

SUSTAINABILITY  
REPORT  
**2023**



spackmanentertainmentgroup

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The Company has prepared this sustainability report, and the Company's Sponsor, Evolve Capital Advisory Private Limited (the "Sponsor"), has reviewed its contents for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). This sustainability report has not been examined or approved by the SGX-ST, and the SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The details of the contact person for the Sponsor are:–

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# 1. Highlights

## 1.1 Corporate Profile

Spackman Entertainment Group Limited ("**SEGL**" or the "**Company**"), together with its subsidiaries (the "**Group**"), is one of Korea's leading entertainment production groups. The Group is primarily engaged in the independent development, production, presentation, and financing of theatrical motion pictures in Korea.

Since its founding, the Group has produced more than 30 major motion pictures, including a number of the highest-grossing and award-winning films in Korea, namely *#ALIVE* (2020), *CRAZY ROMANCE* (2019), *DEFAULT* (2018), *MASTER* (2016), *THE PRIESTS* (2015), *SNOWPIERCER* (2013), *COLD EYES* (2013) and *ALL ABOUT MY WIFE* (2012).

Our films are theatrically distributed and released in Korea and overseas markets, as well as for subsequent post-theatrical worldwide release in other forms of media, including online streaming, cable TV, broadcast TV, IPTV, video-on-demand, home video/DVD, etc. Generally, we release our motion pictures into a wide-theatrical exhibition initially in Korea, then overseas and in ancillary markets.

The Group also invests in and produces Korean television dramas. In addition to the Group's content business, we own equity stakes in entertainment-related companies and film funds that can financially and strategically complement our existing core operations. The Group is listed on the Catalist of the Singapore Exchange Securities Trading Limited under the ticker 40E.

### Production Labels

#### Studio Take

SEGL owns a 100% equity interest in Studio Take Co., Ltd. ("**Studio Take**"), which produced *STONE SKIPPING* (2020) and *THE BOX* (2021).

#### **A MAN OF REASON**

Studio Take's *A MAN OF REASON* received widespread international recognition, premiering at the 42nd Hawaii International Film Festival in the US, with invitations to the 47th Toronto International Film Festival ("**TIFF**") in Canada and the 55th Sitges Film Festival in Spain. The film was pre-sold to 153 countries, ahead of its official release in Korea in August 2023.

The film features the story of Soo-hyeok (played by Jung Woo-sung), a man struggling to live a normal life after spending ten years in prison on behalf of his gang boss.

The story unfolds as Soo-hyeok discovers he is a father and attempts to sever ties with his former gang, only to have the boss hire a notorious killer to take his daughter hostage. He decides to seek revenge, setting the stage for an intense, action-filled drama.



Following the Group's latest action feature film *A MAN OF REASON* (2023), Studio Take is set to release a new film project named *THE GUEST*. The movie is currently in the post-production stage and is tentatively scheduled to be released in 2024.

### Novus Mediacorp

SEGL owns Novus Mediacorp Co., Ltd. ("**Novus Mediacorp**"), an investor, presenter, and/or post-theatrical distributor for a total of 82 films (61 Korean and 21 foreign), including *MARRYING THE MAFIA: RETURNS* (2023), *COME BACK HOME* (2022), *OKAY MADAM* (2020), *LONG LIVE THE KING* (2019), *MY FIRST CLIENT* (2019), *ROSE OF BETRAYAL* (2018), *THE OUTLAWS* (2017) and *SECRETLY, GREATLY* (2013), which was one of the biggest box office hits of 2013 starring Kim Soo-hyun of *MY LOVE FROM THE STARS* (2013), as well as *FRIEND 2: THE GREAT LEGACY* (2013). In 2012, Novus Mediacorp was also the post-theatrical rights distributor of *ALL ABOUT MY WIFE* (2012), a top-grossing romantic comedy produced by Zip Cinema. In 2018, *THE OUTLAWS*, co-presented by Novus Mediacorp, broke the all-time highest Video On Demand ("**VOD**") sales records in Korea. For more information, please visit <http://novusmediacorp.com>.

### Greenlight Content

SEGL owns a 100% equity interest in Greenlight Content Limited ("**Greenlight Content**"), which is mainly involved in investing in dramas and movies and providing consulting services for the production of Korean content. Through the acquisition of Greenlight Content, the Group's first co-produced drama, *MY SECRET TERRIUS*, starring top Korean star, So Ji Sub, achieved #1 in drama viewership ratings for its time slot and recorded double digits for its highest viewership ratings. It was also awarded "Drama of the Year" at the 2018 MBC Drama Awards. Greenlight Content was one of the main investors of *MY SECRET TERRIUS*.

### Simplex Films

SEGL owns a 100% equity interest in Simplex Films Limited ("**Simplex Films**"), an early-stage film production firm. The maiden movie of Simplex Films, *JESTERS: THE GAME CHANGERS* (2019), was released in Korea on 21 August 2019. Simplex Films has several line-ups of films, including *HURRICANE BROTHERS* (working title).

### The Makers Studio

SEGL owns a 20% equity interest in The Makers Studio Co. Ltd. ("**The Makers Studio**"), which plans to produce and release four upcoming films, the first of which will be *THE ISLAND OF THE GHOST'S WAIL*, a comedy horror film.



## Talent Representation

### Spackman Media Group

The Company holds an effective shareholding interest of 43.88% in Spackman Media Group Limited ("**SMGL**"). SMGL, a company incorporated in Hong Kong, together with its subsidiaries, is collectively one of the largest entertainment talent agencies in Korea in terms of the number of artists under management, including some of the top names in the Korean entertainment industry. SMGL operates its talent management business through renowned agencies such as MSteam Entertainment Co., Ltd., SBD Entertainment Inc., UAA&CO Inc. and Play Content Co., Ltd.

Through these full-service talent agencies in Korea, SMGL represents and guides the professional careers of a leading roster of award-winning actors/actresses in the practice areas of motion pictures, television, commercial endorsements, and branded entertainment. SMGL leverages its unparalleled portfolio of artists as a platform to develop, produce, finance and own the highest quality of entertainment content projects, including theatrical motion pictures, variety shows and TV dramas. This platform also creates and derives opportunities for SMGL to make strategic investments in development-stage businesses that can collaborate with SMGL artists. SMGL is an associated company of the Company. For more information, please visit <http://www.spackmanmediagroup.com>.

### Constellation Agency

The Company owns a 100% equity interest in Constellation Agency Pte. Ltd. ("**Constellation Agency**"). Constellation Agency, which owns The P Factory Co., Ltd. ("**The P Factory**") and Platform Media Group Co., Ltd. ("**PMG**"), is primarily involved in the business of overseas agencies for Korean artists venturing into the overseas market. The P Factory is an innovative marketing solutions provider specialising in event and branded content production. PMG is a talent management agency that represents and manages major artists' careers in film, television, commercial endorsements and branded entertainment.

## Strategic Business

### Upper West & Noon Pictures

The Company also operates a café-restaurant, Upper West, in the Gangnam district of Seoul and owns a professional photography studio, Noon Pictures Co., Ltd.

For more details, do visit <http://www.spackmanentertainmentgroup.com/>.



## 1.2 Message to Stakeholders & Board Statement

The Board of the Group is committed to minimising our environmental impacts, growing sustainably, and inspiring others to take action to conserve and protect the world we live in.

In FY2023, we are furthering our commitment to sustainability by launching a comprehensive program that encompasses Novus Mediacorp, Studio Take, and Simplex Films. This initiative is designed to systematically evaluate and address our environmental footprint, as we endeavour to enhance our sustainability practices across all operations.

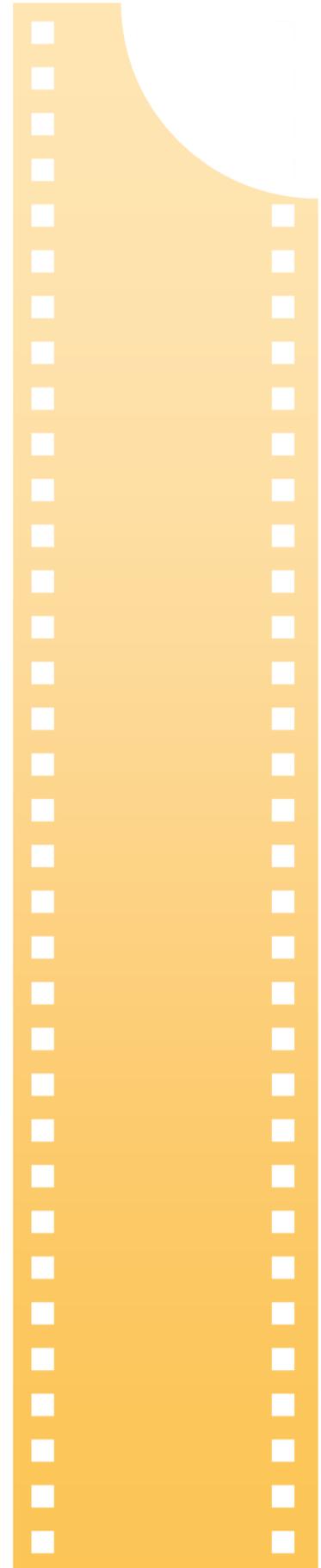
As an integral component of our sustainability strategy, we recognize the significance of harnessing the influence of media to promote awareness regarding environmental conservation. Being a premier entertainment production company in Korea affords us a distinctive platform to champion positive environmental and social narratives. Through our endeavours both behind the camera and within the content we create, we aim to advocate for sustainability and inspire audiences towards meaningful action.

