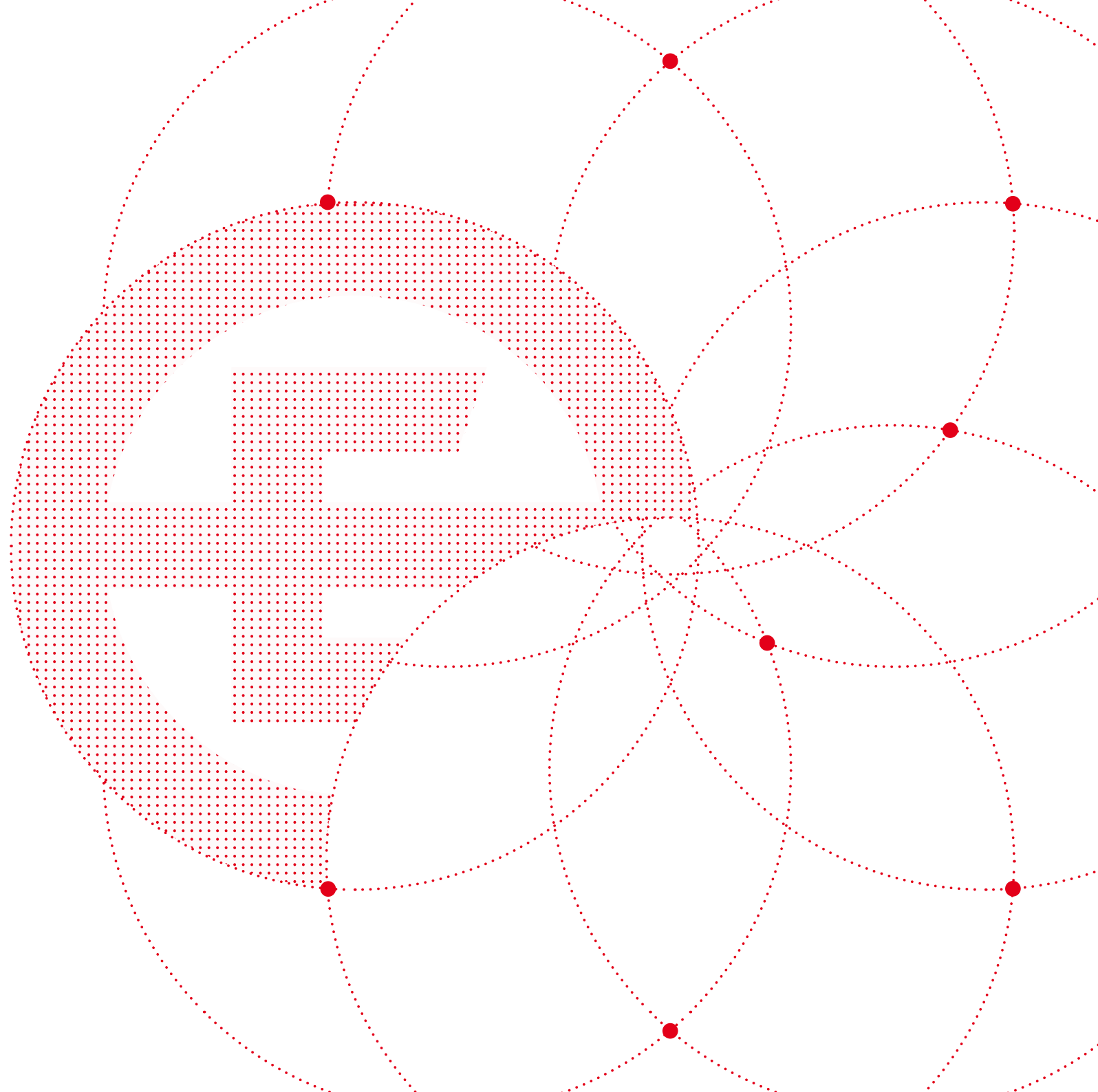


# **E**VERYONE'S **S**USTAINABILITY FOR **G**ENERATIONS

2023 E-LAND WORLD Sustainability Report



# About this Report

## Report Overview

E-Land World has been publishing its annual Sustainability Report since 2023 to foster engagement with diverse stakeholders. The 2024 edition, released in December, marks the company's second report and highlights its ESG management initiatives, achievements, and future strategies. Moving forward, E-Land World intends to use the annual Sustainability Report as a key communication channel to share updates on ESG activities, gather stakeholder feedback, and incorporate it into its management practices.

## Reporting Principles

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards, which serve as international guidelines for sustainability reporting. The financial data presented in this report follows Korean International Financial Reporting Standards (K-IFRS).

## Reporting Period

The report covers activities from January to December 2023. Key data spans a three-year period from 2022 to 2024 to enhance comparability. Additionally, it includes select information from before 2023 and up to 2024, if deemed significant to stakeholders. Certain data further incorporates details from subsidiaries.

## Reporting Scope

This report focuses on the domestic business sites of E-Land World's fashion division. Financial performance has been prepared in compliance with Korean International Financial Reporting Standards (K-IFRS). Non-financial information is also presented based on the fiscal year. For sections with varying reporting scopes, specific notes have been included for clarity.

## Third-Party Assurance

To ensure the reliability and quality of this report, a third-party verification was conducted by an external organization. The verification results can be found on page 87.

## For More Information

This report is available in both Korean and English and can be accessed or downloaded from the E-Land World website ([www.eland.co.kr](http://www.eland.co.kr)).

## Report Inquiries

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Issued by E-Land World ESG Management Office

Email ELANDESG@eland.co.kr

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Interactive PDF User Guide

The E-Land World Sustainability Report is presented as an interactive PDF to improve reader engagement and understanding. Clicking the icons allows navigation to relevant pages within the report or external web pages.

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# CEO Message



“

**E-Land World is committed to maximizing profits by generating social and environmental value through ESG management and increasing its impact.**

”

## Dear Valued Stakeholders,

Since its establishment in 1980, E-Land World has been engaged in the fashion business under the mission of creating “a world where everyone can enjoy” by offering the highest quality at reasonable prices. Over the past four decades, this dedication has earned the company accolades such as “No. 1 in domestic fashion scale” and “Korea’s first global SPA brand,” solidifying its position as a leader in the Korean fashion industry. These achievements were made possible by E-Land World’s commitment to creating value beyond profit, consistently reinvesting 10% of its annual net income into society to benefit the broader community.

E-Land World’s mission aligns seamlessly with the global focus on ESG management. In today’s world, a company’s value is increasingly assessed by its ability to advance sustainability for the planet, society, and its people. Recognizing this, E-Land World established its ESG management strategy in 2022 and published its inaugural Sustainability Report in 2023, showcasing its commitment to ESG principles to stakeholders. With the release of this second report in 2024, E-Land World aims to further share its progress and initiatives in ESG management, continuing its journey toward a sustainable future.

In 2023, E-Land World achieved its highest-ever annual revenue in the domestic fashion sector, reaching KRW 1.5498 trillion, despite a challenging market environment characterized by high interest rates and inflation. This success stemmed from adopting “Value Up” as the year’s core management theme and striving to achieve the dual objectives of “high-quality products and low-cost production,” which initially seemed contradictory but were realized through dedicated efforts. The company also demonstrated its resilience by maintaining a stable supply chain through close collaboration with overseas production facilities, even amid global supply chain disruptions.

In line with its ESG management strategy, E-Land World expanded the use of eco-friendly materials across its brands and strengthened its “2-Day 5-Day” production system, a zero-inventory management model, to reduce environmental impact.

On the organizational front, the company established a Task Force Team (TFT) to foster a more open corporate culture, guided by the ethical principle of “transparent and fair management.” The TFT focused on building a “Bottom-up” organizational structure where employees were encouraged to freely express their opinions, laying the foundation for strong corporate governance. Regular town hall meetings organized by the TFT further ensured that employees’ voices were heard. Additionally, in 2023, E-Land World increased its corporate value by contributing 10% of its total net profit to societal initiatives.

In 2024, E-Land World has set “speed” as its management keyword, focusing on fostering flexibility to quickly adapt to rapidly changing market conditions. The company is enhancing its “2-Day 5-Day” production system, designed to minimize environmental impact, and implementing it across its brands. Meanwhile, the second logistics center in Shanghai, launched in February 2024, has introduced a “10-Hour, 7-Hour” zero-inventory management system. With these initiatives, E-Land World is moving closer to its ultimate goal of achieving zero inventory across its Korean and Chinese operations. Looking ahead to 2025, E-Land World aims to promote a culture of mutual growth with consumers by obtaining Consumer-Centered Management (CCM) certification. The company also plans to enhance compliance awareness among employees by implementing the Fair Trade Compliance Program (CP), embedding ethical practices into its corporate culture.

To our stakeholders, E-Land World remains dedicated to creating social and environmental value through ESG management while expanding its markets and driving profitability. We sincerely ask for your continued interest and support as we progress toward a sustainable future. Thank you.

