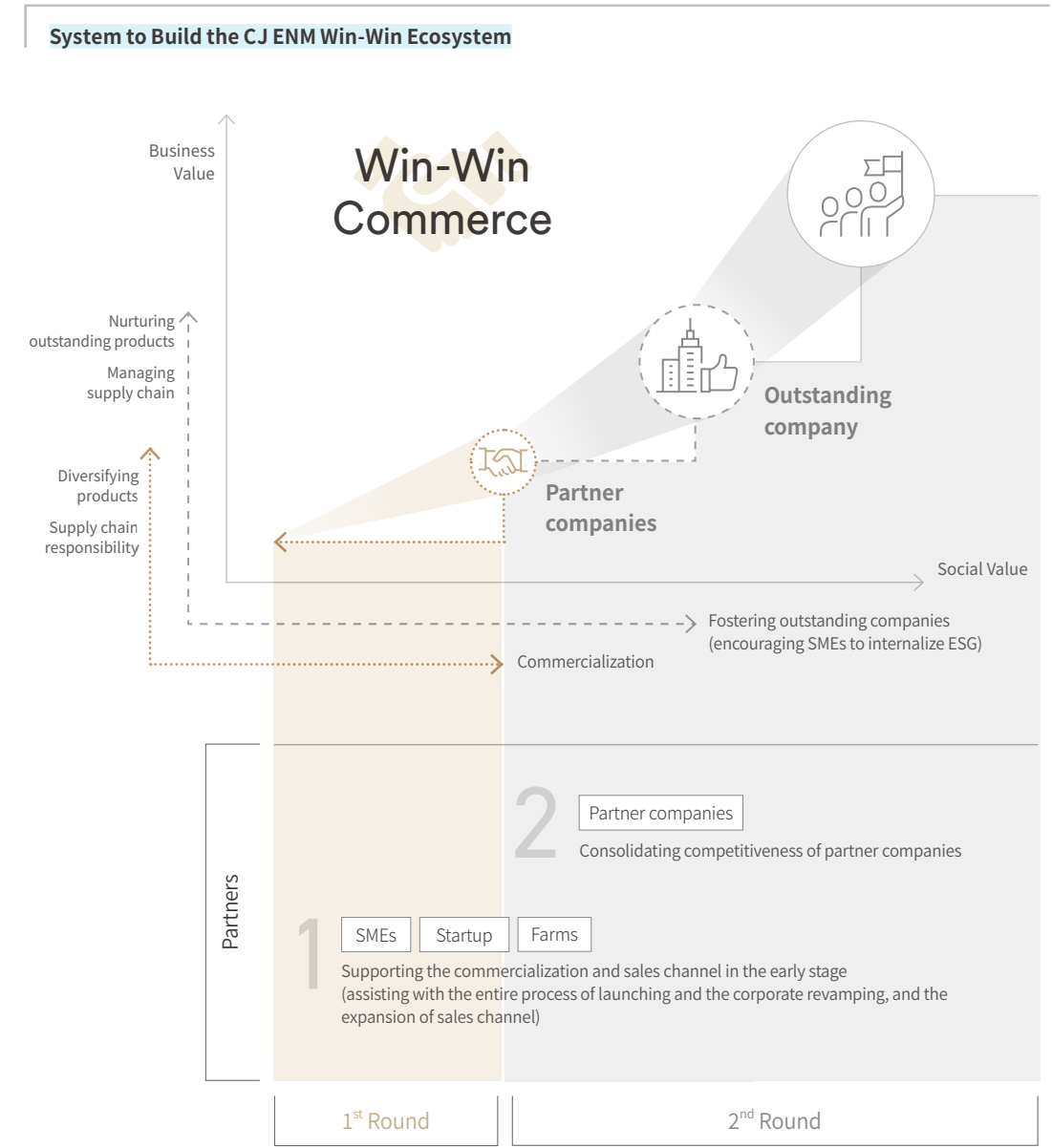
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Win-Win Business Ecosystem

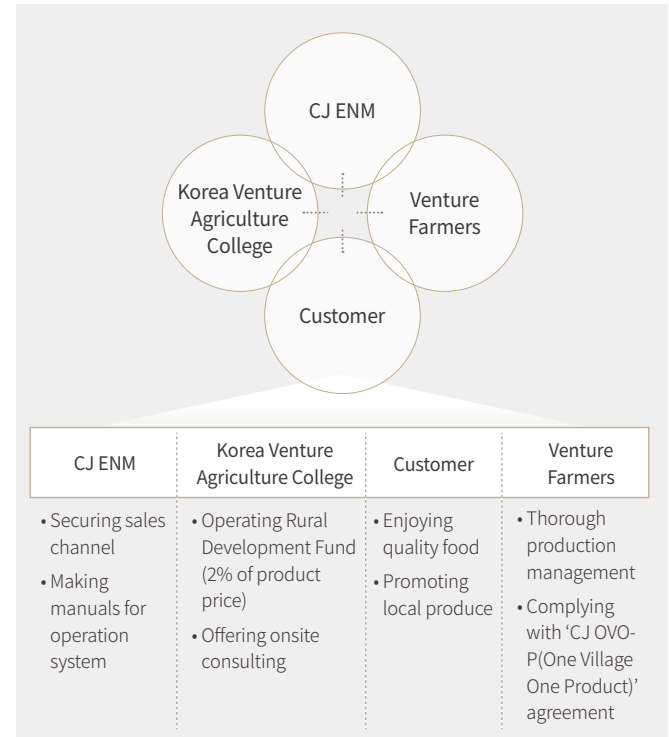
With an aim to cultivate small and medium-sized enterprises(SMEs) which are the cornerstone of the industry, CJ ENM helps them enter the market. We spend more than half of our broadcasting slot on SMEs' products and continuously increase the direct purchases of those to foster SMEs and alleviate their inventory burden. Our specialized mutually beneficial products also help the SMEs settle in the business ecosystem by assisting with commercialization and sales channel expansion. ESG management can only be fulfilled when we grow together with our partner companies. Therefore, we plan to advance our 'Bisang: Shared Growth' program to sharpen our partner companies' Biz & ESG capabilities. Going forward, we will expand the Win-Win portfolio for our partner companies, thereby contributing to create a sustainable business ecosystem.



Assist with Commercialization and Sales Channel for Early Stage Businesses

CJ ENM identifies farms and SMEs that have potential in their early stages, starting with the 'CJ OVOP(One Village One Product)' project supporting rural firms in 2007. The project enables them to stably settle in a commerce ecosystem. 'CJ OCOP(One Company One Product)' was operated in 2012 for SMEs and small business owners in collaboration with the Small & Medium Business Distribution Center. In 2020, we started a startup nurturing project through the 'Challenge Startup' program with the Seoul Startup Hub. We helped strengthen their competitiveness and make inroads into the market through these projects. About 100 employees who volunteered to share their talents participated annually by value chain. Besides these efforts, we have also sponsored video production of the Win-Win growth story in 2017 and 2018 in order to introduce the best practices of outstanding SMEs. From 2020, we have carried out press advertisement support under the name of 'Precious Story'. These endeavors paid off as the beneficiary companies achieved a total of 2,000 accumulated hours of free broadcasting and related sales of more than KRW 60 billion in 2021. Moreover, some of the companies successfully entered into the home shopping channels. CJ ENM will continue to support more businesses, thereby becoming a reliable growth partner for companies in their early stages of development.

CJ OVOP(One Village One Product) Project



Biz & ESG Capacity-building for Partner Companies

Since 2019, CJ ENM has comprehensively compiled various partner companies support projects and integrated them into the 'Bisang: Shared Growth' program, which means 'flying together.' The program has a total of 10 specific support policies for partner companies categorized by product and infrastructure. We have also developed together with our partner companies by virtue of the policies to reinforce their ESG competitiveness, making further efforts to create a sustainable business ecosystem in 2021. Going forward, we will refine the ESG support programs for our partner companies with the composition of R&D, training, market development, and financial assistance for the purpose of building a Win-Win ecosystem. 'Bisang: Shared Growth' program in 2022 will enable us to expand our support in the long term.

'Bisang: Shared Growth,' A Support System for Partner Companies

Business Support

- Financial Support**
Raising KRW 60 billion for 'Win-Win Fund'
- Payment Support**
Shortening the period until payment
- Incentive Support**
Incentive for outstanding partner companies
- Welfare Support**
Partner's Day

Product Support

- Sales channel Support**
Free Broadcasting
- R&D Support**
Assisting with product consulting
- Marketing Support**
Marketing Bootcamp

Infrastructure Support

- Quality Support**
Quality training, reducing fees
- Training Support**
Providing manager coaching
- Other Support**
Facility, Legal assistance, etc.



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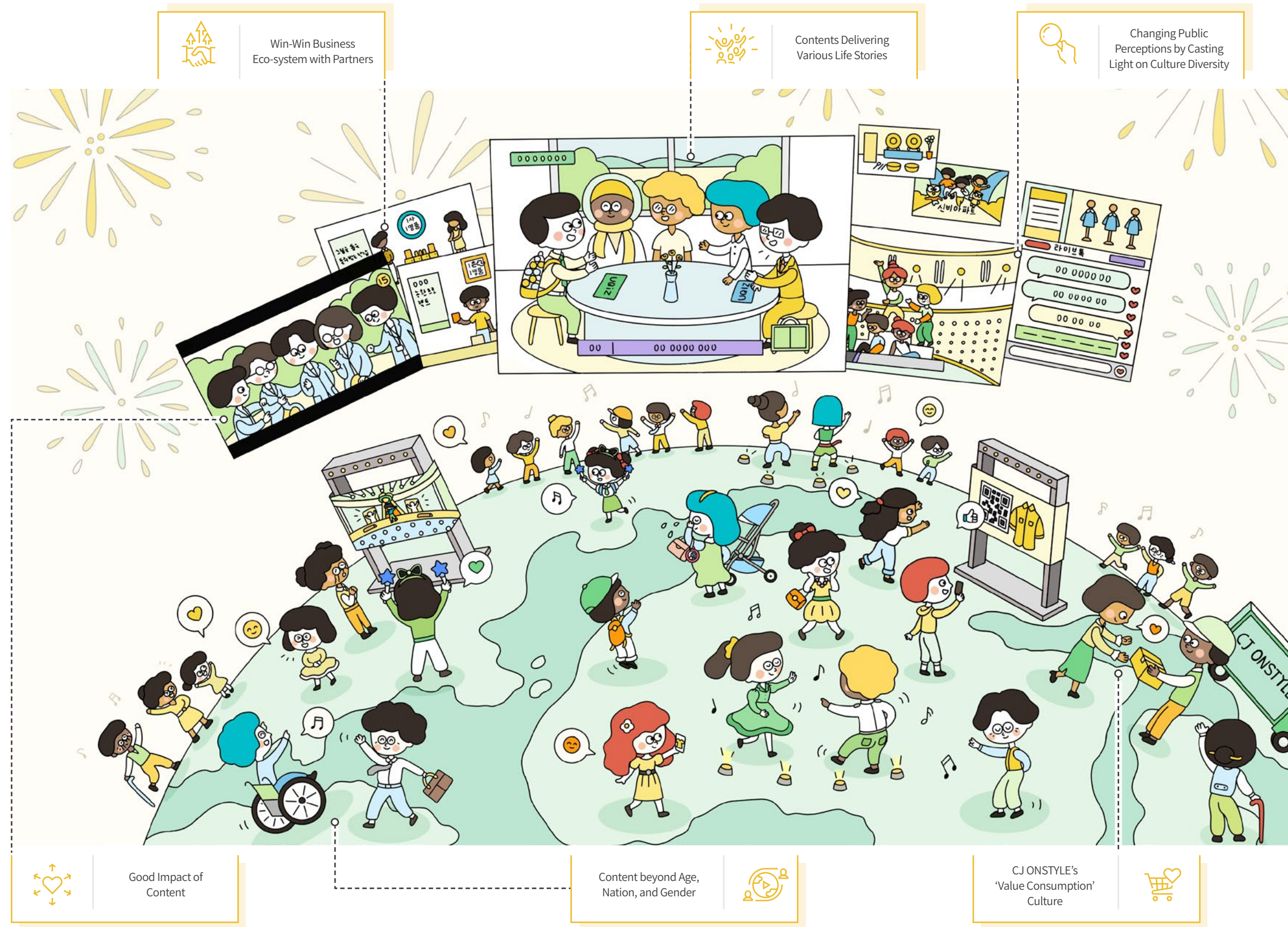


ESG PHILOSOPHY

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CJ ENM is making a Good Impact through our content and brands.

We spread the Good Impact in a society beyond excitement with our business based on ECP and ECV philosophy, making the world a more valuable place.



Win-Win Business Eco-system with Partners



Contents Delivering Various Life Stories



Changing Public Perceptions by Casting Light on Culture Diversity



Good Impact of Content



Content beyond Age, Nation, and Gender



CJ ONSTYLE's 'Value Consumption' Culture

Link to UN SDGs



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Good Impact of Content

Content is immensely powerful. Content opens people's eyes to new things and creates emotional appeals, making people laugh, and at the same time, striking a chord with them. Content sometimes takes a light-hearted look at serious issues to bring them into focus in the format of a story, shifting perceptions and even leading to actions such as sponsorship or sharing activities. This is the power of content. As we accumulated production experience over the past 26 years, CJ ENM aims to create cultural touchstones to empower viewers across the globe to talk about a more valuable world and to deliver the honest stories of people of all backgrounds, thereby contributing to the lasting Good Impact of content. In this regard, we promise that we will shed light on various kinds of content while taking more diverse perspectives to go deeper into issues when it comes to ESG. Every effort will be made to bring people high quality content. All these endeavors will be shared with our stakeholders so that we can work together in the industry to create a more valuable world.



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Definition of Good Impact of Content

Growing demands for corporate social responsibility and value creation increased interest in the impact that businesses and industries have on our society. A Good Impact refers to positive influence coming from one's voluntary actions or thoughts. In this respect, CJ ENM analyzes what is required to spread Good Impacts through content, paying attention to the diversity of social value creation. The condition for content to have a Good Impact is divided into two; primary and secondary impact. These two impacts should have necessary and sufficient conditions. Even if content becomes the talk of the town with good intentions, we need to separate from its commercial popularity to measure and discuss content having a Good Impact. In this regard, we ceaselessly endeavor to produce content with a Good Impact, based on our own definition and analysis.

Case Study – Conditions Required for Good Impact of Content

The Primary Impact

- The intention of content planning meets the social value criteria
- Viewer engagement level (feeling of sympathy, touching, positivity, etc.)

A Good Impact is made when viewers fully 'empathize' with the story. Therefore, if viewers are not immersed in the story, the social impact is limited to remain although the content was invested with high production costs.

The Secondary Impact

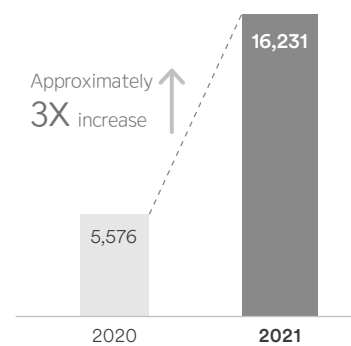
- Changes in viewers' awareness and behavior made by content
- Social impact (raising awareness, system overhaul, etc.)

If anything is to be defined as content with a Good Impact, the viewer has to take action and be changed after watching, which is the secondary impact. When viewers put the changed ideas into practice in their own ways, we can eventually measure the Good Impact.



Number of donor candidates compared to the same period of the previous year (Accumulated)

(Unit: person)



* Source: Korea Network for Organ Sharing(KONOS)

Spreading Social Impact - <Hospital Playlist Season 2>

<Hospital Playlist Season 2> is a drama series about ordinary yet special lives of people and friends with a 20-year friendship set in a hospital depicting their everyday life. Its production intention was to deliver a light-hearted story of empathy rather than to simply move viewers. The second season covered organ donation in 5 out of the 12 episodes in total. The lines and scenes of the drama not only resonated with viewers but also brought a change to the perception of organ donation which, in turn, contributed to increase in registration rate for organ donation.

According to the Korea Network for Organ Sharing(KONOS), the number of people who registered to be an organ donor tripled compared to the same period of the previous year, during the six weeks from July to August when the organ donation episodes were aired. After the airing of episode 7 regarding the organ donation process and the donation after brain death, the number during the week increased by 11 times year on year. Considering the difficult situation where it was hard to promote the organ donation campaign as usual due to the prolonged COVID-19, the impact was more meaningful.

Spotlight on Minority Genre - <Street Woman Fighter>

<Street Woman Fighter> is a reality survival show to find the best street dance crew. Unlike the globally renowned K-POP artists, the dancers who do their splendid performances were somewhat less exposed to the public. Therefore <Street Woman Fighter>, set the intention of producing the program to bring up street dance, which was considered a minority culture, compared to the mainstream. The program casts dancers of extended age groups from teens to their 30s as the main characters, presenting a variety of performances encompassing K-POP, break dance, hip-hop, locking dance. Their skills, passion, and sincerity changed the general perception of dancers, which serves as the basis to expand the popularity of the dancers to the public.

Mnet, Korea's leading music entertainment channel, secures diversity through a variety of music-themed content covering street dance, folk & acoustic, hip-hop, and many more genres. In particular, Mnet recently aired the 10th season of Korea's first hip-hop survival show, <Show Me the Money>. The program has discovered fresh artists and played an immense role in making hip-hop a more familiar genre for the public, accompanying with the Korean hip-hop history.



Stories of Diverse Lives - <You Quiz on the Block>

<You Quiz on the Block> is an entertainment show that invites people from children to teenagers, young adults, the middle-aged, and the elderly, who lead diverse lives in our society to have a conversation about their lives. While talking with people working in various sectors, the program shows the lives and values that viewers were not able to see in their daily lives. It conveys laughter and empathy that is not intentionally elicited as well as warm affection and general love for humanity.

Kim, Min Seok, Director of (You Quiz on the Block)

It was heartwarming news to hear that so many have donated to the priest's restaurant. I think bringing small change to someone's life is the most rewarding part for the production staff who makes broadcasting content.

When the episode, 'The Secret Double Life' featured the story of a priest who runs a restaurant at an affordable price for young people in need, numerous of viewers, including the writer Kim, Eun-sook, not only supported but made donations to the place. As such, <You Quiz on the Block> captures multi-faceted aspects of society, making a Good Impact through stories.

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◆ ◆ ◆ Special

2021 MAMA brings people together from all regions, races, and generations with music



The most-acclaimed K-Pop music awards ceremony, <MAMA(Mnet ASIAN MUSIC AWARDS)>, brings global music fans together with K-POP, providing the venue for interacting with people regardless of their region, culture, or race. Over the past 12 years, MAMA has never relented in evolving and becoming the first starter with a variety of endeavors, such as holding the first K-pop music awards ceremony outside Korea, throwing the first awards show simultaneously in three Asian regions (Korea, Japan, Hong Kong), and having the first awards ceremony held at a dome concert hall. Based on the achievements, MAMA plays overarching role in promoting K-Pop across the world. Boasting a lineup of global artists with unique performances, MAMA is the place for global music fans to get a glimpse into global music trends and also to enjoy the festivities along with renowned artists. Additionally, many artists are eager to take the stage at the awards ceremony, <MAMA> will be the wide opened door to the global stage.

Park, Chan Wook, Director of <2021 MAMA>

“The value of difference”, relentless ‘the value of difference’, and ‘newness breaking down prejudice’ were the key messages that drove us in preparation for this year’s awards ceremony. These are the values that MAMA and Mnet have pursued. And we are seeing these values become realized as the presence of K-POP has been elevated worldwide. In the face of the COVID-19 era, we brought together people from around the globe to enable them to do something they haven’t been able to do - cheer! Anyone can freely raise one’s voice through the language we call K-Pop and different voices will cheer on each other in unison with the loud roar. We thought that what the artists needed the most at this moment were the shouts from global music fans. So we created a concept of ‘MAKE SOME NOISE’ for <2021 MAMA>.

Experiencing the great power of music that unites people together, bringing greater respect for the values of others without bias

<2021 MAMA> was a perfect festive atmosphere where artists and global music fans mingled together, presenting epic performances delivering diverse messages that are combined with state-of-the-art technologies, such as AR or XR. This music awards ceremony was aired live through more than 200 regional channels and OTT platforms around the globe. And around 1.1 million fans voted and it ranked 1st at SNS Worldwide Trends, a clear demonstration of its popularity.

Especially, <2021 MAMA> brought together millions of voices from different regions, races, and generations, breaking down the barriers of prejudice and respecting each other’s worth and diversity. One of the highlights was the performance presented by the first MAMA female host, Lee Hyo-lee and the dance crew members of <Street Women Fighter>. They demonstrated the ‘New Woman’ marked by confidence and a positive attitude. And other K-Pop artists delivered messages of the value of diversity and hope through their unique performances.



Performance delivering the message, ‘I will live my life doing it my way even if I am not good at it’, a manifestation of a new type of woman in a new era characterized by confidence and a positive attitude



Artists, global fans and the production crew come together to promote ESG with the aim of building a more sustainable future

<2021 MAMA> put ESG in the spotlight delivering the message of ‘Make Some Noise, Make It Better’ to global music fans. As the most-acclaimed K-Pop music awards ceremony, we fulfilled our social responsibilities and spread our influence. We conducted a campaign of making cheering tools using recycled materials to make it easier for everybody to join in ESG activities. We also developed AR filter for Instagram bearing an ESG message which enabled fans to create content on their own.

Artists and production staff also participated in part of ESG-campaign to make the world better. To minimize the negative impact on the environment, we used fliers and notices made of recycled plastic. And we reused the outdoor signboards that were about to be removed to make cell phone cases to commemorate the event. At the backstage of the venue, eco-friendly lunch boxes made of biodegradable materials were used and more recycling bins were placed to facilitate recycling on the spot.

The safety came first at the production site. We had seven crews specially tasked with safety on set from seven days before the event. They assessed and monitored potential risk factors at locations including infrastructure and facility. We also established emergency systems tailored to situations in the event of an accident and provided safety and ESG training for 62 partners and suppliers, creating a safe culture together.



Safety signs posted on the production site. The fliers are made of recycled plastic.



Efforts for Expanding Value Consumption

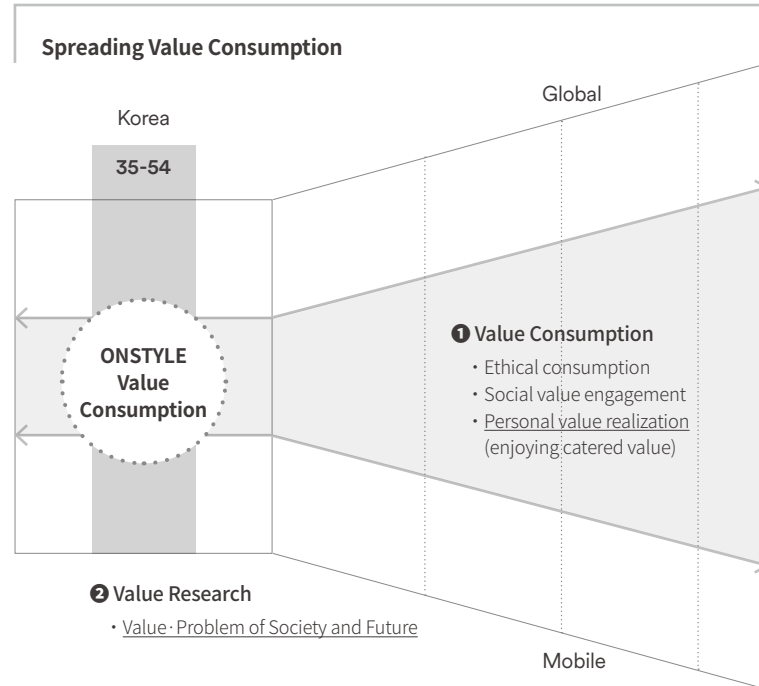
The Millennials and Generation Z(Gen Z) growing as the core of society as well as those who have the power of influence in diverse sectors of society are called 'influencers'. They actively express themselves while reflecting their value and belief in their consumption, leading to a new consuming culture called 'Meaning Out'. As this culture is disseminated across whole generations, consumption is now becoming a concept of social engagement and value realization rather than simply selling and buying goods. Keeping in mind the management philosophy, 'contributing to the future community by providing the best value with our ONLYONE products and services', CJ ENM further spreads the value consumption in our society and contributes to creating a sustainable society.