We are committed to complying with industry-leading sustainability practices and striving to raise awareness and inspire sustainable and socially responsible thinking among our local and international audiences through our movie and drama content in the future.

Finally, our Board has integrated sustainability considerations into our strategic planning process and identified key Environmental, Social, and Governance (“**ESG**”) factors. We are committed to actively monitoring and addressing these factors as we progress on our sustainability journey.

**ANTHONY WONG**  
Non-Executive &  
Independent Chairman

**NA KYOUNGWON**  
Chief Executive Officer  
& Executive Director



### 1.3 Scope of Sustainability Report

The scope of the report covers information on material sustainability aspects of the Group relating to the Entertainment segment in Korea, which includes Studio Take, Novus Mediacorp, Greenlight Content, Simplex Films and The Maker Studio, from 1 January 2023 to 31 December 2023 ("**FY2023**"). This should sufficiently address stakeholders' concerns concerning sustainability issues arising from the major business operations of the Group.

This report has been prepared with reference to the Global Reporting Initiative ("**GRI**") Standards as it provides an extensive framework widely accepted as a global standard for sustainability reporting. It also considers the Sustainability Reporting Guide in Practice Note 7F of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalyst ("**Catalist Rules**").

In preparing our report, we applied the GRI's principles for defining report content and quality by considering the Group's activities, impacts substantive expectations and interests of its stakeholders. Please refer to **Appendix C** for the GRI content index.

The report also followed a phased approach, as recommended in the Sustainability Reporting Guide of Practice Note 7F, for disclosing information related to the Task Force on Climate-related Financial Disclosures ("**TCFD**"). Please refer to **Appendix D** for the TCFD recommendations content index.

The data and information provided within the report have not been verified by an independent third party. We have relied on internal review to ensure accuracy and our sustainability reporting processes are subject to our annual internal controls review.

### 1.4 Restatements

No restatements have been made to the previous report.

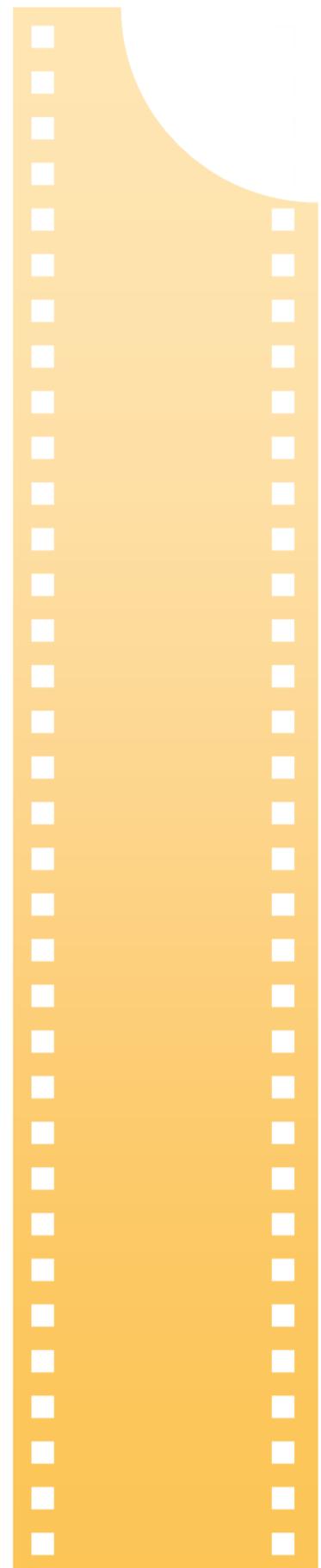
### 1.5 Accessibility of the Report

This Report is available for download on:

- the SGX-ST's website at the URL <https://www.sgx.com/securities/companyannouncements>; and
- the Group's corporate website at the URL <https://spackmanentertainmentgroup.com/corporate-filings>.

### 1.6 Sustainability Contact

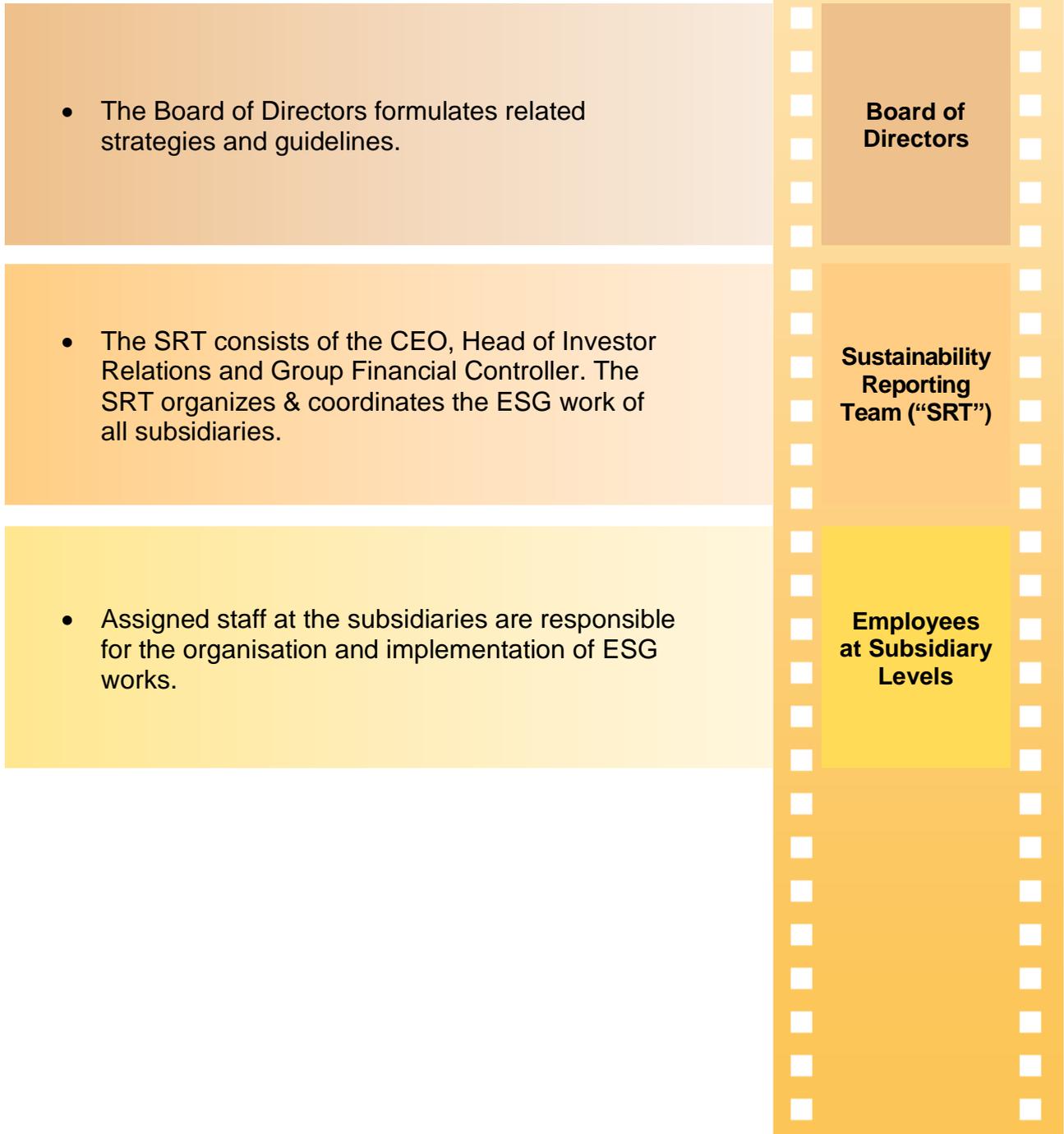
We welcome your views and feedback on our sustainability practices and reporting at [sr@spackmanentertainmentgroup.com](mailto:sr@spackmanentertainmentgroup.com).



## 2. Our Approach to Sustainability

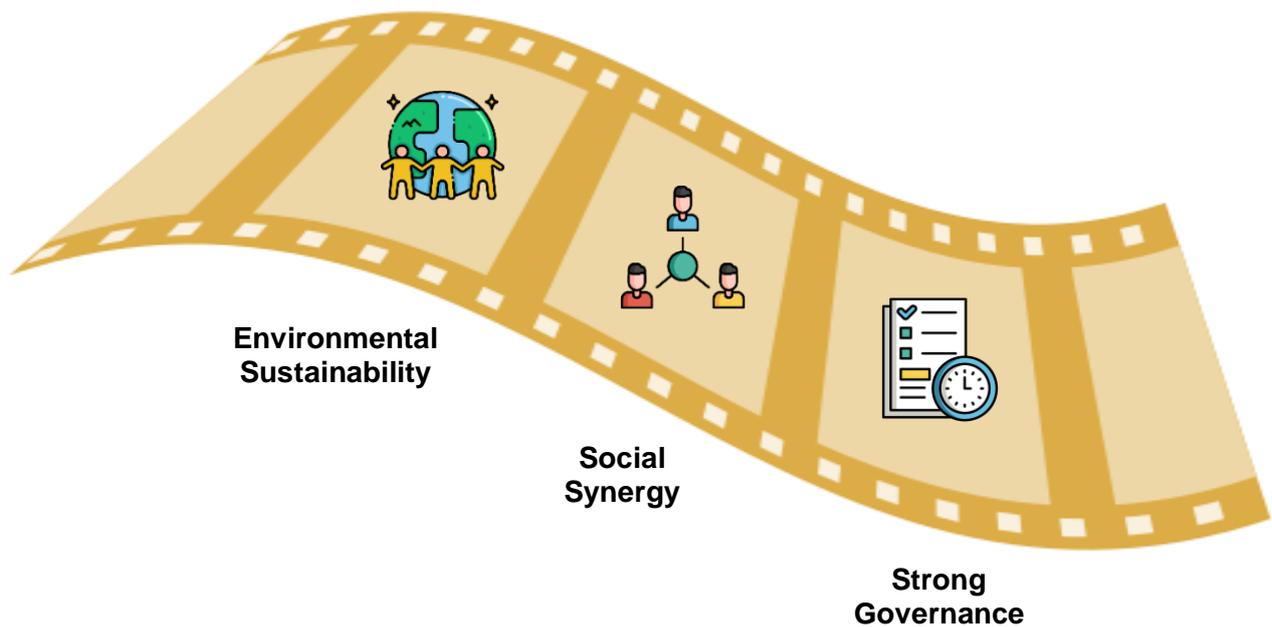
### 2.1 Sustainability Organisational Structure

Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much determine our financial performance. We developed a sustainability organisational structure to move things forward:



## 2.2 Sustainability Strategy

At the Group level, our sustainability strategy aims to create integrated values. Together with disciplined execution of our strategy and a commitment to doing business responsibly, we commit to delivering value to all our stakeholders through the following:



Our internal policies underpinned the sustainable strategy, which establishes a clear tone at the top concerning employees' business and ethical conduct. External sources, including the GRI Standards and Sustainability Reporting Guide in Practice Note 7F of the Catalist Rules, also guide the strategy.

## 2.3 Consulting Our Stakeholders

We recognise the need to continuously develop our responsible business approach to address growing stakeholder expectations around our impact on the economy, environment and society. As such, we periodically consult with our stakeholders to determine the issues most relevant to them and the Group on an ongoing and ad hoc basis. An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

Stakeholders	How we listen	What you have told us	How do we do it
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>Results announcement meetings</li> <li>Annual General Meetings</li> <li>Regular updates and communication</li> <li>Roadshows</li> </ul>	<ul style="list-style-type: none"> <li>Long-term profitability</li> <li>Sustainability matters</li> <li>Performance against targets</li> <li>Compliance with all relevant requirements</li> </ul>	<ul style="list-style-type: none"> <li>Online &amp; offline communication channels to address concerns and issues</li> </ul>
<b>Investors/ Producers/ Presenters</b>	<ul style="list-style-type: none"> <li>Regular updates and communication</li> <li>Periodical meetings</li> </ul>	<ul style="list-style-type: none"> <li>Content development</li> <li>Project profitability</li> <li>Budget monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Regular communication between producers, presenters, and investors</li> <li>Open communication between producer, directors, cast and crew members</li> <li>Discussion on what moviegoers want</li> </ul>
<b>Distributors</b>	<ul style="list-style-type: none"> <li>Regular updates and communication</li> <li>Periodical meetings</li> <li>Official launches</li> <li>Events</li> <li>Interviews, press releases and websites</li> </ul>	<ul style="list-style-type: none"> <li>Maximise screening locations and distribution channels</li> </ul>	<ul style="list-style-type: none"> <li>Expand the distributorship of movies via movie theatres and online platforms in local and overseas markets</li> </ul>
<b>Moviegoers</b>	<ul style="list-style-type: none"> <li>Official launches</li> <li>Events</li> <li>Interviews, press releases and websites</li> </ul>	<ul style="list-style-type: none"> <li>Targeted screening locations and distribution channels</li> <li>Viewing preference</li> <li>Content development</li> </ul>	<ul style="list-style-type: none"> <li>Expand the distributorship of movies via movie theatres and online platforms in local and overseas markets</li> <li>Discussion on what moviegoers want</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Internal updates and communication</li> <li>Events and functions</li> </ul>	<ul style="list-style-type: none"> <li>Equal opportunities</li> <li>Career progression</li> <li>Benefits and rewards</li> </ul>	<ul style="list-style-type: none"> <li>Seek two-way feedback between the Company and the employee</li> </ul>
<b>Regulatory authorities (SGX)</b>	<ul style="list-style-type: none"> <li>Regular updates and communication via sponsor ("PPCF")</li> <li>Reports and compliance</li> <li>Periodical meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with all relevant requirements</li> </ul>	<ul style="list-style-type: none"> <li>The good relationship between continuing sponsor and list co. and dialogue with SGX</li> <li>Active participation in SGX events to increase visibility and transparency (Shareholder engagement events, roadshows, talks, SGX research programme)</li> </ul>
<b>Governments, Partners and Community</b>	<ul style="list-style-type: none"> <li>Direct communication with government and non-government organizations on relevant social programs</li> </ul>	<ul style="list-style-type: none"> <li>Shared commitment to corporate social responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Taking part in partnerships &amp; initiatives involving government and communities</li> </ul>

## 2.4 Sustainability Materiality

In FY2023, the Group conducted a comprehensive review of the material ESG factors crucial to both the Group and its stakeholders. As a result of this review, we have made significant revisions to our material ESG factors, enhancing our understanding and response to key sustainability considerations.

The internal aspect boundaries encompass SEGL, Novus Mediacorp, Studio Take, and Simplex Films within the organization. Conversely, the external aspect boundaries extend beyond the organization and encompass shareholders, investors/producers/presenters, distributors, moviegoers, employees, regulatory authorities (SGX) government, partners, and the community.



### Environmental Sustainability

- Growing business without growing our carbon footprint
- Powering our operations with clean electricity



### Social Synergy

- Engaging audiences, customers, and partners on sustainability issues through programs and content of the highest caliber
- Protection of vulnerable audiences
- Protection of intellectual property
- Employee Engagement
- Occupational health and safety



### Strong Governance

- Enhancing governance & improving transparency



### 3. Our Performance

#### 3.1 How we measure our performance

Our **sustainability strategy** is embedded into the appropriate parts of our business, with dedicated teams for each focus area and coordination by our relevant departmental managers.

Progress will be tracked in two key ways: measuring performance against metrics and evaluating how well the programs have advanced through a series of 'commitments'.

#### Metrics and targets

We have established key performance indicators for each of the three focus areas outlined in our **Sustainability Strategy**. Please refer to **Appendix A** for our Sustainability Scorecard and **Appendix B** for the methodology review and data boundaries. Periodically, we plan to introduce new metrics and update targets to ensure alignment with our strategy.

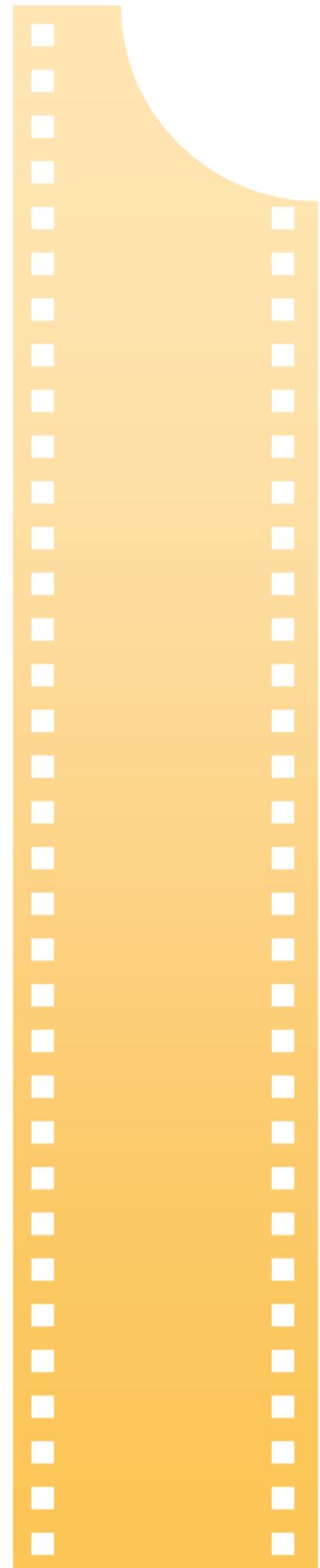
#### Commitments

We have included the key commitments for each area of our sustainability strategy to ensure a robust sustainability programme. The progress we have made against each key commitment is indicated using the symbols shown in the table below.

We track and review our sustainability programme with the Board of Directors at least once a year.

#### Symbols used to indicate progress against commitments

Symbol	Meaning
Ⓝ	New commitment this year
⦿	Not started / not met
◐	In progress
●	Complete
⦿	Ongoing commitment: no end date



### 3.2 Commitments to United Nations Sustainable Development Goals

To ensure that our sustainability efforts are comprehensive and impactful, we have included core commitments for each focus area in our sustainability strategy. In addition, our approach has been guided by the United Nations Sustainable Development Goals ("**UN SDGs**"), which have given us a framework to align our objectives with the broader global sustainability targets. By integrating these commitments into our sustainability program, we aim to create a strong and effective strategy addressing environmental, social, and economic challenges affecting our organisation and stakeholders.

