

Environment  
Social  
Governance

---

# Sustainability Report 2024







**cheil**

Contents

Introduction

CEO Message 10

Company Information 12

Global Networks 14

History 16

'24 Awards 18

'24 Performance 22

About this Report 28

ESG

Sustainable Management System 32

Stakeholder Participation in ESG Management 34

ESG Management Status 35

Selection of Key Issues 36

Environment

Environmental Management System 40

Environmental management policy 40

Environmental management goals 40

Environmental management strategy 42

Evaluation of environmental management organizations and performance 44

Considering environmental factors when investing 45

Domestic leadership in environment-friendly ad production to mitigate climate change 45

Environmental Management Activities 48

Green Cheil 48

Environmental awareness building training 49

Investments for environmental management practices 49

Environmental protection activities for local communities 50

Outcome of Environmental Management 52

Greenhouse gas 52

Energy 53

Activities to reduce use of raw and subsidiary materials 55

Activities to reduce water consumption 55

Activities to reduce waste emissions 56

Activities to reduce air pollutant emissions 56

Compliance with environmental laws and regulations and disclosure of environmental information, etc. 57

[Summary] 2024 Environment-friendly management activities and practices at Cheil 58

Social

Human Rights 62

Human rights management policy 62

Leadership in human rights advocacy in ad production environments 62

Human rights education program 63

Human rights-related grievance reporting channels and their operational performance 63

Employees 64

Employee diversity 64

Duration of employment status and retiree support programs, etc. 70

Performance evaluation systems for employees 71

Remuneration policies 72

Welfare and benefits 73

Organizational culture 74

Education and training 77

Labor-Management Council 81

Occupational Health and Safety 82

Health and Safety systems 82

Accident-free workplace 90

Care programs for the health and safety of employees, executives, and their families 90

Health and safety of partner businesses 92

Security and Privacy 94

Systems for protection of information and privacy 94

Information security and personal information protection activities 99

Protecting the rights of data subjects 102

Ethics and Compliance 104

Employee rules for compliance practices 104

Training for employees 108

Monitoring systems 109

Principles and systems for labeling and advertising 111

Shared Growth 114

Principles for Win-Win Management 114

Operating a dedicated team for shared growth with partner businesses 115

Activities and efforts for fair trade 116

Processes for selection and evaluation of partner businesses 121

Support activities for partner businesses 123

Social Contribution 128

Social contribution policies 128

Social contribution activities 128

Socially responsible management principles 134

Governance

Charter of Corporate Governance 150

Shareholders 151

Mechanism for gathering shareholder opinions 151

Shareholders' rights 151

Efforts to return value to shareholders. (dividends) 152

Director/Board of Directors 154

Directors 154

Board of Directors 158

Audit 164

Audit bodies 164

Professionalism of auditors 166

Training for auditors 166

Audit support organization 169

Independence of external auditors 170

Risk Management 172

Risk management 172

Communication of important matters 176

Identifying and managing economic, environmental, and social influences 177

Compliance with governance-related laws and regulations 177

Appendix

Facts & Figures 182

Association and Organization Memberships 185

GRI Table 188

SASB Table 190

Third Party Assurance Statement 192

Greenhouse Gas Verification Statement 196

# Introduction

- CEO Message
- Company Information
- Global Network
- Corporate History
- '24 Awards
- '24 Performance
- About This Report



cheil

CEO Message



Dear esteemed stakeholders,

Greetings from Jonghyun Kim,  
President and CEO of Cheil  
Worldwide.

The year 2024 was a particularly challenging one due to the unpredictable economic environment and ongoing geopolitical risks, which introduced a number of complex variables, casting doubt on predictability. Despite these challenges, Cheil Worldwide achieved meaningful results, recording a 7% increase in gross profit and a 4% increase in operating profit compared to the previous year. In addition to our management outcomes, we strengthened our foundation by earning external recognition for our capabilities—winning five major awards, including one Gold, at the prestigious Cannes Lions International Festival of Creativity, and receiving a total of 15 major awards, including three Grand Prizes, at the Korea Advertising Awards hosted by the Korea Federation of Advertising Associations (KFAA). Moreover, with the unified efforts of all our employees toward ESG management, we achieved an ‘A’ rating in the KCGS overall evaluation for the third year in a row. This was made possible by our commitment to “Operational Excellence,” a management approach focused on the continuous improvement and refinement of business processes. “Operational Excellence” refers to a management strategy aimed at maximizing the creation of customer value by tirelessly improving and streamlining corporate operational processes. With “Operational Excellence” as our core focus, we have continually refined our work processes by eliminating unnecessary documentation and reporting and identifying more efficient, resource-conscious ways of working. This ongoing initiative is not only essential for business growth but also a critical part of our ESG management. Last year, we made substantial efforts to apply the principles of “Operational Excellence” to the areas of Environment (E), Social (S), and Governance (G). First, in the environmental (E) domain, we established our commitment to achieving carbon neutrality by 2050 and laid the groundwork to reach this target. Recognizing that environmental progress requires collective effort, in December, we launched the Environmental Management Team, a department dedicated to environmental management, to lead and coordinate our

eco-friendly efforts. Moving forward, the Environmental Management Team will play a key role in our eco-friendly management by setting our carbon neutrality and climate response targets and systematically managing our environmental performance. As part of our “Operational Excellence” efforts, we also reduced unnecessary paper use by installing monitors in all meeting rooms and expanding our digital infrastructure to allow work materials to be shared through internal systems. Second, in the social (S) area, we prioritized safety, compliance, and social responsibility as our core values and put them into practice. Since thorough inspection and prevention are the most critical aspects of safety, we require our partner businesses to conduct workplace risk assessments based on the same standards as ours, enabling the early identification and elimination of potential hazards. We also provide support in the form of safety and health equipment and facilities. In addition to ensuring physical safety, we implemented an information protection system aimed at achieving zero information leakage incidents. As part of these efforts, we launched an Information Security Center in 2024 and appointed a new Chief Information Security Officer (CISO) to strengthen our information protection framework. To strengthen compliance, we established an implementation plan for an Anti-Corruption Program starting in 2024 and introduced a new process whereby the results are reported to the Board of Directors on a regular annual basis. This allows the Board of Directors and upper management to conduct a comprehensive review of the anti-corruption plans and their implementation. In addition, as an advertising company fulfilling our social responsibility, we have instituted an internal procedure that requires consultation with the ESG Secretariat before accepting any projects that may have a negative social impact. We are also working in collaboration with government and NGOs to raise awareness of social issues and explore practical solutions to address them. Lastly, in the area of governance (G), we are implementing various policies to protect shareholders’ rights and to foster shared

growth with our stakeholders. Last year, we made efforts to communicate actively with stakeholders, including publishing our IR schedules, such as Non-Deal Roadshows (NDRs), on our website a total of 11 times. We also transparently disclosed information including the results of our General Meeting of Shareholders. For risk management, we appointed our CFO and General ESG Secretary as the Chief Risk Officer (CRO). This role includes the responsibility of reporting risk management activities to the Board of Directors once a year, allowing the Board to directly oversee and manage business risks. Furthermore, we have made efforts to strengthen the capabilities and competitiveness of our employees. We established a variety of curricula under the name “Cheil Campus” to help employees proactively develop the skills required to thrive in a rapidly changing business environment through self-directed learning. We also introduced “Generative AI Solution for Creative Production”, dramatically reducing the time required for content creation. Each of these initiatives contributes to enhancing not only our “Operational Excellence”, but also our ESG management, laying the foundation for sustainable growth of both our Company and society. In 2025, even greater uncertainty is expected as the rules of the global economy continue to shift dramatically. However, it is precisely during times like these that we will remain focused on what we do best while relentlessly pursuing innovation and growth. We kindly ask for your continued support and encouragement as Cheil Worldwide moves forward on its journey of growing together with society and striving to create a more sustainable environment.

Thank you.

Cheil Worldwide Inc.  
President and CEO  
Jonghyun Kim

김종현

# Company Information

## About Cheil

**Company Name:** Cheil Worldwide  
**Headquarters Address:** 222, Itaewon-ro, Yongsan-gu, Seoul, Korea  
**Global Network:** 46 countries  
Financial Performance (as of 2024, based on consolidated financial statements)  
• Operating revenue: KRW 4.3443 trillion  
• Gross operating profit: KRW 1.7275 trillion  
• Operating profit: KRW 320.7 billion  
**Clients**  
• Domestic: Samsung Electronics, Dongsuh Foods Corporation, Shinhan Financial Group, KT, Korea Ginseng Corporation, GM Korea, Johnson & Johnson, Netflix, Hankook Tire, Amorepacific Corporation, etc  
• Global: AbbVie, Alcon, American Express, Beiersdorf, Biogen, Blue Diamond, Flagstar Bank, Henkel, IKEA, Indivior, Little Caesars, Popeyes, Seddiqi Properties, Sherwin-Williams, Shoe Show, Volkswagen, etc.

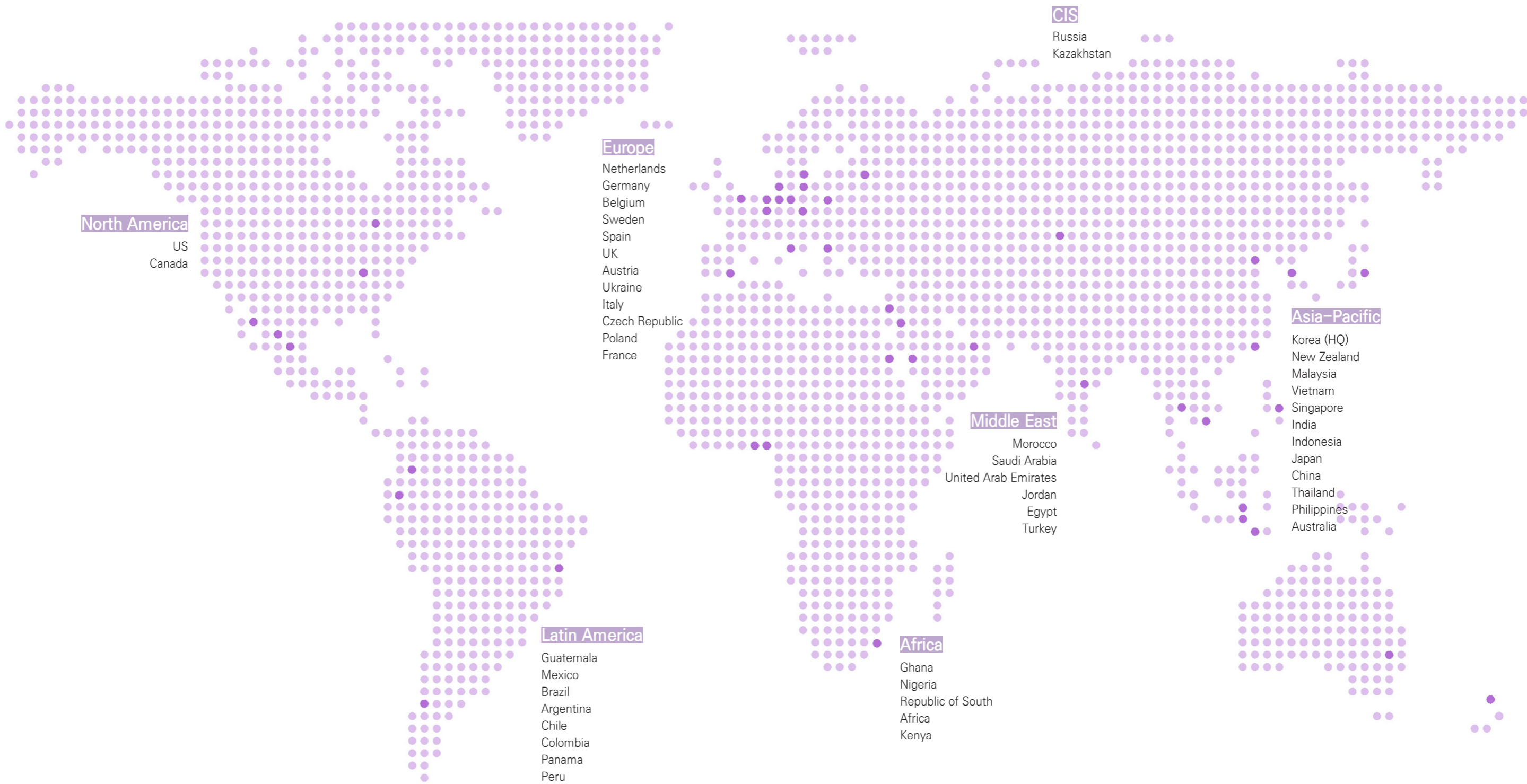
## Our Family (Affiliates)

91 companies, including Barbarian, Cheil PengTai, BMB, One RX, McKinney, Iris, Experience Commerce, Cheil Centrade, ColourData and Social Beat  
\* 'See Business Report for a complete list of subsidiaries.

## Sports Marketing

Suwon Samsung Bluewings Football Club, Seoul Samsung Thunders Basketball Team, Yongin Samsung Bloomings Basketball Team, Daejeon Samsung Fire Bluefangs Volleyball Team, Samsung Lions Baseball Team





History

1973	1997
Founded as Cheil Communications	First Korean company to win Gold Lion award at Cannes Lions International Festival of Creativity
1975	1998
Published first issue of in-house newsletter "Cheil Communications"	First Korean advertising agency listed on stock exchange (KOSPI)
First open recruitment	
1977	2000
First in industry to conduct annual consumer research	Joint venture Hakuhodo Cheil founded
	Brand Marketing Institute founded
1978	2002
First Collegiate Competition for Advertising Academic Papers and Advertising Works	Lead production agency for opening ceremony, 2002 Korea-Japan World Cup
1979	2004
First in industry to publish advertising almanac	Production for opening ceremony, African Cup of Nations football competition (ANC 2004)
1987	2005
First major award at global advertising festival since founding (Silver Award at the New York Festivals)	Execution of cultural events for APEC South Korea 2005
	Execution of Cheonggyecheon Stream reopening event
1988	2007
First in industry to open overseas network (Tokyo, Japan)	Adopted "Pro" job title system
1989	2008
Joint venture subsidiary Cheil-Bozell founded	English company name changed to "Cheil Worldwide"
1991	Acquired London-based BMB (Beattie McGuinness Bungay)
First in industry to establish marketing institute	First Korean company to win Gold Pencil at The One Show
Opened joint marketing professional curriculum with University of Pittsburgh, US	First Korean company to win major award (Silver) at Cannes Young Lions Competition
1992	2009
New York office opened	First in industry to win grand prize at Korea Advertising Awards for three consecutive years
1994	Acquired US advertising agency TBG (The Barbarian Group)
New Advertising Services Declaration	Acquired Chinese marketing company PengTai

2010	2018
General publicity agency for G20 Summit Seoul	Managing agency for opening and closing ceremonies of PyeongChang 2018 Winter Olympics
First Korean company to win Gold Lion award at Cannes Young Lions Competition	Acquired Indian digital marketing firm Experience Commerce
2011	Acquired Romanian digital marketing firm Centrade
First Korean company to win Grand Prix at Cannes Lions International Festival of Creativity	2019
Acquired retail specialist company One Agency	40th Anniversary of Cheil Worldwide Idea Festival (Collegiate Idea Competition)
Publicity marketing and presentation for PyeongChang 2018 Winter Olympics host city selection	
2012	2020
Acquired U.S. advertising company McKinney	Acquired Chinese social big data analytics firm ColourData
First Korean agency to win Grand Prix at Spikes Asia	2021
2013	First in industry to sign Environmental-Friendly Practices Agreement
40th Anniversary: Changed CI, created a PR exhibition	Signed an investment and business cooperation agreement with digital convergence company "HIVELAB"
First Korean company to win Grand Prize at the Clio Awards	2022
Subsidiary TBG wins Grand Prix at Cannes Lions International Festival of Creativity	Received an A (Excellent) rating in the ESG evaluation by the Korea Institute of Corporate Governance and Sustainability (KCGS)
Record-high number of awards at Cannes Lions International Festival of Creativity (21 major awards)	2023
DnA Center (Data and Analytics Center) established	50th Anniversary
2014	Won Grand Prix at Cannes Lions International Festival of Creativity, Spikes Asia, and ADFEST
Acquired Samsung Life Blueminx football team, Samsung Thunders Men's basketball team, and Samsung Bloominx Women's basketball team	Launched a new Samsung CSR project to support the socially underprivileged
Acquired global agency Iris Worldwide	First in industry to obtain the international standard certification "ISO 45001"
2015	2024
First Korean company to win dual Grand Prizes at Spikes Asia	Launched a new Samsung CSR project: "Samsung Multicultural Youth Sports Class"
Cheil Greater China wins grand prize at China's two largest advertising awards and named Advertising Company of the Year for the second consecutive year	First in industry to receive the highest rating in the Win-Win Growth Index for five consecutive years
Acquired Samsung Fire Bluefangs volleyball team	Acquired Indian performance marketing specialist Social Beat
2016	
Acquired Samsung Lions baseball team	

'24 Awards

Event	Segment	Award	Campaign Title	Advertiser
CANNES LIONS	DESIGN	GOLD	SAMSUNG IMPULSE	SAMSUNG
	HEALTH & WELLNESS	SILVER	SAMSUNG IMPULSE	SAMSUNG
	BRAND EXPERIENCE & ACTIVATION	BRONZE	SAMSUNG IMPULSE	SAMSUNG
	DIRECT	BRONZE	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	CREATIVE COMMERCE	BRONZE	SAMSUNG THE ART OF HACK	SAMSUNG
D&AD	DIGITAL & SOCIAL	WOOD PENCIL	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	VISUAL EFFECTS	WOOD PENCIL	SAMSUNG MICRO-MIRACLES	SAMSUNG
	COMMERCE	GRAPHITE PENCIL	SAMSUNG – THE ART OF HACK	SAMSUNG
	DIGITAL DESIGN	WOOD PENCIL	SAMSUNG IMPULSE	SAMSUNG
	HEALTH & WELLBEING	WOOD PENCIL	SAMSUNG IMPULSE	SAMSUNG
	DIGITAL & SOCIAL	WOOD PENCIL	THE CHAT	BREAST CANCER NOW
CLIO	AUDIO	GOLD	SAMSUNG UNFEAR	SAMSUNG
	CREATIVE USE OF DATA	GOLD	SAMSUNG UNFEAR	SAMSUNG
	FASHION & BEAUTY	GOLD	THE PINK GLOVE	KUNDAL
	MEDIA	SILVER	DRUG TEST POSTER	JTBC
	SOCIAL MEDIA	SILVER	THE CHAT	BREAST CANCER NOW
	DIGITAL/MOBILE	BRONZE	SAMSUNG UNFEAR	SAMSUNG
	BRANDED ENTERTAINMENT & CONTENT	BRONZE	THE CHAT	BREAST CANCER NOW
	DIGITAL/MOBILE	BRONZE	THE CHAT	BREAST CANCER NOW
	OUT OF HOME	BRONZE	DRUG TEST POSTER	JTBC
ONE SHOW	INTERACTIVE & MOBILE CRAFT	GOLD	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	HEALTH & WELLNESS	GOLD	UNFEAR	SAMSUNG
	INTERACTIVE, ONLINE & MOBILE	SILVER	UNFEAR	SAMSUNG
	IP & PRODUCT DESIGN	BRONZE	UNFEAR	SAMSUNG
	HEALTH & WELLNESS	BRONZE	UNFEAR	SAMSUNG

Event	Segment	Award	Campaign Title	Advertiser
NEW YORK FESTIVALS	DIGITAL/MOBILE: CRAFT:	GOLD	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	AUDIO/RADIO: CRAFT:	GOLD	THE SOUND OF VIOLENCE	SAVE THE CHILDREN
	AUDIO/RADIO: CRAFT:	SILVER	VICTOR JARA – SOMOS 5.000	ALL ACCESS.CL
	CREATIVITY IN COMMERCE: BEST USE:	BRONZE	ALL YOU NEED IS A RUG	SAMSUNG
	FILM CRAFT:	BRONZE	THE SOUND OF VIOLENCE	SAVE THE CHILDREN
	FILM CRAFT:	BRONZE	THE WAIT IS OVER	POPEYES
LONDON INTERNATIONAL AWARDS	FILM CRAFT:	BRONZE	THE WAIT IS OVER	POPEYES
	DIGITAL	GOLD	IMPULSE	SAMSUNG
	HEALTH & WELLNESS	GOLD	IMPULSE	SAMSUNG
	HEALTH & WELLNESS	GOLD	IMPULSE	SAMSUNG
	BRANDED ENTERTAINMENT	GOLD	GHOST SKINS	SAMSUNG
	DIGITAL	SILVER	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	DIGITAL	SILVER	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	DIRECT	SILVER	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	DIGITAL	SILVER	THE ART OF HACK	SAMSUNG
	HEALTH & WELLNESS-CRAFT	SILVER	IMPULSE	SAMSUNG
	HEALTH & WELLNESS-CRAFT	SILVER	IMPULSE	SAMSUNG
	DIGITAL	BRONZE	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	POSTER	BRONZE	DRUG TEST POSTER	JTBC
	DESIGN	BRONZE	IMPULSE	SAMSUNG
	DIGITAL	BRONZE	IMPULSE	SAMSUNG
	BRANDED CONTENT	BRONZE	GHOST SKINS	SAMSUNG
	BRANDED CONTENT	BRONZE	THE SOUND OF VIOLENCE	SAVE THE CHILDREN
	DIGITAL	BRONZE	SHOTCONTROL	SAMSUNG

'24 Awards

Event	Segment	Award	Campaign Title	Advertiser
SPIKES ASIA	BE & ACTIVATION	GOLD	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	BE & ACTIVATION	SILVER	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	DIGITAL CRAFT	SILVER	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	DIRECT	BRONZE	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	BE & ACTIVATION	SILVER	ALL YOU NEED IS A RUG	SAMSUNG
	FILM CRAFT	SILVER	MICRO MIRACLE	SAMSUNG
ADFEST	DIRECT	GOLD	DRUG TEST POSTER	JTBC
	MEDIA	SILVER	DRUG TEST POSTER	JTBC
	OUTDOOR	SILVER	DRUG TEST POSTER	JTBC
	BRAND EXPERIENCE	SILVER	HELL STATION	DIABLO IV
	BRAND EXPERIENCE	BRONZE	HELL STATION	DIABLO IV
	FILM CRAFT	SILVER	FILM IN THE DARK: FAITH	SAMSUNG
	BRAND EXPERIENCE	BRONZE	ALL YOU NEED IS A RUG	SAMSUNG
	DIRECT	BRONZE	ALL YOU NEED IS A RUG	SAMSUNG
	DIRECT	BRONZE	ALL YOU NEED IS A RUG	SAMSUNG
	BRAND EXPERIENCE	BRONZE	TRY GALAXY FOLD EXPERIENCE	SAMSUNG
	DIRECT	BRONZE	TRY GALAXY FOLD EXPERIENCE	SAMSUNG





Samsung Galaxy <Voices of Galaxy Season 2>

The “I Use Galaxy” campaign featured Galaxy users among celebrities popular with the younger generation, sharing candidly why they chose Galaxy. As the follow-up to the successful <Voices of Galaxy Season 1> in 2023, this second campaign emphasized key Galaxy features while leveraging the seasonality of college entrance exams (“Suneung”) to drive product sales.



Samsung Fire & Marine Insurance <Visible Insurance>

Centered on the slogan “Visible Insurance”, this campaign effectively visualized the intangible concept of car insurance, making customer benefits more tangible and relatable. It highlighted Samsung Fire & Marine Insurance’s robust nationwide dispatch network of 1,576 units, clearly delivering the message that the company will always be right in front of customers – anywhere, anytime, in any situation.

## '24 Performance



### Shinhan Financial Group 〈Shinhan Super SOL Launch Campaign〉

This campaign successfully introduced Shinhan Super SOL, an integrated platform allowing users to conveniently access all of Shinhan Financial Group's financial services, including banking, credit cards, securities, and insurance, in one place.

With the tagline "Shinhan Reinvents Finance", the campaign intuitively conveyed Super SOL's role as a "super solution" for resolving financial concerns. The campaign also drew attention by featuring NewJeans, a group especially favored by Gen Z and Millennials, heightening anticipation and interest through trendy and impactful visuals.

### Netflix 〈Squid Game Outdoor Ads by Pink Guards〉

A unique outdoor ad campaign marking the release date of Squid Game Season 2, one of Netflix's most highly anticipated series. While conventional outdoor advertising typically avoids exposing the installation process to the public, this campaign intentionally transformed the setup into a unique performance, deliberately revealing it to capture public attention.

Installers dressed as the show's iconic "Pink Guards" began working simultaneously at 9 a.m., the exact time the media embargo lifted, drawing the attention of morning commuters. This bold execution generated significant buzz and widespread media coverage.



KT 〈Finding Sound, Dream Nurturing Classroom (ESG)〉

This ESG campaign was based on one of KT’s flagship social contribution activities, “Finding Sound, Dream Nurturing Classroom”. It aimed to raise awareness of the importance of rehabilitation therapy for children with hearing loss following cochlear implant surgery, while delivering a message of hope and inspiration through the growth story of a Dream Nurturing Classroom beneficiary. In particular, the print ad employed a highly creative approach by utilizing the see-through nature of newsprint. When the newspaper pages were layered, the past and present of the beneficiary overlapped, and incomplete letters aligned to form a complete image.

# About This Report

## Scope of reporting

This report presents the sustainable management efforts and outcomes (including environmental outcomes) of the domestic establishments of Cheil (not including Cheil-invested companies and subsidiaries). The sustainable management activities and outcomes of overseas establishments are reported as well, to a limited extent.

\* The sustainability management activities and performance of overseas business sites are reported on pages 142 to 147 of Socially responsible advertising.

\* Environmental outcomes are based on Cheil Worldwide's headquarters (222, Itaewon-ro, Yongsan-gu, Seoul) as its scope of reporting, and greenhouse gas emissions Scope 3 is calculated based on the fuel consumption of quick service transportation between domestic business sites among upstream transportation emissions.

## Verification of the report

To enhance the conformity and integrity of the reporting process and the accuracy and reliability of matters reported, the present report has been subjected to an independent third-party verification process by the Korea Productivity Center Quality Assurance. Verification results are presented on pages 192 through 197.

## Characteristics of the report

The 2024 Sustainability Report is the sixth sustainability report\* issued by Cheil Worldwide. The 2024 report systematically details our efforts and future plans in each of the areas of Environment (E), Social (S), and G (Governance). Cheil Worldwide plans to regularly issue and disclose sustainability reports annually.

\* The previous report was the 2023 Sustainability Report, issued in June 2024. The report is available on our website.

## Report preparation standards

This report has been prepared in accordance with GRI Standards 2021 and the SASB's Advertising & Marketing standard, the U.S. standard for sustainability accounting. Details on the reporting standards can be found on pages 188 through 190.

## Reporting period

The reporting period for this report is from January 1 to December 31, 2024. For some important matters, the report also covers periods prior to 2024 or in the first half of 2025.

## Related disclosure documents

Website  
Website-ESG  
Business report  
Audit report  
Corporate governance report

## Report-related inquiries

**Department:** ESG Secretariat, Cheil Worldwide  
**Address:** 222, Itaewon-ro, Yongsan-gu, Seoul  
**Email:** cheil.esg@samsung.com



# ESG

- Sustainable Management System
- Stakeholder Participation in ESG Management
- ESG Management Status
- Selection of Key Issues



Sustainable Management System

Cheil has a company-wide sustainable management system, starting with the ESG Secretariat and spanning our entire organization up to the Board of Directors. All of our employees strive together to realize sustainable progress for Cheil. This includes the ESG Secretariat, charged with planning and managing ESG affairs; each coordinating department for efforts in environment, social, and governance; the respective departments responsible for specific ESG operations; and all members of the Board of Directors.

Role of upper management in ESG management

Review ESG by the Board of Directors

Cheil Worldwide strives to enable the Board of Directors to practice responsible ESG management by submitting ESG-related key issues and statuses, such as ESG management activity plans, ESG materiality, and risk management activities, as agenda items to the Board, which is attended by all directors, including outside directors, so that ESG issues can be discussed and reviewed at the Board level.

We regularly present ESG-related issues to the Board, and the content of ESG-related issues regularly reported to the Board is as follows.

Date	Matters Reported
1H	<div><div>- Environmental management performance from the previous year</div><div>- Annual plan for key ESG activities</div><div>* Sharing of the annual regular ESG meeting schedule and the plan/timeline for publishing the sustainability report</div></div>
2H	<div><div>- Identification of ESG materiality and review of opportunities/risks associated with each issue</div><div>- Establishment and monitoring of strategic implementation plans for each material issue</div><div>- Activities related to carbon neutrality for the year</div><div>- Company's risk management activities</div><div>- Anti-corruption program plans and execution results</div><div>- Share the ESG evaluation result of KCGS for the present year</div></div>

Incorporate ESG performance in directors' KPIs

We reflect the ESG performance reviewed by the Board as described above in the KPIs of the CFO, Corporate Management Division, who is also an inside director and the General ESG Secretary.

We require the General ESG Secretary to report ESG management challenges to the Board for the responsible management of the company's economic, environmental and human impacts, and include the outcomes in the evaluation of General ESG Secretary.

We regularly assess the performance of individual directors against specific KPIs, and the results of these assessments are directly linked to the their compensation. As such, Cheil Worldwide includes ESG management outcomes as an important factor when evaluating directors, ensuring that non-financial outcomes are reflected in their compensation.

Composition of company-wide ESG organization

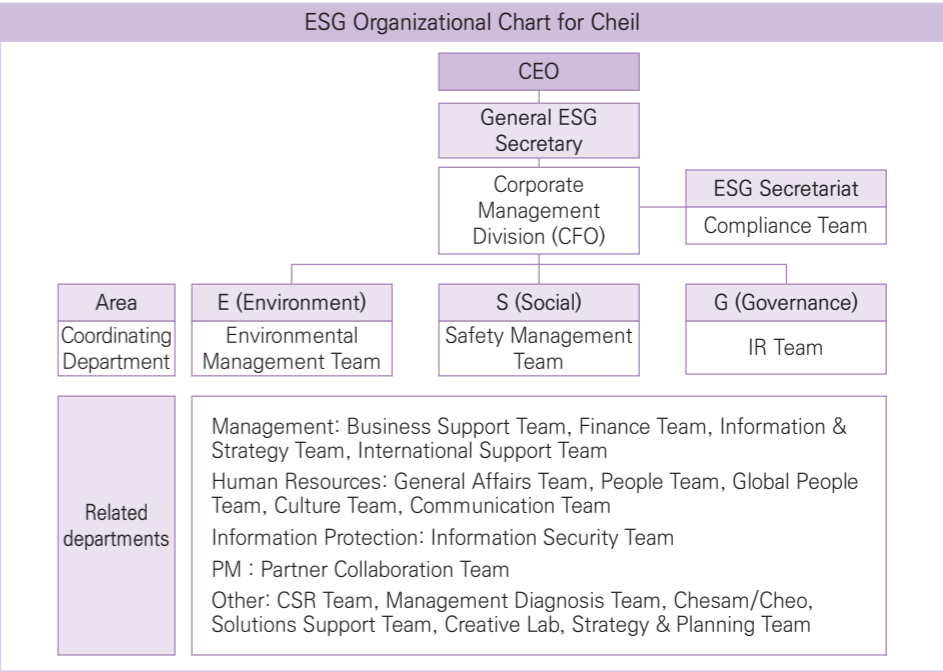
The Chief Financial Officer (CFO) of the Corporate Management Division serves concurrently as the General ESG Secretary for Cheil, managing and supervising

ESG affairs in the organization. The Compliance Team, which operates directly under the CEO, operates as a permanent ESG Secretariat, responsible for planning, managing, and monitoring ESG-related initiatives. Additionally, each ESG domain is also supported by a dedicated lead department: the Environmental Management Team for the environment, the Safety Management Team for the social domain, and the IR Team for governance. These teams take the lead in planning and executing ESG activities within their respective areas. Previously, the General Affairs Team had been responsible for both office management and environmental management. However, in December 2024, we established a dedicated Environmental Management Team, laying the foundation for a more proactive environmental management approach.

In addition, around 20 departments involved in ESG activities, including the Finance Team, International Support Team, People Team, Global People Team, Information Security Team, Culture Team, Partner Collaboration Team, Management Diagnosis Team, CSR Team, Solutions Support Team, Creative Lab, Business Support Team, Information & Strategy Team, Strategy & Planning Team, Communication Team, and Chesam/Cheo, actively participate in implementing ESG activities across Cheil Worldwide.

ESG Consultative Group

About 20 teams from our company's ESG-related departments regularly meet to discuss matters pertaining to sustainability management. This ESG consultative group holds in-depth meetings on our company's ESG issues through regular meetings three times a year, and the contents of these meetings are also reported to the upper management and the Board of Directors.



## Stakeholder Participation in ESG Management

Cheil Worldwide is committed to listening to the opinions of various stakeholders with an open mind. The following stakeholder inclusion process applies to all Cheil management activities. Through various communication channels, we identify the areas of interest and thoughts of various stakeholders to be reflected in the company’s decision-making processes.

**Key stakeholders** For effective communication, our stakeholders are classified as shareholders, customers, local community, employees, and partners. Issues relating to each are gathered and managed systematically.

**Participation Method** By operating various communication channels that take into account the characteristics of each stakeholder, we listen to their opinions and reflect them in Cheil Worldwide's management activities.

Stakeholder	Participation Method
Shareholders	Business reports, general meetings of shareholders, IR briefings
Customer	Website, customer satisfaction surveys, AEs (Account Executives)
Local community	Website and social media, volunteer activities, local community councils
Employees	Joint labor-management council, i-pub Idea Portal, business information sessions, SCI corporate culture diagnostics, Occupational Health and Safety Committee
Partner businesses	Work meetings, partners portal site, health and safety consultative body

**Stakeholder participation in ESG processes** At Cheil, we hold ESG meetings attended by about 20 teams including the ESG Secretariat, ESG coordinating departments, and ESG-related departments. Our ESG agenda is discussed in-depth at these meetings. At our quarterly ESG meetings, members of our organization share opinions and thoughts on our ESG items and closely coordinate with other related departments.

