



SUSTAINABLE ENTERTAINMENT FOR ALL

Overview of the Report

This report is the first sustainability management report published by CJ CGV. CJ CGV aims to transparently disclose its sustainability management status and performance to stakeholders and suggest future implementation plans through the report.

Reporting Scope

The economic performance of this report is written on a consolidated basis and the environmental and social performances are reported on a separate basis (domestic), focusing on cinemas owned by the company

Reporting Period

The reporting period of this report is from January 2021 to December of the same year, and yet for some qualitative performance, we are including data with dates up to June 2022. For quantitative performance, data of three years from 2019 to 2021 are included.

Reporting Criteria

This report was conducted with reference to the following global guidelines

- GRI Standards Core Option

- ISO26000

- UN Sustainability Development Goals

The Third-Party Assurance

The third-party assurance for the writing process and the overall information of this report was completed by Econine, an independent assurance institution, in accordance with the verification standard AA1000.

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CONTENTS

PART. 1

➤ OVERVIEW

- 02 CEO Message
- 03 2021 Sustainability Highlights
- 04 CJ CGV Introduction

PART. 2

➤ SUSTAINABILITY MANAGEMENT

- 09 Sustainability Management Strategies
- 11 Stakeholder Communication
- 12 Materiality Issue Identification
- 13 Materiality Matrix Analysis
- 14 Recognition and Response to Material Issues
- 16 UN SDGs Goals
- 17 Governance

PART. 3

➤ SUSTAINABILITY OUTCOME & PLAN

CULTURE & SPACE (Customer Value Management)

- 25 Cinema Industry & Business Model
- 26 Content Diversification
- 28 Space Differentiation
- 33 Customer Satisfaction Improvement

PLANET (Environmental Management)

- 38 Environmental Management & Waste Reduction
- 39 Greenhouse Gas Emissions Reduction
- 40 Using Sustainable Products and Resources

PEOPLE (Social Value Management)







- 41 Respect for Human Rights
- 42 Talent Development
- 43 Great Corporate Culture to Work
- 45 Safe Workplace
- 47 Contribution to Local Community Development
- 49 Social Contribution

PART. 4

➤ APPENDIX

- 52 ESG Data
- 58 GRI Index
- 61 SASB Index
- 62 Third Party Assurance Statement

This report was published in the form of interactive PDF with functions including navigation to related pages and web page links

 Table of Contents	 Search	 Previous Page
 Undo	 Print	 Next Page

CEO MESSAGE

Hi. I am Heo Min-Heoi, the CEO of CJ CGV.

CJ CGV has led the Korean cinema industry for the past 20 years, starting with the Gangbyeon Cinema in 1988. It is fair enough to say that the qualitative Increase of cinemas and the development of the Korean film industry have grown together in the same direction. CGV Cinemas located in nearly every Korean region have served as the cultural center for the citizens. Also, we have focused on global advancement and expansion of the Korean cinema industry, with cinemas of our brand across the world and special technology cinemas, such as 4DX and ScreenX. And now, CJ CGV is transforming into a space operator providing diversified entertainment content as well as movies.

CJ CGV aspires to improve the world by strengthening ‘ESG management,’ stepping further from the existing business field. The importance of sustainability is ever-accentuated at present, with Covid-19 threatening the sustainability of the global community. CJ CGV is at the forefront of cinema companies in heightening its will to practice ESG management. In 2021, we newly established the ‘ESG Committee’ as a part of establishing ESG management governance, and all departments in the company go over the related issues and agendas to provide and implement the response plans.

With ‘Sustainable Entertainment for All’ as a purpose for ESG management, CJ CGV will find works only we can do in terms of environmental and social aspects as well as governance and customer value in cooperation with stakeholders, not to mention our employees.

Environmentally, we will place efforts on waste reduction, the use of sustainable resources and greenhouse gas emissions for each of our cinemas to protect the planet. Socially, we will establish a great place to work based on human rights management to be a corporation that grows together with communities and expand plans for mutual well-being with regional partners. Also, we will continue with social contribution activities that we have conducted with sincerity for the vulnerable and future generations. On top of providing various cultural content for everyone to enjoy CJ CGV as a pleasurable cultural space, we will implement services and designs to embrace a wide variety of customers, featuring a safe and eco-friendly space through changes and innovations.

This sustainability report has been published with the purpose of sharing CJ CGV’s commitment to ESG management with stakeholders. We ask for your interest, encouragement and warm advice on CJ CGV’s heartfelt steps to create a better world.

Thank you.

CEO Heo min heoi



2021 SUSTAINABILITY HIGHLIGHTS



CJ CGV INTRODUCTION

CJ CGV has constantly been evolving to be a 'Cultureplex,' a cultural playground creating new lifestyles beyond movies, since introducing multiplex for the first time in Korea, leading new trends of film-going. We will keep providing exclusive pleasures and move people across the world with the optimal film-watching environment, differentiated services and comprehensive living and cultural space with various content.

VISION

EVOLVING BEYOND MOVIES, GLOBAL NO.1 CULTUREPLEX

We provide services beyond a film-watching environment and move people's hearts through continuous evolution, leaping forward as a comprehensive living and cultural space leading Total Lifestyle.

MISSION

Enrich customers' lifestyles through a variety of pleasure and special experiences exclusively provided by CJ CGV.



* As of December 31, 2021

Corporation	CJ CGV Co., LTD.	Number of Employees ²⁾	3,599 people
Headquarters Location	6/F I-Park Mall 55 Hangang-daero 23-gil (Hangangro 3), Yongsan-gu, Seoul, South Korea	Total Assets	3,785,492 (KRW million)
CEO	Heo Min-Heoi	Total Equity	301,285 (KRW million)
Date of Establishment ¹⁾	March 30, 1999	Sales	736,315 (KRW million)
Major Business	Film Screening	Credit Rating	A2- (As of November 18, 2021)

1) Our company was established under the name of CJ Village LTD. in March 1999, combining CJ Entertainment and Village Cinema International PTY LTD. in Australia. Later, it merged into CJ Golden Village Co., LTD. and changed the name to CJ CGV Co., LTD.

2) Total number of full-time and part-time workers on a separate (domestic) basis



Number of Employees (person)

3,599



Total Assets (KRW million)

3,785,492



Total Equity (KRW million)

301,285

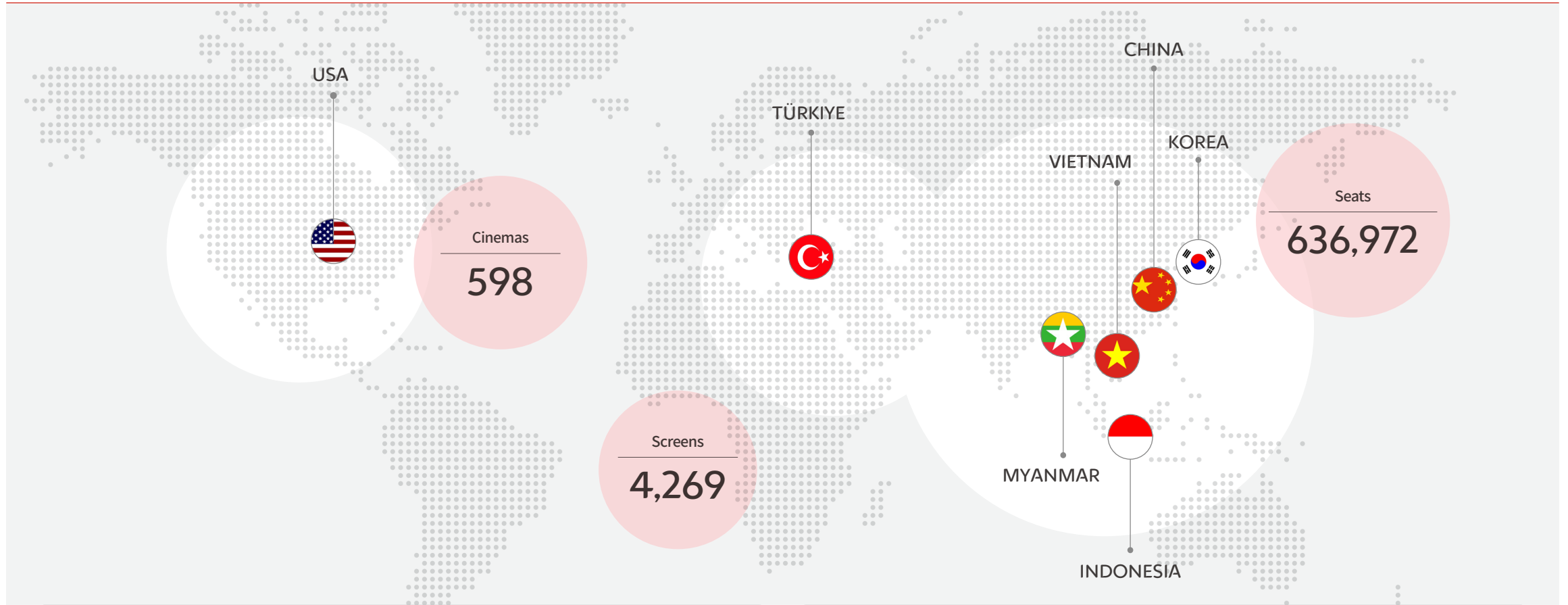


Sales (KRW million)

736,315



GLOBAL NETWORK



Country	Cinemas	Screens	Seats
Korea	193	1,355	199,602
China	146	1,165	189,930
Türkiye (Turkey)	96	815	108,575
Vietnam	82	480	61,629

Country	Cinemas	Screens	Seats
Indonesia	69	401	68,442
Myanmar	9	28	4,925
USA	3	25	3,969
TOTAL	598	4,269	636,972

* Includes franchise cinemas / As of June 30, 2022

BUSINESS STRATEGIES AND VALUE CREATION



VISION

EVOLVING BEYOND MOVIES, GLOBAL NO.1 CULTUREPLEX

MISSION

ENRICH CUSTOMERS' LIFESTYLES THROUGH A VARIETY OF PLEASURE AND SPECIAL EXPERIENCES EXCLUSIVELY PROVIDED BY CJ CGV.

INPUT

Financial Capital

Total Assets KRW 3,785,492 million

Human Capital

Domestic Employees 3,599 people

Space Capital

Domestic Theater*¹⁾ 193 cinemas

Contents Capital

Domestic Screenings* 1,542 movies

Social Capital

Domestic Social Contribution/ Donation KRW 159 million

Environmental Activity

Reusable Cups Introduction/Use of Mobile Tickets*

VALUE CREATION



SCREENING

CJ CGV provides the optimal spaces for customers to experience the pleasure of watching movies, including general (2D) theaters, theaters with 3S (Screen, Sound, Seat) that highlights technological advancement and special theaters with concepts reflecting the latest trends.



FOOD & BEVERAGE

CJ CGV sells foods and beverages visitors can enjoy in a wide variety of spaces, such as Popcorn Factory, Cine Cafe and Cine Pub. We provide the best taste to enjoy while watching movies as we develop trendy menus, including signature popcorn with different flavors, premium hotdogs, ade and coffee.



TECHNOLOGY

CJ CGV creates a new filmgoing pleasure through the development of innovative screening technologies such as 4DX and ScreenX.



ADVERTISEMENT

In December 2021, CJ CGV merged the CJ Olive Networks Advertisement Business Division, extensively providing various advertisement services, including on theater screens, digital signage, outdoor and online.

OUTPUT

Financial Value

Sales KRW 736,315 million

Human Value

Employee Salary KRW 142,514 million

Customer Value

Domestic Visitors* 278,565 hundred people

Social Value

Beneficiaries of Social Contribution 72 hundred people

Environmental Value

Reduced Disposable Cups²⁾ 546 hundred cups

Rate of Mobile Ticket Use* 79.2%

1) As of June 30, 2022

- As of December 31, financial performance is consolidated and non-financial performance is on separate (domestic) basis. Performances with *marks include those of franchise cinemas.

2) Number of reduced disposable cups :
Number of reusable cups used

MAJOR HISTORY

1998

- Opened Korea's first multiplex CGV Gangbyeon

1999

- CI Entertainment (Korea) and Village Cinema International PTY LTD. (Australia) jointly established CJ Village Co., LTD.

**2000**

- Merged CJ Golden Village and CJ Village into CJ Village
- Opened Korea's first premium special theater, GOLD CLASS

2002

- Changed the company name into CJ CGV Co., LTD.

2004

- Cumulative visitors exceeded 100 million
- Opened 'Indie Theater' (Currently CGV Art House), the first multiplex dedicated to independent art films

2005

- Signed an exclusive domestic contract with IMAX

2006

- Opened in China

**2007**

- Opened CINE de CHEF, a high-quality special cultural space

2009

- Opened 4DX, the world's first five-sensory experiential space

2010

- Opened in USA

2011

- Opened in Vietnam

**2012**

- Opened in Indonesia

2013

- Opened CGV Sinchon Artreon, the 100th cinema in Korea
- Launched ScreenX, a multi-screen special theater

2014

- Opened in Myanmar

2015

- Opened the 100th global cinema
- Launched SphereX, the world's first hemisphere theater

2016

- Opened in Turkiye (Turkey)

**2017**

- Cumulative visitors exceeded 1 billion in Korea
- Launched a new concept technology convergence theater, '4DX Screen'

2018

- Selected as the 'Institution with Excellent Educational Donation'

**2019**

- Ranked the 1st Place in the National Customer Satisfaction Index NCSI Theater Division

2020

- Operated safe theaters in response to Covid-19

2021

- Ranked 1st place in the National Brand Competitiveness Index NBCI Theater Division for 12 consecutive years
- Established ESG Committee under the Board of Directors
- Merged the CJ Olive Networks Advertisement Business Division



02



SUSTAINABILITY MANAGEMENT

SUSTAINABILITY MANAGEMENT STRATEGIES

CJ CGV will grow as a sustainable cultureplex with the purpose of providing 'Sustainable Entertainment for All.' We aim to become a 'business site protecting the planet,' 'corporation that grows together with the community,' and 'pleasurable cultural space for everyone' through internalizing sustainability management and establishing basic operation principles and basis, faithfully fulfilling the priority tasks.

SUSTAINABLE ENTERTAINMENT FOR ALL

Purpose

Goals

Top priorities for 2025

Priorities by Area

Basic Operating Principles

PLANET
BUSINESS
SITE PROTECTING
THE PLANET

PEOPLE
CORPORATION
GROWING TOGETHER WITH
THE COMMUNITY

CULTURE & SPACE
PLEASURABLE
CULTURAL SPACE FOR
EVERYONE

Environmental Management System
(ISO14001) Certification



PLANET

- 1 Waste Reduction**
 - Waste management system completion for all business sites
 - Customer waste separation system establishment
- 2 Using Sustainable Resources**
 - Increase of renewable products
 - Increase of sustainable raw materials
- 3 Greenhouse Gas Emissions Reduction**
 - Continuation of reduction through major equipment energy efficiency
 - Completion of energy efficiency management system for all business sites



PEOPLE

Human Rights Impact Assessment/
Due Diligence Completion

- 1 Establishing a Great Place to Work**
 - Internal and external human rights impact assessment, step-by-step expansion/improvement
- 2 Win-win Partnership with Local Communities**
 - Local economy and culture and art vitalization
 - Local job creation
- 3 Local job creation**
 - Expansion of cultural enjoyment for the vulnerable
 - Support for the growth of future generations



CULTURE & SPACE

Consumer Centered Management (CCM)
Certification

- 1 Content Differentiation**
 - Providing various cultural content
- 2 Change and Innovation of Space**
 - Space evolution reflecting customer lifestyle
 - Expansion of safe and eco-friendly space
- 3 Universal Design/Service**
 - Compliance with CGV online service web accessibility
 - Universal design application for new cinemas

GOVERNANCE

- 1 Reinforcement of the Board of Directors' sustainability management leadership**
- 2 Vitalization of ESG information disclosure**

Internalization of sustainability management : Compliance management, ethical management, risk management, health and safety management in business sites, member capability reinforcement, stakeholder communication and engagement, personal information protection and information security

CJ CGV SUSTAINABILITY MANAGEMENT SYSTEM



Establishment of Sustainability Management System

In 2021, CJ CGV established ESG management governance system to implement sustainability management. We established <ESG Committee> under the Board of Directors as the highest decision-making body regarding ESG management. We have implemented systematic sustainability management through the highest consultative body, <ESG Management Council> and <ESG Working Group>. As the highest decision-making body, <ESG Committee> is responsible for deliberating and deciding on the ESG strategic system and policies.

An outside director is selected as a chairman of <ESG Committee> by principle. <ESG Management Council> comprises all executives of CJ CGV and has roles and responsibilities for practical decision-making for sustainability management, such as ESG implementation strategies, goals, policies and performance reviews. <ESG Working Group> consists of team leaders and senior working-level employees from 28 teams and facilitates discussion for working-level collaboration between departments for ESG implementation. <ESG Management Team> is a department dedicated to CJ CGV's sustainability management, taking the role of operating manager for each consultative body.

ESG Committee

- Composition: All 7 members of CGV's Board of Directors (As of June 30, 2022) [Outside Director] Oh Joon (Chairman), Kim Se-Hyoung, Hwang Yi-Seok, Choi Jin-Hee [Inside Director] Heo Min-Heoi, Jung Seung-Wook, Shim Jun-Beom
- Operation Cycle: At least twice a year
- Role: Deliberation and decision of ESG strategic system and policies

Status of the Board Meeting and Reported Matters

Date	Decisions and Reported Matters
November 4, 2021	Establishment of ESG Committee and setting regulation / ESG Committee Chair appointment
December 21, 2021	Report of ESG Committee's strategic direction
March 29, 2022	Report of ESG key activity agenda for '22

ESG Management Council

- Composition: All 11 executives of CJ CGV (As of June 30) Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Advertising Business Officer, Chief Strategic Communication Officer, Chief Contents Planning Officer, Chief Sales & Marketing Officer, Chief Human Resource Officer, Chief Safety Officer, Chief Strategy Officer, B2B Business Manager
- Operation Cycle: At least twice a year
- Role: Discussion of ESG strategies, goals and policy direction; performance review of the long-and mid-term goals implementation; and issue management

ESG Working Group

28 departments have been participating in the ESG Working Group. ESG Working Group operates at all times, taking the role of the main body for implementing strategies and goals for discovering and improving ESG-related tasks.

- Composition: 28 teams of CJ CGV working departments (As of June 2022)
- Operation Cycle: Occasional
- Role: ESG strategy implementation, task discovery and implementation, issue-sharing

Key Constitution of ESG Working Group

ESG Classification	Team	Key Tasks
Environment	Space Design Team	Eco-friendly theater, separate discharge planning and energy efficiency
	Business Development Team	Building contracts for eco-friendly theaters and management goals establishment
	Domestic Business Support Team	On-site waste reduction, resource circulation and water management
	Commerce Business Team	Goods development, conversion to eco-friendly packages and distribution management
	Safety Management Team	Energy efficiency management, Greenhouse Gas Target System management, Employee/customer safety and health management
	F&B Business Team	Conversion to eco-friendly packages, menu development and service improvement
	CDC Part	Pilot introduction and management of energy efficiency management system
Social and Customer Value	PI Promotion TF	Projection equipment energy efficiency improvement Development of screen system improving diversity and inclusion
	Marketing Communication Team	Information security, external marketing and customer communication
	Information Security Center	Information security management and security policy management
	Strategic Purchasing Team	Sustainable supply chain management
	Human Resources Team	Human rights management system establishment and activities and working environment improvement
	Screen Contents Team	Investment distribution and content sourcing
	ICECON Business Team	Sourcing alter-contents, including lectures and performances other than movies
Governance	Programming Team	Movie content sourcing and programming
	ESG Management Team	ESG system establishment and ESG implementation reinforcement and support
	Mobile Planning Team	Online/mobile service operation and management
	IT Operations Development Team	IT technology development and operation support
	Corporate Audit Team	Operation and management of ethics management, compliance management, cyber audit office, etc.
Governance	Legal Compliance Team	Ethical management, court/mandatory training management, risk management
	Finance Team	The Board of Directors operation, IR

STAKEHOLDER COMMUNICATION

CJ CGV is well aware that Communication with stakeholders and their engagement is essential in implementing sustainability management. CJ CGV recognizes customers, members, shareholders and investors, partner companies, press and local communities as key stakeholders. We operate a variety of communication channels according to the characteristics of stakeholders, informing our stakeholders of the content and performances of CJ CGV's sustainability management and providing them with opportunities to participate in the process actively.

	CUSTOMER	MEMBER	SHAREHOLDER AND INVESTOR	PARTNER COMPANY	PRESS	LOCAL COMMUNITY
Key Communication Channels	<ul style="list-style-type: none"> · CGV webpage / APP · CGV SNS · Customer Center · Press release 	<ul style="list-style-type: none"> · Intranet – CEO MESSAGE, bulletin board, discussion forum, suggestion forum · Han-maeum Council (Labor-management Council) · Cyber Audit Office · Group in-house broadcasting (Channel CJ) and company newsletter (NI:M) · CGV newsletter (webzine) publication (once a month) · Executive-member meeting (by organization/ position) 	<ul style="list-style-type: none"> · Shareholders' meeting · Periodical and occasional disclosure · Disclosure of periodic reports · Performance announcement conference call · CGV webpage 	<ul style="list-style-type: none"> · CGV internal purchase system (SRM, FMS) · Disclosure · Cyber Audit Office 	<ul style="list-style-type: none"> · Press release · CGV webpage · CJ news room/ SNS · Group in-house broadcasting (Channel CJ) and company newsletter (NI:M) 	<ul style="list-style-type: none"> · CGV webpage · Exciting Film School webpage · CJ Welfare Foundation and Cultural Foundation webpage · CJ Donors Camp
Key Interests	<ul style="list-style-type: none"> · Protecting customer information · Improving customer service and satisfaction · Communication with customers and collection of their opinions · Innovation of new services and customer experience 	<ul style="list-style-type: none"> · Safe workplace · Work-life balance · Welfare System · Equal opportunity and fair performance evaluation/compensation · Key internal news/business status 	<ul style="list-style-type: none"> · Transparent disclosure of performance · Quantitative/qualitative growth of the company · Preemptive/effective risk management 	<ul style="list-style-type: none"> · Mutual growth · Fair trade compliance · Cooperation and Communication 	<ul style="list-style-type: none"> · Transparent and quick communication 	<ul style="list-style-type: none"> · Contribution to the development of local economy and culture
Key Activities	<ul style="list-style-type: none"> · Service quality and customer satisfaction improvement · CGV Customer Center operation and establishment of online counseling talk channel · New cinemas and services launching 	<ul style="list-style-type: none"> · Internal communication channels operation and activation · Internal training – leadership, trend, human rights and compliance · Operation of grievance-handling system 	<ul style="list-style-type: none"> · Holding shareholders' meeting · Regular reporting and disclosure of management performance · Quarterly performance presentation and Investment briefing session · Occasional IR meeting for institutions 	<ul style="list-style-type: none"> · Compliance with the CJ Code of Business Conduct · Operation of Cyber Audit Office · Occasional meetings by partner organization 	<ul style="list-style-type: none"> · Press release distribution · Response to inquiries and data requests · Media forum operation 	<ul style="list-style-type: none"> · Operation of the company's social contribution (Exciting Film School, Seats Donation and Gachibom, etc.) · Cooperation with local film festivals, various public interest campaigns, etc. · CJ group social contribution cooperation (CJ Welfare Foundation, CJ Cultural Foundation)

MATERIALITY ISSUE IDENTIFICATION

CJ CGV identified material issues to participate in the UN Sustainable Development Goals accomplishment, respond to rapid changes in society, environment and industry and implement sustainability management based on Communication and engagement with stakeholders. In <Step 1: Basic Issue Analysis>, we analyzed: key global guidelines, including UN SDGs, ISO26000, GRI Standards and SASB; ESG evaluation guidelines of Korea Corporate Governance Service; key ESG evaluation frames such as MSCI; and external cases and internal promotion status. Through <Step 2: Issue Pool Composition>, we sorted the major keywords from Step 1 and identified 23 highly relevant issues to CJ CGV. Going through <Step 3: Prioritization of Issues>, we derived materiality awareness of 660 key stakeholders upon 23 issues identified in Step 2 as well as the business impact of working-level employees. Thereby, we conducted a mutual analysis of CJ CGV's mid-to-long-term goals, their strategic relatedness, and the relevance of sustainability management strategies. In <Step 4: Materiality Issue Identification>, we derived a total of 13 sustainability management key issues and priority tasks by going through consultation—with firstly, the ESG Working Group and secondly, the ESG Management Council and thirdly, by getting approval from the ESG Committee under the Board of Directors—on what we went through in steps 1 to 3.