Goals	How we support
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	<p>We aim to promote the health and well-being of our employees, stakeholders, and the communities in which we operate where our suppliers and contractors must adhere to our requirements regarding safety, health, security and the environment, as well as the principles of our Standards of Business Conduct.</p> <p>For our commitment, please refer to "<b>Social Synergy</b>"</p>
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>We believe sustainable business practices can contribute to economic growth and create opportunities for communities to thrive. Therefore, we are committed to providing job opportunities that promote decent work and economic growth. In addition, we strive to achieve long-term economic benefits for our communities by recruiting local talents and developing local suppliers.</p> <p>For our commitment, please refer to "<b>Social Synergy</b>"</p>
 <p><b>13</b> CLIMATE ACTION</p>	<p>The Group recognises that reducing carbon footprint in our daily operations could positively affect climate change. However, climate change is a global challenge that requires collective action. Therefore, we are committed to engaging stakeholders, including our employees, customers, suppliers, and local communities, to raise awareness of the importance of taking action on climate change and to identify opportunities to work together to reduce emissions.</p> <p>We encourage regular maintenance of vehicles used for transportation for our business in South Korea to improve efficiency. Employees have also been educated on energy conservation and emission reductions with the implementation of energy-saving practices. In view of our efforts to reduce carbon emissions, we are working towards a limitation on non-essential business transportation and air travel, which may be replaced by other modes of communication such as emails, phone or video conferencing.</p> <p>For our commitment, please refer to "<b>Environmental Sustainability</b>".</p>

## 3.3 Environmental Sustainability

### Overview

Every year, the global entertainment industry generates millions of metric tons of CO<sub>2</sub>. Consequently, there is a significant call to transition the industry to adopt more sustainable film production practices. Our sustainability efforts are founded upon constantly assessing and monitoring climate-related risks and opportunities to our business, finances, and operations. We also track our business's energy consumption, including measuring our operations' carbon footprint. Doing so gives us valuable insights into opportunities for reducing carbon emissions and improving our energy efficiency.

### Managing climate-related risks and opportunities

#### Governance

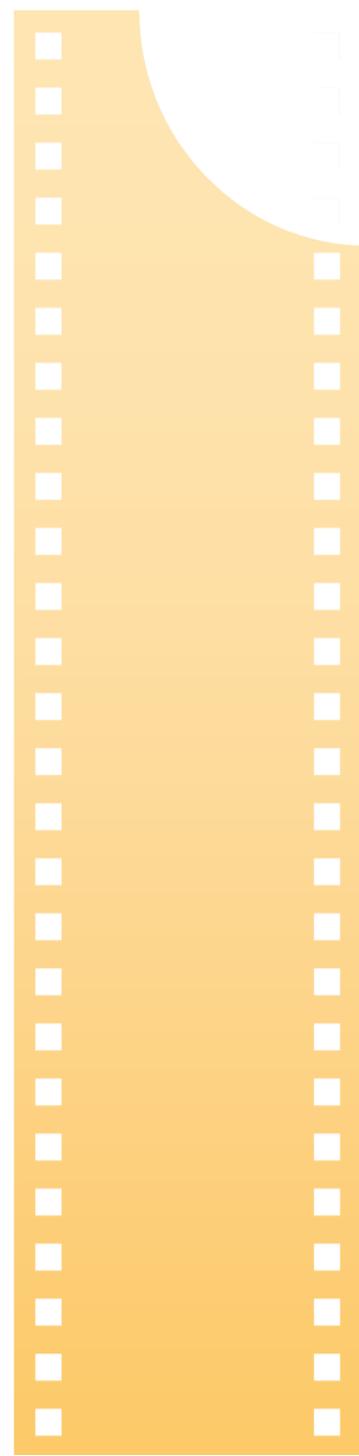
The Group recognises the importance of identifying, assessing, and managing climate-related risks and opportunities. The Company's sustainability strategy is overseen by the Board of Directors, who work closely with senior management to ensure the integration of climate considerations into business decisions and operations. As the governing body, the Board assumes overall responsibility for developing strategies, establishing objectives, reviewing policies, monitoring performance, and assessing risks and opportunities related to sustainability matters. Working closely with management, the Board conducts an annual enterprise risk management review to evaluate the risks and opportunities associated with climate change. The results of this review, including insights into initiatives and performance, are periodically presented during Board meetings.

Additionally, the Company has established the SRT, which oversees the integration of sustainability considerations into the Company's business strategy and operations. The team collaborates closely with executives in each subsidiary to identify and assess climate risks and opportunities and develop and implement effective management strategies. The team comprises the CEO who oversees the Group's operations, including those related to climate-related risks and opportunities, and the Head of Investor Relations, who communicates the Company's corporate updates to the public, including its approach to managing climate-related risks and opportunities. The SRT also includes a Group Financial Controller who coordinates ESG efforts among subsidiaries.

#### Strategy

Our evaluation of the impacts of climate-related risks and opportunities on our business has identified two broad categories of risks: physical and transitional. Physical risks are further divided into acute and chronic risks resulting from extreme weather events and changes in weather patterns. Transitional risks are further divided into regulatory, technology, market, and reputation risks, which arise from business operations and supply chain changes due to the transition towards a low-carbon economy, including the shift towards renewable energy sources.

We have conducted historical and forward-looking analyses of our industry and business to assess these risks and opportunities. Based on our evaluation, we have identified specific impacts that these risks and opportunities may have on our business.



### Extreme weather events

Extreme weather events can have a significant impact on our film production operations. Typhoons, floods, and storms can cause damage to the film sets and equipment, leading to costly repairs and potential delays in filming schedules. In addition, extreme weather events can create safety hazards for actors and crew members, putting their health and well-being at risk.

Filming outdoors in extreme weather conditions poses safety risks to the crew and cast and can damage expensive equipment. Also, production delays caused by extreme weather conditions can significantly impact film production, including schedule disruptions, crew availability, quality of the final product, and a negative impact on reputation. In addition, production delays caused by extreme weather conditions can result in increased labour costs, additional equipment rental costs, and additional post-production costs, all of which can significantly impact the overall film production budget.

Apart from monitoring the weather conditions at filming locations, we ensure that adequate safety protocols and insurance coverage are in place for us for the protection and well-being of our crew, cast, and assets.

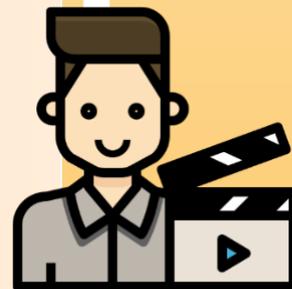


### Growing demand for sustainable film production

Film producers, studios, and industry professionals are exploring ways to reduce their carbon footprint and adopt sustainable practices. Sustainable film production practices can have both positive and negative impacts on the Group. While it may lead to increased costs and competition for resources, it can also improve our reputation, create new markets, and lead to cost savings.

By recognising the growing demand for sustainable film production and prioritising it in our filmmaking process, the Group can potentially tap into a larger audience base of environmentally conscious individuals who may be more inclined to support and promote films that prioritise sustainability. This increased support and positive word of mouth can increase box office tickets and improve the Company's overall financial performance.

We continue to explore ways to reduce our carbon footprint from filming activities while maintaining the quality of our films. We also continue to explore new and effective ways to educate our audiences about energy savings, climate change and environmental stewardship.



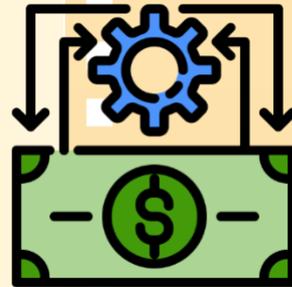
### Change in firm investors' preference

Investors and financiers are increasingly focused on the financial risks associated with climate change, including the potential impact on the success of film productions. This increased focus on climate-related risks means that film producers may face difficulties in securing funding for productions that are seen as vulnerable to climate-related risks.

The entertainment industry has a significant carbon footprint due to its reliance on energy-intensive activities, such as filming and production which may result in film investors viewing investments in traditional film production companies as riskier. Instead, they may seek investments in companies implementing sustainable practices or films promoting sustainability and environmental consciousness.

The Group's access to capital for filmmaking could be limited if we do not address climate-related risks and adopt sustainable practices.

We continue to explore ways to reduce our carbon footprint from filming activities by adopting sustainable filming practices.



### Changing weather patterns

As climate change continues to affect weather patterns, we may face challenges regarding the choice of filming locations for their productions.

As climate change continues to worsen and impact weather patterns over the long term, the film industry may face chronic challenges regarding the availability and suitability of filming locations. Rising sea levels, desertification, and changing weather patterns can alter the landscapes and environments traditionally used as backdrops for film productions, making securing suitable locations more difficult and costly. This may lead to increased travel costs, longer production timelines, and additional expenses for scouting and securing alternative locations, all of which can significantly impact the overall film production budget.

We remain vigilant in selecting filming locations to ensure suitability and cost-effectiveness, while also innovating to choose settings that offer ideal backdrops and atmosphere for producing high-quality films.



As we evaluated climate-related risks and opportunities for the Group, we considered a time horizon of up to 15 years, utilising available information. To categorise the likelihood and potential impacts of these risks and opportunities, we have divided them into three-time horizons:

- (a) **short-term**, which refers to events or trends expected to occur within the next 5 years;
- (b) **medium-term**, which covers a timeframe of 5 to 15 years; and
- (c) **long-term**, which encompasses events or trends that are anticipated to occur 15 years from now.

## Risk Management

The Group has implemented a robust enterprise risk management framework that enables us to identify, evaluate, and manage risks effectively. We consider various external sources and internal business operations to identify potential impacts, including corporate governance, regulatory requirements, environmental, health and safety, market conditions, and human resources, among others. We work closely with various departments to collect information on business risks, including climate-related risks and performance. The information is reviewed and conveyed to the Board to facilitate the identification of climate-related risks. We evaluate identified risks based on their scale and potential impact on our operational processes, considering information from reliable institutes and published reports.

We have established a risk ranking system to assess the magnitude of climate-related risks and their potential impacts on our business. This system categorises risks into five tiers based on their significance - Very significant, Major, Moderate, Minor and Insignificant. By prioritising risks according to their impact, we can allocate the necessary resources to manage them effectively. After evaluating the risks, we develop strategies to manage them effectively.