Subject matter for quarterly ESG meetings	
Session	Agenda
1	- Annual plans for key ESG activities
2	- Updates from relevant teams regarding evaluation by each ESG evaluation agency
3	- Consider and select ESG materiality by reviewing and reflecting on the company's ESG risks - Share the ESG evaluation result of KCGS for the present year

Our Sustainability Report and ESG-related current issues are disclosed through our website and made available for key stakeholders such as shareholders, customers, local communities, partner businesses, etc. to understand our ESG management activities. Contact information for our ESG representatives is provided on the website, allowing stakeholders to contribute their opinions or ask questions about to our ESG processes or issues. Opinions gathered through these communication channels are reflected in our ESG management activities.

## ESG Management Status

In addition to business reports, Cheil issued a "2024 Sustainability Report" providing non-financial information as part of our efforts to improve communication with stakeholders. The report will be made available on our website in the first half of 2025.

To this end, we have established our own "ESG Information Disclosure Indicators" drawing on the various sustainability information disclosure standards available in Korea and overseas (including the GRI Standards 2021, SASB, the "K- ESG Guidelines" from the Ministry of Trade, Industry and Energy, the "ESG Information Disclosure Guidance" issued by Korea Exchange, and the WFE) and the evaluation criteria of the major ESG evaluation bodies (KCGS, National Pension Service, MSCI, etc.) in Korea and abroad. All ESG-related data covered by these disclosure indicators has been gathered and included in our independently verified "2024 Sustainability Report". Cheil plans to issue and disclose sustainability reports once a year.

Selection of Key Issues

"Key Issues for Sustainable Management" are of utmost importance to business growth and stakeholder interests at Cheil. The economic, social and environmental agenda most important to us are identified through materiality assessment. These key issues are managed in systematic fashion toward sustainable growth.

Materiality assessment process

Issue pooling

By collecting various global ESG information disclosure indicators such as sector standards and topic standards of GRI Standards 2021, and Disclosure Topics of Advertising & Marketing sector of SASB, sustainable management trends of peer companies, and our internal issues, we have organized a Sustainability Management issue pool.

Materiality assessment

Three key issues were selected through review according to international standards from the SASB, etc., media research, business criticality, regular meetings of internal stakeholders, benchmarking with global competitors, and then opinions from external stakeholders such as professional accounting firms.

Results of Key Issues Selection

Our ESG key issues selected as a result of the above materiality assessment are as follows:

\* The table below is prioritized based on the materiality of the issue.

Priority –	ESG Key Issues	Related Stakeholder	Importance of the Issue	Management Plan	Pages of the Pages
1	Marketing and Labeling	Customer And employees, etc.	As a marketing company, we comply with labeling and advertising laws to ensure that consumers receive accurate information about advertisers' products or services that is not false or misleading, and to help them make informed decisions about products and services.	– Establishment/publication of fair transactions policy and guidelines related to fair labeling and advertising – Operation of a pre-airing review process – Training for employees	111 – 113
2	Customer Privacy	Customers and employees, etc.	As marketing using personal customer information increases, strict compliance with privacy laws and regulations when collecting personal customer information for marketing purposes has become an important issue in the marketing industry.	– Establishment/publication of policies and systems relating to privacy protection – Establishment and operation of a dedicated information protection organization – Personal information inspection and management activities, including development and operation of the "Personal Information Trustee Management" system – Activities to prevent privacy breaches – Training for employees	94 – 103

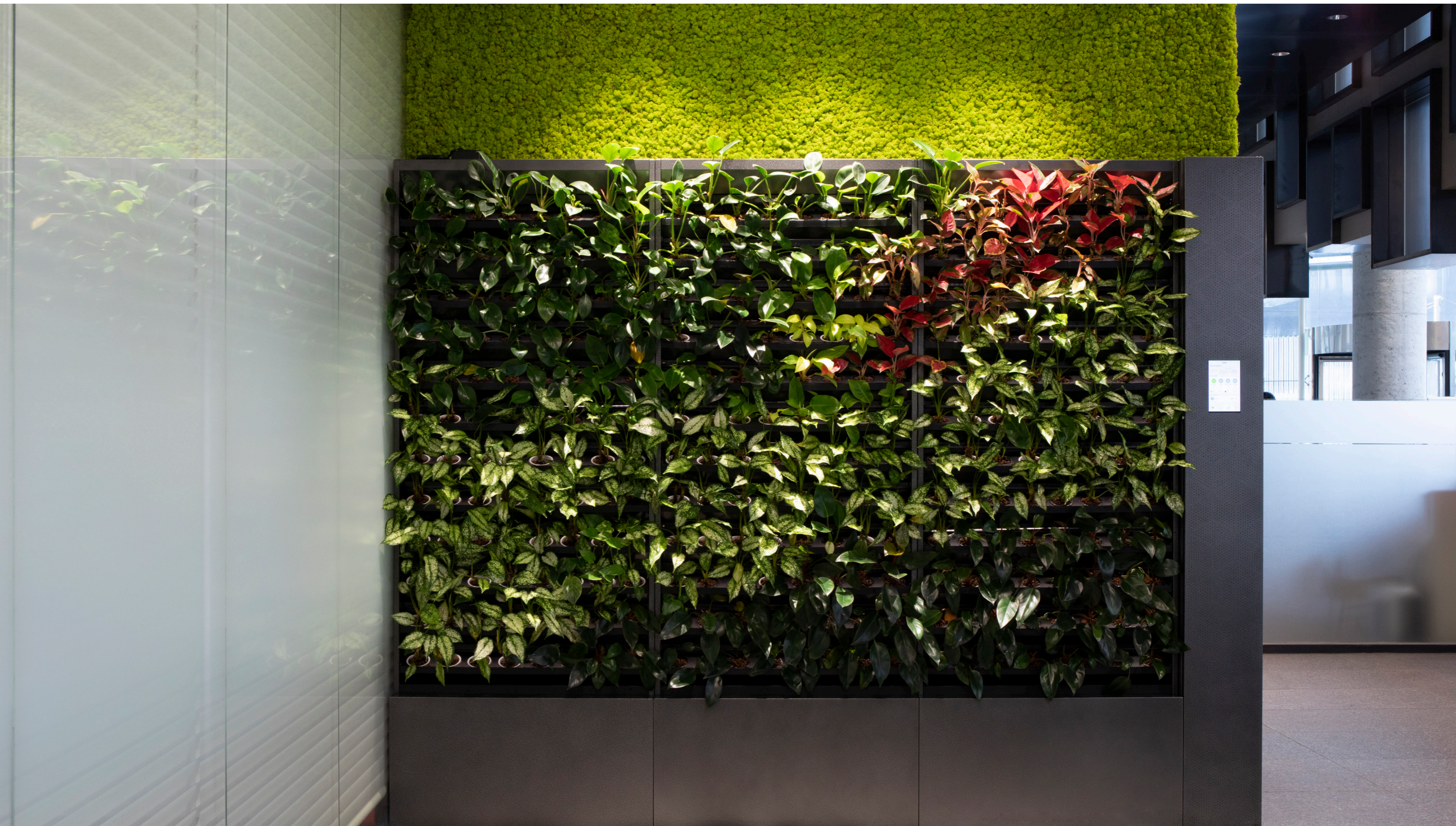
Priority –	ESG Key Issues	Related Stakeholder	Importance of the Issue	Management Plan	Pages of the Pages
3	Human resources diversity	Customers and employees, etc.	As diversity and inclusivity gain prominence in today's world, increasing the diversity of executives and employees, including their gender, nationality, and age, allows us to create advertising and marketing contents with a comprehensive understanding of consumers.	– Establishment and publication of "Diversity respect policy" and training – Operation of an open recruitment and training system without gender restrictions – Efforts to improve the employment rate of disabled persons – Operation of various maternal protection/ childcare and family care support systems	64 – 67

\* Considering the key issues identified in the SASB Advertising and Marketing sector, "greenhouse gas emissions management", which was designated as a key issue in 2023, was excluded from the list of material topics for 2024 due to its relatively low relevance to the sector.

2023 Key Issues	– Marketing and Labeling – Customer Privacy – Human Resource Diversity – Management of Greenhouse Gas Emissions
2024 Key Issues	– Marketing and Labeling – Customer Privacy – Human Resource Diversity

# Environment

- Environmental Management System
- Environmental Management Activities
- Outcome of Environmental Management



# Environmental Management System

## Environmental management policy

### Environment-friendly management policy

In order to actively participate in the global effort to achieve carbon neutrality by 2050, Cheil Worldwide has established an " environmental management policy " that includes eco-friendly management goals, strategies, and implementation plans, and discloses them under the ESG banner on our website. Under this policy, we will continue to strive to be environmentally friendly.

## Environmental management goals

### Climate change and carbon neutrality risk/opportunity factors and their financial impacts

The risk and opportunity factors linked to Cheil's climate change and carbon neutrality, and the financial impact of those risk factors and opportunity factors on our business operations are as follows.

Opportunity	Financial impact
Reducing energy use in office space can save costs related to energy consumption	Utility costs (sales management expenses) can be cut down among the profit and loss categories in financial statements
Create prospects for income growth by organizing marketing campaigns for customers looking to reduce their carbon footprint *Development of low-carbon or net-zero marketing, sustainability-focused brand strategy, development, promotion of sustainable consumption for consumers, etc.	Sales figures can be increased among profit and loss categories in financial statements
Risk factor	Financial impact
Natural disasters including storms, floods, wildfires, and hot temperature that could damage our assets and threaten the safety and welfare of our employees	Assets may increase due to investment in safety facilities, and the amount of depreciation/insurance (sales management expenses) among profit and loss categories may increase accordingly
There is a transitional risk that the cost of complying to environmental standards may increase if the standards get stricter in the future	The amount of labor costs, training costs, payment commissions, etc. (sales management expenses) may rise among the profit and loss categories as a result of the training and operation of the responsible department

### Environmental management strategies

Cheil Worldwide promotes environmental management with the goal of reducing greenhouse gas emissions, energy usage, water usage, and waste by 2%\* each year.

\* Based on emissions/usage unit over revenue in the current year

In the medium to long term, we aim to achieve carbon neutrality by steadily reducing our greenhouse gas emissions by 2% per year, reducing our greenhouse gas emissions by 25%\* by 2030 and achieve complete carbon neutrality by absorbing as much greenhouse gas as we emit and reducing net greenhouse gas emissions to zero by 2050.

\* Reduction from 2018

Mid- to long-term quantitative goals for carbon neutrality		
Target year	(Mid-term) 2030	(Long term) 2050
Reduction of greenhouse gas emissions	25% reduction	Net emissions: 0

Toward these goals, we calculate monthly energy/water usage and emissions/waste output figures and address any shortcomings if they occur. Our environmental goals are reflected in and managed as part of the KPIs for our environmental management officers.

\* 10 points for reaching 2% target; 5 points for achieving between 1% and 2%; 0 points for achieving less than 1%

In addition, building on the initial installation of solar power generation equipment on the rooftop of our headquarters in 2023, we plan to expand this initiative by installing additional solar panels in 2025. We are committed to progressively increasing our adoption of renewable energy going forward.

### Detailed plan

In fiscal 2024, we developed and implemented a plan to reduce greenhouse gas emissions and energy usage through facility efficiency improvements as follows:

• Jan. – Cleaned boilers (2 units) / Replaced heat exchanger in hot water tank	• Jul. – Replaced air handling unit filters across all floors
• Apr. – Cleaned chillers (2 units) / Replaced some of office lighting with LED fixtures	• Aug. – Replaced lighting on the 12th floor with LED fixtures
• May – Operated satellite offices (use of shared workspaces) / Replaced steam and condensate piping in the mechanical room	• Oct. – Replaced heat exchanger in the chiller system / Cleaned air handling units and HVAC filters across all floors
• Jun. – Completed waterproofing of building rooftop flooring (new cool roof system applied to improve energy efficiency)	• Nov. – Replaced steam control valve in hot water tank / Overhaul of lobby revolving door (gap adjustment, brush replacement, etc.)
	• Dec. – Replaced some of office lighting with LED fixtures / Upgraded access system for 2nd-floor lobby automatic doors to enhance energy savings

# Environmental Management System

## Environmental management strategy

### Governance structure

On climate change, we have a company-wide ESG organization, from the dedicated Environmental Management Team to the Board of Directors, working together to decide agenda for environmentally friendly management.

### Risk management

We identify ESG risk factors, including environmental risks, and manage them as mandatory evaluation indicators for the top management.

### Setting indicators and goals

As part of our environmental management, we have set a target to reduce greenhouse gas emissions by 2% annually.

### Strategy

Cheil Worldwide is establishing eco-friendly strategies (1) in the advertising production environment and (2) in the office environment to respond to the risks and opportunities associated with climate change and carbon neutrality. In other words, (1) as a strategy for reducing carbon emissions from advertising production, we held the first Environmentally Friendly Practices Agreement Signing Ceremony with partner businesses in the advertising industry and distributed the "Guide on Environmentally Friendly Management Practices for Ad Filming Sites", and (2) as an eco-friendly strategy in the office environment, we established an environmental management organization and evaluated its performance, conducted the "Green Cheil" campaign and environmental education for employees, and introduced an electronic contract system to save about 300,000 sheets of paper per year.



Evaluation of environmental management organizations and performance

Decision making organization for environmental management

We organize regular company-wide ESG meetings held three times a year, where all ESG-related departments discuss issues related to our environmental management issues. In particular, the General ESG Secretary, who is also the Chief Financial Officer (CFO) and registered executive, has decision-making authority and responsibility for environmental management and directly attends these meetings to oversee environmental management-related issues. In addition, starting in 2022, the content and results of the regular meetings have also been reported twice a year to the Board of Directors, our highest decision-making body, so that the entire company can jointly discuss and review pending issues related to environmentally friendly management. In particular, the issues and performance of environmentally friendly management related to climate change and carbon neutrality are reported to the Board regularly (twice a year), enabling the Board to review and oversee matters related to carbon neutrality and environmental outcomes.

Evaluation of working-level environmental management organizations and their environmental performance

The General Affairs Team is the lead working-level organization for environmental management at Cheil, in support of the General Affairs Team along with a number of ESG-related teams including the New Culture Team and Compliance Team. As our lead working-level organization for environmental management, the General Affairs Team is tasked with execution of our environmental management-related activities. This includes planning, inspection, and performance management for environmental management at our workplaces. Specific environmental management goals include reducing energy usage, greenhouse gas emissions, water usage, and waste production by 2% per year, respectively and are reflected in the KPIs for our environmental management officer (10 points for achieving the 2% target; 5 points for achieving between 1% and 2%; 0 points for achieving less than 1%) to ensure that the achievement of environmental goals is reflected in the evaluation of managers and the annual salary increase based on the evaluation. Furthermore, recognizing the growing responsibility of companies to take the lead in environmental protection, we established a dedicated Environmental Management Team in December 2024 to actively advance our environmental management efforts. The Environmental Management Team will serve as a control tower for our eco-friendly management, systematically setting our carbon neutrality and climate change response targets and managing performance to ensure steady progress toward our goals.

Considering environmental factors when investing

Cheil Worldwide examines environmental risks and opportunities when reviewing new investment projects in order to maintain our firm eco-friendly management values. According to the "M&A Criteria", which is our review criteria for selecting new investment targets, we stipulate that the existence of environmental risks, etc. should be included in the target company's inquiry items when selecting M&A targets, in accordance with our ESG Guide.

Domestic leadership in environment-friendly ad production to mitigate climate change

Environment-Friendly (ESG) Practices Agreement

Cheil Worldwide's environmental management policy is to take the lead in reducing carbon emissions in the office environment where employees work, and also to reduce carbon emissions generated during the production of commercials, such as at filming locations. We recognize that minimizing carbon emissions from the ad production process requires organic cooperation between us and our partner businesses. Together with around 96 of our partner businesses, we have entered into an "Environmentally Friendly (ESG) Practices Agreement". This is a first for the industry, and represents the environmentally friendly management commitment of the CEO and our organization (Aug. 25, 2021). The agreement commits us and our partners to: △ minimizing waste output from our production sites, △ improving energy efficiency and working toward a transition to environmentally friendly energy in the long term, △ increased collaboration in environmentally friendly idea development and content production, and △ improving workplace health and safety, including prevention of serious accidents. We have publicized the agreement through coverage by over 35 news outlets, firmly establishing the commitment of us and our partners to the environment. The agreement represents a mere portion of our efforts. We also establish and implement annual (short-term) environmental objectives, including △ inspection and improvement of partner support systems in 2021 to build consensus on environmentally friendly practices and create environmentally mindful production environments, and △ establishing and making a lifestyle habit of environmentally friendly practices at production sites in 2022.

Leadership in creating environmentally friendly ad production environments through guidance for our partners

Environment-related evaluation of partner business operations

In 2021, the first year of the agreement, we planned to encourage voluntary eco-friendly practices by our partners based on our "Guide on Environmentally Friendly Management Practices for Ad Filming Sites". The scope of this guide has been gradually expanded.

In 2022, small and medium businesses having acquired public certification for outstanding ESG business practices ("Certificate of Outstanding SME ESG Performance" issued by the Korea Commission for Corporate Partnership) were granted preferential treatment when registering as Cheil vendors and contractors. This is yet another effort on our part to encourage our business partners to partake in environmentally friendly management.

\* Article 11, Paragraph 3 (Evaluation Criteria) of the Rules on Vendor/Contractor Selection and Operation revised to include provisions for firms certified for excellence in ESG

Evaluation of products supplied by vendors/contractors

The Cheil "Guide on Environmentally Friendly Management Practices for Ad Filming Sites" has been provided to all of our vendors and contractors (Sep. 1, 2021), laying the groundwork for ad content production in eco-friendly production settings by all of our partners.

The "Guide on Environmentally Friendly Management Practices for Ad Filming Sites" includes △ a detailed guide on ad production phases and △ a detailed guide for each production area such that partners will be able to more easily achieve carbon emission reductions.

Due to the nature of the advertising industry, many relatively smaller partners inevitably have limited capacity to produce advertisements in an environmentally friendly fashion. As an advertising industry leader, we at Cheil have resolved to lead by example.

Highlights of "Guide on Environmentally Friendly Management Practices for Ad Filming Sites"

The guide provides for environmentally friendly practices at content production sites such as studios, and covers a broad range of topics ranging from actions that can be taken today to matters requiring long-term implementation.

Guidance is provided for each production stage and production area, and an image guide is also included. Partners can use the guide according to the specific purpose and circumstances at hand.

목차

- 1. 가이드라인 개요
- 2. 제작단계별 일반 가이드
- 3. 제작분야별 세부 가이드

Environmental Management Activities

Green Cheil

Cheil Worldwide launched “Green Cheil”, an internal eco-friendly organizational culture campaign, in 2021 to involve employees in environmental management in line with ESG management, and has been making continued efforts to raise awareness of our employees and encourage their participation.

Donation of 2025 paper calendar production costs

Recognizing that paper calendars are rarely reused, are difficult to recycle properly, and that most employees now prefer using digital calendars, we decided not to produce paper calendars for 2025. Instead, we donated the production budget to Save the Children, an NGO partner of our flagship CSR initiative. The donation will contribute to the positive development of multicultural youth and children.

Zero food waste campaign

We launched the “No Food Waste Today” campaign in our company cafeteria with the goal of eliminating food waste. Through this campaign, employees directly experienced how small daily efforts can contribute to environmental protection by reducing food waste, which generates large volumes of leachate and greenhouse gases during disposal through landfilling or incineration – leading to water, soil, and air pollution. Thanks to employees’ voluntary participation, food waste was reduced by 18 kg company-wide compared to the previous day, with an average decrease of 21.2 g per person. We shared the results with our employees to foster a shared sense of achievement.

Summer book bazaar

To promote resource circulation and support local community engagement, we held a book bazaar using discarded books from our company library and donated books from executives. Employees were able to purchase books by contributing a donation amount of their choice, and all proceeds were used to purchase new books for children at a nearby childcare institution.

Ongoing activities to establish a culture of using tumblers at worksites

We encourage employees to use tumblers instead of disposable cups in our office cafe by offering a discount (50% off the price of the drink) when using personal tumblers. We are also carrying out continued activities to establish a culture to use tumblers by raising the convenience of using tumblers through infrastructure support such as hygiene management of pressure washers and installation of tumbler drying racks on each floor.

Environmental awareness building training

An environmental awareness-building program was incorporated into Cheil's 1H/2H 2024 Compliance Training.

This training session covered trends in mandatory environmental disclosures for listed companies, the negative environmental impact of fast fashion, and the meaning and severity of climate change.

Annual environmental awareness-building training will be administered to all members of our organization, building awareness of the environment and consensus on the need for environmentally friendly management practices

Training period	Participants	Content
Apr. 22 – May 31, 2024.	All employees (100% completion rate)	- Trends in mandatory environmental disclosures
		- Fast fashion that harms the environment
Sep. 11 – Oct. 31, 2024.		- Why it's not just a climate crisis, but a climate emergency

Investments for environmental management practices

Cheil Worldwide made the following investments with the goal of reducing greenhouse gas emissions and energy usage by 2%.

Classification	Content	Amount (Unit: KRW 1,000)	Note
Energy efficiency	Increased thermal efficiency by cleaning heat source equipment	13,540	
	Replaced heat exchanger in hot water tank	6,900	
	Replaced heat exchanger in the chiller system	18,000	
	Replaced steam and condensate piping in the mechanical room	6,900	
	Waterproofing of building rooftop flooring	81,000	Applied cool roof
	Replaced lighting with LED	8,087	Workspace
	Repaired lobby revolving door (overhaul)	3,680	Repaired gaps, etc.
	Changed automatic door operation method for 2nd-floor lobby	2,000	Energy savings
Total		140,107	

# Environmental Management Activities

## Environmental protection activities for local communities

At Cheil Worldwide, we are committed to a variety of environmental protection activities in collaboration with our employees. In the summer of 2024, we partnered with Tree Planet, an organization dedicated to planting endangered native plants in Korea, to run a “Growing Trees in Pots” program for employees. As part of the program, employees nurtured 35 potted trees, including species such as the endangered Spleenwort (a nationally protected wild species), table palms, and coffee plants, for a set period. These trees were later donated to community welfare centers and used to provide emotional and psychological support to elderly individuals living alone. Tree Planet contributed to the conservation of biodiversity by planting endangered plants that only grow in Korea and require protection, such as Spleenwort, equal to the number of trees we purchased, i.e. 35 trees.



Our employees also took an active role in volunteer activities aimed at protecting the environment. In May, a total of 40 employees carried out an environmental clean-up at Namsan Children's Forest. They used brushes to remove moss and dust from wooden structures and cleared weeds in the area. Additionally, employees took part in plogging activities at Ichon Hangang Park and in Hyochang-dong, Yongsan. In an effort to reflect on the meaning of environmental protection and foster unity within the company, we ran a step donation campaign and a leftover meal system campaign. Over the course of two weeks, 243 employees took part in the Step Donation Campaign, choosing to go for a walk rather than use electronic devices during their free time and to use the stairs instead of the elevator. By taking 26.62 million steps, far exceeding the goal of 20 million steps, we contributed to saving energy. To commemorate the achievement of the goal, we delivered a donation to Yongsan Senior Welfare Center. Furthermore, in November, we implemented the “No Food Waste Today Campaign” in our company cafeteria to reduce environmentally harmful leftovers. The campaign showed anticipated effects, as seen by the 18 kg reduction in overall leftover food from the day before and the 87.9g reduction in leftover food per individual from 109.1g. Cheil Worldwide offered employees the chance to engage in a range of environmental protection activities throughout 2024, thereby enhancing their environmental awareness and motivation to take action.

Outcome of Environmental Management

Greenhouse gas Greenhouse gas emission targets

Although Cheil is not a high energy use enterprise and thus is not subject to greenhouse gas emissions allotments, we have voluntarily established 2% annual reduction targets for energy usage and greenhouse gas emissions, disclosing our performance in these areas every year. We calculate greenhouse emissions figures every month and address any shortcomings should they occur, making proactive efforts to control and reduce our greenhouse gas footprint.

Greenhouse gas emissions-cutting activities

The "Green Cheil" campaign is a company-wide effort at Cheil, engaging all employees in creating and establishing a greener workplace culture to reduce greenhouse gas emissions and combat climate change. By reducing greenhouse gas emissions and limiting the use of resources through the campaign, all of our employees are developing a collective awareness of the need to protect the environment and habits of environmentally conscious practices throughout the organization. Cheil is a partner in Seoul's efforts to manage transportation demand and cut greenhouse gas emissions, providing work-from-home options to employees, staggered office hours, and company-hired taxis for official affairs to encourage employees to leave their private vehicles at home.

※ Greenhouse gas emissions reductions over the past 3 years

Our greenhouse gas emissions data for the past three years is as shown below.

Greenhouse gas emissions <span>Unit : tCO<sub>2</sub>-eq</span>				
Classification	2022	2023	2024	2024 reduction
Scope 1	694.218	775.153	762.172	12.981 ↓
Scope 2	1,143.798	1,157.438	1,178.314	20.876 ↑
Scope 3	7.495	8.005	9.742	1.737 ↑
Total	1,845	1,940	1,950	10 ↑

Scope 1: Direct emissions / Scope 2: Indirect emissions / Scope 3: Other indirect emissions

Greenhouse gas emissions over revenue <span>Unit :tCO<sub>2</sub>-eq/revenue (KRW trillion)</span>				
Classification	2022	2023	2024	2024 reduction
Scope 1	163	187	175	12 ↓
Scope 2	269	280	271	9 ↓
Scope 3	2	2	2	-
Total	434	469	448	21 ↓

Scope 1: Direct emissions / Scope 2: Indirect emissions / Scope 3: Other indirect emissions  
\* Performance compared to target: Target - 2% reduction, actual performance - 4% reduction  
\* Greenhouse gas emissions totals over revenue may be rounded or truncated, resulting in differences from simple sums in the table above.

Proportion of environmentally friendly vehicles

Currently, 5% of our vehicles are environmentally friendly (2 out of 40 total vehicles), and we plan to steadily increase this proportion going forward.

Energy

Energy consumption reduction activities

Our energy needs are met using electricity and gas (LNG), and all of us make a conscious effort to reduce our energy usage by 2% each year. To reduce our electricity consumption and the output of used light bulbs, we are replacing all lighting fixtures with LEDs and have replaced 167 lighting fixtures in the office, etc. with LEDs in 2024. We also implement △ a lights-out policy during lunch breaks (2 hours during lunch hours) and at △ 8 PM (all lights out by 8 in the evening). △ Signs are turned off during the late night and early morning hours, and △ every other light is turned off in underground parking to further conserve energy. Since escalators and elevators are power hungry facilities, we make our △ staircases as inviting as possible to reduce electricity usage. △ Reduced hours of operation are enforced during holidays, weekends, and late night hours. Another area for energy savings is gas. To reduce gas consumption, we keep indoor temperatures at 26±2°C in the summer and 23±2°C through the winter and minimize hot and cold water system operation. Conference rooms are equipped with individual DVM heating and cooling systems to minimize central heating and cooling system operation during holidays, weekends, and late night hours. In 2024, we reduced gas consumption by replacing heat exchangers in our heating, cooling, and hot water systems. We also improved the operational efficiency of the automatic doors in the 2nd-floor lobby, leading to reductions in both electricity and gas usage. Cleaning and maintenance of chillers and boilers are carried out annually. This year, we applied a heat-reflective coating (cool roof) to the rooftop flooring during waterproofing work to help minimize the building's overall energy consumption. Additionally, we replaced the steam and condensate piping in the mechanical room and reinforced the sealing brushes on the main lobby revolving door to enhance heating efficiency during the winter, thereby further improving energy performance.

Outcome of Environmental Management

※ Energy use reductions over the past 3 years

Our energy usage figures over the past three years are presented in the table below.

Energy usageUnit: TJ

Classification	2022	2023	2024	2024 reduction
Scope 1	12.618	13.962	13.890	0.072 ↓
Scope 2	23.901	24.186	24.622	0.436 ↑
Scope 3	0.112	0.119	0.145	0.026 ↑
Total	36	38	39	1 ↑

Scope 1: Direct usage / Scope 2: Indirect usage / Scope 3: Other indirect usage

Energy usage over revenueUnit : TJ/Revenue (KRW trillion)

Classification	2022	2023	2024	2024 reduction
Scope 1	3	3	3	–
Scope 2	6	6	6	–
Scope 3	0	0	0	–
Total	9	9	9	–

Scope 1: Direct usage / Scope 2: Indirect usage / Scope 3: Other indirect usage

\* Performance compared to target: Target – 2% reduction, actual performance – 0% reduction

New and renewable energy usage

Cheil has partially installed solar energy generation facilities on the rooftop and plans to gradually remove other unnecessary installations currently present on the rooftop and install more solar PV panels to maximize the amount of renewable energy and minimize carbon emissions.

※ Renewable energy usage over the past 3 years

Our renewable energy usage over the past three years is as shown in the table below.

Unit: TJ

Classification	2022	2023	2024
Renewable energy usage – Solar power (on-site generation)	0	0.001	0.1071
Total energy usage	36	38	39
Renewable energy usage/Total energy usage (%)	0	0.003	0.275

\* Cheil began producing and utilizing solar energy in December 2023 following the installation of solar power equipment.

Activities to reduce use of raw and subsidiary materials

Although we are not a manufacturing enterprise directly involved in the production and sale of goods, we have initiated a paperless workplace campaign to make our workplace infrastructure more eco-friendly. All of our A4 paper is FSC-certified (Forest Stewardship Council), and our paper cups are made of eco-friendly Kraft paper. Further paper savings are achieved by distributing tumblers to all employees and offering incentives for using tumblers instead of disposable cups (50% discount on beverages at our office cafe).

To minimize the use of plastic, we encourage employees to reduce the use of plastic and other single-use items in their daily lives by promoting the use of Rain Keepers, banning single-use plastic bags, single-use paper cups, and plastic toothbrushes.

We have also instituted an electronic contracting system, under which all of our subcontracting master agreements (around 2,012, each agreement around 43 pages long)\*, individual subcontracting agreements, quotes, proof-of-delivery documents, inspection result notifications, and output statements (around 8,967, each around 7 pages)\*\* have been converted to electronic form to reduce our annual A4 paper use by around 300,000 sheets. (Total savings achieved by Cheil and partner businesses)

\* 2,012 documents × 43 pages × 2 (1 copy each for Cheil and partner) = 173,032 pages

\*\* 8,967 documents × 7 pages × 2 (1 copy each for Cheil and partner) = 125,538 pages

Activities to reduce water consumption

Cheil is not a manufacturing, distribution, and sales company. Thus, no water usage occurs toward production. However, to reduce the generation of wastewater, we carried out improvement work on the steam and condensate piping in the mechanical room that supplies hot water, and replaced components of the hot water tank that are directly related to hot water usage. That said, we still enforce water-saving measures in our office environments, particularly regulating wash basin faucet water discharge volume and pressure and encouraging staff to use cups instead of leaving the water running while brushing their teeth. These water usage reduction efforts at Cheil naturally translate to less wastewater.

※ Water usage over the past 3 years

Our water usage over the past three years is as shown in the table below.

Water usageUnit : Tons

Classification	2022	2023	2024	2024 reduction
Water	19,520	23,731	24,749	1,018 ↑

\* Water source: Water supply

Water usage over revenueUnit: Tons/Revenue (KRW trillion)

Classification	2022	2023	2024	2024 reduction
Water	4,589	5,734	5,706	28 ↓

## Outcome of Environmental Management

### Activities to reduce waste emissions

Waste output at Cheil is reduced through separate disposal of plastic, paper, and can recyclables.

In addition, in order to manage our waste in a transparent manner, we voluntarily registered with the "Allbaro System" (Waste Disposal Site Information Management System of the Ministry of the Environment) as of November 2022, despite not being subject to mandatory waste discharger reporting, since our daily discharge is less than 300 kg.

#### ※ Waste output over the past 3 years

Our waste output over the past three years is as shown below.

Unit: Tons

Classification	2022	2023	2024	2024 reduction
Wastes	28	59	74	15 ↑

### Activities to reduce air pollutant emissions

Cheil has no manufacturing processes, and the only air pollutant equipment at our facilities on our premises are boilers used for space heating and water heaters. To further reduce our atmospheric pollutant emissions, we replaced our boilers with low NOx burners in 2021 and our water heaters with low NOx burners in 2022.

#### ※ Atmospheric pollutant emissions over the past 3 years

Our atmospheric pollutant emissions over the past three years are as shown below.

Unit: g

Classification	2022	2023	2024	2024 reduction	
NOx	Boiler	26	23	25	2 ↑
	Water heater	–	92	105	13 ↑
SOx	Boiler	–	3	10	7 ↑
	Water heater	–	2	7	5 ↑

\* In accordance with changes in air quality measurement in 2023, measurement target (water heater) was added and item (SOx) was added

### Compliance with environmental laws and regulations and disclosure of environmental information, etc.

At Cheil, we maintain compliance with all environment-related laws and regulations. There have been zero infringements of environment-related laws or regulations in the past three years.

Also, as required by the relevant laws such as the Environmental Technology and Industry Support Act, Cheil have disclosed environmental information for all of our establishments through the Ministry of Environment's "Environmental Information Disclosure System", and we've even verified the information we posted.

Cheil environmental information for 2024 will be registered on the "Environmental Information Disclosure System" ([www.env-info.kr](http://www.env-info.kr)) by the end of June 2025, with public disclosure expected in December 2025 following verification by the Korea Environmental Industry & Technology Institute.

\* The environmental information to be disclosed by Cheil through this system is governed by the Environmental Technology and Industry Support Act and other related laws.

Cheil environmental information such as greenhouse gas emissions and energy usage figures verified by an independent outside verification body (Korea Productivity Center Quality Assurance) is also disclosed through our Sustainability Reports.