STEP 1 | Basic Issue Analysis

Global Guidelines

UN SDGs, ISO26000,
GRI Standards, SASB

ESG Evaluation Frame

KCGS, MSCI

External Case/Data

Leading global company cases
Media research results
2021 GlobeScan Report

Internal Analysis

Diagnosis and interview

STEP 2 | Issue Pool Composition

- ① Greenhouse Gas Emissions Reduction
- ② Energy Consumption Reduction
- ③ Waste Reduction
- ④ Building System for Resource Recycling and Circulation
- ⑤ Using Eco-friendly and Sustainability-certified Raw Materials and Manufacturing with Such Materials
- ⑥ Saving Water
- ⑦ Protecting Natural Eco-system
- ⑧ Practice of Human Rights Management
- ⑨ Creating a Great Place to Work
- ⑩ Workplace Safety and Health
- ⑪ Labor-management Cooperation and Mutual Well-being
- ⑫ Expanding Job Creation
- ⑬ Win-win Partnership and Mutual Growth
- ⑭ Contribution to Development of Local Economy, Education and Culture and Arts through Business
- ⑮ Support for the Growth of Future Generation
- ⑯ Expansion of Cultural Enjoyment for the Underprivileged
- ⑰ Providing Various Content
- ⑱ Providing a Differentiated Service Platform
- ⑲ Operating Safe and Eco-friendly Space
- ⑳ Universal Design/service Principles Establishment and Implementation
- ㉑ Personal Information Management and Information Security
- ㉒ Ethical Management, Compliance Management, and Transparent Management
- ㉓ Risk Management

STEP 3 | Prioritization of Issues

Key Stakeholder Survey: A total of 660 participants

Key Stakeholders	Members	343 People
	Customers	201 People
	Investors & Analysts	5 People
Direct Stakeholders	Partner Companies	34 People
	ESG Practitioners	54 People
Indirect Stakeholders	Journalists	23 People

Business Impact Analysis

<Business Impact> evaluation for 47 members of the ESG Working Group

Priorities of CJ CGV Sustainability Management Strategies

Business mid-to-long-term goals and strategic relevance
Sustainability management strategies relevance

ESG Expertise Consultation

Establishing a structure for sustainability management strategies and priority tasks

STEP 4 | Materiality Issue Identification and Approval

13 Materiality issues and priority tasks identification

1st Consultation : ESG Working Group
2nd Consultation : ESG Management Council
3rd Approval : (Board of Directors) ESG Committee

Environment

- Waste reduction
- Use of sustainable resources
- Greenhouse gas emissions reduction

Society

- Establishing a great place to work
- Mutual well-being with local communities and partners
- Continuation of social contribution

Customer Value

- Personal information management and information security
- Contents differentiation
- Changes and innovations of space
- Universal design/service

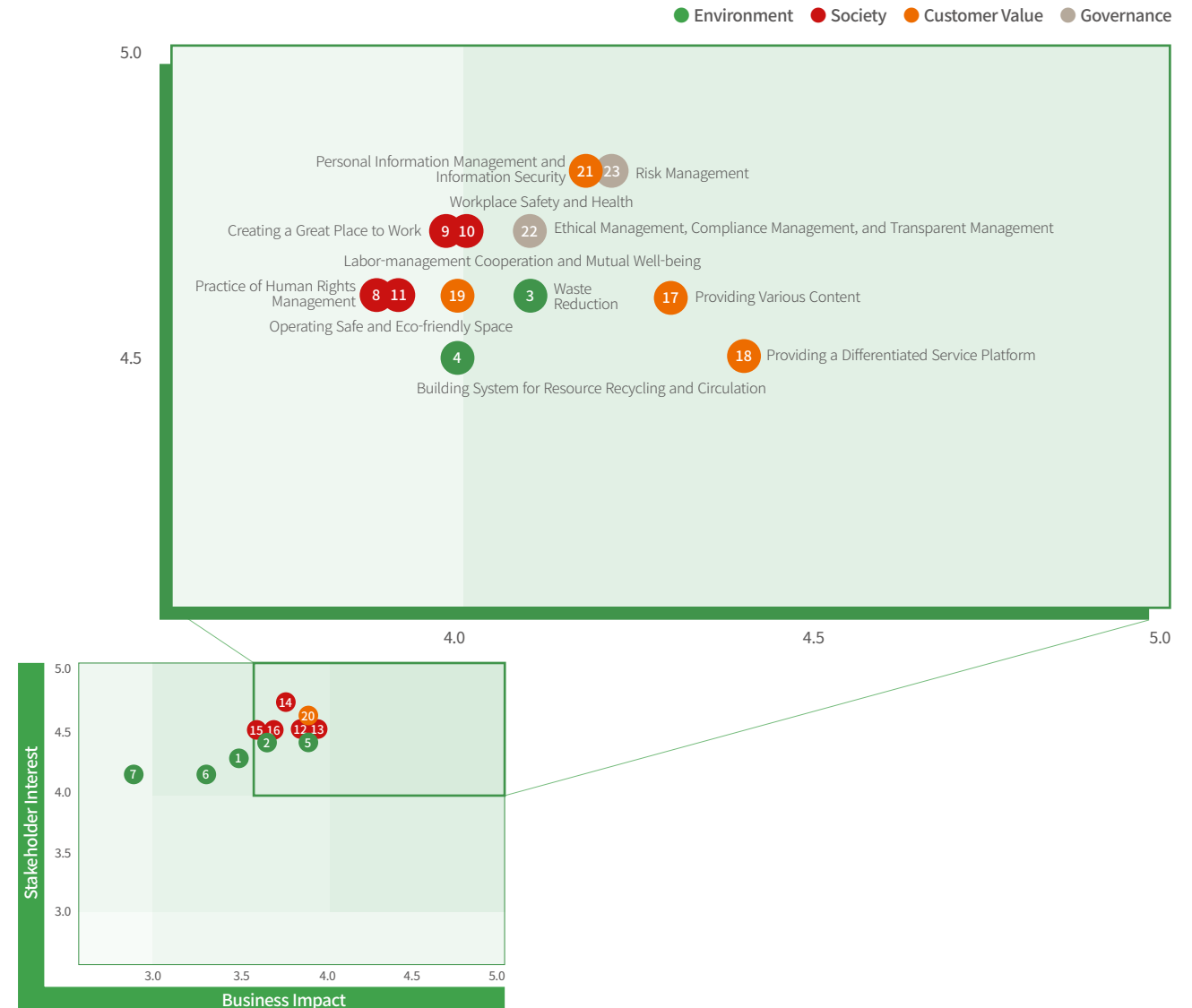
Governance

- Reinforcement of the sustainability management leadership of the Board of Directors
- ESG Disclosure Activation
- Risk Management

MATERIALITY MATRIX ANALYSIS

CJ CGV conducted a materiality matrix analysis to identify key issues for the 2021 sustainability management report throughout the 4 step process above. The matrix's horizontal axis (X-axis) signifies the results of CJ CGV's business materiality issues analysis, and the vertical axis (Y-axis) indicates the critical sustainability issues identified by CJ CGV's stakeholders. As a result of the analysis, a total of 12 material issues were identified up to 10th place. We went through the integration process, considering the similarities and relevance between these issues to determine the final sustainability management strategies and priority tasks of CJ CGV. We also reported the activities and performances regarding the issues in the sustainability management report.

Ranking	Area	Issue	GRI Standards Topic	Page
1	Governance	23 Risk Management	102-30	20
	Customer Value	21 Personal Information Management and Information Security	418-1	35, 53
3	Customer Value	18 Providing a Differentiated Service Platform	Non-GRI	6, 28~32
	Customer Value	17 Providing Various Content	Non-GRI	6, 26~27
5	Governance	22 Ethical Management, Compliance Management, and Transparent Management	205-2, 205-3	22
6	Social	10 Workplace Safety and Health	403-1~9	34, 44, 45, 46
	Social	9 Creating a Great Place to Work	401-2, 401-3, 404-2, 405-1	44, 54, 16, 23, 42, 17, 18, 54, 56
	Environment	3 Waste Reduction	306-3, 306-5	38, 53
9	Customer Value	19 Operating Safe and Eco-friendly Space	403-1~9	34, 44, 45, 46
10	Social	11 Labor-management Cooperation and Mutual Well-being	102-41	41, 54
	Social	8 Practice of Human Rights Management	412-2	41
	Environment	4 Building System for Resource Recycling and Circulation	301-2, 301-3	38, 39





RECOGNITION AND RESPONSE TO MATERIAL ISSUES

CJ CGV identified a total of 13 materiality issues through the integration process in accordance with the similarities and relevance between material issues. We have analyzed the impact of these issues to derive priority tasks for our sustainability management.

Areas	Material Issues	Materiality Awareness (Up to 5 points)	Impacts Exchanged with the Environment and Society	Related Activities (Projects, programs, etc.)
<p>ENVIRONMENT</p>	Waste Reduction	<p>Business Impact: 4.1</p> <p>Stakeholder Interest: 4.6</p>	<p>Waste from the packaging of snacks and beverages sold by cinemas' snack bars has negatively impacted the environment. This issue could influence corporate management due to future reinforcement of regulations against the use of disposable containers, rise in waste disposal costs and critical opinions of consumers who value environmental protection. Accordingly, we have started our efforts for waste reduction, including use of recyclable paper containers and reusable plastic cups</p>	<ul style="list-style-type: none"> Use of recyclable popcorn containers Pilot use of reusable cups Conducting separate collection campaign with customers
	Use of Sustainable Resources	<p>Business Impact: 3.9</p> <p>Stakeholder Interest: 4.5</p>	<p>CJ CGV utilizes resources in many ways throughout the business. We strive to reduce negative impacts on the environment when processing and using resources. In order to provide safe and healthy spaces for our customers, we use eco-friendly, sustainability-certified and reusable raw materials and persist in our efforts to expand their use.</p>	<ul style="list-style-type: none"> Use of FSC-certified raw materials and non-GMO corns Eco-friendly and sustainability certification Expanding the use of reusable products
	Greenhouse Gas Emissions	<p>Business Impact: 3.6</p> <p>Stakeholder Interest: 4.3</p>	<p>Global warming caused by greenhouse gas emissions hugely affects all industries, not to mention the cinema industry. Especially, the worsening of global warming and outbreaks of natural disasters and infectious diseases, accompanied by unpredictability, negatively affects corporate management. We need to put forth efforts for a better environment for the planet, such as keeping up with energy efficiency to reduce greenhouse gas emissions.</p>	<ul style="list-style-type: none"> Continuation of securing energy efficiency for major equipment Establishing energy efficiency management system for all business sites
<p>SOCIETY</p>	Creating a Great Place to Work	<p>Business Impact: 4.0</p> <p>Stakeholder Interest: 4.7</p>	<p>Creating a happy workplace influences the competitiveness and sustainability of CJ CGV. Also, the workplace where members' human rights, work-life balance, health and safety are secured directly relates to high-quality service provision. Needs to perceive this and strive for a better workplace persist.</p>	<ul style="list-style-type: none"> Establishing human rights management system Providing environment and welfare for work-life balance
	Mutual Well-being with Local Communities and partners	<p>Business Impact: 3.8</p> <p>Stakeholder Interest: 4.6</p>	<p>The cinema industry closely relates to the local economy of each cinema's region. The economic downturn, population decrease and aging negatively affect the cinema industry. Therefore, CJ CGV searches for and implements the roles and measures for positive impacts on local prosperity and development.</p>	<ul style="list-style-type: none"> Support for local economy and culture and arts activation Creating jobs for local communities
	Continuation of Social Contribution	<p>Business Impact: 3.7</p> <p>Stakeholder Interest: 4.5</p>	<p>Social contribution is one of the crucial means for companies to solve social problems and positively impact local communities. In particular, cinemas are critical infrastructures for local communities' culture and art enjoyment and serve as a space to provide precious opportunities for future generations to dream and nurture hope through movies. CJ CGV continues with social contribution business for more underprivileged to enjoy the culture and for future generations to grow through movies.</p>	<ul style="list-style-type: none"> Expansion of cultural enjoyment for the underprivileged Future generations growth support



Areas	Material Issues	Materiality Awareness (Up to 5 points)	Impacts Exchanged with the Environment and Society	Related Activities (Projects, programs, etc.)
 <p>CUSTOMER VALUE</p>	Personal Information Management and Information Security	Business Impact: 4.2 Stakeholder Interest: 4.8	<p>CJ CGV collects private information and utilizes it with the consent of our customers for services, including a movie reservation system using the internet webpage and mobile application, as well as CGV online membership. Customer information leakage or misuse causes great harm to the customer and becomes a grave threat to CGV. CGV has established and complied with thorough information security rules to prevent the leaking or misuse of precious customer information and achieved the Information Security Management System (ISMS) certification to enforce customer information protection.</p>	<ul style="list-style-type: none"> Information security status disclosure on the Information Security Disclosure System (ISDS) Subscription to personal information protection liability insurance Maintenance of the Information Security Disclosure System (ISDS) certification (March 25, 2020 ~ March 24, 2023) Conducting Information security training once a year for executives and employees
	Content differentiation	Business Impact: 4.3 Stakeholder Interest: 4.6	<p>Movies are representative public culture and arts contents reflecting the spirit of the era, social awareness and cultural level. CJ CGV strives to provide content of higher quality. We also place efforts to expand opportunities and spaces to provide the public with various video content, such as lectures and performances on top of movies.</p>	<ul style="list-style-type: none"> Providing a variety of cultural content
	Changes and Innovations of Space	Business Impact: 4.2 Stakeholder Interest: 4.5	<p>Cinemas are evolving from places with the single purpose of watching movies to complex cultural spaces to enjoy various entertainments and recreation as well as take a rest. CJ CGV prioritizes providing safe and eco-friendly spaces to customers as the most crucial principle. We are expanding space service where customers can enjoy various cultural contents, reflecting the tendency that customers want services and content with higher quality.</p>	<ul style="list-style-type: none"> Space evolution representing customer lifestyle Standards establishment for safe and eco-friendly space
	Universal Design/Service	Business Impact: 3.9 Stakeholder Interest: 4.5	<p>CJ CGV strives to provide safe and comfortable spaces and services that are enjoyable to everyone. Hence, we are preparing universal design and service principles, and try to provide better services in accordance with the related regulations.</p>	<ul style="list-style-type: none"> Universal design is to be applied when opening new sites Online web accessibility is to be improved
	 <p>GOVERNANCE</p>	Reinforcing the Board of Directors' Sustainability Management Leadership	Business Impact: 4.1 Stakeholder Interest: 4.7	<p>CJ CGV clearly recognizes that the direction toward sustainability management is the most important for its business management afterward. We are also aware that we need to reinforce the sustainability management leadership of the Board, which is the highest decision-making body. In order to implement such, we established the <ESG Committee>, where all board members participate and have been deliberating and discussing agendas related to sustainability management.</p>
ESG Disclosure Activation		Business Impact: 4.2 Stakeholder Interest: 4.6	<p>CGV fully recognizes the necessity of risk management from different angles and transparent disclosure of information to stakeholders for sustainability management. To practice these, we have published <Sustainability Report> and newly established a related page in the corporation web page, enabling the stakeholders to check CJ CGV's sustainability management status at their convenience.</p>	<ul style="list-style-type: none"> Publishing sustainability report Establishing a sustainability management page within the company webpage
Risk Management		Business Impact: 4.2 Stakeholder Interest: 4.6	<p>CJ CGV, as a multi-use facility, prepares for unpredictable disasters and risks in advance. To minimize financial and non-financial risks, we have established a systematic risk management system, and the entire business units make it a routine to prevent and manage risks.</p>	<ul style="list-style-type: none"> Standards establishment for risk identification and assessment Periodical inspection

UN SDGs GOALS

CJ CGV actively participates in accomplishing the UN SDGs goals for which the entire humanity needs to work together. We have connected 8 out of 17 goals to CJ CGV's sustainability management priority tasks for practical resolution of the issues.

3 Major Goals	Strategic Tasks	2021~22 Performances and Projects	UN SDGs Implementation Tasks
 <p>BUSINESS SITES PROTECTING THE PLANET</p>	<p>Waste Reduction & Use of Sustainable Resources</p> <p>Greenhouse Gas Emissions Reduction</p>	<ul style="list-style-type: none"> · Pilot introduction of reusable cups/Pilot introduction of eco-friendly popcorn containers · Releasing 3 types of goods upcycled with waste screens · Pilot test of energy efficiency AI system · LED replacement of lightings and projection equipment energy efficiency · Energy Management Corporation campaign cooperation and environmental education for employees 	  <p>12.5) By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 13.3) Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>  <p>13.3) Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>
 <p>CORPORATION GROWING TOGETHER WITH THE COMMUNITY</p>	<p>Establishing a Great Place to Work</p> <p>Mutual Well-being with Local Communities and Partners</p> <p>Continuation of Social Contribution</p>	<ul style="list-style-type: none"> · Family-Friendly Corporation Certification (~22) · Maternity protection system operation · 53.4% of female employees. 38.7% of female managers · Employee safety and health management and reinforcement · Operation of labor-management consultative body (Han Maeum Council) · Cooperation with social cooperatives supporting multi-cultural women for in-house cafe operation · Corruption prevention training and report channel operation · Operation of 121 cinemas owned by the company in Korea · Cooperation for operating small cinemas and drive-Ins · Cooperation for film festivals operation / · Support for improving local independent art cinemas environment · Job creation for multicultural women and persons with disabilities · Senior internship operation / · Specialized high schools practicum program operation · Participation in Munwhanuri Card Business · Exciting Film School operation / · Seats Donation · Offering discount for children and adolescents from local children's centers nationwide / · Employee volunteer activities 	  <p>4.3) Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university 4.4) Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p>   <p>5.1) End all forms of discrimination against all women and girls 5.5) Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>  <p>8.2) Achieve higher levels of economic productivity 8.5) Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 8.8) Protect labor rights and promote safe and secure working environments for all workers, including migrant workers 10.2) Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status 16.5) Substantially reduce corruption and bribery in all their forms 16.7) Ensure responsive, inclusive, participatory and representative decision-making at all levels</p>
 <p>CULTURAL SPACE FOR EVERYONE TO ENJOY</p>	<p>Providing Universal Design/Service</p>	<ul style="list-style-type: none"> · Promotion of joint business for senior-friendly kiosk standards development · Gachibom movie screening for people with visual impairment or hearing impairment 	  <p>4.7) Ensure that all learners acquire the knowledge and skills needed to promote sustainable development 10.2) Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>   <p>10.2) Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status 17.17) Encourage and promote effective public, public-private and civil society partnerships</p>

GOVERNANCE

THE BOARD OF DIRECTORS

CJ CGV Shareholder Status

CJ CGV is a company limited by shares with the following shareholder status.

* As of December 31, 2021

Shareholders	CJ Co., Ltd.	National Pension Service	Employee Stock Ownership Association	Others	Total
Number of Shares Owned (Shares)	16,330,477	1,317,138	1,133,710	22,025,387	40,806,712
Shareholding Ratio (%)	40.02	3.23	2.78	53.97	100.00

The Board Information Disclosure and Composition of the Committee

CJ CGV transparently discloses the governance task process standards, procedures and results to stakeholders for sound governance operation. We disclose governance standards and progress such as the Board activity status and the Board and its committee's regulations on our webpage and Financial Supervisory Service's Data Analysis, Retrieval and Transfer System (DART). In addition, we established committees by function in the Board and composed the committees with professionals in each field, bolstering the expertise of the Board. We also have deliberated the voting rights of the Board to the Committee for the Board members to mutually check one another, seeking balance and stability of the Board.

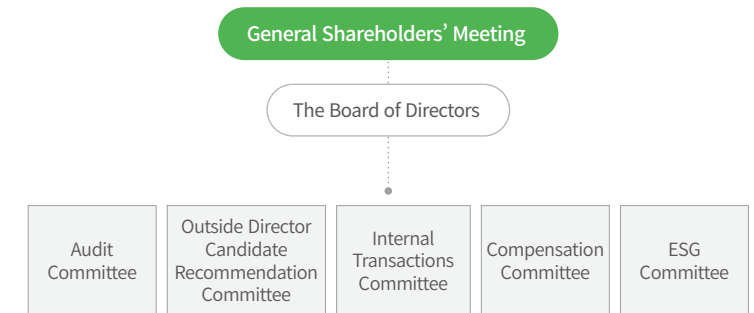
Board Composition

Classification	Name	Responsibility/ Area of Expertise	Gender	Initial Appointment Date	Term Expiration Date	Committees Under the Board					Others
						Audit Committee	Outside Director Candidate Recommendation Committee	Internal Transactions Committee	Compensation Committee	ESG Committee	
The Board of Directors	Heo Min-Heoi	CEO	Male	March 29, 2021	Date of Shareholder's Meeting in March 2024				●	○	· Current CJ CGV CEO · Former CJ ENM CEO
	Jung Seung-Wook	CFO	Male	March 29, 2021	Date of Shareholder's Meeting in March 2024				○	○	· Current CJ CGV CFO · Former CJ CGV CSO
	Shim Jun-Beom	COO	Male	March 29, 2022	Date of Shareholder's Meeting in March 2025				○	○	· Current CJ CGV COO · Former CGV Vietnam CEO
Outside Director	Oh Joon	Diplomacy	Male	March 28, 2018	Date of Shareholder's Meeting in March 2024	○	●	○	○	●	· Current Chair Professor at the Graduate School of Peace and Welfare, Kyung Hee University · Former UN Ambassador
	Kim Se-Hyoung	Press	Male	March 28, 2018	Date of Shareholder's Meeting in March 2024	○	○	●	○	○	· Current Editorial Advisor of Maeil Business Newspaper · Former Chief Editor of Maeil Business Newspaper
	Hwang Yi-Seok	Accounting and Finance	Male	March 27, 2019	Date of Shareholder's Meeting in March 2025	●	○	○	○	○	· Current Professor at Seoul National University Business School · Former Financial Supervisory Service Accounting Review Member
	Choi Jin-Hee	Marketing	Female	March 29, 2022	Date of Shareholder's Meeting in March 2025	○	○	○	○	○	· Current Marketing Professor at Korea University

(● : Chair, ○ : Director)

Board Structure

CJ CGV, as a company limited by shares, makes its best efforts to maintain transparency, soundness and stability to maximize shareholder values and protect their rights and interests, and to establish governance structure with check function and balance.