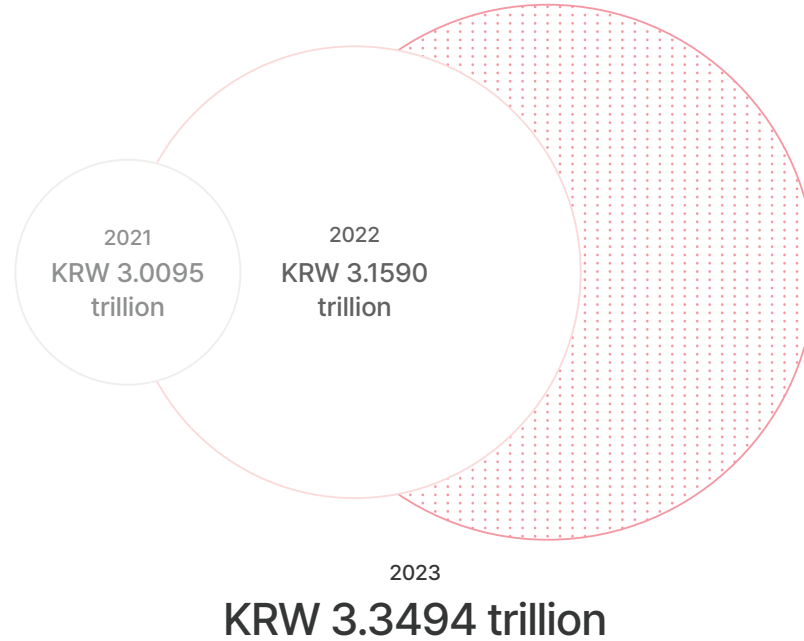
CEO of E-Land World  
**Dong-ju Cho**



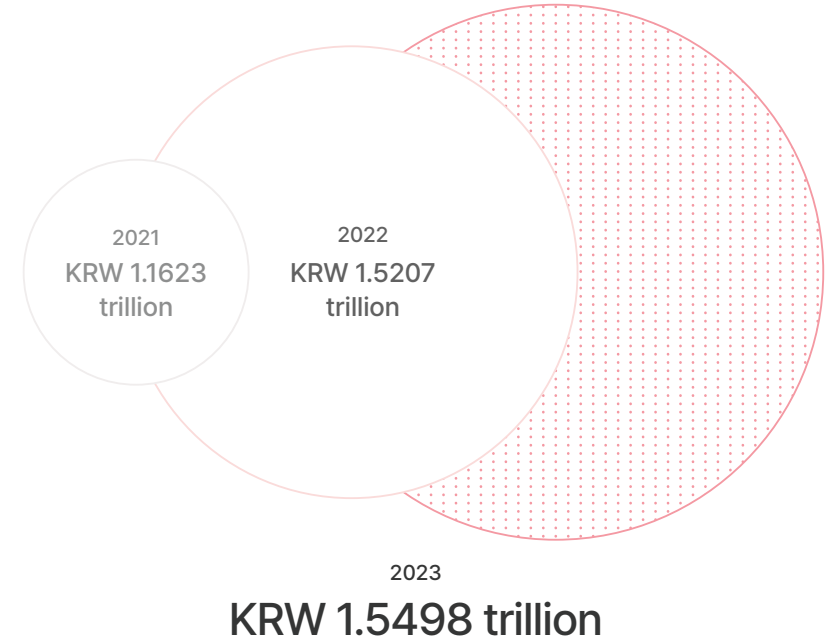
# E-Land World 2023 at a glance

## Financial Highlights

### Total Assets



### Revenue



### Operating Profit



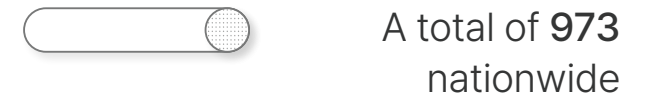
### Net Profit



### No. of Sales Channels\*



\* Includes directly managed stores, agency-operated stores, and online shopping malls



# E-Land World 2023 at a glance

## Non-Financial Highlights

### Environmental Management

**0.428**

Energy intensity  
(TJ/KRW 10 billion)

**36-ton reduction**

Waste disposal volume



### Employee Diversity

**1,896 persons**

No. of female employees

**63%**

Proportion of female employees



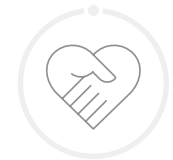
### Social Contribution

**KRW 2.39278 billion**

Support for marginalized communities

**KRW 2.07216 billion**

Support for regional welfare



### Board Operations

**23 sessions**

Board meetings held

**87%**

Internal directors attendance rate

**95 items**

Resolution agenda



### Organizational Culture

**Launch of Organizational Culture TFT**

March 2024

**6 meetings held in total**

Two meetings per month for 3 months



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# About E-Land World

## E-Land World Fashion

Founded in 1980 as a small boutique near a university, E-Land World has operated its fashion business with the mission of creating ‘a world where everyone can enjoy’ by providing high-quality products at reasonable prices. Through the adoption of innovative strategies tailored to market changes, the company has grown to become the leader in domestic fashion sales, ranking No. 1 in revenue as of 2022, and has established its role as a pioneer in Korea’s fashion industry. E-Land World has further strengthened its presence in the domestic sports fashion market by nurturing multiple sports brands and securing the exclusive domestic license for New Balance in 2008. Building on this success, starting in 2009, the company launched Korea’s first global SPA brand, SPAO, followed by MIXXO and SHOOPEN, achieving significant success in both domestic and international markets. In the wake of the COVID-19 pandemic, E-Land World has solidified its No. 1 position in domestic fashion sales by implementing an omnichannel strategy that seamlessly integrates online and offline platforms.

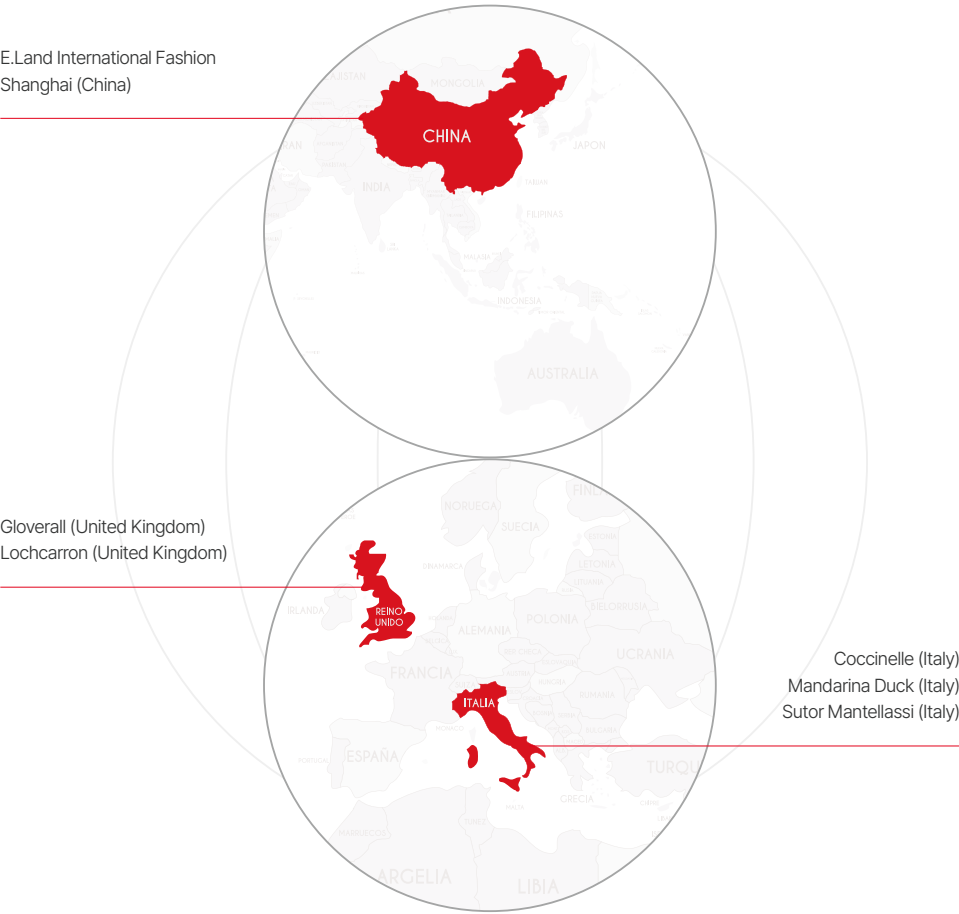
### Company Profile

(As of November 2024)

Company name	E-Land World Co.,Ltd.
HQ address	E-Land World Building, 159, Gasan Digital 1-ro, Geumcheon-gu, Seoul
Establishment date	February 1982
CEO	Dong-ju Cho
No. of employees	3,543 persons
Business area	Manufacturing, retail, and distribution in the fashion sector (sports, SPA, women's apparel, etc.)
Website	www.elandfashion.com 

### Business Network

E-Land World, led by its Chinese fashion subsidiary, has expanded its reach to 10 countries across Asia, the Americas, and Europe through global M&A initiatives.