We respond to identified risks through various measures, including implementing new internal controls, enhancing existing controls, or transferring the risks. Our goal is to mitigate the negative impact of these risks and capitalise on any opportunities that may arise from them.

To ensure the effectiveness of our risk management strategies, we have developed monitoring mechanisms to review their performance regularly. Through this approach, we can adapt our strategy to changes in the business environment and maintain resilience in the face of climate-related challenges.

## Growing business without growing our carbon footprint

We recognise that reducing carbon footprint in our daily operations could positively affect climate change. To determine the carbon footprint, we collect energy usage data from each of our businesses and then calculate our total annual greenhouse gas ("GHG") emissions. We follow the Greenhouse Gas Protocol established by the World Resources Institute and the World Business Council for Sustainable Development, the standard manual for measuring corporate GHG emissions.

Using the "control method", we include 100% of the emissions associated with businesses we directly control.

Our carbon footprint consists of the following:

Scope	Data Boundary	Quantity (tCO <sub>2</sub> e)
Scope 1	All fuels used directly by our companies	19
Scope 2	All purchased electricity used in our offices	88
Scope 3	Impact of business air travel	20
<b>Total</b>		<b>127</b>

## FY2023 performance

**127** tCO<sub>2</sub>e

Carbon footprint

**158** tCO<sub>2</sub>e/USD'm

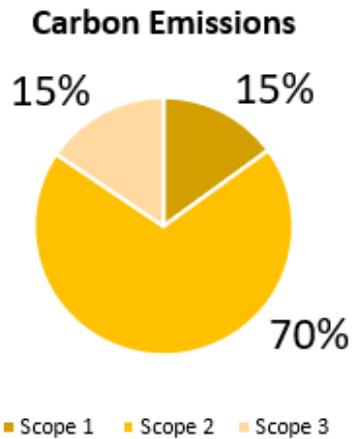
Carbon footprint intensity

The chart on the right shows the sources of our carbon footprint:

In FY2023, the Group generated a carbon footprint of 127 (2022: 111) tonnes of carbon dioxide emission (“tCO<sub>2</sub>e”), representing a carbon footprint intensity of 158 (2022: 44) tCO<sub>2</sub>e per million USD revenue (“USD'm”).

The increase in our total carbon footprint is primarily attributed to the increase in filming activities in FY2023 due to Studio Take’s upcoming film *THE GUEST*. On the other hand, the carbon footprint intensity has risen due to lower revenue because of the termination of content service of several films such as *THE OUTLAWS* and the lower percentage-of-completion (“POC”) incurred in FY2023 for *A MAN OF REASON* as compared to the production revenue that was incurred in FY2022.

Despite the marginal increase in our total carbon footprint, we successfully met our target for FY2023. We remain committed to maintaining our total carbon footprint below the FY2021 baseline and will continue to monitor the carbon footprint intensity.



## Powering our operations with clean energy

### Fuel

Fuel consumption accounted for approximately 15% of the total carbon footprint of the Group. In FY2023, we consumed 8,068 (2022: 7,554) litres (“L”) of petrol. Petrol usage is mainly used by the management of our various subsidiaries when conducting their day-to-day business in Seoul and around the rest of South Korea.

Therefore, the Group encourages regular maintenance of the vehicles to improve efficiency.

### Electricity

Electricity consumption accounted for approximately 70% of the total carbon footprint of the Group. In FY2023, we utilised 184 (2022: 168) megawatt-hours (“mWh”) of electricity which 100% sourced from the local municipalities. Electricity is used for the regular operations of our offices.

All employees stringently complied with the Group's policy of saving energy. The Group utilised electricity-saving light bulbs at its offices and educated its employees about energy conservation and emission reductions. To ensure the effective use of electricity, the Group adopted the following practices:

- Turn off lights, computers and air conditioning system before clocking out
- Place energy-saving reminder labels next to switches
- Clean office equipment (such as refrigerator, air-conditioner) regularly to maintain high efficiency
- Use energy-saving appliances
- Set the temperature of air conditioners to 25°C

The Group established policies and procedures to reduce energy consumption in the office, assess energy efficiency, increase the use of clean energy, and ensure power is turned off when electrical appliances are not in use.

## FY2023 performance

**8,068<sub>L</sub>**

Petrol consumption

**184<sub>mWh</sub>**

Electricity consumption

**939<sub>GJ</sub>**

Energy consumption

**1,173<sub>GJ</sub>**

Energy consumption intensity

## Energy

Combining both fuel and electricity, our total energy consumption in FY2023 is 939 (2022: 934) gigajoule (“GJ”), which comprises 276 GJ from fuel consumption and 663 GJ from electricity consumption. This represents 1,173 (2022: 374) GJ per USD'm. Our total energy consumption largely remains the same as the previous year. However, our energy consumption intensity increased significantly due to the lower revenue as disclosed previously.

## Business transportation and air travel

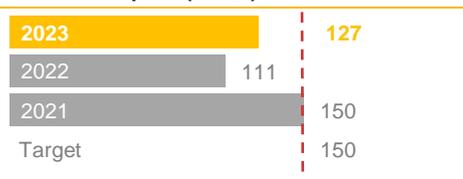
We recognise that business transportation and air travel are a core part of business, and face-to-face meetings are often the best way to build relationships with clients and business partners. However, this also gives rise to carbon emissions that contribute to deteriorating air quality and climate change.

Business air travel accounted for approximately 15% of the total carbon footprint of the Group. To manage our carbon emissions, we will strive to reduce non-essential business transportation and air travel by leveraging on other modes of client communication (including emails, telephone or video conferencing) calls) where possible.

## Commitments: Environmental Sustainability

### Maintain carbon footprint (from FY2021 baseline)

#### Carbon footprint (tCO<sub>2</sub>e)



#### FY2023 performance

- We generated a carbon footprint of 127 tCO<sub>2</sub>e, representing a moderate increase from the previous year.
- The increase is primarily attributed to increased filming activities in FY2023 for Studio Take's upcoming film *THE GUEST*.
- We are committed to maintaining our total carbon footprint below the FY2021 baseline.

### Continue to monitor carbon footprint intensity

#### Carbon footprint intensity (tCO<sub>2</sub>e/USD'm)



#### FY2023 performance

- We generated a carbon footprint intensity of 158 tCO<sub>2</sub>e/USD'm in FY2023.
- The carbon footprint intensity has risen due to lower revenue, which can be attributed to the termination of content service of several films such as *THE OUTLAWS* and the lower percentage-of-completion (“POC”) incurred in FY2023 for *A MAN OF REASON*.

### 3.4 Social Synergy

#### Overview

As a film-making Company, we embrace our dual responsibility to contribute to social development through the stories we tell, the perspectives we amplify, and the dialogue we foster within society, while also diligently protecting intellectual property rights to ensure the sustainability and integrity of creative endeavours. Also, we support local film industry development strongly, including supporting local talent and collaborating with local authorities to provide various economic benefits such as tourism promotion and job creation.

We also prioritise the well-being of our employees, placing emphasis on fostering diversity, supporting continuous development, and ensuring a safe and inclusive work environment.

#### Engaging audiences, customers, and partners on sustainability issues through programs and content of the highest calibre

Given that Korean movies claimed a domestic market share of 48.5% in FY2022, the Korean movie industry certainly has the opportunity to effect positive change in society on a large scale. Through effective storytelling, we believe our movies help empower and inspire audiences to take action to improve the environment and society at large.

Our primary objective is to revolutionise the way we educate our audiences about critical topics such as energy conservation, climate change, and environmental stewardship. We are dedicated to exploring innovative and effective methods that engage and empower individuals to take meaningful action towards sustainability. To achieve this goal, we recognise the importance of collaborating with our partners and leveraging the expertise of artists who share our commitment to environmental responsibility. By drawing on their knowledge and creative talents, we aim to enhance our sustainability efforts and amplify our message of environmental stewardship.

Moreover, we are actively seeking opportunities for our projects to make a tangible contribution to environmental stewardship within the media and consumer sectors. Whether it is through the content we produce, the initiatives we support, or the partnerships we forge, we are committed to leveraging our influence to drive positive change and raise awareness about environmental issues. In addition, we are dedicated to broadening our relationships with producers, presenters, distributors, strategic partners, and artists who share our values and commitment to sustainability. By fostering a community of like-minded individuals and organizations, we can amplify our impact and drive collective action towards a more sustainable future.

#### FY2023 performance

# 128,485

Ticket sales

## Riding the Korean Wave

### Globalisation of Korean Content

South Korea aims to establish itself as a global powerhouse in exporting and importing entertainment and media. The phenomenon known as the "K-Wave" (Korean Wave or Hallyu) has garnered widespread international acclaim, encompassing Korean TV shows, films on media platforms, pop artists' music videos, and gaming content. Recognizing the immense economic potential, the Korean government views the content sector as a pivotal driver for the nation's economy.

On 5 January 2024, Yonhap News Agency reported that according to Korea's Ministry of Culture, Sports & Tourism, the exports of South Korea's content industry soared to new heights, setting a record of US\$13.24 billion in 2022, which increased 6.3% percent from US\$12.45 billion in 2021<sup>1</sup>.

Korean film market, which contribute significantly to content sector, the number of moviegoers also recovered from 61 million in 2021 to 113 million in 2022, after the COVID-19. Over-the-top ("OTT") content platform services streaming Korean films and dramas continue to gain popularity among global audiences. Netflix has invested over KRW 1 trillion in the Korean market since 2016. The company's investment in the Korean market has generated ripple effects worth KRW 5.6 trillion and created 16,000 jobs in various industries, with an economic impact of about KRW 2.7 trillion in other industries, including fashion and food<sup>2</sup>.