Major Roles of the Board and the Committees

Classification	Major Roles
The Board of Directors	· Review and approval of critical matters on business management, such as business plans, settlement and major investments
Audit Committee	· Audit of the company accounting and business · Review and approval of the matters designated by law or the Articles of Incorporation
Outside Director Candidate Recommendation Committee	· Outside director candidate recommendation and deliberation of relevant issues
Internal Transactions Committee	· Deliberation of transactions with affiliates and related persons, which is designated as the item conditioning the Board approval by law · Review of subjects considered necessary by the Board of Directors or the committee concerning inside transactions
Compensation Committee	· Review of matters related to establishment and change of executive compensation system · Review of executive performance index assessment details for a long-term incentive payment
ESG Committee	· Review and approval of ESG strategy, direction and related policies · Review of ESG promotion activities results

Outside Director-centered Board Operation

CJ CGV's Board of Directors is the highest decision-making body with the rights to determine critical issues of the company, including the CEO appointment. As of June 2022, the Board is comprised of a total of 7 directors including 3 inside directors and 4 outside directors and operated with outside directors in the center.

Outside Director Diversity

CJ CGV has established the Outside Director Candidate Recommendation Committee under the Board through the regular board meeting on March 27, 2019, in order to recommend the outside director candidates after verifying the individuals' diversity and capabilities. We consider the candidates' career experience and expertise for balanced decision-making and management supervision, and then examine whether the disqualifiable reasons provided in the related laws are found to make the final recommendation to the Board. Also, we have been appointing candidates with different expertise in the areas including global, press and finance, for outside directors to support reasonable decision-making of the management without being biased by certain interests. In the regular shareholder meeting in 2022, we appointed a female candidate Choi Jin-Hee as an outside director.

Committee-centered Board Operation and Reinforcement of the Board Expertise and Independence

CJ CGV has established and operated 5 Committees—Audit Committee, Compensation Committee, Outside Director Candidate Recommendation Committee, Internal Transaction Committee and ESG Committee—to improve the Board's transparency and expertise. All of the committees are comprised of more than half of the outside directors and ensure the independence of the Board by appointing outside directors for all members of the committees to which supervising and checking functions are essential: Audit Committee, Outside Director Candidate Recommendation Committee and Internal Transaction Committee.

Director Compensation

Directors' compensation is distinguished as salaries and bonuses. Bonuses are paid after comprehensive consideration of quantitative indicators (sales, operating profit, etc.) and non-quantitative indicators (contribution, roles and responsibilities) in accordance with the executive principle approved by the Board. Compensation limit for all registered directors including internal directors is determined at the shareholders' meeting. The compensation amount is discussed and approved by the Board's Compensation Committee within that limit before the final approval and payment.

The Board Compensation Status

*As of December 31, 2021 (Unit: KRW million)

Classification	Number of People	Total Compensation	Average Compensation Per Person	Others
Registered Directors (Excluding Outside Directors and Audit Committee Directors)	2	975	488	-
Outside Directors (Excluding Audit Committee Directors)	-	-	-	All outside directors are Audit Committee Directors
Audit Committee Directors	3	181	60	-
Auditors	-	-	-	-

Roles and Responsibilities of the Board

CJ CGV established the ESG Committee under the Board in November 2021 to form a decision-making system for sustainability management. All members of the Board are included in the committee as we recognize the significance and necessity of ESG management and to secure various opinions on related issues. To secure independence, we appointed the outside director as the Chairman of the Board. ESG Committee identifies sustainability issues and deliberates and discusses the strategies, direction and policies for sustainability management. It also plays a role in leading ESG management by reviewing the promotion status and activities.

Board Meeting Status and Major ESG Agendas

2021

We held a total of 15 board meeting and following ESG related agendas were provided

Session	Date	Agendas	
		Area	Details
Session 1	February 9, 2021	Governance	Report of the compliance of legal control standards assessment results
Session 3	March 12, 2021	Governance	Change of the Fair Trade Autonomous Compliance Manager
Session 6	May 7, 2021	Social	Approval of plans for safety and health
Session 12	November 4, 2021	Governance	ESG Committee establishment, policy establishment, etc.

2022

We held a total of 5 board meetings in the first half of the year. ESG related agendas are provided below.

Session	Date	Agendas	
		Area	Details
Session 1	February 11, 2022	Governance	Report of the compliance of legal control standards assessment results
Session 3	March 29, 2022	Governance	The Board committee director appointment
Session 4	May 11, 2022	Social	Approval of plans for safety and health

CGV operates a committee to establish and deliberate ESG direction for sustainability management. Below are the interviews of Director Oh Joon, the Chairman of the Committee, and Director Choi Jin-Hee, the first female director.



I want to be a 'Reminder' for every CGV stakeholder on the importance of the environment, society and governance.

In the present era, sustainability is essential for the future of humanity and the world. CJ CGV needs to focus on its responsibility to the environment and society. With movie going in theaters being a universal leisure activity for everyone, society and our corporation have a significant task of securing the eco-friendliness and accessibility of the vulnerable as we provide enjoyable entertainment for all. CJ CGV, as the largest cinema chain, is always aware that we have a massive responsibility for society at the environmental, social and governance levels. Employees and customers of CJ CGV I have

observed in the last 4 years seem to be well aware of social values sought by ESG management. I am willing to be a 'Reminder' for all CGV stakeholders on the importance of the environment, society and governance in their everyday work and activities.

Oh Joon
Chairman of the ESG Committee



I would like to add meaningful support for CJ CGV's sustainable efforts by offering unconventional perspectives and opinions

Today's customers and CJ CGV stakeholders are getting used to the concept of ESG and possess plenty of experience and their own evaluation standards, especially for ESG activities operated in customer contact points. If we make a blank call for ESG with no action, it will counterattack us, considering the social trend in which customers stand up to criticize hypocrisy exemplified by greenwashing. It is about time for us to ponder upon genuine efforts our company can make for the environment and society, not flashy promises with no substance. In this regard, CJ CGV's efforts are worth paying attention to, including energy efficiency improvement through the replacement of equipment, eco-friendly container introduction and goods production with waste screens. Furthermore, I expect

substantial and sustainable effects will follow a wide variety of CJ CGV's genuine efforts in expanding convenience facilities for the marginalized, including persons with disabilities and promoting efficiency for separate disposal at business sites. I learned a lot, providing and discussing various opinions based on my expertise from different areas, as I attended the Board meetings several times after being appointed as the Director of CJ CGV. CJ CGV has been placing a lot of effort in various areas such as human rights, environment and customer value, and I would like to add meaningful support as a young woman by providing unconventional perspectives and opinions.

Choi Jin-Hee
Outside Director

RISK MANAGEMENT

Risk Management Principles

Preliminary identification and prevention of a variety of possible risks are critical in securing corporate sustainability. CJ CGV operates employee code of conduct, compliance management and internal accounting management system to facilitate effective and systematic internal control policies. Furthermore, we have been implementing sustainable management and controls against risks by writing financial statements based on accounting standard compliance, disclosure omission prevention through management, management's response procedures for internal and external environmental change, measures taken for violation of the code of ethics and control of corruption risks.

Risk Management Process



CJ CGV has established the risk management process to identify and analyze social and legal risks across all business areas and build effective control plan. Since 2021, we have classified the work-related tasks by departments into different risk types of Law / Internal Control Standards / Contract Violation to identify the causes of each risk. We also conducted documentation of risk identification,

classifying the risk ranges (H, M, L) in accordance with the self-assessment of risk possibility and impact on the company as the matrix scales.

We plan on annually updating this information and conduct monitoring to establish control measures focusing on the major risks among the identified risks. Especially in 2021, we implemented the monitoring of internal transactions and gift certificate (movie ticket) terms and conditions and prepared the control plan to minimize the possibility of the related legal violation. Additionally, since November 2019, we have written and distributed guidelines and checklists by task types for practical application.

Regulatory Environment Analysis

CJ CGV conducted the regulatory environment analysis report to analyze the regulatory environment by business area across the entire business and identify the cases of sanctions in the industry and the legislative and regulatory trends of the central regulatory authorities, thereby minimizing the risks following the violation of the regulations. We classified the main businesses based on sales as film screening, production/import/distribution, F&B, commerce, space and advertisement and also based on tasks as safety, site operation, customer & CS and ESG. In this manner, we have been establishing a foundation for identifying vital regulations and current trends of the regulatory authorities in each area to prevent the outbreak of legal and regulatory violations and for enhancing the abilities to fulfill corporate social responsibility preemptively.

Risk Control and Management Policies

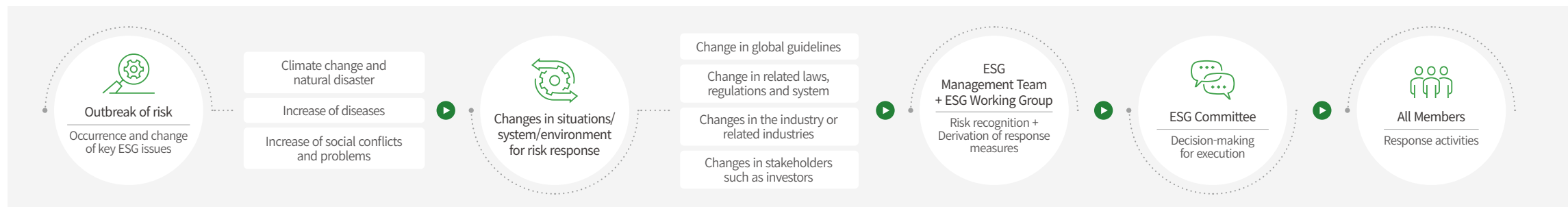
Compliance Standards | CJ CGV assigned the dedicated compliance organization for competitive order establishment and legal compliance related to fair trade and has been operating the internal compliance system, 'Fair Trade Autonomous Compliance Program.' The manager of the fair-trade autonomous compliance is selected through the Board in accordance with Rule 5 of the 'Fair Trade Autonomous Compliance Program Operation Policies.'

Internal Accounting Management System | CJ CGV has introduced and operated an internal accounting management system in accordance with the relevant laws such as 'Companies Limited by Shares, etc.' We have designed an internal accounting management system and conduct thorough monitoring of business activities considering all five kinds of internal control components.

Audit Committee | CJ CGV's Audit Committee under the Board takes responsibility for the company's internal control policy management. The committee reviews accounting-related documents such as financial statements and audit procedures and results of the accounting firm every quarter, providing related opinions to the Board.

ESG Risk Management | CJ CGV's ESG Working Group shares and reviews ESG-related trends, issues and risks, establishing and implementing improvement tasks when needed. Related details are reviewed, approved and managed by the ESG Management Council and the ESG Committee under the Board.

ESG Risk Management Process



ETHICAL MANAGEMENT

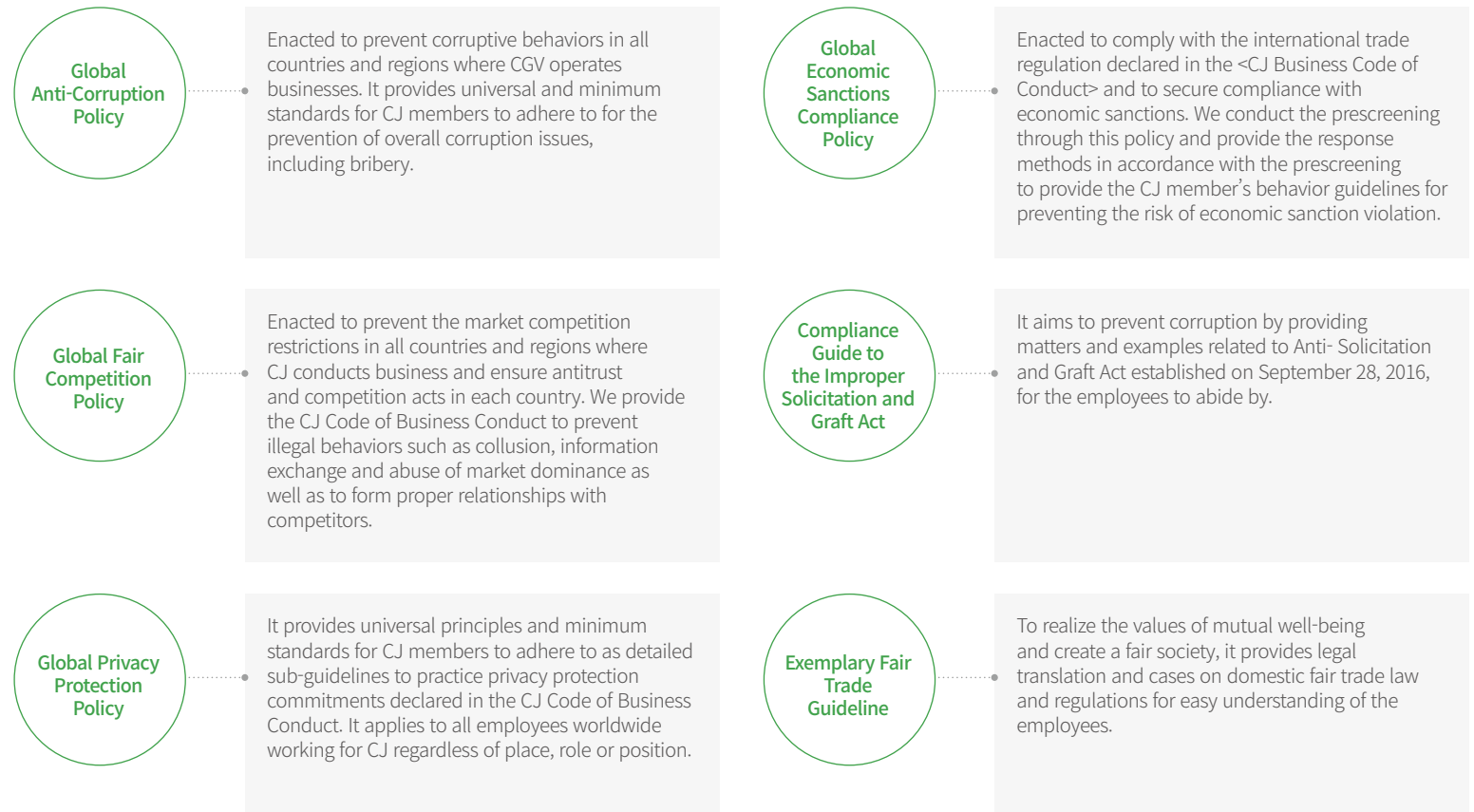
Ethical Management System

CJ CGV strives to build trust with various stakeholders amidst the global trends of reinforcing regulations on anti-corruption, fair trade, human rights and environment and changes in the managerial environment, such as the globalization of corporate risks. In order to grow into a leading corporation in the global market, we stress the necessity for our employees to practice ethical management through the <CJ Code of Business Conduct>, written and proclaimed in March 2020 by CJ Group. The Code of Conduct is provided in the language of each country (English, Chinese, Vietnamese, Indonesian) as well as in Korean. We also encourage CGV's overseas subsidiaries members to understand and practice the code of conduct to fulfill corporate social responsibilities.

CJ CGV makes commitments to implement compliance management and ethical management so its members can acquaint themselves with promises for customers, shareholders, investors, colleagues and partners and strengthen their wills to practice ethical management. In 2019, we made commitments for compliance management implementation to confirm the willingness of employees on the related matters in accordance with the Fair Trade Law. In 2020, we conducted the implementation commitment for employees to abide by <CJ People's Commitment>. We will keep reinforcing the will of our members for compliance and ethical management implementation.

Ethical Management Policy and Guideline

CJ CGV has manifested 6 compliance policies and guidelines established by the group for its members to follow through and continue with sustainable growth.



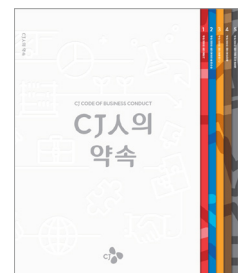
 [Go to CJ's ethical management policy and guidelines details](#)

ANTI-CORRUPTION

Anti-corruption Policies

CJ CGV has enacted the global anti-corruption policies at group level to prevent corruption and comply with anti-corruption laws of each country and region in which it carries out business. The global anti-corruption policy is a sub-guidance under the group's code of conduct, <CJ Code of Business Conduct>, that provides the minimum standards for preventing overall anti-corruption issues, including bribery. <CJ People's Commitment> regulates topics including prohibiting improper payments, providing convenience to public officials, convenience provided for/by business partners and business partner selection.

Additionally, CJ CGV prevents the corruption risks by distributing <Anti-solicitation and Graft Act Compliance Guide> for members to keep in mind while performing tasks. CJ CGV signed a 'Special Agreement on Ethical Practice' with partner companies to prevent corruption such as Bribery, solicitation, entertainment and transfer of expenses and collects written commitment to ethical practice from partner employees. Through the process, we comply with our promise to partners and practice healthy and fair trade with partner companies as well as a win-win cooperation.



[Go to CJ Code of Business Conduct](#)

Anti-corruption Activities

Anti-corruption Activities for Members

Honesty Letter	A monthly Honesty Letter is sent for all employees to prevent honesty compliance and corruption/insufficiency
Holiday Gift Return Center	Spreading CGV's intention of ethical management to partner companies as well as operating Holiday Gift Return Center and sending CEO Letter for the formation of a fair and transparent trade relationship
Honesty Training for Members	Offline_Honesty training for new members (Occasional operation) Online_Honesty training mandatory for employees (Title: Course on Honesty to be Practiced by Everyone)

Anti-corruption Trainings for Executives and Employees

(Unit: %)

No	Topic	Type	Date	Attendance Rate*
1	CJ Code of Business Conduct	Online	October 26, 2020 ~ November 13, 2020	98.8
2	Honest Process to be practiced by all employees	Online	May 24, 2021 ~ June 18, 2021	99.9
3	CJ Code of Business Conduct	Online	October 6, 2021 ~ October 17, 2021	100

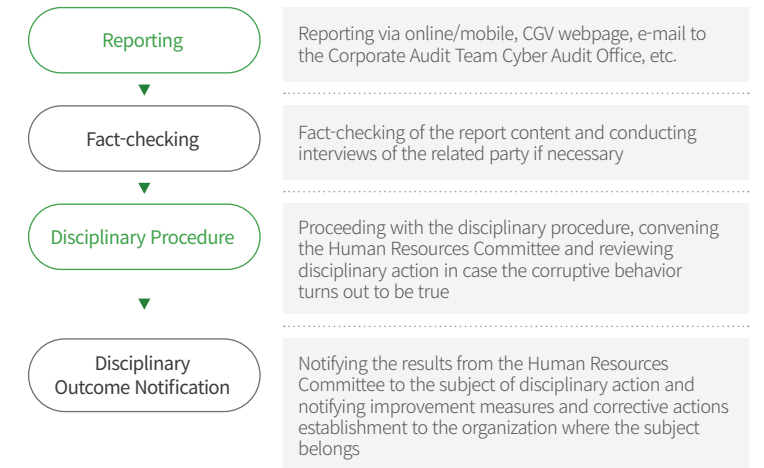
* Based on the number of full-time workers

Reporting System Operation

CJ CGV operates a corruption reporting system for all outside stakeholders, not to mention its employees, when finding out the violations of the work-related value of honesty. The Corporate Audit Team handles all details, directly supervised by the CEO. Investigations for fact-checking and interviews of the related parties take place. Once the corruption behavior turns out to be accurate, disciplinary action is carried out through the Human Resources Committee. Other reports are transferred to the related depart-

ments, wherein fact-checking and measures are implemented and details are recorded on the reporting system. Anonymity is thoroughly protected for the informant's identity and reported information. The 'Regulations on Reporting and Handling Misconducts' in the company's rule management system specifies the requirement of informant identity protection and prohibition of disadvantageous actions due to reporting.

Reporting System



Reports through the Reporting System

(Unit: Case)

Classification	2019	2020	2021	Total	Percentage (%)
Organizational Culture Disruption	11	9	3	23	53.4
Partner Company Grievance/ Unfair Transactions	2	2	4	8	18.6
Corruption	3	0	3	6	14.0
Others	0	3	3	6	14.0
Total	16	14	13	43	100.0

COMPLIANCE MANAGEMENT

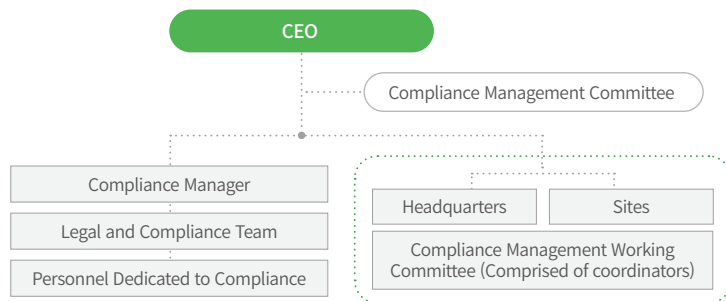
Compliance Management Standards and Compliance Officer

CJ CGV aims to develop soundly and secure customer trust by complying with related regulations fairly and transparently while operating the business. To this end, we have prepared compliance control standards to set basic procedures and standards for employees to comply with during the task operation under Article 542-13 of the Commercial Act. We appoint Compliance Officers qualified to implement proper and effective compliance control according to the standards. We also regularly report to inside/outside executives with critical compliance control issues in the Board meeting.

Fair Trade Compliance Program, Compliance Management Committee

Since July 2018, CJ CGV has introduced the Fair Trade Compliance Program to establish an internal compliance system for education, supervision, etc. To materialize it, we implement operation regulations for the fair trade compliance program, with the Legal and Compliance Team playing the role of a dedicated organization. Also, we appoint Compliance Officers when operating the Fair Trade Compliance Program and operate the Compliance Management Committee as the highest decision-making organization for compliance management and a consultative body to support the Compliance Officers' authorities and responsibilities. Except for 2020, implementation details and task plans are regularly reported and resolved each year.