# About E-Land World

## Mission and Values

### E-Land Mission

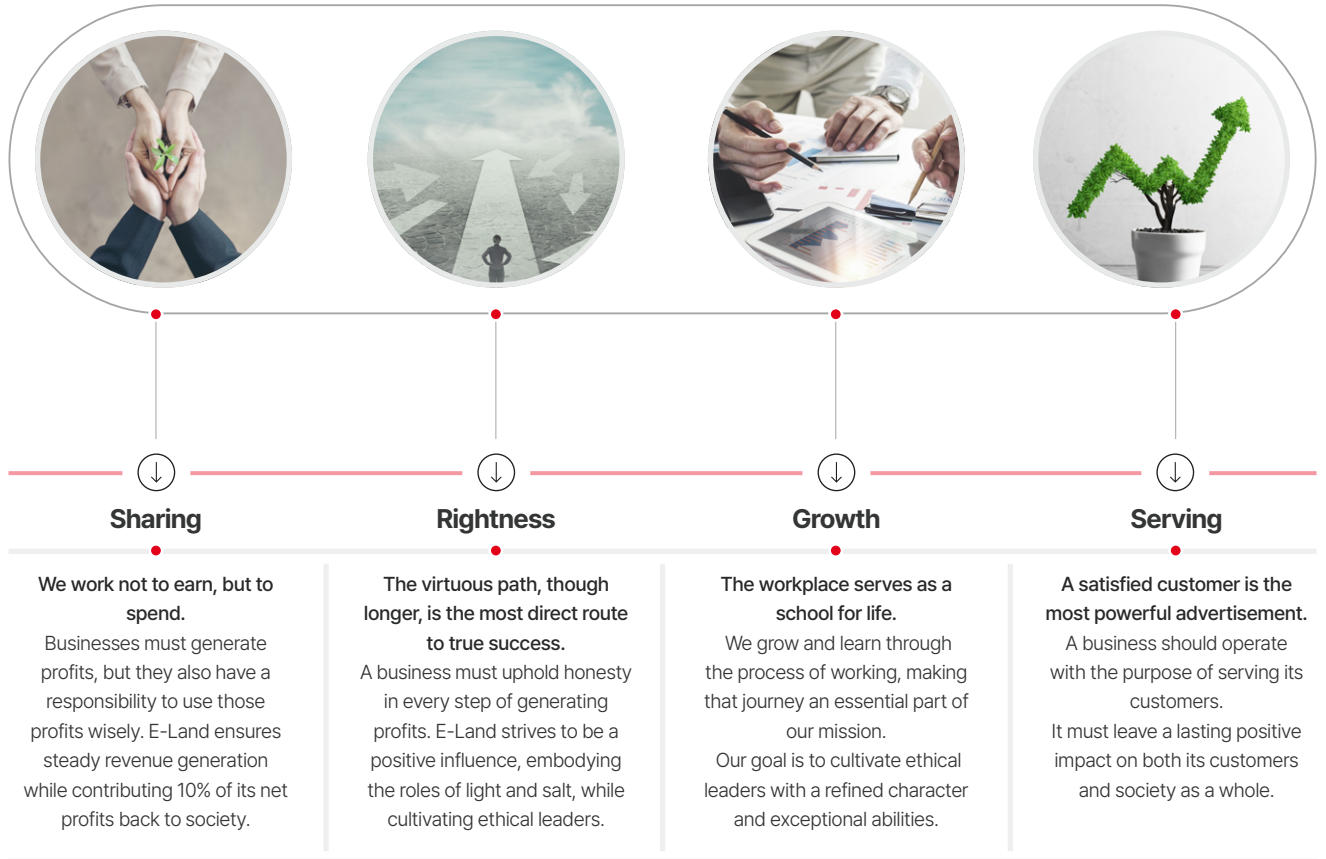


Established in 1980, E-Land began with the vision of creating “a world where everyone can wear beautiful clothes without financial burden.”

Over the years, the company has grown beyond fashion, expanding into retail, dining, hospitality, construction, and entertainment, bringing itself closer to customers worldwide. E-Land remains dedicated to ensuring that “the best is accessible to everyone,” regardless of race, gender, or age, and will continue to be a part of its customers’ everyday lives.

### Our Value

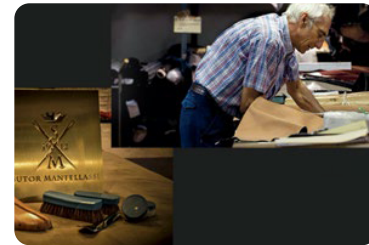
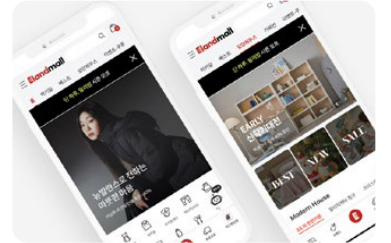
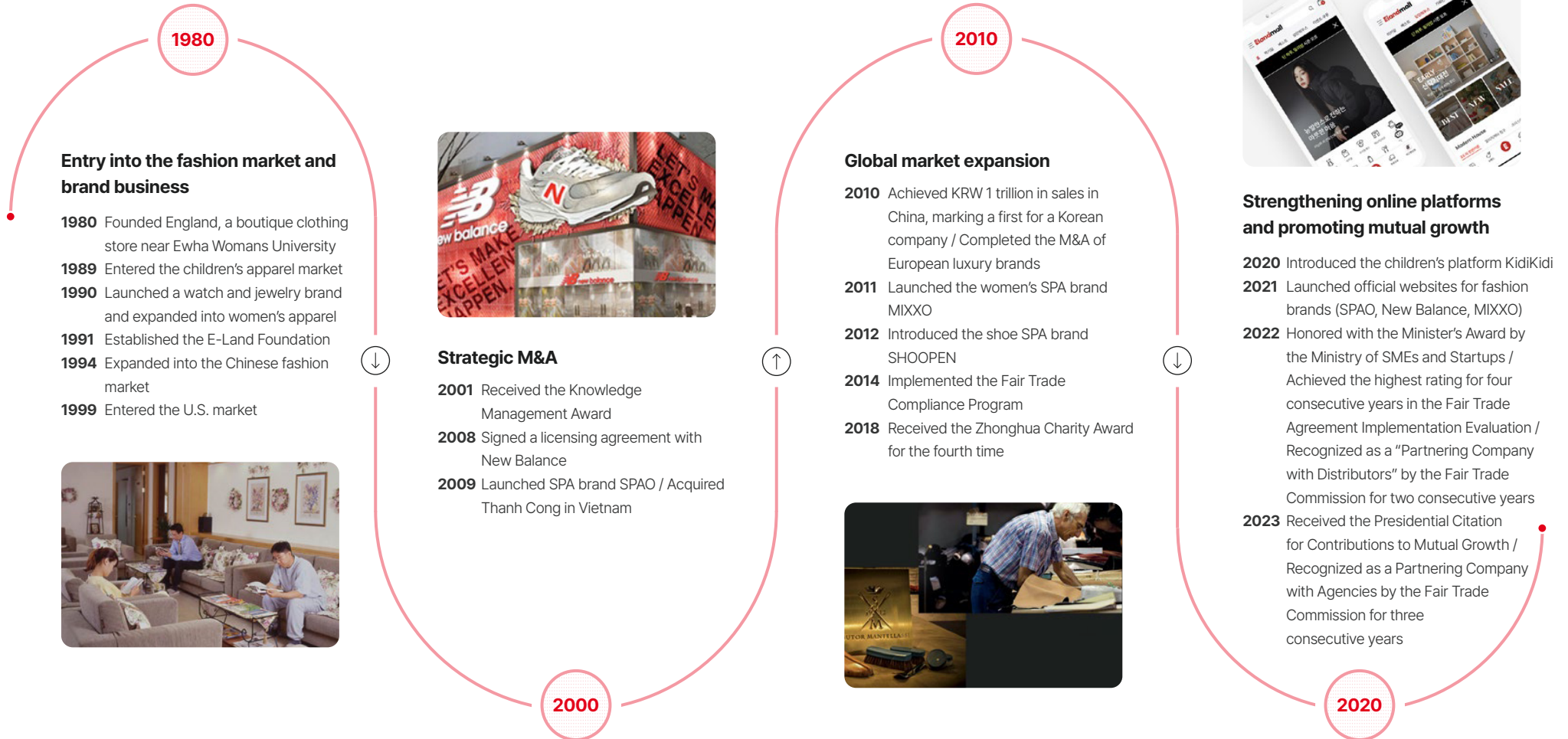
#### E-Land’s Core Values



# About E-Land World

## History of E-Land

E-Land World began in 1980 as a small boutique and has grown into a leader in the domestic fashion industry, while also making its mark on the global market. Its journey of growth is rooted in the founding philosophy of creating 'a world where everyone can enjoy,' by making beautiful clothing accessible to all at affordable prices.



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# About E-Land World

## Brand Portfolio

E-Land World, a leader in the domestic fashion industry, oversees a wide range of fashion brands. The company manages 16 domestic brands, 24 Chinese brands, 5 European brands, and operates 9 online platforms.

Casual and Women's Clothing

↓

SPAO

MIXXO

WHO.A.U.  
Californian Dream

SHOOPEN  
SHOES SPA

Roem

EBLIN  
LINGERIE

CLOVIS

Sportswear

↓

new balance

FOLDER

new balance.

Kids

Accessories and Apparel (Overseas)

↓

GLOVERALL  
1951

COCCINELLE

MANDARINA DUCK

LOCHCARRON

SUTOR MANTELLASSI

Online Platform

↓

E•LAND MALL

kidikidi



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# About E-Land World

## Brand Portfolio

### SPAO

SPAO, introduced in 2009, is Korea's first global SPA fashion brand. As a homegrown SPA brand, it offers clothing and accessories tailored to fit our body types and feature colors suited to our skin tones. From basic essentials to trendy pieces, SPAO utilizes the finest materials and offers them at prices accessible to everyone. With steadily increasing sales, SPAO recorded approximately KRW 480 billion in revenue in 2023, solidifying its position as a leading SPA brand in Korea.



### WHO.A.U.

WHO.A.U, an American casual global SPA brand, draws inspiration from the pioneering spirit of California in 1849, a time when youth ventured out in search of new horizons, dreams, and identities. Embodying this adventurous spirit, WHO.A.U presents styles reflecting "Campus-Street Life," "Outdoor Adventures," "Farm Life," and "Beach Sports."



### MIXXO

MIXXO, a global women's SPA brand launched in 2011, takes its inspiration from "Mixology," the art of crafting cocktails. As its name suggests, MIXXO offers a collection of globally inspired basic items and trendy designs, empowering customers to create their own unique Mix & Match styles.



### NEW BALANCE

New Balance, established in 1906 in Boston, Massachusetts, began with the mission of "creating new balance for unbalanced feet." E-Land World acquired the domestic license in 2008, transforming the brand from annual sales of KRW 26 billion to approximately KRW 900 billion by 2023. Today, New Balance spans a wide range of sports categories, including running, soccer, baseball, and tennis, along with its premium Made in USA and UK lifestyle lines. The brand has also recently expanded into the Women's and Kids' segments, further diversifying its portfolio.





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# About E-Land World

## Brand Portfolio

### ROEM

Established in 1991 with the concept of “Romantic Young Casual,” ROEM is a women’s brand that features feminine semi-formal wear and casual pieces infused with romantic elements.



### CLOVIS

CLOVIS is a women’s clothing brand that embodies everyday comfort and natural sensibility. It features feminine, minimalist designs and colors, making it ideal for daily wear.



### EBLIN

EBLIN is a romantic comfort lingerie brand with the slogan, “Bringing comfort and beauty to my day.”



### SHOOPEN

SHOOPEN, Asia’s first shoe SPA brand, provides basic footwear that reflects modern consumers’ lifestyles and trends at reasonable prices.



### NEW BALANCE KIDS

New Balance Kids is a global sportswear brand for children, blending New Balance’s signature functionality with contemporary kids’ fashion trends.