Roadmap for Spreading Value Consumption

CJ ENM integrated TV home shopping, T-commerce, and mobile platform brands in our Commerce Division into 'CJ ONSTYLE' in May 2021. We redefined it as the lifestyle curator helping customers' live shopping tailored to their taste. CJ ONSTYLE fully understands the lifestyle beyond the data analysis of their consumption. This supports customers to find their new tastes and be provided with suggestion on a lifestyle that brings another level of joy and excitement beyond a simple purchase.

We believe 'value consumption' is a 'future lifestyle' and is not an optional but an essential market, considering 'ESG' that is underlined throughout society as well as 'value' that is entrenched in our customers' lifestyle. Therefore, we put our heart and soul to expand the value consumption market. As part of this effort, we send a 'Trend Letter' containing diverse value consumption and lifestyle news to our employees so that they can promptly receive pertinent information and trend changes in society. Going forward, CJ ENM will continue to establish a collaborative system between related departments and research society and customers aiming to spread value consumption. On top of that, we will further exert ourselves to preemptively analyze future lifestyles, values, and social issues while introducing diverse social values in a multifarious and balanced manner to expand CJ ONSTYLE's unique value consumption market.



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Semisysco's Electric Vehicle, 'EV-Z'



CJ ENM Value Consumption Market

The 'roadmap for spreading value consumption' was established to lead the value consumption culture and expand its market. We classified value consumption into three types: ethical consumption, social value engagement, and personal value realization. We make efforts to build a consuming environment and a virtuous cycle system suitable for each type. So as to alleviate the burden on consumers caused by the COVID-19 pandemic, we keep launching products at reasonable prices while supporting SMEs and farms at the same time. In addition, we operate 'CJ OCOP(One Company One Product)' as well as 'CJ OVOP(One Village One Product)', which are free broadcasting programs without sales commissions.

Expanding Value Consumption by Consumption Type

Consumption Type	Ethical Consumption	Social Value Engagement	Personal Value Realization
Action	<p>As ethical consumption is the foundation of value consumption, we are committed to providing a healthy, safe, and sustainable consumption lifestyle for our customers. To this end, we strictly manage the quality and broadcasting review process and strive to build a sustainable virtuous cycle in the value chain(entire process from the production of raw material to disposal) for products and services. As part of the efforts, we safeguard human rights and minimize environmental burdens.</p>	<p>While the consumption culture where consumption itself is considered as a way of 'engaging in social values' such as 'Meaning Out', we will encourage the consumption of products and services generated by companies contributing to 'resolving social issues and creating social value' beyond making healthy products. To this end, we are developing additional benefits for B-corp-certificated companies, which is recognized for its sustainable fashion such as product prior launching.</p>	<p>Customers may have their unique tastes as consumption reflects individual preferences. In this regard, we will create a value consumption market with diversified engagement channels and value types customized to a customer's lifestyle. To realize that, we will establish a collaborative system between related departments for value consumption. We will also make greater effort in studying society, customers and analyzing future lifestyle, value, and social issues.</p>



Special

CJ ENM leads consumption culture through value consumption

Product for Value Consumption: Semisysco's Electric Vehicle, 'EV-Z'

We place great importance on the efforts in climate change made by corporations and society. Therefore, CJ ENM is highly interested in the eco-friendly mobility market, striving to expand a related product lineup. One of the representative products is 'EV-Z', Semisysco's electric vehicle, launched in CJ ONSTYLE in 2021. Semisysco is a selected company for our startup nurturing project in 2020, called 'Challenge Startup', and they improved their business with support, followed by launching the product through TV and T-commerce. Since we launched 'DANIGO', an ultra-compact electric vehicle for the first time in the industry in 2018, we have continuously raised the public interest in EVs. With an aim to sharpen the capability of SMEs in the field and boost the public interest in EVs, we collaborated with Semisysco. As a result of co-work, Semisysco could launch 'EV-Z', the first compact-size electric vehicle that can drive on highways and be easily charged with domestic 220V power in Korea. 'EV-Z' with both practicality and economic competitiveness was ranked as the most selling car in the subcompact EV sector in Korea during January through May 2021.

CJ ENM's Win-Win program serves as a platform to give opportunities for eye-catching products to be on the broadcast, contributing to raising their brand awareness as well as making sales. Starting with electric vehicles, the Win-Win program will expand its scope to eco-friendly products by launching various electric mobility products. We will continue to develop supporting platforms as part of reinforcing ESG management so that SME's innovative products can stably settle in the market.



Campaign for Value Consumption: odense's 'THINKS TO THINGS'

CJ ENM enriches odense's special thoughts dreaming for a more valuable world and products and turns them into objects. 'THINKS TO THINGS' is an essence of odense's philosophy for the environment and society, enabling new perspective. It creates a brand-new virtuous cycle structure that is conscious of environmental and social values.

ENVIRONMENTAL THINKS

In order to provide the highest quality products to customers, odense spends a good amount of time selecting tableware made of ceramics. Although they are crafted with know-hows and researched on ceramics for a long time, it is inevitable that not the most highest quality items can be produced due to the characteristics of ceramics. Around 200 tons of high-quality products, but not enough to be qualified by odense's craftsmanship, are thrown away yearly even though there is no problem with using them. Against this backdrop, odense joined the zero-waste movement through 'THINKS TO THINGS' for the purpose of minimizing the waste through the selection process.

SOCIAL THINKS

Profits by selling products through 'THINKS TO THINGS' are donated so that they can be used in more valuable places. The donation goes toward meals for children in need, wishing for their happier and healthier growth in the future. For transparent usage, we donate the amount to 'CJ Donor's Camp', a sharing and donation platform for children operated by the CJ Welfare Foundation. The donations are collected once a year to serve memorable meals to children nationwide. Upcycling waste and donating profits are part of 'THINKS TO THINGS', thinking highly of social values, thereby ultimately targeting the creation of a virtuous cycle structure through materials.



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Material Topic 01
CONTENT · BRAND COMPETITIVENESS

“We seek for unique content and brand for raised competitiveness.”

Our Approach

The evolution of platform has brought diverse viewing options, such as digital or mobile platforms, to customers, which has led to a flurry of content and brand. This situation is intensifying competition. To lead the competition, CJ ENM has spurred our innovative growth to satisfy the detailed tastes of customers keeping up with ever-changing trends. To this end, the Entertainment Division has established a multi-studio system specializing in each genre and polished up our capabilities to plan and produce original content and brand. The Commerce Division, with a focus on mobile platforms, has reinforced the competitiveness to provide ‘life shopping tailored to consumers’ tastes’ which curates products personalized to consumers.

Our Action 01

Step towards a Global Entertainment Company

Expansion of Content IP through Building the Multi-Studio System by Genre

As part of the efforts to secure a new growth engine, CJ ENM brings a multi-studio system into full swing for content production dedicated to each genre such as the studio specializing in drama series, <Studio Dragon>. Founded in 2016, <Studio Dragon>, the first one-stop drama studio in Korea, has built large-scale production capabilities and systems, which has played an essential role in taking the Korean drama industry up a notch. Based on these achievements, we have introduced a specialized multi-studio system that encompasses a wide range of genres including variety show, drama, film, animation and digital content, completing the ecosystem for comprehensive in-house production.

This system will enable us to elevate our content planning and production capabilities while empowering us to diversify into different genres and formats from drama to sports broadcasting and from channels to OTT and digital platforms, so we will meet the needs of viewers and create content that will be successful. In addition, we refine our planning and production capabilities to produce content that resonates with global viewers, thereby providing creators with ample opportunities to expand abroad.

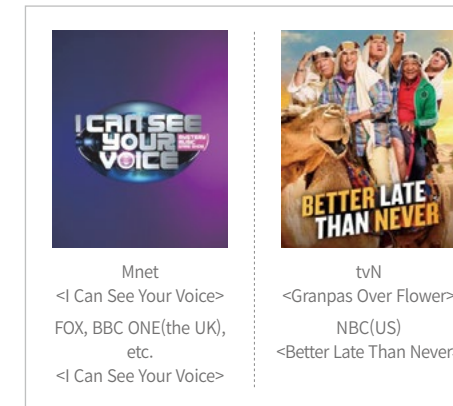
Expansion of Market Influence through Competitive Content

CJ ENM shapes cultures and leads trends as the largest media content provider in Korea. We rank 1st in terms of viewership ratings among paid broadcasting providers while taking the NO.1 spot in market share in Korean film investment and distribution with the largest number of films(7 films) reaching an audience of over 10 million in Korea. We have spurred our expansion into the global market taking advantage of our influence on markets and outstanding content.

Our well-made content, such as <Crash Landing on You> and <It’s Okay to Not Be Okay>, ranked 1st in viewership ratings on global OTT platforms in Korea, Japan, Thailand, Vietnam, the Philippines and Hong Kong. CJ ENM’s drama series occupied 70% of the TOP 5 content in these countries. In addition, we made progress in variety shows as well. Representative examples are <I Can See Your Voice> which exported it’s broadcasting format in 23 countries including the US, the UK, France, the Netherlands and Thailand. <Grandpas Over Flowers> was remade and gained popularity in 10 countries and <Miss Granny> became the first film in the world to be remade in 8 different languages. The idol group, ‘ENHYPEN’, produced through the survival TV show, <I-Land>, achieved remarkable success coming in first place on Billboard’s World Albums Chart while ‘JO1’ who made their debut through a CJ ENM audition program co-worked with Japanese entertainment production took the NO.1 spot on the Oricon chart which is Japanese billboard chart. Additionally, with the very purpose of pioneering new markets, we are working with HBO-MAX to produce a K-POP idol group audition program targeting the Latin American market.

In order to achieve an unparalleled and powerful competitive edge in the global media content market, CJ ENM signed partnerships with <ViacomCBS>, a US media and entertainment company, and <Toei Animation>, a Japan’s leading animation group, followed by the acquisition of <Endeavor Content>, an American Hollywood production studio. We will continue to produce content targeting viewers worldwide based on the collaboration with global media firms while expanding our influence through distribution channels in overseas markets.

CJ ENM serves as a trailblazer to expand distribution channels for Korean wave content. We have 12 branch offices in 10 countries including the US, China, Japan, Hong Kong, Vietnam and Thailand while operating channels dedicated to K-content in local markets such as tvN Asia, tvN Movies and Mnet Japan. In the years to come, CJ ENM will expand our presence into global markets with a focus on our key areas of focus based on the business partnerships with major players such as local production companies or global OTT operators.



Special — Beyond Borders, NO. 1 K-Content

CJ ENM has channels in place across a variety of 16 genres including drama series, variety show, music, film, animation and others, digital channels and an OTT platform. tvN, one of the most popular TV channels of CJ ENM, is recognized as the industry leader, securing well-made IPs with capabilities of content planning, producing and marketing.

tvN on a Constant Rise with Originals

tvN has made remarkable progress in terms of viewer ratings, sales of content and advertising revenue. In its early stage, we showcased fresh and out-of-box formats, such as <Ugly Young-Ae>, <Taxi> and <Rollercoaster> which gripped young audiences and tempted the viewers to be a part of fandom culture. After that, tvN released a string of hits including its franchise IP, such as <Reply> series and <Over Flowers> series, as well as its well-made content including <Mr. Sunshine>, <Hotel Del Luna> and <Crash Landing on You>. These content accelerated the creation of an enthusiastic fandom for the channel. Going forward, CJ ENM will continue to diversify the lineup of our channels that touch a broad range of generations across various genres including drama and entertainment show, digital original, sports and cultural content, while expanding time slots to reach more audiences.



tvN Performance

(TV ratings sourced by Nielsen Korea/based on all platforms)

Average annual household TV ratings	6.5 times higher in 2021 compared to 2006
2049 Target annual average TV ratings	7.4 times higher in 2021 compared to 2006
Content sales	241% increase in 2021 compared to 2016
Revenue from advertising (for the recent 7 years, tvN included)	About 6% of CJ ENM's average growth rate

Infrastructure Investment and Support for Creators

tvN has established its well-made IP production system while investing heavily in infrastructure as well as expanding the scope of support for creators in terms of human and material resources. Compared to 2011, we have invested 5.7 times more of our budget in production to present diverse IP and the number of creators has increased more than 10 times since its inception. As a result, we have formed tvN family channels including tvN DRAMA, tvN SHOW and tvN STORY. CJ ENM seeks for flexibility in our production environment and culture to embrace diversity and to boost creativity across different genres. tvN will sharpen our competitiveness so that we go global beyond Korea and Asia and grow our grip as NO.1 K-Content Channel that strikes a chord with global viewers beyond borders.



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- Distinguished ONLYONE BRAND
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Our Action 02

Personalized Live Shopping

CJ ONSTYLE's Unique Brand Business

With the launch of 'Fidelia' an underwear brand, in 2001, CJ ENM is now home to the largest number of exclusive brands across different product categories including fashion, living, beauty and others in Korea. In addition to our own brands, we have exclusive license with renowned home and abroad designers to roll out products tailored to domestic customers. We double our efforts to raise competitiveness in terms of product lines by providing unique products only available through our ONLYONE BRAND.

The fashion brands that we have designed and launched are 'THE AtG', 'CelebShop edition', 'odense', a total kitchenware brand, 'O Daily Nature', a premium nature food brand and 'taylor scents', a fragrance brand. In 2021, based on our successful experiences of brand licensing, we rolled out a licensed brand, 'ST.JOHN BLUE LABEL' which reinterprets and adds a youthful feel to 'ST.JOHN', a high-end fashion brand for women characterized by its sophisticated and elegant style, and 'Brooks Brothers' a renowned premium brand for men's suits which boasts 203 years of tradition with the reputation as the 'suit-maker for the president of the US'.

CJ ENM will put our focus on the expansion of our ONLYONE BRAND in order to provide more competitive products. In addition, we will keep our efforts to incubate and launch a fresh new brand by elevating the level of ONLYONE BRAND through the accumulation of capabilities and know-how in commerce industry.

Personalized ONLYONE BRAND

ONLYONE BRAND-Fashion

THE AtG
THE AtG's unique details that stick to the basics makes it easy to dress yourself up more stylish and trendy

'THE AtG', launched in September 2011, is one of the representative fashion brands in CJ ENM. This brand is designed to create variations with its trendy items on your usual style allowing you to dress more stylish every day. 'THE AtG' has led the growth of the home shopping fashion industry providing a wide range of women's clothing ranging from cost-effective pants priced under KRW 100,000 to high-end coats with a price point around KRW 900,000. In 2018, 'THE AtG' gained huge popularity and became our first ONLYONE fashion brand to hit KRW 150 billion worth of annual orders.

CelebShop edition
Brand presenting the most essential items and styles for every season

'CelebShop edition' is one of the the most loved fashion total brands of CJ ENM. This contemporary brand for women suggests various styles with the most trendy and essential items for every season in pursuit of the concept of 'practical chic.' 'CelebShop edition' has broadened the scope of product lineups, giving customers diverse options ranging from premium to practical clothing so that they enjoy their shopping according to their tastes. Furthermore, it will present fashion brands exclusive for mobile in collaboration with global high-end fabric and apparel manufacturers, designers and brands.

JEAN-MICHEL BASQUIAT
Stylish performance golf wear inspired by art

'Jean Michel Basquiat', dubbed 'black Picasso', was a pop icon from New York who dominated the art circle of the US in the 1980's. 'JEAN-MICHEL BASQUIAT' is a stylish performance golf clothing brand with the works of the artist applied to garments. It is perfect on the field and makes it easy for you to mix and match in your daily lives. In addition, this brand makes you feel confident anytime and anywhere with distinguished styles and optimal performance.

ST.JOHN BLUE LABEL
American New Luxury - Brand that gives you comfort and grace

'ST. JOHN BLUE LABEL', the most beloved brand by influential women in the US, is characterized by its sophistication and grace. We propose a styling that makes you look comfortable and elegant at any moment with its luxurious textiles, design and vibrant colors.

Eddie Bauer
Outdoor lifestyle brand embracing reinterpreted 100 years of American heritage with a modern feel

'Eddie Bauer' is a brand we have launched in Korea based on a license agreement with Eddie Bauer, one of top four American outdoor brands. To reinvent this brand, we reinterpret the DNA of this brand that has accumulated for the past 100 years and add a modern feel and combine our own know-how. The reinterpreted 'Eddie Bauer' suggests a stylish outdoor lifestyle from functional garments to American style casual clothes.

ONLYONE BRAND- Living

odense
Easy Solutions for Lifestyle in Dinette

'odense' is a dining kitchenware brand which is rooted in the professionalism of Korea's ceramic craft. This brand puts the spotlight on the very moment when you put food on the plate for those you love and vice versa. The brand 'odense' is inspired by the nature of Odense, the hometown of Hans Christian Andersen, a Danish author of children's books. Unique colors and materials characterize this brand. The brand's carefully crafted products with a sophisticated and modern design give you a sense of depth, making your daily lives more special. 'odense' became the first award-winning tableware brand in Korea receiving a 'Red Dot Design Award' in 2014, one of the world's top three design awards. In order to grow further, 'ods'(odense design studio) opened in 2020 to enhance its design skills while expanding product lineups to furniture and lighting in addition to tableware and cookware. 'odense' will continue its efforts to bring joy to your plate.

O Daily Nature
A natural food brand that sticks with flavors from nature and nutritious foods to easily take care of your health

'O Daily Nature' is a food brand that highlights flavors from nature as well as nutrition. This brand sticks to the principles of nature in terms of selecting ingredients and recipes for food while proposing the right knowledge and standards for healthy diets with sincerity so that our customers can build their healthy dietary habit with just one meal a day. It has a broad range of product lineups ranging from 'Premium Maple Nut', a snack for everyone, to 'Oatmealshake', a perfect meal replacement. Healthy and credible food product provider, 'O Daily Nature' is your small habit to take care of the health of you and your family. And this is the value that this brand delivers to customers.

taylor scents
New standards for interior with scent. Premium fragrance brand, taylor scents

'taylor scents' is our high-end fragrance brand. The brand suggests a variety of moods for people who want to express themselves in an elegant and sophisticated manner and also for those who remain in somebody's memory for a long time. Its signature product line, a hotel diffuser line, boasts its uniquely reinterpreted design based on its brand DNA, which makes itself an artistic object creating a visual effect just beyond a perfume product filling spaces with scent.

The brand uses fragrance materials 100% made in France for this product line. What makes this product stand out are its far-reaching scent coverage as well as 2L of large containers in distinctive design, the first large-capacity ones in Korea. These characteristics present a new paradigm for interior design with scent. Its luxury niche perfumes, produced by its own recipe and marked by its own chic mood, are recognized as other premium perfumes and beloved by many celebrities. In addition, 'taylor scents' injects a new value to the premium fragrance market with a variety of lineups such as candles and dress perfumes. Our excellent products and their values are being recognized, which leads the brand to become a supplier of premium offline spaces including famous hotels in Korea. On the strength of this, 'taylor scents' is leading the market, gaining more traction.

ONLYONE BRAND - Beauty

eau Blanc
Clean beauty brand for your intrinsic beauty with organic ingredients from nature

'eau Blanc' refers to clean water in French. Clean beauty it defines can be accomplished through the rigorous verification of all of nature-derived ingredients to stay true to its brand image of clean water, thereby embodying only palpable efficacy. The brand wants more people to experience clean beauty benefitting from the power of nature so that they live a healthy and 'Clean life' for their inner and outer selves. On the basis of this 'clean beauty' philosophy, 'eau Blanc' presents reliable and ethical cosmetic products. Its products align with the recent trends in the cosmetics industry such as eco-friendly and ethical consumption by using cruelty-free ingredients including natural or organic ones. Starting with body care products, it will diversify its product category to include skin care ones, thereby delivering a 'clean life' experience to more people so that they use the pure power of nature to develop their intrinsic beauty.

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Evolution into Curated Live Shopping

Distinguished ONLYONE BRAND

Customer-Centric Business

CCM For Customer Trust

Alleviating Customer Inconvenience

Digital Competency

Advanced Digital Platform

Live multi-shopping Platform for TV & Mobile

Safety and Health

COVID-19 Pandemic

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Material Topic 02

CUSTOMER-CENTRIC BUSINESS

“Your voice underpins our growth.”

Our Approach

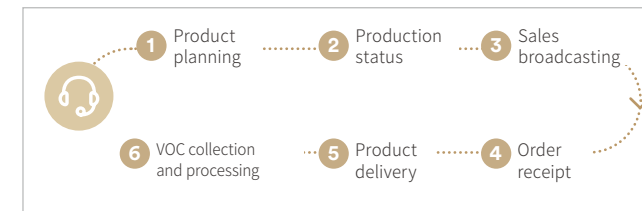
The future of a company lies in the voice of customers. CJ ENM has established a system for customer management to pay more attention to the voice of customers. Programs in diverse forms have been operated to reach out to customers including Audience Committee, Live Talk and Forum for Customers. CJ ENM will bring maximized rights, benefits, and satisfaction to our customers with customers' opinions taken into account through active communication, thereby growing into a more trusted company.

Organization for Customer Management

Monitoring and Improvement on Customer Experience

CJ ENM set up a customer experience management model and key action plans for each customer experience stage. We have also operated a thorough monitoring and improvement activities corporate-wide in terms of VOC from the stage of product planning, production status, sales broadcasting, order receipt, delivery, and VOC collection and processing. On top of that, a customer satisfaction survey is conducted once a year to identify room for improvement and resolve it.

Customer Experience Process

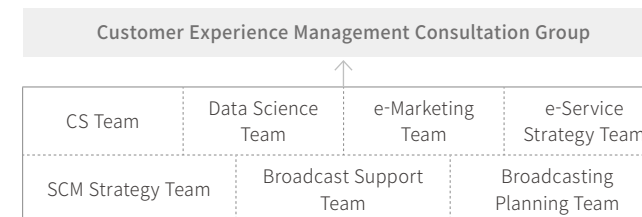


CEM* Consultation Group for Better Service

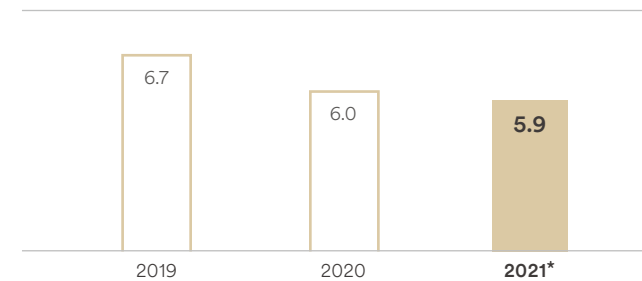
CJ ENM operates the companywide Customer Experience Management(CEM) Consultation Group. The CEM Consultation Group gathers and analyzes customer experience data from all stages of shopping. Through the data, we secure insight on complaints and inconvenience so that we can create an improved differential service through key action plans by stage. We selected 32 yearly tasks and completed 20 tasks in 2021.