Responsibilities of the Compliance Management Committee



Regular Tasks

- Fair Trade Committee response
- Fair trade training
- Sending compliance letter/trends
- Monitoring and preparation of improvement plans
- Establishment and revision of standard contract

Compliance Committee Composition

- Committee Chair: CEO
- Compliance Manager: Chief Financial Officer
- Members: Chief Operating Officer, Chief Advertising Business Officer, Chief Strategic Communication Officer, Chief Human Resources Officer, Corporate Audit Team Leader, Legal Compliance Team Leader

Fair Trade Training

CJ CGV conducts regular training for employees, including the CEO, on fair trade compliance program standards and procedures as well as related regulations.

Fair Trade Training Status

No.	Topic	Target	Schedule	Number of Trainees (person)
1	Overall Fair Trade Training	Compliance Management Committee / Compliance Management Working Group / Headquarters Team Leaders / Chief Space Development Officer	March 2019 ~ May 2019	105
2	Education on Unfair Trade under the Capital Markets Act	Compliance Management Committee / Compliance Management Working Group / Headquarters Team Leaders	March 2019 ~ May 2019	88
3	CJ Code of Business Conduct*	All full-time workers	October 26, 2020 ~ November 13, 2020	1,122
4	Special Lecture on Major Amendments of the Fair Trade Act	All full-time workers	May 6, 2021	7
5	Understanding ESG Concept, External Trends and Global Companies ESG Cases, CJ Group ESG Management	Executives	May 24, 2021	8
6	Understanding ESG Concept, External Trends and Global Companies ESG Cases, CJ Group ESG Management	ESG Working Group (Team leaders and senior members of 22 teams)	August 19, 2021 ~ August 24, 2021	44
7	CJ Global Economic Restriction Compliance Policy	Headquarters employees	October 6, 2021 ~ October 17, 2021	250
8	Information Exchange Prohibition Guide	All full-time workers	October 6, 2021 ~ October 17, 2021	967

* Implemented the CJ Group Code of Conduct education including education on fair trade

Violations of Laws and Regulations

In 2021, CJ CGV was sentenced to 2 correction orders and completed the application of amelioration measures. We will strive to prevent the occurrence of such occasions in the future.

	2019	2020	2021
Supervising Department			Ministry of Justice
Date			December 7
Correction Order Purpose	None	None	Providing seats for persons with disabilities at cinemas in CGV Yeouido, including COMFORT Cinema Providing support including text message translation for persons with hearing impairment to participate in Live Talk program
Measures			Installation of seats for persons with disabilities in the cinemas Providing text message translation service for programs such as Untact Talk in replacement of Live Talk.



03



SUSTAINABILITY OUTCOME & PLAN

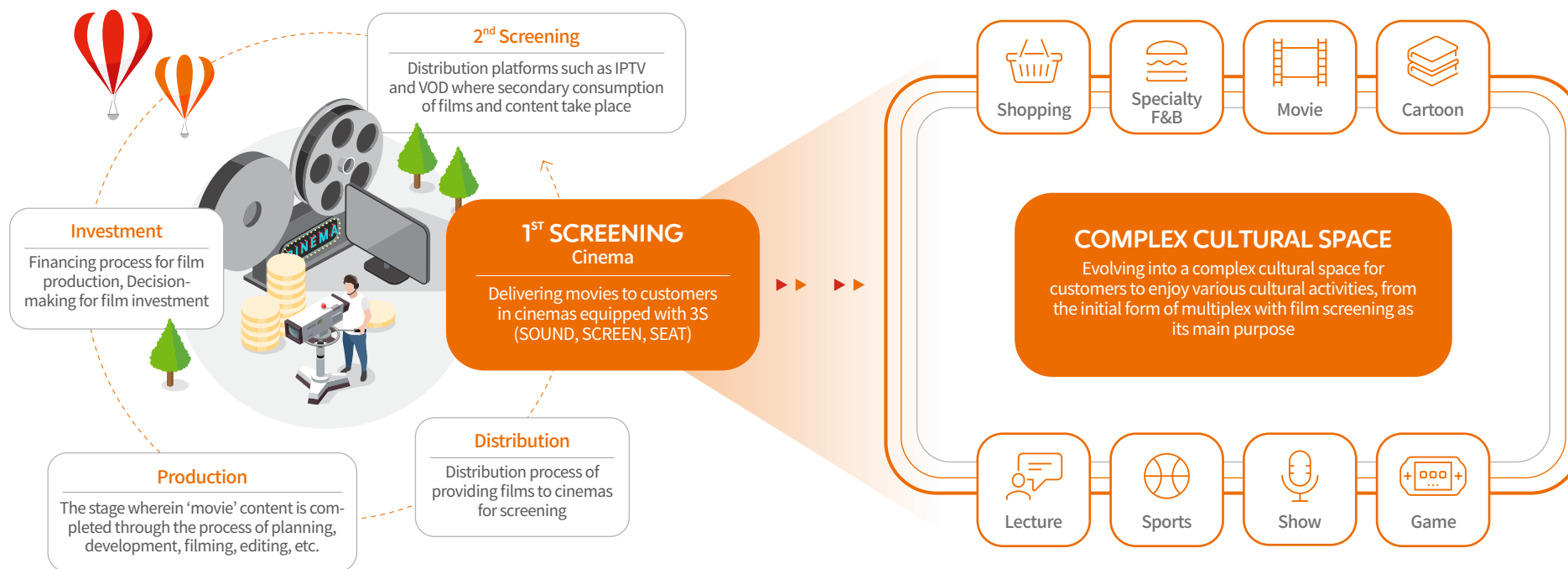
CULTURE & SPACE CUSTOMER VALUE MANAGEMENT



CINEMA INDUSTRY & BUSINESS MODEL

MULTIPLEX

CULTUREPLEX



- CINEMA INDUSTRY & BUSINESS MODEL
- CONTENT DIVERSIFICATION
- SPACE DIFFERENTIATION
- CUSTOMER SATISFACTION IMPROVEMENT

CJ CGV strives for virtuous cycle of the film industry ecosystem

Investment, production, distribution, and screening are interconnected in a virtuous cycle for the film industry. CJ CGV serves as a catalyst to connect various stakeholders in the film industry with customers through movie cinemas. Part of the sales generated from cinemas is used for film investment, production, distribution, etc., to produce new film content. CJ CGV will actively communicate with various stakeholders and establish a mutually beneficial system for the sustainable development of the film industry. We will thus provide a wide variety of content and pleasure to our customers.

CJ CGV is evolving into a cultureplex providing differentiated experiences beyond watching films

CJ CGV provides a new paradigm for the cinema culture through continuous evolution and innovation. We are evolving into a cultural space where customers can enjoy extraordinary experiences beyond film-watching. We constantly develop and launch new business models to provide more extensive relaxation and pleasure through 'Entertainment space in daily life.'

CONTENT DIVERSIFICATION

CJ CGV PROVIDES A VARIETY OF MOVIE CONTENT

CJ CGV strives to provide movies of diverse genres.

The film industry has gone through a difficult time due to Covid-19 in 2021, and yet we could present our customers with various domestic and foreign films. In 2021, about 1,500 films were screened, and 27.85 million domestic visitors enjoyed movies in CGV. CGV will provide various content and pleasure as a medium connecting customers and film industry stakeholders.


SPIDER-MAN: NO WAY HOME

TOP 1

**#Highest number of audiences
#Highest gross #Cumulative audience of 7.55 million**

Release date: December 15, 2021
Distributor: Sony Pictures Entertainment Korea
Director: Jon Watts / Cast: Tom Holland, Zendaya Coleman, Benedict Cumberbatch

<Spider-Man: No Way Home> attracted 5.56 million audiences (2.02 million from CGV), setting the highest record as well as for sales in 2021. In just two days after release, it brought over a million audiences, which is the shortest period since the breakout of Covid-19. The film ranked the top box office hit in 2021 and vitalized the cinema.



ESCAPE FROM MOGADISHU

TOP 2

**#Savior for cinemas #Tentpole movie
#Cumulative audience of 3.61 million**

Release date: July 28, 2021 / Distributor: Lotte Cultureworks / Director: Ryoo Seung-Wan
Cast: Kim Yun-Seok, Cho In-Seong, Heo Jun-Ho, Koo Kyo-Hwan, Kim So-Jin, Jeong Man-Sik

<Escape from Mogadishu> is a representative Korean movie that engined the cinema box office success in 2021, attracting 3.61 million audiences nationwide (1.12 million from CGV), ranking number 2 at the box office and winning sales of KRW 30 billion. The cinema industry presented <Escape from Mogadishu> during the peak season through an exceptional offer of retrieving 50% of the production costs for the normalization of the film industry.




ETERNALS

TOP 3

**#Marvel Studios #Ma Dong-Seok
#Cumulative audience of 3.05 million**

Release date: November 3, 2021
Distributor: Walt Disney Company Korea
Director: Chloé Zhao
Cast: Angelina Jolie, Ma Dong-Seok, Richard Madden, Kumail Nanjiani, Salma Hayek

<Eternals>, recording 3.05 million audiences (1.1 million from CGV) from across the country in 2021, attracted people with the cast of Ma Dong-Seok, amongst 10 heroes of different races and gender in the movie. Also, with the cancellation of limited cinema operation hours and sitting-apart system, many audiences visited cinemas again.




BLACK WIDOW

TOP 4

**#Marvel Studios #Female hero
#Cumulative audience of 2.96 million**

Release date: July 7, 2021
Distributor: Walt Disney Company Korea
Director: Cate Shortland
Cast: Scarlett Johansson, Florence Pugh, Rachel Weisz, David Harbour

<Black Widow>, which recorded 2.96 million (1.02 million from CGV) audiences across the country in 2021, was the first Marvel Movie released since the pandemic crisis of Covid-19 and signaled the revival for cinemas. Especially on the release date, the reservation rate exceeded 90%, revitalizing cinemas in July, regardless of upgrades in social distancing to level 4.



MEMORIES OF TOMORROW

DISTRIBUTION BY CGV

**#Distribution # Audience Award at the Florence Korean Film Festival
#Cumulative audience of 330,000**

Release date: April 21, 2021
Distributor: CJ CGV
Director: Seo Yu-Min
Cast: Seo Ye-Ji, Kim Kang-Woo

<Memories of Tomorrow>, distributed by CJ CGV, recorded 330,000 audiences (140,000 from CGV) and hit the box office 1st place. The movie received the Audience Award at the Florence Korean Film Festival for its solid story structure and development.



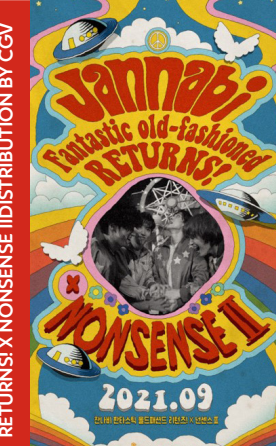
JANNABI FANTASTIC OLD-FASHIONED RETURNS! X NONSENSE II DISTRIBUTION BY CGV

DISTRIBUTION BY CGV

**#live performance #Jannabi at the cinema #Production by CGV
#Distribution by CGV**

Release date: September 9, 2021
Distributor: CJ CGV / Cast: Jannabi

<Jannabi Fantastic Old-Fashioned Returns! X Nonsense II> is the live performance video of the Jannabi group's concert transferred as it is, capturing the heat of the concert site. Almost simultaneously with the reservation opening on September 2, it ranked NO.1 in reservation rates among the CGV movies to be screened, attracting great interest from fans who couldn't join in the performance stages for a long time.



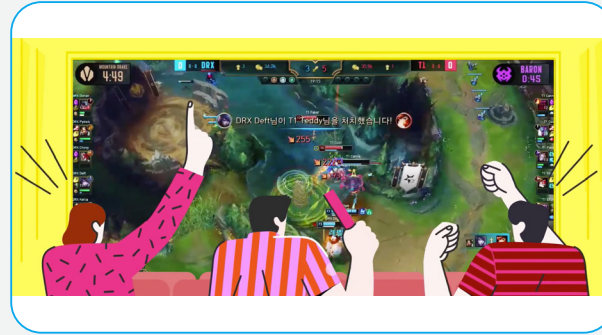
ARTS AND CULTURAL CONTENT

We lead the discovery of differentiated cultural content

CJ CGV operates ICECON, an arts and cultural content brand presenting various content other than movies. ICECON stands for Interactive, Colorful, and Exciting Contents, showing our will to provide multiple and engaging contents through customer communication. ICECON classifies content into four categories of play, stage, library and channel for customers to easily select cultural content of their interest.



[Meet the ICECON lineup of the month](#)



CGV,
a Space to Play

ICECON **PLAY**

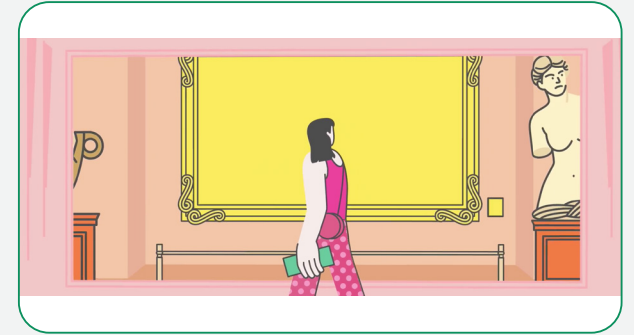
We provide customer-engaging content with the concept of play, such as e-sports or live streaming of World Cup.



Stage to Enjoy
in the Cinema

ICECON **STAGE**

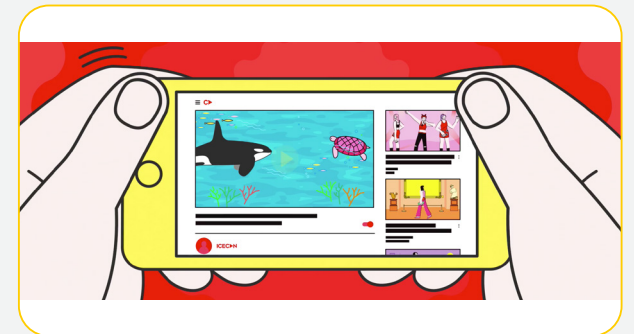
Live performance contents such as operas, musicals, concerts and classical music are provided



Knowledge-charging Station,
Library

ICECON **LIBRARY**

Various knowledge content, including lectures, digital museums and book talk are provided.



Meeting Channels
through Screen

ICECON **CHANNEL**

We provide contents that have become popular through broadcasting, OTT, etc., on large cinema screens.

SPACE DIFFERENTIATION

CINEMAS SPECIALIZED WITH TECHNOLOGIES

CJ CGV provides the most immersive cinema environment for watching movies, with the advanced technologies of 3S (Screen, Sound, Seat)



IMAX ULTIMATE IMMERSION

IMAX, meaning 'Eye Maximum,' provides a lively visual experience through a maximized silver screen and high-resolution projection technology. In addition, three-dimensional and vivid original sounds realized in 14,000W shape an optimal theatrical environment.



SCREENX EXPANDING THE CINEMA SPACE

ScreenX is a projection immersive cinematic platform by expanding the scene onto the side walls. Customers can feel alive as if standing in the middle of the movie, through panoramic video extending to the left and right walls. In June 2022, CGV Yeongdeungpo opened ScreenX PLF (Premium Large Format), equipped with the world's most extensive surround screen system.



4DX SPECIAL SENSORY EXPERIENCE

4DX is a special cinema which delivers an immersive multi-sensory cinematic experience. It incorporates on-screen visuals with synchronized motion seats and environmental effects such as water, wind, fog, scent, snow and more, to enhance the action on screen.



Exceeded 100 million visitors (as of 2019) in 40 domestic and 785 cinemas in 69 overseas countries (as of June 2022)



4DX SCREEN MAXIMUM AMOUNT OF SYNESTHESIA

4DX Screen is a new type of cinema with integrated technologies combining '4DX' cinema that provides various sensory experiences and ScreenX cinema that the screen unfolds on 3 sides of the walls, including the left and right sides.

PREMIUM SPECIAL CINEMAS

CJ CGV provides the film-watching condition of the highest quality for customers with sophisticated interiors and premium services.



PRIVATE BOX BOX-TYPE PREMIUM CINEMA

PRIVATE BOX is an independent premium special cinema of box type with capacities of 2 to 4 people. It provides a differentiated cinema sensibility with the reclining chair of the highest quality, sophisticated interior and welcome service. While preserving the traditional value of movie cinema, the cinema offers premium service in a private space in its integration with other special cinemas.



SUITE CINEMA HOTEL-TYPE PREMIUM CINEMA

SUITE CINEMA is a hotel-type premium special cinema with a suite and lounge realized in the cinema. It is a living-room type space with a 2 to 4 people capacity, providing reclining chairs and suite package service. Exclusive lounge and welcome drinks are available 30 minutes before the movie starts.



CINE de CHEF CINEMA WITH DINING

CINE de CHEF is a cultureplex combining a cinema of the highest quality and a trendy restaurant, meaning 'Cinema with Chef' in French. Customers can enjoy dishes made by top chefs in a modern and comfortable dining room with a gallery mood. They can also luxuriously relax in cinemas collaborating with premium brands, including TEMPUR and STRESSLESS.



TEMPUR CINEMA RECLINING BED CINEMA

TEMPUR CINEMA is the world's first reclining bed cinema, made in collaboration with TEMPUR, a premium mattress and pillow brand. All seats have the best reclining motion beds for the best film-watching environment and an exclusive welcome package is provided.



PREMIUM COZY GOLD CLASS PREMIUM SOFA CINEMA

GOLD CLASS is Korea's first premium special cinema built on top of the concept of airplane's first class. It provides the best film-watching environment with curved screen heightening immersion, line array speaker through which detailed sounds are enjoyed and recliner sofa seats accompanying the best comfort. Customized services such as welcome drinks, comfort packages and tables to place personal possessions are offered as well.



THE PRIVATE CINEMA PRIVATE PREMIUM CINEMA

THE PRIVATE CINEMA is a space completed with the best screening facilities, sensuous design and customized services. It possesses every condition of a luxury cinema, including Prestige leather sofas and B&W speakers. These could be customized in accordance with the customer's taste and the meeting's size and characteristics.

SPECIAL CINEMAS WITH CONCEPTS

CJ CGV provides concept cinemas with unique themes reflecting the current customer trends.



CINE & FORÊT HEALING CINEMA WITH NATURE CONCEPT

'CINE&FORET' is Korea's first grass slope cinema in the concept of nature within a city. Green space decorated with reindeer moss walls and slope-type indoor grass adds freshness with high-purity oxygen and the scent of nature. 3 types of comfortable seats—mats, bean bags and cabanas—and individual tables create moods for a picnic.



CINE & LIVING ROOM SOCIAL CINEMA OF NEW CONCEPT

'CINE & LIVING ROOM' is a social cinema with the moods and sensibility of a comfortable and sophisticated living room like one's own. It is comfortable and charming as a space consisting of various themes and interior that realizes the ideal on a living room. The cinema provides the uniqueness of a cinema and the warmth and comfort of a living room through LED screens clear and bright.

CINEKIDS CINEMA FOR KIDS

'CINE KIDS' is a special cinema screening children and family movies 365 days and offers the optimal film-watching environment and customized services for children. It is a cinema comprised of 'Car seats,' 'Children's seats' and 'General seats' for children to select seats by personal tastes and watch movies and for guardians to watch movies in general seats along with the children.



DRIVE IN

CJ CGV operates drive-in cinemas reflecting customers' needs for non-face-to-face services to present an exceptional film-watching experience.

CGV DRIVE-IN DRIVE-IN CINEMA

DRIVE IN is a drive-in cinema that opened in June 2021 to satisfy the customers' needs for non-face-to-face service and provide unconventional pleasure. We took the convenience of film-watching as the top priority and arranged the parking line at the optimal angle for screening. Also, CGV's signature popcorn and other popular menus are sold for customers to enjoy additional pleasure in the cinema.



FOOD & BEVERAGE

We present various new foods

CJ CGV provides customers with various foods, including popcorn, beverage and snack. We strive to deliver exotic new menus through different MD products and collaboration with F&B brands in alignment with the latest films. We will keep providing unacquainted pleasures to customers through differentiated menus reflecting the newest food and beverage trends.



CGV F&B's Representative Menus

F&B Specialized Space

POPCORN FACTORY

It is the most representative F&B space selling CJ CGV's main menus, including popcorn, hotdog, squid and beverage. POPCORN FACTORY is present in most CJ CGV cinemas across the nation, as an essential place that adds to the pleasure of film-watching.

CINE PUB

CINE PUB is located on the 7th floor of CJ CGV Yongsan I'Park Mall, the company's representative flagship cinema. The camping concept characterizes it, as the audience can feel a comfortable camping atmosphere indoors and enjoy foods and beverages such as pizza and craft beer before and after watching movies.

CINE CAFÉ

CINE CAFÉ started in the lounge café of 'Gold Class,' a premium cinema brand of CJ CGV. Since 2015, cafes owned by the company are operated for all customers not to mention Gold Class customers. Currently, it is operated in CGV Wangsimni, Gwanggyo and Cheongju (West Gate) and provides differentiated coffee using coffee beans of Inteligencia, one of the top 3 specialty coffee brands in the United States.

GO PIZZA Collaboration

We provide various foods through collaboration with 'GO PIZZA,' a pizza brand for solo dining. It operates in CGV Yongsan I'Park Mall, Yeongdeungpo, Wangsimni, and Dongsuwon stores. New and differentiated F&B customer experience is provided with the development/introduction of exclusive CGV specialty menus.

Collaborated New Menus

We provide new and delicious pleasures through a variety of collaborated menus only CJ CGV can present.



Garlic Snowing Hot Dog | Garlic Snowing Hot Dog is a product of the reinterpretation and development of 'Garlic Snowing Pizza,' which is the signature menu of the Mad for Garlic to fit the cinema environment. It provides a deeper taste with 100% domestic garlic flakes, garlic cream sauce and black buns.



Crystal Light Beverage | Reflecting the customer needs for low-calorie products, we collaborated with Crystal Light, the representative beverage brand that suits the trend of healthy pleasure. We released 5 types of new menus in a variety of flavors and colors.



Kimchi Seasoning Mix Popcorn | Kimchi Seasoning Mix Popcorn is a Kimchi popcorn produced with 'Seoul Sisters Kimchi Seasoning,' the seasoning bestseller on Amazon. After launching in 2021, it developed into a signature popcorn as an end product sold in CGV POPCORN FACTORY and online delivery applications.