Notably, in terms of Korean drama, Netflix's *SQUID GAME* (2021) starring rising international Korean star Wi Ha-jun of Spackman Media Group, achieved immense popularity, becoming Netflix's most-watched TV series. Wi Ha-jun is set to reprise his role in the highly anticipated second season the show.

The Korean film *PARASITE* (2020) also won the 2020 Oscar for best picture and was the first-ever foreign language film to win the Oscar for best picture.

These serve as exemplary Korean content projects that attract huge viewership not only in the US and Asia but globally.

In light of the international popularity of Korean content, the Group shall continue to tap on its subsidiaries to develop, produce, invest in and/or distribute Korean dramas and films.

<sup>1</sup>Yonhap News Agency, <https://en.yna.co.kr/view/AEN20240105002400315#:~:text=According%20to%20a%202022%20research,the%20previous%20year's%20%2412.45%20billion.,> S. Korea's content industry exports surge to record high in 2022, 5 January 2024

<sup>2</sup>Invest KOREA, Future of K-content, [https://www.investkorea.org/ik-en/bbs/i-308/detail.do?ntt\\_sn=490776](https://www.investkorea.org/ik-en/bbs/i-308/detail.do?ntt_sn=490776), 5 December 2022



### China's Ban on *Hallyu*

There also have been signs that China's ban on *Hallyu* or the Korean wave will soften soon. In December 2021, China released its first Korean film in six years, signalling the boycott's end. After a six-year hiatus, the theatrical release of the Korean comedy film *OH! MY GRAN* (2020) in Chinese cinemas signalled that an influx of Korean content might start to re-enter the world's largest film market.

In March 2022, *SOMETHING IN THE RAIN*, headlined by iconic Korean actress Son Ye-jin of Spackman Media Group, ranked within the top 10 on the Chinese streaming platform iQIYI. The release of *SOMETHING IN THE RAIN* on iQIYI marks the first time a Korean drama series returns on iQIYI since *DESCENDANTS OF THE SUN* (2016). This is followed by streaming the 2018 Korean film *HOTEL BY THE RIVER* on Tencent Video, one of China's top three OTT platforms, in December 2022<sup>3</sup>.

Despite signs of a softening in the ban on *Hallyu*, Korean content still faces hurdles. The strictness of China's approval process for streaming content creates uncertainty about the future of Korean Wave popularity in the Chinese market.

<sup>3</sup>The Korea Times, [https://www.koreatimes.co.kr/www/opinion/2024/04/137\\_340683.html](https://www.koreatimes.co.kr/www/opinion/2024/04/137_340683.html), Lift Ban On *Hallyu*, 28 November 2022



### Leveraging on Our Talent Management Business

The rapid globalisation of Korean content and the softening of China's ban on *Hallyu* will create opportunities for Korean artists in Spackman Media Group to participate in top-quality content production and collaborate with international brands for advertisements and endorsements.

Spackman Media Group's flagship artists include iconic Korean actress Son Ye-jin, emerging international star Wi Ha-jun, leading Korean actress Lee Min-jung, veteran actor Kim Sang-kyung and rising star Han Ji-hyun. In February 2023, the Group announced that SMGL, and one of SMGL's wholly-owned subsidiaries, Crystal Planet Limited, entered into a share exchange agreement (the "**Agreement**") with Spackman Equities Group Inc. (a company listed on TSX VENTURE: SQG) ("SQG") pursuant to which SQG will acquire all of the issued and outstanding shares in the capital of CPL from SMGL in consideration of the issuance of new listed shares of SQG, which is a shareholder of the Group. The transaction will result in SQG becoming a subsidiary of SMGL (the "**Proposed Transaction**"). Subsequently, in January 2024, SQG provided an update that SQG and CPL had agreed to amend the Agreement to extend the outside date for completion of the Proposed Transaction from October 31, 2023 to June 30, 2024. In March 2023, SQG announced the TSX Venture Exchange (the "**TSXV**") has conditionally approved the listing of the common share of the resulting issuer upon completion of the Proposed Transaction, which constitutes a reverse-takeover transaction under the policies of the TSXV (the "**RTO**").

Listing of the common shares of the resulting issuer from the RTO is subject to the fulfilment of certain conditions, including the completion of the RTO. Upon the receipt of TSXV approval, SQG expects that the common shares arising from the completion of the RTO will continue to trade on the TSXV under the symbol "SQG". The RTO will require the approval of SQG's shareholders on a disinterested basis. SQG anticipates that a special meeting of the shareholders to seek approval for the RTO shall be held in May 2024.



## A MAN OF REASON

The Group's latest film, *A MAN OF REASON*, opened at the Korean theatres on 15 August 2023. The film premiered at the 42<sup>nd</sup> Hawaii International Film Festival in the US, was invited to the 47<sup>th</sup> Toronto International Film Festival in Canada and the 55<sup>th</sup> Sitges Film Festival in Spain, and pre-sold to 153 countries including Singapore, the United States, Japan, Australia, Thailand, the Philippines, India, Russia, France, Germany, Spain, Italy and Poland. The film features the story of Soo-hyeok (played by Jung Woo-sung), a man struggling to live a normal life after spending ten years in prison on behalf of his gang boss. The narrative unfolds as Soo-hyeok discovers he is a father and attempts to sever ties with his former gang, only to have the boss hire a notorious killer to take his daughter hostage. He decides to seek revenge, setting the stage for an intense, action-filled drama. The *A MAN OF REASON* achieved 128,485 ticket sales and grossed US\$ 0.9 million as of April 2024.



## THE GUEST

*THE GUEST* is a crime thriller film produced by the Group's Studio Take, founded by veteran movie producer, Mr. Song Dae-chan. Starring Lee Joo-seung in *HAPPINESS* (2021) and Oh Hye-won in *#ALIVE* (2020) produced by the Group, *THE GUEST* is directed by Yeon Je-gwang, who has won awards for his short films at film festivals. *THE GUEST* is based on a short film of the same name, also directed by Yeon Je-gwang, who was invited to the 2019 & 2016 Cannes Film Festival. *THE GUEST* tells the story of two part-time motel employees, who illegally film guests of the motel and unintentionally witness a crime.

The Group is dedicated to consistently delivering top-tier films that resonate with a broader audience and track our ticket sales as an indicator of our capability to reach and inspire audiences on environmental stewardship. Simultaneously, we are actively exploring avenues for our projects to have a meaningful impact on environmental stewardship in future endeavours.

## Protection of vulnerable audiences

Film ratings advised by government bodies or industry committees serve to provide guidance to viewers about the content of a film before they watch it. These rating systems are designed to inform audiences about the suitability of a film for certain age groups and to give an indication of the type of content they can expect.

Typically, these ratings are based on factors such as violence, language, sexual content, drug use, and other thematic elements. Ratings may range from those suitable for all audiences (such as G or U ratings) to those restricted to adults only (such as NC-17 or 18+ ratings). The specific criteria and rating categories can vary from one country to another, reflecting cultural norms and values.

Film ratings aim to help parents make informed decisions about what movies are appropriate for their children, as well as assist individuals in choosing films that align with their personal preferences and sensitivities.

## FY2023 performance

# 100%

of our films are rated by the relevant government body in each country prior to release

All our films are rated by the relevant government body in each country prior to release, ensuring that viewers receive appropriate guidance regarding the content of each film. These ratings help audiences make informed decisions about which films are suitable for them or their families to watch. The Group aims to continue maintaining this practice going forward.

## Protection of intellectual property

Protection of intellectual property is paramount in filmmaking, ensuring that creators retain ownership of their original ideas, content, and artistic expressions, thereby safeguarding their creative integrity and potential revenue streams

Prior to the production stage, our films undergo thorough scrutiny by legal experts to ensure compliance with distribution, copyright, and trademark regulations. Through robust legal agreements, all aspects related to distribution, copyright ownership, and trademark protection are finalized, providing a solid foundation for the production process. This meticulous approach guarantees that our films adhere to legal standards from inception, safeguarding our intellectual property rights and facilitating smooth distribution channels.

In FY2023, the Group has not received any complaint on the violation of intellectual property.

## Supporting the local industry

Novus Mediacorp and Frame Pictures strongly support the industry initiatives of the Korean Film Producers Association (“**KFPA**”) and Korean Film Council (“**KOFIC**”) to stimulate, grow and sustain the Korean film industry.

We also seek to create long-term economic benefits for our communities by recruiting local talent and developing local suppliers, supporting a reliable local supply network to drive economic growth.

In addition, all of our suppliers and contractors must adhere to our requirements regarding safety, health, security and the environment, as well as the principles of our Standards of Business Conduct. We are also focused on developing local businesses through regular meetings with them to ensure they know the opportunities created by our projects and understand our requirements.

As part of our strategy, we have committed to recruiting at least 80% of our talent and sourcing at least 80% of our purchases locally. In FY2023, 100% (2022: 92.3%) of our talent was recruited locally and 90.0% (2022: 66.8%) of our purchases were also sourced locally.