Outcome of Environmental Management

[Summary] 2024 Environment-friendly management activities and practices at Cheil

Agenda	Description	Measures
Environmentally friendly work culture and habits	<ul style="list-style-type: none"><li>- Promote an eco-friendly culture by minimizing paper printing</li><li>- Infrastructure support to facilitate soft copy reporting</li></ul>	<ul style="list-style-type: none"><li>- Installation/operation of digital bulletin boards in elevator lobbies on all company floors to replace paper posters for internal announcements</li><li>- All reports to CEO and directors to be paperless in principle</li><li>- In-team document sharing in electronic form to reduce unnecessary printing</li><li>- Digital company newsletter and other in-house communications</li><li>- Monitors installed in all conference rooms, wireless Internet access throughout premises</li></ul>
Minimizing use of disposable products	<ul style="list-style-type: none"><li>- Encourage use of tumblers at the workplace</li><li>- Use Rain Keepers</li></ul>	<ul style="list-style-type: none"><li>- Incentivize tumbler use by offering discounts at office cafe</li><li>- Use Rain Keepers to discourage single-use plastic during rainy weather</li></ul>
Environmentally friendly office supplies	<ul style="list-style-type: none"><li>- Environment-friendly paper cups, toilet paper, and copy paper</li></ul>	<ul style="list-style-type: none"><li>- Uncoated, unbleached paper cups</li><li>- Certified eco-friendly toilet paper</li><li>- Reviewing use of lighter-weight copy paper</li></ul>
Office electricity consumption reduction campaign	<ul style="list-style-type: none"><li>- Lights-off policy where possible</li><li>- Reduced elevator use</li></ul>	<ul style="list-style-type: none"><li>- Automatic lights off during lunch hours and past 8 PM (1st time) and past 10 PM (2nd time) (lighting only where needed)</li><li>- Make "inviting stairways" (Aug. 2017)</li></ul>
Building energy savings	<ul style="list-style-type: none"><li>- Adjusted winter/summer air conditioning and space heating temperatures to save energy</li><li>- Reduced electricity consumption for lighting</li></ul>	<ul style="list-style-type: none"><li>- Minimize air conditioning and heating by utilizing outdoor air during seasonal changes</li><li>- Reduced air conditioning and heating supply time by easing the supply cycle to 26±2°C in summer (casual business attire including shorts; no tie policy) and 23±2°C in winter</li><li>- Lowered energy loss from entry and exit and maintained an appropriate temperature in the lobby by installing an air curtain on the 2nd-floor lobby automatic doors</li><li>- LED lighting to reduce electricity consumption and spent light bulb waste</li></ul>
Participation in Seoul traffic reduction initiative	<ul style="list-style-type: none"><li>- Company policies and infrastructure to encourage use of public transit</li></ul>	<ul style="list-style-type: none"><li>- Company-hired taxi system, parking space restrictions, and bicycle parking</li></ul>
Atmospheric pollutant emissions reduction	<ul style="list-style-type: none"><li>- Measurement and management of air pollutants in boilers and water heaters for first and second half of the year</li></ul>	<ul style="list-style-type: none"><li>- Self-measurement of air pollutants from boilers and water heaters to reduce air pollutants and management such as adjustment of air fuel ratio</li></ul>
CSR activities for environmental protection	<ul style="list-style-type: none"><li>- Encourage environmental protection contributions by employees</li></ul>	<ul style="list-style-type: none"><li>- Food waste reduction campaign at company cafeteria</li><li>- Raising awareness of environmental campaign issues by company volunteer work group</li></ul>
Environmental awareness building training	<ul style="list-style-type: none"><li>- Improve environmental awareness and build environmental consensus</li></ul>	<ul style="list-style-type: none"><li>- Inform precautions related to environment-friendly ads</li><li>- Share eco-friendly management cases and ESG supply chain due diligence trends in associated companies and in the Media &amp; Entertainment industry</li><li>- Introduce Carbon Neutrality Campaign</li></ul>
Investments toward environmental management practices	<ul style="list-style-type: none"><li>- Greenhouse gas emission and energy usage reductions</li></ul>	<ul style="list-style-type: none"><li>- LED lighting, waterproofing of building rooftop flooring, heat exchanger replacement in the chiller system</li></ul>
Purchase of eco-friendly alternatives	<ul style="list-style-type: none"><li>- Replace existing building consumables with eco-certified products</li></ul>	<ul style="list-style-type: none"><li>- Replacement of conventional deicing supplies with eco-friendly liquid deicers certified with the environmental label</li></ul>



# Social

- Human Rights
- Employees
- Occupational Health and Safety
- Security and Privacy
- Ethics and Compliance
- Shared Growth
- Social Contribution



Human Rights

Human rights management policy

Cheil Worldwide is committed to respecting the human rights of all stakeholders, including employees, clients, partner businesses, subsidiaries, and local communities, and to fulfilling its corporate social responsibilities. To this end, we have established a human rights management policy and strive to comply with the UN’s Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights. In 2024, we formalized and publicly released the “Cheil Worldwide Human Rights Management Policy Guideline”, which builds upon our previous human rights declaration. We also continue to operate training programs and grievance handling procedures aimed at preventing human rights violations. Looking ahead, we plan to further strengthen our policy and monitoring systems to provide more substantial protection of human rights for both employees and stakeholders, ensuring the effective implementation of human rights management in the medium to long term.

Leadership in human rights advocacy in ad production environments

Children and youth are the stakeholder group that is most vulnerable to human rights-related risks in the popular culture and arts industry, including the advertising industry. Our "Guidelines for Protection of the Rights and Interests of Children and Youth at Filming Sites" (August 2021) is based on Articles 31 and 32 of the UN Convention on the Rights of the Child, Chapter 2, Section 2 of the Popular Culture and Arts Industry Development Act, and the Korea Communications Commission guidelines, and is made public on our website\*.

\* Website (cheil.com/hq/sustainability)

The guidelines provide for △ maximum filming hours for children and youth, △ prohibition of late night filming, △ guarantee of the right to rest, and △ general safety and protection of children and youth in ads.

Regulations on filming hours for children and youth		
Classification	Maximum filming hours	Late night filming prohibited
Children under 15 years of age	35 hours/week	Filming prohibited between 10 PM and 6 AM*
Youth 15 years and older	40 hours/week	

\* Some exceptions apply: filming may be permitted if the following day is a holiday, or if consent has been obtained from a legal guardian

These guidelines represent considerations and matters of compliance to which both Cheil and all participants in the production process are bound. The guidelines were distributed to our partners at the "Environmentally Friendly Practices Agreement Signing Ceremony" in August 2021, and published on our website and "Win-Win Partners Portal"\* to ensure that all of our partners partake in our efforts to protect the rights and interests of children and youth at production sites.

\* Win-Win Partners Portal (<https://partner.cheil.com/srp/index.do>)

Human rights education program

Cheil Worldwide conducts annual human rights education programs, including “Workplace Sexual Harassment and Bullying Prevention Training” and “Disability Awareness Training”. To ensure effective delivery of content to all employees, we offer a balanced mix of offline in-person sessions and online learning formats. In 2024, external and in-house labor law specialists jointly developed training content on the prevention of sexual harassment and workplace bullying, allowing for more practical and applicable education.

Human Rights Program in 2024		
Training	Month administered	Completion rate
Workplace bullying prevention training	June 3 – July 31 (Offline)	100%
Sexual harassment prevention training	November – December (Online)	* 1,345 persons
Disability awareness-building training	September 11 – October 31 (Online)	100% * 1,283 persons

\* Participants: Mandatory for all employees, the number of people completed is based on the number of people currently employed at the time of training (excluding those on leave, etc.)  
\* Separate training for executives (100% completion rate)

Human rights-related grievance reporting channels and their operational performance

To address human rights-related grievances, such as discrimination, harassment, and sexual misconduct, raised by both internal and external stakeholders, including employees, Cheil Worldwide operates multiple reporting channels. All reports received through these channels are handled transparently in accordance with internal procedures, with strict confidentiality maintained to protect the identity of the reporter.

Stakeholder	Grievance support channel related to human rights	Number of human rights-related grievances received in 2024	Resolution rate of human rights-related grievances in 2024
Employees	"Grievance Support Channel" in company message board	Number of human rights-related grievances received from January 1 to December 31, 2024: 2 cases	All 2 cases were resolved in accordance with the established procedure (100% resolution rate)
Partner businesses and stakeholders	"Help Desk" in partner portal	Number of human rights-related grievances received from January 1 to December 31, 2024: 0 cases	–

Employee diversity

Diversity in human resource composition

As an advertising company that needs to be trend-setting and forward-thinking, Cheil Worldwide is a company whose greatest asset is the creativity of its employees and the flexible organizational culture that can support it. Therefore, we aim to enhance the diversity of our workforce by creating an organizational culture that recognizes and respects the differences and individuality of our employees and allows each employee to fully express himself or herself.

Cheil Worldwide is committed to diversity and inclusion. One of our guiding principles is to give all executives and staff members the chance to fully demonstrate their strengths. Our company contains these values and quantitative goals for increasing employee diversity in our "Diversity Respect Policy", which we also publish on our website\* and internal bulletin board. We also provide guidance on the contents for employee training.

\* Website: [cheil.com/hq/sustainability](http://cheil.com/hq/sustainability)

In addition, we operate an open recruitment and training system without gender restrictions, and we manage and set targets in every area, including recruitment, evaluation, and education, to increase the proportion of women and female leaders. As a result, female employees make up 53.4% of the total workforce, 67.6% of new hires, and 53.0% of executives, demonstrating a high level of gender balance compared to other companies in Korea.

	2022	2023	2024	
Percentage of females (%)	52.3	52.5	53.4	
Female employment rate (%)	68.0	59.0	67.6	
Leadership	Female executives (%)	30.0	31.1	31.8
	Female managers (%)	51.1	51.7	53.0

Cheil Worldwide is continuing a number of initiatives in collaboration with the Korea Employment Agency for the Disabled to foster an atmosphere and culture that allow disabled employees to completely demonstrate their potential and to expand employment of disabled employees. As a result, the employment rate for the disabled improved from 1.67% at the end of 2023 to 1.77% at the end of 2024. Cheil plans to expand employment to reach the \*required employment rate for the disabled.

\* 3.1% based on private companies in 2024

In addition, Cheil Worldwide encourage activities to establish a culture of diversity. We actively support hobby clubs in the workplace. Currently, there are 18 hobby clubs (as of 2024) with activities ranging from soccer, baseball, basketball, table tennis, yoga, flower arranging, and pottery to create a healthy corporate culture where employees can mingle regardless of position, function, gender, or nationality.

Cheil also conducts a reverse mentoring system to ensure a generational balance among workers, taking into account the issue of employment imbalance between generations, which has recently surfaced as a social concern. Discriminatory treatment without justifiable grounds is prohibited at Cheil. In the past three years, Cheil has been subject to zero sanctions for discriminatory treatment of employees.

Full-time / fixed-term employment ratio

Cheil wishes to maintain long-term relations with all of our employees. The percentage of fixed-term employees in our organization is extremely low compared to industry averages, with 98% of our staff employed full-time as of 2024.

Diversity promotion programs – Pregnancy, childbirth, childcare, and family care support programs for employees

Support systems

Cheil provides a range of pregnancy, childbirth, childcare, and family care support to all employees, enabling healthy work-family balances. Our systems go above and beyond the legal requirements to provide members of our organization with the support they need.

Maternity support

Classification	Description
Shortened work hours during pregnancy	<ul style="list-style-type: none"><li>- Expectant mothers in the first 12 weeks or after the 32nd week of pregnancy are eligible to request a two-hour reduction in their daily working hours without any reduction in wages.</li><li>- Employees may opt for a two-hour reduction in working hours between the 12th and 32nd week of pregnancy (Full wage compensation corresponding to the reduced hours)</li><li>- In cases of high-risk pregnancy, reduced working hours are available throughout the entire pregnancy period.</li></ul> <p>* 19 high-risk pregnancy conditions as defined by the Enforcement Decree of the Ministry of Employment and Labor are: Preterm labor, delivery-related bleeding, severe preeclampsia, premature rupture of amniotic membranes, premature separation of placenta, placenta previa, threatened abortion, polyhydramnios, oligohydramnios, antepartum hemorrhage, cervical incompetence, hypertension, multiple pregnancy, diabetes, hyperemesis gravidarum with metabolic disturbance, kidney disease, heart failure, intrauterine growth restriction, and uterine or adnexal disorders.</p>
Protection of maternity	Overnight work and work on holidays prevented for expectant mothers and mothers having given birth within 1 year prior
Time allowance for fetal examination	Employees may request time allowance (4 hours) for fetal examination For pregnant employees of advanced maternal age or those with high-risk pregnancies, more than 4 hours of reduced working hours may be granted.
Leave for miscarriage or stillbirth	Paid leave for miscarriage or stillbirth
Fertility leave	<p>If an employee or their spouse undergoes infertility-related examinations or procedures, up to 6 days of leave per year (5 days paid, 1 day unpaid) may be granted.</p> <p>* By law: Up to 3 days (1 day paid, 2 days unpaid) → Cheil policy: Up to 6 days (5 days paid, 1 day unpaid)</p>

Childbirth support

Classification	Description
Maternity leave	90 days maternity leave guaranteed before and after giving birth *100 days in the case of a premature birth
Spousal maternity leave	Employees whose spouse has given birth may apply for spousal maternity leave of 20 days (20 days for multiple births)

Childcare support

Classification	Description
Childcare leave	Employees who are caregivers for children who are either under 12 years of age or in grade 6 or below may take childcare leave not exceeding 2 years * (Law) Up to 1 year per child → (Company) Up to 2 years per child (Law) Parental leave can only be granted for children who are 8 years old or in the second grade of elementary school or younger → (Company) Parental leave is allowed for children who are 12 years old or younger
Reduced working hours for child-rearing	Employees who are caregivers for children of up to age 12 or primary school Grade 6 may apply for reduced work hours

Family care support

Classification	Description
Reduced work hours for family care	May be taken in units of 1 year for reasons such as family care, personal illness, accident, study, retirement preparations
Family care leave of absence	Up to 90 days/year in cases where a family member requires care for 30 days or longer due to illness, accident, old age, or child care
Family Care Leave	Up to 10 days of family care leave of absence (deducted from annual 90-day family care leave allowance) in cases where a family member requires care due to illness, accident, old age, or child care

Cheil Daycare Center

We operate a daycare center at headquarters in support of our employees with children. The Cheil Daycare Center is set up in a separate building complete with a lawn near our Itaewon headquarters. Abundantly staffed by more instructors than the legal requirement, the center ensures that children are properly cared for in the safest and most comfortable environment possible.

Cheil Daycare Center – Overview

Opening date	Permitted capacity	Hours of operation	Land area
June 2, 2008	45	7:30 – 19:30 (Extended care until 24:00)	502m2 (2 stories, 1 basement level)

Staff of Cheil Daycare Center

\* As of January 2025

Director	Instructors	Nutritionist	Cook	Clerk	Total
1	6	1	1	1	10

Cheil Daycare Center instructor-child ratio

\* As of January 2025

Classification	Child Care Act	Cheil Daycare Center
1	1:5	1:4
2	1:7	1:6
3	1:15	1:10
4	1:20	1:15
5	1:20	None

The admission criteria for the Cheil Daycare Center prioritize single-parent households and female employees as first priority, and dual-income male employees as second priority, catering to the needs of the various types of non-traditional families in our society today. The company sets aside KRW 400 to 500 million annually to support daycare center operations, addressing the daycare needs of employees while also alleviating the economic burden of child care.

Classification	2024
Enrollment (annual average)	16
Parents using Daycare Center services (annual average)	18
Cheil subsidy (annual)	KRW 471,510,000



Duration of employment status and retiree support programs, etc.

Duration of employment

Every year at Cheil we welcome a group of talented new hires. We make every effort to provide our recruits with the best possible work environment. Thanks to these efforts, our employee retention rates and employment durations are higher than the advertising industry average.

Average duration of employment

	2022	2023	2024
Average duration of employment (years)	9.55	9.78	10.1

Retiree Support Program – Career Consulting Center

The Cheil "Career Consulting Center" was established in 2010 to ensure that retirees who spent time with our company can enjoy a stable and pleasant retirement.

The Career Consulting Center offers retirees life design consulting and outside job matching services, alongside career consulting and job transfer training for the currently employed. Cheil invests between KRW 40 and 50 million in the consulting center annually to provide substantive and effective consulting services.

Furthermore, we offer paid self-development leave of at least 1 day and up to 5 days per month to employees aged 55 or older who are eligible for peak wage system in order to help them prepare for retirement and reemployment.

Performance evaluation systems for employees

Individual achievement and competency evaluation

Performance evaluations at Cheil evaluate the achievements and competencies of all employees, including executives, full-time employees, and contract employees using the MBO method. Performance and competency evaluations are conducted using the MBO (Management By Objectives) method. At the beginning of the year, each department and individual sets measurable and specific goals. At year-end, the department head conducts the first evaluation based on these goals, followed by a second evaluation conducted by the division director.

"Interim Performance Reviews" are conducted around July to August of each year between evaluators (department heads) and the subjects of evaluation (department staff) to keep employees reminded and conscious of their established objectives and progress, and to adjust approaches or directions as needed. This allows employees to be better prepared for our once-a-year performance evaluations.

Prior to evaluation, our department heads are encouraged to conduct individual meetings. Upon evaluation, department heads are required to state in detail the specific grounds for evaluation so as to guarantee that evaluations are as objective and fair as possible.

Upon completion of evaluations by division directors, each employee is individually notified of the results. Persons wishing to raise an objection to evaluation results may file a formal request through our "Performance Evaluation Objection Procedure". We also administer a "Fairness of Evaluation Questionnaire" to all employees, providing the opportunity to state opinions on how performance evaluations are conducted.

Performance evaluation process
Achievement/capacity evaluation objectives set → Interim performance review → Preliminary performance evaluation (department head) → Secondary performance evaluation (division director) → Objection process → Finalization of performance evaluation result

Leadership evaluation

Cheil employs a "Multi-aspect Leadership Evaluation" system for department and team heads as well as executives in our organization. Results of diagnostics are made available to the evaluated staff for reference in supplementing leadership capabilities.

Systems for employee involvement in career path design

We gather career plans and job satisfaction opinions from employees through the "Career League" program to help us design short- and long-term career paths through the organization. The program also serves as a communication window through which we listen to career-related questions and difficulties experienced by members of our organization.

Remuneration policies

Procedures for stakeholder participation in remuneration policies

A range of stakeholder communication channels are operated by Cheil to gather input and opinions from employees when deciding wage and benefits systems.

- Direct participation by employees in deciding wage and benefits systems through the Labor-Management Council

Remuneration policy based on objective performance

Performance of Cheil employees is evaluated according to clearly defined objective standards. We operate a remuneration policy that ensures proper rewards according to performance. Specifically, regardless of performance or non-performance departments, all employees, including executives, full-time employees, and contract employees, receive the same compensation under the company's two main performance-related compensation systems: incentives for objectives (semi-annual) and performance incentives (annual).

- Annual salaries determined in connection with performance evaluation
- Semiannual organizational evaluations and incentives for objectives
- Performance incentives paid reflecting annual company and individual evaluations

Welfare and benefits

A wide range of policies and systems are in place at Cheil for employee welfare and benefits, regardless of their status and occupation. Good welfare and benefits improve quality of life, boost job satisfaction and morale, and induce better immersion during the work day. The health of our employees is our highest priority. Along with free medical checkups and allowances to help cover medical expenses, we also operate a free company clinic and fitness center. Additionally, employees have access to the "Hyu Center", staffed by a team of professional staff trained in stress management and psychological counseling. Employees with special dietary needs or preferences are provided with a separate "Well-Fit" selection offered at the company cafeteria.

Classification	Support Systems	Description
Health management	General health checkups	General health checkups for employees and spouses
	Medical allowances	Medical expense, illness, and injury insurance policies for employees, executives, and family members
	Free clinics	Family medicine clinic and dental clinic for employees
	Hyu Center	Stress management and psychological counseling
	Fitness center	Free leisure, sports, and fitness center at work
Family occasions	Allowances and leave	Allowances of special leave for marriage, funerals, and childbirth
	Funeral services	Funeral supplies and services provided
Livelihood stabilization	Household fund loans	Loans for stable living funds (up to KRW 20 million)
	Housing loans	Loans for housing leases and purchases (up to KRW 50 million)
	Personal pensions	Personal pension support for post-retirement stability
Education	Tuition allowances	Tuition allowances from K-12 to university
	Disability allowances	Rehabilitation allowances for children with disabilities
	Academic leaves of absence	Special leaves of absence for enrollment in degree programs
	i-book	Free work and self-development e-book service
Rest and recreation	Theme park	free all-day theme park and water park passes
	Accommodation and facilities	Discounted rates and vacation expense support when using company-affiliated condominiums and resort facilities
	Sabbatical	Sabbatical leave and allowances for every 5 years of continuous employment
	Hobby clubs	Allowances for hobby clubs at the workplace
	i-spa	Facilities for relaxation at work for employees needing a break, massage, and reading time
	i-buffet	A system of selectable welfare benefits tailored to individual lifestyles

Organizational culture

Flexible and family-friendly work environment

Following the institution of the 52-hour work week, Cheil has adopted a "Selective Work Hours System" under which employees can freely adjust their work start and finish times and how long they work on a given day, so long as a minimum number of hours worked per month is met. In addition, employees can keep track of and manage hours worked through the "PiC+ System" to set up the work-life balance that best suits them. Additionally, we operate various working hour reduction systems such as reduced working hours during pregnancy, reduced working hours during childcare, and reduced working hours for family care, to support employees in finding a balance between work and family in a family-friendly work environment. Family-friendly and team-building GWP events using our company's sports clubs (basketball, volleyball, soccer, baseball, etc.), business support hospitality programs, and internal and external CSR activities in connection with our social contribution groups have also been consistently operated. This has taken many forms, including home game tickets for family outings, group visits to revitalize organization, and rental of premium viewing facilities (skyboxes). In particular, the Samsung Lions KBO postseason ticket giveaway event and the Suwon Samsung Bluewings Escort Kids experience, which invited 22 employees' children and over 100 of their family members, were unique opportunities that only Cheil Worldwide could offer to our employees and their families. These special experiences significantly enhanced employees' pride in Cheil.

Healthy and creative organizational culture

Creative ideas produced by our employees are Cheil's most crucial asset. Cheil operates a host of organizational culture programs whose aim is to foster a healthy and creative working environment conducive to the generation of ideas that stand out.

"i-pub", our online communication hub

Cheil takes pride in the "i-pub" communication channel, where all employees are invited to share ideas and opinions and engage in bilateral communication with the company, and confidentiality and anonymity is guaranteed through the use of screen names. To ensure convenient access anytime and anywhere, "i-pub" is available in both web and mobile versions. The platform hosts a variety of initiatives, including "Idea Refill", a cultural program that provides exhibition and performance tickets to inspire creativity, and "1,000 Ideas", a collaborative space where employees can crowdsource and refine ideas from their colleagues whenever inspiration is needed in their daily work.

Grievance support channel "What's bothering you?"

Inside the Cheil "i-pub" channel is the "What's bothering you?" window for grievance reporting and counseling. Employees can use this channel to report instances of sexual harassment and bullying in the workplace, or to seek counseling on mental and psychological health issues. Employees can receive help in resolving work and non-work difficulties related to advertiser relations complaints, as well as personal rehabilitation and credit restoration issues. This year, to eliminate inefficiencies related to internal IT infrastructure, systems, and information security, and to enhance employee focus, we launched a new support channel called "Got a question?" alongside the existing "What's bothering you?" platform. Through this channel, employees can quickly report issues encountered during their work. Relevant personnel are promptly assigned to each inquiry to ensure timely resolutions and reduce inconvenience in day-to-day operations.

Special Guest Lecture "WOW Concert"

We host the WOW Concert, a special in-house event where we invite professors, PDs, authors, athletes, filmmakers, singers, actors, CEOs, critics, performers, consultants, influencers, and anyone else who can inspire our employees in their work and lives to share insights, trends, healing, coaching, and more. This year, we invited clinical psychologist Professor Sunmi Cho for a special parenting lecture during the school break titled "Raising a Child with a Strong Spirit". The session provided working parents with practical guidance on how to raise their children confidently and effectively, without the burden of parenting stress. We hosted a health seminar with geriatric specialist Professor Heewon Jung, titled "The Principles and Practice of Slow-Aging Eating Habits That Create a Virtuous Cycle in Life", where employees learned about dietary habits that support a healthier and more sustainable lifestyle. We also welcomed talent development researcher Professor Taegyun Shin, who delivered a lecture titled "Surviving Like a Pro in the Age of Transformational AI". The session offered philosophical insights into the mindset we need to cultivate in today's world, where diverse values frequently collide.

Vacation Encouragement Campaign "Idea Vacation"

The "Idea Vacation" is a vacation program unique to Cheil. We encourage employees to take time out to recover their mind and body, recharging their creative potential to devise novel and innovative ideas for the organization. We also held a vacation photo contest to inspire our employees to engage in enjoyable creative activities that allow them to express their individuality and foster creativity, while allowing them to savor the scenery and the people they met while on vacation.

**Hobby clubs “Mania Club”**

Cheil Worldwide operates “Mania Club” to encourage horizontal exchange between employees regardless of affiliation, job, or position, thereby reviving internal communication and expanding the range of non-work experiences that create the foundation for idea generation. Through “Mania Club”, we support a range of communication activities based on shared interests, including hobbies, cultural enjoyment, talent development, and health promotion.

**SCI Engagement Survey to Monitor Employee Satisfaction and Organizational Health Diagnostics**

Every year, we conduct the “Samsung Culture Index Engagement Survey to Monitor Employee Satisfaction and Organizational Health Diagnostics” by Samsung Global Research, and implement various organizational culture improvement activities based on the results.

In 2024, we focused on enhancing employee health care and strengthening teamwork, based on insights gained from the previous year’s survey and diagnostic results, as well as follow-up consultations. In April, we introduced a program to ease the medical expenses of our employees by partnering with a nearby internal medicine clinic and providing partial financial support for treatment. In August, to encourage regular physical activity, we partnered with a local fitness center and offered partial subsidies for membership fees. In September, we expanded the well-received team communication workshops held over the past two years into a broader initiative called “Teamwork Boost Week”. During this dedicated week, we promoted a campaign encouraging teams to hold workshops aimed at enhancing collaboration. To provide practical support for team building, we offered a range of resources from professional external training programs to internal tools, designed to strengthen teamwork in meaningful and effective ways.

**Education and training**

**Employee training programs**

Various education and training programs are available at Cheil in support of individual growth and organizational capacity development. These programs include △ initiation training to help new/experienced recruits to achieve a “soft landing”, △ job and general training to reinforce job-specific and general business competencies, △ leadership training to build leadership and communication skills, △ overseas dispatch programs, and △ compliance training for all employees to train the next generation of global leaders.

\* Training for all employees, including initiation/job/leadership/compliance, is for all employees regardless of contract type, such as full-time/contract.

Programs are implemented across a number of external educational institutions for added effectiveness. We offer a digital marketing excellence program for talented employees in collaboration with Seoul National University. Additionally, we offer approximately 5,000 multi-campus e-learning courses for online education, which are taken by about 2,000 executives and employees annually through LinkedIn Learning and Udemy. Over 400 employees have unrestricted access to e-learning courses.

**Managing effectiveness indicators for employee training programs**

We review and manage indicators such as training completion and satisfaction, etc. to measure the effectiveness of our employee training programs. Completion rates are calculated as the number of participants in relation to the number of employees for the mandatory training and based on course-specific completion criteria for optional training such as e-learning. Satisfaction is measured after each training session on a 5-point scale, and narrative and short-answer open-ended feedback is used to gather feedback on the training and suggestions for improvement. This allows us to measure the effectiveness of the training and incorporate improvements into future training programs.

In this way, we measure the effectiveness of our employee training programs and continually manage the indicators to identify improvements and provide better training services.

Education and training costs/time per employee

Cheil retains education and training cost data. As of the time of reporting for our 2024 Business Report, Cheil spends KRW 2,291,000 per employee per year on employee education and training.

※ Average training hours per employee

As of 2024, total training hours administered by Cheil reached 48,000 hours. This comes to an average of 32.6 hours spent in education and training for each employee.

\* 1,474 total employees

Scholarship promotion programs

Cheil supports higher education and scholarship activities of our employees by offering the Samsung MBA, Cheil MBA and academic leave programs. The Samsung MBA program affords our most competent employees the opportunity to obtain MBA degrees from the world’s most prestigious business schools, and the Cheil MBA program supports domestic MBA and general master’s programs for outstanding employees. We also support training leave of up to two years for employees who autonomously choose to pursue a master’s degree or higher. In addition, we support learning expenses and testing fees for employees seeking work-related certifications (Adobe solutions expert, industrial safety/logistics expert certification, etc.).

Talent discovery strategy

Goal

Our goal in talent discovery is to secure excellent talent and provide fair employment opportunities.

Talent discovery program

Various channels are operated by Cheil for new and experienced talent discovery including open recruitment and talent registration. New talent is secured through online and offline recruitment briefings targeting university departments, academic societies, and clubs in related fields, as well as recruitment consultation booths. For our experienced hires, we operate an internal recommendations system.

Cheil is recruiting talented people for a wide range of jobs through various talent discovery programs as mentioned above. For the convenience of applicants, our recruitment process for new, experienced, and intern talent is provided in detail through the Samsung Recruitment website.

Internship programs

Regular internships are operated by Cheil for university students and industry-academic cooperation program participants. University interns are given the opportunity to take part in real working-level operations in the field to build specific work knowledge and competencies over a period of about six weeks. Students completing our internships may be hired as new recruits pending post-program evaluation. Industry-academic cooperation program internships are operated jointly with our industry-academic cooperation partner universities on an as-needed basis. Participating students have the chance to build practical experience to be counted for university credits.

Employee competency-building and transition support programs

Cheil Worldwide operates a variety of job-specific development training programs to strengthen the capabilities of our employees and support their growth. Through various internal and external training courses, employees can nurture core competencies in their own lines of work through the programs, as well as freely participate in programs for other areas of interest outside their duties in a process we call “Cross Learning”.

Moreover, through the Cheil-Seoul National University Digital Marketing Excellence Program, we are developing comprehensive digital marketing skills to enable our employees to promptly adjust to shifts in the advertising industry, where digital/data marketing is becoming more and more crucial. We also provide foundational and advanced training in Adobe tools to enhance big data utilization skills, as well as AI-focused programs, including conceptual education and hands-on training with AI tools, to strengthen new technology competencies.

Meanwhile, we organize creative forums and seminars at major international advertising festivals every year to provide opportunities to learn about the latest trends in the advertising industry. We also support our employees to gain new insights through participation in major exhibitions and events abroad.

We also operate the Cheil Career League, a program for intra-organization transfers. Employees are free to apply for job openings and projects of their choosing within the organization, posted on an openings message board. Applications are reviewed and applicants are interviewed before final reassignment and project participation. Through the program, our employees are given the opportunity to build experience and competencies across various work areas.

Managerial and leadership development training

Cheil operates a number of leadership programs which include △ executive training, △ manager training, and △ team leadership training. Through various management and leadership development programs, such as "New Team Leader Training" aimed at nurturing the leadership of new team leaders who have become team leaders for the first time, "Team Leader Leadership Training" designed to improve the coaching leadership and team member interviewing skills of team leaders, and "Executive Training" to foster the next generation of leaders, we strive to systematically cultivate the next generation of management leaders in accordance with internal succession planning and augment leadership and communication capabilities across the organization.

Labor-  
Management  
Council

The Labor-Management Council serves as a bridge for communications between the company and employees at Cheil. Pursuant to the Act on the Promotion of Worker Participation and Cooperation, the Labor-Management Council is comprised of 10 "employee representatives" elected directly by our employees and 10 "employer representatives" appointed by the CEO.

The 8th Labor-Management Council, directly, confidentially, and anonymously elected by employees in 2024, regularly communicates with the company after gathering diverse opinions from employees and continuously strives to build a culture of mutual respect between labor and management.

The council meets quarterly for ordinary sessions, as well as on an as-needed basis for extraordinary sessions. Matters referred to the council for resolution or labor-management conferral are discussed by the council, which is an active management participant in all areas including wages, welfare and benefits, and company policies.

The Labor-Management Council negotiates annual wage and welfare policies in March of each year, and the resulting "Wages Agreement" applies to all employees.

\* Cheil guarantees the Three Key Workers' Rights mandated by law. No labor union has been established at Cheil.

Occupational Health and Safety

Health and Safety systems

Safety and Health Management Policy and Goals

Cheil Worldwide leads a safety-first culture by making the safety of all employees and stakeholders a top priority. Health and safety operations are given the highest priority in all of our business activities, and Cheil management leads by example in health and safety.

We maintain compliance with all applicable laws and statutes, provide a safe working environment, engage all employees in health-promoting activities, enforce strict safety-first policies on sets and at mobile worksites, maintain relationships of mutually beneficial cooperation with our partner businesses, and engage in sustainable safety activities.

Specifically, we are working toward the goal of achieving an accident-free workplace (0% accident rate) by △ proactively reducing risks by identifying and addressing hazardous and potentially dangerous factors, △ expanding opportunities for employee participation in safety and health initiatives, and △ supporting partner businesses in enhancing their safety and health management practices.

\* Achieved accident-free workplace from 2021 to 2024 (four consecutive years)

We have established a "Safety and Health Management Policy" that includes the above contents and posted it on our website.

Establishment of Safety and Health Management System (ISO 45001:2018)

Cheil Worldwide is taking the lead in the industry by being the first in the domestic advertising industry to obtain the international safety standard ISO 45001:2018 (Safety and Health Management System) certification in 2023, based on its current safety and health system. Beyond achieving certification, we have continuously revised and implemented relevant policies to align with both internal and external environments, maintaining a workplace safety system that meets global standards. As a result, in 2024, we received the highest safety and health rating (SH1) in both 1H and 2H from the independent evaluation agency (E Credible).