CGV F&B Business Team

Safe Foods

CJ CGV strives to provide customers with safe foods. We disclose regions of origin and nutritional information of the products we specify in customer contact points such as the snack bar kiosks and fast order for easy access. Also, we regularly conduct food safety training and hygiene inspection at business sites. Some stores achieved an 'Excellent' rating in the hygiene grading system by the Ministry of Food and Drug Safety.



Internal Hygiene Inspection

- Hygiene Inspection (Twice a year)
- Collection of sales products in stores (Twice a year)
- Restaurant's certification of food hygiene grade

* 3 stores of CINE de CHEF / * 13 stores in 9 cinemas

PLAY ZONE

We make a variety of spaces for play culture to enjoy leisure

CJ CGV is evolving into a cultural space to enjoy unconventional ‘experiences’ beyond just ‘watching’ movies. We will continue presenting new business models to become an entertainment space within living that provides more relaxation and pleasure to our customers.



PEAKERS

PEAKERS is a climbing gym established by renewing some of the cinemas in CGV Piccadilly 1958. ‘PEAKERS’ is a compound word of ‘peak’ and ‘-ers,’ meaning those who climb up to a mountain peak. It serves as the first case of transforming CGV’s cinema into a leisure facility in line with the trend of promoting health since Covid-19.



Bowling Pub

Bowling Pub is a premium bowling alley located in CGV Suyu and Cheongju Yullyang.



lolol

lolol is a cartoon café of a new concept located in CGV Yeongdeungpo, Daejeon and Gwangju.



MISSION BREAK

MISSION BREAK is an escape room, a space for themed experience. It is located in CGV Yongsan I’Park Mall and Geumnam-ro, Gwangju.

CINESHOP

CINESHOP introduces various goods related to movies.

It is Korea’s first movie goods store for customers to meet movie-related goods of different designs. Products utilizing movie characters are released in diverse categories, including stationery, miscellaneous goods, clothing and digital devices. Over 70 % of the sales are made with CINESHOP PB products that CJ CGV planned and produced. We provide goods with a variety of themes, including games, sports and idols.



Online/live Commerce

We communicate with customers, operating CINESHOP offline stores and CGV brand stores. We provide our customers with various pleasures by selling different products such as character goods, as well as tickets exclusively for movies connected with distributors and tickets for CGV’s special cinemas and F&B products. Also, by running live commerce through which we directly communicate with customers, we are stepping closer to them.



CUSTOMER SATISFACTION IMPROVEMENT

CUSTOMER SATISFACTION SERVICE

Sustainable Service Evolution

CJ CGV aspires to convey service and emotion greater than movies. We have established the VOC quick-sharing system to respond to customer inquiries and resolve dissatisfaction. We aim to reflect the voices of our customers on business activities by sharing the VOC with the executives, including the CEO and related departments. Since April 2021, we have operated the Consultation Talk within the CJ CGV webpage for better customer communication.

VOC System

CJ CGV strives to respond to customer inquiries and resolve dissatisfaction received through various channels, operating the Voice of Customers Bulletin Board, Customer Center and Consultation Talk. Also, we provide consistent and systematic customer response in the business sites by distributing the VOC response manual by type. Customer dissatisfaction is minimized and thoroughly managed with measures such as the digitization of customer dissatisfaction and the systemization of the VOC quick-sharing process.

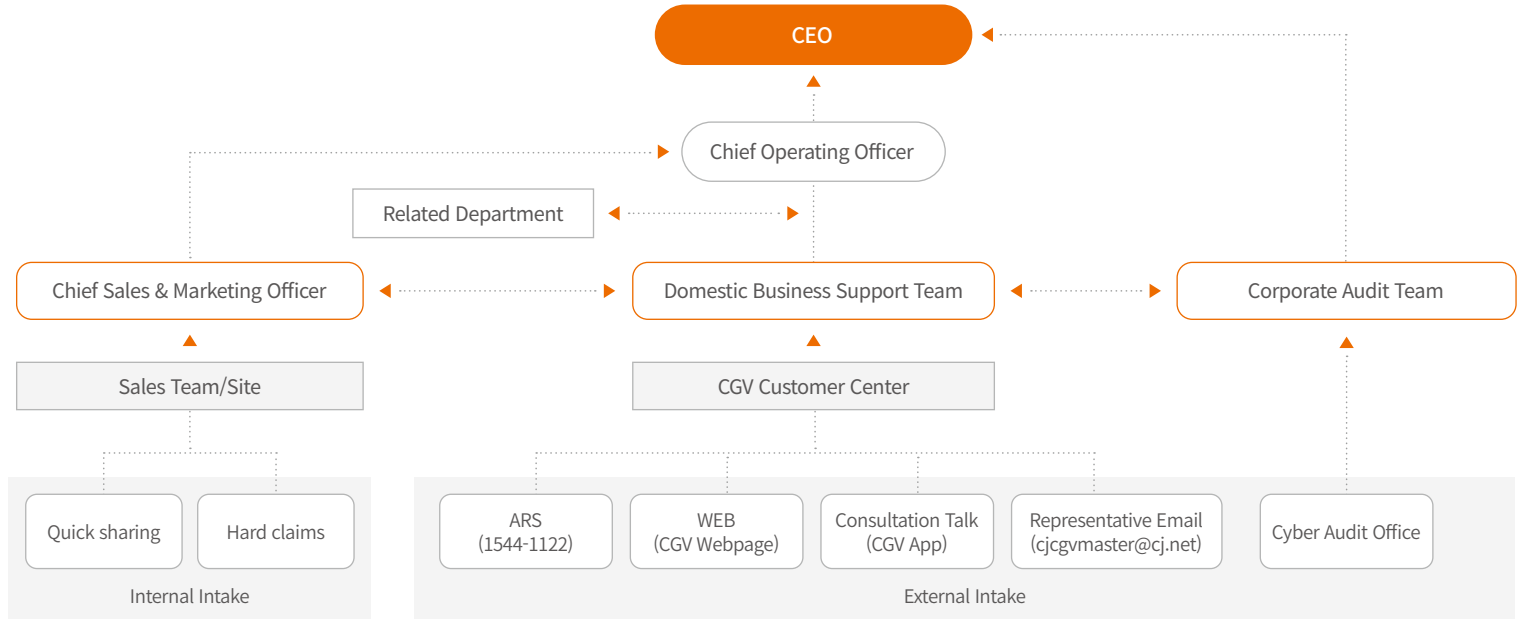
VOC Status

(Webpage/ARS Intakes, Unit: Case)

VOC Type	2019	2020	2021
inquiry	362,906	148,971	106,260
dissatisfaction	16,127	6,791	5,402
compliment	1,035	259	207
Improvement suggestions*	24	14	32
Total	380,092	156,035	111,901

* Intakes received by the Cyber Audit Office

VOC Management System



Customer VOC Management System

CJ CGV established a quick-sharing system by step, classifying the VOC issues into 12 categories. When VOC occurs, details are quickly shared with the manager and chief executive of the relevant departments and the CEO. Response measures and completion on the matter are checked first, and the improvement and inspection of the VOC reflection results follow through.

CS Improvement Efforts

CJ CGV shares the CS improvement activities to provide customers with greater satisfaction. We induce positive synergy by spreading each cinema's exemplary improvement case, providing the VOC report to all cinemas and sharing improvable VOC cases, striving to prevent customer dissatisfaction. Each cinema's CS leader offers customer service training for Smile Friends. Also, we encourage customer service improvement through different activities, with executives running a monthly award ceremony and providing compliment letters for excellent CS leaders as well as giving snacks to the cinema of relevance when customers register compliments.

SMILE FRIEND INTRODUCTION

Smile Friends are employees responsible for customer response at the closest contact points. Their title has a meaning of 'a person who protects the smiles of customers by treating them with comfortable smile.' CJ CGV provides a variety of training and welfare benefits for Smile Friends who carry out the most important roles in the cinema, to instill pride and the sense of responsibility. In particular, we have developed, distributed and educated the Standard Operating Procedure (SOP) and a customer service response manual by situation (MOT). We have launched and operated an online education platform, 'CGV Eduon' for systematic education. Other than the response training, we provide different trainings for sanitation, safety and others to provide better customer service.

* Customer Service Response Manual: SOP (Standard customer response procedure), MOT (Customer service response manual by situation)

* Smile Friend Training System: Entrance training for new Smile Friends, Site OJT, Introductory and refresher training for Senior Smile Friends, Situational training



CGV Smile Friends

- Ticketing / Ticket Exchange / Refund / Providing Film Information



TICKET BOX



- Sales and management of various snacks, including popcorn and beverages



POPCORN FACTORY



- Guide to entering and exiting the cinema / Cleaning / Management



FLOOR

We provide various welfare benefits for 'Smile Friends' making their best endeavors for customer satisfaction.

In July 2013, CJ CGV turned all Smile Friends from part-time workers to 'In-definite contract workers' to reinforce employment stability. In April 2015, we introduced an hourly payment system counting time by the minute for the first time in the industry. We provide varied and substantial benefits for Smile Friends, such as 10 free film-watching opportunities per month, F&B discounting, student loan interest assistance, and exemption from document screening when hiring full-time employees for those who have worked for a long time.

CGV Smile Friends Welfare

	Film-watching Support	Free film-watching at CGVs nationwide (10 times a month) Photoplay payment (10 tickets per month)
	Discounts	50% discount on snack bar menus, 50% discount on Cine Café, Twosome and Smoothie King operated by CGV, 30% discount for Cine Shop products
	Award System	Mileage provided as awards according to the internal regulations (Applicable for film-watching and purchase at snack bar), Thanks Card awarded to Smile Friends for providing excellent services
	Transportation Subsidy Payment	Providing a transportation subsidy of KRW 3,000 when leaving before 7a.m. or after 11:30 p.m.
	Preferential Hiring of Smile Friends	Hiring field operation managers among candidates, including Smile Friends, Exemption from document screening when applying for CJ affiliates
	Congratulatory & Condolence Money and Leave	Money and leave provided for workers and their spouses in the occurrence of congratulatory and condolence events
	Student Loan Interest Assistance	Student loan interest assistant for applicants of the Korea Scholarship Foundation scholarship who are current students or students on leave of absence (excluding students of cyber universities and graduate schools.)
	Medical Benefits	Regular health check-ups once a year, Substantial medical expenses due to illness or injury

INFORMATION SECURITY AND PRIVACY PROTECTION

Information Security Principles and Policies

CJ CGV complies with laws on the promotion of information communications network use and information security and privacy protection-related laws. We thus secure the customer information and our assets of critical company information.

Information Security Operation System

Organizational System

CJ CGV placed the Information Security Center under the CEO's direct supervision to perform information security tasks exclusively. We operate the Information Security Committee comprised of the CEO, executives and the Chief officer regarding information security, providing funds and resources for the promotion plans for information security activities and policy approval. We also formed the Information Security Consultative Body to handle the human resources, physical and technical task implementation with the dedicated Information Security Department as its basis, conducting information security plans of each department. In addition, we strive for independent and systematic task performance by appointing different individuals for the Information Security Chief and Privacy Protection Chief.

Information Security System and Compliance

CJ CGV identifies the information security rules, guidance and procedure for their specific implementation. We have established the information security management system with its continuous assessment and renewal.

Information Security Training Completion of Executives and Employees

(Unit: Person)

Year	Training Period	Number of Trainees*	Rate of Completion (%)
2019	07. 29 ~ 08. 23	1,378	99.5
2020	07. 27 ~ 08. 21	1,177	100
2021	07. 26 ~ 08. 20	992	99.9

* Number of full-time workers

Information Security Training for Executives and Employees

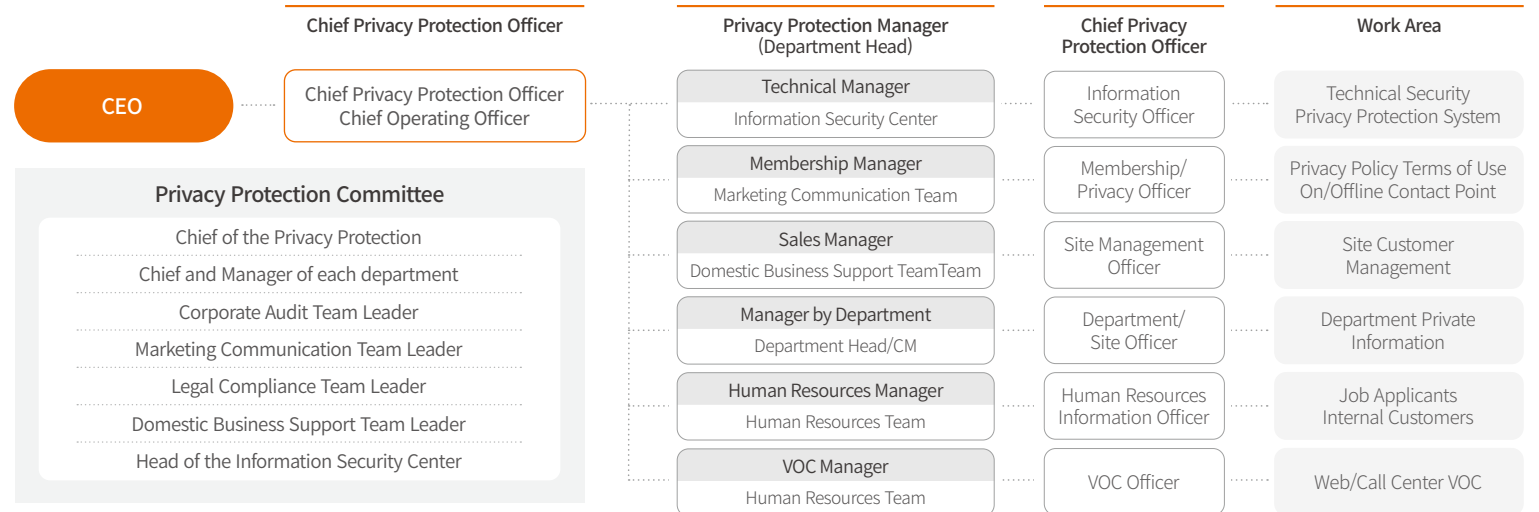
CJ CGV conducts information security training to reinforce the awareness of information security and mandates all executives and employees to participate at least once a year.

Privacy Protection

Privacy Protection Risk Management

CJ CGV has appointed the Chief Operating Officer for the head of privacy protection, and the Marketing Communication Team, which manages membership, oversees personal information management. For risk management, we extract and destroy information through the information processing system exclusively for CJ Group and allow access for a minimum number of people. Also, we control unpermitted access from outside, such as hacking, by operating a trespass blockage system. Access rights to the personal information processing system and theft logs are inspected each month to be reported to the management, and the handling of personal information is examined once a year through the partner company specializing in information security.

Privacy Protection Organizational System



Maintenance of Privacy Protection Management System Certification

CJ CGV has maintained the <Information Security Management System (ISMS) Certification> since the first certification in 2013.

- Certification Scope: Internet movie reservation service operation
- Effective Period: March 25, 2020 ~ March 24, 2023

Subscription to Privacy Protection Liability Insurance

Since first subscribing to Privacy Protection Liability Insurance in 2019, CJ CGV has renewed the subscription every year.

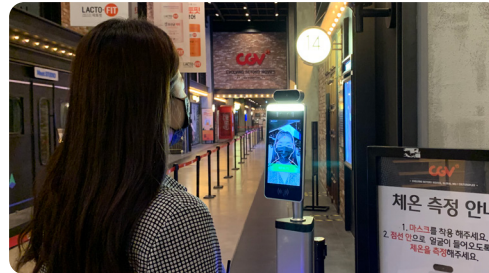
Private Data Leakage Accident and Response Status

Against the privacy infringement/leakage, CJ CGV has prepared the 'Privacy Leakage Response Procedure' for prompt response to prevent and minimize damage to users. Customer data leakage, theft or loss has not occurred for the last 3 years.

RESPONSE TO COVID-19

Customer Safety Cinema

Since the outbreak of Covid-19, CJ CGV has fortified preventive disinfection and various preventive activities for customers to feel safe watching movies. As the confirmed Covid-19 patient first visited the cinema at the end of January 2020, we quickly facilitated the internal guideline for customer safety. All employees at all cinemas are required to wear masks when responding to customers. We also carried out thorough disinfection management with the Covid-19 Expansion Prevention System through activities, including providing hand sanitizers and sanitizers, attaching antibacterial films, and guiding the prevention of infectious diseases in daily life.



▶ Measuring fever before film-watching



▶ Socially-distant seating



▶ Internal disinfection through a professional disinfection company



CGV introduced the digital entrance record system at all cinemas owned by the company in June 2020 for the convenience of pharmacological research. Whereas the introduction of the system was not necessary, we decided to implement the system for the creation of a safer film-watching environment.

Since March 2020, CJ CGV has applied 'Seating apart from front and back rows' for safe film watching and preventing Covid-19 expansion. The 'Socially-Distant Seating' Campaign has been continued since June of the same year. Even when the governmental guidance on social distancing was on level 2, we prohibited in-cinema eating and implemented the system of sitting-apart by one seat. We improved the services for audiences who wanted to use the snack bar when eating was prohibited in cinemas, with guides given to eat before movies or take out the food.

We have implemented the cinema ventilation with air-conditioning system and internal disinfection through a professional inspection company to prevent the spread of Covid-19. In May 2020, we introduced the Smart Pass System in all cinemas owned by the company for autonomous check of audience heat measuring and mask-wearing.

Non-face-to-face Service Introduction

CJ CGV has introduced the 'Untact Cinema,' which is a new concept cinema that minimizes contact services as the 'social distancing' is routinized due to Covid-19. On April 20, 2020, the Untact Cinema, first presented in CGV Yeouido, enables customers to use cinema facilities conveniently based on the un-tact service with a variety of high technologies. Before officially launching the Untact Cinema, CGV upgraded kiosk functions to enable ticket exchange and refunds in addition to simple ticketing. Also, to increase customer convenience, we have presented kiosks exclusively for snack bar orders.

For the mobile service division, we have launched the 'Fast Order' and 'Integrated Payment' services for customers to order F&B menus through smartphones easily. As for Fast Order, we operate the 'Now Order' service through which customers can order instantly without waiting in line at the site and 'Buy in Advance,' wherein customers can order in advance and request pick-up at a preferred time of their request. Integrated Payment features heightened customer convenience, enabling customers to pay in advance for items, including CGV F&B menus. Other than these, we have developed a system to validate parking—which used to be available only through directly visiting the ticket office—fast and convenient through the CGV mobile application and kiosks, expanding it to all of our cinemas.

Untact Cinema



▶ Check-in with Smart Check System



▶ Purchase at CGV snack bar kiosk



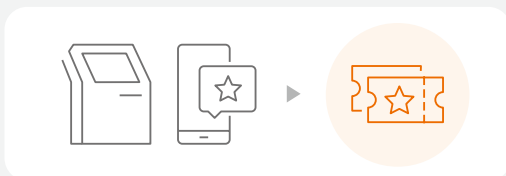
▶ Pick up menus at a pick-up box

CGV Yeouido has changed the ticketing method by establishing a 'Smart Check' system at the entrance of each cinema for customers to read the reserved tickets through the Smart Check machine in person. We reduced the entrance check time and increased the admission guide accuracy by having customers check the ticket information in just a second. 'Pick-up Box' made of a transparent LED screen opens the door when a customer knocks on it and has them fetch the prepared food so that the customers can purchase all snack bar menus in a convenient and fun way with no need for contact

with customers. Service operates in the process of: ordering CGV snack bar menus through the mobile application order service, 'Fast Order' or a snack bar kiosk; reading the receipt QR code on the Pick-up Box scanner; and picking up the prepared foods. CJ CGV provides delivery and take-out order services in partnership with delivery companies for customers to enjoy F&B menus in various places other than cinemas.

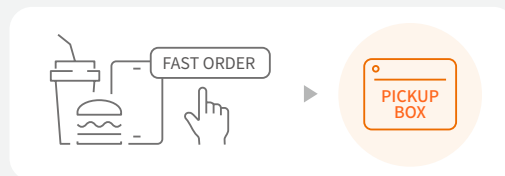
Wise Cinema Life with Untact Cinema

1. TICKETING



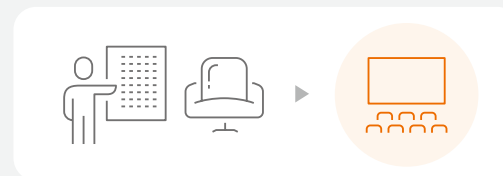
Ticketing through kiosks, mobile application/webpage

2. SNACK BAR PURCHASE



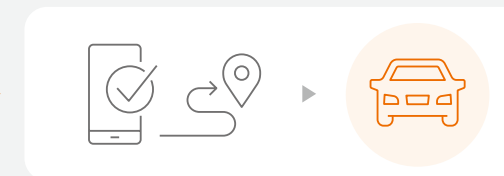
Ordering through the snack bar mobile application service, 'Fast Order' or 'Snack Bar Kiosk' and picking up menus at the Pick-up Box

3. CINEMA ENTRANCE



Self-checking film ticket and seat through the 'Smart Check' at the cinema entrance before stepping inside

4. PARKING VALIDATION



Validation through mobile application and kiosks in person



- ENVIRONMENTAL MANAGEMENT AND WASTE REDUCTION
- GREENHOUSE GAS EMISSIONS REDUCTION
- USING SUSTAINABLE PRODUCTS AND RESOURCES

ENVIRONMENTAL MANAGEMENT & WASTE REDUCTION

ENVIRONMENTAL MANAGEMENT SYSTEM

Environmental Management Strategy and Direction

To facilitate a business environment where the planet is protected, CJ CGV takes waste reduction, greenhouse gas emissions reduction and the use of sustainable resources as three priority tasks to practice eco-friendly management..

Environmental Management Operation System

CJ CGV's environmental management is implemented through TF operation by priority task, with the ESG Working Group in the center. We establish a more specific environmental management guide and reinforce the dedicated organization capability, under the policy of minimizing environmental impact across the business management and expanding positive environmental effects.



Employee Training on the Greenhouse Gas Target Management System

Environmental Education for Members

In June 2022, CGV signed the 'Business Agreement for Environmental Training to Realize Sustainable Future' and implemented environmental training for all executives and employees during June. We conduct the training through the headquarters TV and the online training system (CJ CAMPUS). The topics include changes in diet due to climate change, things we can do for the earth, corporate trial and experiment cases in response to climate change and the transition of the standards and lifestyle for a good life. Also, as a participating company of the 'Greenhouse Gas Target Management System,' we implement environmental education for business site operating managers nationwide once a year.

WASTE REDUCTION EFFORTS

Equipment Recycling

CJ CGV reuses and recycles the operating equipment generated when closing down cinemas to minimize waste and practice resource recycling. Proprietary equipment, aside from worn-out equipment, is transferred to other business sites for reuse or recycling as parts. Also, we minimize the generation of waste equipment by returning all rental equipment from partner companies among F&B equipment. During 3 years, from 2020 to June 2022, 20 out of 35 projection equipment was reused by being transferred to other business sites and

replaced obsolete equipment.