### KIDIKIDI

Kidikidi is a kids’ lifestyle select shop, offering trendy seasonal fashion from both local and international designer brands, as well as items from seller markets.



# About E-Land World

## Brand Portfolio

### FOLDER

FOLDER is Korea's first multi-brand retail store, featuring global contemporary lifestyle items with an emphasis on footwear.



### GLOVERALL

Established in 1951, Gloverall is a British heritage brand renowned as the original creator of the duffle coat. For over 70 years, it has been celebrated for its timeless duffle coat designs.



### COCCINELLE

Coccinelle is a practical luxury handbag brand from Parma, Italy, a city renowned for its artisanal heritage. The brand is characterized by its minimalist designs, boldly eliminating unnecessary details.



### MANDARINA DUCK

Founded in 1977, Mandarinina Duck is an Italian brand specializing in clothing and fashion accessories, with a focus on daily and business bags, as well as luggage.



### SUTOR MANTELLASSI

Sutor Mantellassi, established in a small workshop in Florence in 1912, is a shoe brand that offers handcrafted footwear known for its exceptional craftsmanship and elegant style.



### LOCHCARRON

Founded in 1892, Lochcarron is a traditional specialist in authentic tartan fabrics, based in Selkirk, Scotland. The brand offers a classic collection of accessories crafted from soft cashmere and lambswool.



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# ESG Overview



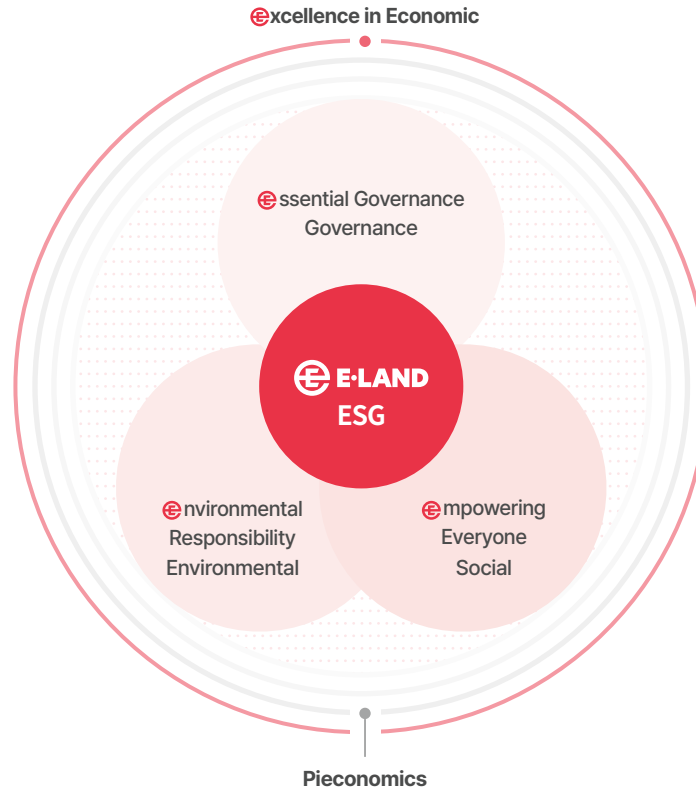
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# ESG Framework

## ESG Implementation Strategy

E-Land Group embraces sustainable management through its “Pieconomics” strategy, focusing on achieving long-term profitability by expanding markets and influence, with a strong foundation in environmental and social value creation. Guided by the mission “Everyone’s Sustainability for Generations,” the group has established key objectives across ESG domains to enhance future competitiveness and is actively carrying out detailed initiatives to meet these goals. Furthermore, in line with the group’s ESG management strategy, E-Land has developed the ESG 2025 Roadmap, taking a phased approach to implementation. These efforts reflect the company’s commitment to fulfilling its social responsibilities as Korea’s leading fashion company.

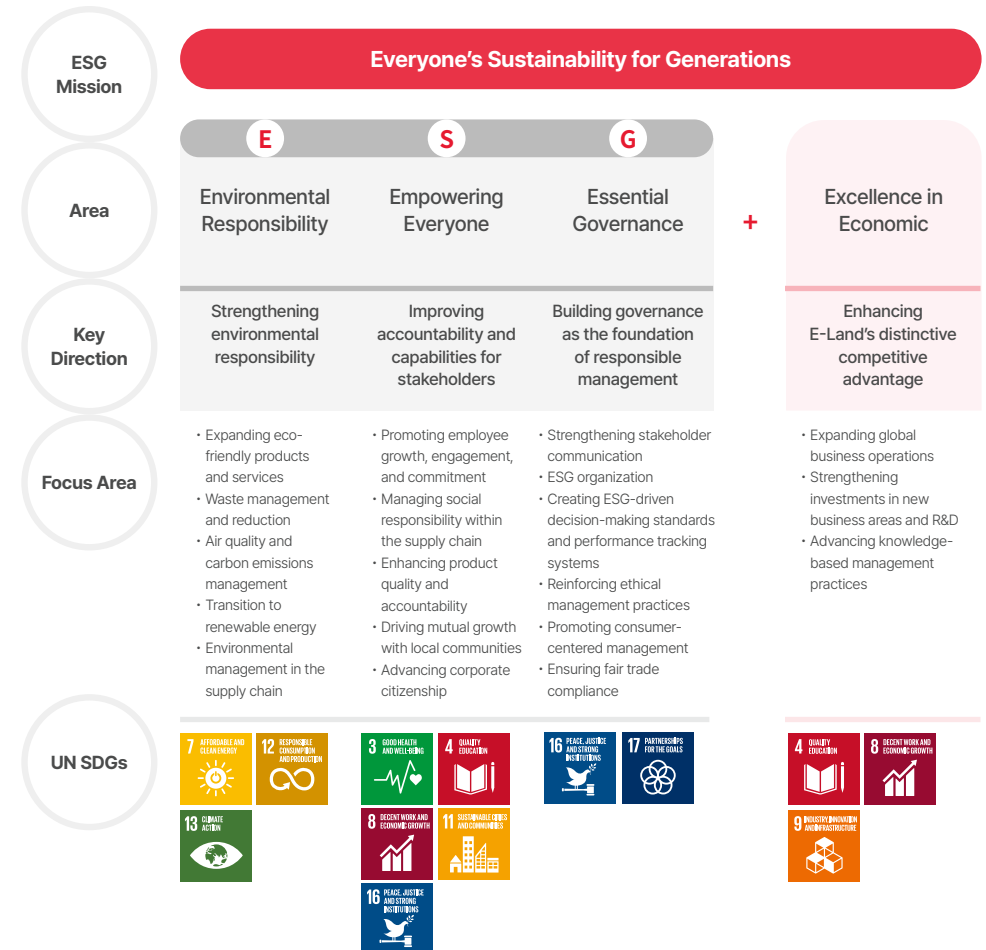
### Pieconomics Strategy



Expanding E-Land’s market and influence (pie)

E-Land Group adopts the “Pieconomics” strategy, focusing on generating profits by creating social and environmental value through ESG management, thereby broadening its market reach and influence.

### ESG Implementation Framework





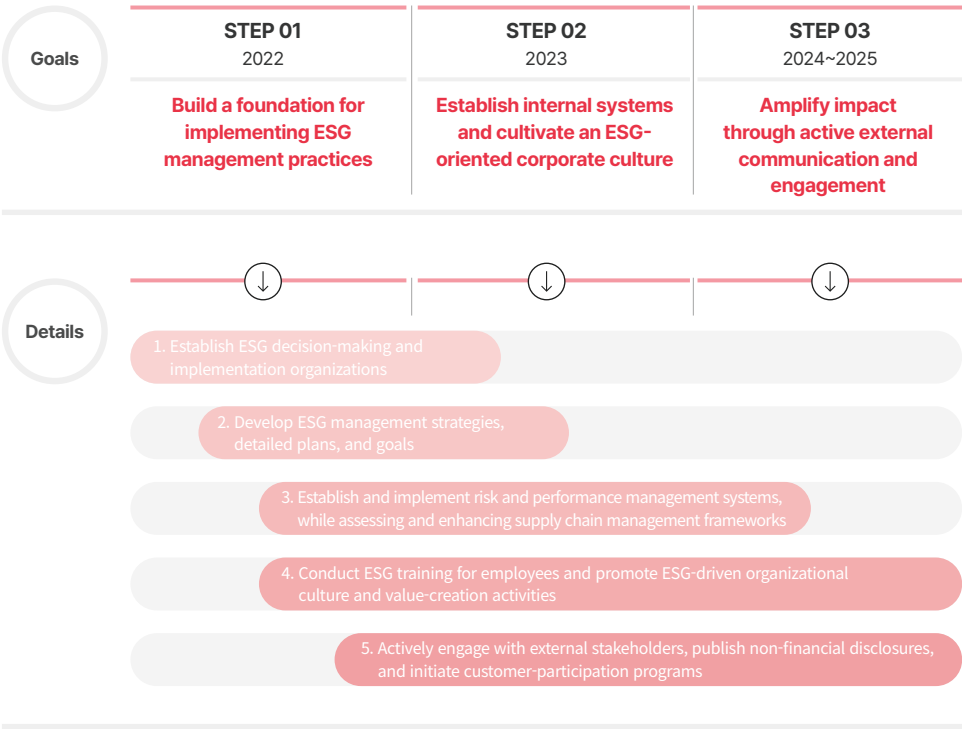
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# ESG Framework

## Building the ESG 2025 Roadmap

E-Land World marked 2022 as the starting point of its ESG management journey and developed the ESG 2025 Roadmap. Following a phased approach, the company focused on laying the groundwork for ESG practices in 2022 and implemented internal systems to embed ESG principles into its operations. Currently, E-Land World is taking proactive steps to achieve its 2025 goal of “expanding impact through external communication and engagement.”