# CERTIFICATE



This is to certify that

**Cheil Worldwide Inc.**

222 Itaewon-ro  
Yongsan-gu, Seoul, 04404  
Republic of Korea

has implemented and maintains an **Occupational Health and Safety Management System**.

Scope:  
The occupational health and safety activities and supporting processes associated with integrated marketing solutions including advertising strategy & execution, creative, media, retail marketing and digital marketing

Through an audit, documented in a report, it was verified that the management system fulfills the requirements of the following standard:

**ISO 45001 : 2018**

Certificate registration no.	50351036 OHS18	 
Date of certification	2023-12-19	
Valid until	2026-12-18	

**DQS Inc.**



David Tellez  
Managing Director

Accredited Body: DQS Inc., 1500 McConnor Parkway, Suite 400, Schaumburg, IL 60173 USA  
Administrative Office: DQS Korea LLC., #207, ACE Highend Tower 3rd,  
145 Gasan Digital 1-ro, Geumcheon-gu, Seoul, 08506, Republic of Korea  
The validity of this certificate can only be verified by the QR-code.

DQS IS A MEMBER OF



Stakeholders for Safety and Health Management Policy

Cheil Worldwide's "Safety and Health Management Policy" includes and applies not only to our employees, but also to employees of partner businesses that work with Cheil Worldwide, all stakeholders who may be exposed to safety and health risks, such as customers and the general public visiting our business sites, and audiences at filming/event venues and mobile business sites. We also have a contingency plan for major civil disasters to ensure that members of the public who visit our workplaces, audiences at filming/event venues, etc., are not at risk. Additionally, we have developed the advertising industry's first "Safety Management Manuals for Ad Filming Sites and Exhibition Venues," which outlines safety rules, case studies, and codes of conduct for partner business personnel during work operations. To further raise awareness of safety among partner businesses, we regularly send out official safety guidance documents addressing natural hazards such as typhoons, heatwaves, and cold spells, as well as high-risk tasks including working at heights and handling heavy objects. In addition, we conduct safety training sessions for partner businesses in both 1H and 2H, and provide guidance on relevant safety laws and regulations.

Health and safety systems

Cheil Worldwide faithfully complies with more than ten safety-related legal obligations associated with its business operations, including the Occupational Safety and Health Act and the Public Performance Act. Compliance is regularly monitored through internal reviews conducted every 1H and 2H. Moreover, in response to the enforcement of the Serious Accidents Punishment Act from January 27, 2022, we established a dedicated safety organization to further strengthen our occupational safety and health management system. Pursuant to the revisions, our health and safety management systems have been divided into △ facilities safety and employee health management at Itaewon HQ and GT Tower offices and △ safety management at external and mobile worksites including sets and exhibition venues. Our health and safety organization staff has been increased, and various efforts have been made to bolster our workplace safety management practices and policies. These include safety awareness-building training and campaigns for employees, and safety training for partner businesses with a permanent presence on Cheil premises. In particular, we have renewed our safety management processes for external and mobile worksites including filming sets and exhibition values. A new "Safety Management Manuals for Ad Filming Sites and Exhibition Venues" has been set up with help from expert consultants as the first in industry, distributed to and implemented by all Cheil organization members and partner businesses.

Establishment and operation of Occupational Safety and Health Committee

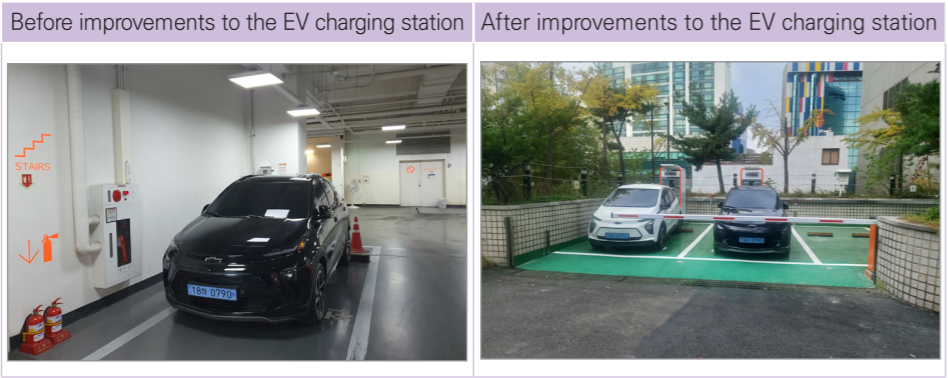
Cheil Worldwide has established and operates an Occupational Safety and Health Committee in accordance with the Occupational Safety and Health Act, which deliberates, decides and consults on matters related to safety, environment and health at workplaces and filming locations, as well as employee medical examinations and mental health. To strengthen the role of the Occupational Safety and Health Committee and obtain more opinions from employees, we have expanded its membership from four members to six members each from labor side and management from 2022, and appointed the Chief Safety Officer (CSO) and the head of the Safety Management Team, who play key roles in safety management, as company members. In 2024, following the election of new members to the Labor-Management Council, six new employee representatives were appointed to the Occupational Safety and Health Committee, where they actively participated throughout the year. Our Occupational Safety and Health Committee strives to ensure the safety and health of all labor and management through direct employee participation by explaining/directing the company's policy on all matters related to occupational safety and health at quarterly meetings and sharing employee opinions identified by labor-side members.

Staffing of dedicated health and safety organization

To facilitate the implementation of professional safety and health management practices suitable for the advertising industry and workplaces such as ad filming locations and exhibition venues, we have established a dedicated safety and health affairs organization (Safety Management Team) as an industry first in 2021 and appointed the Chief Safety Officer, who serves as the senior executive responsible for safety and health management, to carry out and manage safety and health work based on safety-related personnel rights, budget rights, work stoppage rights, and partner business evaluation rights. In addition to recruiting new professionals with qualifications such as industrial safety engineers, we strive for the development of our professional workforce by nurturing our own safety and health experts. Cheil Worldwide promotes systematic and professional safety and health management since 2022 through newly establishing the safety and health affairs organization and recruiting experts with safety certification, and continuously cultivates the skills of those responsible for safety management through job training on the safety environment infrastructure and outside expert consulting, etc.

Identification and risk mitigation activities of key safety and health risks

By conducting regular and occasional risk assessments at our facilities and mobile worksites, we identify significant safety and health risks, correct them when they occur, and ensure that work is performed safely. For workplace equipment, we conduct regular inspections, monitoring and risk assessments to identify risk factors in advance and to replace and repair them according to their life cycle. In 2024, to prevent accidents related to electric vehicle (EV) fires, we relocated EV charging stations from the underground parking lot to an outdoor location. In addition, significant enhancements were made to safety measures at the EV charging facilities, including the installation of fire prevention and containment equipment such as fire suppression blankets, fire-resistant suits, underbody water spray systems, and intelligent CCTV cameras.



Furthermore, to gather feedback on safety-related matters from employees and in-house partner business personnel, we operate the Occupational Safety and Health Committee and the Safety and Health Council. We also collect input via the Safety Management Team’s KakaoTalk channel and through on-site worker interviews conducted during mobile worksite safety inspections, allowing continuous identification and management of potential hazards.

Risk assessment and safety inspection for our establishments and facilities

Regularly scheduled risk assessments are conducted for Cheil establishments and facilities, including our Itaewon headquarters and offices in the GT Tower. Accommodating our employees in safer, more comfortable work environments is our priority. In addition, we conduct risk assessments from time to time when there are changes, such as replacements and modifications to workplace equipment, to identify and manage risk factors in advance. Additional CCTV units have been installed to cover blind spots where accidents may potentially occur, and weekly safety inspections are performed by our safety officers. Facility safety inspection is performed once in each of the first and second halves under the supervision of our lead executive. We also perform various safety inspection activities such as water damage (heavy rain) prevention inspections, hygiene inspections, fire inspections, and UPS inspections in preparation for climate impacts or specific times/issues.

Safety Management Process and Manual established for Ad Filming Sites and Exhibition Venues

All manner of safety accidents may potentially occur at ad filming sites or exhibition venues. As the leading corporation of the Korean advertising industry, we have taken it upon ourselves to reform industry work practices and reinforce our partner businesses’ safety management capacities to improve the safety culture in the advertising industry as a whole. With consulting from the Korea Industrial Safety Association, we have established the "Safety Management Process for Ad Filming Sites and Exhibition Venues" and a set of "Submanuals". The “Safety Management Process for Ad Filming Sites and Exhibition Venues” proceeds in the order of “Establish safety management plan → Prior safety training and site inspection (checklist) → Management of outcomes”. Each of the “Sub-manuals” contains safety inspection items and measures, instructions for dealing with emergency situations, and general safety-related guidance, and we are continuously improving the production environment and expansion of the application of safety and health laws and regulations of Cheil Worldwide. The process and manuals have been distributed to all our employees as well as our partner businesses through a briefing session. Safety at all of our sites has been managed according to this process since the second half of 2021.



We operate a communication channel using KakaoTalk so that all employees of Cheil Worldwide and its partner businesses can report hazards in mobile worksites. In the event of a safety-related issue on site, workers are instructed to exercise their authority for emergency work suspension in order to halt operations and address the identified hazard. We ensures that work does not resume until the safety of the worker is fully secured. Furthermore, to ensure the smooth use of the authority for emergency work suspension, we provide training for the authority for emergency work suspension and continually communicate that no disadvantage or penalty will be imposed on either employees or partner business personnel for exercising this right.

Safety training – Raising safety consciousness in employees

To raise employee awareness of safety and foster a culture of safety throughout the organization, Cheil Worldwide expanded its safety training in 2024. We now provide customized training tailored to specific groups, including mandatory safety programs such as regular safety training, supervisor training, and onboarding safety education. In addition, we offer project-specific safety training for partner businesses, designed with an understanding of each project's unique business context and risks.

Safety Training in 2024			
Classification	Content	Month administered	Completion result
Employees	1H statutory safety training for employees (Regular, supervisor, and new employee training)	March – April	100% * 1,268 persons
	2H statutory safety training for employees (Regular, supervisor, and new employee training)	September–October	100% * 1,249 persons
	CPR training	September	779
	Fire drill training	May	1002
Our Executives	Safety and health management officer training (for CSO)	April	1
	Serious Accident Punishment Act and the importance of safety training	March	32
	Corporate risk management and safety culture	November	31
Partner businesses	Expansion of the scope of application of the Serious Accidents Punishment Act and building a safety and health management system	March	86 companies
	Case studies on accidents and identification of safety non-compliances Procedures for responding to safety incidents	November	406 companies
	Project-specific safety training conducted 4 times	Throughout the year	9 companies

\* Participants: Based on employees at the time of training completion



In addition to training, we also conduct evacuation drills to prepare for emergencies such as fires and earthquakes, and various mock drills to prepare for emergencies such as water damage prevention drills for heavy rains and typhoons during the rainy season, and UPS fire drills. Furthermore, to further enable prompt response in the case of a cardiac arrest, we have incorporated regularized cardiopulmonary resuscitation (CPR) training and installed automated external defibrillators (AEDs) on all floors where employees work.

The Chief Safety Officer (CSO) delivers a message to all employees once every 1H and 2H, asking them to pay attention to and practice safety and health. In addition, we conducted several safety campaigns to encourage participation from both employees and partner businesses and to promote a strong culture of safety. These included the “Risk Factor Discovery Campaign”, which invited suggestions for improvements related to potential safety risks in office spaces and mobile worksites; the “Comprehensive Safety Campaign”, including “Keeping Safety Tips in Daily Life”; and the “Cheil Safety Culture Campaign”, carried out in collaboration with partner businesses to jointly uphold and practice a safety-first mindset.



Occupational Health and Safety

Accident-free workplace

Cheil Worldwide achieved a zero industrial accident rate for four consecutive years, maintaining a accident-free workplace from 2021 through 2024.

Classification	2022	2023	2024
Frequency rate of injury*	0.000	0.000	0.000
Accident rate**	0.000	0.000	0.000

\* (Number of accidents ÷ Hours worked per year) × 1,000,000  
\*\* (Number of accidents ÷ Number of employees) × 100

Care programs for the health and safety of employees, executives, and their families

Cheil operates numerous care programs to further the health and safety of employees, executives, and their families. We operate a regular health checkup program for all employees, as well as a spousal health checkup program (employee grade C2 and higher). Medical expenses of Cheil employees and their spouses and children are covered under a medical indemnity insurance policy. Managing the emotional and psychological well-being of our organization is a priority for Cheil. The "Hyu Center" is an in-house psychological counseling center, permanently staffed by Level 1 certified counselors who provide psychological assessment and individual counseling services to members and their family members. Other services provided include a consultation program to improve mutual understanding within the organization and a variety of mental health care program. In addition, for employees who receive abnormal results in the mental health screening during their comprehensive health checkups, we provide mental wellness support through a partnership with Kangbuk Samsung Hospital, helping those experiencing emotional fatigue regain balance in their daily lives. We have also expanded our operation of external employee assistance program (EAP: Employee Assistance Program) to support financial and investment management through a professional financial consulting firm. Cheil contributes to the emotional well-being of our employees by improving accessibility for employees in the Gangnam area and through external psychological counseling and coaching.

Hyu Center for soundness of mind

Cheil Worldwide’s “Hyu Center” for soundness of mind, was established in 2010 with the goal of supporting employee stress management and psychological counseling. A certified professional counseling psychologist (Level 1) is stationed at the center, helping employees understand the root causes of their psychological challenges and guiding them toward healthy and constructive problem-solving. "Hyu" operates a 3-stage platform consisting of "Caring", "Healing", and "Beyonding" stages.

Classification	Description
Hyu "Caring" Program	The Caring program consists of psychological counseling services based on attachment and psychoanalysis, and helps employees to address and resolve psychological difficulties. A range of mental wellness support programs are in operation, including Individual Care (personalized stress management and psychological assessments), Team Care (team workshops designed to enhance mutual understanding and communication among team members), and Family Care (family psychological assessments and counseling therapy programs). To support employees identified as high-risk through mental health screenings, we have introduced a one-stop care system in collaboration with Kangbuk Samsung Hospital, helping them recover emotional well-being.
Hyu "Healing" Program	A suite of three healing programs is operated with an emphasis on emotional wellness and recovery for employees. <b>1. Saving Private Cheil</b> To encourage employees and help prevent burnout, we provide a variety of wellness initiatives, including a 4-day meditation retreat at the Yeongdeok training center, global mindfulness education programs, the "Vitamin Camp" program specifically designed for high-stress teams, and nearby yoga and meditation sessions in Hannam-dong. <b>2. Family Counseling</b> Programs to improve couple and parent-child interactions are offered as well. In-depth professional psychological testing to determine attachment, characteristics, and dispositions on both sides of the parent-child relationship forms the basis of counseling to nurture more loving, robust, and self-healing relationships. Psychological coaching services are also provided to help employees to resolve work-family balance issues and forge more balanced work-family relations. <b>3. Group "Healing" Program</b> We offer group psychological counseling sessions designed to foster healing and personal growth through shared discussions on common themes. By sharing thoughts, empathizing with each other, and helping each other to address and come to terms with similar issues, group counseling can relieve stress and instill a sense of belonging in participants.
Hyu "Beyonding" Program	These coaching programs include capacity building and growth support for employees. They go beyond problem solving to support the progress and growth of individuals, teams, and families. <b>1. Individual Beyonding</b> Individualized psychological testing and solutions coaching for various life and work-related issues including self development, goal achievement, and the pursuit of happiness. <b>2. Team Beyonding</b> These are team vision-building workshops that use results from psychological tests to diagnose team characteristics and strengths, and also provide suggestions for team progress and effective sharing/discussion of opinions within the organization. We also offer organizational management coaching to improve the mindfulness and leadership of team leaders. <b>3. Family Beyonding</b> Family coaching is provided for couples' communication skills, child-raising, career aptitude (academics) counseling, psychological assessments for children (family members) and other family issues to assist in recovery of family relations and family growth.

# Occupational Health and Safety

## Health and safety of partner businesses

### Health and safety support for partner businesses

Cheil provides extensive support in the safety and health areas as part of our win-win cooperation efforts engaging our in-house partner businesses and outside contractors for ad filming and exhibitions.

Our safety and health programs include employees of the five in-house partner businesses (janitorial services, security services, etc.) at Cheil offices. A safety and health advisory group composed of representatives from Cheil and our partner businesses meets on a monthly basis, and safety training is administered to partner business employees alongside these meetings. In addition, the annual workplace hazard assessments enforced for company premises are also provided for partner businesses' sites to remove hazards in advance. Partner business staff are authorized to suspend work if an imminent threat is present, and various health and safety equipment and facilities are made available to all partner businesses.

### Preventing safety accidents on the set

To prevent accidents at ad filming sites, Cheil has provided "Safety management training" and distributed our "Safety Management Manuals for Ad Filming Sites and Exhibition Venues" to our partner businesses (Sep. 1, 2021). This manual is continuously updated to reflect current standards.

In addition, we made it mandatory to submit a safety management plan, inspect through a checklist, and create a work plan prior to filming, and established,d revised, and distributed related forms.

We conducted more than 40 safety inspections in 2022, more than 30 safety inspections in 2023 and more than 30 safety inspections in 2024 to instruct on-site safety management and identified and improved risk factors at mobile worksites, such as filming and exhibition sites.



Security and Privacy

Systems for protection of information and privacy

In order to achieve the quantitative goal of zero information protection and privacy incident, Cheil Worldwide has established a management system for the secure storage of customers' and employees' personal information, as well as guidelines reflecting major information protection and privacy risks, which are posted on the ESG message board on our website and on the company message boards. We also report annually to the Board of Directors on the risks associated with our information security and privacy and the results of our risk management activities, and we have articulated this BOD review process in our Internal Management Plan and Security Management Policy.

Policies and systems relating to information protection

Cheil has an established "Information Protection Policy" covering PC security, document security, and systems security. Enactments/amendments of related laws and the latest information security-related issues are promptly reflected in this policy. The policy is made available for reference and compliance by all members of the company organization.

All data transmitted to and from or stored in personal information handling systems, communications networks, and computer equipment is encrypted using an internal encryption solution. Access permissions are strictly controlled and granted differentially on an as-needed basis. We also remove idle accounts and unnecessary permissions at least once a year, and have adopted a suite of security solutions for threat detection, analysis, prevention, and protection.

Policies and systems relating to privacy protection

Cheil has established a data protection policy that applies to all relevant business lines which is made public on our website. We also enforces an “Internal Management Plan” facilitating the protection of personal information retained by the company. Enactments and amendments to relevant laws, statutes, and standards are reflected in the plan as needed and approved by our Privacy Protection Officer.

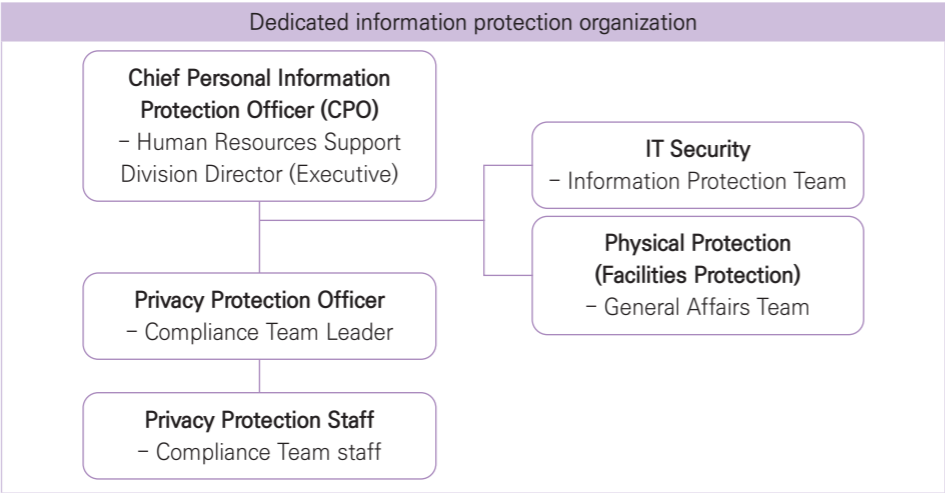
Notices are issued to all employees in the event of revisions to the plan, and a current version of the full text of the "Internal Management Plan" is published on the internal message boards for convenient reference at any time.

Twice a year, our in-house legal team administer trainings on key provisions of relevant privacy laws to inform all members of the organization of our obligations in terms of privacy protection. Our "Compliance Newsletter" is issued periodically to inform the organization of recent violations of privacy protection laws in Korea and abroad along with the related guidelines issued by the company.

Compliance Newsletter History for Privacy Policy Compliance in 2024	
Description	Month
Case of administrative fines imposed due to excessive collection of personal information	April
Introduction to the "Policy Measures on Protecting Online Behavioral Information Used in Personalized Ads" announced by the Personal Information Protection Commission	August

Composition and activities of our privacy protection organization

Cheil operates a dedicated privacy protection organization to ensure safe handling of personal information. Our compliance team serves as the Cheil privacy protection organization, supporting the Privacy Protection Officer in general supervision and management of working-level personal information protection affairs and operations. The General Affairs Team is tasked with physical protection measures, while IT protection measures are the responsibility of the Information Security Team. These arrangements are included in our "Internal Management Plan", and are approved annually by the Privacy Protection Officer.



As per Article 10 (Roles and Responsibilities of the Privacy Protection Department) of the "Internal Management Plan", the Privacy Protection Department engages in the following activities to ensure safe utilization of personal information.

- Personal information protection activities
1. Planning and administering personal information training to the organization (at least once a year)
  2. Issuance of notices on privacy protection guidelines to the organization
  3. Inspecting the state of privacy management and making improvements as necessary
  4. Implementing a system of internal controls for privacy protection
  5. Establishing/regularly revising personal information handling policy and guidelines
  6. Enforcing, supervising, and managing prohibition on "collection, utilization, and storage" of resident registration numbers (exceptions where permitted by law)
  7. Managing and supervising outside contractor for personal information handling
  8. Destroying and managing personal information whose purpose of use has been achieved or whose retention period has lapsed
  9. Immediately reporting personal information leaks to the information owner and related departments

Designation of Chief Information Security Officer

To strengthen our expertise in managing risks related to generative AI services and information security, and to proactively respond to relevant regulations, Cheil Worldwide established an Information Security Center in December 2024. The Head of the Information Security Center (managing director) was appointed as the Chief Information Security Officer (CISO). The CISO is an executive who meets the qualifications outlined in Article 45-3 of the Act on Promotion of Information and Communications Network Utilization and Information Protection, including conditions related to holding concurrent positions and possessing professional expertise. The appointment was duly reported and registered with the Ministry of Science and ICT. In addition, Cheil undergoes computerized audits by external independent audits (accounting firm) annually to determine whether our overall information protection/personal information protection system, including security policy operation, vulnerability inspection, breach response, administrator authorization, and employee information security training, satisfies the standards of relevant laws and regulations. In accordance with Article 13, Paragraph 2 of the Information Protection Industry Act, Cheil's information protection status are publicly disclosed starting in 2022.

Designation of Chief Personal Information Protection Officer

At Cheil, the Human Resources Support Division Director (managing director) has been designated Chief Privacy Officer (CPO), meeting all of the requirements under Article 31 of the Personal Information Protection Act and Article 32 of the Enforcement Decree of the same Act. The Chief Privacy Officer exercises general authority over personal information protection affairs, including inspections for proper personal information handling and administering training to all employees.

Information security training

Cheil Worldwide conducts annual internal training to all employees including contractors on information protection and privacy to protect the company's trade secrets and those of its advertisers, and to protect personal information handled by the company.

Recognizing the critical importance of personal information protection, we conduct privacy training sessions twice a year for all employees to raise awareness. In addition to this Company-wide training, we also provide specialized training for personnel who handle personal information. This training is conducted immediately prior to the commencement of their duties. Privacy protection training plans and outcomes are reported to the Privacy Protection Officer, and a questionnaire survey is administered following the training sessions to gather feedback to be reflected in planning for the next round of training.

Privacy training and information security training in 2024			
Training	Content	Month administered	Completion rate
[Company-wide, Korea] Compliance training	〈1H〉 Briefing on the latest privacy-related legal violations and guidelines	April-May	100% * 1,255 persons
	〈2H〉 1. Briefing on the latest privacy-related legal violations and guidelines 2. Information Security Training	September-October	100% * 1,283 persons
[Company-wide, Overseas] Compliance training	1. Briefing on the latest privacy-related legal violations and guidelines 2. Information Security Training	June-October	99.1% * 5,762 persons
Training for new and experienced recruits	1. Briefing on personal information handling process precautions and guidelines 2. Information Security Training	• New recruits : February, August • Experienced recruits : Monthly	New recruits 100% * 49 persons Experienced recruits 93.9% * 46 persons
Training for foreign nationals working in Korea	Personal information protection and information security training	September-October	100% * 10 persons
Training for personnel handling personal information	Personal information protection guidelines	As needed	100% * 39 persons
In-house partner businesses training	1. Briefing on trustee obligations under the Personal Information Protection Act 2. Information Security Training	October	111

\* Participants: Based on employees at the time of training completion

Information security and personal information protection activities

Information security activities and system inspections

Information security activities

Classification	Description
Enacting and revising information security policy	Our security standards are revised annually to reflect the latest legislation and rapidly changing information technologies. Notices are issued to ensure that all employees are familiar with and maintain compliance with the latest standards, and the latest security standards are applied to worksites. Our Internal Management Plan for privacy protection is also regularly revised and approved by the Chief Personal Information Protection Officer.
Notice of information security	In accordance with Article 13, Paragraph 2 of the Act on the Promotion of Information Security Industry, we faithfully disclose information on our information security investments, personnel, certifications, and activities on an annual basis.
Participation in Cyber Partners by the National Intelligence Service	To protect ourselves from widespread cyber threats and to strengthen our cybersecurity capabilities, we participate in Cyber Partners, a public-private cyber security collaboration initiative led by the National Intelligence Service and the National Cyber Security Center.
Attend security technology seminars	We regularly attend monthly security technology seminars to stay up to date with the latest developments and trends in cybersecurity, thereby enhancing our internal information protection capabilities.
Participation in security networking forums	We take part in industry-specific security networking forums three times a year to share insights, trends, and current issues related to information security, reinforcing our security expertise.
DDoS situation propagation training	DDoS attacks may happen at any time. In anticipation of the next attack, annual mock exercises are conducted for each of the relevant functions—servers, applications, networks, information security, etc.—assuming a real world DDoS attack situation. This training is expected to enable us to more promptly respond to an actual attack, minimizing negative impacts on company affairs and ensuring continuity of business.
Mock exercises for malicious email response	To protect Cheil trade secrets and other information assets in the midst of ever-increasing corporate hacking attempts through emails containing malicious code, we have issued malicious email warnings to the organization and perform regular mock exercises to prevent theft of company information assets.
Office environment security inspections	Theft and loss of trade secrets and other company information assets due to negligence on the part of our employees can be prevented. Workspaces are inspected regularly after work hours for any computers that may be left on, drawers or cabinets that may be unlocked, and any unattended documents in order to keep the organization alert to the ever-present threat of information leaks.
Information Security Training	New recruits are required to complete information security training to preempt legal infringements that may arise in the performance of work and to protect the information assets of the company. Regular information security training is administered annually to employees of our domestic and overseas locations and partner businesses.

System Inspections

① Security assessment for new or modified systems

Security inspection is conducted before opening/modifying services upon implementation of new systems or system modifications to protect company IT infrastructure and information assets from external hacking attacks.

② Security inspection of websites, servers, databases, and networks

Idle and unnecessary accounts due to negligence in operations and insufficient system security settings are inspected and addressed, protecting company IT infrastructure and information assets from external hacking attacks.

Category	Item	Frequency	Inspection dates in 2024
Information security activities	Information security policy revision	Annual	July
	Notice of information security	Annual	June
	Participation in Cyber Partners by the National Intelligence Service	Often	Often
	Attend security technology seminars	Monthly	Jan. – Dec.
	Participation in security networking forums	Three times a year	March, July, November
	DDoS situation propagation training	Annual	July
	Malicious email response mock exercise	Twice a year	June, November
	Office environment security inspections	Semiannual	June, November
	Information Security Training	Annual	October
Systems	Important SW security updates and company-wide announcements	Often	Often
	Blocking access to harmful domestic and foreign websites	Often	Often
	Application of security control service and hacking prevention	Often	Often
	System (new/modified) security inspection	Once before opening	Often
	Application security inspection	Monthly	Jan. – Dec.
	Database security inspection	Annual	July
	Server/network security inspection	Monthly	Jan. – Dec.

Information security and personal information protection-related inspection activities

Regular inspection of suppliers and business partners through Personal Information Trustee Management System

In recent years, as the share of marketing using digital media has increased dramatically compared to marketing using traditional advertising media such as TV and print, marketing using customers' personal information has also increased. Accordingly, the supervision and regulation over the use of customers' personal information for marketing purposes by the Personal Information Protection Commission is also being reinforced. Cheil Worldwide has developed the "Personal Information Trustee Management" system to identify these risk factors in advance and manage them efficiently, and has been releasing and operating the system since September 2022. The "Personal Information Trustee Management Systems" system is a management/inspection system which ensures that all trustees doing business with Cheil Worldwide thoroughly protect customer privacy, and inspections are conducted to verify trustees' compliance with personal information protection and information security. This system is designed to enable us to monitor and verify at any time that our trustees, who directly handle our customers' personal information, comply with applicable laws and regulations throughout the marketing process using the personal information. The system allows our employees and trustees to take time out of their busy schedules to review and verify checklists that summarize the complex legal obligations required at each stage from the collection of personal information to its destruction. From 2022, we have reported the results of our review of personal information-related risks through the above system to the Board of Directors once a year, and we will continue to review the enactment/amendment of relevant laws and regulations from time to time to protect our customers' personal information, and proactively identify relevant risks and reflect them in our policies and business processes.

Information security check

Cheil Worldwide has established internal security standards to identify, assess, and manage information security risks that may arise during business operations. These standards were developed with reference to internationally recognized frameworks such as ISO 27001 and ISMS-P. Based on these standards, we regularly manage and review 446 sub-items across 7 areas: △ Information security policy, △ Information security organizations, △ Improving security consciousness, △ Security accident response, △ IT security, △ Physical security, and △ Personal information protection.

\* Cheil Worldwide is not subject to obligatory certification under the Act on Promotion of Information and Communications Network Utilization and Information Protection to acquire certification, and thus does not hold certifications relating to information security and personal information protection. However, certifications will be acquired promptly should we come under obligation to do so in the future under the applicable laws.

Activities to prevent personal information leaks

Cheil Worldwide has established the "Response Procedure for Personal Information Leakage" to prepare us for any accidental leaks which may occur during personal information handling. Mock exercises are conducted once a year to keep our information leakage handling procedure effective and up to date. Cheil Worldwide has also registered liability insurance in compliance with Article 39-7 (Indemnity for Losses) of the Personal Information Protection Act with coverage for accidental leaks, loss, theft, forgery, and damage to personal information.

Personal information leak response mock exercises		
	Date	Website
2022	8.9.	Samsung Thunders basketball team
2023	8.17.	Cheil Worldwide YouTube Channel
2024	11.19.	Cheil Idea Festival

Personal information damage liability insurance policy	
- Insurer: Samsung Fire & Marine Insurance	
- Limit of liability: KRW 500 million	
- Coverage period: Dec. 31, 2024 – Dec. 31, 2025. (renewed annually from Dec. 2019)	

Protecting the rights of data subjects

Right protection policy

The subject of the personal information handled by Cheil Worldwide has the right of access, rectification and deletion, or suspension of handling of their personal information. Details relating to exercise of these rights are provided in our "Personal Information Handling Policy" to facilitate direct control by information owners over their own personal information.

Cheil Worldwide collects customer privacy only when it is absolutely required, as when a contract has been fulfilled or when the customer's explicit consent is obtained. Other than the customer, Cheil Worldwide does not collect personal data from third parties. In addition, we process the customer privacy only to the extent of receiving explicit consent from the customer, and do not rent, sell or provide personal data to third parties unless it is required by Articles 17 and 18 of the Personal Information Protection Act, such as when the customer consents or there are special legal requirements (Article 5 of the Personal Information Handling Policy). Further, we commit to deleting data when it is no longer needed, such as when the processing purpose has been fulfilled or the personal information retention period has expired (Article 7 of the Personal Information Handling Policy).

For collection and utilization of personal information in compliance with the relevant laws, Cheil Worldwide uses a standardized "Personal Information Collection and Use Consent Form" and "Personal Information Handling Consignment Agreement". The standardized forms are regularly updated to reflect any amendments to the applicable laws and standards.

When obtaining consent for collection and use of personal information, Cheil Worldwide informs information subjects of the following.

1. Purpose(s) of collection and utilization of personal information	3. Retention and use period for personal information
2. Personal information items to be collected	4. Information on the right to refuse consent, and if refusal to provide consent subjects the person to disadvantage, a statement of said disadvantage

Also, for cases involving the collection and use of personal information, the following is stated on our website through the "Personal Information Handling Policy".

1. Purpose(s) for personal information handling	8. Rights and obligations of information subjects and their legal representatives and how to exercise them
2. Periods for handling and retention of personal information	9. Measures to ensure the safety of personal information
3. Items of personal data handled	10. Matters relating to the installation, operations and refusal of automatic devices for the collection of personal information
4. Matters relating to the handling of personal information of children under the age of 14	11. Chief Personal Information Protection Officer
5. Matters relating to furnishing of personal information to third parties	12. Remedies for violation of rights and interests
6. Outsourcing of personal information handling	13. Changes to the Personal Information Handling Policy
7. Procedures and methods for destroying personal information	

Cheil Worldwide protects the personal information of both customers and Cheil Worldwide employees according to the relevant laws and standards. The "Consent Form for Third-Party Provision of Personal Information" is collected from all members of the organization each year, and our "Personal Information Handling Policy" is made available to inform employees of how their personal information is handled and managed.