Using Eco-friendly Popcorn Containers and Reusable Cups

Since the second half of 2021, CJ CGV has been changing the packaging material into eco-friendly material to reduce waste generated from Popcorn Factories in cinemas and recycle the resources. From January 2022, we have pilot-introduced 'Eco-friendly Popcorn Containers (L)' in 10 representative CJ CGV cinemas. The replaced eco-friendly container has adopted 'PE (polyethylene)-free' recycling technology that doesn't engage a separate procedure for coating separation and decomposes underground. We plan on extensively using eco-friendly materials for the packaging of various menus as well as popcorn. Since July 2021, we have reduced disposable cup waste by using reusable cups in 5 cinemas. When purchasing soda pop, customers can use reusable cups, which they can return in the collection box at the exit and lobby after watching movies. As provided, CJ CGV engages customers in eco-friendly activities they can easily practice in everyday life.

Waste Emissions

(Unit: Ton)

Year	2019	2020	2021
General Waste	96.9	73.9	86.4

* Based on CGV headquarters, CGV Yongsan I'Park Mall



Using reusable cups

GREENHOUSE GAS EMISSIONS REDUCTION

GREENHOUSE GAS EMISSIONS REDUCTION EFFORTS

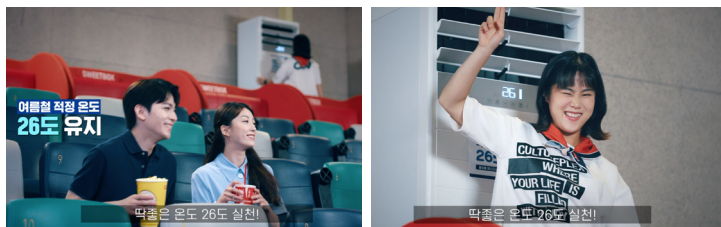
Establishing Greenhouse Gas Inventory

Since 2016, CJ CGV has been designated as the subject of 'Greenhouse Gas Target Management.' We have established the greenhouse gas inventory and strived for greenhouse gas emissions reduction. We manage and collect data on greenhouse gas emissions from 120 sites owned by the company across the country, not to mention headquarters.

Enhancing Major Equipment Energy Efficiency

Granted, CGV has restrictions in environmental management as most of its cinemas occupy buildings in the form of a lease, and yet it strives for energy efficiency by signing MOU with Korea Energy Agency and implementing energy assessments, etc. We manage energy consumption effectively through LED light replacement and standby power blocker installation. Also, we conduct electricity consumption reduction campaigns such as system changes of air conditioners and kiosks at the corporation level. We also use solar power facilities in some buildings to conserve and effectively consume energy. Consequently, we have gradually reduced greenhouse gas emissions, overachieving the yearly emissions targets by 12,401(tCO₂-eq) in 2019, 36,885(tCO₂-eq) in 2020 and 31,767(tCO₂-eq) in 2021¹⁾.

1) 2021 Greenhouse Gas Target Management System Final Allowance 89,090 (tCO₂-eq)



Korea Energy Agency's Summer Energy Saving Campaign

GREENHOUSE GAS EMISSIONS REDUCTION CAMPAIGN

Participation in Carbon-neutral Social Agreements and Public Campaigns

CJ CGV attended the 'Social Agreement Ceremony' for carbon neutrality implementation in 2021. We participate in establishing a private-public collaboration system for creating a low-carbon society and as the business site with excellent energy use by maintaining proper indoor temperature. To this end, we exposed campaign videos and messages on cinema screen advertisements, offline banners, online event pages, etc. Also for 2 months, from July to August 2021, we encouraged customers' energy conservation activities by providing film discount coupons, holding 26°C Day event and implementing Moderate Temperature Challenge.

Zero Waste Campaign

Since June 2021, CJ CGV has refrained from printing paper tickets and encouraged mobile ticket use through the 'Zero Waste Campaign' for environmental protection and convenient film watching. Also, for F&B purchases, we minimize paper use by providing previously set smart receipts. Paper ticket printing among mobile reservations has reduced from 30.3% in 2019 to 22.3% in 2021. For task operation, we have developed Mobile Sales Management System (MOS) to realize a paperless environment, mobilizing 18 checklists that used to be provided in paper form.

Resource Circulation 60 Second Extremely Short Film Festival

From the end of 2020 to the beginning of 2021, CJ CGV co-hosted 'Resource



Zero Waste Campaign



Resource Circulation 60 Second Extremely Short Film Festival Awards Ceremony

Circulation 60 Second Extremely Short Film Festival' with the Ministry of Environment, Korea Environment Corporation, Korea Packaging Recycling Business Mutual Aid Association, Circulation Resource Distribution Support Center, etc. Resource Circulation Film Festival took place to increase social interest in the separate discharge of transparent PET bottles, awareness transformation on recycling and reuse and activation of high-quality recycled product manufacturing. The film that won the grand prize was filmed in 28 CJ CGV cinemas for a week during January 2021 in Seoul, Chungnam, Busan, etc., contributing to spreading the awareness of resource circulation among audiences.

Greenhouse Gas Emissions Sources

* As of December 31, 2021

Date		Energy Sources	Proportion (%)	List of Emission Sources
Direct from Combustion	Emissions Stationary	City Gas	11.7	Water heater, boiler and air-conditioning equipment
	Moving Combustion	Gasoline/Diesel	0.06	Corporate passenger cars and vans
Indirect Emissions from Purchased Electric Power	Emissions Purchased	Electric Power	86.4	Facilities using electric power
	Purchased Steam	Heat (Steam)	1.6	Facilities using steam

Greenhouse Gas Emissions

(Unit: tCO₂-eq)

Greenhouse Gas Emissions	2019	2020	2021
Scope1	9,666.5	6,145.5	7,184.4
Scope2	73,203.8	52,690.8	53,561.9

Energy Consumption

(Unit: TJ)

Energy Consumption	2019	2020	2021
Fuel Consumption	190.0	120.6	141.3
Electricity Consumption	1,484.1	1,066.8	1,096.4
Steam Consumption	33.2	26.2	30.8

USING SUSTAINABLE PRODUCTS AND RESOURCES

USING SUSTAINABLE PRODUCTS AND RESOURCES

Release of the Goods Upcycled with Used Screens

In January 2021, CJ CGV released recycled goods made with used screen materials for the first time in the industry. We have established a step-by-step process from demolishing waste screens due to cinema renewal or contamination and making them into upcycled products to reduce waste and practice a circular economy. We produced the '2 Types of Little Bags' in collaboration with a social enterprise and donated part of the proceeds to a childcare facility. The second goods are 'Screen Multi-bag' and 'Screen Mat' to be used handy for outdoor activities, such as picnics and camping. The third goods recently released are 'Screen Pouch' to protect laptop and pad products, with a clean design and increased convenience. CJ CGV will keep discovering new uses for resources disposed of in cinemas to practice a circular economy of resources.



Multi-bags made with CGV screens

Advertisement, 'GO GREEN, GO CGV'

CJ CGV broadcasts advertisements encouraging customer participation in the zero-waste movement—through public transportation mobile tickets—on various advertisement mediums inside and outside the cinema.

Used Screen Upcycling Process

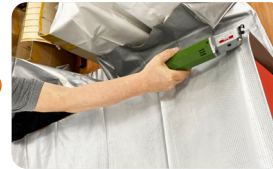
Demolish



Replacement of cinema screens difficult to use due to contamination or damage



Tailor



Removing contaminated part unwashed and tailoring it to fit the product size



Wash



Washing to remove contamination, smell, etc.



Produce



Producing into a new upcycled product (Little bag, multi-bag, mat and pouch)

FSC Certified Paper and Wooden Chairs

FSC-certified paper products are used for all CJ CGV's receipts and tickets. Also, for some of the electric recliners, FSC-certified wood is used.



Environmental Safety of Interior Raw Materials

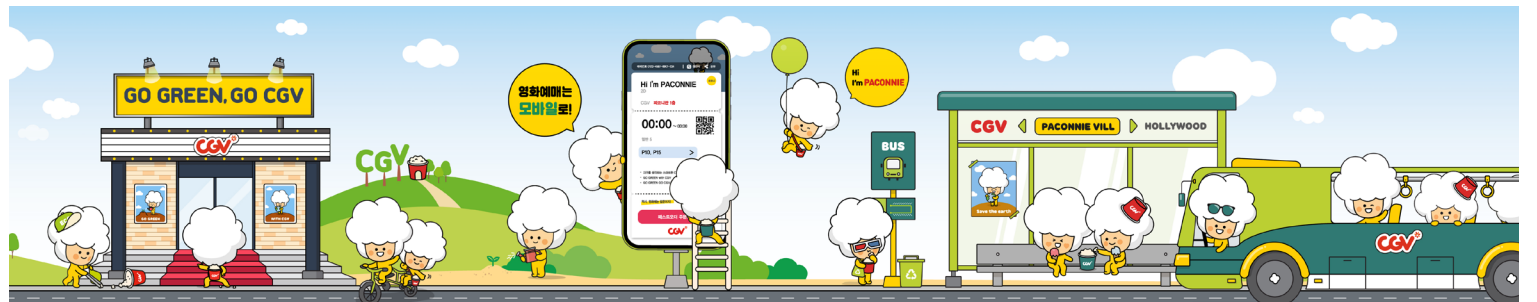
When selecting interior raw materials for CJ CGV spaces, we closely examine product safety, for instance, checking the Environmental Product Declaration to provide customers with a safer environment and space.

Popcorns with NON-GMO Corns

CJ CGV's popcorns are produced using 100% NON GMO corns and we are expanding the use of sustainable raw materials.

Vegan Beverages

In January 2022, CJ CGV released the Oatly Grain Latte with vegetable alternative oil as its primary material in collaboration with the representative eco-friendly brand, Oatly. We have been making efforts to reduce the use of resources by selling oat-based vegetable drinks instead of raw milk and planning to continue with increasing vegan menus.





- RESPECT FOR HUMAN RIGHTS
- TALENT DEVELOPMENT
- GREAT CORPORATE CULTURE TO WORK
- SAFE WORKPLACE
- CONTRIBUTION TO LOCAL COMMUNITY DEVELOPMENT
- SOCIAL CONTRIBUTION

RESPECT FOR HUMAN RIGHTS

HUMAN RIGHTS MANAGEMENT

CJ CGV clarifies the values of mutual well-being and respect as part of its management philosophy, seeking human rights management. All CJ CGV members commit to the <CJ Code of Business Conduct> and lead in human rights management, practicing respect for social values for customers, colleagues and stakeholders. We carry out annual human rights training to thoroughly prevent behaviors against the value of respect in the organization. When incidents against human rights such as bullying or sexual-harassment occur, we handle those strictly in accordance with the employment rules through the grievance handling body. Also, we provide continuous support and monitoring for suppliers, agents, joint ventures and vendors in our supply chain to abide by principles and standards of human rights respect, child protection and prohibition of forced labor.

GRIEVANCE HANDLING SYSTEM

Grievance Handling Status

CJ CGV operates several channels for consultation and reporting on grievance related to human rights issues. Especially for the case of sexual harassment and bullying, we specify prohibition of employment as a rule, and once incident occurs, related department quickly searches for resolution and informs the results transparently to the informant. During investigation, we make our best efforts to maintain confidentiality and strictly ensure that the informants are not disadvantaged or discriminated. Also, external experts are included for the Human Resources Committee meetings when necessary to handle cases more fairly.

Grievance Report and Action Status

(Unit: Case)

Classification	2019	2020	2021
Number of Reports and Actions	5	12	3

Grievance Report Channel

Classification	Details
Assignment of a personnel in charge of handling sexual harassment and bullying	Balanced and systematic counseling and handling of the case by assigning an officer in charge of sexual harassment and bullying for each gender.
Grievance Handling Committee	Grievance collecting and handling through the appointment of grievance-handling executives by the Labor-management Council
CJ Whistle	Providing employees and external stakeholders with the reporting channels, including the internal system and the third-party external organization. Handling the reported cases independently with the guarantee of anonymity

LABOR-MANAGEMENT COUNCIL

Han Maeum Council

CJ CGV operates the 'Han Maeum Council' as a labor-management consultative body, complying with the law related to worker engagement and promotion of cooperation. Han Maeum Council carries out the roles of a communication channel between management and employees and an assistant for improving corporate culture. In operation since 2021, Han Maeum Council selects representatives with a 3-year term through voting of the members. Representatives comprise 10 people in total, including workers from headquarters and business sites of each region.

Serving as a Communication Channel between Management and Employees

- Management defines and delivers the responsibilities of employees regarding the future direction of the company and the Council does so about the company's growth
- Vitalization of the system for change, performance, creativity, trial and to make fun organization for contribution to organizational performance
- Implementation of mutual communication between management and employees

Carrying out the Role of an Assistant for Corporate Culture Improvement

- Reception of 'Only One Item' that is productive, with detailed support and implementation
- Understanding the direction of change and innovation in advance and interactively delivering the details to members
- Implementation of the activity by employee-level workers to elicit empathetic understanding
- Organizing events for the improvement of the corporate culture
- Formation of a friendly organizational atmosphere through supporting cultural activities
- Operation of Grievance Handling Unit

Han Maeum Council Meeting Status

Meeting Date/Period	Major Consultation Details
2019 Quarter 1 (04.29)	Measures to reinforce work hour management in accordance with the introduction of the weekly 52-hour work system
Quarter 2 (07.05)	Re-establishment of VOC classification standards
Quarter 3 (10.16)	SITE operation manual update
Quarter 4 (01.16)	Plans to improve site operations following new F&B menus launching
2020 Quarter 1 (06.05)	Measures for communication between members
Quarter 2 (07.27)	Understanding and application of Covid-19 related government support system
Quarter 3 (10.28)	Energy efficiency plans for snack bar products and raw materials
Quarter 4 (01.15)	Support for medical expenses for executives, employees and their families
2021 Quarter 1 (04.15)	Orientation for new commissioners
Quarter 2 (06.25)	Employee competency development and video training plan by job
Quarter 3 (09.30)	Specific improvement plans for the Intranet disclosure of employees
Quarter 4 (12.30)	Simplification of transfer regulations and travel expenses improvement

TALENT DEVELOPMENT

TALENT DEVELOPMENT

CJ CGV strives to become a company that grows together with all employees.

Employee Status

CJ CGV makes efforts to establish a culture and system through which every member of the company can grow into the best talent and make performance regardless of seniority and receive fair performance recognition. CJ CGV's total number of employees was 3,599 in 2021, which increased by 793 from the previous year. The film industry and its employment status, which stagnated a bit due to Covid-19, are gradually being stabilized.

Total Employees

(Unit: Person)

Classification	2019	2020	2021
Male	3,218	1,247	1,677
Female	3,850	1,559	1,922
Total	7,068	2,806	3,599

Talent Development

CJ CGV selects and nurtures talent in accordance with the CJ's founding philosophy of 'Priority to human resources.' We have established a self-directed growth model for members to participate actively and an open-talent system for members with the willingness towards career development to self-establish development plans and learn. We identify the talent-fostering needs for career development through surveys and operate customized career development programs according to the desired career paths and growth visions. We cultivate the group's management philosophy through the training system operation for the provision of voluntary-learning opportunities and career development support. We also support our employees to systematically develop career expertise, leadership as well as global and digital capabilities by position/job to grow as future global leaders.

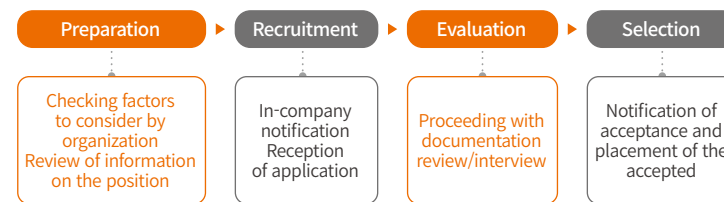
Fostering Young Leaders

CJ CGV fosters talent for employees to unfold capabilities and encourages

fair competition without counting seniority in the process. We shape a culture where anyone can grow into a leader with capability and will regardless of gender, age, seniority or position. Our efforts to discover and foster talent provide various role models to other members and serves as an opportunity for us to find new talent as we motivate them. We will continue with our efforts to grow together with a variety of talent.

Self-directed Career Development

CJ CGV has provided opportunities for its members to take on various business and job challenges through the job posting system that supports self-directed career development.



Fostering Female Leaders

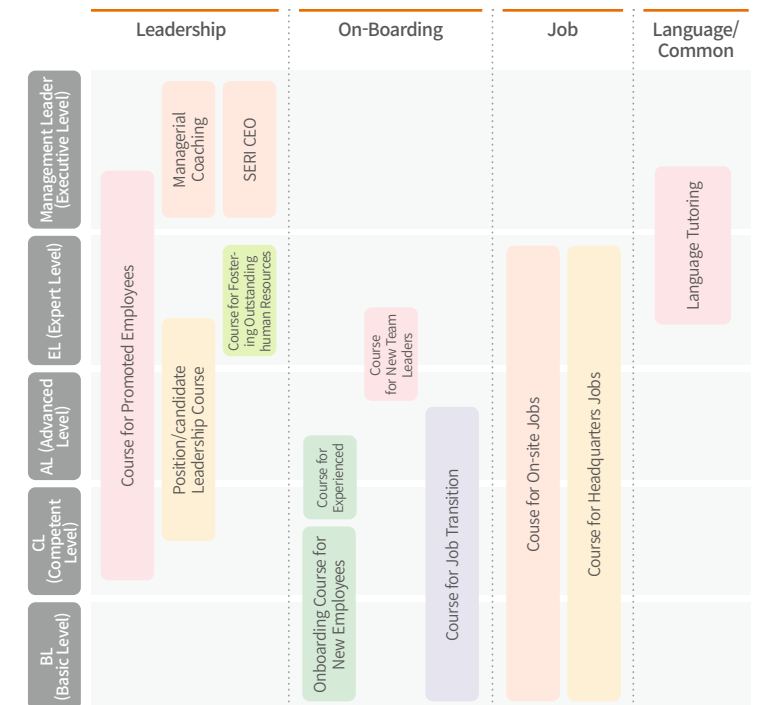
CJ CGV strives to ensure talented women grow systematically without being left behind. According to our talent management promotion strategy that respects diversity, we foster female managers. As a result, the female ratio among the managers accounts for 38.7%, with a 1.5% increase from the previous year. We will continue to increase our efforts to stabilize the culture of respecting diversity, equity and inclusiveness as we foster female managers.

Training System

CJ CGV operates a long-term, systematic talent-fostering program. According to our management philosophy that the growth of employees equals the development of the business, we actively develop and operate the training program focusing on the reinforcement of capabilities by step and position. The onboarding program for new employees takes place for about 6 months before and after the entrance, helping with the employees' quick understanding of the company and adjustments.

Afterward, we provide additional support of professional job training and field-led mentoring for the employees to perform best to their capabilities. We have established the leader-fostering system in accordance with the leadership pipeline to support the leadership capabilities development required by each position. We also implement the Leadership Effectiveness Assessment annually based on the CGV leadership model to reinforce the leadership capabilities based on the feedback of the members and superiors. Other than this, we utilize the learning platform based on learners' experience, create a self-directed learning culture and provide domestic and foreign conferences as well as external training (Digital Transformation, etc.) to improve individual capabilities.

Training Programs



GREAT CORPORATE CULTURE TO WORK

CORPORATE CULTURE

Corporate Culture Based on Diversity, Equity and Inclusiveness

CJ CGV has created a corporate culture based on diversity, equity and inclusiveness. We provide growth opportunities for talent with capabilities and willingness in different jobs and businesses. Also, we operate a sound competitive system through fair and transparent evaluation focused on performance, disregarding ranks defined by position, seniority, age, etc. As well, we strive to create a corporate culture where the company and members can lead sustainable growth through exceptional rewards according to performance.

Position System

CJ CGV established a fair competition basis focused on capacity and performance rather than the working years of its members, as well as simplifying the executive position system.

Promotion System

CJ CGV introduced the self-directed promotion support system and eliminated the system of designated lengths by position to encourage rapid growth of the most talented workers.

Compensation System

CJ CGV plans on establishing a culture of active challenge and innovation through the operation of a special reward program for the outstanding performances of organizations and individuals. CGV operates a compensation policy according to market value, expansion of the rights of organization leaders to adjust annual salary and groundbreaking rewards in accordance with performances. In particular, we provided group leaders with salary-adjusting rights to directly reflect individual capabilities and performances in rewards.

Evaluation System

In 2021, CJ CGV renewed the Performance Management & Development System (PMDS+) to support its members' self-directed purpose design and innovative growth. We have introduced the occasional performance management through the renewed PMDS+ system to establish a culture of self-directed development, improve fairness by adopting relaxed relative evaluation standards and reinforce the rights and responsibilities of leaders. Also, we launched a multi-feedback system focused on strengths and points for improvement to help with capability development and growth.

Corporate Culture of Respect

CJ CGV has behavioral principles of integrity, passion, creativity and 'respect.' To practice the behavioral principle of respect and freely communicate, we have introduced the horizontal title system, 'Nim Culture,' as the first large Korean corporation. We could establish a culture where the members understand and care for each other based on 'Nim Culture' by listening to various opinions of colleagues. As a global company, we have promoted stable internalization of inclusiveness and fairness within the system for various members. Our company will keep practicing respect for diversity among employees based on the culture of respect, which is CJ's authentic cultural asset.

Corporate Culture of Communication

Comm ON

'Comm On' is a program to create free communication culture is a casual concept meeting program for a corporate culture of empathy and communication between members and leaders. It serves as a communication channel between leaders and young employees in their 20s and 30s who prefer free and horizontal corporation culture. Especially, we share a wide range of topics, including work know-how, interests, difficulties in work, etc., in addition to business vision and goals through communication with members of major sites across the country.

Hidden Hagojabi (Passionate self-starters) Compliment Relay, 'CGV Compliment ON!'

We implement the 'Compliment ON!' program to spread the corporate culture mutual cheering and encouragement. We conduct a monthly online



CGV Communication Program, Comm ON

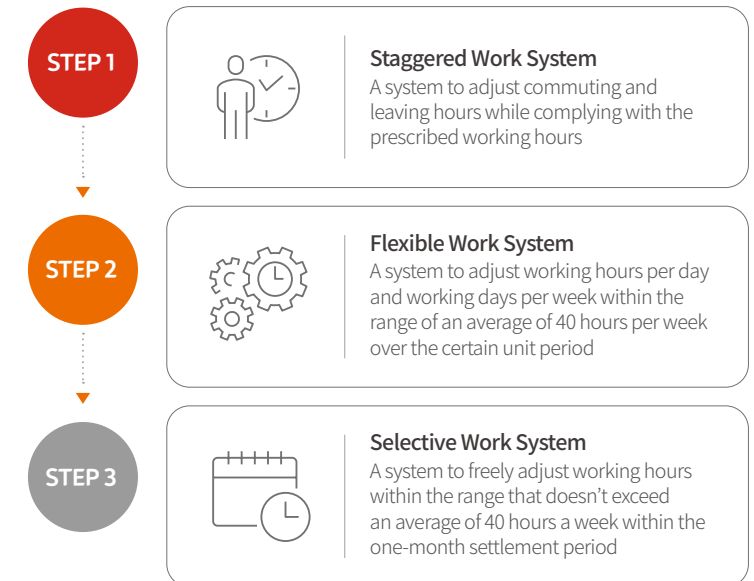
survey to find Hidden Hagojabi (Passionate self-starters) in 3 organizations, and the award process serves as an opportunity for understanding the roles of other organizations and colleagues.