### ESG 2025 Roadmap

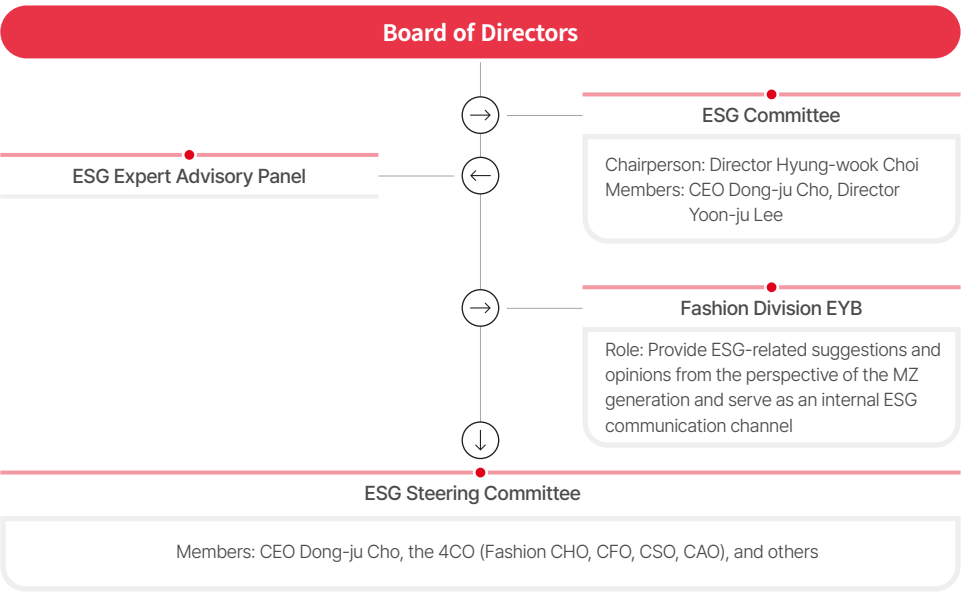


## ESG Management Framework

E-Land World has integrated ESG management as a core strategy throughout its business operations to achieve sustainable value. To support this, the company has implemented an ESG governance framework, with the ESG Committee under the Board of Directors and the ESG Steering Committee at the forefront of systematically managing ESG-related issues.

The ESG Committee addresses key matters related to company-wide ESG management, oversees plans and initiatives, and tracks implementation results. It also monitors major risk factors and makes informed decisions to develop effective countermeasures. The ESG Steering Committee takes the lead in strengthening ESG management by setting goals and detailed strategies aligned with the company's ESG vision. E-Land World actively promotes an ESG-driven corporate culture by empowering employees to carry out their responsibilities with a strong commitment to sustainability, ensuring the company's ESG goals are embedded throughout the organization.

### ESG Governance



\* As of November 2024

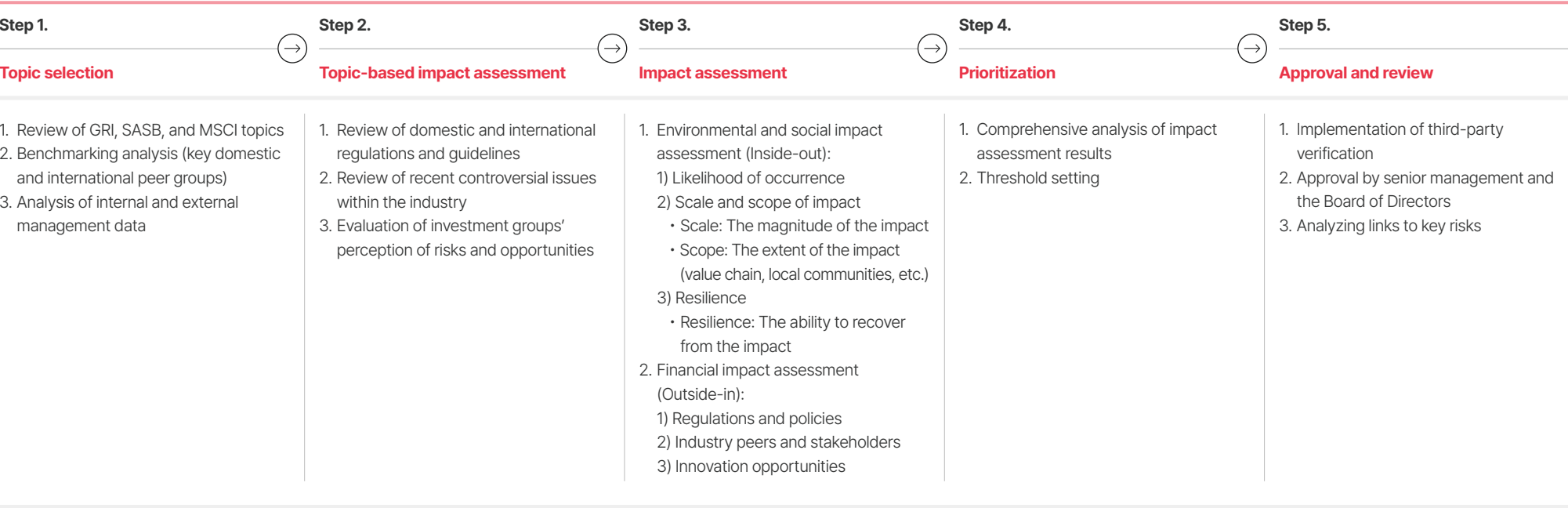
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# Double Materiality Assessment

## Overview of Double Materiality Assessment

E-Land World conducted a double materiality assessment to identify ESG issues that influence its business operations and to ensure transparent and reliable information for stakeholders. This approach evaluates and manages critical issues by considering both the economic performance of business activities and their environmental and social impacts. Through the assessment, E-Land World analyzed stakeholder feedback, global ESG trends, and the risks and opportunities within the fashion industry. The findings were used to establish the company's ESG management direction and outline detailed initiatives, actively integrating them into its business operations.

### Double Materiality Assessment Process



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# Double Materiality Assessment

## Double Materiality Assessment Results

Through the double materiality assessment, E-Land World identified 16 key topics, with the top 6 deemed as critical material issues requiring strategic focus. “Supply Chain Management” emerged as the most significant issue, followed by “Quality Management” and “Climate Change,” both of which have substantial impacts on the company’s operations. Other key material issues included “Customer Satisfaction,” “Eco-Friendly Products and Services,” and “Talent Acquisition and Development.” E-Land World is proactively developing strategies to address these critical issues and remains committed to driving the sustainable growth of the fashion industry.

### Double Materiality Matrix



Ranking	Topic	Category	Significance		Previous Year Ranking	Reporting Page
			Environmental/ Social	Financial		
1	Supply Chain Management	Social	●	●	5	55-58, 80
2	Quality Management	Social	●	●	9	50-52, 80
3	Climate Change	Environmental	●	●	6	21-24, 32-37, 72
4	Customer Satisfaction	Social	●	●	8	50-54
5	Eco-Friendly Products and Services	Environmental	●	●	1	22-24, 33-34
6	Talent Acquisition and Development	Social	●	●	2	41-44, 74-75
7	Corporate Culture	Social	●	●	3	30, 39-40, 62-66, 73-75, 77, 81
8	Waste Management and Resource Circulation	Environmental	●	●	7	22-24, 32-37, 73
9	Raw Materials Management	Environmental	●	●	-	22-24, 33-34
10	Investment in New Business and R&D	Governance	●	●	-	22-24, 33-37
11	Labor-Management Relations	Social	●	●	-	29-30, 39-44, 49
12	Compliance	Governance	●	●	-	65-66, 82
13	Information Security	Governance	●	●	-	67-68, 80
14	Stakeholder Communication	Governance	●	●	-	19, 80
15	Board of Directors	Governance	●	●	4	62-64, 81
16	Digital Fashion Management	Governance	●	●	-	22

● High Impact ● Moderate Impact ● Low Impact








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# Stakeholder Communication

## Communication with Stakeholders

E-Land World identifies its stakeholders as employees, customers, partners, shareholders and investors, and local communities, all of whom play a vital role in influencing the company’s business activities and decision-making. The company actively manages various channels tailored to each stakeholder group to better understand their key concerns and address their needs. E-Land World is committed to continuously expanding communication channels to foster effective engagement with stakeholders, enhancing trust and strengthening cooperative relationships.





### Communication channels and key issues of interest by stakeholder group

Stakeholders	Communication channels	Key issues of interest	Key activities
 Employees	<ul style="list-style-type: none"><li>Company website</li><li>Labor-management council</li><li>Internal cultural activities</li><li>Online QR reporting system/E-Land whistleblowing channel</li></ul>	<ul style="list-style-type: none"><li>Positive and happy workplace culture</li><li>Welfare benefits and health promotion support</li><li>Ensuring worker safety and protection of human rights</li><li>Labor-management relations</li><li>Talent acquisition and development</li></ul>	<ul style="list-style-type: none"><li>Engagement in the in-house club (CREW) activities</li><li>Participation in regular health check-ups (once a year, including spouses)</li><li>Completion of safety &amp; health education, disability awareness improvement training, and sexual harassment prevention training</li><li>Participation in internal competitions (held confidentially)</li></ul>
 Customers	<ul style="list-style-type: none"><li>Company website</li><li>Customer satisfaction surveys (VoC)</li><li>Company brochures</li><li>Customer service center</li></ul>	<ul style="list-style-type: none"><li>Product safety</li><li>Customer Satisfaction</li><li>Resource circulation and eco-friendly products/services</li></ul>	<ul style="list-style-type: none"><li>Customer Satisfaction: Preparing for Consumer-Centered Management (CCM) certification</li></ul>
 Partner companies	<ul style="list-style-type: none"><li>Business partner meetings</li><li>Unfair practices reporting channel</li></ul>	<ul style="list-style-type: none"><li>Collaborative management with partners</li><li>Fair trade practices</li><li>Ensuring labor rights within partner workforces</li><li>Strengthening product quality competitiveness</li></ul>	<ul style="list-style-type: none"><li>Participation in the Win-Win Growth Index evaluation</li><li>Recognized as a Partnering Company with Agencies by the Fair Trade Commission</li><li>Participated in the Fair Trade Agreement Evaluation (Subcontracting, Agencies)</li></ul>
 Shareholders and investors	<ul style="list-style-type: none"><li>IR activities and disclosures</li><li>Shareholders’ meetings</li></ul>	<ul style="list-style-type: none"><li>Strengthening investments in new business areas and R&amp;D</li><li>Stakeholder communication</li><li>Transparent governance</li></ul>	<ul style="list-style-type: none"><li>Participation in 2024 Partnership Support Projects for Innovation between Large and Small-Medium Enterprises</li></ul>
 Local communities	<ul style="list-style-type: none"><li>E-Land CSR</li><li>Contributions to local communities through donations and volunteer work</li></ul>	<ul style="list-style-type: none"><li>Fulfilling social responsibilities</li><li>Social contributions for marginalized and vulnerable groups</li><li>Promoting diversity and inclusion</li></ul>	<ul style="list-style-type: none"><li>Participation in talent-sharing initiatives four times a year (once per quarter)</li><li>Donation of Children’s Day gifts to local children’s centers during Family Month</li><li>Contribution of Winning Lounge proceeds to local children’s centers</li><li>Collaboration with the E-Land Welfare Foundation for sharing events at local children’s centers</li></ul>

## Stakeholder Value Distribution

E-Land World is committed to ensuring that its business activities go beyond merely increasing shareholder value, focusing on effectively distributing value to all stakeholders. These include employees, tax authorities, local communities, and suppliers.