## FY2023 performance

# Zero

Complaint on the violation of intellectual property

## FY2023 performance

# 100%

Talents sourced locally

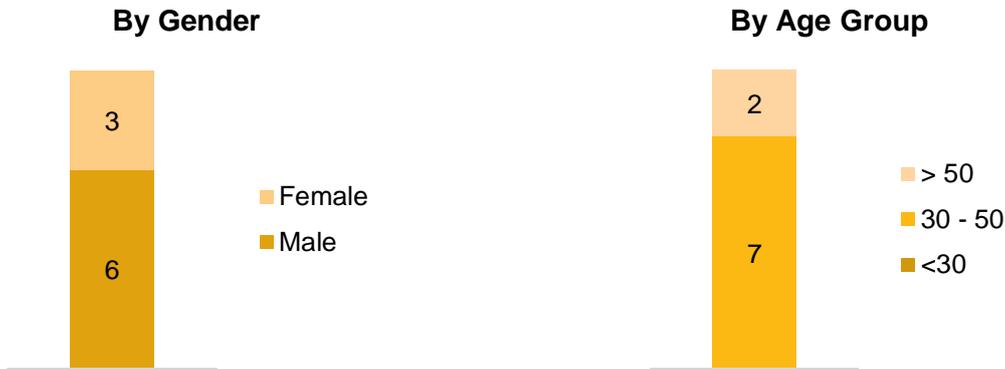
# 90.0%

Purchases sourced locally

## Employee engagement

We prioritise fostering a culture of mutual feedback between the Company and our employees to facilitate career progression and development. We recognise that open communication channels are essential for both parties to understand each other's goals, strengths, and areas for improvement.

We have a total of 9 (2022: 13) employees as of the end of FY2023. All our employees are full-time employees. Please refer to the following for our employment profile by gender and age group as of the end of FY2023:



While we currently do not have a female director, our workforce includes 3 female employees, accounting for 33% (2022: 54%) of our total staff. Among them, 1 holds management positions, representing 33% (2022: 50%) of our total management personnel. The majority of our employees, comprising individuals aged between 30 and 50, constitute the largest age group. Additionally, two employees are above 50 years old, making up 14% (2022: 8%) of our total workforce.

All resignees were female employees between the ages of 30 and 50. As a result, our female employee turnover rate stands at 133% (2022: 0%). Additionally, there were no new hires during FY2023.

We strongly prohibit all forms of discrimination and enforce strict regulations to prevent the exploitation of child actors and forced labour. In FY2023, we did not receive any complaint on incidents of discrimination. Additionally, the Group was not in violation of any of the relevant laws and regulations concerning child actors and forced labour in FY2023.

We heavily rely on on-the-job training to develop our employees, supplemented by periodic arrangements for external training or short courses to enhance their skills and abilities. In FY2023, our employees attended a total of 148 (2022: 105) hours of training, averaging 18 (2022: 12) hours per employee, with male employees attending an average of 26 (2022: 11) hours and female employees attending an average of 17 (2022: 14) hours. This figure excludes on-the-job training sessions

### FY2023 performance

**33%**

Female employees

**Zero**

Violation against relevant laws and regulations concerning discrimination, child actors and forced labour

**18hrs**

Training per employee

## Occupational health and safety

We prioritise comprehensive safety measures throughout our operations, encompassing filming activities and office buildings. Moreover, we require our suppliers and contractors to adhere to our rigorous safety, health, and security standards.

Upholding stringent safety policies, we proactively identify and address potential hazards to ensure the well-being of our employees and stakeholders at all times. Additionally, we secure relevant insurance coverage to mitigate risks associated with filming and provide public liability protection for our offices and buildings.

In FY2023, we are proud to report zero work-related safety incidents, demonstrating our commitment to maintaining a safe and secure workplace for all employees.

## FY2023 performance

# Zero

Work-related safety incidents

## Commitments: Social Synergy

### Track box office performance

#### Box office performance



#### FY2023 performance

- The film *A MAN OF REASON* achieved 128,485 ticket sales and grossed US\$ 0.9 million as of April 2024.

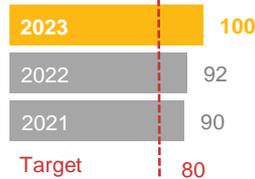
### Zero complaint on the violation of intellectual property

#### FY2023 performance

- The Group reports zero complaints on the violation of intellectual property received in FY2023.

### Recruit at least 80% of our talent locally

#### Talent sourced locally (%)

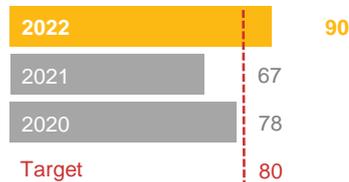


#### FY2023 performance

- The Group recruited 100% of our talent locally, which exceeds our target set.

### Source at least 80% of our purchases locally

#### Purchases sourced locally (%)



#### FY2023 performance

- The Group sourced 90% of our purchases locally, above our target set.

### Zero work-related safety incidents

#### FY2023 performance

- The Group reports zero work-related safety incidents in FY2023.

## 3.5 Strong Governance

### Overview

To uphold principles of fairness, ethics, and efficiency within both its business operations and work environment, the Group places stringent emphasis on strict adherence to all applicable local laws and regulations.

### Enhancing governance and improving transparency

The Group's Company Secretary has briefed the Board on recent legal developments impacting the Company, such as amendments to SGX-ST Listing Rules, risk management, corporate governance, insider trading regulations, and other significant regulatory shifts. This update aims to assist the Board and Board Committee members in fulfilling their fiduciary responsibilities effectively. The Group organises quarterly board meetings to facilitate strategic discussions and decision-making processes. Additionally, we prioritize maintaining open channels of communication and dialogue with the sponsor, ensuring alignment of objectives and fostering a collaborative relationship built on transparency and mutual understanding.

The Group upholds a strict stance against corruption and bribery in all its forms. It mandates that all employees adhere rigorously to professional ethics, thereby eliminating any potential for corruption or bribery. Employees are expected to carry out their responsibilities with utmost integrity, fairness, and professionalism, abstaining from any form of bribery, including insider trading, which may compromise the Group's interests or violate ethical standards.

Whistleblowers can report verbally or in writing to the senior management of the Group for any suspected misconduct (including corruption, bribery, extortion, fraud and money laundering) with full details and supporting evidence. The management will conduct investigations against any suspicious or illegal behaviour to protect the Group's interests and the whistleblowers' confidentiality.

In FY2023, the Group did not receive any complaints on corruption. Also, the Group was not in violation of any of the relevant laws and regulations concerning anti-corruption and bribery, extortion, fraud and money laundering that have a significant impact on the Group.

### Commitments: Strong Governance

**Zero non-compliance with laws and/or regulations which resulted in significant fines and non-monetary sanction**

#### FY2023 performance

- The Group reports non-compliance with laws and/or regulations which resulted in significant fines and non-monetary sanctions.

### FY2023 performance

# Zero

Non-compliance with laws and/or regulations which resulted in significant fines and non-monetary sanction



## Appendix A: Sustainability Scorecard

### Financial

Performance indicators	Units	FY2022	FY2023
Revenue	USD'm	2.5	0.8

### Environmental Sustainability

Performance indicators	Units	FY2022	FY2023
<b>Carbon footprint</b>			
Total carbon footprint	tCO <sub>2</sub> e	111	127
Carbon footprint intensity	tCO <sub>2</sub> e/USD'm	44	158
<b>Energy consumption</b>			
Fuel consumption	L	7,554	8,068
Electricity consumption	MWh	168	184
Energy consumption	GJ	934	939
Energy consumption intensity	GJ/USD'm	374	1,173

### Social Synergy

Performance indicators	Units	FY2022	FY2023
<b>Engaging audiences, customers, and partners on sustainability issues through programs and content of the highest calibre</b>			
Box office	Number	0	123,485
<b>Protection of vulnerable audiences</b>			
Films rated by the relevant government body in each country prior to release	%	100	100
<b>Protection of intellectual property</b>			
Complaint on the violation of intellectual property	Number	0	0
<b>Supporting the local industry</b>			
Talents sourced locally	%	92	100
Purchases sourced locally	%	67	90
<b>Employee engagement</b>			
Total employees	Number	13	9
Employee new hire	%	31	0
Employee turnover	%	0	44
Female employee	%	54	33
Total training hours	Hours	105	148
Average training hours per employee	Hours	12	18
<b>Occupational health and safety</b>			
Fatalities in workplace	Number	0	0
High-consequence injuries in the workplace	Number	0	0
Recordable injuries in the workplace	Number	0	0
Recordable work-related ill health cases in the workplace	Number	0	0

### Strong Governance

Performance indicators	Units	FY2022	FY2023
Independent Directors	%	75	75
Confirmed incidences of corruption and actions taken	Number	0	0
Non-compliance with laws and/or regulations, which resulted in significant fines and non-monetary sanctions	Number	0	0

## Appendix B: Methodologies and data boundaries

This section details key definitions, methodologies and data boundaries applied to the Group's Sustainability Report as we endeavour to elevate transparency and facilitate comparability of our data disclosed. These definitions and methodologies are adapted with reference to the GRI Standards Glossary 2021, Reporting Recommendations and Guidance set out in the respective GRI disclosures and various authoritative intergovernmental instruments.

### Carbon Footprint

In the scope of this reporting, scope 1 emissions are emissions generated from the consumption of fuels for our operations. The emission factor for calculating carbon emissions is obtained from United Kingdom Department for Environment Food and Rural Affairs ("UK Defra"). Carbon emissions are expressed in tonnes of carbon dioxide ("tCO<sub>2</sub>e").

The scope of this reporting, scope 2 emissions are emissions that result from the generation of purchased or acquired electricity by the Group. The Grid Emission Factor ("GEF") used for calculating carbon emissions is obtained from the Korea Institute of Energy Research. Carbon emissions are expressed in tCO<sub>2</sub>e.