* Customer Experience Management(CEM): A process of systematically managing customer experience in relation to goods or services

CEM Consultation Group

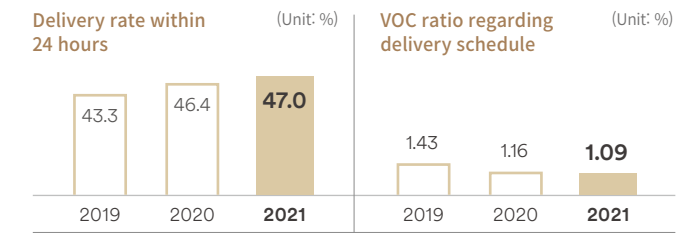


VOC ratio of customer inconvenience and dissatisfaction (Unit: %)

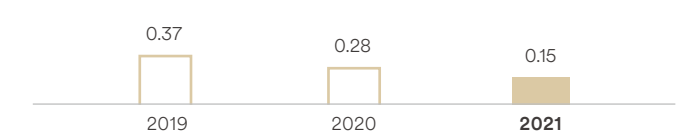


* Annual goal ratio

Key Improvements in Delivery Experience



VOC ratio of return schedule (Thru Delivery Partners) (Unit: %)



Audience Committee

The Audience Committee was established to safeguard viewers' rights and to raise the quality of broadcasting. Both divisions operate each committee. The member of the committee is appointed with the recommendation of an organization designated by the regulation of the Korea Communications Commission. The members represent and speak for viewers from all social standings. Viewer members of the committee request for corrective action on self-review regulations and broadcast program content, thereby strengthening the credibility of our programs. They also promote the protection of viewers' rights and remedy problems in case of infringement of rights. The Audience Committee holds regular committee meetings every other month for Entertainment Division and once a month for Commerce Division and discloses operation results and related information on each homepage. The Audience Committee in the Entertainment Division is the first case to establish and maintain an audience committee as a firm, which is not legally obligated to set an audience committee unlike terrestrial channels, general service program providers, news channels, and home shopping operators.

Additionally, the committee pays heed to viewers' opinions on our channels and content. We engage in direct communication with our viewers who are our content customers in order to garner their feedback, inquiries, and grievances on program planning, event response, promotion, casting, and sponsorship. Through facilitated communication, we strain every nerve to reflect their opinions in our content.

Operation Process of Audience Committee

Monitoring	Submission of agenda	Meeting	Disclose
<ul style="list-style-type: none"> Monitoring content categorizing in drama, entertainment shows, and infotainment shows. Materials of the new programs for the next month and viewer ratings are reported in the last week of every month. 	<ul style="list-style-type: none"> Submit 'Audience Opinion Report' from Audience Committee members. Receive feedback on the 'Audience Opinion Report' from the person in charge of the each channels. 	<ul style="list-style-type: none"> Program Director, and reviewer participate in the committee meeting. Opinions and Q&As on the 'Audience Opinion Report' are addressed. 	<ul style="list-style-type: none"> Minutes of the meeting are disclosed on CJ ENM homepage.

Our Action 01

CCM For Customer Trust

Implementation and Spread of CCM

Customer Centered Management Certification

CJ ENM is keenly cognizant of the gravity of Customer-Centered Management(CCM), so we are striving to turn it into reality. Our efforts to spread CCM include external and internal promotion of CCM while encouraging partner companies to be certified in terms of CCM. Since 2007, our active efforts have enabled us to maintain the CCM certification issued by the Korea Consumer Agency and recognized by the Fair Trade Commission for 14 years, when we acquired the first CCM certification in industry. As a result of continuous improvement as well as implemented relevant business operations, we passed the investigations for recertification. In 2019, we were recognized for our contribution to the protection of consumers' rights and benefits through our project for improved customer satisfaction, winning a presidential citation for CCM. In 2020, we also won a citation from the Chairperson of Korea Fair Trade Commission, the equivalent of Hall of Fame Award. In 2021, the Fair Trade Commission presented us with an appreciation plaque for contributing to the development of CCM certification system.

CCM Certification Support

CJ ENM has entered into an agreement with the Korea Consumer Agency and the Organization of Consumer Affairs Professionals in Business to spread customer-centered management into every corner of the industry through the promotion of CCM certification system. We aired promotional video to eight home shopping operators twice a day. We operate internal ombudsman program to introduce certification and implement promotional activities such as printing logo on product packages while providing partner companies with full certification cost or incentive advanced payment up to 70%. As of June 2021, a total of 5 SMEs has been incubated through the program; the largest investment of all certified firms.



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Our Action 02

Alleviating Customer Inconvenience

Better Mobile Shopping Environment

With an aim to promote the level of convenience of customers using mobile commerce, we are in the process of transferring and advancing the existing services to the mobile environment. The improvement has been made in UI to minimize confusion due to restrictions on the amount that can be used when using CJ ONE POINT and other points. We also adjusted the user interface as well as tone and manner of the mobile live screen so that the users can easily find the benefits in the mobile environment. Shake Landing function* is added to CJ ONSTYLE application for raising handiness when joining Live Talk or ordering products. The previous My Zone(personal page) was also upgraded to an easier and more intuitive screen by modifying functions and information to a customer demand-derived structure. Users can set a push alarm to be informed of the event schedule by a credit card company, which was frequently asked through customer service. This function resolves customer inconvenience, allowing us to increase the amount of beneficial information we provide.

* Shake Landing function: A function to provide a live broadcast pop-up when a user shakes a smartphone while using the application

Q&A Management Process

The Q&A system we previously had was designed to be personally responded by the person in charge of the product and its partner companies. However, they could not cover all questions as approximately 20% of inquiries were about company-wide promotional events or the benefits of a credit card. To refine the process, we transferred the role of inquiry handling in April 2021 to the Customer Center for those inquiries that cannot be answered by the contractor or the person in charge of the product, so that professional CS counselors can answer those through one-on-one posts. Currently, the inquiries can be promptly transferred through the management page for partner companies and the person in charge of the product, and as a result, customers can quickly receive the information they want. We plan to expand the transfer project through the continued promotion of the service.

New Service for Better Customer Experience

We launched a new Live Talk service in line with the launch of CJ ONSTYLE. We changed the operator of Live Talk and increased the operational programs to about 60% aiming to expand the participation of Live Talk and shopping experiences. Our purpose was to renovate the overall system and establish a customer-centric manual, eventually reinforcing mobile integrated communication with customers. As a result, the average monthly number of LiveTalk v1.0 was 64,067 until April 2021, but we received a total of 178,517 messages from customers through Live Talk from the second week of May 2021, which was increased about 3 times compared to the last week of April.

Improvements Made in Live Talk 2.0

Classification	Live Talk 1.0 ver.
Service purpose	Collecting opinions on broadcasting and questions on products from TV viewers
Operator	Dedicated personnel for supporting broadcasting (2 people with little experience in products and with customers)
No. of programs	Less than 28 per week(about 20%)
Manual	Responding to questions

Classification	Live Talk 2.0 ver.
Service purpose	Having a mobile integrated communication with TV viewers
Operator	Dedicated personnel at CJ Telenix (4 people with abundant experience in products and with customers)
No. of programs	75-80 per week(about 60%)
Manual	Responding to questions concerning products + 1. Promptly responding to questions on the CJ ONSTYLE application 2. Informing of cross-sale events within CJ ONSTYLE, an application store, and special events 3. Swiftly responding to frequently asked questions by category 4. Improving relationship-friendliness with customers

VOC Improvement – odense Package Case

odense is a representative ONLYONE brand of CJENM, selling a variety of kitchenware and ceramic products. However, there were frequent damage reports owing to the nature of the products, which led to VOC requesting exchanges. With an objective of remedying this problem, CJ ENM introduced an eco-friendly package that prevents breakage in 2020, thereby resulting in the reduction of VOC cases in regard to damage. In addition, we switched the packaging materials we used to paper padding instead of air caps. This makes it easy for customers to identify the quality of a product when they open a package. And it also supports easier separation for waste disposal. The change of package has brought about a decrease in the VOC regarding damage by 14%, and the VOC related to product exchange dropped by 19% in 2021 compared to 2020.

Material Topic 03

DIGITAL COMPETENCY

“With our digital competencies, we will bring joy palatable to your tastes.”

Our Approach

We are seeing a drastic change in the media market as it has shifted from TV to mobile and from offline to online. Digital competency comes to prominence as a factor deciding the growth and future of a company. Against this backdrop, CJ ENM has advanced our distribution channels including TVING and digital channels while diversifying our content formats. The commerce business also integrated TV and online shopping and switched it into the mobile-driven platform, diversifying the channels interacting with our customers. With these efforts, CJ ENM is solidifying our reputation as the WORLD’S NO.1 LIFESTYLE CREATOR.

Our Action 01

Advanced Digital Platform

TVING, All Things for Every Fandom

TVING takes the lead in digital shift innovation of CJ ENM, becoming a key pillar of our strategy to reinforce digital capacity. Since its establishment as an independent corporation in 2020, TVING has recorded remarkable achievements by garnering more than tripled number of accumulated paid subscribers in just one year. The number of paid subscribers in their teens as well as in their 20s and 30s, our main target group, rose by 268% compared to the time before launching. The number of paid subscribers in the middle-aged group also showed an increase of 276% in the 50s and 246% in the 60s, showing growth at a rapid pace.

The growth of TVING was mostly driven by TVING original content. TVING has presented 5 originals and exclusive content across a wide range of genres encompassing entertainment shows, documentary, animation, drama, and sports since its launch. On the basis of out-of-box themes and formats with outstanding planning capabilities, we have provided content that gratifies viewers’ tastes, and the representative examples are; TVING’s first original content <High School Mystery Club>, a spin-off of tvN’s <Music Bites>, <Music Bites: K-Idol Edition>, digital comic-based drama <Yumi’s Cells>, and the romantic reality show, <Exchange>. In particular, CJ ENM’s high capabilities, creativeness resources naturally shared with TVING, and the synergy effect between TVING and other channels brought about TVING’s quantitative and qualitative growth. Going forward, TVING plans to make inroads

into the global market in 2022 to lead the global K-Content boom in major overseas bases such as Japan, Taiwan, and the US under the vision of becoming ‘NO.1 K-Content platform’

TVING Original Content Strategy



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Enlarge Market Influence with Digital Content

Timeless and Borderless Digital Content Powerhouse

In the face of ever-changing trends as well as the main broadcasting platforms, CJ ENM Digital Studios have a wide span of content spectrum encompassing trendy themes across a broad range of genres including humanities, current affairs, psychology, history, science, and real life so that we can bring joy to our viewers. 'tvN D' operates digital-only original content production studios utilizing digital channels with six specific genres including drama, entertainment shows, and curating channels dedicated to beauty and knowledge. Our three digital channels; 'THE BOB STUDIO' with experimental content under the theme of gastronomy(launched in 2019), 'Sapiens Studio', a digital humanities insight platform(launched in 2020), and 'Studio Waffle'(launched in 2021) exceeded 200 million views in total. Besides, our music-based digital studio, 'M2' attracts global fans offering footage such as idol fan cams, customized entertainment shows and reality shows while 'STUDIO DIA' with its original content in various formats including drama and entertainment show.



Diversified Formats of Digital Content

The conventional TV broadcasting environment, which has set time for programs, is currently being transformed to the digital one, and this change has made content formats diversified. Keeping up with the transformation, CJ ENM expanded our scope to 10 to 30-minute short-form and mid-form content so that they are suitable for the digital viewing environment. 'Channel Fullmoon' started with <Three Meals In Iceland>, which is a short-form content derived from <New Journey to the West> and <3 Meals a Day>, and it became a hot issue owing to the 5 minute TV program and the digital release of its main content. With the flagship content like <The Game Caterers>, it is currently grown into a popular channel with 3.6 million subscribers. A short-form digital drama released in 2018, <It's Okay To Be Sensitive> covered a gender issue and made it come under the spotlight. Recognized as fun content, the series was renewed for a third season. With its unique theme, flexibility, and short but focused story, short- and mid-form content is beloved by a lot of viewers.

Live Entertainment to Be Enjoyed at Home for Global K-culture Fans

Well-known global K-POP live events <MAMA> and <KCON> usually were held worldwide for K-POP fans all over the world. After pandemic situation, they are revolved to online live events aiming to fulfill the interest from global fans. <KCON> having the record aggregate number of offline audience at above 1.1 million over 24 times since 2012, and now <KCON:TACT>, online based <KCON>, was held five times since 2020, joined by a total of 136 artist teams, enabling communication with around 23 millions global K-POP fans. It has become an irreplaceable global NO.1 K-Culture live event. <KCON:TACT> especially converged its live content with interactive technologies such as XR, AR, and VR specialized for the digital environment so that artists and fans can communicate with each other. It presents a new type of stage by breaking the limitations of time and space.

2021 was the year when a number of concerts and film releases were postponed or canceled due to the government measures banning group gatherings and concerts against the COVID-19 pandemic. CJ ENM have successfully held 'IZ*ONE' and 'JO1' online-based concerts on the foundation of our accumulated digital capacity. Starting with the musical <Maybe Happy Ending>, <Werther> was also performed in an online streaming format, comforting musical fans who were longing for cultural content. Besides, it gave opportunities to experience musicals with a reasonable price for customers who could not enjoy musical easily due to prohibitive costs. In particular, our streaming service in Japan indeed opened a new chapter of global content sales.

Effective Global Influencer Marketing Solution

As Asia's largest Multi-Channel Network(MCN) operator, CJ ENM owns more than 1,400 influencer channels in 27 countries with 300 million subscribers and 2.1 billion monthly viewership. 'DIA TV', a global influencer network, is leading the creation of business ecosystem where social media influencers and the global viewers are connected through partnerships with content creators in diverse areas including game, sports, entertainment, beauty, and food as well as more than 500 promotional campaigns. CJ ENM operates 'DIA Market' for supporting influencers' business with its organic flow from product planning, production to sales. 'DIA pick' is a matching platform for advertisers and social media influencers providing the most effective solution in influencer marketing so that their influence can be fully unleashed.

On the strength of these efforts, CJ ENM's digital sales and share are continuously growing. As of the first quarter of 2020, the share of digital sales accounted for about 17.3%, but it rose to 28.7% in the fourth quarter of 2021. It demonstrates our preemptive response to constantly changing social and market.



Our Action 02

Live Multi-Shopping Platform for TV & Mobile

In 2021, CJ ENM launched 'CJ ONSTYLE', a mobile-driven integration of TV home shopping, 'CJ O Shopping' and an online shopping mall, 'CJ Mall'. CJ ONSTYLE will provide a more clear and vivid shopping experience and plan the optimal lifestyle to meet the demands of our customers on the strength of our MD competitiveness that has been constantly evolving for more than 25 years as well as optimal live commerce capacity.

CJ ONSTYLE – Korea's First TV Home Shopping and Live Commerce

CJ ENM started TV home shopping for the first time in Korea on August 1st, 1995. Since then, we have stepped up into the best TV home shopping operator spot in Korea, taking the lead in non-face-to-face video shopping culture. CJ ONSTYLE TV live channel has grown into Korea's representative shopping channel for more than 25 years. Since it achieved great success with <Style On-Air> in 2008 and <CelebShop> in 2009, <Choi Haw Jung Show>, <Hit The Style>, <Donggagge>, <Kang Joo Eun's Good Life>, <Lee Sora Project> has been broadcast hosted by top show hosts, celebrities, and professional MCs who are experienced with the product, who give tips and know-how regarding fashion, beauty, and living lifestyle, offering quality commerce content beyond just sales broadcasting programs. As the signature channel, our live TV channel introduces core vertical categories in-depth, diversifying broadcasting formats to lower the barriers of entry to products through efficient operation. These efforts will make us become the representative live shopping platform offering competitive products to customers. Since 2015, our T-commerce channel, 'CJ ONSTYLE +' has been serving as a stepping stone using its VOD service with recorded video content for the growth of SMEs having difficulty entering the TV home shopping live broadcast market. Going forward, it will play a bridging role to deliver more diverse products to the e-commerce market with our multi-faceted formats.

CJ ONSTYLE Mobile – the Place to Find tailored product to My Taste

CJ ONSTYLE is a mobile shopping platform for curating products that suit a customer's taste. It offers a vivid shopping experience with a mobile live commerce broadcast that was introduced for the first time in the industry in 2017, as well as items tailored to customers' taste in shopping malls focusing on three big categories; CelebShop(fashion), Olive Market(living), and The Beauty(beauty). Its shopping feed also informs carefully selected benefits for customers in real-time. In addition, we operate 'CJ ONSTYLE Mobile LIVE', a high-quality live commerce channel, hosted by reliable show hosts and professional sellers such as social media influencers.

In 2021, the launch of large overseas brands including 'Brooks Brothers' and 'ST.JOHN' accelerated the mobilization of our fashion business, broadening the opportunities of customer choices with intensive mobile-only products. In terms of beauty area, we have expanded the global product lineup including 'JUVENA' and 'Rilastil', which are highly preferred by female customers aged 3554, and had collaborations with popular brands in social media with our mobile-centric brands such as 'TIRTIR', 'NUBORN CELL', 'BLANC DUBU', 'LAVIEN'. We also strive to make them national brands attracting global markets by capitalizing on the entire channels including 'Pick the Cell', a CJ ONSTYLE's influencer platform as well as mobile live commerce channels.

CJ ONSTYLE's mobile platform is not just a mobile shopping by looking at products on a live TV channel but a platform focusing the multi-live commerce experience, aimed at creating a virtuous cycle system where customers can enjoy all shopping experience more fun and convenient. To this end, we will complete a mobile SHIFT by enhancing the competitive edge of vertical categories such as fashion, living, and beauty, securing multi-channel product sourcing power and evolving product curation capacity.

CJ ONSTYLE Malls Specialized in Top Three Categories

<p>CelebShop </p> <p>CELEBSHOP</p> <p>'CELEBSHOP' is a fashion select shop providing fashion styling content. It curates designer brands, high-end goods as well as global and domestic products based on the experts' style guide by TPO and recommends new outfits every week. Also its size recommendation optimized for each customer offers a convenient shopping experience.</p>
<p>Olive MARKET </p> <p>Olive MARKET</p> <p>'Olive MARKET' is a living select shop that introduces lifestyle and dining products. It pursues to serve as a 'market connecting taste and living'. Following the advice of various experts, Olive MARKET curates brands and products focusing on seasonal, home, and living trends. It provides a shopping experience for living items by suggesting styling tailored to a customer's taste so that they can find their own lifestyles.</p>
<p>THE BEAUTY </p> <p>THE BEAUTY</p> <p>THE BEAUTY is a beauty solution shop encompassing verified products and beauty trends. It curates products and home care techniques by a customer's skin concern based on experts' recommendations and show hosts' reviews. It features popular TV home shopping goods, trendy items in social media, and various products related to skin care, beauty, hair, and body that meet the customer's needs.</p>



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Material Topic 04

SAFETY AND HEALTH

“We lead a culture of safety.”

Our Approach

In 2021, safety and health regulations, such as the Severe Accident Punishment Act, became more stringent. CJ ENM puts the health of employees as a primary of management, making every effort to protect the worker's health at work. With the aim to prevent possible risks in the production environment, we have formulated a manual for safety and health while conducting various activities with constant investments such as the provision of safety and health education or regular inspections on facilities.

Our Action 01

COVID-19 Pandemic

Preemptive Response to COVID-19

The COVID-19 pandemic has brought serious crisis to many corporations. In proactive response, CJ ENM has formed a TF. With the purpose of containing the spread of the virus, various endeavors have been made. The efforts include minimizing employee density at work, taking preventive measures on a regular basis, reinforcing self-disinfection and limiting the operation of in-house welfare facilities. Furthermore, we actively respond to health issues arising from the pandemic and take part in the epidemiological investigation of COVID-19 conducted by local health clinics.

COVID-19 Guidance

Every kind of business trips of employees have been restricted through the discussion with directors and the Human Resources Department while calling on our employees to refrain from going on a trip. In addition, we have applied flexible working systems, including staggered hours system and work-from-home, in order to reduce employee density at work to the minimum degree while conducting immediate tests and allowing them to work-from-home for those who show similar symptoms or contact an infected person and allowing them to work-from-home. Furthermore, we limit the entry of outsiders to our office, and when they need to enter the office, we make sure that they go through a procedure required for the entry including body temperature check at the lobby and wearing a mask.

COVID-19 Emergency Response System



➔ In case an employee tests positive, notice is immediately announced to employees + closure of workplace + working from home

Guidance on Offices and Production Facilities

CJ ENM has installed a clean zone for disinfection in our broadcast transmission facility to ensure stable operation. As part of the efforts, we have stepped up the level of self-disinfection at the public part of lobby, lounge and rest rooms. Regular and emergency disinfections are also conducted by professional service providers. We also have limited the use of welfare facilities including fitness centers, nap rooms and cafeterias.

Response to COVID-19 Confirmed Cases and Support

When COVID-19 confirmed case or any possible risk is found, the fact is immediately reported through the internal system to inform our employees of the news and an emergency disinfection is conducted. We share the information on the places the infected employees visit, while separating workers who primarily contact the infected from secondary contacts to conduct proactive tests and put them in self-quarantine. The test results are shared with local health centers to assist their epidemiological investigations. Besides, we share the guidance for employees who were infected the confirmed cases to work-from-home after their full recovery and provide employees with vaccine leave and necessary medicines such as fever reducers and painkillers.

Disinfection and Safety Management for Production

Disinfection Guidelines for Production

CJ ENM incorporates social distancing in our guidelines for content production. According to the guidelines, we separate cast members from staff while restricting the number of staff for shooting. We make sure that all of the staff members fill out the COVID-19-related questionnaire. The guidelines make it mandatory for cast members and production staff to do body temperature check before shooting and wear a mask. Filming spots and venues for performance are seamlessly sterilized. On top of that, we have in place an emergency contact system to respond COVID-19 issues. CJ ENM will continue our efforts to make a safer production environment.

Production Site Sterilization and Proactive Response

CJ ENM has ramped up the level of disinfection at production sites, putting in place thermal cameras, thermometers, hand sanitizers and masks. As the government increases the level of social distancing, we let cast members and our camera crew receive preemptive tests and also help them to do self-tests. We also give flexibility to filming schedules, such as suspending the production or coordinating the schedule for shootings, thereby adjusting to situations when there is a confirmed case. When there is a person who closely contacts the infected, we carry out a proactive test for the all the contact and place them in self-quarantine while sharing the data with relevant organizations so that they can do precise epidemiological investigations.

Our Action 02

Safety and Health Activities

Safety and Prevention in Accordance with Occupational Health and Safety

Safety Education

In accordance with the Occupational Health and Safety, ENM has provided safety and health education for our employees. In case of distribution center, we have trained workers on how to behave in an emergency including how to act and what are prohibited behaviors in the event of fire. In case of production studios, the relevant employees are educated on the dangers of chemical products, precautions for handling chemicals, how to give first-aid and how to respond in line with Material Safety Data Sheet(MSDS). In addition, we have established the guidelines for emergency care so that prompt actions can be taken. These efforts come together to make our workplace safer.