Personal information protection violations/grievances

Cheil Worldwide has no cases of violations of personal information protection-related laws and regulations for the past three years and no related lawsuit.

Unit: Case			
Classification	2022	2023	2024
Violations of the Personal Information Protection Act	0	0	0
Customer complaints related to personal information	0	0	0

Employee rules  
for compliance  
practices

Cheil Worldwide Compliance Rules

In April 2012, we established the "Compliance Control Standards", which includes the composition of the compliance control organization and the standards and procedures for all compliance control activities of the compliance control organization, and in December 2022, we revised the above standards to reflect the latest compliance trends, refine the compliance education program, and establish the basis for online distance education. In addition, since June 2012, we have enacted and implemented the "Operating Regulations of the Compliance Program" as a subordinate regulation to the above "Compliance Control Standards", which includes the operating system of the compliance organization, division of duties, and specific operating measures of the compliance program, and we always post the above regulations on the internal compliance system so that employees can review them at any time.

Practice Guide

We have created a "Practice Guide" that contains the contents of relevant laws and regulations that employees should be familiar with when performing their duties, penalties for violations, examples of violations, and checklists, and it is always posted on the internal compliance system. The "Practice Guide" is divided into the laws and regulations most relevant to our business, such as the Copyright Act, the Act on Fair Labeling and Advertising, the Unfair Competition Prevention Act, and the Personal Information Protection Act, and contains various types of examples to make it easier for employees to understand. In particular, Cheil Worldwide enforces a set of "Guidelines on Preventing Collusion" to prevent collusion and price-fixing practices in our relations with competitors. These guidelines clearly establish the definition and concept of "collusion" according to the Monopoly Regulation and Fair Trade Act, and set forth specific examples of practices such as the exchange of information with competitors which may be acknowledged as "collusive behavior". Such practices are expressly prohibited under the guidelines. Regardless of whether actual collusion has been committed, suspected acts and acts which may lead to collusion may also constitute collusion as defined in the Monopoly Regulation and Fair Trade Act. Accordingly, we prohibit contact with competitors as a matter of principle, and require a prior "Competitor Contact Declaration" process to report any contact with competitors to the Compliance Team. For instances where contact with competitors cannot be reported beforehand, we require members of the organization to report details of contact after the fact. The emphasis is on maintaining vigilance and awareness across the organization so as to altogether discourage engaging in any and all actions which could be misconstrued as "collusive".

Employee Ethics Code

To eliminate all forms of corruption, we have established the "Compliance Management Code of Conduct" and "Ethical Management Principles", and the "Anti-Corruption Principles", which are publicly available on our website and internal portal (Knox). We support our employees in practicing ethical management and complying with the Code of Conduct.

Employee Ethics Code and Anti-Corruption Principles posted on our website

《Employee Ethics Code》

To comply with laws and ethics and fulfill its corporate role and social responsibilities, Cheil Worldwide has established the "Management Principles" to serve as a standard of conduct in all management activities, and will actively implement them.

1. **Comply with laws and ethics.**  
1-1 Respect individual dignity and diversity.
  - Respect the basic human rights of all people.
  - Forced labor, wage exploitation, and child labor are not permitted under any circumstances.
  - Do not discriminate against all stakeholders, including customers and employees, based on nationality, race, gender, religion, etc.1-2 Compete fairly in accordance with the law and business ethics.
  - Comply with national and local laws and regulations, respect the market competition order, and compete in a fair manner.
  - Do not take an unfair advantage by using unfair means that violate business ethics.
  - Do not give or receive quid pro quo gifts, bribes or entertainment in business activities.1-3 Maintain accounting transparency with accurate accounting records.
  - Accurately record and manage all company transactions such that all stakeholders can objectively understand business activities.
  - Comply with accounting-related laws and regulations of each country and internationally accepted accounting standards.
  - Faithfully disclose major management matters and corporate information in accordance with the law, including the company's financial changes.1-4 Do not intervene in politics and remain neutral.
  - Respect individual suffrage and political opinions, but do not engage in political activities within the company.
  - Do not use the company's funds, personnel, or facilities for political purposes.
  - Do not provide money or valuables such as illegal contributions.
2. **Maintain a clean organizational culture.**  
2-1 Strictly distinguish between public and private matters in all business activities.
  - In the event of conflict between the interests of the company and individuals, the legitimate interests of the company shall take precedence over individual interests.
  - Do not pursue personal benefit from the company's resources or one's position, and refrain from any misconduct, including embezzlement or asset theft.
  - Do not use information obtained in the course of one's duties to engage in securities transactions, including the purchase or sale of stocks.2-2 Protect and respect the intellectual property of the company and others.
  - Do not leak Internal intellectual property and confidential information to third parties without prior permission or approval.
  - Respect the intellectual property of others and do not engage in any infringing acts such as unauthorized use, distribution, or modification.2-3 Create a sound organizational atmosphere.
  - Do not use any language or actions that undermine positive co-worker relationships, such as sexual harassment, financial transactions, or violence.
  - Do not form factions or private groups that can create discomfort within the organization.
  - Establish labor-management relations of coexistence and co-prosperity based on mutual trust and effective communication.

## 106

3-1 Make customer satisfaction the priority value o

- Provide products and services that meet customer needs and expectations

- Respect and protect customers' reputation and information.

- Provide long-term benefits to shareholders through

- ### 3-3 Strive to improve the “quality of life” of our employees

- Provide equal opportunities to all employees and treat t

4-1 Pursue environment-friendly management.

- Comply with international standards, related

- 4-2 value human safety and health.

- Comply with safety-related inter

5-1 Faithfully carry out the basic responsibilities that must be

- Aim to boost the company's credibility by carrying out duties and commitments as a mem

- ### 5-2 Respect local social and cultural characteristics and practice coexistence

- Respect the laws, culture and values of the local community and contribute

- 5-3 Establish a relationship of coexistence and co-prosperity with business partners.

- Form mutually beneficial relationships with business partners based on mutual trust and per

Executives and employees

- Executives and employees of Cheil Worldwide do not receive cash or other valuables by business partners, nor are they given golf outings or any other forms of entertainment.
- We do not make profits through improper means, such as embezzlement of public funds or theft of assets.
- We work diligently during business hours and observe decorum that is expected of executives and employees.
- Information requiring security, such as company confidential information, are not externally leaked without prior permission or approval.

1. 본인은 심장의 경맥이념, 핵심가치 및 경영원칙을 이해하고 실천하여, 높은 준법의식을 바탕으로 공정하고 투명한

- 2-1. 권전행 조직문화

본인은 자유롭고 공정한 시장경제질서를 존중하고 각국의 공정거래 법규를 준수한다.  
본인은 정당한 방법과 실효으로 경쟁하여, 합법적 자유로운 경쟁을 저해하는 어떠한 행위도 하지 아니한다.

본인은 합법업체를 사업과 동반자로서 존중하고, 하도급거래 관련 법규를 준수하며, 부당한 요구 및 보복적 지원을 넣음하는 행위를 하지 아니한다.

2-5. 정확한 회계처리 및 공시

본인은 영업비밀 및 지적재산 보호 관련 법규와 사내 규정을 철저히 준수한다.

2-8. 물질·환경·안전 기준 준수

본인은 주요 사업의 추진, 계약 체결 등 회사 업무를 수행함에 있어 법규 위반으로 인한 리스크를 최소화하기 위하여 반드시 사전에 Compliance 팀, 법무팀 등 관련 부서와 협의한다.

5. 본인은 임직원 교육, 모니터링, 현장점검 및 사후조치 등 준법경영 실천을 위한 회사의 모든 활동에 적극 동참한다.

---

▶  법과 윤리를 준수한다

Training for employees

Compliance training program

We operate compliance training programs for all employees including contractors in order to preemptively identify and prevent internal and external risks and to establish a culture of compliance with laws and regulations. Additional special training is administered according to individual employee position and function.

Employee compliance training in 2024			
Training	Content	Month administered	Completion rate
[Company-wide, Korea] Compliance training	<1H> 1. Compliance cases relating to Cheil Worldwide in the areas of copyright, labeling and advertising, and personal information protection; compliance guidelines 2. ESG environmental training	April-May	100% * 1,255 persons
	<2H> 1. Compliance cases relating to Cheil Worldwide in the areas of copyright, labeling and advertising, and personal information protection; compliance guidelines 2. ESG environmental training 3. Delivery payment linkage system guidelines 4. Information Security Training 5. Understanding our internal accounting systems 6. Disability awareness-building training	September-October	100% * 1,283 persons
[Company-wide, Overseas] Compliance training	1. Compliance cases relating to Cheil Worldwide in the areas of copyright, labeling and advertising, and personal information protection; compliance guidelines 2. Information Security Training 3. Employee guidelines relating to non-compliant behaviors	June-October	99.1% * 5,762 persons
Training for new and experienced recruits	Issues and guidelines on intellectual property rights and compliance	•New recruits: February, August •Career Experience: Monthly	New recruits 100% * 49 persons Experienced recruits 93.9% * 46 persons
Training for executives	Information on core compliance issues	April	100% * 35 persons
Training for foreign nationals working in Korea	1. Compliance cases relating to Cheil Worldwide in the areas of copyright, labeling and advertising, and personal information protection; compliance guidelines 2. Information Security Training	September-October	100% * 10 persons
Pre-dispatch training for expatriate employees	Global Compliance guidelines	March, September	100% * 16 persons
Special training by job function - Production group employees	Briefing on the latest privacy-related legal violations and guidelines	December	100% * 214 persons
Special training by job function - Training for personnel handling personal information	Personal information protection guidelines	As needed	100% * 39 persons

Monitoring systems

Ethical management training

The "Employee Guidelines" and principles for compliance with laws and regulations are made available on our in-house portal (Knox) to prevent illegal and corrupt business practices. In particular, we administer corruption prevention training to all employees including contractors at our domestic and overseas locations at least once a year to prevent giving and receiving of bribes and other corrupt practices in relations with our partner businesses. This training establishes the concept of illegal and corrupt practices and introduces recent cases of corruption. Twice a year (Chuseok and Korean New Year holidays), official letters are issued requesting our partner businesses to refrain from sending holiday gifts and assist in our efforts to establish a clean business culture.

Corruption prevention training participants			
Unit: Persons			
Year	Total	Domestic	Overseas
2022	6,504	1,224	5,280
2023	6,675	1,251	5,424
2024	7,054	1,292	5,762

Regular ethical management audits

Planning and Implementation

In accordance with our "Employee Guidelines" established to promote clean organizational culture and prevent anti-corruption, we report corruption audit activity plans to upper management regularly under the supervision of the Management Diagnosis Team. After identifying foreseeable corruption risks, the Management Diagnosis Team evaluates the risk of fraudulent incidents to establish priorities. Based on this risk assessment, regular ethical management audits are conducted at 3 to 5 year intervals. Audit results are reported to upper management, and offenders are subjected to measures according to our standards for disciplinary action. In addition, starting in 2024, we plan to regularly report the implementation plan and results of the anti-corruption program to the Board of Directors on a yearly basis, enabling the Board to review and oversee our anti-corruption strategies and activities.

Audit Scope

Ethical standards and anti-corruption audits of Cheil Worldwide cover all operations, including the headquarters, all Cheil Worldwide offices and overseas branches, subsidiaries, and sports teams at home and abroad. ※ To protect privacy, ethical management audit outcomes and details relating to actions taken against offenders are not publicly disclosed.

Ethical management violation reporting and whistle blower protection systems

A reporting channel is maintained to enable stakeholders inside and outside our organization, including employees, executives, partner businesses, and clients, to report corrupt or unfair work practices by Cheil Worldwide employees in violation of our Ethical Management Principles. To protect whistle blowers, we ensure strict confidentiality of both the report details and the identity of the individual making the report.

Reporting systems

Cyber audit team

제일기획 임직원의 불공정한 업무처리나 비리에 대한 제보를 받으며 신고 내용은 보안이 유지되며, 제보자의 신원 또한 철저히 보호 합니다. 익명신고 가능, 제보자에 대한 불이익 없음

연락처

E-mail : auditcheil@samsung.com

· 서면 : 0404 서울시 중구구 미명동로 222 제일기획 감사팀

부정제보

임직원에게 불공정한 업무처리나 비리에 대한 제보를 받으며 제보내용은 보안이 유지되며, 제보자의 신원 또한 철저히 보호 합니다. 익명신고 가능, 제보자에 대한 불이익 없음

· 제보대상 : 임직원, 협력사, 고객사, 파트너사, 언론, 기타 제보 대상

· 제보방법 : 이메일, 전화, 방문, 서면, 기타 제보 방법

· 제보처 : 제일기획 감사팀

· 제보시간 : 24시간

· 제보처 : 제일기획 감사팀

▲ Published on Cheil Worldwide website

▲ Published on in-house portal (Knox)

The total number of reports filed through all reporting channels in Korea and abroad is 31 since 2022, 68% of which concerned illegal and corrupt practices. Each of these reports were investigated to corroborate facts. The results were reported to upper management, and disciplinary action was completed for the offenders.

Report status			
Unit: Case			
Year	Total	Domestic	Overseas
2022	11	3	8
2023	6	2	4
2024	14	11	3

Compliance inspection disclosures

Cheil Worldwide regularly discloses chief compliance officer activities and violations of laws/regulations in our quarterly and annual business reports (status of compliance training, inspections, compliance awareness activities, and improvements to guides and processes).

\* Cheil Worldwide has had no violations of related laws and regulations for the past three years.

2024 Compliance Inspections – Disclosed in 2024 Business Report	
Inspection	Month
Inspection of information handling practices by personal information processing trustees	Often
Semi-annual compliance self-inspection: Quizzes on key legal provisions relating to Cheil Worldwide to inspect familiarity and knowledge	April–May September–October
Inspection of our personal information handling	November
Mock exercises for personal information leaks	November

Principles and systems for labeling and advertising

Fair labeling and advertising principles – Fair Transactions Policy

Cheil Worldwide stands against misleading and inappropriate labeling and advertising which may intentionally or inadvertently misinform or deceive consumers. Committed to providing consumers with accurate and useful information, establishing fair advertising industry business practices, and protecting the consumer, we enforce a policy against false or exaggerated advertising, deceptive advertising, advertising with unfair comparisons, and slanderous advertising. We have established a "Fair Transactions Policy" that includes the goals, roles, and directions that we intend to achieve in terms of the fair labeling and advertising, and we make the contents available on our website at all times.

\* Refer to the "Cheil Worldwide ESG Trends" bulletin board on the ESG page of the website (cheil.com)

We are guided by the belief that advertising should convey accurate information relating to the goods or services of advertisers without any falsehood or exaggeration, allowing consumers to make rational choices between goods and services. Accordingly, our Compliance System provides "Guidelines on Unfair Labeling and Advertising Practices" to ensure company-wide compliance with the Act on Fair Labeling and Advertising and the guidelines for labeling and advertising reviews. The laws and statutes relating to labeling and advertising, infringement categories and cases, and checklists are available on the Compliance System for reference by all members of our organization.

Systems for labeling and advertising

Pre-airing review process for advertisements

Cheil Worldwide operates a "Pre-airing Review Process" for advertisements, a process which allows us to check and prevent risks of legal infringement regarding Act on Fair Labeling and Advertising, etc. before advertisements are produced or aired.

At least two of our in-house attorneys meet with working-level staff to review drafts, storyboards, video, and images, identifying any risks relating to infringement of the Act on Fair Labeling and Advertising, copyrights, portrait rights, trademark rights, design rights, or the Unfair Competition Prevention and Trade Secret Prevention Act, as well as negative PR issues. This is a process unique to Cheil Worldwide, going above and beyond typical legal team consultation. In 2024 alone, around 138 pre-airing review meetings were held.

Thanks to preemptive advertising risk management through procedures tailored to the nature of the advertising industry, Cheil Worldwide has zero cases of violations of labeling and advertising regulations and has not been subjected to any related sanctions or litigation over the past three years.

\* Number of violations of the Labeling and Advertising Act over the past three years: 0

License Notice System

When we use the rights of others, such as music, images or likenesses to create advertisements, we legally obtain prior permission (license) from the rights holder in advance. We also provide advertisers with clear notice of the terms of use (license terms) agreed to with the rights holder at the time of final delivery to advertisers, so that advertisers can be confident that they are using the advertisements in accordance with those license terms.

From 2019, we have developed and operated a "License Notice System" to provide advertisers with clear and unambiguous notice of all license terms associated with the advertisements we deliver. This system is designed to accurately input and mail to advertisers the terms of use of all rights of others, such as music, images, and likenesses, used in the final advertisement, so that the advertisers can safely use the advertisements we deliver without infringing on the rights of others.

Training for employees

To ensure that employees do not violate the Act on Fair Labeling and Advertising or infringe on third-party rights such as other's copyrights and portrait rights when creating advertisements, Cheil Worldwide conducts training sessions on the Act on Fair Labeling and Advertising and intellectual property rights for all employees twice a year.

Principles for Win-Win Management

Guide on Win-Win Management Practices and Rules on Mutual Cooperation

Cheil Worldwide engages vendors and contractors as partners in management through mutually cooperative relations, translating our attitudes toward partner businesses into practice through our "Guide on Win-Win Management Practices".

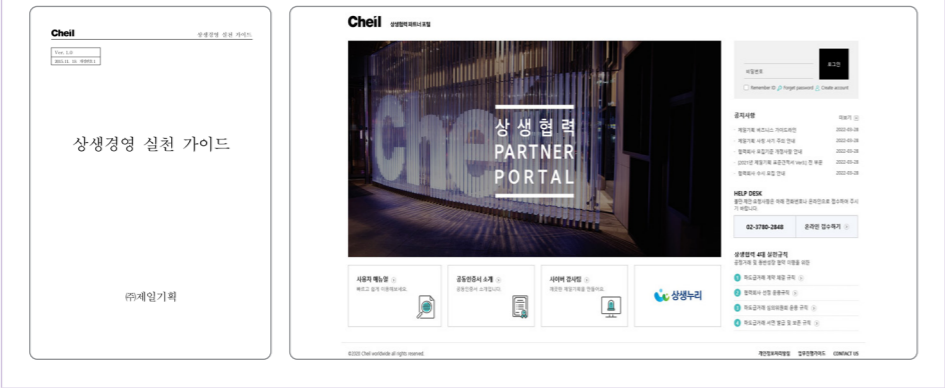
Developing a sense of partnership	Proliferation of shared growth oriented efforts	Mutual trust
Competitive power of partner businesses = Competitive power of Cheil Worldwide Support measures to reinforce partner business capacities	Joint efforts with partner businesses to proliferate shared growth-oriented practices across the advertising industry	Joint efforts toward transparent business relationships through mutual trust

By operating and maintaining fair and transparent relations and processes with our partner businesses, we support sustained growth of our partners and shared growth for the advertising industry as a whole. Our "Rules on Mutual Cooperation" are made available to all internal and external stakeholders through our "Win-Win Partners Portal"\*, and Cheil Worldwide's fair transactions principles are operated and enforced with the highest transparency.

\* Win-Win Partners Portal (<https://partner.cheil.com/srp/index.do>)

"Rules on Mutual Cooperation"
① "Rules on Subcontracting" These rules ensure that partner's interests are represented fairly in our contracts, and set forth a set of rules for adherence in subcontracting to establish reasonable and equitable transaction practices.
② "Rules on Partner Selection and Operation" Our rules for selection and operation of partner businesses ensure fair and equitable treatment of all partners and prospective partners.
③ "Rules on Operation of the Subcontractor Transactions Review Committee" Under these rules, we review the fairness and legal compliance of our subcontractor relations and the procedural propriety of our vendor/contractor registration and disqualification processes.
④ "Rules on Issuance and Preservation of Documents in Subcontractor Transactions" These rules specifically provide for matters of compliance or effort on the part of Cheil Worldwide regarding the issuance and preservation of documents in the process of subcontracting and subcontractor relations.

"Guide on Win-Win Management Practices" and "Rules on Mutual Cooperation" on our Win-Win Partners Portal



Win-Win Growth Index and Fair Trade Agreements

As a Win-Win Growth Index member (industry-first; since 2017), we have signed Fair Trade Agreements with our key partners since 2015. This leadership in maintaining symbiotic relationships with our partners is the result of firm commitment from our CEO and upper management. As a result, we have received the highest possible Win-Win Growth Index rating from the Korea Commission for Corporate Partnership for five consecutive years (2019, 2020, 2021, 2022 and 2023), and have been rated "industry-best" in Fair Trade Agreements by the Fair Trade Commission for six years running (2018, 2019, 2020, 2021, 2022, and 2023). In 2022, we were selected as a Best Practice in Fair Trade Agreements (7 companies in total) and in 2023, as the first company in the advertising industry to be selected as an Honorable Company with the highest possible Win-Win Growth Index for four years in a row. We will continue to take the lead in ensuring that the entire advertising industry operates in a fair and reasonable manner.

\* These industry-leading ratings in Win-Win Growth Index and Fair Trade Agreement evaluations have afforded Cheil Worldwide a number of incentives, including a 2-year exemption from Fair Trade Commission ex officio investigations, designation as a model firm in subcontractor relations, and reduced penalty points (3 points) for infringements of the Fair Transactions in Subcontracting Act..

Operating a dedicated team for shared growth with partner businesses

Cheil's Partner Collaboration Team was established in December 2015 as a dedicated organization for implementation of fair transactions and mutually beneficial cooperation affairs. The team consists of six staff (as of December 2024), and is tasked with managing our Win-Win Growth Index efforts and Fair Trade Agreements with partner businesses. Other responsibilities include enacting, revising, and enforcing the "4 Practical Rules on Mutual Cooperation". Cheil Worldwide maintains close communication with our partners through regular annual "Partner Business Meetings" and consistent VOC monitoring. In particular, we strive to reflect the voices of the field in a timely manner by establishing and operating a channel for receiving and processing supplier complaints (hereinafter "Help Desk") and receiving complaints in real time by dedicated personnel. We transparently disclose the percentage of partner complaints received through the "Help Desk" and resolved cases each year on the Win-Win Partners Portal.

Help Desk complaints received and resolved in 2024													
Item	January	February	March	April	May	June	July	August	September	October	November	December	Total
Work-related	10	7	1	4	5	3	2	3	6	-	5	-	46
Suggestions	5	1	2	2	-	1	2	5	1	2	2	-	23
Complaints	-	-	-	-	-	-	-	-	-	-	-	-	0
Others	15	6	10	14	10	12	8	15	7	7	12	12	128
Total	30	14	13	20	15	16	12	23	14	9	19	12	197

Activities and efforts for fair transactions

Key subcontracting issues such as revisions to the Fair Transactions in Subcontracting Act are inspected regularly to ensure total compliance and zero legal infringements. Projects of a certain value and above are referred to the Subcontractor Transactions Review Committee and subjected to prior legal compliance review.

The Subcontractor Transactions Review Committee is held regularly every month (regardless of whether a topic is on the agenda), and is operated by appointing the director of business support office (CFO/Vice President) as the chair and seven members, including executives in charge and team leaders.

Activities to present unfair transaction

At the vanguard of fair business transactions, Cheil Worldwide has voluntarily instituted a range of fair transaction practices.

First, we operate a “Voluntary Fair Transaction Compliance and Unfair Transaction Prevention Program” and an “Unfair Transaction Early Warning System”. Upcoming subcontractors’ fees and settlements are inspected regularly to prevent delayed payment.

We have also adopted an electronic contracting system to rule out completely the potential for unfair contracting behaviors such as refusal to issue contract documents. For transactions valued at KRW 1 billion or more, meetings of the Subcontractor Transactions Review Committee are convened to review the legal compliance of transactions and the propriety of pricing determination. The Voluntary Fair Transaction Compliance and Unfair Transactions Prevention Program minimizes the potential for unfair practices and legal infringements.

Second, going a step above and beyond prevention, we operate a "Voluntary Fair Transaction Compliance Follow-up Monitoring System" under which the legal compliance of our subcontractor transactions is verified after the fact. Monthly monitoring is performed to ensure that payments and settlements have been completed within the established deadlines following termination of contracts, and all transactions registered in the Cheil Worldwide electronic contracting system are inspected regularly to verify compliance. A separate fair transaction monitoring system is in place through which we continually improve our practices and establish compliance as way of life among all members of the organization.

The Guide on Win-Win Management Practices also provides for disadvantageous disposition in promotions and benefits to employees who are in violation of the law, regardless of affiliation or employee grade. We thereby discourage any acts in violation of the Fair Transactions in Subcontracting Act or acts which impede fair competition on the part of all members of our organization.

As a result of our efforts, there have been no cases of violation of laws and regulations in the social and economic fields in 2024.

Sanctions against violation of the "Guide on Mutually Beneficial Cooperative Management Practices"

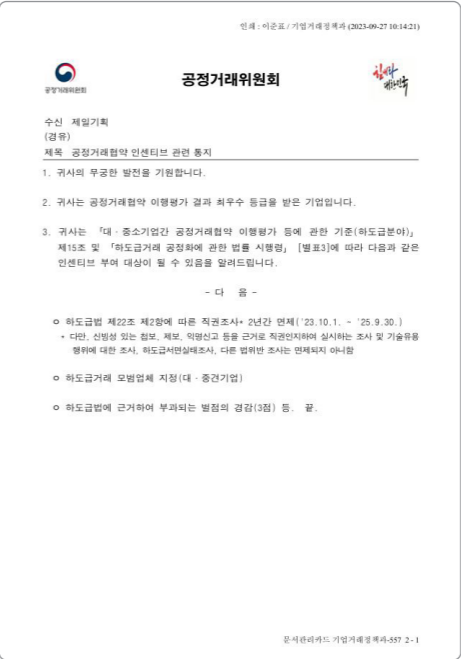
- Violation of in-house standards relating to partner businesses, the Fair Transactions in Subcontracting Act and the Monopoly Regulation and Fair Trade Act is subject to special training or disciplinary action, depending on the severity of the matter at hand.
- Three or more offenses by the same person within the space of a year is subject to stern disciplinary measures including docking of pay and dismissal.

Assessment of risks related to unfair transactions and establishment of risk mitigation measures

The different unfair trade risks that can arise in subcontracting transactions are one of the most significant unfair transaction risk factors that can arise in our business activities as Cheil Worldwide entrusts services to partner businesses belonging to small and medium-sized enterprises.

Every year, our company is provided with a “Fair Trade Agreement Implementation Evaluation” by the Fair Trade Commission, which is the subcontracting unfair transaction supervisory authority, to assess these unfair transaction risk indicators. Through this risk assessment, subcontracting transactions are directly handled by the subcontracting unfair transaction supervisory authority, and we evaluate potential risk factors associated with fair transactions and develop and implement mitigation measures for the identified risks. The risk assessment items evaluated through the Fair Trade Agreement implementation evaluation are largely “fairness of contract,” “efforts to prevent law violations and comply with the law,” and “support for win-win cooperation”, with a total of 27 evaluation items being assessed for risk. We establish and carry out plans every year for matters recommended for improvement after the evaluation.

As a result of this annual subcontracting unfair transaction risk assessment by the Fair Trade Commission and mitigation of the identified risks, we received the best grade in the 2023 Fair Trade Agreement Implementation Evaluation and were designated as a model company for subcontracting by the Fair Trade Commission (for six consecutive years).



Enforcement of Partner Business Code of Conduct and legal compliance efforts

Code of Conduct compliance by partner businesses

One aspect of our efforts to achieve shared growth with business partners of Cheil Worldwide is the enforcement of a set of "Business Guidelines". These Business Guidelines prohibit the acts listed below, and are published on the Win-Win Partners Portal for reference by all partner businesses.

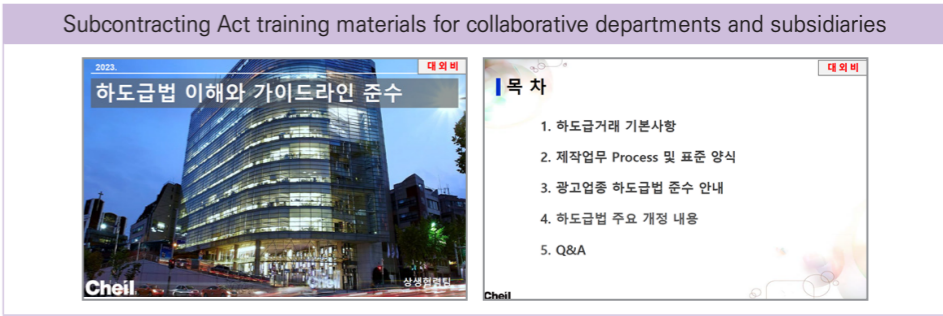
- ① Receiving bribes including money, in-kind benefits, and gifts
- ② Receiving entertainment including extravagant meals, golfing arrangements, and alcoholic beverages
- ③ Personally borrowing or lending money
- ④ Causing monetary or physical damages or engaging in unlawful solicitation
- ⑤ Providing special accommodations in disregard of regulations using professional a
- ⑥ Acquiring equity in work-related, non-listed clients
- ⑦ Unauthorized removal and leaks of tangible/intangible information assets or internal information of the company
- ⑧ Arranging or cooperating in scouting of company workforce by competitors
- ⑨ Behaviors which impede the maintenance and succession of clean organizational culture or which harm corporate value or the corporate image

Measures taken against legal infringements by partner businesses

To prevent legal infringements by our partner businesses, we hold regular Partner Business Meetings where we distribute and brief partners on our "Guide on Advertising-related Laws and Statutes". In addition, when registering a partner business, we check for violations of relevant laws or company regulations, and manage the results of the inspection as an important decision-making issue directly related to registration (Article 11 (Registration Review) of the Rules on the Selection and Operation of Partner Businesses).

Fair transactions training and awareness-building activities for employees

As industry leader, Cheil Worldwide leads by example. We were the first in the industry to sign Fair Trade Agreements with all of our partner businesses. To assist employees in practicing fair transactions, we provide job-specific fair transaction training for all employees and special training on the main content of the Subcontracting Act for on-site departments where subcontracting transactions are frequently conducted. Through this job-specific fair transaction training, we aim to raise awareness of fair transactions among all employees and to improve the legal knowledge of employees who are frequently involved in subcontracting transactions.



Cheil Worldwide operates a Compliance System to ensure compliance management. Through the system, various instructions and guidelines relating to compliance management practices are made available to all employees.

These instructions and guidelines provide working-level guidance and summaries of the Copyright Act, Personal Information Protection Act, the Labeling and Advertising Act, and other related laws.

In particular, the "Guidelines on Fair Transactions Compliance Risks," provided to prevent unfair transaction practices by our employees, are comprised of detailed and work-relevant guidelines on preventing fair transaction-related risks that may be easy to miss, and include the "Guidelines on Preventing Collusion with Competitors" and "Guidelines on Preventing Toll Fee Practices".

In addition, we inform employees through the “Compliance Newsletter” or internal message boards about changes in fair transaction–related laws, such as the Act on Fair Labeling and Advertising and the Subcontracting Act, and conduct various education and awareness activities to prevent unfair transaction through special training to distribute the latest labeling and advertising law violation cases and guidelines for employees in charge of duties closely related to labeling and advertising laws.

Fair transaction training for employees in 2024 – Special training by job function for PMs			
Participants	Content	Month administered	Completion rate
Production group employees	Latest cases of violation of labeling and advertising laws and guidelines  * Unlike training for all executives and employees, special training is provided by selecting cases and guidelines pertaining to the Labeling and Advertising Act that need to be considered when creating advertisements.	December	100% * Total 214 persons

Awareness activities in 2024 – Compliance Newsletters	
Description	Month
OO fined 33.6 billion won for violating the Act on Fair Labeling and Advertising	January
Misleading advertisements by cram schools and publishers targeting students penalized	May
Mobile game OO faces controversy over false advertising	May
Invigorating drink ad revealed to be deceptive	July
“90% Pass Rate” ad exposed; survey based on only 10 respondents	November
Revision of labeling and advertising guidelines on recommendation and endorsement	December

Processes for selection and evaluation of partner businesses

Scope of our supply chain

Cheil Worldwide allows any business that meets a certain set of requirements (credit rating B– or higher, safety and health rating S5 or higher, etc.) to register at any time of the year as Cheil Worldwide partner. This arrangement maximizes opportunities for us to collaborate with expert partners. As of December 31, 2024, there is a total of 580 registered Cheil Worldwide partner businesses.

Principles and processes for selection of partners

Fostering competitive partners is a crucial prerequisite to shared growth with our partners. Appreciating this obvious yet important fact, Cheil Worldwide has instituted numerous systems and policies for fostering of competitive partners. First, adapting the Fair Trade Commission's "Practices for Fair Selection of Vendors" to our circumstances, we have enacted and are enforcing the "Rules on Partner Selection and Operation" in order to practice fair and reasonable partnerships. To facilitate equal opportunities to more prospective partners, we have adopted an "Open Partner System" since 2020 that lowers the entry barrier for potential Cheil Worldwide partners. We implement a “competitive bidding system” when orders are made over a certain amount to ensure that business is equitable and transparent. We are always keen to discover and engage outstanding firms outside our existing partnerships. Under our "Direct Partnership Proposal System", employees are invited to recommend new firms with whom to establish relations. Starting in 2022, we have been adopting the "Safety Management Evaluation" (Qualified Contractor Selection) criteria when evaluating and selecting partners, enforcing strict and preemptive safety management to prevent accidents at workplaces.

Evaluation of partner businesses against established social responsibility standards

To establish fair and transparent business practices at Cheil Worldwide, we require partners to meet a set of social responsibility standards. If a partner fails to meet these standards, their contract is terminated, partner registration is canceled, and re-registration as a Cheil Worldwide partner is restricted for three years.

The social responsibility requirements to which we hold our partners are as follows.

First, all current and prospective partners must comply with our ethical management and compliance management guidelines, including the rules on corruption, bribes, and provision of entertainment.

Second, the business activities of a current or prospective partner must not be in violation of legal provisions or be subject to public criticism.

Third, current and prospective partners must comply with and enforce the Cheil Worldwide safety management regulations.

Fourth, current and prospective partners must not engage in any acts similar to these which may impede the execution of contracts or which may be grounds for refusal by Cheil Worldwide to sign the firm as a partner.