Flexible Working Hours

CJ CGV has improved the system for active support of the members to design work hours and places with initiatives to improve the work focus and performance creation.

We have introduced flexible working hours and a selective work system to create an effective work environment. Since 2020, we have implemented the work-from-home system for the case of assisting departments due to the spread of Covid-19. We operate an online collaboration tool for effective communication and collaboration among members, even during non-face-to-face situations.

Self-directed Design of Working Hours



WELFARE SYSTEM

CJ CGV implements a welfare system covering life, leisure and health for employees' work and life balance. We operate the system with careful consideration of the spouses and children of the employees, supporting them to produce performances in the best working environment.

Vacation/Leave System

CJ CGV has systematically guaranteed the employees' rest to maintain work and life balance and support their leisure activities. We operate a vacation self-approval system for employees to take leaves freely, along with a monthly vacation use program to freely use yearly leaves before and after holidays, including national holidays. Also, we have introduced an hourly leave system to enable more autonomous and efficient use of time.

Since 2022, we renamed the existing long-employment vacation called 'Creative Challenge' to 'Creative Week' and provided about 2 weeks of creative development opportunities and long-term service rewards for employees who have served for 3 years, 5 years, 7 years and 10 years. We plan on creating an atmosphere where leaves are freely taken for employees' work effectiveness and satisfaction rates.



Long-employment vacation, 'Creative Week'

Welfare Tailored to the Life Cycle

Life Cycle	Key Support Items
Marriage	Congratulatory and condolatory money / Wedding car / Wedding hall / Vacation for congratulations and condolences
Pregnancy	Infertility treatment costs / Reduced working hours / Infertility support leave / Pregnancy leave / Congratulatory gift for pregnancy / Prenatal examination leave
Childbirth	Maternity gifts / Maternity leave / Reduced working hours for newborn care
Childcare	Support for school expenses / Support for children with disabilities / Leave and reduction of working hours to take care of enrolled children / Congratulatory gifts for children's admission / Gifts to support children's college entrance exams
Death	Congratulatory and condolatory money / Mutual condolence service / Congratulatory and condolence leave

Work and Life Balance

CJ CGV operates a family-friendly system in various ways to guarantee the employees' work and life balance, including a child-care support system. We provide congratulatory gifts for pregnancy and childbirth for pregnant employees or those with pregnant spouses, along with parental check-up leave. For members with spouses who went through miscarriages or stillbirths, we provide special leave to support their physical and psychological recovery. In addition, we operate various family-friendly systems, such as shortened work for emergency child care, child admission leave, etc., to support members' work and life balance. We currently own the excellent family-friendly company certification, and we will actively expand the family-friendly systems as a lifestyle-leading company.



We provide various support systems for executives and employees with smooth parenting and family care while they go through pregnancy, childbirth and parenting. By providing congratulatory gifts for pregnant employees, we are creating a culture of caring for pregnant women. Also, there exists a space for employees to breastfeed in comfort.

List of Reinforced Child-care Support

Reinforcement of Childbirth Support	Fertility leave	Additionally providing paid leave for 7 consecutive days for female workers having infertility treatment (up to 6 times a year)
	Pregnancy leave	Providing 1-10 months (unpaid) leave (installation of its use available)
	Spouse maternity leave	2 weeks of paid leave provided within a month after giving a birth
	Reduction of working hours during pregnancy risk	Reduction of working hours by 2 hours during pregnancy risk period
Reinforcement of Childcare Support	Reduction of working hours for newborn care	2 working hour reduction for 3 months after childbirth
	Child-care leave for enrolled children	4 week leave available before and after children enter elementary school (2 weeks paid + 2 weeks unpaid)
	Reduction of working hours for enrolled children	1 working hour reduction per day for parents whose children enter elementary school
	Reduction of working hours for emergency child-care	2 working hour reduction for maximum one month for the occurrence of temporary emergency childcare issues

Health Care Support

CJ CGV supports health checkups for employees' health management and provides comprehensive health checkups for employees and their spouses based on their position, age and service period. Since 2022, we have extensively applied medical expense support for employees' spouses and provided 0.5 day of leave on the checkup day. We provide support from different angles for employees' health, including support for treatment expenses of infertile couples, support for employees themselves and their children's in-born heart disease surgeries and support for children with disabilities. Other than these, we provide psychological counseling (Mind Health Program) in connection with external professional organizations and implement various programs for customized health management for individuals, including installing massage chairs and operating fitness centers.

SAFE WORKPLACE

SAFE WORKPLACE

Occupational Safety and Health Committee

CJ CGV has organized and operated the Occupational Safety and Health Committee on a quarterly basis to decide and deliberate on important issues related to safety and health. The Occupational Safety and Health Committee comprises an equal number of employers and workers. It strives to create a safe work environment through continuous communication between labor and management on occupational safety and health.

Occupational Safety and Health Committee Composition

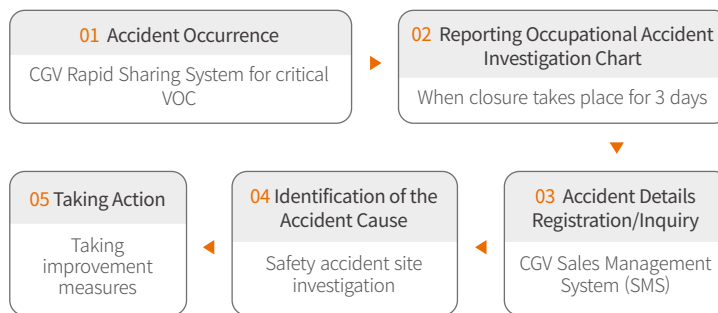
- Employer members: 4 executives and 1 safety manager
1 Chief Safety Officer (CEO representative), 1 Chief Human Resources Officer, 1 Chief Sales and Marketing Officer, 1 Chief Content Planning Officer and 1 Safety Manager
- Employee members: 1 worker representative and 4 working-level staff from related departments
Employee representative at headquarters, 1 Chief Human Resource Officer, 1 person in Space Design Team, 1 person in Projector Operation part and 1 person in Advertising Business Division

2021 Key Deliberations and Resolutions of the Occupational Safety and Health Committee

- Consultation on the revision of CGV safety and health management regulations in accordance with the Occupational Safety and Health Act revision in 2021
- Sharing the Severe Disaster Punishment Act details
- Sharing the 2021 safety and health training details
- Sharing regulations for regular employee trainings and recruitment trainings
- Drawing emphasis on compliance with Covid-19 inspection rules at the business level and individual level.

Work-related Injury Management Process

CJ CGV has established a rapid sharing system for safety accidents at work sites to share details with the person in charge of the related departments. If the accident is expected to cause more than 3 days of business closure, we report the occupational accident investigation chart. If necessary, a person in charge visits the site of the accident to identify its cause, apply improvement measures and share the case with the entire company to prevent the recurrence of a similar situation.



Work-related Injuries

CJ CGV classifies the safety accidents into 'riffle effect,' 'possible to occur' and 'vulnerability in management' to assess the risk level, selecting TOP Risks and continuously striving to lower the risk level.

The top risk is the loss of lives due to fire that mostly occurs inside/outside the building where CGV cinemas are located, not the cinemas themselves. Still, in many cases, it damages CGV customers, so we have installed and operated automatic fire notification systems for rapid detection and response of such accidents in advance.

TOP 2 Risk is the loss of lives because of facilities. We conduct a detailed inspection periodically through the contract operation with a professional facility inspection company in addition to our regular daily, weekly and monthly inspections, promptly responding when abnormalities are found.

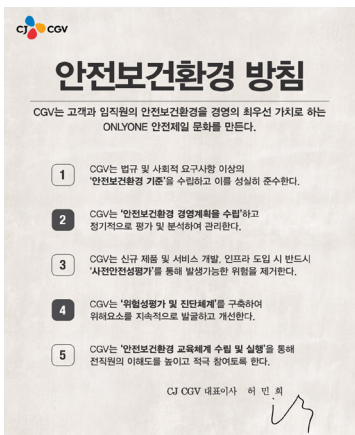
Occurrence of Occupational Accidents

(Unit: Case)

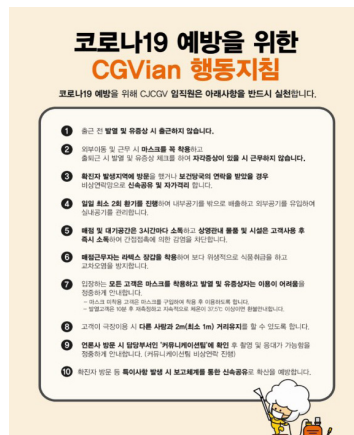
Classification	2019	2020	2021
Number of Occupational Accidents	19	2	4
Accident Rate (%)	0.2	0.07	0.1

COVID-19 Health Care

CJ CGV secured and provided sanitary products such as masks and hand sanitizers for workers at the beginning of the Covid-19 outbreak and prepared the emergency response system to avail rapid information sharing and response to the disease. We strived to establish a safe workplace during the spread of the virus by preparing internal response guidelines and actively announcing inspection principles for employees and customers. In the initial period when the epidemiological investigation was essential before the Omicron pandemic, we shut down the businesses and implemented quick inspection when confirmed cases visited, doing our best to prevent the Covid-19 break into the cinemas.



Safe and Healthy Environment Policy



Covid-19 Prevention Guidelines

Safety and Health Training

Culture Mediator (CM) at CJ CGV cinemas with more than 100 workers complete Safety and Health Manager Training and other CMs complete Supervisor Training. All site members complete Regular Safety and Health Training, Fire Safety Training for Businesses with Multi-use Facilities and Indoor Air Quality Management Training.

Smile Friends are required to complete Safety and Health Training and Material Safety and Health Training. We ensure that workplace safety and health are adopted adequately through monthly Regular Safety and Health Training. We also conduct quarterly Fire Safety Training and Evacuation Training every half a year to improve crisis response capabilities in an emergency. Safety and Health Training for workers raises safety awareness, understanding of harmful risk factors and response mechanisms against disasters, thus preventing occupational accidents as we shape a safe and healthy workplace. We operated an emergency and disaster response course from 2016 to 2019 but temporarily stopped the program during the spread of Covid-19, which we plan on resuming in the last half of 2022.



CPR Training for Members

Status of Safety and Health Training for Employees

Training	Relevant Law/inspection Agency	Training Agency	Subject of Training Completion
Safety and Health Manager Training	Occupational Safety and Health Act/Ministry of Employment and Labor, Regional labor office	Occupational Safety and Health Agency Job Training Center	Site CMs with over 100 workers
Supervisor Training		Korea Safety Education Association (Postal education)	Site CMs including Chief Safety and Health Officer, Senior Managers of sites with more than 100 workers and team leaders of each sales team
Fire Safety Training for Businesses with Multi-use Facilities	Multi-use Business Occupational Safety Management Act/Ministry of Public Administration and Security,	Korea Fire Safety Association	All workers at CGV cinemas
Indoor Air Quality Manager Training	Indoor Air Quality Management Act/Ministry of Environment, Each local government	Cyber Education Center	Personnel in charge at each site

Status of Safety and Health Training for Smile Friends

Training	Period
Material Safety and Health Training (MSDS)	When hiring, Once a half year
Safety and Health Training	When hiring, Once a quarter (Once a month)
Firefighting Training	Once a quarter
Evacuation Drill	Once a half year
Evacuation Drill Based on Guidelines	Once a year

CONTRIBUTION TO LOCAL COMMUNITY DEVELOPMENT

CONTRIBUTION TO VITALIZATION OF CULTURE AND ART

CJ CGV grows together with local communities. We provide content and space for customers to enjoy a variety of cultural life and provide active cooperation in operating different regional film festivals. CJ CGV will contribute to local communities' development and vitalization of culture and arts.

Local Film Festival

CJ CGV strives for vitalization of regional culture and development of the film industry. In addition to cooperating with leading international film festivals, we collaborate with a wide variety of film festivals, including those that spread various topics and issues, promote local culture and support future generations' creative activities. Also, in some film festivals, we operate the 'CGV Arthouse Award' to contribute to new filmmaker discovery and vitalization of Korean movie creation.

CJ CGV X CJ Cultural Foundation Story Up Shorts

In September 2021, CJ CGV launched the 'Story Up Shorts' screening that introduces excellent short movies by new creators in collaboration with CJ Cultural Foundation. We intend to contribute to the creation of a sound Korean movie industry.



Awarded the CGV Art House Award



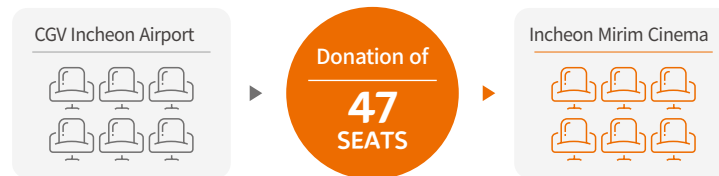
Story Up Shorts

Small Cinema

CJ CGV operates commissioned small cinemas in cooperation with Goseong-gun, Gyeongsangnam-do and Inje-gun, Gangwon-do. Small cinemas are cultural welfare spaces where local residents can quench their thirst for leisure culture. CJ CGV contributes to resolving cultural gaps through its dedication to operating personnel training, system operation support, ticketing job and film distribution, as well as donating 50% of affiliate fees to local governments.

Support for Improving Local Independent Arts Cinema Environment

In January 2022, CJ CGV donated 47 seats retrieved from the closure of CGV Incheon Airport Cinema to 'Incheon Mirim Cinema,' which is an independent art cinema within the region. Mirim Cinema used to be Pyeonghwa Cinema which screened silent films as a tent cinema along the river in 1957 and changed its name to 'Mirim' in the 1960s. The cinema was closed due to financial difficulties in 2004 and reopened in 2013. It is a place of great significance as it served as the cultural center for the citizens of Incheon. CJ CGV is practicing mutual well-being within the cinema industry by supporting the improvement of regional independent art cinemas' environment.



Public Interest Campaign Cooperation

CJ CGV strives for positive change in local communities in cooperation with different Local governments, institutions and organizations. Representative cases include the <Nodam Campaign> with the Ministry of Health and Welfare, the <Campaign to reduce national transportation costs and promote public transportation> with the Ministry of Land, Infrastructure and Transport, and the <Campaign to Encourage Participation in Volunteer Activities> with local volunteer centers. CJ CGV will continue in its pursuit of the devel-

opment of local communities as a campaigner for the public interest.

Senior-friendly Digital Accessibility Standard Guide Production

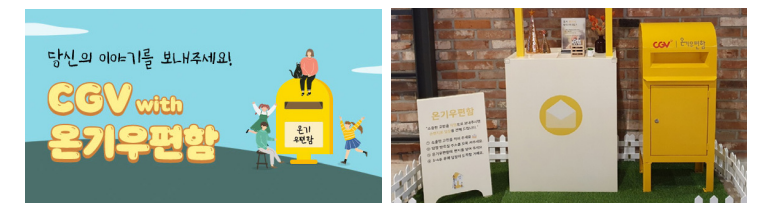
Since 2021, CJ CGV has signed MOU with Seoul Digital Foundation on the 'Digital Accessibility Standards for the Elderly' and went through process such as investigation on elderly accessibility to produce <Guidelines on Digital Accessibility Standards for the Elderly>. We ensure that elderly customers have no inconvenience using multi-use facilities such as cinemas by developing and applying UI/UX kiosks for elderly customers.

Operation of Munwhanuri Card

CJ CGV strives to promote the 'Munwhanuri Card,' a policy project for the basic and low-income class to enjoy the culture. Since 2021, we have extensively provided the Play Zone (comic cafés, bowling pubs, escape rooms) discount benefits and exclusive package sales to provide various opportunities for cultural activities. A total of 2.02 million Munwhanuri Cards have been used over the three years from 2019 to 2021.

Operation of 'Ongi Box'

In December 2021, CJ CGV installed Ongi Box in 6 cinemas: CGV Yongsan I'Park Mall, Wangsimni, Yeongdeungpo, Yeouido, Piccadilly 1958 and Yeonnam. 'Ongi Box' is an activity through which people send their concerns anonymously and 'Ongi postman' sends a handwritten reply. It helps resolve various problems related to employment, career, studies and relationships, not to mention the depression due to prolonged Covid-19. Through the activity of 'Ongi Box,' CGV aims to carry out the role of a psychological safety net preventing depression of social members and passing on daily comfort on top of the role as a cultural space.



CGV X Ongi Box

JOB CREATION

Active Senior_ Senior Internship

CJ CGV participated in the senior support project of the Korea Senior Human Resources Development Institute, with an annual average of 100 participants engaging in the Senior Internship Program from 2017 to 2021. We provided seniors with film-watching benefits by adding a distributor support fund to the internship operation support fund, having seniors enjoy opportunities for cultural and career activities simultaneously. A total of 665 seniors participated in the internship and 437 thousand people were provided with film-watching benefits.

2021 Active Senior Staffs Employment Status

(Unit: Person)

Active Senior Staffs	67
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Senior Smile Friends

CJ CGV's Senior Smile Friends are part-time workers over the age of 60. Employment of Senior Smile Friends is implemented with the intention that senior job creation should precede the 'Happy 100-year-old era.' We participated in the 'Seoul Senior Job Expo' hosted by Seoul in September 2021 and started employing Senior Smile Friends in the October of the same year. Senior Smile Friends are in charge of various cinema service duties, including preparation of film screening, entrance guidance, preparation of store products and sanitary management at the site contact points.



Senior Smile Friends



CGV Gwangju Advanced Vocational Training Center for the Disabled

2021 Senior Smile Friends Employment Status

(Unit: Person)

Senior Smile Friends	40
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Disabled Smile Friends

CJ CGV has created jobs for severely disabled persons after signing an employment promotion agreement for the disabled in 2010 and establishing employment plans with the Korea Employment Promotion Agency. The disabled employees are assigned various jobs such as checking film tickets, cleaning floors and lobbies and managing consumable supplies. There were 35 disabled workers in 2021.

2021 Disabled Smile Friends Employment Status

(Unit: Person)

Disabled Smile Friends	35
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Café Operated by Multicultural Women and the Disabled

CJ CGV cooperates in operating a cafe for the self-reliance of the vulnerable. We operate <Co-operative Society, CAFÉ OASIA> for the social engagement of multi-cultural married migrant women in the headquarters building and CGV Salon Seocho. Also, through cooperation with the Korea Institute for the Disabled, we operate the <I Got Everything> cafes at CGV Gwangju Cheomdan, CGV Yeonsu-Station and CGV SungShin Women Univ. to contribute to preparing the basis for independence and social engagement of the disabled. Additionally, we provide job training opportunities centered on barista experience and snack bar and floor operation by running a vocational training center in CGV Gwangju Cheomdan.

Operation of Field Practice Program for Specialized High Schools and Recruitment of Smile Friends

CJ CGV plans and operates field practice programs for prospective graduates of specialized high schools and service majors with the Ministry of Education and the Korea Student Aid Foundation. We provided a 3-month training for 163 people in 74 cinemas across the country and employed 82 interviewees among those who completed the training as Smile Friends. In recognition of providing such a systematic curriculum and stable operation, we received the Korea Student Aid Foundation Award at the end of 2021.



I want to create a café to satisfy customers by working harder and with more fun.

I am Anna from Russia. I moved to Korea as I married my husband in 2001 and have become a mother of two sons. I have been working in CAFÉ OASIA as a barista since 2017. I participated in the barista training course as I was always interested in coffee and its taste. Since July 2021, I have worked in the café operated by CAFÉ OASIA within the CGV. The atmosphere at the time was a bit calm as the Covid-19 effects were severe. However, the customers and sales of the café increased with the revival of liveliness in the company.

My current goal is to work a bit harder and with more fun. I have a close relationship with my colleagues, Chris and Zellin, in the CGV in-house café and together, we make a great harmony. I am grateful that CGV employees are kind to us and wish to keep making a café to satisfy the customers. Most of all, I want to keep working as a barista for a long time until I become 60, or even longer.

CAFÉ OASIA's Barista, Anna

SOCIAL CONTRIBUTION

SOCIAL CONTRIBUTION

Social Contribution Promotion Strategies and Goals

CJ CGV promotes various social contribution activities with two missions of expanding cultural enjoyment for the vulnerable and supporting growth of future generations under the social contribution vision of ‘Culture for all, creating better tomorrow.’ We will continue with the promotion of genuine social contribution activities.



Expansion of Cultural Enjoyment Opportunities for the Vulnerable

Gachibom

In 2011, CJ CGV started regularly screening movies with Korean subtitle/screen commentary (barrier-free movies) for the visually and hearing impaired. Since 2019, it has expanded into a joint project with the Film Promotion Committee and the Korea Association of the Deaf, striving to improve the film-watching environment for persons with disabilities by launching the brand ‘Gachibom.’ As of the end of 2021, a total of 224 thousand visually and hearing-impaired customers watched films with Korean subtitles and on-screen commentary at CJ CGV.



Movie with Korean subtitles/screen commentary, ‘Gachibom’



INTERVIEW

“

We create partnerships to empathize with the disabled in a long-term perspective.

Participants in the Korean subtitle commentary service ‘Gachibom’ include the Korea Film Council, the Korea Association of the Deaf, the Korea Federation of the Blind and cinema operators, including CJ CGV. Among them, CJ CGV makes efforts in the most cooperative attitude to provide reasonable suggestions and a sustainable policy roadmap from a long-term perspective. In particular, it demonstrated an excellent awareness of disabilities and empathy by actively engaging in the issue of the visually and hearing impaired’s film-watching conditions and leading in uniting participants of the ‘Gachibom.’ Whenever I get a question about the most needed service and policy for the disabled, I give the following responses. “Awareness tells everything,’ ‘Prioritize raising awareness of the disabled.’

As much as CJ CGV has shown an exceptional awareness of the visually and hearing disabled through the ‘Gachibom’ project, I hope it continues with its efforts to improve the non-disabled’s awareness of the disabled, not to mention that of the disabled. I hope for continuous cooperation to raise awareness that film-watching is beyond the concept of cultural life and welfare and now serves as an opportunity for the disabled to engage in society.