Safety and Health Education Programs

 Fire Drill Half-yearly	 Education on Cardiopulmonary Resuscitation(CPR) Five times a year
 Overall Safety Education Five times a year	 Regular Education on Safety and Health Quarterly



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Health Improvement

In-House Affiliated Health Clinic and Health Care

CJ ENM operates an affiliated health clinic equipped with medical specialists and Health Studio. The affiliated health clinic provides a broad range of medical services encompassing physical therapies, quit-smoking treatments and consultations on the results of health check-ups. Especially, physical treatments are available free of charge for muscular skeletal diseases that employees commonly suffer from in the course of their work. We also offer other medical services at lower prices than the market, thereby making it easier for employees to receive medical treatments. In addition, our employees can receive prescribed drugs and fluids(glucose, vitamin, etc.), and also get vaccinated. The affiliated health clinic is in charge of the whole health management for employees providing follow-up services after health check-ups.

At Health Studio, employees are disinfected and treated on their wounds and relax. The studio deals with OTC medicines and provides professional medical services. On top of that, it takes charge of providing health counseling services and lends support to health affairs.






Work Environment Management

CJ ENM has put in place a variety of programs to make our workplace more pleasant and healthier. We operate fitness facilities around the clock. Our employees can work out under the guidance of professional physical trainers at any time. Nap rooms are also being operated so that our employees can relax. In addition, we offer multiple services such as Health Keeper, a massage program. By doing so, we provide a pleasant environment for our employees.

Support Medical Insurance & Medical Expense

CJ ENM fully subsidizes casualty insurance to its employees including workers from partner companies to prepare for conceivable accidents that may occur in workplace. Its coverage extends from GPAI (Group Personal Accident Insurance) with simplified application procedure, and properly support accident risks & post-management. Compensation will be extensive through general injury collateral and actual cost proportional compensation. The Industrial Accident Compensation Insurance Act also ensures that the Commerce division provides prompt and fair compensation for work-related accidents such as casualties, illnesses, commutes, disasters, etc. CJ ENM also relieves employees' medical expense pressure and promotes work efficiency by bearing partial payments.

Medical Expense Subsidies

 <p>Disable Child Fundholding</p>	<p>Partial fundholding for disabled children's education & medical expenses</p>
 <p>Cardiac Fundholding</p>	<p>Employee him-herself or child's congenital heart defects</p>
 <p>Acyesis Fundholding</p>	<p>Fundholding for artificial insemination-external fertilization expenses for legally married couple(exceeding amount from Public Corp. charges within company bylaws)</p>

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ENVIRONMENTAL

Aiming to carry eco-friendly management into practice as well as to achieve carbon neutrality, CJ ENM established an environmental management system, thereby voluntarily responding to the climate change. We have built a GHG(greenhouse gas) inventory to mitigate our carbon footprints and waste while managing environmental data to reduce the amount of energy consumed.

Climate Change Response

Climate Change Response System

CJ ENM has established GHG(greenhouse gases) inventory which is designed to comprehensively manage GHGs emitted from our workplaces. Although CJ ENM is not subject to mandatory verification regarding GHG emissions, we have drawn up a company-wide roadmap for GHG mitigation, thereby joining efforts in combating the climate change.

Environment Organization

In proactive response to growing demands for efforts to resolve environmental issues such as GHG and waste reduction, CJ ENM has formed organizations dedicated to environmental affairs. The organizations consist of ESG Working Group including ESG Team, Facility Maintenance & Safety Team and Distribution Center Team.

GHG Emission

Starting with the establishment of the GHG inventory in 2021, we counted our GHG emission over the recent three years and its sources of our business sites and verified the number by the third-party organization. The verification includes direct emissions from fossil fuel combustion, indirect emissions from the usage of external power from business operations. In 2021, a determined whole amount of GHGs emission was 12,745 tCO₂e which is about 13% increased than the previous year mainly because of opening of 'CJ ENM Studio Center'. CJ ENM will work to achieve roadmap for the environment step by step until the ultimate goal of 2050 net-zero emission is reached.

GHG Emissions*

Classification	Unit	2019	2020	2021
Total amount of GHGs emitted (Scope1&2)	tCO ₂ e	11,666	10,820	12,745
GHG emission intensity (Scope1&2)	tCO ₂ e/ KRW bn	3.08	3.19	3.59
Direct GHG emissions (Scope 1)	tCO ₂ e	928	865	898
Indirect GHG emissions (Scope 2)	tCO ₂ e	10,738	9,955	11,847
Other GHG emissions (Scope 3)	tCO ₂ e	60	54	54
Emission Reduction Rate	%	40.86	-3.63	-12.54

* Range of data: Bangbae Office Building, Sangam Office Building, Ilsan Studio, Gayang Studio('18~'21), CJ ENM Studio Center('21)

Energy Consumption

CJ ENM has multi-faceted efforts to curtail energy and power consumption. As of 2021, the total energy consumption was 35,310 MWh while power consumption amounted to 23,877MWh.

Energy Consumption

Classification	Unit	2019	2020	2021		
Total energy consumption*	MWh	35,198	31,558	30,310		
Energy Consumption	Gasoline	kL	142,930	149,688	150,887	
	Direct energy consumption	Diesel	kL	7,472	8,469	7,780
	City gas (LNG)	1,000Nm ³	268,628	232,488	252,152	
	Others	Gcal	29,308	23,198	24,395	
Indirect energy consumption	Electricity	MWh	22,248	20,697	23,877	
Energy consumption per unit	MWh/ KRW bn	9.290	9.306	9.903		

* Range of data: Bangbae Office Building, Sangam Office Building, Ilsan Studio, Gayang Studio('18~'21), CJ ENM Studio Center('21)

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Environmental Management System(ISO 14001) Certification

CJ ENM has set a target of obtaining ISO 14001, an international standard for environmental management system, by 2022. To this end, we plan to formulate our environmental management policy to align with the international criteria set by International Standard Organization (ISO) while presenting detailed action plans to mitigate carbon emissions and to make investments in renewable energy. Furthermore, we will sharpen the environmental management system with performance assessment system.

Environmental Education

CJ ENM shared mid-to-long-term plans for Paradigm shift in ESG management with our employees through environmental courses. Efforts are made to raise the employees' perception and participation through environmental education down the road. The Entertainment Division started providing educational content in the third quarter of 2021 to give employees a better understanding of the gravity of environmental issues such as carbon neutrality and circular economy. We will work with our employees to create eco-friendly corporate culture while encouraging employees to join hands in the strategies for environmental management.

Environmental Compliance

CJ ENM has proactively responded to rapidly-changing environmental regulations while observing the pertinent laws. Over the recent three years, we reached zero in terms of environmental law violation. We will spare no efforts in various sectors to preserve the environment and local communities ensuring our environmental compliance at home and abroad.

Breaches of Environmental Laws

Classification		Unit	2019	2020	2021
Environmental law violations	No. of violations	Case	0	0	0
	Fines	KRW	0	0	0
	Penalties		0	0	0

Mitigation of Environmental Effect

Pollutants Management

CJ ENM Studio Center regularly checks boilers and monitors its air pollutant emissions to minimize air pollutants. The total amount of air pollutant emissions(dust, SO_x, NO_x) from the boiler facilities of CJ ENM Studio Center is less than 2 tons per year, which makes the center belong to Type-5 business site. To curtail pollutants emitted by boilers, we make every effort to prevent environmental degradation including the installation of low-NOx burners, a device to lower combustion.

Air Pollutants

Classification	Unit	2019	2020	2021
NOx concentrations*	ppm	68	48	83.97
Fine dust (PM10) concentrations**	µg/m ³	25.40	29.90	29.3

* Bangbae Office Building('19-'21), CJ ENM Studio Center('21)

** CJ ENM Studio Center

Water Pollutants

Classification	Unit	2019	2020	2021
BOD(biochemical oxygen demand) emissions**	mg/L	2.20	1.30	1.80

* Sangam Office Building

** BOD emissions : Below standard 5

Water Resources Management

CJ ENM purifies and recycles water we use to maximize the efficient use of water resources. The used water coming from sinks, office pantry, and shower rooms is recycled through the waste water reclamation system of the office buildings to be reused in urinals and toilets. We reduce replacement cycle of MCF-AC filters from two years to one year for the efficient use of the reclamation system. We will double our efforts to optimize water facilities, replace obsolete facilities in order to maximize the water recycling rate.

Water Resources Management

Classification	Unit	2019	2020	2021
Total water consumption	m ³	96,717	82,504	87,657
Water consumption per unit	m ³ /KRW bn	25.53	24.33	24.68
Water recycled*	m ³	6,619	6,189	7,173
Water recycling rate*	%	6.84	7.50	8.18

* Sangam Office Building: Entertainment Division

Guidance for Waste Reduction

In order to minimize waste and expand the scope of waste separation, CJ ENM has put in efforts at all of our workplaces and production sites. We separate household waste and we expand the scope of waste separation to curtail the amount of waste incinerated or going to landfill. In the years to come, the scope of the efforts to reduce waste will expand to our partner companies. We plan to provide consulting services regarding environmental affairs to take our recycling-related capacity up a notch by 2022.

Waste Generation and Disposed*

Classification		Unit	2019	2020	2021
Total waste generated		ton	134.75	116.20	201.86
Waste generated per unit		ton/ KRW bn	0.036	0.034	0.057
Waste generated by type	Designated waste	ton	0	0	0
	General waste		134.75	116.20	201.86
Waste disposed	Incineration		15.60	29.69	12.70
	Landfill	ton	3.60	5.84	4.50
	Recycling		115.55	80.67	184.66
Waste recycling rate	%	85.75	69.42	91.48	

* Range of data: Sangam Office Building('19-'21), Bangbae Office Building('21)

CJ ENM has played a leading role in cutting down on waste through the expansion of the use of eco-friendly packaging materials. The Commerce Division established 3R (Reduce, Redesign, Reuse) policy to minimize the use of materials which are not degraded naturally. Under the policy, we have phased in three materials-free packaging. Three materials are vinyl (plastic), non-woven fabric and styrofoam.



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SOCIAL

CJ ENM has forged a sustainable business ecosystem where employees, creators and partners can go hand in hand. We create a culture of diversity, equity, and inclusion as well as discharge our duties and responsibilities, thereby delivering on the business enabling all of us to grow together.

Labor

Human Resources

The driving force lies in our "people". CJ ENM strives to secure excellent talents and raise the level of diversity in terms of employee composition. As of 31st December, 2021, the total number of employees of CJ ENM was 3,366.

Employment Status

Classification	Unit	2019	2020	2021
Total no. of employees	Person	3,680	3,403	3,366
By age	Under 30 (ratio)	1,127 (30.6)	934 (27.4)	880 (26.1)
	30-49 (ratio)	2,482 (67.4)	2,392 (70.3)	2,388 (70.9)
	50 or over (ratio)	71(1.9)	77(2.3)	98(2.9)
By contract type	Permanent (ratio)	3,660 (99.5)	3,387 (99.5)	3,344 (99.3)
	Temporary (ratio)	20(0.5)	16(0.5)	22(0.7)

Diverse Workforce

Diversity Workplace CJ ENM strives to embed a culture of creativity and diversity in every corner of the company. Creativity is one of core growth engines, and diversity underpins it. We create content and brand from a new perspective and secure new source IP on the strength of our own experiences. A culture of using Korean honorifics 'Nim', when calling a name, enables us to communicate freely and horizontally with each other coming from different backgrounds.

Employees Diversity

Classification	Unit	2019	2020	2021
The disabled (ratio)	Person (%)	54(1.48)	49(1.43)	33(1.68)
National Merit Scholarship (ratio)	Person (%)	28(0.76)	28(0.82)	26(0.74)
Foreign employees (ratio)	Person (%)	33(0.90)	28(0.82)	30(0.89)
By country	The US(ratio)	16(0.43)	15(0.44)	18(0.53)
	Canada(ratio)	4(0.11)	4(0.12)	2(0.06)
	Japan(ratio)	1(0.03)	1(0.03)	1(0.03)
	China(ratio)	10(0.27)	7(0.21)	8(0.24)
	New Zealand (ratio)	1(0.03)	1(0.03)	1(0.03)
Australia(ratio)	1(0.03)	0(0.00)	0(0.00)	
Taiwan(ratio)	0(0.00)	0(0.00)	0(0.00)	

Reinforcement of Female Leadership Female employees account for more than half of CJ ENM's workforce. The ratio of female employees in profit-generating departments stands at 59%. The ratio of female managers has also consistently increased.

Female Employment Status

Classification	Unit	2019	2020	2021
Female employees (ratio)		2,000(54)	1,874(55)	1,943(58)
Female managers (ratio)		644(42)	662(43)	749(46)
Female executives (ratio)	Person (%)	8(17)	7(14)	7(16)
Female employees of profit-generating departments (ratio)		604(52)	579(54)	634(59)
Female workers newly hired (ratio)		273(61)	115(30)	352(71)

Recruitment and Retention

CJ ENM is keenly aware of the significance of discovering future talents. We newly hired a total of 496 employees in 2021 despite the frozen labor market due to the COVID-19 pandemic.

The Entertainment Division hires talents with potentials to grow as future growth engines. Department members including directors, take part in the whole recruitment process to develop questions and tasks tailored to positions and make evaluations. Especially junior-level employees who joined earlier through the same process participate as interviewers to verify applicants from various angles. Through internship program, we decide whether applicants are eligible for positions or not, and then provide full support for them to develop skills as content professionals. The Commerce Division hires more IT talents and product design professionals who can go hand in hand with the growth of CJ ENM.

Classification	Unit	2019	2020	2021
Recruitment	Employees newly hired	450	385	496
	Entry-level employee	Person 255	189	237
	Experienced employee	195	196	259
Turnover	Leavers	Person 297	389	453
	Voluntary leavers	273	316	343
	Turnover rate	% 8.1	11.4	13.5
Average Length of Retention	Retention	5.8	6.4	5.6
	Retention of male employees	Year 6.7	7.2	6.3
	Retention of female employees	5.0	5.7	5.0

Remuneration

We make sure fairness in terms of evaluation to decide the right level of compensation according to their efforts. The amount of remuneration has been on the rise. We do not discriminate on the grounds of gender and nationality. We offer same basic salary for entry-level employees based on the occupational group.

Median Salary

Classification	Unit	2019	2020	2021
Employee	KRW thousand	68,000	69,737	79,260
Male	83,697	84,856	101,930	
Female	56,031	57,996	62,658	

Equal Salary for Male and Female Employee

Classification	Unit	2019	2020	2021
General position*	%	78	78	74
Support position**	%	98	99	91

* General position: Support position and executives excluded

** Support position: Support position for content operation, broadcasting production, broadcasting professionals and sales/staff position



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Talent Development and Training

Nurturing Talents and Cultivating Expertise CJ ENM secure and nurture the best talents in the industry for the core positions based on the business strategy. As the competition for talents is heating up, we have transformed our corporate culture in a way that external talents can also present brilliant performance. We never stop contemplating vision to be shared with all of our employees.

Educational Programs for Talent Development CJ ENM has formulated long-term and systematic strategies for cultivating expertise. With a firm belief that the growth of our employees underpins that of the company, we develop and provide a wide range of training courses including capacity building programs by stage and job function. For entry-level employees, we offer onboarding training for six months after the entrance, which is designed to help them better understand and adjust themselves to the company. After that, they are given opportunities to receive professional job training and to learn from the best talents through mentoring program so that they can show their abilities to the fullest. CJ ENM has in placed a system for nurturing leadership on the basis of leadership pipeline. We define and develop leadership skills required for each position while conducting Leadership Effectiveness Assessment stemming from ENM leadership model on a regular basis to give feedback that helps employees sharpen their leadership skills. On top of that, we encourage employees to do self-learning capitalizing on experience-based learning platform while hosting overseas conferences and providing external educational programs. These multi-faceted efforts persist to empower our employees to polish up their skills.

Training Hours and Cost per Capita*

Classification	Unit	2019	2020	2021
Training hours per employee	Hour	66.04	37.20	24.60
Training cost per employee	KRW thousand	1,838	1,055	810

* Hours and cost of training declined in 2020 and 2021 since it was difficult to provide offline programs owing to the COVID-19 pandemic

Talent Development Programs

Classification	Training	Detailed Program
Company-wide training	On-boarding training for new employees	Introductory education for new hires including entry-level and experienced employees; field-driven training and mentoring programs
	Training by position level	Educational programs for middle-level managers to polish up leadership skills and to train for promotion
	Leadership training	Training courses for new leaders, performance management leadership and leadership effectiveness assessment debriefing
Capacity building program by division	Entertainment Division	Educational programs tailored to each position such as CreatorsAcademy, Insight Academy and Marketing Course
	Commerce Division	Academy for MD and PD, a course for the data-based market and its emerging trends, digital marketing, DT Forum, data experts, growth hacking, GA360 and BI system



Work-Life Balance

Welfare Benefits For our employees' work & life balance, we operate a variety of welfare programs that benefit our employees' life, leisure and health. We take the families of our employees and their children into account when designing welfare programs, thereby helping them reach their full potential.

Classification	Unit	2019	2020	2021
Welfare cost	KRW mn	49,339	47,918	48,027
Ratio of welfare cost to sales	%	1.30	1.41	1.35

Welfare Programs

	Life · Convenience	Discounts on CJ affiliates' products, support for social insurance including industrial accident compensation and offering funeral grants, etc.
	Leisure · Culture	Support for accommodation and overseas travel, TVING subscription and CGV tickets
	Health check-up	Annual health-check up, medical expenses, support for disabled children, gifts for childbirth
	Others	Interest-free or low-interest rate of Housing loans, tuition fees for children, opportunities to develop creativity, etc.

Flexible Working Hour Management For employee engagement and advanced working conditions, CJ ENM implements various types of flexible working systems including staggered working hours, flexible working hours, discretionary working hours, and PC-OFF systems to empower each individual to manage their time at their own discretion. The flexible working system have operated even before the pandemic and all of our employees have participated in the system every year, which is a clear demonstration of its effectiveness. We also provide customized programs such as B.1+(Break for an Invent Plus) Creative Week and hourly leave to respect both work & life balance of employees.

Flexibility in Work Type

Classification	Unit	2019	2020	2021
Participation rate	%	100	100	100

Flexible Working and Leave Systems for Work & Life Balance

Classification	Category	Details
Flexible Working System	Staggered working hours	System allowing employees to coordinate their working hours according to their lifestyle
	Flexible working hours	System allowing employees to operate their working hours within the given period according to their situations
	Discretionary working hours	System for employees of the Production departments following the Labor Standards Act
	PC-OFF system	System for employees of the Production departments following the Labor Standards Act
	Selective working hour system	A system where employees select their own working hours up to 40 hours/week, and the working hours are calculated afterward.

Flexible Working and Leave Systems for Work & Life Balance

Classification	Category	Details
Leave and Leisure System	B.1+(Break for Invention Plus)	A system allowing employees to have outdoor activities for 4 hours every Friday for seeking creativity and refreshment.
	Creative Week	Supporting employees in terms of vacation expenses and leave days according to the years of service
	Hourly leave system	Allowing employees to take leave in two-hour unit according to their needs

Psychological counseling Program, EAP CJ ENM has operated Employee Assistance Program(EAP), a psychological counseling program, aiming to handle diverse grievances of our employees as well as to become a workplace where employees enjoy their work more. We have hired external professional agencies to provide counseling and broadened the scope of recipients to the family members of our employees. The system has been established so that our employees use the service both online and offline. We efficiently cope with our employees' complaints and enhance the engagement and quality of life.

Childbirth and Childcare

Welfare System – Family Care CJ ENM support a family care system including leave for prenatal diagnosis, childbirth, childcare and family care. When the spouse of an employee delivers a child, we give a maximum of 14 days which is more than statutory requirements. The number of male employees on childcare leave increased from eight in 2019 to ten in 2021. In addition, We operate three daycare centers and giving two-week paid leave to employees whose child is about to enter an elementary school so that they spend quality time with family.

Parental Leave Status

Classification	Unit	2019	2020	2021
Employees on childcare leave	Male	8	12	10
	Female	52	58	60
Employees returning to work	Male	6	7	10
	Female	57	57	48
Employees working more than 12 months after returning to work*	Male (ratio)	5(83)	5(83)	5(71)
	Female (ratio)	49(86)	49(86)	50(88)

* No. of returners working more than one year

Family Care System

Classification	Details
Pregnancy Leave	In addition to before/after maternity leave the system allows pregnant employees to use unpaid leave
Infertility Support Leave	In addition to the given law, annual max of 6 leaves ; 1 leave covers for 7 paid days
Child Enrollment Care Leave	Childcare leave up to 4 weeks (2 weeks paid + 2 weeks unpaid) for employees with elementary school enrolling child
Spouse Parental Leave	Spared 14 paid days (business days) in addition to given lawful coverage.

Family Care System

Classification	Details	
Reduction of Working Hours: Pregnancy Risk Period	In addition to the given law, 2hrs reduction of working hours a day during 12 to 36 weeks of pregnancy.	
Reduction of Working Hours:	New Born Care	2hrs reduction from daily working hours for employees with new born child upon request
	Emergency Childcare	2hrs reduction from daily working hours for employees with emergency childcare problem
	Children Enrolled in Elementary School	2hrs reduction from daily working hours for employees with children enrolled in elementary school
Workplace Nursery	3 Nursery centers for children who needs daycare at workplace	

Family—Friendly Company Certification 'Family-friendly Company' refers to a certification hosted by the Ministry of Gender Equality and Family in recognition of its contributions to work-family balance among its employees such as support for childbirth and childcare, flexible working system and a family-friendly corporate culture. CJ ENM will ramp up our efforts to develop more diverse family-friendly policies so that our employees can work happily by maintaining a balance between work and life.

Performance Evaluation

Regular Performance Management and 360-Degree Appraisal CJ ENM has helped employees attain their goals and peak performances through performance management and compensation systems. We evaluate the performances of each individual taking the nature of businesses into account. The Entertainment Division uses absolute evaluation method while the Commerce Division uses relative evaluation. In 2021, we adopted a more advanced regular performance management system to recognize the performances at an opportune time. The system makes us more agile in terms of response to the fluctuations of our strategies and goals under the rapidly-changing business environment. It also enables us to shift the focus from year-end evaluation towards regular performance management, thereby changing the way of work. We quantify accumulated detailed efforts and achievements to reflect them along with peer feedback in evaluation. Expertise for each position and the way of work is taken into consideration as well. 360 degree diagnosis is conducted in the form of report to assess multi facts of each individual's capabilities and growth points.

Performance Appraisal Application Ratio

Classification	Unit	2019	2020	2021
Employees subject to competency development evaluation (performance-generating type)	%	89.84	90.13	90.96

Fair Compensation System CJ ENM puts performance-based compensation into practice by giving team leaders discretionary power in terms of giving rewards. The system empowers leaders to autonomously lead their teams, to be more responsible and to deliver the best outcome. The transparent operation of various performance-linked compensation systems, such as incentives, bonuses and other rewards, enables us to recognize the accomplishments of our employees in a timely manner. CJ ENM will make every effort to operate personnel management system in a way that employees are recognized and rewarded for their efforts and performances fair and square regardless of position, length of service, gender, age and nationality.

Human Rights

Human Rights Management

CJ ENM evidently states the value of Shared Growth and respect in philosophy, practicing human rights management. All members of CJ ENM pledge to the <CJ Code of Business Conduct> and we take the lead in respecting social values for customers, employees and stakeholders with a sense of ownership for human rights management. Under the supervision of the Labor-Management Working Group, we established six work rules(working styles) that must be observed as members of CJ ENM; two of them are associated with human rights to settle the culture of respect within the organization. We prevent behaviors violating the value of respect, such as workplace harassment or sexual harassment and strictly handle them based on work rules through the HR Grievance Committee.