Specific provisions relating to these social responsibility standards are found in Article 19, "Standards and Procedures for Partner Registration", of the "Rules on Partner Selection and Operation", and are published on our "Win-Win Partners Portal" for reference at any time by our partners.

In addition, we receive integrity pledges from our partners every year as all suppliers are required to have anti-corruption policies and programs to verify compliance. The pledge states that our partner businesses will comply with our anti-corruption policy and take corresponding responsibility in case of violation of the policy, and all suppliers are required to sign this pledge. Accordingly, it is mandatory for partners wishing to work with us to establish their own anti-corruption policies at the same level as ours and have systems in place to carry them out.

In order to create a culture of integrity in which anti-corruption policies are observed in our suppliers, we have a cooperation system (Win-Win Partner Portal <https://partner.cheil.com>→ Help Desk and Cyber Audit Team) where anyone (including employees of suppliers) can report corruption cases, and we actively support all partner businesses with their efforts to check their ethics and anti-corruption status by distributing the "ESG Self-Inspection Checklist."

Support activities for partner businesses

ESG Support

Supporting ESG activities of partners

As part of our non-financial support program for shared growth with business partners, Cheil Worldwide has promised ESG support to 96 key partner businesses through the signing ceremony for the Environment-Friendly (ESG) Practices Agreement (Aug. 25, 2021). A consensus on the importance of eco-friendly production environments was thereby formed, laying the groundwork for full mutual cooperation toward environment-friendly production practices.

We also distributed our "Guide on Environment-friendly Management Practices for Ad Filming Sites" and "Guidelines for Protection of the Rights and Interests of Children and Youth at Filming Sites" to our partners (Sep. 1, 2021) to ensure that our ad production sites are ESG-appropriate.

In 2021, our Shared Growth Cooperation Fund contributions to the Korea Foundation for Cooperation of Large&Small Business, Rural Affairs were used toward our Partner ESG Consulting activities. Cheil Worldwide will continue to contribute to the Shared Growth Cooperation Fund to support ESG consulting activities to reinforce the ESG capabilities of the advertising industry.

Support for implementation of ESG risk management systems of partners

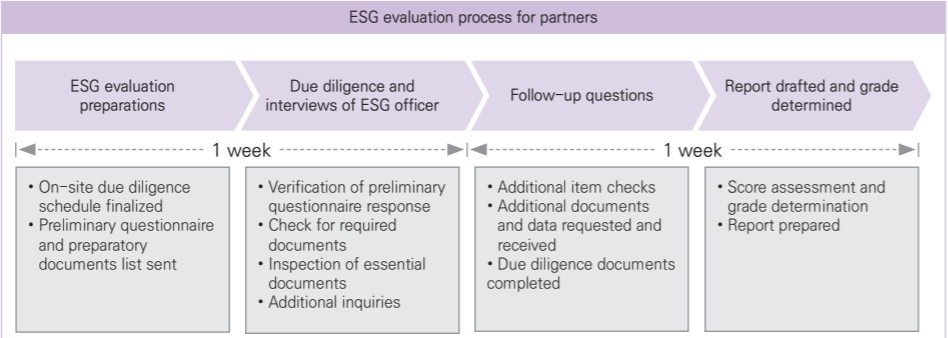
Cheil Worldwide has employed the services of NICE D&B, a provider of ESG consulting services to SMEs, to help our partners to establish sustainable management practices. Under the "Partnership Agreement on ESG Consulting Services for Cheil Worldwide Partner Businesses", NICE D&B has begun consulting with our partners on ESG management implementation. (5 companies supported in 2021, 5 companies supported in 2022, 8 companies supported in 2023, 20 companies supported in 2024)

Consulting is provided free of charge to our partners to support their implementation of ESG management practices, with all costs borne by Cheil Worldwide. Consultants visited each of our partners to administer preliminary questionnaires and perform due diligence and interviews of ESG officers. Each partner was evaluated in each of the ESG areas (Environment, Social, and Governance) and ESG competency level of small and medium-sized businesses and improvements to their weaknesses were rated on a 7-point grade scale.

Cheil Worldwide will continue to provide our partners with ESG consulting to help improve ESG capacities.

Shared Growth

ESG evaluation metrics for partners
<div><div>• E (Environment): Environmental understanding, environmental management (energy, greenhouse gases, water resources, waste, atmospheric pollution), environmental performance, environmental cooperation</div><div>• S (Social): Safety consciousness, safety management (management system certifications, product safety certifications, occupational accidents), human rights sensitivity, fair social practices</div><div>• G (Governance): Ethical management (rules and systems), governance (equity structure, dividends, etc.), transparency of accounting practices, transparency of transactions</div></div>



Areas and grades for partner ESG evaluation			
Category	Area	Category	Area
Environment	Implementation of environmental management system	Social	Child labor/ forced labor (including in supply chain)
	Reduction of greenhouse gas emissions		Workplace discrimination and bullying
	Resource use, waste output and recycling		Occupational health and safety
	Discharge and disposal of hazardous / substances		Protection of information and intellectual property
	Productcarbon footprint	Product safety and quality	
	Opportunities for eco-friendly technologies	Transparency of management	
	Hiring practices	Governance structure	Anti-corruption practicesandcompliance management
Rating	NESG grade definition		Environment (E) grade description
A+	Highest environmental, social, and governance management levels toward sustainable management		Highest levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
A	High ESG management levels toward sustainable management		High levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
B+	Good ESG management levels toward sustainable management		Good levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
B0	Fair ESG management levels toward sustainable management		Fair levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
B-	Average ESG management levels toward sustainable management		Average levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
C	Lower ESG management levels toward sustainable management		Lower levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
D	Poor ESG management levels toward sustainable management		Poor levels of activity, issue management, and interest in climate change, energy, and environment-friendly practices
Rating	Social (S) grade description		Governance (G) grade description
A+	Highest levels of social activity management systems and interest relating to employment, health, safety, etc.		Highest levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities
A	High levels of social activity management systems and interest relating to employment, health, safety, etc.		High levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities
B+	Good levels of social activity management systems and interest relating to employment, health, safety, etc.		Good levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities
B0	Fair levels of social activity management systems and interest relating to employment, health, safety, etc.		Fair levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities
B-	Average levels of social activity management systems and interest relating to employment, health, safety, etc.		Average levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities
C	Lower levels of social activity management systems and interest relating to employment, health, safety, etc.		Lower levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities
D	Poor levels of social activity management systems and interest relating to employment, health, safety, etc.		Poor levels of governance management in areas of fair competition, protection of shareholder rights, and Board of Directors activities

Financial support, educational support, marketing support, etc.

Cheil Worldwide operates several financial support programs for our partners, who are relatively smaller in size. We make a point of making early subcontractor payments prior to major holidays such as the Korean New Year and Chuseok in order to improve our partners’ cash liquidity and stimulate the local economies in the holiday season. Cheil Worldwide also makes contributions to the Shared Growth Cooperation Fund operated by the Korea Foundation for Cooperation of Large&Small Business, Rural Affairs to fund partner support programs.

Cheil Worldwide and IBK Industrial Bank of Korea have each contributed KRW 5 billion toward a "Hand-in-Hand Fund" which is made available to partners in need of financing. We have also introduced a "Network Loan" program to give our partners better access to financing.

Cheil Worldwide is eager to help our partners to safeguard their technologies, and provide "Technology Protection Training and Intellectual Property Protection Training" to all partners. In addition, in order to provide direct and indirect help in the management of our partners, we also provide “Human Resources and Labor-related Training” through external educational institutions to help improve the competitive power of our partner businesses. Last, we understand that due to the nature of the advertising business, expanding overseas requires overcoming high entry barriers in the form of local language, culture, and laws. Overseas branches of Cheil Worldwide are able to employ the services of our domestic partners, opening up overseas sales channels for our partner businesses.

Job competency development education support programs for partners

To help improve the quality of advertising content produced by our partners, Cheil Worldwide operates a education program through which the latest advertising trends in Korea and abroad are shared and award winning works from international advertising award shows are introduced. Knowledge that can be helpful to our partners in the areas of advertising-related laws, safety management, and mutually beneficial cooperation activities is shared regularly both online and offline.



Shared Growth

Briefings for partners in 2024		
Briefing	Date	Participating partners
1st (Online)	3.14.	86
2nd (Offline)	7.8.	47
3rd (Online)	11.8.	406

Job competency development education support programs for partners in 2024		
Session	Program	Participating partners
1	Best external advertising example – AJINOMOTO FRYING PAN CHALLENGE	265
2	Best external advertising example – XBOX GAME PASS_ THE EVERYDAY TACTICIAN	74
3	Best external advertising example – DRAMAMINE THE LAST BARF BAG	65
4	Best external advertising example – RENAULT_CARS TO WORK	69
5	Best external advertising example – SAMSUNG_SAMSUNG IMPULSE	56
6	Best external advertising example – COCA-COLA THANKS FOR COKE-CREATING	90
7	Best campaign example – SPECSAVERS THE MISHEARD VERSION	57
8	Best external advertising example – HEINEKEN PUB MUSEUMS	57
9	Best external advertising example – HEINZ KETCHUP_IT HAS TO BE HEINZ	40
10	Best external advertising example – COORS BREWING COMPANY_COORS LIGHTS OUT	30
11	Best external advertising example – CAFÉ JOYEUX 47	25
12	Best external advertising example – ARIEL #SHARETHELOAD	224
13	Best external advertising example – 2024 LION OF ST MARK JACQUES SÉGUÉLA	25
14	Best external advertising example – FIVE STAR MY PARENT IS A TIKTOKER	198
15	Best external advertising example – MCDONALD INDIA EATQUAL COLOURS	191
16	Best external advertising example – QUEZON CITY GENDER AND DEVELOPMENT COUNCIL RIGHT TO CARE	186

Session	Program	Participating partners
17	Best external advertising example – COCA-COLA_RECYCLE ME	156
18	Best external advertising example – JC DECAUX_MEET MARINA PRIETO	145
19	Best external advertising example – POP-TARTS_THE FIRST EDIBLE MASCOT	129
20	Best external advertising example – ORANGE_WOMEN'S FOOTBALL	120
21	Copyright, portrait rights, trademark rights (AI and IP issues)	490
22	Technology protection education (Measures for SME technology disputes)	531
23	Notable marketing trends in Korea – My Beloved Animal Family	294
24	Notable marketing trends in Korea – The Evolution of Webtoons	220
25	Notable marketing trends in Korea – Individuals and Groups	131
26	Notable marketing trends in Korea – Act Instant	5
27	3rd briefing presentation materials for partner business in 2024	27

Other support activities

Cheil Worldwide partners enjoy a wide variety of supports. We make a point of providing "100% cash payments to subcontractors", and assist with our partners' job creation efforts (Partner job postings are published on our corporate website).

Cheil Worldwide provides masks and other personal protective equipment, as well as disease control personnel, to all filming sets and production sites. "Safety management training" is administered extensively in cooperation with professional safety agencies to prevent any safety issues and occupational injuries in the field. Cheil Worldwide operates a partner "Help Desk" providing real-time communications and business support. Additionally, in 2023, we established a dispute mediation committee as a system to provide immediate feedback when a partner business applies for dispute mediation regarding a subcontract transaction (dispute mediation application within the Win-Win Partners Portal).

Social Contribution

Social contribution policies

The Cheil Worldwide management framework is geared toward sharing and designing a better world for us all. Our social contribution activities are planned out and executed systematically through this framework.

The "Sharing Management" framework of Cheil Worldwide is built on the principles of "Creation", "Collaboration", and "Consideration", and applies a matrix structure to enable harmonized and balanced social contribution activities. The advertising industry is all about "communication" and "devising solutions". Building on what we do best, we are creating new value to contribute to local communities while supporting the marginalized and disadvantaged classes.

We have established policies for local community participation and social contribution that include these points and is making them public on our website.

\* Website (cheil.com/hq/sustainability)



Social contribution activities

Samsung Multicultural Youth Sports Class

Outcomes in 2024: Class launch and successful first-year operation

In November 2023, Cheil Worldwide launched “Samsung Multicultural Sports Class” to help the rapidly growing number of multicultural youths grow into confident and integrated members of Korean society. “Samsung Multicultural Sports Class” began from ideas suggested by the employees of nine related businesses of Samsung, and officially began in March 2024, combining the expertise of NGOs with the strength of civil society. This psychological and emotional support program helps multicultural and non-multicultural youth strengthen their bodies and minds and develop confidence as well as social skills through sports. In 2024, a total of 16 classes were conducted across 13 institutions located in Seoul, Incheon, Gyeonggi, and Changwon in Gyeongnam, involving 280 participants from both multicultural and non-multicultural backgrounds.

\* Number of beneficiaries: 280 multicultural and non-multicultural youth

“Body-Strengthening Classes” offered instruction in various sports (soccer, basketball, table tennis, badminton, and taekwondo), taught by professional coaches. Alongside these efforts, “Mind-Strengthening Classes” led by youth and child psychology specialists supported the emotional development of participants. A total of 30 sessions were held over the year, supporting the physical and mental well-being of participating youths. Beyond regular classes, a variety of special activities were organized, including a summer camp, meet-and-greets with athletes from Samsung’s professional sports teams, family-invited soccer match viewings, and participation in the Escort Kids program. As the lead organizer of “Samsung Multicultural Youth Sports Class”, Cheil Worldwide ensured the smooth operation of all class activities and partnered with sports club members from nine Samsung affiliates to host friendly matches and provide career and job mentoring for the youth.

Mid- to long-term plan

With 2024 marking the program’s inaugural year, the goal is to select and support approximately 1,500 multicultural and non-multicultural students over the next five years.

Yearly operation plan			
Year	Participants	Details	
2024	280	- 20 Body-Strengthening Classes and 10 Mind-Strengthening Classes (30 total) - 1 summer camp - 3 special activity sessions	
2025	280	- 20 Body-Strengthening Classes and 10 Mind-Strengthening Classes (30 total) - 1 summer camp - 3 or more special activity sessions - Advanced career/academic classes for multicultural youths with sports talent - Continued participation opportunities for previous year’s participants	
2026 (Planned/ subject to change)	280	- 20 Body-Strengthening Classes and 10 Mind-Strengthening Classes (30 total) - 1 summer camp - 3 or more special activity sessions - Advanced career/academic classes for multicultural youths with sports talent - Program expansion to regional areas	
2027 (Planned/ subject to change)	280	- 20 Body-Strengthening Classes and 10 Mind-Strengthening Classes (30 total) - 1 summer camp - 3 or more special activity sessions - Advanced career/academic classes for multicultural youths with sports talent - Program expansion to regional areas	
2028 (Planned/ subject to change)	280	- 20 Body-Strengthening Classes and 10 Mind-Strengthening Classes (30 total) - 1 summer camp - 3 or more special activity sessions - Advanced career/academic classes for multicultural youths with sports talent - Program expansion to regional areas - Consideration of external program expansion	

Geuldongmu Project (www.geuldongmu.org)

Since 2015, Cheil Worldwide has provided 3,000 young North Korean defectors who experience difficulties in communication and adaptation with language support (“Geuldongmu” including translation between North Korean dialects and standard South Korean language, campaign to improve awareness of cultural differences between North and South Korea, campaign to successfully settle North Korean defectors, etc.) and academic and professional career mentoring (“Gildongmu”). Details for each of the programs are available on the official Geuldongmu Project website.

\* Number of beneficiaries: Approximately 3,000 young North Korean defectors in South Korea

Classification	Outcomes
Language support	A translator for North Korean dialects to standard South Korean language (with results in Mandarin Chinese as well) is provided on the Geuldongmu Project website (www.geuldongmu.org). The translator contains around 31,800 everyday Korean expressions and terms found in middle and high school-level textbooks. In 2024, 200 words including new words/foreign words were found and updated, being actively used, with a total of 281,520 translations performed in 2024 alone. In addition, as part of a campaign to publicize the cultural differences between North Korea and South Korea and to raise awareness of prejudice and discrimination against North Korean youth defectors, card news publications (12 cases), SNS events (12 cases), and an online campaign on successful resettlement cases of North Korean defectors (2 cases) were carried out, publicizing the “Geuldongmu” activities and encouraging participation.
Academic and professional career mentoring	For young North Korean defectors, studying and finding employment in South Korea can be daunting and overwhelming. Many of them face uncertainty and concern about which university to attend, which major to choose, or which career path to pursue. The Gildongmu project was launched to support these youths. Through this project, professionals from various fields and our employees share their expertise and career insights, helping young North Korean defectors explore and understand different career options. This year, two video content pieces were produced and uploaded to the official website, featuring careers in sports and cultural arts, fields especially admired by young North Korean defectors, to assist them in planning for their future.

Employee participation in social contribution programs

Samsung Dream Class

Samsung Dream Class is a social contribution program that supports middle school students facing challenging academic environments, helping them discover and nurture their aptitudes and dreams. The program provides tutoring through university student mentors and career/aptitude mentoring through Samsung employees. Since its reorganization into “Samsung Dream Class 2.0”, the program has expanded beyond online learning support to include courses aimed at developing various global competencies such as coding and mathematics. During summer and winter vacations, camps were held at five universities across the country, where students participated in career and job experience events, including career exploration sessions with Samsung employee mentors. Cheil Worldwide employees actively participate in mentoring activities in various areas of Samsung Dream Class each year, offering both online and offline career and job-related lectures to help middle school students design their future paths.

Stepping Stones to Hope

Stepping Stones to Hope is a program which provides housing and 1:1 customized education for young adults preparing to enter the workforce after turning 18. In 2024, we supported the youth by donating employee donations and company matching funds. We also participated in “Stepping Stones to Hope 2.0” vocational training program, which ran from May to September, specifically contributing to the practical training track for online advertising and public relations professionals. Leveraging our industry expertise, we supported the program by advising on the development of the training curriculum, evaluating participant assignments, providing special lectures by field experts, and organizing a field trip to the Busan International Advertising Festival.

Senior Digital Academy

The Senior Digital Academy is a program designed to strengthen digital literacy among seniors, helping them navigate today’s rapidly advancing digital society. It offers training on how to use kiosks and mobile applications, enabling seniors to enjoy digital conveniences more comfortably. Beyond simple education, the program supports seniors in applying their digital skills to contribute to society through volunteer work or employment, helping them begin a new chapter in life. Cheil Worldwide has engaged in volunteer activities with seniors, such as ordering at restaurants using kiosks and using map apps to find destinations, to help them become more familiar with these tools. Over the next five years, we intend to further our support for digital independence among seniors.

**Volunteer activities on foundation day**

In May, to celebrate our foundation day, Cheil Worldwide carried out a range of volunteer activities with full employee participation. We visited Youngnak Borinwon, a childcare facility in Yongsan-gu, to improve play areas and program rooms for children. Employees also volunteered at the senior cafeteria of the Yongsan Senior Welfare Center, serving meals to over 300 elderly individuals, and held a baking class with women from multicultural backgrounds at the Yongsangu Family Center.

Additional efforts included environmental clean-up activities such as plogging with seniors from the Yongsan Senior Welfare Center and maintaining playground facilities at Namsan Forest Experience Center for Children.

\* Number of beneficiaries  
- Youngnak Borinwon: 49, Yongsan Senior Welfare Center: 300, Yongsangu Family Center: 19

**Sharing Week**

In November, we held a two-week Sharing Week to practice loving our neighbors before the New Years holidays. Together with the Community Welfare Center of Korean Red Cross, we participated in a baking volunteer activity, making castella and corn bread. A total of 500 sets of bread were prepared and delivered to low-income families in the Seocho, Maebong, and Yongsan areas. Additionally, we donated 250 seaweed gift sets to the Yongsan Food Bank Market and helped display donated goods on shelves, sorting them for easy access by visitors in need. Employees also took part in various other volunteer activities, including meal service at senior cafeterias, kitchen cleaning at childcare facilities, and facility maintenance at welfare centers for people with disabilities, expressing generosity through community service.

We also utilized the company's online community to raise funds. We shared the stories of 20 children and teenagers in need, including those suffering from rare incurable diseases, raised a total of 2.24 million won through comments, and delivered the donations to Save the Children.

\* Number of beneficiaries  
- Baking volunteer activity: 500, Yongsan Food Market: 250, senior cafeteria: 300, kitchen cleaning at child welfare facilities: 49  
- Facility cleaning at welfare centers for persons with disabilities: 100, online fundraising: 20

**Blood Donation Campaign**

Every winter, when participation in blood donation is lower than other times because of the cold, Cheil Worldwide organizes a blood donation campaign to support hospital sites that struggle with a shortage of blood. Many employees participated in the blood donation campaign held at the Itaewon headquarters and Gangnam GT Tower and practiced sharing.

**Sharing Kiosk**

In order to spread the culture of sharing in daily life, we are operating a sharing kiosk in the company cafe where tagging an employee ID card donates KRW 1,000 through deduction in salary. The Sharing Kiosk aims to raise 4 million won per story, and four related companies of Samsung (Cheil Worldwide, Hotel Shilla, S-1 Corporation, and Wellstory) work together to introduce the stories of children/teenagers in need, encouraging voluntary donations from employees. In 2024, donations were successfully completed for a total of four individuals, and the funds were delivered accordingly, reflecting employees' commitment to practicing neighborly love through voluntary giving.

\* Number of beneficiaries and amount of cash donation by Cheil Worldwide: 4; KRW 6,631,000

**Programs to encourage participation in social contribution activities, and incentives for participation**

The Cheil Worldwide "Regulations on Volunteer Activities" are posted throughout company premises to encourage participation in social contribution activities. Specifically, we aim for 90% participation, with at least 12 hours volunteered by each employee and executive. A "Volunteer Leader" is designated for each division to collect opinions from their respective teams and select the volunteer programs they wish to participate in. In addition, a "Volunteer Leader Council" has been established to actively encourage employee participation in social contribution by supporting networking events and team-building time after volunteer activities conducted by each division or team. In addition, when employees express interest in specific volunteer recipients or fields, appropriate volunteer organizations and programs are introduced to them. Also, our "Regulations on Operation of Work Hours" explicitly states that volunteer hours are recognized as part of working hours, encouraging employees to participate in volunteer work. Individual employees can use our "Volunteer Record System" to monitor their individual volunteer activities, hours volunteered, and donations made.

Furthermore, the year-end "Cheil Sharing Awards" ceremony honors individuals and teams who have actively participated in volunteering and donations throughout the year. We also support volunteer-related expenses, such as transportation and material costs, to promote active employee participation in social contribution activities.

Activities to promote coexistence with the local community

To celebrate the Lunar New Year and Chuseok holidays, Cheil Worldwide organized “Sister Village Anseong Rice Online Market” to help farmers in sister villages with selling and to promote coexistence with the local community. A number of employees participated in purchasing rice and made efforts to contribute to the local economy by developing sales channels for farmers in sister villages.

Social contribution programs drawing on our advertising specialties

Cheil Worldwide is holding “Love garage sales” where filming props discarded after advertising filming are sold to help those in need in our neighborhood, in order to recycle waste generated after advertising filming and circulate our resources. Advertising props from throughout the year are collected and organized to support our annual fundraising efforts. All proceeds from the bazaar are donated to our partnered volunteer organizations within Yongsan-gu, including Yongsangu Family Center (for multicultural families), Yongsan Senior Welfare Center, Yongsan Welfare Center for the Disabled, and Younknak Borinwon. The donations are used to provide learning materials and daily necessities for children and support the livelihood of underprivileged members of the local community.

Socially responsible management goals

As a company, Cheil Worldwide aims to make a positive impact on society through advertising.

Cheil Worldwide has a strong interest in a variety of social issues. We are serious about making our campaigns as socially beneficial to the public interest as possible, and are eager to propose public interest-oriented campaigns to our clients. We also propose and implement specific efforts to raise awareness of and solve various social problems together with governments and public agencies, and NGOs. We firmly believe that involving enterprise and various interested organizations in socially responsible activities is the only way toward ensuring the happiness and well-being of us all.

In addition, we have an internal process to ensure that advertising projects in unhealthy industries such as alcohol and tobacco are discussed with the ESG Secretariat, an internal organization dedicated to ESG, to ensure that business is conducted in a socially responsible manner.

Socially responsible advertising

Here are some of the socially responsible advertising projects that Cheil Worldwide worked on in 2024.

Socially responsible management principles

ChildFund Korea “Superpowers That Change the World”



The Challenge

ChildFund Korea (Green Umbrella), a social welfare organization, has been a leading child welfare institution dedicated to the well-being and development of children since 1948. As of 2023, the foundation has supported approximately 21 million children, with total support funding amounting to an impressive scale around 262.5 billion won. However, the number of sponsors stands at just 580,000, accounting for only 1% of Korea’s population. To raise brand awareness of ChildFund Korea as Korea’s leading child welfare institution and to increase public interest and participation in child welfare, a new campaign was launched.

The Idea

Cheil Worldwide aimed to create the perception that anyone could be a superhero who helps children in need by highlighting everyday people with “green superpowers” rather than showcasing fantasy heroes with supernatural powers. In other words, the campaign conveyed the message that “we” all can be superheroes, utilizing a striking green aura to inspire public participation and engagement.

The Result

Within just two weeks of its launch in May 2024, the campaign video surpassed 1 million views, successfully sparking public interest in ChildFund Korea and its message of “green power for children.” We expect that this interest will not end as a one-off event but will continue to lead to a steady increase in sponsors, as more “green heroes” emerge across the country.

Reserve a Home for Endangered Wildlife: WWF Korea “ANISTAY”



The Challenge

Over the past 50 years, 73% of wildlife has disappeared from the planet. The heart of the issue lies habitat destruction. In Korea alone, the number of endangered wildlife species has reached 282 and continues to rise each year. How can we raise public awareness of habitat conservation and encourage donations?

The Idea

ANISTAY, Book a stay at an endangered animal’s home  
To mark the 10th anniversary of WWF Korea, Cheil Worldwide launched the “ANISTAY” campaign. Partnering with Yanolja, Korea’s leading accommodation app with 4 million monthly users, endangered animals’ homes were listed as if they were bookable lodgings. When users searched for accommodations in a region, the app would also display the homes of local endangered animals as if they were part of the available listings. These stays had appealing names like actual accommodations, introduced the endangered animal as the host, and described the fragile state of the habitat through room descriptions. To highlight the 282 endangered species in Korea, the booking fee was set at 2,820 won. With a simple tap of the “Book” button, users could reserve the homes of animals like the black woodpecker, Asiatic black bear, and otter. ANISTAY quickly became a popular listing.

The Result

In just four weeks after launch, the campaign generated over 100,000 visits. WWF Korea’s website traffic surged by 435%, and monthly donors increased by 393%. The campaign raised a total of 62.83 million won, all of which was donated to the preservation of wildlife habitats. Above all, ANISTAY successfully brought attention to the overlooked issue of endangered wildlife using a witty and innovative approach. It especially resonated with younger audiences, one of the campaign’s most notable achievements.

Toss “Doyoung’s Gambling Die-ary”



**The Challenge** Statistics show that 1 in 4 teenagers in South Korea has experienced online gambling, highlighting how vulnerable young people are to unregulated, illegal online gambling. Nevertheless, students often view gambling as harmless entertainment similar to mobile games, while many adults mistakenly assume that “only a few problem youth participate in gambling.” To address this growing issue, Toss, the nation’s most widely used finance app among teens, teamed up with the Korean National Police Agency to raise awareness about online illegal gambling and protect teens through a compelling campaign.

**The Idea** With support from the Korean National Police Agency, Toss interviewed real teens affected by illegal gambling and analyzed their addiction patterns. Based on this data, they created “Park Doyoung,” a 16-year-old fictional AI human modeled after addicted youth. For about a month, Park Doyoung ran a social media account, posting seemingly ordinary photos and videos of high school life. But subtle signs of gambling addiction were hidden within the posts. Eventually, Park Doyoung posted a final message, “I just want to end everything,” and disappeared. Three days later, on “Gambling Addiction Prevention Day” in Korea, the account name changed to dy\_gamblingdiary, and a video revealed that Park Doyoung was not a real teen, but an AI character based on real-life cases of gambling-addicted youth. Alongside the video release, Toss issued a “Parental Guide for Detecting Gambling Signs” and launched the “Family Security Watch” service, which, once their accounts are linked, notifies parents when their child attempts to transfer funds to suspicious gambling-related accounts.

**The Result** As the campaign video revealed Park Doyoung's true identity, responses flooded in with comments such as "It felt so real" and "I'm shocked it was AI." Over 38 days, Park Doyoung uploaded 178 posts and gained over 3,000 followers. The posts were viewed more than 3.5 million times, with combined video and social media views surpassing 8 million. After the video release, more than 3,000 concerned visitors left messages on the campaign website. The campaign was also featured in over 150 domestic and international media reports, including Korea’s top 3 news channels and major marketing platforms. Following the campaign, usage of the “Family Security Watch” service rose by 82%, and over 92,000 gambling-related transaction alerts were triggered.

GS25 Lifesaving Snack “Lifeguard Snack”



The Challenge

Drowning during water activities is one of the most serious risks during the summer holiday season. In Korea, the majority of such accidents occur at valleys, streams, and rivers located on the outskirts of cities. Unlike major vacation spots near big cities, these areas are typically located near small rural towns and tend to be underdeveloped, with a lack of safety personnel and lifesaving equipment, leading to a steady increase in drowning accidents each year. The alarming issue is that the majority of drowning victims are children under the age of nine (based on Korea Disease Control and Prevention Agency data from 2016 to 2022). We asked ourselves: is there a way to bring more customers to GS25 stores during the summer while also contributing to fostering a safer environment for children through a meaningful campaign?

The Idea

GS25, the convenience store chain with the largest number of locations near vacation spots across the country, discovered that families with young children often stop by their stores to buy snacks just before heading out for water activities. Based on this insight, GS25 collaborated with active-duty coast guard rescue officers and the Korea Lifesaving Association to create the Lifeguard Snack, a packaged snack designed with the appearance and function of a lifesaving buoy. It features safety handles and a rescue rope, making it usable as a flotation device in emergency situations. The Lifeguard Snack is an innovative emergency rescue snack recognized by experts, designed to serve as a safety device for children under the age of nine, who account for the majority of drowning accidents, allowing them to use it during water activities.

The Result

This nationwide campaign utilized GS25’s wide presence near vacation areas and the familiarity of snack products to raise awareness. Ordinary snack bags, typically released every summer, were transformed into thousands of practical rescue tools. Now, families with young children can stop by a GS25 near their vacation destination and pick up a snack that also doubles as a safety device, keeping both summer fun and safe for children.

Samsung Electronics AI Watch App “Impulse” – Cheil Spain



The Challenge

While many people stutter when nervous, some experience stuttering to the extent that it affects their daily lives. This condition can also develop in individuals who have suffered from cerebrovascular diseases such as strokes, or degenerative disorders such as Parkinson’s disease. To address this challenge, Samsung Electronics Iberia, S.A and Cheil Worldwide Madrid identified the difficulties faced by these individuals and developed an app that acts as a personal coach to help alleviate stuttering symptoms.

The Idea

The Galaxy Watch app “Impulse” uses AI algorithms to analyze speech patterns and converts them into rhythmic vibrations. By feeling the rhythm through vibrations on the wrist, users are able to speak with reduced stuttering. Impulse includes 250 rhythm and tone training modes, allowing users to practice volume, tempo, and intonation. It also supports final speech practice using user-generated scripts. As the user’s speaking ability improves, difficulty levels can also be adjusted.

The Result

The app is based on established rhythmic speech therapy methods and was launched with approval from speech therapy associations in Spain and Portugal after trials involving 200 patients in Spain, Portugal, the US, the UAE, and Ghana. Impulse has helped popularize speech rhythm therapy, which was previously only accessible through physicians or specialists. Now, with a Galaxy Watch equipped with Impulse, users can receive personalized speech rhythm coaching anytime, anywhere.

Save the Children “The Sound of Violence” – Cheil Hong Kong



**The Challenge** According to the Hong Kong Police in 2023, domestic violence against children has been on the rise. Given Hong Kong’s high population density, many domestic violence cases could be prevented through reports from neighbors. However, most people remain silent, even when they hear unsettling sounds. Cheil Worldwide Hong Kong sought a way to expose the reality that violence often occurs nearby, and to encourage people to report suspected incidents.

**The Idea** In collaboration with Save the Children Hong Kong, Cheil Hong Kong produced an immersive short film titled “The Sound of Violence” using cutting-edge Dolby Atmos 7.1 surround sound technology. The video was screened just before a film by Nick Cheuk that depicts the struggles of a boy dealing with suicidal thoughts. Audience members expecting a typical movie experience were confronted with a powerful and unexpected message. Through “The Sound of Violence”, we were able to powerfully convey the message to viewers that “the sound of violence is around us” and “if you hear it, don’t ignore it; report it.”

**The Result** The campaign generated nationwide attention in Hong Kong, and the film’s success at the box office and major awards further amplified its impact. As a result, reports of suspected domestic violence in Hong Kong increased by 23%, and post-report intervention within households rose by 16%.