Korea Blind Association Media Access Center
Hwang Deok-Gyeong

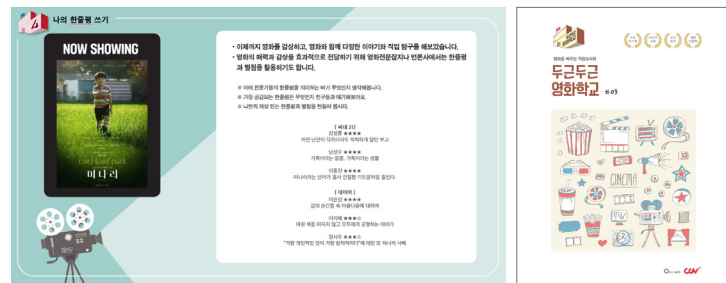


[Go to Exciting Film School webpage](#)

Future Generation Growth Support

Exciting Film School

'Exciting Film School' is CJ CGV's representative social contribution activity providing lectures before and after film-watching for adolescents to participate in educational experiences in connection with films. In 2021, we launched the 'Exciting Film School' webpage and provided worksheets and curriculum tables aligning school subject matters for free to increase the utilization of film-linked education as well as activities carried out in theaters. Also, we strive to activate film education for future generations through op-



On/Offline textbook for Exciting Film School

erating a teacher advisory group, teacher training, etc. As of the end of 2021, a cumulative 53,000 adolescents participated in the program and 32 film textbooks have been produced and distributed.

Support for Children and Adolescents' Film-watching

Seats Donation

CJ CGV operates Seats Donation to provide film-watching opportunities for the culturally underprivileged. In 2021, we implemented the program by inviting visually impaired persons to movies and <Showman>, a standing comedy show performed in theaters. As of the end of 2021, the number of beneficiaries amounts to 141,000.



Seats Donation – Facilitation of local children's center film-watching

CJ CGV × CJ Welfare Foundation Seats Donation

In 2021, CJ CGV supported the film-watching of 12,000 children from 607 local children's centers across the country with the CJ Welfare Foundation.

Discount for Children and Adolescents at Regional Children's Centers Across the Country

CJ CGV signed the business agreement with the Korea Association of Community Child Centers and has provided cinema discount benefits for children and adolescents at 4,300 local children's centers. As of the end of 2021, a total of 1,100 adolescents used the benefit to watch films.



Business Agreement Ceremony for with the Korea Association of Community Child Center

Employee Volunteer Work

CJ encourages employees to participate in volunteer activities during work hours for them to engage in solving social problems of different areas. While the program downsized a bit as the volunteer work was conducted on non-face-to-face basis due to Covid-19, a cumulative 4,800 employees participated in about 23,000 hours of volunteer work as of the end of 2021.



Volunteer activities of <Yongsan Dragons>, a regional volunteer association in Yongsan



04

APPENDIX

52 _ ESG DATA 58 _ GRI INDEX 61 _ SASB INDEX 62 _ THIRD PARTY ASSURANCE STATEMENT



ESG DATA

ECONOMIC AND MANAGEMENT PERFORMANCE

Financial Information

Classification		Unit	2019	2020	2021	Note
Consolidated balance sheets	Assets	KRW million	4,524,047	4,354,857	3,785,492	
	Liabilities	KRW million	3,922,937	4,066,972	3,484,207	
	Equity	KRW million	601,110	287,885	301,285	
Separate balance sheets	Assets	KRW million	2,311,283	2,477,649	2,019,522	
	Liabilities	KRW million	2,047,887	2,188,127	1,622,541	
	Equity	KRW million	263,396	289,522	396,981	
Consolidated income statement	Revenue	KRW million	1,942,279	583,444	736,315	
	Operating Profit	KRW million	121,975	(388,660)	(241,446)	
	SG&A	KRW million	663,027	446,483	430,837	
	Net income	KRW million	(239,075)	(751,648)	(338,788)	
Separate income statement	Revenue	KRW million	1,046,370	325,760	328,613	
	Operating Profit	KRW million	75,207	(203,661)	(163,568)	
	SG&A	KRW million	376,832	264,108	242,935	
	Net income	KRW million	(66,062)	(466,502)	(261,054)	
Profitability Indicator (Consolidated)	Operating profit ratio(of revenue)	%	6.3	-	-	
	Net income ratio(of revenue)	%	-	-	-	
Profitability Indicator (Separate)	Operating profit ratio(of revenue)	%	7.2	-	-	
	Net income ratio(of revenue)	%	-	-	-	
Distribution of Economic Value (Consolidated)	Interest cost (shareholders and investors)	KRW million	47,142	43,166	54,606	
	Labor cost (employees)	KRW million	254,450	170,365	142,514	
	Tax (government)	KRW million	(10,507)	(110,601)	(34,520)	
	Donations (local communities)	KRW million	1,144	198	186	
	Total	KRW million	292,229	103,128	162,786	
R&D Cost	R&D cost	KRW million	4,630	3,856	2,003	
	government grants	KRW million	0	0	14	
	R&D cost ratio(of revenue)	%	0.2	0.7	0.3	Total R&D cost/Current proceeds x 100
Distribution of Economic Value (Separate)	Dividends (shareholders and investors)	KRW million	0	0	0	
	Interest cost (shareholders and investors)	KRW million	15,769	14,409	22,098	
	Labor cost (employees)	KRW million	154,637	100,751	81,056	
	Tax (government)	KRW million	8,364	(94,575)	(12,516)	
	Donations (local communities)	KRW million	1,134	197	159	
	Total	KRW million	179,904	20,782	90,797	



Compliance Management

Classification		Unit	2019	2020	2021	Note
Compliance Management Education	Domestic education sessions	Session	3	1	4	
	Domestic participants	Person	105	1,122	974	
Violation of laws and self-regulation	Legal sanctions related to fair trade	Case	0	0	0	
	Environmental fines	KRW million	0	0	0	
	Violation of display and advertising regulations	Case	0	0	0	
	Personal information infringement	Case	0	0	0	

ENVIRONMENTAL PERFORMANCE

Classification		Unit	2019	2020	2021	Note
Energy Consumption	Electricity (non-regenerative)	TJ	1,484.1	1,066.8	1,096.4	
	Fuel	TJ	190.0	120.6	141.3	
	Steam, heat	TJ	33.2	26.2	30.8	
	Total energy consumption	TJ	1,707.3	1,213.6	1,268.5	
Energy Use Intensity	Energy use intensity	TJ/KRW 100 million	0.1	0.3	0.3	Total energy consumption/Sales
Greenhouse Gas Emissions	Scope 1 (direct emissions)	tCO ₂ -eq	9,666.5	6,145.5	7,184.4	
	Scope 2 (indirect emissions)	tCO ₂ -eq	73,204	52,690.8	53,546.5	
	Total emissions (Scope 1+2)	tCO ₂ -eq	82,870.5	58,836.3	60,730.9	
Greenhouse Gas Emissions Intensity	Greenhouse gas emissions intensity	tCO ₂ -eq/KRW 100 million	7.9	18.0	18.4	
Water Consumption	Water consumption	Ton	46,218	26,576	27,681	Based on CJ CGV headquarters and CGV Yongsan I'Park Mall
Waste Generation	Total	Ton	96.9	74.0	87.4	
Waste Generation (By Type)	General waste	Ton	96.9	74.0	86.4	Based on CJ CGV headquarters and CGV Yongsan I'Park Mall
	Designated waste	Ton	0	0	0.9	A case of asbestos treatment occurred in CGV Seomyeon
Waste Treatment by Method	Recycled waste	Ton	83.9	64.0	78.3	General waste
	Incineration	Ton	13.0	9.9	8.1	
	Landfill	Ton	-	-	0.9	Landfill of designated waste
Eco-friendly Raw Materials Use	Non-GMO corn	Ton	1691.8	383.7	249.1	Purchase of corns for original/sweet popcorn



SOCIAL PERFORMANCES

Executives and Employees (Based on full-time workers)

The human resources status of this report is divided into full-time and part-time workers on a separate (domestic) basis. Full-time workers are workers employed through annual salary contracts and include workers with and without fixed working terms

Classification	Unit	2019	2020	2021	Note	
Human Resources	Full Time	Person	1,422	1,185	1,131	
	Temporary	Person	1	-	2	
	Total employees	Person	1,423	1,185	1,133	Total employees out of 3,599 executives and employees in 2021
Human Resources by Occupational Group	Executives	Person	14	9	10	
	Office job	Person	412	294	335	
	Technical/Production/Maintenance	Person	41	29	28	
	Sales job	Person	956	853	760	
Human Resources by Gender	Male	Person	689	558	546	
	Female	Person	734	627	587	
Female Executives	Female executives	Person	2	2	2	
	Rate of female executives	%	0.3	0.3	0.3	Female executives/Total female employees
Female Managers	Total number of managers	Person	185	156	186	
	Female managers	Person	78	58	72	CM, Female managers appointed to positions above team leader
	Rate of a total female managers	%	42.2	37.2	38.7	
Employees by Age Group	Under 30	Person	340	226	161	
	Over 30 and under 50	Person	1,066	939	954	
	Over 50	Person	17	20	18	
Employees Belonging to the Labor-management Council	Rate of employees belonging to the Labor-management Council	%	70.7	70.7	67.6	
Training	Total training cost	KRW million	1,436	205	334	
	Training cost per person	KRW thousand	1,009	173	295	
	Training cost per manager	KRW thousand	1,804	494	363	
	Training hour per person	Hour	2.4	1.3	1.4	
	Training hour per manager	Hour	3.0	1.8	1.7	
'Parental Leave (domestic)	Use of parental leave (male)	Person	6	7	7	
	Use of parental leave (female)	Person	43	53	35	
	Return rate (male)	%	100	66.7	100	
	Return rate (female)	%	90.5	78.6	92.3	
	Retention rate (male)	%	66.7	87.5	55.6	
	Retention rate (female)	%	94.1	83.3	58.9	



Classification		Unit	2019	2020	2021	Note
New Recruitment	Total number of new employees	Person	46	15	20	
	Male	Person	19	9	14	
	Female	Person	27	6	6	
	Under 30	Person	36	7	10	
	Over 30 and under 50	Person	9	8	10	
	Over 50	Person	1	0	0	
	Rate of internal recruitment	%	13.0	-	15.0	6 people in 2019, 3 people in 2021
Total Turnover	Total turnover	Person	113	223	143	
	Total turnover rate	%	7.4	15.7	12.1	
	Male	Person	61	120	75	
	Female	Person	52	103	68	
	Under 30	Person	23	34	21	
	Over 30 and under 50	Person	79	183	117	
	Over 50	Person	11	6	5	
Voluntary Turnover	Voluntary turnover	Person	97	91	66	
	Voluntary turnover rate	%	6.4	6.4	5.6	
	Male	Person	47	51	41	
	Female	Person	50	40	25	
Average Salary for Employees	Employees total	KRW thousand	47,415	49,111	51,237	
	Male	KRW thousand	52,816	55,312	54,731	
	Female	KRW thousand	42,346	43,593	47,743	
Organizational Engagement Survey	Participation rate	%	89.6	89.7	None	
Occupational Accident	Occupational accidents at domestic workplaces	Case	0	0	0	
Work Efficiency Improvement Support Program	Flexible work system-Selective work system	Person	360	380	400	
	Creativity Week	Person	216	132	193	



Employees (Based on part-time workers)

Part-time workers are short-time workers, excluding annual salary workers referred to as <Smile Friends> which includes <Senior Smile Friends>.

Classification		Unit	2019	2020	2021	Note
Human Resources	Workers without fixed contractual terms	Person	3,636	1,425	1,903	
	Temporary	Person	2,009	196	563	
	Total Employees	Person	5,645	1,621	2,466	Total employees out of 3,599 executives and employees in 2021
Human Resources by Occupational Group	Technical/Production/Maintenance	Person	-	14	20	
	Sales job	Person	5,645	1,607	2,446	
Human Resources by Gender	Male	Person	2,529	689	1,131	
	Female	Person	3,116	932	1,335	
Employees by Age Group	Under 30	Person	5,059	1,318	2,240	
	Over 30 and under 50	Person	340	126	102	
	Over 50	Person	246	177	124	
New Recruitment	Total number of new employees	Person	9,159	3,007	4,097	
	Male	Person	4,113	1,348	1,827	
	Female	Person	5,046	1,659	2,270	
	Under 30	Person	8,367	2,743	3,866	
	Over 30 and under 50	Person	553	107	110	
	Over 50	Person	239	157	121	
Total Turnover	Total turnover	Person	9,538	6442	3098	
	Total turnover rate	%	165.0	114.1	191.1	
	Male	Person	4,220	2,924	1,323	
	Female	Person	5,318	3,518	1,775	
	Under 30	Person	8622	5923	2814	
	Over 30 and under 50	Person	752	292	121	
	Over 50	Person	164	227	163	
Voluntary Turnover	Voluntary turnover	Person	5472	5861	1617	
	Voluntary turnover rate	%	94.6	103.8	99.8	
	Male	Person	2,440	3,775	724	
	Female	Person	3,032	2,086	893	
	Occupational Accident	Occupational accidents at domestic workplaces	Case	19	2	4
	Rate of occupational accidents at domestic workplaces	%	0.3	0.1	0.2	Occupational accidents / employees (part-time workers) X 100



Local Communities

Classification		Unit	2019	2020	2021	Note
Social Contribution Investment by Type (domestic)	Local Communities	KRW million	613	23	20	
	Industrial Development	KRW million	216	52	82	
	Education and Academy	KRW million	153	122	58	
	Global	KRW million	152	0	0	
	Donations total	KRW million	1,134	197	159	
Social Contribution Cost by Type (domestic)	Cash donation	KRW million	1,124	182	159	
	In-kind donation	KRW million	10	16	0.3	
	Employee volunteer work	Hour	2,634	624	890	
Social Contribution	Beneficiaries	Person	67,629	4,312	7,185	
'Executives and Employees' Volunteer Work Performance (domestic)	Volunteer work sessions	Session	1,892	309	361	
	Number of volunteers	Person	880	263	196	
	Volunteer work hours	Hour	2,634	624	890	
Expenditures on Related Major Associations	Total	KRW million	54	54	54	Korea Screening Development Association
		KRW million	8	8	8	Korea Listed Company Association
Customer Satisfaction Survey	National Brand Competitiveness Index (NBCI)	Rank (place)	1	1	1	
	National Customer Satisfaction Index (NCSI)	Rank (place)	1	2	2	
	Premium Brand Index (KS-PBI)	Rank (place)	1	1	1	
	Global Customer Satisfaction Index (GCSI)	Rank (place)	1	1	1	



GRI INDEX

GRI Standards	No.	Reporting Details	Page
General Disclosures	102-1	Name of the organization	4
	102-2	Activities, brands, products, and services	6
	102-3	Location of headquarters	4
	102-4	Location of operations	5
	102-5	Ownership and legal form	4
	102-6	Markets served	5
	102-7	Scale of the organization	4
	102-8	Information on employees and other workers	42, 56
	102-9	Supply chain	None
	102-10	Significant changes to the organization and its supply chain	None
	102-11	Precautionary Principle or approach	20
	102-12	External initiatives	1, 16
	102-13	Membership of associations	57
	102-14	Statement from senior decision-maker	2
	102-15	Key impacts, risks, and opportunities	13, 14, 15
	102-16	Values, principles, standards, and norms of behavior	21, 22
	102-17	Mechanisms for advice and concerns about ethics	21, 22
	102-18	Governance structure	17
	102-19	Delegating authority	17
	102-20	Executive-level responsibility for economic, environmental, and social topics	18
	102-21	Consulting stakeholders on economic, environmental, and social topics	12
	102-22	Composition of the highest governance body and its committees	17
	102-23	Chair of the highest governance body	17
	102-24	Nominating and selecting the highest governance body	18
	102-25	Conflicts of interest	20
	102-26	Role of highest governance body in setting purpose, values, and strategy	17
	102-27	Collective knowledge of highest governance body	None
	102-28	Evaluating the highest governance body's performance	None
	102-29	Identifying and managing economic, environmental, and social impacts	12~15, 20
	102-30	Effectiveness of risk management processes	20
	102-31	Review of economic, environmental, and social topics	17, 18
	102-32	Highest governance body's role in sustainability reporting	17, 18



GRI Standards	No.	Reporting Details	Page	
General Disclosures	102-33	Communicating critical concerns	18, 20	
	102-34	Nature and total number of critical concerns	18, 20	
	102-35	Remuneration policies	18	
	102-36	Process for determining remuneration	18	
	102-37	Stakeholders' involvement in remuneration	None	
	102-38	Annual total compensation ratio	None	
	102-39	Percentage increase in annual total compensation ratio	None	
	102-40	List of stakeholder groups	11	
	102-41	Collective bargaining agreements	41, 54	
	102-42	Identifying and selecting stakeholders	12	
	102-43	Approach to stakeholder engagement	11	
	102-44	Key topics and concerns raised	13~16	
	102-45	Entities included in the consolidated financial statements	52	
	102-46	Defining report content and topic boundaries	12, 13	
	102-47	List of material topics	13~15	
	102-48	Restatements of information	Not applicable	
	102-49	Changes in reporting	Not applicable	
	102-50	Reporting period	1	
	102-51	Date of most recent report	Not applicable as this is the initial report	
	102-52	Reporting cycle	1	
	102-53	Contact point for questions regarding the report	1	
	102-54	Claims of reporting in accordance with the GRI Standards	12	
	102-55	GRI Content index	58~60	
	102-56	External assurance	1, 62	
	Management Approach	103-1	Explanation of the material topic and its boundary	14, 15
		103-2	The management approach and its components	9, 14~16
103-3		Evaluation of the management approach	None	
Economic Performance	201-1	Direct economic value generated and distributed	4, 6, 52	
	201-2	Financial implications and other risks and opportunities due to climate change	20	
	201-4	Financial assistance received from government	17	
Indirect Economic Influence	203-1	Infrastructure investments and services supported	16, 47, 49, 57	
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	22	
	205-3	Confirmed incidents of corruption and actions taken	22	



GRI Standards	No.	Reporting Details	Page
Raw Materials	301-1	Materials used by weight or volume	53
Energy	302-1	Energy consumption within the organization	39, 53
Emissions	305-1	Direct (Scope 1) GHG emissions	39, 53
	305-2	Energy indirect (Scope 2) GHG emissions	39, 53
	306-3	Waste generated	38, 53
	306-5	Waste directed to disposal	53
	Employment	401-1	New employee hires and employee turnover
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	44
	401-3	Parental leave	54
Safety and Health	403-1	Occupational health and safety management system	45
	403-2	Hazard identification, risk assessment, and incident investigation	45
	403-3	Occupational health services	45
	403-4	Worker participation, consultation, and communication on occupational health and safety	45
	403-5	Worker training on occupational health and safety	46
	403-6	Promotion of worker health	34, 44, 45
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	45, 46
	403-8	Workers covered by an occupational health and safety management system	34, 46
	403-9	Work-related injuries	45
Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	16, 23, 42
Diversity and Equal Opportunities	405-1	Diversity of governance bodies and employees	17, 18, 54, 56
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	41
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	47, 48
Marketing and Labeling	417-1	Requirements for product and service information and labeling	31
Customer Privacy Protection	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	53
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	23, 53



SASB INDEX

MAJOR INDUSTRY

Industry	Topic	Index	Unit	Code	Response/References
Leisure Facilities	Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Gigajoules (GJ), Percentage (%)	SV-LF-130a.1	CJ CGV disclosed the amount of energy consumption on pages 39 and 53 of this report.
	Customer Safety	(1) Fatality rate and (2) injury rate for customers	Rate	SV-LF-250a.1	None
		Percentage of facilities inspected for safety, percentage of facilities that failed inspection	Percentage (%)	SV-LF-250a.2	None
	Workplace Safety	(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) permanent employees and (b) seasonal employees	Rate	SV-LF-320a.1	CJ CGV disclosed the status of occupational accidents and disasters on page 45 of this report.
Media Entertainment	Media Pluralism	Percentage of gender and racial/ethnic group representation for (1) management, (2) professionals, and (3) all other employees	Percentage (%)	SV-ME-260a.1	CJ CGV disclosed the gender diversity of human resources on page 56 of this report.
	Intellectual Property Protection & Media Piracy	Description of approach to ensuring intellectual property (IP) protection	n/a	SV-ME-520a.1	None

OTHER INDUSTRY

Industry	Topic	Index	Unit	Code	Response/References
Food Retailers & Distributors	Product Health & Nutrition	Revenue from products labeled and/or marketed to promote health and nutrition attributes	Reporting currency (KRW)	FB-FR-260a.1	CJ CGV disclosed the food products made with sustainable raw materials on page 40 of this report.
		Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	n/a	FB-FR-260a.2	CJ CGV disclosed its efforts to provide safe foods on page 31 of this report.

THIRD PARTY ASSURANCE STATEMENT

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

ASSURANCE CRITERIA

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

- Accountability Principle and Type 1, information reliability at a moderate level
- Compliance and reporting principles following GRI Standards Core Option

ASSURANCE SCOPE AND MEASURE

Econine verified the reliability of contents in this report based on the sampling of sustainability performance from January 1, 2021 to December 31, 2021.

- Consistency with the annual report and other disclosures
- GRI Standards performance interconnected to materiality analysis process and critical issues
- Informational errors, inappropriate information and ambiguous expressions
- Interviews with internal and external stakeholders who participated in conducting the report

INDEPENDENCE AND ELIGIBILITY

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

LIMITATIONS

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

CONCLUSION

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

Inclusiveness

People should be able to make a voice in decisions affecting them.

CJ CGV Co., LTD. recognizes customers, members, shareholders, investors, partner companies, media companies and local communities. It operates a communication channel for each stakeholder according to their characteristics, informing stakeholders of CJ CGV Co., LTD.'s sustainability management details and performances while simultaneously providing opportunities for active engagement.

Materiality

Decision-makers should identify and clarify essential sustainability topics.

CJ CGV selected 13 sustainability management key issues and priority tasks after consultation with the ESG Working Group and the ESG Management Council. It obtained the final approval of the ESG Committee under the Board of Directors to complete the verification process.

Responsiveness

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

CJ CGV disclosed the recognition and response of the company on the issues selected from the results of the materiality analysis. Through this process, the company reflected the major interests of key stakeholders on CJ CGV's management issues.

Impact

Organizations should monitor, measure and take responsibility for the impacts of their behaviors on the larger ecosystem.

CJ CGV Co., LTD. quantitatively explicates both direct and indirect effects of its sustainability activities, including the ones related to core sustainability management tasks to the maximum extent.

RECOMMENDATIONS

CJ CGV Co., LTD. published the sustainability report for the first time. Except for some financial information, the performances are reported on the basis of individual companies. We expect the company to expand the reporting range to a consolidated basis, including subsidiaries, and establish an ESG management system to fully elaborate on the impacts of CJ CGV Co., LTD.

November 21, 2022
CEO of Econine Seo Wook