Compliant Channels & Process

CJ ENM operates a number of channels for consulting and reporting human rights complaints. In particular, for the case of sexual harassment or workplace harassment, a prohibition is clearly stated in our work regulations. If any related case occurs, the responsible department promptly seeks a resolution in accordance with the internal regulations, and transparently informs the informant of the result. At the time of investigation, we consider all possible measures to maintain confidentiality to protect the informant, and thoroughly manage them so that the person will not be disadvantaged or discriminated against the circumstances. To mitigate the case more fairly, we include outside expert counseling as needed when holding HR Committee meetings.

Reports and Settlement Related to Human Rights Issues

Classification	Unit	2019	2020	2021
Reports related to human rights issues	Case	1	5	4
Reports addressed related to human rights issues	Case	1	5	4

Human Rights Grievance Report Channels and Addressing Groups

Classification	Details
Grievance Reporting Box	<ul style="list-style-type: none"> Install 'Grievance Reporting Box' on each floor at the workplace Anonymous and non-face-to-face report guaranteed
Workplace Sexual Harassment Report	<ul style="list-style-type: none"> For systematic counseling and grievance-handling, both male and female persons in charge of sexual harassment and workplace bullying within HR Support Team are appointed
Grievance Committee	<ul style="list-style-type: none"> Grievance Committee members from the Labor-Management Working Group are appointed Gather and redress grievances of employees
CJ Whistle	<ul style="list-style-type: none"> Hotline operated by CJ Group Employees and external interest parties can report through internal report system or the third-party agency. All reported information assures the anonymity and processes independently.



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Violation of Human Rights Regulations

CJ ENM always puts human rights of our employees as priority. We actively strive to internalize the culture of respecting human rights and complying the Code of Conduct, leading to zero case of violation every year since 2018 in regard to human rights issues. We will continue to cherish all our members in our business activities.

Human Rights Regulation* Breach

Classification		Unit	2019	2020	2021
Violation of human rights regulations	No. of violations	Case	0	0	0
	Fines	KRW	0	0	0
	Penalties	thousand	0	0	0

* criteria: Regulations including the Labor Standards Act and the Equal Employment Opportunity And Work-family Balance Assistance Act

Human Rights Training

CJ ENM annually implements corporate-wide statutory compulsory educational programs covering the prevention of workplace and sexual harassment as well as the awareness-raising of the disabled. We continuously improve the awareness of human rights by laying emphasis on related training. In 2020 and 2021, the Entertainment Division carried out the training to enhance the understanding of gender sensitivities and to prevent review risks for employees in the broadcast production area. The Commerce Division provided education in order to implement the audio description function for the visually impaired, which is an obligation for broadcasting operators. We are committed to providing the educational programs while managing the human rights training status for employees.

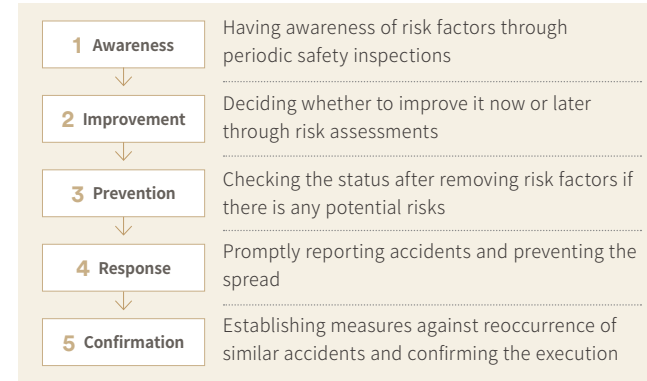
Classification	Unit	2019	2020	2021
Human rights training hours per employee	Hour	2.77	2.97	2.72
Hours of human rights training	Hour	10,186	10,105	9,160

Safety and Health

Occupational Safety and Health Policy

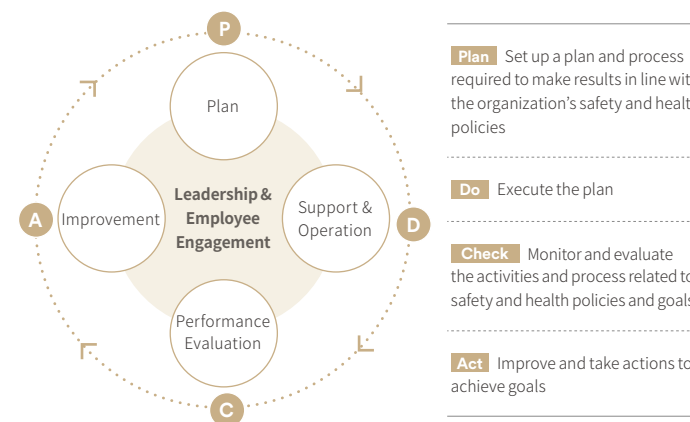
CJ ENM's highest value is the safety and health of our employees and business partners. With an aim to operate the safe business, we establish related policies and perform safety and health training periodically and frequently among other activities. Also, we discuss related issues actively with the Occupational Safety and Health Committee for casualty prevention. CJ ENM implemented the five-step safety and health management system to better fixate the safe workplace culture and grow further.

Safety and Health Management System



Safety Management System

CJ ENM established the safety management system under the philosophy of "Lead the safety culture by conveying the value on prioritizing safety, health, environment on all field of Customer's joy". Upon the philosophy, we utilize the safety management system all throughout the business. To operate a substantially safe business and ensure worker safety, CJ ENM works to prevent accidents, comply with the Occupational Safety and Health Act, identify and improve risk factors.



Production & On-site Safety Manual With the on-site production safety process, CJ ENM implements autonomous management to prevent possible accidents. On top of that, we have separate detailed guidelines for each work environment; content production site, studio set up, live & musical site, and distribution center aiming to efficiently implement the policies.

Content Production Safety Manual	<ul style="list-style-type: none"> • Stage & on-set installation·disassembly safety guidelines • Outdoor filming, ENG shooting, outdoor activity, stage shooting, audience management guidelines, etc. • Designated person in charge of safety among on-site residing staff & safety inspection • Development of online inspection tool for efficient and convenient safety inspection
Commerce Studio Safety Manual	<ul style="list-style-type: none"> • Stage installation·disassembly·storing safety guidelines • Prop workshop operation safety guidelines • Stage broadcast conveying equipment safety guidelines • Emergency evacuation drill
Drama Studio Safety Manual	<ul style="list-style-type: none"> • Studio on-set safety guidelines • On-set stage production·disassembly safety guidelines • On-set stage shooting safety guidelines • 50+ annual safety inspections on scripted show sets
Live & Musical Safety Manual	<ul style="list-style-type: none"> • Establishment of safety process for each individual live and musical event including risk assessment, risk grade evaluation, and prior safety inspection • Countermeasures against natural calamities and installation·disassembly safety guidelines • Audience, F&B operation safety manual • Temporary installation of electricity and facility guidelines
Distribution Center Safety Manual	<ul style="list-style-type: none"> • Forklift·special forklift safety guidelines • Conveyor operation safety guidelines • Heavy-weight lifter operation safety guidelines • Hanger·rack operation safety guidelines

Inspection and Prevention Measures

CJ ENM inspects and averts a safe environment. In the Commerce Division, a total of 65 risk factors were discovered in 2020. Complying with the risk assessment stipulated in Article 36 of the Occupational Safety and Health Act, 10 high-risk factors were amended and improved. In addition, we carry out emergency response drills tailored to each characteristics of the workplace, conducting internal safety diagnosis every six months. A total of 22 non-conformities were identified in 2021 and improved. In 2021, the response procedures for environmental accidents in the Business Continuity Management System (BCMS) ISO 22301 certification is inserted in our protocol along with actual training for that. Furthermore, beginning from 2022, a response and training system against environmental accidents will be established through ISO 14001.

Major Emergency Drills

Sangam Office Building	<ul style="list-style-type: none"> • Fire drill • Storm and flood drill • Power failure drill • Emergency evacuation drill • Freezer emergency drill
Bangbae Office Building	<ul style="list-style-type: none"> • Fire drill • Storm and flood drill • Power failure drill
Ilsan Studio	<ul style="list-style-type: none"> • Fire drill • Power failure drill
Distribution Center	<ul style="list-style-type: none"> • Fire drill • Earthquake drill

Under the risk assessment in the Article 36 of the Occupational Safety and Health Act, the Entertainment Division also conducted a total of 438 prior safety inspections while investing KRW 1.79 billion in safety in 2020. In 2021, 471 prior safety inspections were conducted on studios owned by CJ ENM as well as drama and broadcasting areas for preventing future risks.

Safety Management Process for Production



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Industrial Accident

In the event of an accident, we conduct thorough investigation of the root cause and take preventive actions against recurrence. Owing to these efforts, there was zero LTI(Lost Time Incident) and occupation-related illness case among CJ ENM employees in 2021. In particular, the number of occupation-related illness recorded zero for the three consecutive years. Going forward, CJ ENM will create a safe and reliable work environment for everyone by pursuing continued safety management activities.

Industrial Accident Rate of Employees

Classification	Unit	2019	2020	2021
Total work hours	Hour	8,227,432	8,060,672	7,620,464
	Person	3,680	3,403	3,101
Lost Time Injury (LTI)	Case	1	0	0
Lost Time Injury Frequency Rate (LTIFR)*	-	0.1215	0	0
Industrial Accident rate	%	0.0272	0	0
No. of occupation-related illness	Case	0	0	0
Occupational Illness Frequency Rate (OIFR)**	-	0	0	0
severity rate of injury***	-	0.0006	0	0
Absence rate	%	0.0049	0	0

* Lost Time Injury Frequency Rate(LTIFR): No. of lost time injuries x 1,000,000/Total work hours
 ** Occupational Illness Frequency Rate(OIFR): No. of occupation-related illness x 1,000,000/ Total work hours
 *** Severity rate of injury: Days lost in a year due to accidents/Number of man-hours worked (including employees, contract workers, and sub-contract workers)*1,000

Industrial Accident Rate of Partner Companies

Classification	Unit	2019	2020	2021
No. of deaths	Person	0	0	0
Lost Time Injury (LTI)	Case	0	0	1
Lost Time Injury Frequency Rate (LTIFR)*	-	0	0	0.1312

* Lost Time Injury Frequency Rate(LTIFR): No. of lost time injuries x 1,000,000/Total work hours

Violation of Safety-related Laws

CJ ENM makes strenuous efforts to prevent the breach of laws, which led to zero case of critical accidents and violations of safety-related laws in 2021. We will continue to pursue safety management so that we can keep the violation and accident level at zero.

Classification	Unit	2019	2020	2021
No. of critical accidents	Case	0	0	0
Violation of safety-related laws	No. of violations	Case	1	0
	Fines	KRW	40	0
	Penalties	thousand	0	0

Occupational Safety & Health Training

CJ ENM regularly provides occupational safety & health training for all employees. We deliver the most adequate training pertinent to the Occupational Safety and Health Act, general management, hazardous work environment, and prevention measures against accidents for each role and position. We comply with the legally bound annual hours for the training.

Classification	Unit	2019	2020	2021
Hours of occupational safety and health training per employee*	Hour	24	24	24

* Legally bound training hours in a year

Future Plan

Safety and Health Management System for Zero Critical Accident and Safety Issue

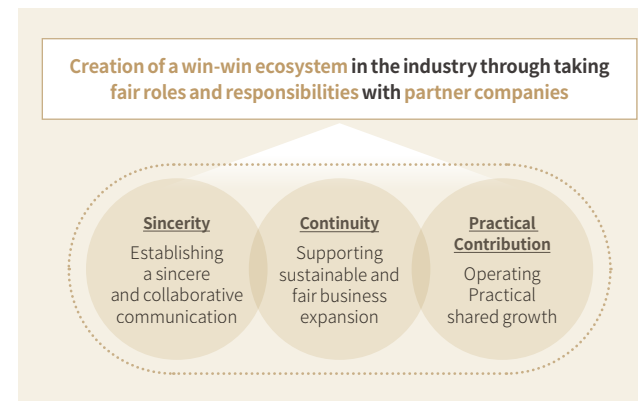
CJ ENM puts emphasis on safety management activities with a goal of making zero in critical accidents and safety issues. To this end, we will secure more personnel in the safety organization as part of our promotion plan. Currently, we are maintaining a higher level of standard in the number of internal safety managers, but we added two more people so as to secure safety in the entire content-producing environment. For the mid- to long-term goal, we will invest in all-around capacity-building, encouraging members in the safety-related teams to acquire an examiner qualification for ISO 45001. CJ ENM's studios in Sangam, Ilsan, and Paju are also systematically operated and managed with renewal and new construction. We will also expand individual production and welfare facilities such as editing rooms and recording rooms, thereby building a safe environment for higher convenience and efficiency. CJ ENM Studio Center in Paju, currently under construction, will provide an improved and ground-breaking production environment. The completion of the studio is expected to substantially advance the content production environment.

Supply Chain Responsibility

Shared Growth and Fair Trade

Promotion System for Shared Growth For CJ ENM, suppliers are the partners we promote sustainable growth and share value together. With supply chain responsibility, we established a promotion system for creating a healthy industry ecosystem. To this end, we operate collaborative communication and sustainable business support based on three action principles; sincerity, continuity, and practical contribution. We aim to establish fair trade and spread shared growth culture through these efforts.

Shared Growth Philosophy



Organization for Shared Growth CJ ENM set up the Win-Win Executive Office that assumes the role of planning and operating fair trade win-win program among small, medium, and large companies. The office has contributed to building a virtuous structure and spreading shared growth culture by implementing collaborative work by policy, finance, and business.

Organizational Chart of Win-Win Executive Office



Regulations on Transactions with Partner Companies

As of December 2021, a total of 111,945 companies are in a cooperative relationship with us, and we spare no effort to support them in a practical manner. In October 2021, we established the 'Regulation of partner company trade management', a policy under the 'CJ Code of Business Conduct'. The regulation stipulated roles and responsibilities for both CJ ENM and suppliers in trade with suppliers. It also developed the requirement for supplier trade ethics in detail. In accordance with the regulation, we will further secure transparency and fairness across all trades with suppliers while pushing ahead the win-win operation with our suppliers through reasonable and proper management.

Partner Company Management

Classification	Unit	2019	2020	2021
Partner company management	Partner companies	96,267	104,329	111,945
	Newly registered partner companies	11,657	8,062	7,638

Financial Support for Partner Companies

Partner Company Win-Win Fund CJ ENM manages the win-win fund for our partner companies to stabilize their management. The fund (Industrial Bank of Korea Supply Chain Responsibility(Cooperative Loan)) helps partner companies take out loans at a lower rate than other alternatives. We have raised the amount of the loan from KRW 20 billion in 2012, KRW 40 billion in 2013 to KRW 60 billion in 2018, and we still maintain the scale up to now. The loan limit has also been raised from KRW 1 billion to KRW 2 billion.

Classification	Unit	2019	2020	2021
Amount of fund	KRW 100 mn	600	600	600
Companies using the fund	ea	60	58	51
Actual expense	KRW 100 mn	307	266	228

Financial Support and Facilitation of Funds We strive to build a stable financial environment for our partner companies by providing loan programs in addition to the win-win fund. As part of the effort, 'network loan' is our representative financial service that gives interest rates cut from banks based on evidence of transaction performance between CJ ENM and suppliers. We also signed a network loan with Industrial Bank of Korea so that our suppliers can get loans. Besides, we changed the payment date from the 30th to the 15th of every month for our partner companies that have signed a shared growth agreement, thereby raising the convenience of fund management.



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Training Support for Partner Companies

CJ ENM assists partner companies with training for the sake of securing long-term competitive edge and nurture human resources. The Entertainment Division selected the topics for partner company training in accordance with 'Regulations on Supplier Management'. Accordingly, we provide two education programs every year.

Entertainment Division

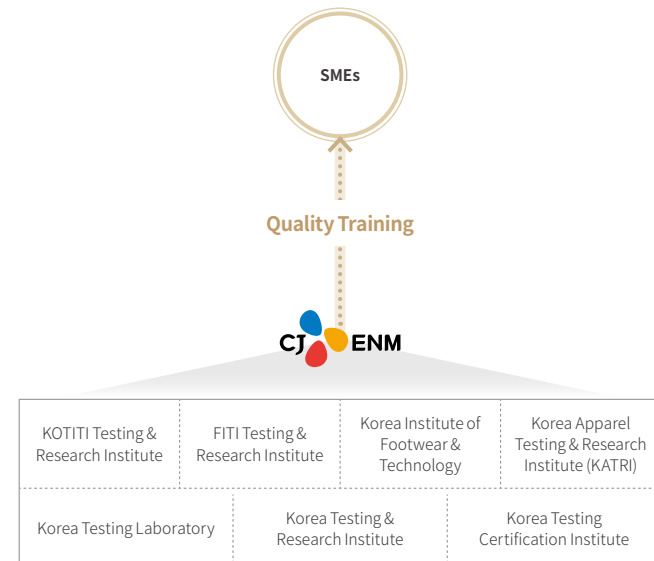
Classification	Details
Process execution	• Preparation and implementation of processes including plan setting, location rental, and system establishment
Safety training	• Overall safety management training covering accidents, safety regulations, and related issues in and outside Korea • Safety-related education by each system tailored to stage-building (if necessary)
Ethical training	• Training regarding the sense of ethics including win-win business with suppliers, anti-corruption and sexual harassment programs
ESG training (If necessary)	• Sustainable management education through improved supplier awareness including ESG importance and trend in the Entertainment industry, and supplier's corporate business on the environment and social responsibilities

In the Commerce Division, we collaborate with our partners at every stage of the process, from product launch, registration to management on the basis of a partner system in the interest of having a transparent and efficient partnership. All suppliers receive training on the entire process through a system when they launch products on our platforms. We also set up criteria for selecting broadcast products and regulating unfair trade. It is our duty to provide safety education for resident contractors before filming. In addition, we give training opportunities in various fields for management insight, such as skills or marketing capabilities required for practical work and quality training. For quality, which is the most basic in product competitiveness, we also assist with discounting certification costs and providing technical support with an accredited certification institute.

Commerce Division

Classification	Details
Process execution	Providing the process guidelines for launching products on the system, online education through the partner system
Safety education	Sharing the safety manual for work in studios and distribution centers
Fair trade	Having criteria to select broadcast products and a regulation to prohibit unfair trade
Capacity-building and ESG education	Operating coaching programs for executives and capacity-building programs (before the COVID-19 pandemic). * Planning to publish trend reports on ESG trends, advanced technology, and management system and hold programs adding education-discussion in 2022.

Assistance for Quality Training



Supply Chain Responsibility for Our Partners

O'pen Creator & writer support Project(CSV) O'pen is a CSV business designed to discover and develop new creators by supporting all processes, from identifying new creators to planning, developing, producing content, and business matching. As an exemplary cultural and social contribution project of a content company that coexists with others in the industry, O'pen particularly allows new creators to make their debut, and in turn, those creators with fresh ideas are supplied in the industry, thereby creating a virtuous cycle and building a healthy and sound cultural ecosystem. With an aim to find and nurture diverse creators, O'pen widened its support to more creators in different genres. Starting with drama (single act) and film in 2017, music (composer) and short-form originals are also newly added. A total of 161 new story writers and 58 new composers could enter the industry by 2021.

CJ OVOP(One Village One Product) Rural Business 'CJ OVOP' is the first free broadcasting program for rural businesses that recorded around 110 products in an accumulated number of products and KRW 48 billion in sales for the last 15 years since it started in 2007. Through the 'CJ OVOP', we partnered with Korea Venture Agriculture College to discover outstanding rural companies and provide consulting and professional know-hows concerning product development, entry, quality inspection, broadcasting content planning, production, and sales strategy. The products of the selected company feature 30 minutes a day on broadcasting programs five times a week for free and also have opportunities to enter into CJ ONSTYLE online mall, which support them to have the stable sales channels.

Achievement of 'CJ OVOP'

Classification	Unit	2019	2020	2021
No. of products	ea	36	31	42
Revenue	KRW mn	3,859	3,485	2,295

'CJ OVOP' program



'CJ OCOP(One Company One Product)' SMEs and Small Business Owners

'CJ OCOP' has been joined by about 190 SMEs and small business owners since 2012 in cooperation with the Small & Medium Business Distribution Center. It is a program to support SMEs and small business owners who have a hard time finding sales channels despite their excellent products, giving them opportunities to launch on our platforms; CJ ONSTYLE TV channel and online malls. We feature their products on air nine times a week for free. The program has achieved over KRW 15 billion sales by 2021 and has grown into a representative win-win business of CJ ENM.

Achievement of 'CJ OCOP'

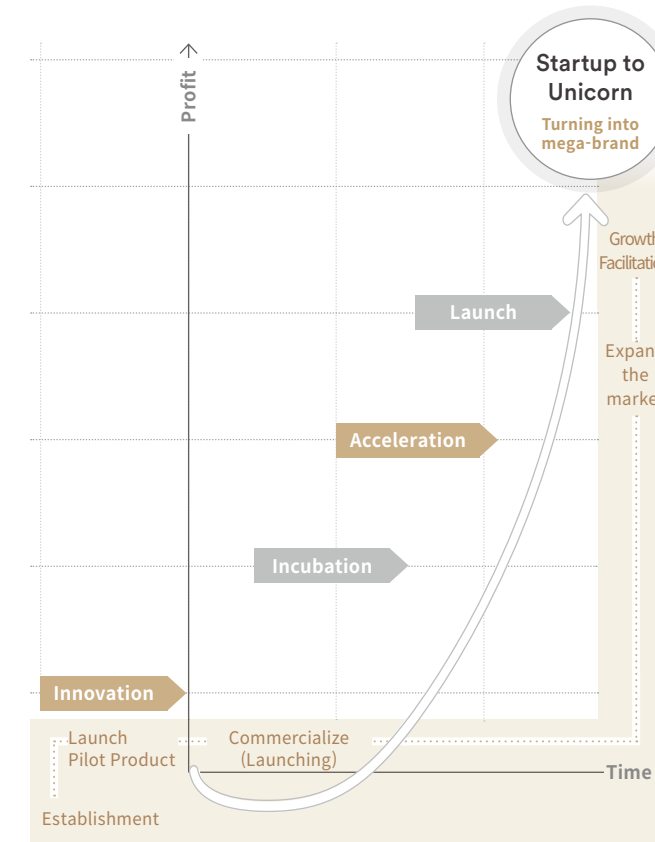
Classification	Unit	2019	2020	2021
No. of products	ea	58	61	78
Revenue	KRW mn	2,231	1,955	2,871

'CJ OCOP' program



Challenge Startup 'Challenge Startup' is an open audition project newly launched in 2020 in collaboration with Seoul Startup Hub. It systematically supports all courses from discovering startups, incubating to product launching. With an objective to cultivate Small Giant Companies, it offers supports needed for every step including consulting, education, and opportunity to launch product on ONSTYLE TV and online malls. In 2021, Semisysco's electric vehicle, 'EV-Z' was launched on CJ ONSTYLE through this program, demonstrating our considerable efforts to nurture ESG-related product of startup companies.