### Economic value distribution by stakeholder group

Unit: KRW million		
 Employees	105,007 Personnel expenses	10,635 Welfare benefit expenses
 Tax authorities	10,162 Corporate tax expenses	
 Local communities	4,465 Social contribution costs	
 Suppliers	7,993 Transportation costs	108 Warehouse storage fees
	74,187 Raw materials and supplies procurement costs	
Total	212,557	

\*As of 2023

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# Sustainability in E-Land



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# Environmental Awareness



According to the United Nations Environment Programme (UNEP), the fashion industry accounts for approximately 10% of global carbon emissions annually, highlighting its significant impact on the climate crisis we face today. This impact stems from the industry's extensive global supply chain, spanning the entire value chain, including yarn and fabric production, dyeing, raw material manufacturing, finishing, transportation, consumption, laundering, and disposal. As the top company in domestic fashion sales, E-Land World's fashion division recognizes its responsibility to address environmental challenges.

E-Land World aims to lead the creation of a sustainable fashion ecosystem by offering trendy products at reasonable prices while minimizing environmental impact. To achieve this, the company is committed not only to adopting sustainable practices in the production process—such as using low-carbon bio-based yarns, recycled materials, and water- and chemical-efficient dyeing techniques—but also to driving fundamental change through innovative advancements in the production paradigm.

Optimizing Production to Minimize Clothing Waste (22)

Smart Technology for Sustainability (22)

Planet-Friendly Collections (23)

Alternative Materials Combining Sustainability and Design (24)



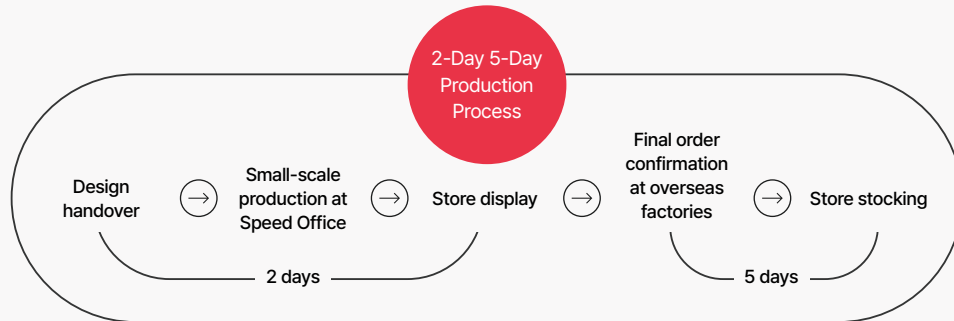
## Optimizing Production to Minimize Clothing Waste



### The “2-Day 5-Day” Process: Producing Only What's Needed

In the fashion industry, mass production driven by cost efficiency often results in excessive resource and energy consumption, while waste disposal methods such as landfilling and incineration contribute significantly to carbon emissions. To address these challenges, E-Land World has developed an efficient production process aligned with its “zero-inventory management” goal, focusing on producing only the necessary amount of products. This approach not only reduces environmental impact but also improves economic efficiency. The “2-Day 5-Day” production process is a system designed to minimize inventory by rapidly producing small quantities domestically, testing marketability in stores, and subsequently placing overseas factory orders for formal inventory stocking. As its name suggests, this process enables product planning, design, production, and store display within 2 days, with overseas orders and inventory stocking completed in 5 days. By accurately forecasting customer demand throughout the planning-to-display process, this system effectively reduces overproduction.

In March 2022, E-Land World launched the “Dapsimni Speed Office,” a domestic production cluster, to fully implement the 2-Day 5-Day process. This initiative has delivered remarkable results, including a continuous increase in the annual full-price sell-through rate\* for SPAO, the first brand to adopt the process, while significantly reducing inventory levels. Building on SPAO's success, E-Land World is now expanding the 2-Day 5-Day process to other brands. Furthermore, the company has brought its innovative approach to the Chinese market by implementing a “10-Hour 7-Hour” inventory management system at Shanghai's second logistics center, further broadening its influence and impact.



\* Full price sell-through rate: The proportion of total sales revenue generated from products sold at their regular price. A higher full-price sell-through rate signifies a lower inventory burden and serves as a key indicator of efficient cash flow management.

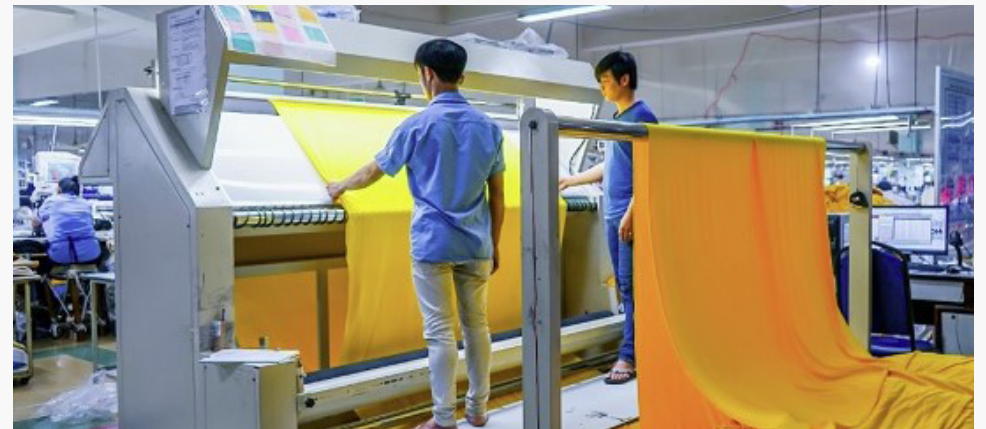
## Smart Technology for Sustainability



### Thanh Cong: Vietnam R&D Center

The Thanh Cong Vietnam Textile R&D Center serves as a major production hub for E-Land World and a leading facility for sustainable material research and development, fostering active collaboration with global companies. At Thanh Cong, garments are produced using Eco-PET yarn, made from recycled PET bottles, and Eco-WOOD yarn, a regenerated fiber derived from wood-based materials like rayon, processed through environmentally friendly techniques. Notably, Eco-WOOD uses waste wood as its primary raw material and employs eco-conscious production methods to minimize the use of harmful substances, such as sodium hydroxide and sulfurous acid, which are traditionally used to dissolve wood. The center is also pioneering eco-friendly manufacturing innovations, including water-free dyeing processes that significantly reduce wastewater generation.

In addition, Thanh Cong has partnered with the Korea Textile Inspection & Testing Institute (KOTITI), a certified testing organization for textile materials in Korea, to co-develop sustainable textile materials. This collaboration leverages KOTITI's expertise in material science and manufacturing processes alongside E-Land World Fashion's commercialization capabilities to create innovative products. The partnership aims to play a pivotal role in promoting the global adoption of sustainable materials. Through joint R&D efforts, Thanh Cong and KOTITI streamline the entire process—from material development to quality testing—within a single facility. This integrated approach significantly reduces the time required for commercialization while maintaining high development efficiency.



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## Planet-Friendly Collections

### SPA0 Eco Denim

Jeans, a classic wardrobe staple cherished by consumers for generations, are among the most environmentally taxing fashion items, requiring approximately 7,000 liters of water per pair during production and washing processes. Furthermore, the use of strong chemical dyes in denim manufacturing can contaminate water sources in production regions, underscoring the urgent need to improve manufacturing practices to support the sustainability of local communities.

With a commitment to addressing environmental challenges, SPA0 launched Eco Denim in 2019, becoming the first domestic SPA brand to produce denim using eco-friendly techniques. In the 23 FW season, 62% of SPA0's denim category (based on style count) was made with sustainable fabrics under the Eco Denim line. By the 24 FW season, this percentage increased to 76%. SPA0's Eco Denim incorporates a variety of methods to minimize its environmental footprint, including recycled materials, organically cultivated fabrics, and ozone processing technology.

#### Sustainability of Eco Denim



Natural fiber yarn	Uses 'Cotton USA' certified eco-friendly cotton yarn, produced with minimal water and pesticide use during the cotton farming process
Recycled material fabric	Features RUC (Re-Used Cotton), a fiber made by reprocessing textile byproducts discarded during the weaving process. Utilizes premium fabrics from Turkish suppliers ISKO and KIPAS
Ozone processing	Washing is a key process for achieving the vintage aesthetic of jeans, but it poses significant environmental challenges. Ozone processing serves as an alternative denim treatment method, reducing water and chemical usage by up to 95%, water consumption by up to 95%, and electricity usage by up to 40%

### New Balance Green Leaf Line

Introduced in 2022, New Balance's Green Leaf line features apparel and footwear made with over 50% sustainable materials. A standout piece in the collection is the 574 Green Leaf, an eco-conscious adaptation of New Balance's classic 574 model. While preserving the iconic design of the original, this version reduces its environmental impact and has garnered favorable feedback. The 574 Green Leaf includes an upper (the top part of the shoe excluding the sole) made with over 50% sustainable materials, and its outsole incorporates eco-friendly elements such as bio-foam and 3–5% recycled rubber.