The scope of this reporting, scope 3 emissions are emissions generated from the consumption of fuels used for the Airmiles travels. The quantity of emissions is negligible. The emission factor used for calculating the carbon emissions is obtained from UK Defra. Carbon emissions are expressed in tCO<sub>2</sub>e.

### Carbon Footprint Intensity

This is the ratio of carbon emissions relative to the millions of USD revenue generated ("USD'm"). Carbon emissions intensity is expressed in tCO<sub>2</sub>e per USD'm ("tCO<sub>2</sub>e/USD'm").

### Fuel Consumption

Fuel including petrol and diesel consumed by the Group. Fuel consumption is expressed in litres ("L").

### Electricity Consumption

Electricity consumed results from purchased electricity by the Group. Purchased electricity is expressed in megawatt-hours ("MWh").

### Energy Consumption

Energy consumed results from fuel consumed and purchased electricity by the Group. Energy consumption is expressed in gigajoule ("GJ").

### Energy Consumption Intensity

This is the ratio of energy consumed relative to the millions of USD revenue generated ("USD'm"). Energy consumption intensity is expressed in GJ per USD'm ("GJ/USD'm").

### New Hires and Turnover

New hires are defined as new employees who have joined the Group during the financial year.

Turnover is defined as all employees who have left the Group voluntarily or due to dismissal, retirement or death in service during the financial year.

The new hires rate is the total number of new employees hired in the financial year relative to the total number of employees recorded at the financial year-end.

The turnover rate is the total number of employee turnovers in the financial year relative to the total number of employees recorded at the financial year-end.

The new hires/turnover rate by gender is the total number of female/(male) new hires/employee turnovers for each gender in the financial year relative to the total number of new hires/resignees recorded at financial year-end.

### Training hours

Average training hours per employee is the total number of training hours incurred during the financial year provided to employees relative to the total number of employees recorded as of financial year-end.

Average training hours per female/(male) employee is the total number of training hours provided to female/(male) employees relative to the total number of female/(male) employees recorded as of financial year-end.

**Fatalities in workplace**

The number of fatalities as a result of work-related injury during the reporting period across the organisation.

**High-consequence injuries in the workplace**

Number of high-consequence work-related injuries (an injury that results in a fatality from which the worker cannot recover fully to pre-injury health status within 6 months) excluding fatalities during the reporting period.

**Recordable injuries**

The number of recordable work-related injuries during the reporting period.

**Recordable Work-related Ill Health Cases**

The number of recordable work-related illnesses or health conditions arising from exposure to hazards at work during the reporting period.

## Appendix C: GRI content index

### GRI Standards Content Index

The GRI Content Index references the Group's Sustainability Report 2023 ("SR"), the Annual Report 2023 ("AR") and the Group's Corporate Website ("Web").

Disclosure number	Disclosure title	Page reference and remarks	
<b>GRI 2: General disclosures</b>			
<b>The organisation and its reporting practices</b>	2-1	Organisation details	<ul style="list-style-type: none"> <li>AR Corporate Overview</li> </ul>
	2-2	Entities included in the organisation's sustainability reporting	<ul style="list-style-type: none"> <li>SR 1.3 Scope of Sustainability Report</li> </ul>
	2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> <li>SR 1.3 Scope of Sustainability Report</li> <li>SR 1.6 Sustainability Contact</li> </ul>
	2-4	Restatements of information	<ul style="list-style-type: none"> <li>SR 1.4 Restatement</li> </ul>
	2-5	External assurance	<ul style="list-style-type: none"> <li>SR 1.3 Scope of Sustainability Report</li> </ul>
<b>Activities and workers</b>	2-6	Activities, value chain and other business relationships	<ul style="list-style-type: none"> <li>SR 1.1 Corporate Profile</li> </ul>
	2-7	Employee	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
	2-8	Workers who are not an employee	<ul style="list-style-type: none"> <li>Not applicable. The Group does not have workers who are not employees.</li> </ul>
<b>Governance</b>	2-9	Governance structure and composition	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-11	Chair of the highest governance body	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-12	Role of the highest governance body in overseeing the management of impacts	<ul style="list-style-type: none"> <li>SR 2.1 Sustainability Organisational Structure</li> </ul>
	2-13	Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> <li>SR 2.1 Sustainability Organisational Structure</li> </ul>
	2-14	Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> <li>SR: 2.1 Sustainability Organisational Structure</li> </ul>
	2-15	Conflicts of interest	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-16	Communication of critical concerns	<ul style="list-style-type: none"> <li>SR 2.3 Consulting our stakeholders</li> </ul>
	2-17	The collective knowledge of the highest governance body	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-18	Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-19	Remuneration policies	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-20	The process to determine the remuneration	<ul style="list-style-type: none"> <li>AR Corporate Governance</li> </ul>
	2-21	Annual total compensation ratio	<ul style="list-style-type: none"> <li>Information was not disclosed due to confidential constraints.</li> </ul>
<b>Strategy, policies and practices</b>	2-22	Statement on sustainable development strategy	<ul style="list-style-type: none"> <li>SR 2.2 Sustainability Strategy</li> </ul>
	2-23	Policy commitments	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> <li>SR 3.4 Social Synergy</li> <li>SR 3.5 Strong Governance</li> </ul>
	2-24	Embedding policy commitments	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> <li>SR 3.4 Social Synergy</li> </ul>

Disclosure number	Disclosure title	Page reference and remarks	
		<ul style="list-style-type: none"> <li>SR 3.5 Strong Governance</li> </ul>	
2-25	Processes to remediate negative impacts	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> <li>SR 3.4 Social Synergy</li> <li>SR 3.5 Strong Governance</li> </ul>	
2-26	Mechanisms for seeking advice and raising concerns	<ul style="list-style-type: none"> <li>SR 2.3 Consulting our stakeholders</li> </ul>	
2-27	Compliance with laws and regulations	<ul style="list-style-type: none"> <li>SR 3.5 Strong Governance</li> </ul>	
2-28	Membership associations	<ul style="list-style-type: none"> <li>Not applicable. The Group does not have association membership.</li> </ul>	
<b>Stakeholder engagement</b>	2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> <li>SR 2.3 Consulting our stakeholders</li> </ul>
	2-30	Collective bargaining agreements	<ul style="list-style-type: none"> <li>Not Applicable</li> </ul>
<b>GRI 3: Disclosures on material topics</b>			
<b>Material topics</b>	3-1	The process of determining material topics	<ul style="list-style-type: none"> <li>SR 2.4 Sustainability Materiality</li> </ul>
	3-2	List of material topics	<ul style="list-style-type: none"> <li>SR 2.4 Sustainability Materiality</li> </ul>
	3-3	Management of material topics	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> <li>SR 3.4 Social Synergy</li> <li>SR 3.5 Strong Governance</li> </ul>
<b>GRI 200: Economic disclosures (applicable sections only)</b>			
<b>Economic performance</b>	201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> <li>SR Appendix A: Sustainability scorecard</li> </ul>
<b>Procurement practices</b>	204-1	The proportion of spending on local suppliers	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
<b>Anti-corruption</b>	205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> <li>SR 3.5 Strong Governance</li> </ul>
<b>GRI 300: Environment disclosures (applicable sections only)</b>			
<b>Energy</b>	302-1	Energy consumption within the organisation	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> </ul>
	302-3	Energy intensity	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> </ul>
<b>Emissions</b>	305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> </ul>
	305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> </ul>
	305-3	Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> </ul>
	305-4	GHG emissions intensity	<ul style="list-style-type: none"> <li>SR 3.3 Environmental Sustainability</li> </ul>
<b>GRI 400: Social disclosures (applicable sections only)</b>			
<b>Employment</b>	401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
<b>Occupational health and safety</b>	403-9	Work-related injuries	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
	403-10	Work-related ill health	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
<b>Training and education</b>	404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
<b>Diversity and equal opportunity</b>	405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>
<b>Non-discrimination</b>	406-1	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> <li>SR 3.4 Social Synergy</li> </ul>

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Disclosure number		Disclosure title	Page reference and remarks
<b>Child labour</b>	408-1	Operations and suppliers at significant risk for incidents of child labour	• SR 3.4 Social Synergy
<b>Forced or compulsory labour</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	• SR 3.4 Social Synergy

## Appendix D: TCFD recommendations content index

### TCFD Recommendations Content Index

The TCFD Recommendation Content Index indicates our current implementation status for climate reporting.

TCFD Thematic Areas	Recommended Disclosures	Reference and Remarks
<b>1. Governance</b>		
Disclose the organisation's governance around climate-related risks and opportunities	<ul style="list-style-type: none"> <li>(a) Describe the board's oversight of climate-related risks and opportunities</li> <li>(b) Describe management's role in assessing and managing climate-related risks and opportunities</li> </ul>	SR 3.3 Environmental Sustainability
<b>2. Strategy</b>		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	<ul style="list-style-type: none"> <li>(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term</li> <li>(b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning</li> <li>(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</li> </ul>	SR 3.3 Environmental Sustainability  The Group is currently working on developing a more comprehensive scenario analysis.
<b>3. Risk Management</b>		
Disclose how the organisation identifies, assesses, and manages climate-related risks	<ul style="list-style-type: none"> <li>(a) Describe the organisation's processes for identifying and assessing climate-related risks</li> <li>(b) Describe the organisation's processes for managing climate-related risks</li> <li>(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management</li> </ul>	SR 3.3 Environmental Sustainability
<b>4. Metrics and Targets</b>		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	<ul style="list-style-type: none"> <li>(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process</li> <li>(b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks</li> <li>(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets</li> </ul>	SR 3.3 Environmental Sustainability  The Group is currently working on developing a more comprehensive disclosure of Scope 3 GHG emissions.