Business Direction of Challenge Startup



Step	Support
Innovation	Open audition for startups
Incubation	Provide services at an initial business stage including office/facility and training
Acceleration	Support in commercialization including R&D and quality consulting
Launch	Assist with multi-channels, influencer marketing, and having certification labels on products



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SPECIAL COVID-19 Relief Program

Special Program for Revitalizing Domestic Farms

In April and July 2020, we jointly planned a broadcasting program for farms having grave difficulty due to dropped sales derived from the COVID-19 pandemic. Casts in the <Farm Vitalization Project> program visited farms in person and gave a helping hand. The products were sold through CJ ONSTYLE at 20-40% cheaper price than the market. Live concert & Commerce program 'Between Grape and Music' was aired starring the rock band Jaurim. The special project program to sell Gyeongsan Kyoho grapes along with a live performance was remarkably successful with more than 2,000 sets sold completely.

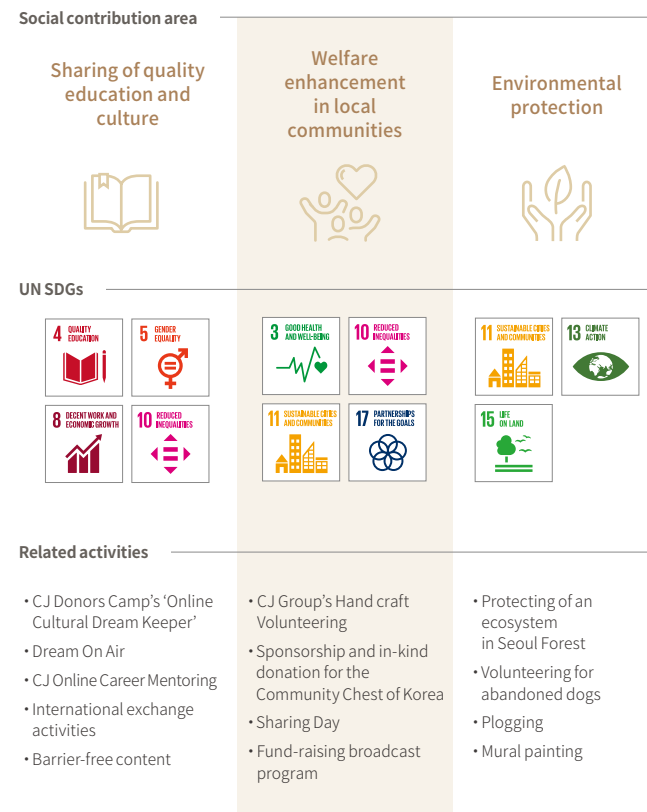
Special Program for SMEs and Farms

We aired a special program to help SMEs and local farms hit by the COVID-19 pandemic. In June 2020, 'Overcoming COVID-19! Save Local Farm Project' was launched. Through the live mobile program, <Shock Live: Getkkul Johap>, we supported local farms selling their products. In addition, emergency use of the 'Win-Win Fund (shared growth loan)' was approved for SMEs having trouble managing funds due to the pandemic, to get a loan at a lower interest rate than the market. Free broadcasting programs for local organizations' were scheduled at least once a week to help major damaged farms secure sales channels. Furthermore, our fund-raising program, <Please Order Love> continuously supported our neighbors suffering from the pandemic by visiting and sharing their stories with the help of NGOs.

Community Impact

Social Contribution Philosophy

CJ ENM implements education and nurturing projects reflecting our unique businesses based on the philosophy that 'a company should become a dream keeper for the young'. As a corporate citizen of a local community, we actively communicate with other community members and carry out social contribution activities with a view to bring sustainable development to our local community.



Social Contribution Activities

CJ Donors Camp's 'Online Cultural Dream Keeper' CJ ENM has unlocked an immense potential by converging representative social contribution project, 'Cultural Dream Keeper', with digital technologies. The master and expert lectures were provided to young students nationwide online. Furthermore, online experiences including KCON:TACT and 'If you love your dream, let the world know!', deliver the audience a lively and vivid on-site feeling with digital space and virtual experience. As a result of these endeavors, 219 student clubs were joined in our 530 digital activities so-called 'Ontact' in 2021. This allowed participants to produce videos while keeping the COVID-19 guidelines. Their works were presented in a digital showcase at CJ Donors Camp, and 174 mentors and CJ employees responded with supporting messages.

SPECIAL About Cultural Dream Keeper

The Cultural Dream Keeper project provides support in making youth cultural clubs, special lectures, cultural experiences, and opportunities to perform. As the Cultural Dream Keeper for the youth, the project is held every year from September through January of the following year, helping the growth and challenges of young people who love culture.

- **Field:** A total of six cultural areas(broadcasting, film, music, live-performance, cooking, fashion&beauty) are supported, and CJ ENM assists in five of them, including cooking.
- **Target:** 104 clubs and 219 clubs participated in 2020 and 2021 respectively(composing of 6 students on average per club).
- **Mentor:** A total of 187 and 174 mentors participated in 2020 and 2021 respectively(master mentor- top experts in each field, expert mentor- field experts and employees, college volunteer group- college students studying the field).



'Dream On-Air' Project for Aspiring Broadcasters CJ ENM sponsors the 'Dream On-Air' project, which offers online lectures to young people aspiring to work in the broadcasting industry. Hosted by the Asia Exchange Association, the online career project holds six special talks with broadcasting experts to 40 young people nationwide for four months. The special lectures introduce various jobs and values in the broadcasting industry, the right attitude for growth, giving career advice for youth. In 2021, we invited people from various fields; a camera director who produced diverse content, a show host who has experience in TV and live mobile commerce, a lawyer specializing in copyright, and a creator from DIA TV.

'CJ Online Career Mentoring Program' CJ ENM is an active supporter of the 'CJ Online Career Mentoring', an online career mentoring program hosted by CJ Donors Camp. The program serves as a platform for the education-deprived individuals and youths in vulnerable regions who have less opportunities to freely explore career paths. Under the pandemic situation, the program became one of the most meaningful volunteering programs as employees can easily access online to provide career mentoring.

Broadcast for Public Interest

We actively engage in public interest activities through our broadcast and programs. We produced an ombudsman program to create an environment in which the audience can play an active role in monitoring CJ ENM's broadcast programs while directly providing various information to viewers through an audience information program.

Performance of Donation Programs

Classification	Unit	2019	2020	2021
Amount	KRW	152,220,550	224,508,100	145,198,300
No. of donations	Case	108,327	99,746	45,411

Broadcasting Hours of Public Interest (Unit: Hour)

Classification	2019	2020	2021	Total		
				TV	TCOM	
Ombudsman program	Target	TV	18	18	45	81
		TCOM	18	18	51	87
	Result	TV	19	19	45	83
		TCOM	19	22	51	92
Audience information program	Target	TV	18	18	45	81
		TCOM	18	18	51	87
	Result	TV	19	19	45	83
		TCOM	20	22	51	93

Volunteering

Non-face-to-face Sharing and Giving CJ ENM switched the monthly cultural sharing activity for seniors living alone to support quarantine products and packing items. In case it was challenging to help directly, we assisted the elderly and the disabled with indoor-family activity programs. We also enabled volunteer activities under the non-face-to-face and work from home environment by planning new programs such as Hand craft Volunteering kits and e-book production for the disabled. When the social distancing policy was slightly relaxed, we carried out small-group volunteering events utilizing a 'Parents Day sharing kit'. Additionally, our employee mentoring activities, including CJ Donors Camp's 'Cultural Dream Keeper' project, were implemented for youth interested in media and content production, disseminating a good impact on society.

Volunteering On Parents Day



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We continued sharing the overseas social contribution projects started in 2018 with the Korean Foundation for International Cultural Exchange (KOFICE) by converting it into a non-face-to-face format. Utilizing an online video conferencing platform, we switched the on-site project into an online one to promote 'non-face-to-face international exchange'. Through the project, middle school students from Korea and Thailand exchanged their cultures and opinions. The project offers cultural art education in connection with emerging composers in CJ ENM's representative program, 'O'pen Music', and an online interactive traditional culture experience. Despite the non-face-to-face platform, students from both countries actively engaged in the cultural exchange program by experiencing each other's traditional culture on major holidays.

International exchange activities - Non-face-to-face



Reflecting Employee's Value and Lifestyle The COVID-19 pandemic brought about a tremendous turning point in employee volunteering. The majority are currently individual volunteers at home instead of group-based volunteering. Accordingly, a so-called 'volunteer tailored to taste' era has begun, in which the personal values and lifestyles of employees are reflected in volunteer activities. The change fits well with the ESG trend as well. In 2021, CJ ENM's employee volunteer programs reflected employees' values and lifestyles. We carried out a variety of activities; 'E-Book Creating Volunteer' was an online e-book production project for the visually impaired, and the 'Digital painting Present' was a digital drawing class for the elderly in the local community. We carried out the 'Parents Day Love-sharing Kit Volunteer' and 'Plogging (a portmanteau word of jogging with picking up litter)' to conduct environmental protection activities while doing physical activities. As we advance, we will further expand diverse volunteer services tailored to employees' tastes to encourage their good activities caring for our neighbors and nature.

Volunteer Hours

Classification	Unit	2019	2020	2021
Volunteer hours per employee	Hour	4.53	2.39	5.17
No. of total volunteer activities	Case	4,083	2,441	2,919
Total volunteer hours	Hour	16,687	8,137	13,475

* Volunteer hours were reduced during the COVID-19 pandemic in 2020 due to the suspension of face-to-face activities.

Barrier-free Content CJ ENM gives opportunities for the underprivileged to enjoy culture, striving to improve the environment for the visually and hearing impaired to enjoy movies easily. To this end, we produce and screen barrier-free content in collaboration with the Korean Film Council, the Korea Association of the Deaf, and CJ CGV. Barrier-free content refers to the content added with Korean subtitles for the hearing impaired or screen commentary sound for the visually impaired. We assist in producing a barrier-free version of the works we have created or mainly invested in.

Contribution to Local Communities

Donation to Local Communities CJ ENM manages the amount of social contribution for local communities in a transparent manner. The table below includes the total amount of donation and the business expenses for social contribution.

Classification	Unit	2019	2020	2021
Amount of donation to local communities	KRW 100 mn	137.6	63.1	51.7

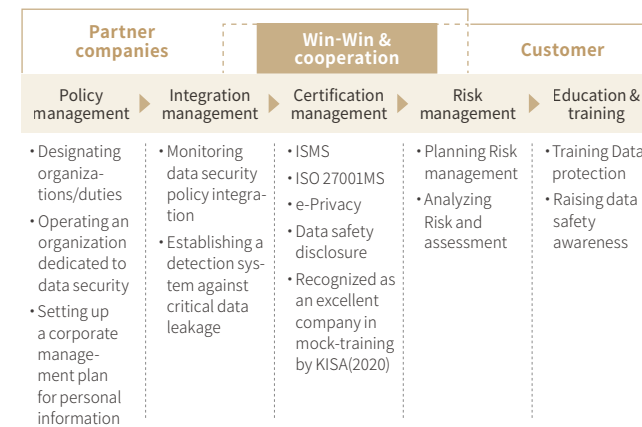
Support with Items CJ ENM continued sharing in cooperation with local welfare centers despite the COVID-19 pandemic, giving hope to the vulnerable. We carried out a variety of activities; sharing food, Kimchi-making, a bazaar, and sending letters. The accumulated number of items donated by 2021 is 16,185, and the total amount is KRW 1,125,365,589. In addition, we switched the support from cultural sharing activities with the elderly living alone to quarantine items and other packing support owing to the prolonged pandemic. We also conducted indoor and family activity programs for the elderly and disabled who spend more time indoors. To contribute to the health and life of the vulnerable under the pandemic situation, we donated 2.28 million masks to Food Banks nationwide in 2021.

Data Security & Privacy

Data Security System

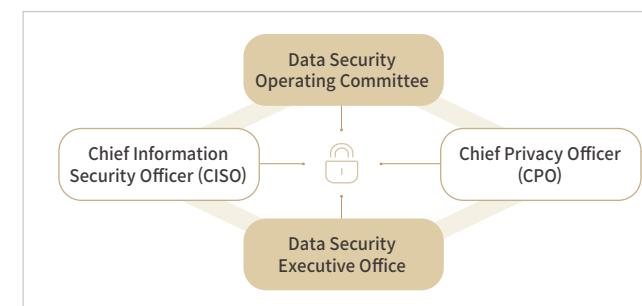
System for Safe Protection For the purpose of providing better service and safeguarding customer data and critical corporate information, CJ ENM constantly implements stabilization activities as well as the establishment of infrastructure and systems for data management. We also regularly conduct preventive checks on the management system. The security control system is operated every day for 24 hours while the security control system is advanced frequently and switched with the state-of-the-art system in response to the latest attack technologies. We jointly diagnose the vulnerabilities in management and technology with the company specializing in security and conduct mock hacking. At the same time, we make efforts to protect business partners consigned to manage customer information, thereby establishing a Win-Win environment.

Data Security System



Data Protection Organization CJ ENM designates Chief Information Security Officer (CISO) and Chief Privacy Officer (CPO) respectively to conduct independent and systematic work. The Data Security Operating Committee includes major management and related department heads, centering around CISO and CPO in its organization, deliberating and deciding on significant and pending issues. The Data Security Executive Office, comprising relevant people in charge, improves the data security policy at the working level. As we advance, the committee and the executive office will closely work together to cope with various risks in an accurate and prompt manner.

Data Security Organizational Chart



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Environmental(E)

Climate Change Response

Mitigation of Environmental Impacts

Social(S)

Labor

Human Rights

Safety and Health

Supply Chain Responsibility

Community Impact

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Governance(G)

Board of Directors

Ethical Management

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Data Leakage Protection

The number of incidents and damage regarding information leakage has been zero for three consecutive years. We will continue to manage and monitor the data leakage so that we can maintain this achievement.

Classification	Unit	2019	2020	2021
Total no. of data leakage cases	Case	0	0	0
No. of data leakage cases related to customer information	Case	0	0	0
Amount of penalty for violating laws related to data leakage	KRW thousand	0	0	0

Data Security Certification and Training

In order to meet the legal standard of data security activities, operate stable IT services, and raise internal and external reliability, we acquired the Information Security Management Systems (ISMS-P) certification, including ISO 27001 every year. We also maintain the data safety level qualified for international accreditation by renewing certification or receiving annual inspections.

The Commerce Division obtained e-Privacy, a private certification for the qualified website protecting personal information, aiming to improve transparency in data security investment and human resources operation. The Entertainment Division offers data security and privacy training every year for employees. We strive to ensure that all of our employees are aware of the significance of data security. To this end, we annually inspect the personal information consignees to protect the company and our customers.

Certification and Adoption Rate

Classification	Unit	2019	2020	2021
Certification and adoption rate (ISMS etc.)	%	100	100	100

Data Management Plan

For the effective implementation and continued operation of the data security management system, CJ ENM developed and adopted the optimal security policy and secured the budget for the next five years in advance. On the strength of mid- to long-term data security roadmap, we will annually establish, review, and improve detailed plans on data security while effectively investing budget and workforce in it. The Commerce Division recently replaced outdated security infrastructure to cope with the latest hacking and attack technologies. It also carries out preemptive response advances by learning external attack patterns. Additionally, we are preparing a plan to reinforce the employee endpoint security against advanced security threats such as ransomware or advanced persistent threat (APT). The Entertainment Division plans to enhance the proactive response system in response to overseas data security compliance, such as General Data Protection Regulation (GDPR) and the California Consumer Privacy Act (CCPA), to promote global business. OT security will also be fortified to safeguard critical assets in studios and the content production. We will endeavor to set up safer and more efficient security policies on the foundation of the sustainable data security system.



GOVERNANCE

CJ ENM strives to grow into a trustworthy company that delivers sustainable value through full-fledged ESG management underpinned by our sound governance. In addition, we put ethical management and compliance into practice. These efforts enable us to achieve a transparent ESG management.

Board of Directors

BOD Composition

The BOD of CJ ENM consists of three inside directors and four independent directors as of December 31st, 2021. The chairperson of the BOD is appointed through the resolution of the BOD in accordance with the articles of Incorporation. We put in place four committees, Audit Committee, Independent Director Nominating Committee, Remuneration Committee, ESG Committee, within the BOD.

Board of Directors (Chairperson: KANG, HO SUNG)

Position	Name	Gender	Date of Appointment	Date of Term Expiration	Education	Career
CEO	KANG, HO SUNG	Male	Mar. 30, 2021	Regular shareholders' meeting on Mar. 2024 (TBD)	• B.A. Law, Seoul National University	• COO, CJ ENM Entertainment Div. • COO, CJ Corp • COO, CJ Corp Legal Affairs Executive • Partner attorney, Law firm Lee&Ko • Adjunct professor, Law school of Ewha Womans University
CEO	HEO, MIN HO	Male	Mar. 29, 2019	Regular shareholders' meeting on Mar. 2022 (TBD)	• B.A. of horticulture, Seoul National University	• CEO, CJ Olive Young in CJ Olive Networks • CEO, CJ Olive Young • Executive VP of Donghwa Duty Free
Inside Director	YI, SEUNG HWA	Male	Mar. 30, 2021	Regular shareholders' meeting on Mar. 2024 (TBD)	• MBA, University of Michigan-Ann Arbor • M.A. Engineering, KAIST • B.A. Mechanical Engineering, Yonsei University	• Business Planning Executive, CJ Corp • Business Planning Executive, CJ CheilJedang • Business Planning Executive, CJ Freshway • BAIN&COMPANY Manager
Independent Director	RHO, JUN HYONG	Male	Mar. 27, 2018 (re-appointment on Mar. 30, 2021)	Regular shareholders' meeting on Mar. 2024 (TBD)	• International Studies, American University • M.A. Law, Seoul National University • B.A. Law, Seoul National University	• Advisor, Kim&Chang Law Firm • President of Seoul National University of Science and Technology • Minister of Information and Communication, Republic of Korea • Vice-minister of Information and Communication, Republic of Korea
Independent Director	CHOI, JOONG KYUNG	Male	Mar. 27, 2020	Regular shareholders' meeting on Mar. 2023 (TBD)	• PH. D. Economics, University of Hawaii • M.A. Business, Seoul University • B.A. Business, Seoul University	• President of the Korea Certified Public Accountants Association • Chair-professor of Korea University Graduate School of Public Administration • Minister of knowledge economy, Republic of Korea
Independent Director	HAN, SANG DAE	Male	Mar. 27, 2020	Regular shareholders' meeting on Mar. 2023 (TBD)	• M.A. Law, Southern Methodist University • M.A. Law, Korea University • B.A. Law, Korea University	• HAN, SANG DAE Law Firm • Chief prosecutor of Seoul Central District Public Prosecutors Office • Prosecutor General of the Supreme Public Prosecutor's Office
Independent Director	MIN, YOUNG	Female	Mar. 30, 2021	Regular shareholders' meeting on Mar. 2024 (TBD)	• PH. D. Journalism, University of Texas at Austin • M.A. Communication, Seoul National University • B.A. Earth Science Education, Seoul National University	• Professor of Media & Communication school, Korea University • Research Fellow of Humanities & Social Sciences, National Research Foundation of Korea • Press arbitrator, Press Arbitration Commission • Advisory Committee, Journalists Association of Korea

BOD Diversity and Expertise

The BOD is comprised of experts from a wide range of fields encompassing management, law, accounting, finance, and media & commerce industry. With profound expertise, the BOD better deliberates meeting agendas based on extensive experiences in the law, accounting sectors and businesses, and also monitors the management operations in a more efficient manner. Furthermore, the BOD maintains more than 14% of women's directors in the board to secure diversity such as gender.

BOD Diversity and Expertise

Classification	Unit	2019	2020	2021
Ratio of female directors	%	14	14	14
No. of directors with industrial experiences (ratio)	Person(%)	3(60)	6(85)	5(71)
Financial Expert (ratio)	Person(%)	1(20)	1(14)	1(14)

BOD Independence

In accordance with the articles of association and pertinent laws, CJ ENM has in place Independent Director Nominating Committee under the BOD, and all committee members including the chairperson are all Independent directors. When it comes to the nomination, career and specialties are taken into account, and candidates who don't have reasons for disqualification in regard of pertinent laws, such as Commercial Act and the Enforcement Decree of the Act, are reviewed and final candidates are nominated to general shareholders' meetings. By doing so, we empower the committee to make balanced decisions and to supervise business operations.

BOD Independence

Classification	Unit	2019	2020	2021
Independent directors	%	60	57	57
Allowed no. of other positions	ea	2	2	2

BOD Operation

According to the BOD's regulations, CJ ENM BOD brings up the material management issues as the BOD meeting agendas to get approval. It is mandatory to hold a regular BOD meeting every month, but it can be convened when needed. We provide the BOD members with relevant data and materials of agenda items before the meetings so that the members can take their time to review the issues. If necessary, an issue briefing is conducted in advance. By doing so, we help the BOD members better understand the agenda items to discuss and make decisions based on information.

BOD Activity Status

Classification	Unit	2019	2020	2021
BOD meetings convened	Number	10	13	12
Report and agenda	Case	28	33	39
Opinion by agenda	In favor	20(100)	22(100)	30(100)
	Against	0	0	0
	Amendment	0	0	0
	Abstention	0	0	0
ESG-related agenda	Case	N/A	N/A	4
BOD attendance rate	%	97	98	94

BOD Meetings in 2021

No	Date	Agenda	Result	Total no. of directors (Attendance)
1	Feb. 04, 2021	Approval for safety and health plans	Approved	7(6)
		Approval for the 27th financial statements and business report	Approved	
		Approval for asset transfer transactions	Approved	
		Report on the internal accounting management system operation status	Report	
		Report on reviews of changing mid- to long-term dividend policy	Report	
2	Mar. 11, 2021	Convocation of the 27th general shareholders' meeting	Approved	7(5)
		Approval for the extended period of loans for CJ Live City	Approved	
		Amendment to the executive director regulation	Approved	
		Report on the results of general shareholders' meeting for the past three years	Report	
		Report on the evaluation of the internal accounting management system operation status	Report	
3	Mar. 30, 2021	Report on the result of checking abidance by compliance control criteria	Report	7(7)
		Appointment of the CEO	Approved	
		Appointment of the BOD Chairman	Approved	
4	May 06, 2021	Appointment of the members of the committee under the BOD	Approved	7(7)
		Approval for a large-scale internal transaction	Approved	
		Establishment of ESG committee and ESG Committee regulations	Approved	
		Appointment of the committee's members	Approved	
5	June 07, 2021	Report on business performances of 1Q 2021	Report	7(7)
		Approval for credit reinforcement of CJ LiveCity	Approved	
		Approval for large-scale internal transactions	Approved	
6	June 18, 2021	Approval for investments in new fund	Approved	7(7)
		Additional acquisition of stake of a subsidiary	Approved	
7	Aug. 05, 2021	Approval for credit reinforcement of TVING	Approved	7(7)
		Report on business performance of the 2Q 2021	Report	
8	Sept. 15, 2021	Approval for large-scale internal transactions in the 4Q 2021	Approved	7(6)
		Approval for making donations	Approved	
		Review of 2021 Compliance Management System	Report	
9	Oct. 13, 2021	Approval for the participation in the capital increase of a subsidiary	Approved	7(6)
		Report on business performance in the third quarter of 2021	Report	
11	Nov. 19, 2021	Item on the approval of transaction structure for the acquisition of Endeavor Content Parent, LLC	Approved	7(7)
		Item on the approval of acquiring subsidiary shares to acquire Endeavor Content Parent, LLC	Approved	
		Item on the approval of guaranteeing the obligation fulfillment of the overseas subsidiary for the acquisition of Endeavor Content Parent, LLC	Approved	
		Approval for the decision to increase borrowings	Approved	
		Approval for the revision of executive rules	Approved	
12	Dec. 15, 2021	Approval for the transaction with stakeholders	Approved	7(7)
		Approval for the large-scale inside transaction	Approved	
		Approval for the bond issuance limit	Approved	
		Approval for the extension of CJ Live City loans	Approved	
		Approval for the new fund investment	Approved	



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Committees Under the BOD

Audit Committee The Audit Committee, an independent body, is comprised of all outside directors including the chairman. The committee takes charges of auditing all ledgers and the relevant documents in accordance with the pertinent laws and the articles of association while reviewing and consolidating financial statements. The committee takes necessary measures such as comparison, due diligence, attendance, inquiry or other activities if deemed necessary. In addition, the committee is informed to review internal accounting control system for reliable disclosure of accounting information.