#### Sustainability of the 574 Green Leaf

Bio-foam midsole designed to reduce carbon emissions

ENCAP midsole providing excellent stability, shock absorption, and durability

Made with 100% recycled polyester mesh

## Alternative Materials Combining Sustainability and Design

### Duck Fiber

Duck Fiber is a sustainable filling material derived from residual down fibers collected during the duck down production process. While these fibers are naturally thin and lightweight, making them unsuitable for conventional down products, specialized processing enhances their texture and volume. With its improved quality and affordability, Duck Fiber is now the main material E-Land World uses in its winter insulation products.



### Flower Down

Flower Down is an eco-friendly natural filling material made from a blend of 20% fibers extracted from kapok fruit, often referred to as “plant wool,” and 80% recycled animal down (a mix of duck and goose feathers). With outstanding volume and density, it provides warmth comparable to goose down while remaining lightweight, making it a promising next-generation down material.



### Sorona

Sorona is a bio-based synthetic fiber created by blending corn-derived materials with terephthalic acid (TPA), a petroleum-based component, during the polyester (PLA) manufacturing process, thereby reducing dependency on petroleum-based resources. While TPA remains the primary component and only a portion of the materials are bio-based, Sorona significantly reduces environmental impact, lowering energy consumption by 30% and greenhouse gas emissions by 63% compared to conventional nylon polymers. In addition, Sorona shows great potential as a viable alternative to recycled fibers, which have traditionally been the only sustainable synthetic fiber option in the fashion industry. Sorona offers a ready-made solution for producing sustainable synthetic fibers. New Balance launched the NB Frozen Collection, featuring Sorona in its summer cooling product line.





# Encouraging Community



As an integral part of society, companies have a responsibility to contribute to the development of a sustainable society and address challenges faced by local communities. E-Land World considers social contribution one of its core values, with “sharing” being the foremost among its four key principles: sharing, rightness, growth, and serving. This commitment to social contribution has been a guiding principle since E-Land's inception. E-Land World has upheld this philosophy by reinvesting 10% of its annual net profits into society, leading efforts to address social issues and fostering growth alongside local communities. To systematically implement its philosophy, E-Land Group established the E-Land Foundation in 1991 and the E-Land Welfare Foundation in 1996, creating platforms to actively promote its vision of sharing. E-Land World's fashion division further supports the group's commitment to social contribution by collaborating with the E-Land Foundation and E-Land Welfare Foundation to implement various programs tailored to specific business units and brands.



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# Value of Collective Action



## E-Land Foundation: Hope for the Next Generation

E-Land Group focuses its “sharing” efforts on the next generation, particularly out-of-home youth and multicultural youth who fall into welfare blind spots, as well as families in crisis. Out-of-home youth refers to adolescents who lack a physically safe living space or an emotionally reliable guardian. To support these vulnerable groups, the E-Land Foundation operates Every’s, Korea’s only charity platform dedicated to addressing welfare blind spots. The foundation also collaborates with experts to deliver sustainable mentoring programs for out-of-home and multicultural youth. In 2023, the foundation supported 9,281 vulnerable youth and distributed donations worth KRW 4.6 billion.

### E-Land Foundation 2023 Achievements



9,281 persons

No. of vulnerable individuals supported



53 persons

No. of mentoring recipients



124 organizations

Number of on-site organizations identified



KRW 4.6 billion

Value of donations provided

## E-Land Welfare Foundation: A Safety Net for Vulnerable Communities

The E-Land Welfare Foundation, centered around the WeGO Volunteer Corps, runs the SOS WeGO Program, which identifies and supports families in urgent crisis situations. The foundation works closely with local governments and on-site coordinators to provide assistance to those in critical need. To aid vulnerable elderly populations, the foundation operates senior welfare centers at regional hubs nationwide. Since 2016, it has also implemented a housing support program for the homeless.

In 2024, the foundation launched “Morning Love Meet,” a free meal program providing breakfast to underprivileged groups. Since its establishment in 1996, the E-Land Welfare Foundation has helped approximately 230,000 crisis-affected families achieve self-sufficiency through its diverse initiatives, as of February 2024.

### E-Land Welfare Foundation 2023 Achievements



1,777 families

No. of crisis-affected families supported



57 persons

No. of WeGO Volunteer Corps members



KRW 5.17 billion

Value of donations provided



4 awards

External awards received

## Social Contribution Program Creating a Virtuous Cycle

### Children and Adolescents

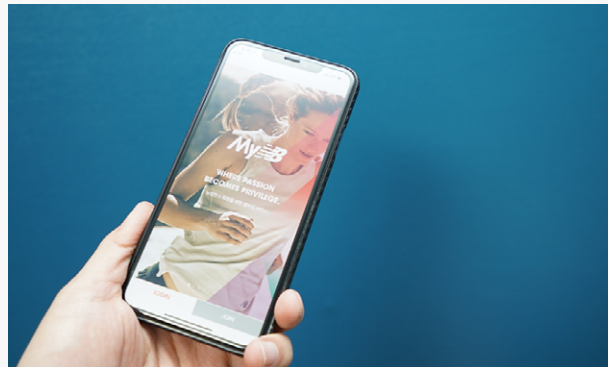
#### • Support for Nanuri Community Child Center

E-Land World's fashion division has continuously supported the Nanuri Community Child Center in Geumcheon-gu. The Nanuri Community Child Center serves as an open cultural space for children and youth in need, including those from low-income households and multicultural single-parent families. Each year, the fashion divisions of E-Land World take turns organizing talent-sharing programs aligned with their brand identities. These programs provide support items for the children and offer meaningful and enriching experiences.



#### • MyNB Campaign

Since 2017, New Balance has been running a donation campaign to support aspiring young athletes through the MyNB application. Users can join the MyNB campaign by donating points earned through various activities on the app. In 2024, New Balance partnered with Major League Baseball player Ha-seong Kim to host a mentoring session for the youth national team, creating a meaningful and impactful experience. Additionally, a total of 30 million MyNB donation points, along with New Balance sports equipment, were donated to aspiring young baseball players.



#### • Run for Your Dream Campaign

Since 2016, New Balance has partnered with the E-Land Foundation to host the annual Run for Your Dream donation race, encouraging active participation from customers. In this campaign, participants accumulate donation points based on the distance they run during the race. New Balance then matches these points with donations of sports equipment and scholarships for young aspiring athletes. In 2023, the Run for Your Dream campaign was held as the 'Run Your Way 10K' marathon, featuring youth athlete Se-hyun Kim, to support young multicultural track and field athletes. The race saw participation from approximately 658 customers, generating a total of KRW 20 million in donations. The E-Land Foundation added an additional KRW 3 million, which was used to provide scholarships and New Balance sports equipment to young athletes. As of 2023, the Run for Your Dream campaign has supported 1,252 individuals, donating sports equipment and scholarships valued at approximately KRW 290 million.



## Social Contribution Program Creating a Virtuous Cycle

### Young Adults

#### • Good Luck Good Job

Since 2019, MIXXO has collaborated with the E-Land Foundation to run the Good Luck Good Job campaign, aimed at empowering young women on their journey toward self-reliance by offering interview suits, accessories, and coaching sessions. In 2024, the campaign contributed KRW 20 million worth of E-Land products, including interview suits, watches, necklaces, and earrings. Additionally, it organized a special interview workshop at E-Land's Gasan headquarters, hosting 20 young women preparing to achieve self-reliance. Over the years, the Good Luck Good Job campaign has partnered with more than 60,000 customers, companies, and organizations to support 1,050 young women with donations totaling KRW 420 million worth of items.



### People with Disabilities

#### • Sponsorship of National Team Uniforms for the 2024 Paris Paralympics

SPAO signed an official sponsorship agreement with the Korean Paralympic Committee to design and supply the official uniforms for the opening and closing ceremonies of the 2024 Paris Paralympic Games. The uniforms showcase a modern reinterpretation of traditional Korean culture. The jacket's design draws inspiration from the gonryongpo (royal robe) worn by King Taejo, the founder of the Joseon Dynasty. The unisex fedora features a taeguk-patterned band, symbolizing Korea's heritage. To ensure functionality, the uniforms were tailored to meet the needs of athletes who use wheelchairs, prosthetics, or other assistive devices. Adjustments were made to the placement of pockets, zippers, and Velcro to accommodate diverse body types and enhance comfort.



#### • Partnership with Developmental Disability Training Centers

SPAO has supported employment training for individuals with developmental disabilities since 2014 and established a pioneering model for directly hiring people with disabilities. To further improve the employment environment for individuals with disabilities, SPAO formed a partnership in 2016 with the Seoul Developmental Disability Training Center under the Korea Employment Agency for Persons with Disabilities. Through this collaboration, SPAO has been training and hiring individuals with developmental disabilities for store support roles. The partnership has since expanded to include 10 developmental disability training centers nationwide, underscoring SPAO's continued dedication to this initiative. SPAO's ongoing commitment to this initiative. Between 2023 and 2024, SPAO hired an additional 14 individuals with severe disabilities and provided one-on-one mentoring along with a dedicated communication hotline for support. SPAO is committed to further expanding training and employment opportunities for individuals with developmental disabilities, aiming to achieve its goal of employing at least one person with a disability at every store nationwide.





# Embracing Perspectives



The realization of a company's vision depends on its members, and the healthy organizational culture they foster together is a vital factor for sustainable growth. On March 27, 2024, E-Land World officially introduced the "Fashion Organizational Culture Innovation TFT." This initiative is rooted in the shared belief that all employees must collaborate to drive innovation and strengthen the organizational culture to achieve the goal of becoming a leading fashion company. Reporting directly to the CEO, the Organizational Culture Innovation TFT actively gathers feedback from employees, identifies areas for improvement, and strives to build a workplace where everyone can take pride in their roles.