ESG-related campaign awards from domestic and international advertising festivals in 2024

Advertiser	Campaign name	Social value	Event	Grand prize	Gold	Silver	Bronze	Total
JTBC	Drug test poster	Drug control	LIA				1	1
			Clio			1	1	2
			MAD Stars		1	1		2
			AdFest		1	2		3
			Korea Advertising Awards	1	2			3
KUNDAL	Pink Glove	Easy breast cancer self-examination	Clio		1			1
			MAD Stars			1		1
			Clio Health			1	1	2
			Korea Advertising Awards		1		1	2
GS25	Lifeguard Snack	Child drowning accident prevention	Korea Advertising Awards		2			2
Samsung Electronics Spain	Impulse	Stuttering treatment	Cannes Lions		1	1	1	3
			D&AD				2	2
			LIA		3	2	2	7
			Clio Health	1	1	4	1	7
Samsung	Samsung Unfear	Easing autism-related discomfort	One Show		1	1	2	4
			Clio		2		1	3
Samsung	Ghost Skins	Children's clothing donation	LIA		1		1	2
Save the Children	The Sound of Violence	Raising awareness of domestic violence	LIA				1	1
			New York		1		1	2
			MAD Stars		2	1	1	4
Breast Cancer Now	The Chat	Support for breast cancer patients	D&AD				1	1
			Clio			1	2	3
Total				2	20	16	20	58

Social Contribution

ESG-related campaign awards from domestic and international advertising festivals in 2023

Advertiser	Campaign name	Social value	Event	Grand prize	Gold	Silver	Bronze	Total
Korean National Police Agency	Knock Knock campaign	Reporting system for dating and domestic violence	Cannes Lions	1	1		1	3
			D&AD			2	1	3
			One Show			1		1
			Clio		1	1	1	3
			London Int'l Awards		3		1	4
			New York Festivals		1	4	1	6
			MAD Stars	4	5	1	1	11
			AdFest	1	2	1	3	7
			Spikes Asia	3	2	2		7
Samsung Electronics Spain	Samsung Unfear	Easing autism-related discomfort	Cannes Lions			2	2	4
			D&AD				3	3
			Clio Health	1	2	1	1	5
			LIA		4	2	3	9
			MAD Stars			3	3	6
Adidas	No More Red	Violence prevention	One Show		1	1		2
Breast Cancer Now	The Chat	Support for breast cancer patients	Cannes Lions			1	1	2
			LIA			2		2
Samsung	Quest for Dyslexia	Early detection of dyslexia	D&AD				1	1
			One Show		1	2	2	5
			Clio		1	2	3	6
			Clio Health		2	3		5
			Clio Entertainment	1	2	2		5
			AdFest		1	2	1	4
			Spikes Asia		1	1	2	4
Total				11	30	36	31	108

ESG-related campaign awards from domestic and international advertising festivals in 2022

Advertiser	Campaign name	Social value	Event	Grand prize	Gold	Silver	Bronze	Total
CRIS Cancer Foundation	The Battle Inside	Raising awareness of blood cancer	Cannes Lions				1	1
			One Show				1	1
			Clio Health				1	1
			LIA		1	3		4
			MAD Stars		1			1
Samsung	Quest for Dyslexia	Early detection of dyslexia	Cannes Lions			1	3	4
			LIA			3	1	4
			New York			2	1	3
			MAD Stars		1	2		3
Samsung	The Cost of Bullying	Eradication of bullying	D&AD				2	2
			One Show	1	1	1	1	4
			Clio			1		1
			Clio Health	1	2	1	2	6
			Clio Entertainment	2	3	1		6
			AdFest		1	2	3	6
			Spikes Asia			1	2	3
Samsung Electronics	Talkk	Improving the quality of life of ALS patients	Clio			1	1	2
Skyy Vodka	We're Open	Reducing discrimination against the LGBT community	MAD Stars				1	1
Total				4	10	19	20	53

# Governance

- Charter of Corporate Governance
- Shareholders
- Director/Board of Directors
- Audit
- Risk Management



## Corporate Governance Charter

The Cheil Worldwide "Corporate Governance Charter" was enacted in December 2021 and published on the Cheil Worldwide website. The charter commits Cheil Worldwide to the protection of shareholder rights, building trust with various stakeholders, and collective growth. In accordance with the charter, all management and employees, under the supervision of a professional and independent Board of Directors, pledge to implement responsible management practices while establishing a sound corporate governance structure.



## Shareholders

### Mechanism for gathering shareholder opinions

Cheil Worldwide gathers opinions from key stakeholders including shareholders and investors through various channels, and these opinions are reflected in business operations.

Classification	Key areas of interest	Communication channels	Main activities
Shareholders and Investors	<ul style="list-style-type: none"><li>• Management outcomes and outlook</li><li>• Risk management</li><li>• Management Information sharing</li><li>• Sustainability issues (ESG, etc.)</li></ul>	<ul style="list-style-type: none"><li>• IR meetings</li><li>• General Meetings of Shareholders</li><li>• Business Reports / Corporate Governance Reports</li><li>• IR section of company website<ul style="list-style-type: none"><li>* States key events of General Meeting of Shareholders including dates, governance structure, etc.</li></ul></li><li>• ESG section of company website</li></ul>	<ul style="list-style-type: none"><li>• Stable stock price management</li><li>• Reinforcing shareholder returns policy</li><li>• Transparent disclosure</li></ul>

### Shareholders' rights

#### Furnishing the information required for exercise of shareholders' rights

Matters relating to convocation of the General Meetings of Shareholders (convocation resolution, convocation notice, other reference documents, etc.) are disclosed through the electronic disclosure system five weeks prior to the scheduled date of the General Meeting of Shareholders.

In addition, in accordance with the Enforcement Decree of the Commercial Act, we published our business reports and audit reports for the fiscal year 2024 on the DART electronic disclosure system one week before the meeting. As a result, shareholders were able to cast their votes after a thorough review of not only the agenda items, but also Cheil Worldwide's financial condition.

Furthermore, starting in 2022, we have been streaming the General Meetings of Shareholders live online so that shareholders can have a direct access to the progress of the General Meeting of Shareholders, regardless of location. In addition, we have actively sought to communicate with shareholders and other stakeholders by disclosing IR-related schedules, including NDRs, on our website a total of 11 times throughout 2024. Furthermore, we publish an annual "Corporate Governance Report" outlining key aspects of our corporate governance. The report includes detailed compliance status by item, enabling shareholders and other stakeholders to easily understand our governance structure.

Matters relating to shareholders’ votes

To raise shareholder voting participation rates and to ensure shareholder attendance at the General Meetings of Shareholders with knowledge of the annual performance of the company, the dates for our General Meetings of Shareholders are decided with consideration for dates of other listed corporations’ general shareholders’ meetings, final accounts settlement dates, audit report issuance dates, and business plans.

Our Board of Directors resolved in February 2021 to adopt and encourage use of an electronic voting system to facilitate the exercise of shareholder voting rights. Electronic voting was conducted starting from the 48th Ordinary General Meeting of Shareholders convened in March 2021. The company also advises all shareholder to exercise voting rights by proxy, either by direct issuance or through means such as mail or electronic mail.

Decisions by the company on matters prescribed for resolution by the General Meeting of Shareholders under the Commercial Act and other related laws and statutes are always finalized by resolution of the General Meeting of Shareholders. We do not engage in acts which may restrict or impede the rights of shareholders, such as modifying resolutions of the General Meeting of Shareholders by resolution of the Board of Directors. The company has no provisions such as provisions on M&A director dismissal or "Golden Parachute" provisions which add to the requirements for resolutions of the General Meeting of Shareholders under the related laws and statutes.

Also, upon appointment of directors by the General Meeting of Shareholders to manage the operations of the company, agenda items for nomination of candidates are introduced separately for each candidate so that shareholders may judge the appropriateness and suitability of each candidate on an individual basis.

As detailed above, the company engages in various efforts to guarantee shareholders’ rights to the farthest possible extent and to improve shareholder value, with the intent to continue to strive toward maximum shareholder value.

Exercise of votes at recent General Meetings of Shareholders

The results of the General Meetings of Shareholders over the past 5 years are disclosed on our website as a part of our transparent information disclosure to shareholders and other stakeholders.

Efforts to return value to shareholders (dividends)

Cheil Worldwide sustains a shareholders returns policy to maximize shareholder value while also giving due consideration to investment for mid- to long-term growth. Amid our sustained efforts to increase shareholder value, our dividends have consistently increased year-on-year since 2017. Even in a challenging business environment with the economy contracting in 2024 where advertisers are reducing marketing costs due to a decline in domestic consumption and poor corporate performance, the company declared a dividend within 60% of consolidated net income in accordance with our disclosed dividend policy.

The Articles of Association of Cheil Worldwide prescribe that matters related to shareholder value, such as the approval of financial statements and the determination of profit distribution, shall not be resolved solely by the Board of Directors but must be finalized through resolutions of the General Meetings of Shareholders. While the Articles of Association also provide grounds for interim dividends, the company has not yet issued interim dividends. The company does not issue differential dividends or quarterly dividends.

Dividend issuance plans are disclosed six weeks prior to the General Meeting of Shareholders and immediately following the annual meeting of the Board of Directors for settlement of accounts through a disclosure of the "Decision on Cash Dividends and Dividends in Kind". Notice of the final decision to issue dividends is provided through a disclosure of the "Results of Ordinary General Meeting of Shareholders" on the same day approval is obtained from the General Meeting of Shareholders. In addition, to ensure that shareholders can check the exact amount of dividends they will receive, we used to send written dividend notices, but at the 50th Annual General Meeting of Shareholders in 2023, we launched the "Online Dividend Inquiry Service", which allows shareholders to check their dividends online at any time, further enhancing shareholder convenience.

We have added a "Stock Information – Shareholder Returns" menu on our website, under which we also disclose dividend information (total dividends, cash dividends per share, dividend payout ratio, dividend yield, etc.) for the last five business years. Details on dividends for the past 5 years are as follows.

Classification		2020	2021	2022	2023	2024
(Consolidated) Net profit of current period (KRW 100 million)		1,574	1,655	1,937	1,873	2,075
Cash dividends per share (KRW)	Common shares	840	990	1,150	1,110	1,230
	Preferred shares	-	-	-	-	-
Total dividends (KRW 100 million)	Common shares	851	1,003	1,165	1,124	1,246
	Preferred shares	-	-	-	-	-
Dividend Payout Ratio		54.1%	60.6%	60.1%	60.0%	60.0%
Dividend Yield	Common shares	4.0%	4.2%	4.8%	5.5%	6.6%
	Preferred shares	-	-	-	-	-
Implementation rate compared to dividend policy target		90%	101%	100%	100%	100%

\* (Consolidated) Net profit is the net profit of controlling interest

\* Implementation rate: Based on a dividend payout ratio target of 60% of consolidated net income, taking into consideration factors such as large-scale investments including M&A, working capital, and the business environment.

Since publicly announcing our plan to increase the dividend payout ratio on December 20, 2017, we have consistently implemented a shareholder return policy aimed at enhancing shareholder value by distributing the maximum possible amount of retained earnings as dividends, excluding investment funds. In light of the uncertainties and market volatility amid the economic downturn in 2023, we decided to establish a shareholder return policy covering two fiscal years. In the disclosure made on January 31, 2023, we announced that for the two fiscal years of 2023 and 2024, we would determine our shareholder return policy based on a dividend payout ratio of up to 60% of consolidated net income, taking into account large-scale investments such as M&A, working capital, and the business environment. This aligns with our past dividend standards. By disclosing our dividend policy over a period exceeding three years, we are striving to enhance predictability for shareholders regarding dividends. Going forward, we intend to maintain a proactive, shareholder-friendly dividend policy.

Directors

Appointment of directors

Directors of the company are appointed by resolution of the General Meeting of Shareholders. Outside directors are appointed from among candidates recommended by the Board of Directors. Candidates for outside directors are recommended after careful consideration of whether each candidate meets the qualifications required by the relevant laws and statutes including Articles 382 and 542-8 of the Commercial Act and has no material conflicts of interest with the company. Pursuant to Article 27, Paragraph 3 of our Articles of Association, persons who are current or former employees of the company or its affiliates within the past two years, major shareholders of the company, or persons who have a special blood relationship with a major shareholder of the company are excluded.

\* The company is not required as of yet to form an Outside Director Candidate Recommendation Committee under the Commercial Act. As such, candidates are not recommended through an Outside Director Candidate Recommendation Committee.

All current directors of the company meet all of the qualification requirements prescribed by our Articles of Association and the related laws and statutes including the Commercial Act.

Professionalism of directors

The top experts of the advertising industry participate in the company’s Board of Directors as inside directors to promote the practice of responsible management by applying their long-term experience and know-how toward management decision-making. Our outside directors represent the best experts with the ability to respond promptly to the fast-paced changes in economic, environmental, and social topics, while objectively supervising and providing advice on the activities of our inside directors and upper management.

In addition, the regulations of the Board of Directors of the company provide\* for assistance from outside experts as needed in the review and oversight of the company's affairs by our outside directors, and we recommend that outside directors seek the assistance of outside experts pursuant to these provisions.

\* Article 19 of the Regulations of the Board of Directors

Outside Director Byeongwan Jang, an administrative expert who served as a Minister of the Ministry of Planning and Budget and a member of the National Assembly, contributes to enhancing corporate value by participating in our policy formulation and decision-making from a transparent and objective perspective. Outside Director Seunghwa Chang is a renowned expert in the field of international trade, having served as an arbitrator at the International Arbitration Court and a judge at the Appellate Body of the World Trade Organization. He contributes to Cheil Worldwide’s global management and risk management.

\* Outside Director Seunghwa Chang was appointed at the 51st General Meeting of Shareholders on March 21, 2024, following the expiration of the term of Outside Director Yoon Oh (Mar. 2024).

Training for outside directors

To aid in outside directors’ understanding of advertising industry characteristics and trends and the internal issues of the company, Cheil Worldwide provides outside director training covering agenda items for the Meeting of the Board of Directors and the management situation of the company on the day prior to each Meeting of the Board of Directors.

Training dates in 2024	Administered by	Attending outside directors	Reason for absence(s) if any	Major content
1.29.	Support Organization	Yoon Oh, Byeongwan Jang	–	Board of Directors agenda items, management situation in 4Q, etc.
1.30.	Support Organization	Yoon Oh, Byeongwan Jang	–	Business performance for 2023 and business objectives for 2024 Organizational restructuring details for 2024
3.22.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Orientation for new outside directors Global and digital area Current status and outlook
4.25.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Board of Directors agenda items, management situation in 1Q, etc.
4.26.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Production Division status and major advertising campaigns
7.30.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Board of Directors agenda items, management situation in 2Q, etc.
10.30.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Board of Directors agenda items, management situation in 3Q, etc.
11.27.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Board of Directors agenda items, etc.
12.18.	Support Organization	Byeongwan Jang, Seunghwa Chang	–	Introduction of in-house AI solutions Board of Directors agenda items, etc.

\* 100% attendance rate

Evaluation of outside directors

The company evaluates the capacities of each outside director annually according to evaluation criteria for professionalism, activity in the Board of Directors, and quality of understanding of the company.

Responsible management practices of directors

Directors of the company practice responsible management, bearing in full the responsibilities prescribed by the Commercial Act and other related laws and statutes. The company's Articles of Association do not contain any provisions that relieve the directors of their liability to the company solely by resolution of the Board. The Articles of Association do not provide for any limitation on the liability of directors.

The company also provides an environment for directors to commit solely to responsible management practices by registering liability insurance policies for directors under company expense. Meanwhile, our Internal Accounting Controller is designated as a standing registered director so that the Internal Accounting Controller may exercise their high level of understanding and professionalism in the business so as to practice responsible management as a registered director.

Compensation of directors

Cheil Worldwide established a Compensation Committee to examine the appropriateness of directors’ compensation. Appropriate compensation is provided to directors for responsible management. The Compensation Committee is comprised of two outside directors and one inside director except CEO, and is chaired by an outside director to ensure independent and objective review of directors’ compensation.

Compensation Committee (including outside directors, 100% attendance rate)		
Meeting date in 2024	Agenda item	Approved/rejected
2.13.	Approval of individual annual compensation for registered directors in 2024	Approved
	Deliberation on compensation caps for registered directors and auditors for 2024	Approved
* Achieved a 100% attendance rate in February 2024, with all members of the Compensation Committee attended (Outside Directors Yoon Oh and Byeongwan Jang, and Inside Director Wooyoung Kang).		

The Compensation Committee reviews the compensation system (compensation categories, compensation standards, compensation amounts, etc.) of the company's registered officers. As a matter of principle, the compensation of directors is evaluated by clearly and specifically stating the KPIs for each director's duties and strictly in connection with each director's management performance.

\* The individual annual compensation of all inside directors and the specific composition of each director's compensation as well as the performance indicators/targets and the payout ratio based on the achievement of the targets are disclosed in the semi-annual/annual report.

We also actively encourage long-term responsible management by directors by ensuring that mid- to long-term performance of three years or longer is reflected in compensation for each inside director through the adoption of a "Long-term Performance Incentives System".

\* We disclose in our business reports the basis and method for calculating the compensation of individual inside directors, and this disclosure confirms that "long-term performance incentives" are included in the composition of the compensation of individual inside directors.

Individual annual compensation for directors for the past three years was as follows.

Name	Position	Total		
		2022	2023	2024
Jonghyun Kim	President and CEO	1,099	1,658	1,646
Wooyoung Kang	Vice President	–	807	984
Taehae Kim	Vice President	–	–	956
Jungkeun Yoo	(Former) President	2,577	5,819	1,037
Byeongwan Jang	Outside Director	70	84	104
Seunghwa Chang	Outside Director	–	–	80
Yoon Oh	(Former) Outside Director	84	84	21

\* The total amount of compensation for each individual represents the attributable income received in the capacity of a registered executive until December 31, 2024.

\* Due to the resignation of Inside Director Jungkeun Yoo in January 2024, the company has newly appointed Taehae Kim as an Inside Director of the company through the 51st Annual General Meeting of Shareholders convened in March 2024.

\* Due to the expiration of the term of Inside Director Yoon Oh in March 2024, the company has newly appointed Seunghwa Chang as an Inside Director of the company through the 51st General Meeting of Shareholders convened in March 2024.

Board of directors

Composition of the Board of Directors

As per Article 27 of our Articles of Association, the Board of Directors of the company is comprised of at least three but not more than seven directors. The current Board of Directors of the company is comprised of three inside directors (appointed from among our executives) and two outside directors, and satisfies the outside director participation ratio (outside directors comprise at least one fourth of the Board of Directors) prescribed by the Commercial Act. In the case of vacancies in a director position, our Articles of Association provide for a successor to be appointed at the next General Meeting of Shareholders, provided the legally prescribed number of directors is met and the vacancy does not impair the performance of duties of the Board of Directors.

In October 2023, the company established Article 5-2 (Senior Outside Director) of the Regulations of the Board of Directors to appoint a Senior Outside Director who represents the outside directors and assists in the operation of the Board. Accordingly, Outside Director Byeongwan Jang wan was appointed as the Senior Outside Director. The company appointed CEO Jonghyun Kim as the Chair of the Board of Directors, considering his deep understanding of the company’s overall business operations, which makes him well-suited to strategically manage the Board of Directors and oversee its activities.

The composition of our Board of Directors (names, dates of appointment, terms, Chair) and Board Committees (names and composition) are disclosed on our website so that shareholders and other stakeholders can easily and accurately stay informed of the composition of the Board of Directors.

Composition of the Board of Directors, 2024							
Name	Year and month of birth	Title (Position)	End of term	Gender	Management Committee	Internal Transactions Committee	Compensation Committee
Jonghyun Kim	1966.07	CEO Chair of the Board of Directors	Mar. 20, 2027	Male	○(Chair)		
Wooyoung Kang	1968.02	Inside Director (Business Support Director)	Mar. 15, 2026	Male	○	○	○
Taehae Kim	1969.11	Inside Director (Head of Business Division 1)	Mar. 20, 2027	Male	○		
Byeongwan Jang	1952.05	Senior Outside Director	Mar. 16, 2025	Male		○(Chair)	○(Chair)
Seunghwa Chang	1963.06	Outside Director	Mar. 20, 2027	Male		○	○

\* Composition of the Board of Directors as of December 31, 2024

\* On 1/30/2024, Inside Director Jungkeun Yoo resigned as the chair of Business Management Committee and Inside Director John Jonghyun Kim was appointed as the chair by the Business Management Committee.

\* Due to the expiration of the term of Outside Director Yoon Oh and mid-term resignation of Inside Director Jungkeun Yoo, the company has newly appointed Seunghwa Chang as an Outside Director and Taehae Kim as an Inside Director, and reappointed Jonghyun Kim whose term has expired as Inside Director of the company through the General Meeting of Shareholders convened on March 21, 2024.

Activities of the Board of Directors

Meetings of the Board of Directors are convened by the Chair. The Articles of Association prescribe that the Chair shall decide the date of Meetings of the Board of Directors and notify the respective directors and auditors by document, electronic document, or verbally at least seven (7) days prior.

\* As the previous Articles of Association differed from the company’s established practice of notifying the convocation of the Board of Directors one week in advance, an amendment was made at the General Meeting of Shareholders held on March 19, 2025 to specify that notice of the Meetings of the Board of Directors shall be given no later than seven (7) days prior to the meeting date (Article 32, Paragraph 3 of the Articles of Association).

Our Board of Directors plays a core role in establishing the objectives, values, and strategies of the company.

From January to December 2024, a total of eight meetings of the Board of Directors were held. Key agenda items referred in 2024 included the approval of quarterly financial statements, the appointment of the Compliance Officer, and the approval of donation support.

In particular, the company makes sure that outside directors appointed at the General Meeting of Shareholders can independently participate in deciding corporate management policies and can supervise and support upper management. Accordingly, upon convocation of a meeting of the Board of Directors, the company shares agenda items with outside directors beforehand and provides time for inquiries. The attendance rate of outside directors in meetings of the Board of Directors in 2024 was 100%.

Key matters resolved in 2024		
Session	Date	Matters Reported
1	1.30.	Report on operation of the Internal Accounting Control System
		Report on matters resolved by the Business Management Committee
2	2.13.	Report on evaluation of the Internal Accounting Control System operation
4	4.26.	Report on matters resolved by the Business Management Committee
		Review of ESG materiality, carbon neutrality and environmental management achievements in 2024, and the ESG activity plan for 2024
5	7.31.	Report on matters resolved by the Internal Transactions Committee
8	12.19.	Report on matters resolved by the Business Management Committee
		Review of ESG materiality, report on carbon neutrality activities and risk management outcomes in 2024
		Results of compliance reviews by the Compliance Officer and report on anti-corruption plans/outcomes

Key resolution items for 2024			
Session	Date	Agenda item	Approved/ rejected
1	1.30.	Approval of FY2023 financial statements and annual business report	Approved
		Amendment of Regulations of the Internal Transactions Committee	Approved
2	2.13.	Convocation of the General Meeting of Shareholders for FY2023 and decision of purposes	Approved
		Approval of contribution to the Shared Growth Cooperation Fund	Approved
3	3.22.	Appointment of directors' duties	Approved
		Appointment of the chair of the Board	Approved
		Appointment of President and CEO	Approved
		Approval for enforcement of compensation caps for directors	Approved
		Appointment of members to the Business Management Committee	Approved
		Appointment of members to the Internal Transactions Committee	Approved
		Appointment of members to the Compensation Committee	Approved
		Approval of Health and Safety Plan for 2024	Approved
4	4.26.	Approval of Q1 FY2024 financial statements	Approved
5	7.31.	Approval of 1H FY2024 financial statements	Approved
		Approval of donation	Approved
6	10.31.	Approval of Q3 FY2024 financial statements	Approved
		Appointment of Compliance Officer	Approved
7	11.28.	Approval of donation	Approved
8	12.19.	Approval of transaction limit with major shareholders	Approved
		Approval of insurance transaction with affiliated party	Approved
		Amendment of the internal accounting management regulations	Approved

Board Committees

We improve the functioning of the Board of Directors by establishing three committees (Business Management Committee, Internal Transactions Committee, and Compensation Committee) and delegating to the each committee the authority to perform its duties in accordance with Article 35 of the Articles of Association and Article 12-2 of the Rules on Operation of the Board of Directors.

To ensure that the Board of Directors and its committees operate transparently, we disclose the full text of the Regulations of the Board and the charters of the three aforementioned Board committees in the “Corporate Governance Report”.

In the case of the Internal Transactions Committee and the Compensation Committee, where independence is particularly important, two Outside Directors and Inside Director Wooyoung Kang served as committee members and Outside Director served as the chair of the committee to ensure the independence of the Internal Transactions Committee and the Compensation Committee.

\* Outside director Yoon Oh served as the chair of the Internal Transactions Committee and the Compensation Committee in 2023, but resigned upon the expiration of his term on March 17, 2024. As of the date of this report, Outside Director Byeongwan Jang serves as the chair of both the Internal Transactions Committee and the Compensation Committee.

However, because the Business Management Committee deliberates and decides on important matters relating to the management of the company from time to time, it requires in-depth knowledge of the advertising industry and is therefore composed only of internal directors with the best expertise in the industry.

We have an Internal Transactions Committee, a committee within our Board of Directors, which reviews and approves transactions between affiliated companies. The Internal Transactions Committee was installed voluntarily in December 2014 to improve transparency of company management by implementing a voluntary fair transactions compliance system. The committee is in charge of all matters relating to internal transactions by Cheil Worldwide, exercising the authority to "receive reports on internal transactions", "issue ex officio internal transaction investigation orders", and "propose corrective measures for internal transactions". The outside directors play a key role in our Internal Transactions Committee, which performs prior review of transactions between affiliates, transactions with major shareholders, and directors' self-dealing transactions. The committee enforces strict preemptive controls over internal transactions by deliberating and resolving transactions deemed to have an important impact on shareholder value, etc.

The total amount of investments in affiliates as a percentage of our equity is approximately 5.3%\* at the end of 2024.

\*KRW 29.1 billion compared to equity of KRW 554.1 billion at the end of 2024

Director/Board of Directors

The agenda items referred to the respective committees in 2024 are as follows.

Compensation Committee Meetings

Date	Agenda item	Approved/ rejected
2.13.	Approval of individual annual compensation for registered directors in 2024	Approved
	Deliberation on compensation caps for registered directors and auditors for 2024	Approved

Internal Transactions Committee Meetings

Date	Agenda item	Approved/ rejected
7.31.	Appointment of chair to the Internal Transactions Committee	Approved
12.19.	Prior review of transaction limit with major shareholders	Approved
	Prior review of insurance transaction with affiliated party	Approved

Business Management Committee

Date	Agenda item	Approved/ rejected
1.29.	Second payment of long-term performance incentives for executives of the 6th term (2020-2022)	Approved
4.4.	Amendment to the long-term performance incentives system for executives	Approved
12.13.	Approval of the convertible bond purchase agreement with EVR	Approved



Audit bodies

Although the company is not required under the Commercial Act to install an audit committee, and as such does not operate an audit committee as of yet, the company does have one standing auditor according to the Commercial Act (Article 542–10, Paragraph 1).

To ensure the independence and professionalism of auditors, the company recommends standing auditor candidates who meet all requirements under the Commercial Act (Article 542–10, Paragraph 2). Standing auditors are appointed with final approval by the General Meeting of Shareholders (Article 542–10, Paragraph 1 of the Commercial Act). The term for appointed standing auditors expires at the closing of the Regular General Meeting of Shareholders for the last settlement period within 3 years of appointment (Article 410, and Article 37, Paragraph 1 of the Articles of Association).

By resolution of the 48th General Meeting of Shareholders held on March 18, 2021, Mr. Hongsub Lee was newly appointed as the Standing Auditor. He was reappointed at the 51st General Meeting of Shareholders held on March 21, 2024 and accordingly performs the duties of the auditor.

The standing auditor of the company attends meetings of the Board of Directors to independently supervise the affairs of our directors, and is authorized to require submission of the related ledgers and necessary documentation.

The standing auditor of the company has attended all meetings of the Board of Directors convened in 2024, ensuring checks and balances for Board of Directors operation. Below is the auditor's attendance at the Board.

Attendance of the auditor at the 2024 Board of Directors meetings (100% attendance)		
Session	Date	Agenda item
1	1.30.	Approval of FY2023 financial statements and annual business report
		Amendment of Regulations of the Internal Transactions Committee
2	2.13.	Convocation of the General Meeting of Shareholders for FY2023 and decision of purposes
		Approval of contribution to the Shared Growth Cooperation Fund
3	3.22.	Appointment of directors' duties
		Appointment of the chair of the Board
		Appointment of President and CEO
		Approval for enforcement of compensation caps for directors
		Appointment of members to the Business Management Committee
		Appointment of members to the Internal Transactions Committee
		Appointment of members to the Compensation Committee
4	4.26.	Approval of Health and Safety Plan for 2024
		Approval of Q1 FY2024 financial statements
5	7.31.	Approval of 1H FY2024 financial statements
		Approval of donation

6	10.31.	Approval of Q3 FY2024 financial statements
		Appointment of Compliance Officer
7	11.28.	Approval of donation
8	12.19.	Prior review of transaction limit with major shareholders
		Prior review of insurance transaction with affiliated party
		Amendment of the internal accounting management regulations

The company's standing auditor may request that a director be suspended from acting on behalf of the company if there is a risk of irreparable damage to the company due to the director's violation of laws and regulations or the Articles of Association (Article 402 of the Commercial Act). In addition, our standing auditor has the authority to appoint, replace and terminate external auditors.

The company's standing auditor is informed by the internal accounting organization (Finance Team) about the plans and results of the evaluation of the adequacy of the company's internal control activities, evaluates the design and operation of the internal accounting control system, and reports the results to the Board of Directors.

In addition, our standing auditors communicate regularly with our external auditors on matters such as the annual audit plan, financial statement reviews and audit progress to enhance the quality of our financial reporting. The following is the communication between the standing auditor and the external auditors in 2024.

Date	Attendees	Method	Key discussion points
1.26.	• Company side: Standing auditor • Auditor side: Director of business operations, 2 accountant	In-person meeting	– Progress report for annual audit progress and audit plan report – Report on progress of key audit matters and year-end key audit plan
3.7.	• Company side: Standing auditor • Auditor side: Director of business operations, 2 accountant	In-person meeting	– Progress report on the group audit and year-end audit – Report on the completion of the audit, including auditor independence
4.23.	• Company side: Standing auditor • Auditor side: Director of business operations, 2 accountant	In-person meeting	– Plan for the conduct of the annual audit in 2024
4.24.	• Company side: Standing auditor • Auditor side: Director of business operations, 2 accountant	In-person meeting	– Progress report on the review of the 1Q financial statements
7.19.	• Company side: Standing auditor • Auditor side: Director of business operations, 2 accountant	In-person meeting	– Progress report on the review of the 2024 semi-annual financial statements
10.30.	• Company side: Standing auditor • Auditor side: Director of business operations, 2 accountant	In-person meeting	– Progress report on the review of the 2024 3Q financial statements

※ The accounting auditor who communicated with the auditor from the 2023 fiscal year is Samjeong KPMG.

Professionalism of auditors

Auditor Hongsub Lee, current standing director of the company, is a Korean CPA and tax attorney with over 28 years of professional experience at the accounting firm Deloitte Anjin LLC. He is an ESG specialist, having completed the 1st, 2nd, 3rd, 4th and 5th ESG Academy Specialist courses offered by the KICPA. As a holder of a doctoral degree in business administration from Dongguk University, Mr. Hongsub Lee has not only expertise in accounting, taxation and ESG but also broad knowledge and experience in all matters of management support affairs, as well as the professionalism to fully perform his role of supervising the lawfulness and validity of the ways in which the affairs of our Board of Directors and upper management are handled.

Standing Auditor – Background				
Name	Career Experience	Accounting and finance expertise		
		Appli cability	Expert type	Related experience
Hongsub Lee	<div><div>– (Current) Auditor, Cheil Worldwide</div><div>– (Current) KICPA Member of the Auditing Standards Board</div><div>– Certified Public Accountant, RSM Shinhan Accounting Firm (2018)</div><div>– Vice–Representative, Financial Group, Audit HQ, Deloitte Anjin LLC (2007)</div><div>– Senior VP, Financial Group, Audit HQ, Deloitte Anjin LLC (2003)</div><div>– Ph.D in Business Administration, Dongguk University (2016)</div></div>	Yes	Accountant	<div><div>– Basic qualifications: Korean Certified Public Accountant, Tax Accountant</div><div>– Work experience: Deloitte Anjin LLC (1989–2017), RSM Shinhan Accounting Firm (2018–2020)</div></div>

Training for auditors

To enable our standing auditors to effectively engage in their auditing affairs, the company provides opportunities for training in the nature of the industry to which the company belongs, as well as key issues such as changes in the management environment and changes in laws and regulations, on an as–needed basis. As the importance of ESG management has grown in recent years, Hongsub Lee, the current standing auditor of the company completed the ESG Academy Specialist (General, Advanced, and Certified) courses offered by the KICPA.

\* Period: Nov. 2021 – Dec. 2024  
\* Training hours: 1st – 49 hours, 2nd – 49 hours, 3rd – 52 hours, 4th – 52 hours, 5th – 58 hours, Total – 260 hours

The following are trainings we have provided to our standing auditors in 2024 or he attended as required.