Audit Committee Operation

Classification	Unit	2019	2020	2021
Ratio of independent directors	%	100	100	100
Financial expert (ratio)	Person(%)	2(67)	2(50)	2(50)
Industrial expert (ratio)	Person(%)	1(33)	2(50)	2(50)
Meetings convened	Number	5	6	3
Report and Agenda	Case	7	12	6

Pay Committee The Remuneration Committee is responsible for deciding and deliberating CJ ENM's compensation policy for executive members with its appropriateness and fairness taken into account. With all of directors involved, the committee assumes the roles of formulating remuneration policy for the executive members, making changes and discussing executive members' performance indicators to decide long-term incentive.

Remuneration Committee Operation

Classification	Unit	2019	2020	2021
Ratio of outside directors	%	60	57	57
Meetings convened	Number	3	1	2
Report and Agenda	Case	4	1	3

Outside Director Nominating Committee The Outside Director Nominating Committee, an independent body, consists of all outside directors including the chairperson. For the nomination, the committee takes candidates' career and specialty into consideration to make balanced decisions as well as to better supervise business operations. The committee evaluates candidates who don't have a reason for disqualification regarding Commercial Act and the Enforcement Decree of the Act, and then nominates final candidates to general shareholders' meetings.

Outside Director Nominating Committee Operation

Classification	Unit	2019	2020	2021
Outside directors	%	100	100	100
Meetings convened	Number	1	2	2
Agendas passed	Case	1	2	2

ESG Committee The purpose of the ESG Committee is to respond to a rapidly-changing business environment by closely reviewing medium- and long-term plans for sustainable management. The committee assumes the roles of establishing medium- and long-term strategy along with overseeing how ESG management action plans are executed. It consists of three outside directors and two in-house directors. In the three meetings held in 2021, a total of five reports and agendas are passed. More information on ESG committees can be found in Organizing [ESG Dedicated Organizations](#).

Directors' Remuneration*

Directors' remuneration is divided into salaries and bonuses. In determination of bonuses, both metrics (sales, operating income, etc.) and non-metrics (contribution to company's growth, roles and responsibilities) are comprehensively taken into account. Overall limit on remuneration for inside directors including registered directors is determined by resolutions at general shareholders' meetings, and the amount of remuneration is decided and paid within the bounds of remuneration after getting the approval of the Remuneration Committee.

Directors' Remuneration in 2021*

Classification	Unit	Total remuneration	Average remuneration per capita	Remarks
Registered directors	KRW mn	2,986	747	Outside directors, members of the Audit Committee excluded
Independent directors	KRW mn	-	-	Members of the Audit Committee excluded
Members of the Audit Committee	KRW mn	302	60	-

* Four members of registered directors, five members of the Audit Committee (including retired directors)

Shareholders' Rights

Shareholders' Rights CJ ENM provides sufficient information regarding general shareholders' meetings in advance so that they can exercise their rights. Since March 2020, we have adopted an electronic voting system to make it more convenient for shareholders to use voting rights. We inform shareholders of the relevant information regarding the convocation such as date and time, venue, and purpose 14 days before through the electronic disclosure system or our website.

Shareholder Rights Policy In order to strengthen the competitiveness to stay on top of a rapidly changing business environment, we operate a residual dividend policy under which investments for growth come first, and then we return residual funds to our shareholders. The total dividend and dividend payout ratio is determined on the basis of the stability of profit ratio and free cash flow. We plan to annually present the dividend plans and target dividend payout ratio so as to be more predictable in terms of our dividend policy.

Ethical Management

Ethical Management Principles and Policy

CJ Code of Business Conduct CJ ENM follows, the CJ Code of Business Conduct. This code of conduct details promises we have to deliver on and behavior principles we have to observe to bring ethical management into full swing by establishing a strong culture of compliance. It incorporates what are required to follow in the relationships with our stakeholders (customers, shareholders, investors, employees, players in the market, global communities).

 Our promise to customers	<ul style="list-style-type: none"> Innovation and quality management for consumer satisfaction Sales and marketing with integrity Protection of customers' personal data
 Our promise to shareholders and investors	<ul style="list-style-type: none"> Establishment of reasonable management and system Compliance with disclosure policy for the management information, financial policy, and laws
 Our promise to fellow CJ employees	<ul style="list-style-type: none"> Fair recruitment and evaluation process, provision of equal opportunities and respect for diversity Creating a safe and healthy workplace Guarantee of work-life balance Continued investments and management in cultivating talents
 Our promise to fellow players in the market	<ul style="list-style-type: none"> Fair and free competition with competitors Fair trade with partner companies
 Our promise to the global community	<ul style="list-style-type: none"> Respect to the local community Social responsibility by respecting human rights and protecting the environment Compliance with global corruption and bribery laws Compliance with international trade orders and laws of other nations

Sub-Regulations under the Code of Business Conduct We put in place sub-regulations under <the Code of Business Conduct> to give employees specific guidelines in terms of their work direction. We have six sub-norms which are specific guidelines and policies for fair transaction, fair competition and privacy protection.

Sub-Regulations

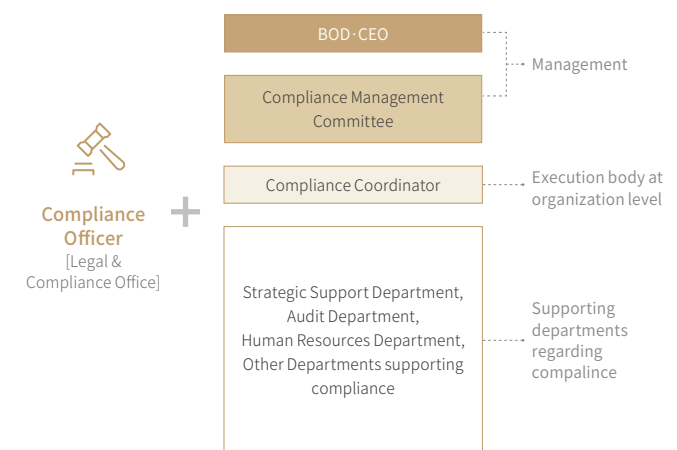
Exemplary Guide for Fair Transaction	Understanding the laws regarding fair transaction and putting it into practice
CJ Global Privacy Policy	Safeguarding and managing privacy data coming from various individuals
CJ Global Economic Sanctions Compliance Policy	Complying with economic sanctions imposed by each country and international organizations
CJ Global Fair Competition Policy	Competing in an honest and fair manner
CJ Global Anti-Corruption Policy	Abiding by anti-corruption laws in all regions and countries
Anti-Solicitation Law Guide	Aligning with Improver Solicitation and Graft Act

The Entertainment Division established its own 'CJ ENM Entertainment Division Code of Ethics and Conduct', 'CJ ENM Entertainment Division Code of Ethics and Conduct for Broadcast Production' in 2020, and 'Code of Conduct for Partner Companies', 'Regulations on Transactions with Partner Companies', in 2021. The Commerce Division has prepared and implemented the 'Detailed Guidelines for the Code of Conduct' that contains the instructions for employees when dealing with customers, shareholders, investors, coworkers, companions, and communities. All employees vowed to comply with it through the Ethics Management Practice Pledge. CJ ENM always tries to be fully responsible as a corporate citizen with partners in pursuit of shared growth through efforts from various angles. The efforts include the prevention of potential legal and ethical risks within our direct and indirect supply chains.

Ethical Management Organization

CJ ENM has built a compliance organizational system to embed the DNA of ethical management permeate through every corner of our business operations. The organization formulates detailed regulations and guidelines while conducting business activity monitoring. Furthermore, the CEO is deeply involved in ethical management and the Compliance Management Committee serves as the top advisory body in terms of ethical management-related issues.

In addition, we have designated the heads of each department and division as compliance coordinators. The coordinators assume the roles of delivering the company's policies, refining company-wide work process, settling it down and monitoring how it is being operated. They play a bridging role between the Compliance Team and other departments carrying out activities on the spot on a regular basis, thereby embedding ethical and compliance in our business management. Compliance coordinators are indeed the most overarching execution bodies in terms of ethical management. As of 2021, we have a total of 119 compliance coordinators, and in accordance with the operational guidelines on compliance coordinators, we reward coordinator who is deemed to make the most valuable contribution to risk prevention once a year.



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Social(S)

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- Supply Chain Responsibility
- Community Impact
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Governance(G)

- Board of Directors
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Appendix



BOD's Management Review of Compliance Management System The BOD and CEO carry out a management review more than once a year to enhance the compliance program in accordance with 'Standards for Compliance Program and the Sub-Regulations' in the Entertainment Division. On September 15, 2021, the BOD examined the changes in both external and internal tasks related to the compliance program, stakeholders' changing demands externally (the government, shareholders and investors, customers, partner companies) and internally (BOD, employees), the operational status of the compliance program and relevant survey results, the validity evaluation and the results of internal appraisals. Based on the findings, the BOD review the appropriateness in terms of compliance program operation and areas to be improved.

Compliance Management Committee CJ ENM Compliance Management Committee is an advisory body for establishing a compliance system and culture. It is comprised of executives, including the CEO. The committee discusses key agendas concerning overall plans and policies, the performance results of compliance management, and areas for improvement. It also covers impacts and countermeasures on the compliance environment in and outside Korea while dealing with measures to enhance the process and prevent risks. The committee meeting of the Entertainment Division is held in November and the meeting of the Commerce Division in December. In the case of the Entertainment division, the committee reviewed and deliberated the ISO 37031 certification, partner companies trade management, and process enhancement. The Commerce Division discussed the process enhancement to prevent legal violation and the areas to be advanced.

Ethical Management Goals

CJ ENM assigned compliance action goals to the CEO and executives to clarify the responsibilities on ethical management. We presented goals in a specific and quantitative way for the actual practice. In particular, a belt-and-braces evaluation is conducted on the CEO with the following eight action goals.

8 Action Goals for Ethical Management

- 1 Proclamation of the CEO's commitment to compliance management
- 2 Disclosure of compliance activities
- 3 Analysis of the regulatory environment
- 4 Documentation of risk identification
- 5 Development of the training content
- 6 Improvement of the training participation rate
- 7 Implementation of the regular monitoring
- 8 System management



Reporting and Redressing Cases Violating the Code of Business Conduct

Good practice of the Code of Business Conduct includes the responsibility to proactively raise concerns and promptly address issues. Any stakeholders of CJ who discover a violation of the Code of Business Conduct may report it anonymously or under their names through the internal reporting system. When receiving a report, we thoroughly investigate the case in strict compliance with internal regulations. Privacy is kept in the entire course of handling cases, and informants will be provided with the progress and the results. If the case is determined to be a violation of the Code of Business Conduct after the investigation, the relevant employee will encounter severe disciplinary measures. Depending on the severity of the issue, we may take actions such as warning, pay reduction, dismissal, suspension from work, and the advice to resign.

Violation of the Code of Business Conduct

Classification	Unit	2019	2020	2021
Sexual harassment	Case	2	1	0
Non-compliance with ethical regulations	Case	4	2	2

Violation of Laws

Classification	Unit	2019	2020	2021
Non-financial penalties related to anti-corruption	Case	0	0	0
Fines and settlements related to antitrust and anti-competition laws	KRW 100 mn	0	0	0

Compliance Management Systems Certification (ISO 37301)

CJ ENM acquired the Compliance Management Systems Certification (ISO 37301), starting with the Entertainment Division in 2021. As the global regulations on fair trade, environmental protection, and anti-corruption are being tightened worldwide, it has a significant meaning that we established a compliance management system that can be recognized in the global market. Through the certification, we assist the business operation with practical and effective support. In particular, we will continuously advance the compliance system on overall businesses, encompassing the operation of broadcasting channels as well as the production, sales, distribution service for broadcasting programs, digital content, animations, films, musicals, concerts, sound sources, music, and advertisement.



Spreading Ethical Culture and Providing Training

CJ ENM disseminates the leadership commitment to ethical management for employees while clearly presenting the regulations that the employees should comply with. We inform the corporate policy in accordance with ethical management policy in various means; compliance messages from CEO and leaders, monthly compliance newsletter, weekly newsletter regarding regulatory trends and regular compliance coordinator meetings. We provide compliance and anti-graft training program every year to raise the employees' awareness of legal compliance and ethical management. We also inform detailed guidelines while offering anti-corruption education (pledge required). We provide around one hour of ethical management training program every year per employee and over 90% of all employees received related education.

Compliance Coordinator

Classification	Unit	2019	2020	2021
No. of compliance coordinators	Person	46	81	119



In 2021, we put the 'Regulations on Transactions with Partner Companies' in place and expanded the scope of ethical management training to our suppliers. We also systematically conduct education programs related to compliance and the Act on Fair Labeling and Advertising for newly hired employees. In addition, we are operating integrated curriculum related to the compliance to develop understanding and improve self-awareness. The curriculum includes <CJ Code of Business Conduct>, <Understanding and Practicing Fair-trade (guidelines for eradicating information exchange)>, and <CJ Global Economic Sanctions Compliance Policy>. Furthermore, training such as integrity ethical training program is also conducted annually without exception.

Ethical Management Training

Classification	Unit	2019	2020	2021
Hours of training provided per employee	Hour	1.5	1.3	1.3
Ratio of employees receiving training	%	91	95	93

Risk Management

To minimize market risks and secure a healthy financial structure and management stability, CJ ENM establishing organization to manage risks. We make sure to forecast, manage, analysis, and report of market risks. In line with the policy approved by the BOD, we manage risks by analyzing various performance factors, including market risk forecasts and exchange rate fluctuations in risky assets. Our overall financial risk management mainly focuses on the unpredictability of financial markets to minimize the potentially negative influence on financial performance.

Tax Risk Management

Tax Policy CJ ENM complies with tax laws and other related laws in line with 'honesty', one of CJ behavior principles, being faithful in filing and paying taxes. In order to fulfill our obligations under the OECD's plan for BEPS (Base Erosion and Profit Shifting), we have applied regular prices in international trades with our subsidiaries and established a trade monitoring system. Based on this, we submit a consolidated report on international transaction every year to the authorities.

Tax Risk Management Process We have operated a separate organization that deals with tax affairs with the objective to review and abide by tax-related laws and institutions, such as K-IFRS, tax laws, or Fair Trade Act, as well as to grasp relevant risks in advance. In addition, we always ask for advice from external tax experts while receiving authoritative interpretations from the taxation authorities when it comes to critical tax issues including mergers and acquisitions, and restructuring. In addition, we make sure that our internal accounting control system embodies tax-related controls and also inspect the procedure for control and reporting system on a regular basis.

Tax Transparency With an aim to safeguard our stakeholders under the tax system, we make sure that our internal and external experts review the major details of our finance. Related materials are provided through the business report in an accurate manner.

Corporate Tax Payment Status

Classification	Unit	2019	2020	2021
Revenue	KRW 100 mn	31,571	27,183	28,416
Income before tax	KRW 100 mn	4,887	2,441	2,632
Income tax expense	KRW 100 mn	1,278	596	468
Effective tax rates	KRW 100 mn	34.58	31.01	22.57



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Consolidated Financial Statements

(Unit: KRW)

	For the 28th period	For the 27th period
Asset		
Tangible Assets	2,658,344,877,289	1,750,295,061,988
Cash and cash equivalents	1,287,375,693,855	269,742,356,030
Short-term financial instruments	198,093,329,769	441,193,820,728
Trade receivable	800,184,075,213	727,278,216,406
Advance payments	119,945,102,506	74,473,607,108
Inventories	85,414,660,028	58,602,426,164
Current available-for-sale financial assets	5,723,325,179	38,024,181,203
Current tax assets	1,629,783,196	12,992,519,078
Other current financial assets	112,359,954,599	79,611,290,169
Other current assets	47,618,952,944	48,376,645,102
Assets held-for-sale	2,086,528,992	2,078,910,634
Assets held-for-sale	2,086,528,992	2,078,910,634
Non-current assets	5,280,193,412,240	4,527,543,484,306
Long-term trade receivable	13,702,028,545	26,568,086,004
Long-term advance payments	290,158,399,663	270,283,595,299
Available-for-sale financial assets	618,712,078,990	540,018,426,562
Investments in associates	1,827,542,380,965	1,561,037,724,407
Investments in joint ventures	3,353,268,564	3,496,183,705
Tangible Assets	1,120,946,142,449	984,359,463,949
Intangible Assets	1,321,883,482,916	1,072,075,322,205
Other non-current financial assets	40,850,703,574	31,529,009,959
Other non-current assets	14,410,450,469	7,951,061,207
Deferred tax assets	28,634,476,105	30,224,611,009
Total Assets	7,940,624,818,521	6,279,917,456,928
Liabilities		
Current liabilities	2,322,867,570,128	1,551,789,952,275
Trade payable	250,735,576,417	228,485,062,543
Account payable	306,799,613,410	252,092,173,910
Current contract liabilities	124,634,986,679	51,638,204,378
Short-term borrowings	954,100,201,238	424,963,137,906
Current long-term borrowings	519,960,000	41,720,070,000
Current portion of bonds	149,963,827,054	69,976,274,945
Current tax liabilities	46,726,502,564	6,519,495,151



ECONOMIC PERFORMANCE

For the 28th period ended December 31, 2021
For the 27th period ended December 31, 2020

For the 28th period from January 1, 2021 to December 31, 2021
For the 27th period from January 1, 2020 to December 31, 2020

(Unit: KRW)

	For the 28th period	For the 27th period
Liabilities		
Provisions for current liabilities	120,395,976	201,889,591
Other current financial liabilities	325,856,108,942	312,115,380,776
Other current liabilities	163,410,397,848	164,078,263,075
Non-current liabilities	1,414,451,452,850	942,948,861,399
Long-term borrowings	262,943,229,976	122,039,930,000
Bond	699,216,134,551	431,871,038,827
Net defined benefit liabilities	15,241,807,989	19,411,563,804
Deferred tax liabilities	293,909,204,676	254,832,565,519
Non current contract liabilities	4,331,616,256	6,583,835,672
Other non-current financial liabilities	99,338,771,307	100,807,893,697
Other non-current liabilities	35,594,784,843	4,971,906,047
Provisions for non-current liabilities	3,875,903,252	2,430,127,833
Total Liabilities	3,737,319,022,978	2,494,738,813,674
Equity		
Controlling invest equity	3,777,350,417,445	3,437,314,990,073
Capital stock	110,577,370,000	110,577,370,000
Paid-in capital in excess of par value	101,147,441,547	101,147,441,547
Retained earnings	1,333,797,442,896	1,161,951,415,725
Other components of equity	2,231,828,163,002	2,063,638,762,801
Non-controlling interest	425,955,378,098	347,863,653,181
Total stockholders' equity	4,203,305,795,543	3,785,178,643,254
Total liabilities and stockholders' equity	7,940,624,818,521	6,279,917,456,928

Consolidated Comprehensive Income Statements

(Unit: KRW)

	For the 28th period	For the 27th period
Revenue	3,552,396,542,302	3,391,184,002,869
Cost of goods sold	1,917,690,333,723	1,907,373,033,589
Gross profit	1,634,706,208,579	1,483,810,969,280
Selling and administrative expenses	1,332,151,286,110	1,210,626,243,413
Impairment for allowance	5,678,817,091	1,116,860,675
Operating income	296,876,105,378	272,067,865,192
Financial income	50,961,193,063	34,878,162,941
Financial cost	49,576,919,162	65,978,160,822
Gain valuation using equity method of accounting	68,092,919,722	80,637,426,628
Other non-operating income	18,749,348,916	7,417,872,892
Other non-operating expenses	89,584,877,362	180,982,130,266
Other reversal allowance doubtful accounts (Other amortization expenses)	346,237,753	(5,360,368,095)
Profit before income taxes	295,864,008,308	142,680,668,470
Income taxes	68,301,559,766	77,051,161,753
Net income	227,562,448,542	65,629,506,717
Other comprehensive revenue	150,057,580,741	134,598,688,752
Items that will not be reclassified to profit or loss	126,017,419,403	151,675,126,025
Actuarial gain/loss on defined benefit liability (Other comprehensive income, net of tax)	(2,047,937,163)	4,672,438,282
Other comprehensive revenue on equity instruments designated at fair value through profit or loss	101,758,860,030	10,975,748,988
Gain on Valuation of Investment stock using the Equity Method	26,306,496,536	136,026,938,755
Items that will be reclassified to profit or loss	24,040,161,338	(17,076,437,273)
Gain(loss) on overseas business transaction	(9,567,490,504)	(1,116,397,655)
Gain on Valuation of Investment stock using the Equity Method	33,607,651,842	(15,960,039,618)
Total comprehensive income	377,620,029,283	200,228,195,469
Net income		
Total comprehensive income attributable to controlling interests	193,450,175,738	56,926,322,621
Total comprehensive income attributable to non-controlling interests	34,112,272,804	8,703,184,096
Total comprehensive income		
Total comprehensive income attributable to controlling interests	331,306,490,888	190,903,377,899
Total comprehensive income attributable to non-controlling interests	46,313,538,395	9,324,817,570
Earnings per share		
Basic earnings per share	9,332	2,870
Diluted earnings per share	9,332	2,870



MATERIALITY ASSESSMENT

Materiality Assessment Process

In the run up to the release of ESG report, CJ ENM conducted a materiality assessment to produce salient topics of focus for sustainable ESG management. In the course of the evaluation, we identified the current business environment and key issues in this industry, and selected overarching areas of focus in line with GRI Standards and other global ESG evaluation criteria. And after that, we surveyed stakeholders and experts to prioritize the issues.

Materiality Assessment in Three Stages

1 Selection of ESG management-related material topics

Analyzing the business environment, business strategy and performances as well as the results of peer group benchmarking, global ESG evaluations and disclosures (GRI, DJSI, SASB, MSCI, etc.), and then selecting 16 key topics

2 Prioritization of the issues through materiality evaluation

Surveying both internal and external stakeholders to assess the materiality of each topic as well as the influence of them on each expert group's business, analyzing the results and prioritizing topics

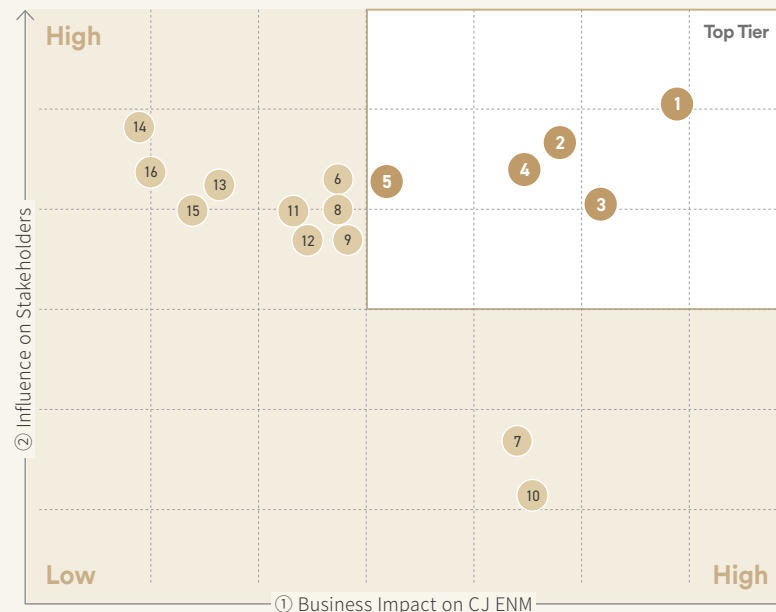
- Survey period : August, 2021
- Respondents : Employee, Shareholder, Partner, Customer, Government, Local community, ESG specialist

3 Report on material topics and validation process

Sharing the level of significance of each topic with the Executive Consultation Group, incorporating all of the issues in the ESG report, making the evaluation process and the results verified by third-parties

Materiality Assessment Results

As the materiality assessment showed that 'content·product competitiveness', 'customer-centered management', 'digital competency', 'ESG management' and 'safety and occupational health' are the most salient issues to be focused, we selected them as key topics for 2021. We found that the reinforcement of competitiveness and business activities for customers is deemed important but, at the same time, ESG-related and safety and occupational health-related topics are also significant. It means our internal and external stakeholders are asking CJ ENM to do more to discharge our social duties. Our activities for the selected 16 topics and the achievements are incorporated in this ESG report.



2021 CJ ENM Material Topics

Ranking	Material Topic	Page
1	Content-brand competitiveness	54-57
2	Customer-centric business	58-60
3	Digital competency	61
4	ESG Management	18-19
5	Safety and health	64-66
6	Ethical management and fair trade	89-91
7	Action on climate change and environmental management	69-71
8	Brilliant talent acquisition and support	72-74
9	Shared growth with partners	79-82
10	GHG-waste management	69-71
11	Risk management	91
12	Human rights management	75-76
13	Data security and privacy protection	85
14	Social contribution	82-84
15	Business performance	93-95
16	Work environment	72-78

① Business Impact on CJ ENM(Influence on business): Surveying experts to score the materiality of each topic from the financial and management strategy perspectives
 ② Influence on Stakeholders(stakeholders' interest): Surveying internal and external stakeholders to produce salient issues and scoring them

STAKEHOLDERS' ENGAGEMENT & COMMUNICATION

CJ ENM has defined our key stakeholder groups and operated multiple communication channels to reach out to them and actively reflected their feedback in our business operations. We have categorized the stakeholders that have a huge impact on our business operations into customers, shareholders and investors, the related partners, the government, relevant organization, media press and other partners as below.

Stakeholder Group	Key Communication Channel	Communication Frequency	Expected (Interest) Issue
Customer	Corporate website and SNS	Frequently	<ul style="list-style-type: none"> • Customer service enhancement and raised satisfaction • Customer data privacy protection • Interaction with customers and reflection of their opinion • Content and product quality improvement • Protection of viewer' rights and remedies for infringement
	Customer satisfaction survey	Frequently	
	Customer Center	Frequently	
	Audience Committee's regular meeting	Once a month (Commerce Division)- Once every other month (Entertainment Division)	
	Audience Committee's report on the viewers' opinion	Once a month (Commerce Division)- Once every other month (Entertainment Division)	
Shareholder and investor	Audience evaluation program	Once a week	<ul style="list-style-type: none"> • ESG issues • Securing future growth engines • Financial performance • Dividend payout ratio • Transparent performance disclosure • Risk management competency • Sound governance
	Corporate website	Frequently	
	Regular general shareholders' meeting	Once a year	
	NDR(Non-Deal Roadshow)	Frequently	
	Earnings release conference call	Quarterly	
	Key regular reports and disclosures	Regular report – Quarterly, Key disclosure – Frequently	
Partner Companies	Company tour	Frequently	<ul style="list-style-type: none"> • Supply Chain Responsibility • Launching products of partner companies • Collaboration and communication • Nurturing and support project in terms of training and infrastructure • Ethical management and fair-trade • Human rights protection of workers
	Biz-Contact	Frequently	
	Cyber Audit Office	Frequently	
	Online report	Frequently	
	Partner system	Frequently	
	Corporate Partnership Open Platform	Frequently	
	SME Story	Frequently	
	Consultations on sales channel by region	Half-yearly by region	
Community, NGO	Shared growth meeting	Half-yearly	<ul style="list-style-type: none"> • Social contribution • Vitalization of local economy • Corporate's social responsibility • Environmental protection
	Corporate website and SNS	Frequently	
	Volunteer activity	Frequently	
Government and Media	Operating Committee (Caritas Welfare Center)	Quarterly	<ul style="list-style-type: none"> • Engagement in major policies • Compliance with laws and regulations • Creation of economic value • New content products • Economic achievement • Anti-corruption and compliance
	Corporate website	Frequently	
	Press release	Frequently	
	Meeting	Frequently	
	Consultation meeting	Frequently	
	Business report & audit report	Frequently	
	ESG report	Yearly	
Employee	Employee survey	Frequently	<ul style="list-style-type: none"> • Safe working environment • Horizontal corporate culture • Respecting human rights of employees • Work-life balance • Growth and self-improvement of employees • Equal opportunity and fair performance evaluation • Diversity and inclusiveness
	Corporate portal	Frequently	
	Internal broadcast	Frequently	
	Labor-Management Council	Quarterly, frequent meeting	
	Cyber Audit Office	Frequently	
	Online report	Frequently	



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- ESG Foundations
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- Appendix
 - Economic Performance
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 - Stakeholders' Engagement & Communication
 - Global Initiative and Membership Status
 - UN SDGs
 - Key Awards and Accreditations
 - SASB
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 - Independent Assurance Statement



GLOBAL INITIATIVE AND MEMBERSHIP STATUS

UN Global Compact (UNGC)

The UN Global Compact is the world's largest voluntary initiative of corporate citizens for internalizing the ten principles on human rights, labor, environment, and anti-corruption, while presenting practical implementation plans in the business operation and activities. As Korea's representative total entertainment corporation, CJ ENM has implemented the UN Global Compact principles and raised awareness of them throughout our business models.

The Ten Principles of the UN Global Compact

Area	The Ten Principles	Page
Human Rights	1 Businesses should support and respect the protection of internationally proclaimed human rights; and	75-76
	2 make sure that they are not complicit in human rights abuses.	72-78
Labour	3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	72-78
	4 the elimination of all forms of forced and compulsory labour;	72-78
	5 the effective abolition of child labour; and	72-78
	6 the elimination of discrimination in respect of employment and occupation.	72-78
Environment	7 Businesses should support a precautionary approach to environmental challenges;	69-71
	8 undertake initiatives to promote greater environmental responsibility; and	69-71
	9 encourage the development and diffusion of environmentally friendly technologies.	69-71
Anti-Corruption	10 Businesses should work against corruption in all its forms, including extortion and bribery.	89-91

Membership of Associations

Korea IPTV Broadcasting Association	Digital Innovation Policy Forum
Korean Cable Television Association	UN Global Compact (UNGC)
Korea Broadcasting Channel Promotion Association	Korea TV Homeshopping Association
Korea E-Commerce & Direct Marketing Association	

UN SDGs LINKED ACTIVITIES

Category	Response activities
	<ul style="list-style-type: none"> Contributing to local communities by charitable activities in collaboration with community welfare centers and carrying out national disaster relief activities Employees' sharing activities and volunteer works including the supply of personal protective equipment to senior citizens living alone and donation of facemasks to Foodbank to promote the health and safety of the vulnerable
	<ul style="list-style-type: none"> Providing regular training on occupational safety and health for employees, such as fire evacuation drill, regular education on occupational safety and health, in accordance with Occupational Safety and Health Act Hiring an external organization to offer Employee Assistance Program(EAP) to our employees and their family members Operating an in-house medical clinic where employees can receive health care services by medical specialists and Health Studio which offers medical services
	<ul style="list-style-type: none"> <O'pen> as a CSV project that comprehensively supports all stages from discovering new creators, planning and development of content, production and organization to biz-matching <Challenge Startup> that systematically assists small startups in their entire business steps from incubation to business launch Cultural and career-support programs for youth, including <Ontact Cultural Dream Keeper>, <Dream On Air>, <CJ Online Career Mentoring>
	<ul style="list-style-type: none"> Remuneration policy without discrimination against gender or region Retaining a certain percentage of female directors to secure diversity Acquiring the 'Family-Friendly Company Certification' given to exemplary companies operating family-friendly systems such as having a flexible working system and the support system for childbirth and childcare
	<ul style="list-style-type: none"> Systematic water resources management to secure clean and safe water
	<ul style="list-style-type: none"> Establishment of greenhouse gas inventory for minimizing carbon footprint and reducing wastes Building an eco-friendly infrastructure to overcome the climate change, such as assisting commuting buses and installing electric vehicle chargers <CJ ENM Studio Center>, Korea's first multi-production facility equipped with eco-friendly factors from the design stage
	<ul style="list-style-type: none"> Remuneration policy without discrimination against gender or region Hiring new talents who can be cultivated as the new growth engine while scouting and nurturing the top talents in the industry 'Bisang: Shared Growth', a support system for partner companies providing various assistance including R&D, incentives, and Win-Win Fund Putting in place objective evaluation and recognition systems to encourage employees to achieve their best results and establishing performance management and compensation systems to motivate employees to meet their development goals Operating a support project for suppliers, <Challenge Start-up> aiming to help suppliers throughout the entire stage ranging from the start-up identification to incubation to product launching
	<ul style="list-style-type: none"> Expanding investments in infrastructure and development projects for eco-friendly management and laying the foundation for ESG management strategy to promote sustainable management Increasing the user base of <TVING> based on the advanced digital capabilities, aiming to develop the sustainable industry
	<ul style="list-style-type: none"> Providing a 'sign language consultation service' for the visually impaired for the first time in the TV home shopping and online shopping mall industries Production and screening of barrier-free content in order to give opportunities for the culturally marginalized and improve the movie-watching environment for the visual and auditory impaired Creating healthy work culture and cultivating open communication in workplace
	<ul style="list-style-type: none"> <CJ OCOP(One Company One Product)>, the win-win project assisting sales route for outstanding SMEs and small business owners after discovering them Operating a special broadcasting program for small and medium-sized farms as well as a program for domestic farms suffering from sales reduction derived from the COVID-19 pandemic, such as <Overcoming COVID-19! Save Local Farm Project> and the live mobile program <Shock Live: Getkkul Johap>
	<ul style="list-style-type: none"> Regular publication of ESG Reports for enhanced sustainable management Introduction of eco-friendly packaging materials, including 'attachable tapeless box' and 'eco-tapeless box' to maximize the efforts to mitigate the environmental impact Producing content that makes a good impact Operating an ombudsman program to create an environment in which the audience can play an active role in participating and monitoring CJ ENM's broadcast programs
	<ul style="list-style-type: none"> Signing a 'voluntary agreement to reduce distribution packages' with the Ministry of Environment for the realization of a resource-recycling society. Establishment of the 3R(Reduce, Redesign, Reuse) policy and gradual execution of introducing 3-free packages that are free from vinyl(plastic), felt, and styrofoam <Eco Packaging Together>, a campaign to share the optimal package sizes and packaging guidelines with suppliers in order to prevent wasting resources <Let's read: Environmental>, the first infotainment environmental conference to spread the ecological culture in daily lives
	<ul style="list-style-type: none"> Various environmental protection activities joined by employees, such as protecting of an ecosystem in Seoul Forest, volunteering for abandoned dogs, plogging, and mural painting
	<ul style="list-style-type: none"> Compliance management system(ISO 37301) certification through the establishment of a systematic compliance management system Forming a specialized Board of Directors and operating it independently
	<ul style="list-style-type: none"> Joining global initiatives and associations in and outside Korea, including the UNGC, to achieve the sustainable development goals





KEY AWARDS AND CERTIFICATION

Date	Award	Agency
2021.10.	Won an excellence prize in the Korea IR Grand Awards	KOREA Investor Relations Service, Korea Exchange
2021.10.	Won four prizes in the Korea Cable TV Awards - (Grand prize in drama area) <The Uncanny Counter> - (Grand prize in cultural art and education area) <Monthly Connect> - (Grand prize in children area) <Shinbi House: Ghostball Double X> - (Grand prize in VOD area) <Crash Landing on You>	Korean Cable Television Association
2021.09.	Won a grand prize and an excellence prize (social and cultural development) in the Korea Communications Commission Awards - (Grand prize) <Crash Landing on You> - (Excellence prize) <You Quiz on the Block>	Korea Communications Commission
2021.01.	tvN D <A Day Trip to South Korea> won a 'digital advertisement-campaign' prize in the Awards For New Digital Award	Korea Digital Enterprise Association
2020.12.	Received CCM Fair Trade Commissioner Citation (Hall of Fame)	Fair Trade Commission
2020.12.	Received a presidential citation in the 2020 Korea Content Awards in recognition for contributing to the broadcasting industry development	Ministry of Culture, Sports and Tourism
2020.12.	Received an excellent company citation for enhancing the elderly welfare	Gwacheon-si
2020.12.	Received a plaque of appreciation for an excellent company making donations	Seocho City Office
2020.12.	Selected as the 'voluntary win-win cooperative company'	Ministry of SMEs and Startups
2020.11.	Won the Minister of Environment prize for eco-friendly technology promotion and consumption facilitation in 2020	Ministry of Environment
2020.11.	<You Quiz on the Block> won the 'Program of the Month'	Korea Communications Standards Commission
2020.09.	<Hotel Del Luna> won an excellent prize (spreading K-wave) in the Korea Communications Commission Awards	Korea Communications Commission
2020.09.	Won the Korea Consumption Culture grand prize in the consumer rights and interests area	Korean Consumption Culture Association
2020.06.	Selected as an excellent company for mock drills of cyber crisis management (Top 5 excellent companies) – Commerce Division	Ministry of Science and ICT-Korea Internet & Security Agency
2020.02.	<Parasite> won Best Picture, Directing, Writing (Original Screenplay), and International Feature Film in the 92nd Academy Awards	Academy of Motion Picture Arts and Sciences
2020.02.	<Parasite> won Best Original Screenplay and Best Film Not in the English Language in the 73rd British Academy Film Awards	British Academy of Film and Television Arts
2020.02.	<Shinbi House> won the Minister of Trade, Industry and Energy prize (grand prize) in the Korea Toy Awards	Korea Toy Association

Certification

Information Security Management Systems (ISMS-P)	ePRIVACY	Information Security Management System (ISO 27001)	Compliance management systems (ISO 37301)	Business Continuity Management System (ISO 22301)
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SASB

The SASB Standards are the sustainability accounting standards by industry announced by the Sustainability Accounting Standards Board. SASB's Sustainable Industry Classification System (SICS) groups financially important sustainability information into 77 industries across 11 thematic sectors based on their unique industry characteristics. CJ ENM is classified as E-Commerce, Internet Media, and Media Entertainment according to the SASB Standards, and we disclose related data and information through the ESG Report.

Industry	SASB code	Accounting metric	Unit	Disclosure
Data Security				
E-Commerce Internet Media & Service	CG-EC-230a.1 TC-IM-230a.2	Number of users whose information is used for secondary purposes	N/A	CJ ENM put in place a data security system and an dedicated organization for data privacy and security. For detailed information, refer to Data Security & Privacy section on page 85.
	CG-EC-230a.2 TC-IM-230a.1	Description of policies and practices relating to behavioral advertising and user privacy	Case, %, Person	For detailed information on data security risks including privacy infringement and leakage, refer to Data Security & Privacy section on page 85.
Data Privacy, Advertising Standards & Freedom of Expression				
E-Commerce Internet Media & Service	CG-EC-220a.1 TC-IM-220a.2	Number of users whose information is used for secondary purposes	Case	CJ ENM never used personal data for secondary purposes in the reporting year.
	CG-EC-220a.2 TC-IM-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	N/A	CJ ENM discloses privacy policy and the personal information handling policy on our corporate website.
	TC-IM-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	KRW	CJ ENM had zero monetary loss as a result of legal proceedings associated with user privacy. refer to Data Security & Privacy section on page 85 for detailed information.
Intellectual Property Protection & Competitive Behavior				
Internet Media & Service	TC-IM-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	KRW	CJ ENM complies with laws related to fair-trade in accordance with the sub-regulations of the Code of Business Conduct. There was zero monetary loss as a result of legal proceedings associated with anticompetitive behavior regulations. For further information, refer to violation of laws data on page 90.
Employee Recruitment, Inclusion & Performance & Media Pluralism				
E-Commerce Internet Media & Service Media & Entertainment	CG-EC-330a.3 SV-ME-260a.1 TC-IM-330a.1	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	%	CJ ENM discloses the diversity of our workforce composition on page 72 of this report.
E-Commerce	CG-EC-330a.2	(1) Voluntary and (2) involuntary turnover rate for all employees	%	CJ ENM discloses the turnover rate on page 73 of this report.
Environmental Footprint of Hardware Infrastructure				
E-Commerce Internet Media & Service	CG-EC-130a.1 TC-IM-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	GJ, %	CJ ENM discloses the energy consumption rate on page 69 of this report.
	CG-EC-130a.2 TC-IM-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	m ³ , %	CJ ENM discloses the water resource management data on page 70 of this report.
Product Packaging & Distribution				
E-Commerce	CG-EC-410a.1	Total greenhouse gas (GHG) footprint of product shipments	tCO ₂ e _q	CJ ENM discloses the GHG footprint of product shipments for the past three years on page 69 of this report.
	CG-EC-410a.2	Discussion of strategies to reduce the environmental impact of product delivery	N/A	CJ ENM's Commerce Division carries out various activities to reduce environmental effect. For more information, refer to page 71 of this report.

CJ ENM Overview

ESG Foundations

2021 Material Topics

ESG Disclosure

Appendix

Economic Performance

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Global Initiative and Membership Status

UN SDGs

Key Awards and Accreditations

SASB

GRI Index

Independent Assurance Statement





GRI INDEX

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	GRI 102-2	Activities, brands, products, and services	7-13	
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INDEPENDENT ASSURANCE STATEMENT

To readers of CJ ENM 2021 ESG Report

Introduction

Korea Management Registrar (KMR) was commissioned by CJ ENM to conduct an independent assurance of its 2021 ESG Report (the "Report"). The data and its presentation in the Report is the sole responsibility of the management of CJ ENM. KMR's responsibility is to perform an assurance engagement as agreed upon in our agreement with CJ ENM and issue an assurance statement.

Scope and Standards

CJ ENM described its sustainability performance and activities in the Report. Our Assurance Team carried out an assurance engagement in accordance with the AA1000AS v3 and KMR's assurance standard SRV1000. We are providing a Type 2, moderate level assurance. We evaluated the adherence to the AA1000AP (2018) principles of inclusivity, materiality, responsiveness and impact, and the reliability of the information and data provided using the Global Reporting Initiative (GRI) Index provided below. The opinion expressed in the Assurance Statement has been formed at the materiality of the professional judgment of our Assurance Team.

Confirmation that the Report was prepared in accordance with the Core Options of the GRI standards was included in the scope of the assurance. We have reviewed the topic-specific disclosures of standards which were identified in the materiality assessment process. We also confirmed that the report was prepared in accordance with the SASB.

- GRI Sustainability Reporting Standards
- Universal Standards
- Topic Specific Standards
 - Management approach of Topic Specific Standards
 - GRI 404: Training and Education
 - GRI 201: Economic Performance
 - GRI 405: Diversity and Equal Opportunity
 - GRI 205: Anti-Corruption
 - GRI 413: Local Communities
 - GRI 305: Emissions
 - GRI 418: Customer Privacy
 - GRI 306: Effluents and Waste
 - GRI 403: Occupational Health and Safety
- SASB Sustainability Disclosure Topics & Accounting Metrics

As for the reporting boundary, the engagement excludes the data and information of CJ ENM's partners, suppliers and any third parties.

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

- Reviewed the overall report;
- Reviewed materiality assessment methodology and the assessment report;
- Evaluated sustainability strategies, performance data management system, and processes;
- Interviewed people in charge of preparing the report;
- Reviewed the reliability of the report's performance data and conducted data sampling;
- Assessed the reliability of information using independent external sources such as financial supervisory service's dart and public databases.

Limitations and Recommendations

KMR's assurance engagement is based on the assumption that the data and information provided by CJ ENM to us as part of our review are provided in good faith. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. To address this, we referred to independent external sources such as DART and National Greenhouse Gas Management System (NGMS) and public databases to challenge the quality and reliability of the information provided.

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with CJ ENM on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the Core Option of the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

- Inclusivity** | CJ ENM has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.
- Materiality** | CJ ENM has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.
- Responsiveness** | CJ ENM prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of CJ ENM's actions.
- Impact** | CJ ENM identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

Competence and Independence

KMR maintains a comprehensive system of quality control including documented policies and procedures in accordance with ISO/IEC 17021:2015 - Requirements for bodies providing audit and certification of management systems. This engagement was carried out by an independent team of sustainability assurance professionals. KMR has no other contract with CJ ENM and did not provide any services to CJ ENM that could compromise the independence of our work.

May 2022 Seoul, Korea



CEO *E. J. Hwang*



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INDEPENDENT VERIFICATION STATEMENT

INTRODUCTION

CJ ENM Corp. implements annual MRV based on the standards including ISO 14064 to respond to climate change risks. KMR confirms the verification results of 2021 as below.

SCOPE

- Organizational boundary: Emission facilities 5 Sites under CJ ENM CO.,Ltd. operational control
- Verification object workplaces: SANGAM BUILDING, ILSAN STUDIO, GAYANG STUDIO, CJ ENM STUDIO CENTER, BANGBAE BUILDING
- Reporting period: Calendar year of 2021
- Reporting greenhouse gas: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆
- Type of emission: Direct Emissions(Scope 1), Indirect Emissions(Scope 2), Employee Commuting(Scope 3)

STANDARDS

- ISO 14064 -1(2018), ISO 14064 -3(2018), WRI/WBCSD GHG Protocol(2004)
- Verification guidelines for the ETS operation(Notification No. 2021-112, MOE)
- KMR GHG & energy verification manual and procedure, IPCC Guidelines (2006)

RESULTS

SITE	GHG emissions (tCO ₂ -eq)				Energy usage (TJ)			
	Scope 1	Scope 2	Scope 3	TOTAL	Scope 1	Scope 2	Scope 3	TOTAL
SANGAM BUILDING	271.100	6,632.196	32.532	6,936	4.360	144.481	0.436	149.304
ILSAN STUDIO	-	609.030	-	609	-	12.893	-	12.893
GAYANG STUDIO	-	187.005	-	187	-	3.908	-	3.908
CJ ENM STUDIO CENTER	83.034	1,425.213	-	1,508	1.636	29.782	-	31.418
BANGBAE BUILDING	543.299	2,993.564	20.991	3,558	10.002	62.555	0.299	72.856

Note 1) GHG: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆

Note 2) 1 tCO₂-eq: The number of metric tons of CO₂ emissions with the same global warming potential as one metric ton of another greenhouse gas

CONCLUSION

KMR confirms that the calculation of the Greenhouse gas emissions and energy consumption of the organization are proper.



May 3rd, 2022
Authorized By Eun ju hwang

CEO E. J Hwang

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