Training Date	Administered by	Training provided on
1.26.	SERI CEO	SERI CEO Insight Forum: Changes in the Global Financial Market and Major Countries’ Responses
2.20.	Korea Accounting Institute	KAI Forum: IASB Exposure Draft “Financial Instruments with Characteristics of Equity” – Classification and Disclosure of Financial Instruments as Debt or Equity
2.22.	Korea Listed Companies Association (Listed Companies Supervisory Board)	238th Breakfast Lecture: Activist Funds, Exercise of Rights by Minority Shareholders and Corporate Responses
3.22.	Cheil Worldwide	2024 Board Manual Training Theme 1: Company Overview and Business Status Theme 2: Digital Business Status and Details Theme 3: Global Business Status and Details
4.5.	Cheil Worldwide	Statutory Occupational Safety and Health Training Under the Occupational Safety and Health Act Topic 1: Rescue and First Aid in Case of Accidents Topic 2: Understanding the Occupational Safety and Health Act and the Industrial Accident Compensation Insurance Act Topic 3: Understanding and Application of Risk Assessment Topic 4: Role of Supervisors and Safety Leadership
4.22.	Cheil Worldwide	Compliance training in H1 2024 and Other internal education – Compliance Issues Through Case Studies: : copyright, portrait rights, trademark, labeling·advertising, PR issues, personal information protection, environmental education, import customs clearance guidelines
4.26.	Korea Listed Companies Association (Listed Companies Supervisory Board)	239th Breakfast Lecture: Analysis and Outlook on Changing Middle East Affairs
4.26.	Cheil Worldwide	In–house Education for Outside Director Council : Introduction to Cheil Worldwide’s Creative Productions
5.23.	Samil PwC Governance Center	Samil PwC Governance Center Training Session 1: Understanding Stakeholder Capitalism from an ESG Perspective and Board Response Strategies Session 2: Issues and Improvement Tasks for Korean Corporate Boards Session 3: Roles of Boards and Outside Directors in the New Environment
5.24.	SERI CEO	SERI CEO Insight Forum: Human–centered Technology Reemerging in the Age of AI
6.3.	Deloitte Korea Center for Corporate Governance	2024 Center for Corporate Governance Seminar: Domestic Internal Control Status and Supervisory Directions Session 1: Case Review of Intentional or Gross Negligence Issues and Implications Session 2: Significance and Implications of Outside Directors’ Internal Control Oversight Session 3: Internal Control Improvements Under Financial Firms’ Accountability Structures Session 4: Women in the Boardroom and 2024 Audit Committee Practical Report Session 5: Panel Discussion – Internal Control Status and Preparation for Preventing Financial Incidents
6.10.	Korea Listed Companies Association (Listed Companies Supervisory Board)	1H 2024 Seminar: Analysis of Serious Accident Punishment Act Cases and Corporate Responses Chapter 1: Understanding the Serious Accident Punishment Act and Case Analyses Chapter 2: Recent Investigation Trends and Corporate Response Strategies Regarding the Serious Accident Punishment Act
6.12.	Cheil Worldwide	Education to Prevent Sexual Harassment and Bullying in the Workplace and Soundness of Mind

Training Date	Administered by	Training provided on
6.20.	Samil PwC	Future: Strategy Seminar on Internal Control Session 1: Evolutionary Direction of Internal Control Session 2: Compliance Trends in the Internal Accounting Control System Session 3: Key Issues and Lessons from the First Year of Consolidated Internal Accounting Control System Session 4: Sustainability Reporting and Internal Control Session 5: Internal Control Value Enhancement – Data Insights
6.27.	Korea Listed Companies Association (Listed Companies Supervisory Board)	241st Breakfast Lecture: The Role of Auditors as Viewed Through Audit Committee Operation Case Studies
6.28.	SERI CEO	SERI CEO Insight Forum: 2H 2024 Economic Outlook
7.4.	Samjeong KPMG ACI	10th Samjeong KPMG ACI Seminar Session 1: Cybersecurity, IT Control, and Digital Audit Session 2: Compliance Oversight by Directors and Auditors (Members) Session 3: [Corporate Value Enhancement Program] and the Board's Role
7.26.	The Korean Institute of Certified Public Accountants	11th KICPA ESG Certification Forum 1. IFRS Sustainability Disclosure Standards (IFRS S1 & S2) 2. EU Sustainability Reporting Standards (ESRS) 3. U.S. SEC Disclosure Regulations
9.11.	Cheil Worldwide	2H 24 Compliance Training – Compliance: copyright, portrait rights, trademark, labeling·advertising, PR issues, personal information protection, environmental education, import customs clearance guidelines – Introduction to the Price Linkage System for Delivered Goods – Information Security Incidents and Penalties – Significance and Impact of the Internal Accounting Control System – Disability Awareness Improvement: Creating a happy workplace through inclusion, enjoying the dignity of work for all, collaborating effectively with colleagues, actions for a better workplace, enhancing disability awareness
9.12.	Deloitte Anjin LLC Corporate Governance Development Center	2024 Center for Corporate Governance Seminar: Session 1: Latest Trends and Implications in Internal Control Session 2: Legal Responsibilities and Duties of Outside Directors Session 3: Work Changes and Flows using AI and Big Data
9.20.	SERI CEO	September 2024 SERI CEO Insight Forum: Strategies for Generational Coexistence in an Era of Conflict and Division
10.8.	Cheil Worldwide	2H 2024 Fraud Prevention Training: Employee Guidelines and Fraud Case Studies
10.17.	Cheil Worldwide	Statutory Occupational Safety and Health Training Under the Occupational Safety and Health Act [Occupational Safety and Health] Regular Training for Employees (in non-accident workplaces) Topic 1: Rescue and First Aid in Case of Accidents Topic 2: Understanding Safety and Health Signs and Prevention of Three Major Types of Accidents Topic 3: Prevention and Management of Cerebrovascular and Cardiovascular Diseases Topic 4: Safety Psychology and Human Error Topic 5: Workplace Safety Rules and Accident Prevention Topic 6: Electrical Safety and Accident Prevention
10.7.–11.4.	The Korean Institute of Certified Public Accountants	ESG Academy 5th Course: ESG General Course Lessons 1 to 19
10.24	Korea Listed Companies Association (Listed Companies Supervisory Board)	October 2024 241st Breakfast Lecture: Major Domestic and International Issues and Economic Outlook for 2025

Audit support organization

Training Date	Administered by	Training provided on
11.5.	Deloitte Anjin LLC Corporate Governance Development Center	2H 2024 Seminar: Effective Domestic and International Supervision and Disclosure Practices that Boards and Audit Committees Need to Know Session 1: Management Indicators and ESG Disclosures Session 2: The Role of Outside Directors in Disclosure Session 3: Enhancing Disclosure in Corporate Governance Reports and Global Board-level Disclosure Trends Session 4: Disclosure Related to Corporate Value Enhancement Programs and the Board's Role
11.11.–12.9.	The Korean Institute of Certified Public Accountants	ESG Academy 5th Course: ESG Advanced Course Lessons 20 to 33
11.21.	Samil PwC Governance Center	2H 2024 Seminar: Key Issues that Could Significantly Reshape the Role and Responsibilities of the Board Session 1: Various Issues related to the Amendments to the Commercial Act and Its Impact on the Board Session 2: Analysis of Causes of the Korea Discount and Practical Value Enhancement Strategies Session 3: Current Status and Insights on Boards of Listed Companies
11.26.	SERI CEO	November 2024 SERI CEO Insight Forum: 2025 Economic Outlook
11.28.	Cheil Worldwide	2024 Company-wide Introductory AI Training Session 1: Understanding Basic AI Concepts Session 2: Fundamentals and Applications of Generative AI Session 3: Internal AI Applications and Outlook
11.29.	Audit Committee Forum	2nd Annual Forum 24 for Auditors and Audit Committee Members Theme 1: Understanding and Responding to the Stewardship Code Theme 2: Supervision of External Audits During Closing Periods and Response to Revised Evaluation and Reporting Standards for Internal Accounting Control Systems
12.16.–12.23.	The Korean Institute of Certified Public Accountants	ESG Academy 5th Course: ESG Advanced Course Lessons 34 to 39
12.19.	Cheil Worldwide	In-house Education for Outside Director Council : Introduction of AI Activities and the company's Response Plan

The IR Team is the company’s organization for supporting the affairs of the Standing Auditor. The IR Team consists of four persons, including one director and three managers. The team supports the performance of Standing Auditor duties, including supporting the operation of the Internal Accounting Control System, explaining agenda items for Meetings of the Board of Directors and the management situation of the company, and responding to auditor inquiries and matters of discussion.

Audit support organization			
Department	Employees (persons)	Rank (years employed)	Main activities
IR Team	4	1 Director (8.4 years) 3 Managers (average 2.6 years)	– Support operation of Internal Accounting Control System – Explain Board of Directors agenda items and company management situation, Address inquiry/ discussion matters, Support performance of standing auditor's duties
* Years employed: As of end of December 2024; years employed in current duties			

Independence  
of external  
auditors

Prior review of non-audit services

To ensure the independence of the external auditor, all non-audit services are subject to prior review, and other accounting firms are used for matters restricted under Article 21 of the Certified Public Accountant Act, etc. Our standing auditor proactively reviews and approves non-audit services provided by our external auditors.

The details of non-audit service contracts between Cheil and our external auditor, service periods, and compensation for the past three years are as shown in the table below. This information is disclosed quarterly in our business reports.

Fiscal year	Contract signing date	Service	Period of service	Compensation for service (Unit: KRW million)	Note
FY2024	-	-	-	-	Not applicable
FY2023	Feb. 28, 2023	Market research consulting	Mar. - Nov. 2023	367	Samjeong KPMG
FY2022	Feb. 14, 2022	Tax affairs advisory	Feb. - Jun. 2022	95	Samil PwC
	Apr. 6, 2022	Tax affairs advisory	Apr. - Jun. 2022	65	Samil PwC
	Apr. 10, 2022	Tax affairs advisory	Apr. - Jun. 2022	25	Samil PwC
	Aug. 22, 2022	Tax affairs advisory	Aug. - Dec. 2022	11	Samil PwC
	Aug. 22, 2022	Tax affairs advisory	Aug. 2022 - Mar. 2023	25	Samil PwC
	Oct. 31, 2022	Tax affairs advisory	Oct. - Dec. 2022	65	Samil PwC

Compensation levels for non-audit services

Compensation for non-audit services paid to external auditors as a percentage of compensation for audit services stood at 39% for FY2022 (non-audit 290 million / audit 740 million) and 44% for FY2023 (non-audit 370 million / audit 850 million). In FY2024, the company did not enter into any non-audit service contracts with the external auditor.



Risk management

Cheil Worldwide operates a systematic and evaluation-based risk management system for systematic, preemptive risk response. Primarily, working level organizations are encouraged to directly manage risks and maintain compliance with standards firsthand. Management organizations immediately correct risk factors through secondary inspections, and engages in various proactive risk prevention activities. Also, in cases where risks arise or relevant regulations are violated, these are reflected in evaluation and compensation to ensure employees to manage risks more responsibly.

Role of upper management in risk management

Risk management activities of the CRO reporting to the Board of Directors

In a rapidly changing business environment, we continuously identify and monitor risks through various risk management activities, as described above, in order to proactively respond to crises and opportunities that affect our business. In addition, we have designated the Chief Risk Officer (CRO), who is also our CFO and General ESG Secretary, to report annually to the Board of Directors on the content and results of risk management activities, including the following, so that upper management, including the Board of Directors, can directly review and manage our business-related risks.

Matters reported to the Board on risk management activities	
Risk management activities	Management issues
Internal Accounting Control System	Evaluation of the adequacy of the company's internal control activities
Early Warning System	Key management issues and business-related risks at home and abroad
Change Management Meetings	Compliance with all laws and regulations relating to the advertising industry
Upper Management Periodic Consultative Group	Internal organizational management risks, external risks, customer/industry trends and risks
Personal Information Trustee Management System	Review of the handling of personal information entrusted by advertisers

Operation of risk management items as CRO KPIs

In addition to our financial performance, Cheil Worldwide identifies and manages a wide range of other key management risks and opportunities as KPIs of the CRO. These include legal affairs (occurrence of incidents and accidents and compliance with related laws such as the Fair Transactions in Subcontracting Act), organizational culture (compliance with rules and regulations on working hours, etc.), and ESG (environment/social/governance) risks. Evaluation is directly linked to compensation, and this serves as a powerful incentive for preemptive risk management. The entire Cheil Worldwide organization, including domestic and overseas organizations, subsidiaries, and our sports clubs, is included in evaluation, thereby ensuring no cracks for risks to occur.

Risk management activities

Operation and inspection of the internal accounting control system

The company operates an internal accounting control system in accordance with Article 8 of the Act on External Audit of Stock Companies, and the CEO reports on the operation of the internal accounting control system to the General Meetings of Shareholders, the Board of Directors and the auditors each fiscal year. We evaluate the internal accounting control system twice a year (1H and 2H) on all matters related to business operations, including accounting, finance, human resources and legal compliance, using an external evaluation firm to ensure the expertise and independence of the evaluation. In addition, the auditors evaluate the design and operation of the internal accounting control system.

**Advance risk monitoring through "Early Warning System"**

Expansion of our global business involves a rapid rise in the number of our overseas locations and increasing complexity of the domestic and overseas management environment. In response, we implemented an "Early Warning System" for systematic advance monitoring and effective control of risks both at headquarters and at overseas locations in 2015. Through this system, we enforce continual inspection and management of key management items and business-related risks both domestically and overseas.

Under the Early Warning System, key management risks that may arise in our work processes are categorized into over 100 areas including human resources, information, and finance. A three-step system (Cycle-Process-Scenario) is used to regularly manage and inspect these items, allowing us to effectively prevent and manage any management risks. The Early Warning System is our core risk management system.

If potentially problematic issues are detected or identified through the regular inspections performed under the Early Warning System, the system sends an information email requesting an inspection to the responsible officer in the matter at headquarters or any of our overseas locations, and departments in charge of risk management and the Cheil Worldwide Early Warning System officer are required to regularly review Early Warning System inspections, enabling more accurate and detailed management of risk. For all potentially problematic matters detected through the Early Warning System, monthly notices are issued to the relevant responsible officers and reported to the executive in charge. Under this risk management system, all members of the organization identify and inspect management risks of the company with a sense of responsibility.

Since the system was first implemented in 2015, where any new management risks arise due to changes in the management environment, such as enactment or amendment of related laws and statutes, these risks are promptly added to the management scope of the "Early Warning System". This allows us to perform effective risk management even amidst the fast pace of change in our management environment. In the future as well, any new management risks expected to arise will be detected and monitored beforehand and promptly reflected in and managed under the management scope of the "Early Warning System".

**Change Management Meetings**

Cheil Worldwide has been holding "Change Management Meetings" since 2013 with the purpose of preemptively detecting frequent amendments to related laws and statutes and fast-paced changes in related social issues and reflecting these changes in the affairs of the company.

These "Change Management Meetings" are managed by the PM Headquarters, tasked with general management of our affairs, and are attended by 12 teams from related departments such as the support teams, finance teams, and compliance teams for each headquarters. As a consultative group, these teams manage and inspect management items that include compliance with advertising industry-related laws and statutes.

Sustained inspection of items managed under these "Change Management Meetings" has yielded the following outcomes for the company. We will continue to maintain close inspection of existing management items through the "Change Management Meetings", while also promptly detecting new social issues early so as to develop the related work processes and reflect these processes in our operations, thereby ensuring that our compliance management and "Right Way" management practices are always current and effective.

- Highest rating in the Fair Trade Agreement evaluation by the Fair Trade Commission and Korea Fair Trade Mediation Agency in 2018, 2019, 2020, 2021, 2022 and 2023
- Highest rating in the Win-Win Growth Index evaluation by the Korea Commission for Corporate Partnership in 2019, 2020, 2021, 2022 and 2023

**Continual risk management through regular meetings of upper management consultative group**

Our Upper Management Consultative Group meets weekly to share the pending issues of each division and internal/external risk factors and to discuss response plans. Our CEO, CFO, and the heads of each business division are responsible for early detection and arrangement of response plans for all manner of risks, including internal organizational management risks and external risks such as customer/industry trends, etc.

**"Personal Information Trustee Management" System**

We quickly realized that the use of personal information in marketing represented a new opportunity and risk for the advertising industry, as the proportion of digital marketing using customers' personal information increased and privacy practices came under increased scrutiny and regulation from regulators such as the Personal Information Protection Commission.

In order to manage this risk systematically and efficiently at all times, we have developed the "Personal Information Trustee Management" system and have been operating it since September 2022. The system requires that all campaigns conducted by the company be reviewed to determine whether they process personal information. For campaigns that are confirmed to process personal information, the automated process of the system requires the company's trustee and the person in charge to register the step-by-step inspection data required by relevant laws in the system, so that the company can efficiently manage and check the status of personal information processing at any time.

Communication of important matters

All employees of Cheil Worldwide are involved in establishing our management strategies and discussion of sub-tasks. The outcomes of these discussions are shared with the organization via a variety of channels.

Management Strategy Meetings, Executive Round Table, Division Directors’ Meetings, etc.

At the start of each year, Management Strategy Meetings are held to decide our annual directions (attended by executives and general managers). Each business unit and division reports these directions to the CEO at an Executive Round Table (attended by team leaders, general managers, and division directors). The tasks and key management policies established for each organization through the Executive Round Table are then communicated to members of the respective subordinate organizations. Meetings of Upper Management Consultative Group are held weekly throughout the year (attended by CEO, CFO, and division directors) to share and discuss the key pending issues for each organization. Executive Round Tables are held monthly for sharing of key pending issues from each business unit/division and for company-wide sharing of information.

Management Briefings and Message from the CEO

Cheil Worldwide operates a “Management Briefings” to share financial outcomes and management status with all executives and employees. In 2024, a total of three in-house broadcasts were held so that all executives and employees could access them. In August and November, in particular, the CEO personally appeared on the broadcast and had time to explain performance, achievements, and promotion tasks. We also offer “online replay” so that executives and employees who were unable to see the broadcast in person or are stationed overseas can watch the briefing session. In addition, a total of five official messages from the CEO were issued to share updates on business performance, current status, and strategic direction, fostering close communication with employees.

Identifying and managing economic, environmental, and social influences

Cheil Worldwide conducts regular and non-regular reporting to determine global industry trends and the economic, environmental, and social influences that surround us. In 2024, a total of 115 regular reports on industry trends were issued to upper management and key departments of the organization. A total of 5 reports on global industry cases relating to ESG, such as "European Parliament issues recommendations to prevent greenwashing" are included.

Compliance with governance related laws and regulations

As a result of our faithful compliance with governance-related laws and regulations as detailed above, Cheil Worldwide has a record of no violations of the Commercial Act and Financial Investment Services and Capital Market Acts prescriptions in the last three years. These include provisions for protection of shareholders’ rights, mutual investment and ownership structure, transactions with related parties such as affiliates, disclosure of management information, organization and operation of the Board of Directors, and organization and operation of auditing bodies.

Cheil



# Appendix

- Facts & Figures
- Association and Organization Memberships
- GRI Table
- SASB Table
- Third Party Assurance Statement
- Greenhouse Gas Verification Statement



Facts and Figures

Domestic organization

Classification		2022		2023		2024	
		Employees (persons)	(%)	Employees (persons)	(%)	Employees (persons)	(%)
Total employees		1,410		1,445		1,474	
	Male	673	48	686	47	687	47
	Female	737	52	759	53	787	53
Employees by rank	Staff	417	30	420	29	419	28
	Male	133	32	136	32	134	32
	Female	284	68	284	68	285	68
	Managers	754	53	775	54	804	55
	Male	369	49	374	48	378	47
	Female	385	51	401	52	426	53
	Administrators*	227	16	238	16	239	16
	Male	159	70	164	69	163	68
	Female	68	30	74	31	76	32
	Others	12	1	12	1	12	1
	Male	12	100	12	100	12	100
	Female	0	0	0	0	0	0
Employees by age	Under 30	136	10	145	10	155	10
	30s	569	40	545	38	541	37
	40s	527	37	551	38	541	37
	50s and over	178	13	204	14	237	16
Foreign nationals		29	2	27	2	31	2
Disabled persons (Employment rate)		21	1.61	22	1.67	24	1.77

\* Standards for preparation of table

- The above headcount is based on the headquarters staff as of December 31, 2024.
- It includes 30 full-time unregistered executives, but excludes registered executives and separately contracted personnel (advisors, etc.)
- The above number of employees includes 68 persons (7 males and 61 females) who were on leave.

\* An administrator refers to a position holder within the organization who holds decision-making authority related to personnel, task allocation, and budget execution, and is responsible for overseeing one or more departments or members (such as executives, general managers, and team leaders).

\* The employment rate for the disabled persons was prepared based on reports from the Korea Employment Agency for the Disabled.

(As a legal standard for calculating the contribution for disabled persons, the ratio is calculated based on the number of full-time workers per year, and not the number of workers at the end of the year)

New Employment Status

Classification		2022		2023		2024	
		Employees (persons)	(%)	Employees (persons)	(%)	Employees (persons)	(%)
Total number of new employees		182		104		105	
	Male	59	32.4	43	41.3	34	32.4
	Female	123	67.6	61	58.7	71	67.6

Employees and compensation

Classification		2022	2023	2024
Total	Employees (persons)	1,410	1,445	1,474
	Total wages (KRW million)	165,488	172,802	180,090
	Average wage (KRW million)	127	126	129
Male	Employees (persons)	673	686	687
	Total wages (KRW million)	93,840	96,778	98,540
	Average wage (KRW million)	144	143	145
Female	Employees (persons)	737	759	787
	Total wages (KRW million)	71,648	76,024	81,550
	Average wage (KRW million)	110	110	113
Female-to-male Average wage ratio (%)		76.4	76.9	77.9

\* The total wages for the current year is the earned income standard in the earned income payment statement submitted to the competent tax office in accordance with Article 20 of the Income Tax Act (prior to reflecting earned income deductions)

\* Average payroll per person is based on the average number of employees on the payroll..

\* Average number of employees included in wage calculations:

- 2022: 1,307, 653 males, 654 females
- 2023: 1,368, 675 males, 693 females
- 2024: 1,400, 681 males, 719 females

Annualized compensation rate

	2022	2023	2024
Highest Salary (CEO) (KRW)	2,576,878,939	1,657,764,013	1,645,357,973
Median within organization (KRW)	104,594,785	105,268,818	109,971,370
Ratio (%)	4.1	6.4	6.7

Facts and Figures

Full-time / fixed-term employment ratio

Classification		2022				2023				2024			
		Total	Male	Female	Female percentage (%)	Total	Male	Female	Female percentage (%)	Total	Male	Female	Female percentage (%)
Affiliated workers	Full-time	1,380	653	727	52.7	1,414	666	748	52.9	1,446	667	779	53.9
	Fixed-term	30	20	10	33.3	31	20	11	35.5	28	20	8	28.6
	Total	1,410	673	737	52.3	1,445	686	759	52.5	1,474	687	787	53.4
Outsourced workers (persons)	Dispatch labor	44				31				35			
	Contractors	124				123				103			
	Total	168				154				138			

Childcare leave of absence

Classification		2022		2023		2024	
		Employees (persons)	(%)	Employees (persons)	(%)	Employees (persons)	(%)
Total persons on childcare leave of absence		47		55		58	
Male		9	19	8	15	6	10
Female		38	81	47	85	52	90
Persons returning to duty after childcare leave of absence		35		36		44	

\* Standards for preparation of table  
- Persons on childcare leave of absence: As of leave of absence start date in the given year (excluding extensions of leave)  
- Persons returned to duty after childcare leave of absence: Persons who remained employed for 12 months or more after returning to work in the given year

Voluntary turnover

Classification	2022	2023	2024
Voluntary turnover rate (%)	7.9	5.2	5.2

\* Voluntary turnover rate = (Number of voluntary turnovers in the evaluation year / Total number of employees in the evaluation year) × 100

Education and training costs per employee

Year	2022	2023	2024
Education and training costs (KRW thousand)	2,408,575	2,665,307	3,376,298
Workforce (persons)	1,410	1,445	1,474
Education and training costs per person (KRW thousand)	1,708	1,845	2,291

Association and Organization Memberships

Associations
Korea Listed Companies Association
Korea Association of Advertising Agencies
Korea Online Advertising Association
Korean Association of Newspapers
Seoul Chamber of Commerce and Industry
Korea Exchange
Korea Fair Competition Federation
Women’s Korean Basketball League

cheil



GRI Table

Statement of use	Cheil Worldwide reports sustainability management information using the GRI Standards from January 1, 2024 to December 31, 2024.		
GRI 1 used	Foundation 2021		
Applicable GRI Sector Standard(s)	Currently unavailable (as of the reporting date as of December 2024, the criteria for the advertising marketing industry under which Cheil Worldwide operates has not been announced)		

GRI Standards 2021			
GRI 2	Indicator	Pages	Note
2-1	Organization name	12, 14	
2-2	List of organizations included in the Sustainability Report	28	
2-3	Reporting timeframe, frequency and contact information	28	
2-4	Restatements of information	-	None
2-5	External assurance	192-197	
2-6	Corporate activities, value chains, and other business relationships	14-27	
2-7	Employees	182-183	
2-8	Contingent workers	184	In accordance with the employment type disclosure system, specific job types of non-affiliated workers are disclosed
2-9	Governance structure and composition	158	
2-10	Appointment and selection of the highest governing body	154	
2-11	Chair of the highest governing body	158	
2-12	Role of the highest governing body in overseeing impact management	32-33	
2-13	Delegation of responsibility for impact management	32-33	
2-14	Role of the highest governing body in sustainability reporting	32	
2-15	Conflicts of interest	161-162	Please refer to the Corporate Governance report for more details
2-16	Communication of important matters	159-160, 172-177	
2-17	Collective knowledge of highest governing body	154-155	Conducting education on the latest ESG trends for executives once a year
2-18	Evaluating the performance of the highest governing body	32, 156	Please refer to the compensation committee in the Corporate Governance report
2-19	Remuneration policies	156-157	
2-20	Process for determining remuneration	156-157, 162	
2-21	Annualized total compensation rate	183	Please refer to the individual compensation status of directors and auditors in the Business report
2-22	Statement on sustainable development strategy	10	
2-23	Policy commitments	62	
2-24	Internalization of policy commitments	62-63	

GRI Standards 2021			
2-25	Process for mitigating negative impacts	63	
2-26	Mechanisms for raising complaints and seeking advice	110	
2-27	Compliance with laws and regulations	111	
2-28	Associations	185	
2-29	Stakeholder engagement process	34	
2-30	Collective agreements		
GRI 3	Indicator	Pages	Note
3-1	Key issues determination process	36	
3-2	List of key issues	36-37	
3-3	Management of key issues	36-37	
GRI 405	Indicator	Pages	Note
3-3	Human Diversity Management	64-67	
405-1	Governance Organization and Employee Diversity	158, 182	
405-2	Ratio of basic salary and remuneration of women to men	183	
GRI 417	Indicator	Pages	Note
3-3	Marketing and Labeling	111-113	
417-1	Product and service information and labeling requirements		We design and produce campaigns for many advertisers that use a combination of media and channels, both online and offline. Thus, it is difficult to quantitatively specify the proportion of projects subject to the advertising pre-review process.
417-2	Incidents of non-compliance concerning product and service information and labeling	112	
417-3	Incidents of non-compliance concerning marketing communications	112	
GRI 418	Indicator	Pages	Note
3-3	Personal information protection management	94-103	
418-1	Substantial complaints concerning breaches of customer privacy and losses of customer data	103	

SASB Table

Cheil Worldwide provides stakeholders with information decision-useful by disclosing relevant data in accordance with the Sustainability Accounting Standards Board (SASB) framework, a voluntary industry-specific disclosure standard for sustainability issues developed by SASB. The SASB Table has been prepared in accordance with the Advertising and Marketing industry standard in Services sector according to Sustainable Industry Classification System (SICS).

Sustainability disclosure agenda and accounting indicators

Agenda	No.	Indicator	Pages	Note
Data Privacy	SV-AD-220a.1	Discussion of policies and practices related to behavioral advertising and customer privacy	94-103	
	SV-AD-220a.2	Percentage of online ad impressions served to custom audiences		We design and produce campaigns for many advertisers that use a combination of media and channels, both online and offline. As a result, it is difficult to quantify the percentage of impressions of our online ads that are targeted to custom audiences.
	SV-AD-220a.3	Total monetary loss resulting from customer privacy litigation	103	
Ad integrity	SV-AD-270a.1	Total monetary loss resulting from legal proceedings related to false, misleading or unfair advertising	112	
	SV-AD-270a.2	Percentage of campaigns reviewed for Advertising Self-Regulatory Council (ASRC) compliance, and compliance rate		We are a Korean company and this does not apply to us.
	SV-AD-270a.3	Percentage of campaigns that advertise alcohol or tobacco products	0	
Workforce diversity and inclusion	SV-AD-330a.1	Gender and race/ethnicity composition ratio of (1) upper management (2) professional staff, and (3) all other employees	158, 182	

Activity indicators

No.	Indicator	Pages	Note
SV-AD-000.A	Average reach for advertising and marketing campaigns	-	The types and nature of the advertising and marketing campaigns we design and produce are diverse and vast, making it difficult to accurately aggregate and quantify their reach, impressions and frequency.
SV-AD-000.B	Number of advertising and marketing impressions	-	
SV-AD-000.C	Median impression frequency	-	
SV-AD-000.D	Number of employees	182	



Third Party Assurance Statement

To readers of Cheil Worldwide 2023 Sustainability Report

Assurance Outline

Korea Productivity Center Quality Assurance (KPCQA) was requested by Cheil Worldwide to conduct an assurance of the 2025 Sustainability Report (hereinafter referred to as the “Report”) and has issued this third-party assurance statement accordingly. As Cheil Worldwide has collected and compiled the information in the Report, it bears full responsibility for the content. KPCQA’s responsibility is to provide an independent assurance opinion on the Report based on the specified standards and scope of assurance.

Scope

This Report describes Cheil Worldwide’s efforts and achievements in relation to sustainable management. The scope is based on the period from January 1, 2024, to December 31, 2024, and includes activities from 2025. The assurance focused on the rationality of the reporting process, the appropriateness of data collection and analysis, and the reported content related to sustainable management policies, strategies, goals, activities, and performance.

Criteria

- The assurance of this Report was conducted in accordance with the following standards:
- AA1000AS v3
  - KPCQA ESG Assurance Protocol

Level of Assurance

The assurance was conducted under Type 2 of the AA1000AS v3 (assessing adherence to the four principles of AA1000 and evaluating the reliability and quality of reported information). A moderate level of assurance was applied, with materiality assessed using professional judgment. It was confirmed that the Report was prepared in accordance with the GRI Standards. Based on the materials and information provided by Cheil Worldwide, it was verified that the Report complies with the GRI Standards’ reporting principles, Universal Standards, and relevant Topic Standards.

Universal Standards

The organization and its reporting practices	2-1 to 2-5
Activities and workers	2-6 to 2-8
Governance	2-9 to 2-21
Strategy, policies, and practices	2-22 to 2-28
Stakeholder engagement	2-29 to 2-30
Material topics disclosures	3-1 to 3-3

Topic Standards

Diversity and Equal Opportunity	405-1, 405-2
Marketing and Labeling	417-1, 417-2, 417-3
Customer Privacy	418-1

Methodology

- Review of the performance management system and performance data for sustainable management
- Review of the reporting process and data management system
- Review of materiality assessment methods, results, and internal analysis procedures
- Review of press coverage and external documents related to sustainable management
- Interviews with employees involved in the material topics and report preparation
- Comprehensive review of the report content

Limitations

This assurance was limited in scope and conducted based on a comparative review of data provided by Cheil Worldwide. Due to the nature and calculation methods of the data in the report, there are inherent limitations.

Conclusion


Based on the document review/search, field verification, and employee interviews, KPCQA reviewed the draft report and provided feedback. The final version was revised accordingly. No significant errors or inappropriate content were identified during the assurance process. The assurance opinion is as follows:

- **Inclusivity: Stakeholder engagement**  
Cheil Worldwide operates communication channels with stakeholders, collects feedback from various stakeholder groups, identifies key issues, and strives to reflect them in decision-making.
- **Materiality: Identification and reporting of key issues**  
The report includes all material issues relevant to Cheil Worldwide’s sustainability performance. No material issues were found that would raise concerns regarding the decision-making process.
- **Responsiveness: Organizational response to issues**  
Cheil Worldwide has established an ESG management framework and actively responds to the demands and interests of internal and external stakeholders. A management process was identified for the key issues derived from the materiality assessment.
- **Impact: Monitoring and measuring corporate activities**  
Cheil Worldwide identifies and monitors the impact of its business activities on stakeholders. No evidence was found of inappropriate impact measurement related to material issues.
- **Reliability: Credibility and quality of sustainability performance information**  
The reliability of the sustainability performance data provided by Cheil Worldwide was verified. Internal procedures for data collection and management were reviewed through employee interviews and data sampling, and no intentional errors or misinformation were found.

Competencies and Independence of Assurance

KPCQA is a third-party conformity assessment body in compliance with ISO/IEC 17021:2015. It possesses documented policies, evaluation procedures, and a quality assurance system. The assurance team is composed of professionals with ESG expertise. KPCQA has never participated in Cheil Worldwide's profit-driven activities and maintained independence throughout this assurance engagement.



April 2025  
Korea Productivity Center Quality Assurance  
Jangjin Kang, Director 

Voluntary Greenhouse Gas Emissions Verification Statement for “Cheil Worldwide 2024 Greenhouse Gas Emissions Report”

Preface

Korea Productivity Center Quality Assurance (KPCQA) was requested by Cheil Worldwide to conduct a verification of its “2024 Workplace Greenhouse Gas Emissions Report” (hereinafter referred to as the “Inventory Report”), which includes greenhouse gas emissions data for the year 2024. The responsibility for preparing the Inventory Report in accordance with ISO 14064-1 lies with Cheil Worldwide's upper management. KPCQA's responsibility is to verify whether the greenhouse gas emissions data and content in the Inventory Report have been appropriately prepared and calculated in accordance with the verification criteria, based on ISO 14064-3 and its verification procedures. KPCQA provides a limited level of assurance through this verification.

Scope

The verification conducted by KPCQA for the Inventory Report covers:

- 1) Scope 1, 2, 3\*: Cheil Worldwide's headquarters

\* Scope 3 includes only Category 4. Upstream transport logistics

Level of Assurance

- 1) Scope 1, 2: Reasonable level of assurance  
2) Scope 3: Limited level of assurance

Verification Opinion

Based on verification procedures under ISO 14064-3, the following conclusions are drawn regarding the greenhouse gas emissions data contained in the report:

- 1) Cheil Worldwide's 2024 Greenhouse Gas Inventory Report was appropriately prepared in accordance with ISO 14064-1 and the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.  
2) The materiality assessment of Cheil Worldwide's 2024 greenhouse gas emissions meets the rules and guidelines for the validation and verification of greenhouse gas statements as defined in ISO 14064-3.

Reporting period			January 1 – December 31, 2024
Greenhouse gas emissions (tCO2eq)	Direct emissions (Scope 1)		762.172
	Indirect emissions (Scope 2)		1,178.314
	Total (Scope 1+Scope 2)		1,940
	Indirect emissions (Scope 3)	Category 4. Upstream transport logistics	9.742
	Total emissions (Scope 1+Scope 2+Scope 3)		1,950

March 13, 2025

Jangjin Kang, Director/KPCQA



**Cheíl**