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# Fostering Competitiveness Through Healthy Organizational Culture

## Building a Bottom-Up Organizational Culture

E-Land World is dedicated to fostering a fundamentally healthy organizational culture that transcends surface-level changes, driven by its Organizational Culture Innovation TFT. This initiative seeks to create a more open corporate environment where employees can take pride in their work and enjoy their workplace experience.

The first step in realizing this vision was adopting a “bottom-up” approach to organizational culture, ensuring that the voices of younger employees are actively reflected in corporate operations. To achieve this, E-Land World encouraged voluntary participation in forming the TFT and structured the team to include diverse members from various departments and organizational levels. Working collaboratively, the TFT held regular town hall meetings, providing a platform for employees to share their ideas freely, regardless of rank. Between March and June 2024, the team convened six times, meeting twice per month to discuss key issues. As a result of these efforts, a “Half-Day Leave Registration System” was introduced, and a “Pre-Approval System for Overtime Work” was implemented to curb unnecessary overtime.



## Organizational Culture Innovation TFT Milestones

- March 27, 2024** Official launch of the 2024 Fashion Organizational Culture Innovation TFT and the first meeting  
1) Received 63 proposals through the pre-meeting questionnaire, “Ask Anything About Organizational Culture”  
2) Discussed topics related to “vacation,” including collective annual leave and half-day leave policies
- March 14, 2024** Second meeting – Discussed “culture” topics, including internal events such as the sports day and song festival
- March 28, 2024** Third meeting – Continued discussions on “culture” topics
- April 18, 2024** Fourth meeting – Focused on “work policies,” covering topics such as refresh leave, flexible work arrangements, and overtime policies
- May 16, 2024** Fifth meeting – Discussed “work policies and employee benefits,” including refresh leave and alternative ways to motivate employees
- June 5, 2024** Sixth meeting – Addressed “work environment” topics, including office supplies, office hygiene, and Q&A on office relocation

## Organizational Culture Innovation TFT Achievements

**Launch of the half-day leave registration system**

Addressed feedback emphasizing the need for a “half-day/quarter-day leave system with clear guidelines” and prioritized its development to ensure successful implementation

**Increased flexibility in collective annual leave usage**

Responded to concerns that “the collective annual leave system limits employees’ flexibility in using leave” by eliminating pre-assigned collective annual leave days and implementing a process for registering them only as needed

**Implementation of the overtime pre-approval system**

Developed a system requiring employees to apply in advance for overtime work, effectively reducing unnecessary late-night hours

**Voluntary participation in sports day events**

Shifted the approach to company events, opting for voluntary participation instead of mandatory assignments, reducing negative feedback

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# Environment



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# Advancing Environmental Management

## APPROACH

### Environmental Management Policy

E-Land World is deeply committed to environmental preservation and conducts all business activities with a focus on environmental management. To fulfill this commitment, the company has established policies that comply with domestic and international regulations as well as societal expectations. Furthermore, E-Land World invests heavily in eco-friendly materials and advanced production technologies to progressively minimize the environmental impact of its products.

### Environmental Management Strategy

E-Land World has developed and implemented company-wide strategies to achieve effective environmental management. The company monitors energy consumption within its operations, formulates reduction measures, and practices sustainable management by incorporating resource circulation throughout the product lifecycle. Through this, it actively contributes to environmental protection. Recognizing that environmental preservation is the foundation of sustainable corporate growth, E-Land World is committed to systematically carrying out key initiatives to protect the environment.

## PERFORMANCE

### Participation in Environmental Management Initiatives

On August 24, 2022, E-Land World participated in the “Green Fashion Initiative Joint Declaration” at a policy forum hosted by the Ministry of Trade, Industry, and Energy. The forum focused on sustainability transformation (SX) in the textile and fashion industry. Discussions centered on promoting eco-friendliness and reducing carbon emissions in Korea's fashion sector, highlighting E-Land World's pivotal role in spearheading this shift and driving the transition toward a sustainable fashion industry.

\* Key companies involved in the Green Fashion Initiative Declaration  
E-Land World, Kolon Industries, Youngone Corporation, LF, Handsome, Fila Korea, Giordano, Shinsung Tongsang, K2 Korea, F&F, BYN Black Yak, Shinwon.

#### Green Fashion Initiative Declaration

Companies involved in the “Green Fashion Initiative Declaration” recognize the vital role of the fashion industry in proactively and voluntarily addressing the climate crisis and paving the way for a sustainable future. Companies involved in the “Green Fashion Initiative Declaration” pledge to take the following actions to fulfill their responsibilities as key contributors to a sustainable global fashion industry.

- 1. Actively support and participate in achieving carbon neutrality, acknowledging its critical role in combating climate change.
- 1. Continue expanding the use of eco-friendly materials and actively develop and implement recycling measures for textile and fashion products.
  - \* This includes raising the proportion of eco-friendly materials to over 30% by 2030, encouraging upcycling, and reducing overproduction through 3D sampling, along with other initiatives.
- 1. Strengthen the company's ESG initiatives to build a sustainable future. This involves engaging with consumers, promoting social value, and fostering a virtuous cycle that prioritizes environmental sustainability.

August 2022



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# Mitigating Environmental Impact of Products

## APPROACH

### Strategy for Mitigating Environmental Impact of Products

E-Land World has developed eco-friendly materials and adopted production methods that reduce electricity and wastewater usage to minimize the environmental footprint of its clothing products. The company also seeks to reduce resource waste and support environmental protection by producing upcycled products from recycled materials.

E-Land World has set a goal to increase the use of eco-friendly materials in SPAO denim products to 100% by 2025. To achieve this, the company plans to systematically implement step-by-step initiatives, delivering sustainable products that prioritize both environmental protection and quality.



### R&D Investment in Eco-Friendly Product Development

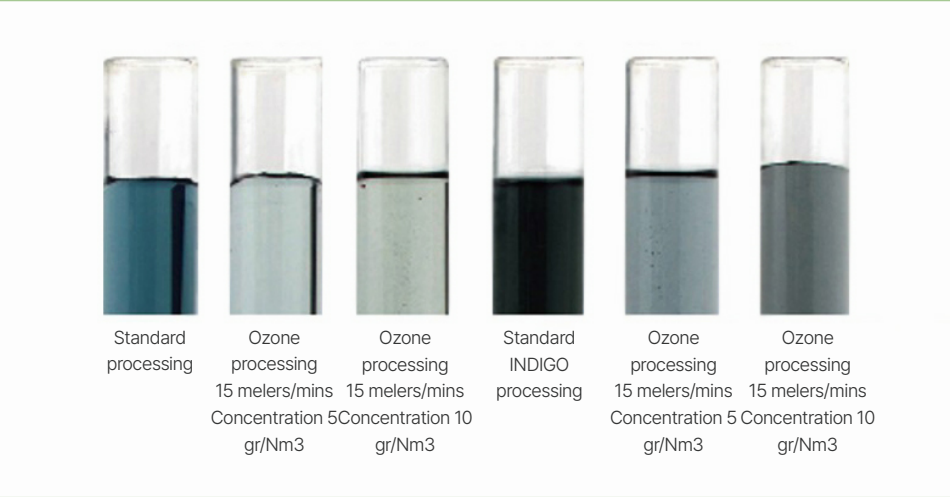
E-Land World has consistently invested in R&D to develop environmentally friendly materials. A notable milestone was its acquisition of the Vietnamese state-owned company Thanh Cong in 2009. Thanh Cong serves as a key production hub for E-Land Fashion and operates as a textile R&BD (Research & Development + Business) center, integrating research with business. This model allows manufacturers to directly develop and implement new technologies in the production process. Every year, Thanh Cong collaborates with leading global material companies to develop new materials. Key achievements include Eco-PET and Eco-WOOD yarns, which are widely used in E-Land World's fashion brand products. Eco-PET uses recycled PET bottles as its primary raw material, while Eco-WOOD uses waste wood. Notably, Eco-WOOD is produced using an eco-friendly process that minimizes the use of harmful substances during the waste wood processing stage.

The successful application of eco-friendly materials at its overseas production base is now being extended to the Magok Global R&D Center in Korea. Through this, E-Land World aims to grow the Magok Global R&D Center into one of the world's leading fashion research facilities.

### Advancing Technology for Eco-Friendly Product Development

E-Land World has implemented Sustainable Ozone Technology in its SPAO and WHO.A.U denim products. Traditional denim production, a persistent challenge in the fashion industry, relied heavily on chemicals to achieve its signature colors and required approximately 7,000 liters of water to repeatedly rinse a single pair of jeans during production. This process led to both excessive water consumption and significant environmental pollution, longstanding challenges in the fashion industry. By utilizing ozone-based oxidation, Sustainable Ozone Technology dramatically reduces water usage and prevents chemical-induced environmental pollution around production facilities.

### Rinse Water Appearance 10 Minutes After Cold-Water Washing



Water washing test using Sustainable Ozone Technology

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# Mitigating Environmental Impact of Products

## PERFORMANCE

### Development of Eco-Friendly Raw Materials

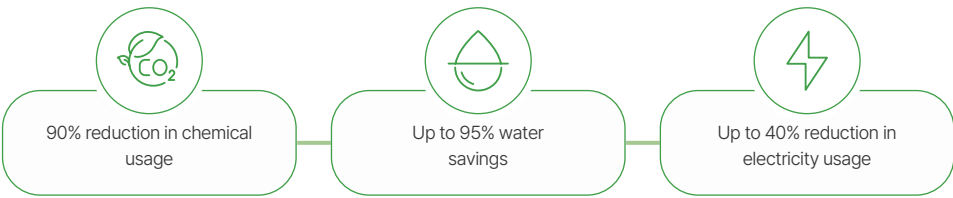
E-Land World focuses on creating materials that balance sustainability and functionality. A standout example is Sorona, used in the NB Frozen Collection, a cooling summer product line from New Balance. Sorona is a bio-based synthetic fiber produced by blending terephthalic acid (TPA), a petroleum-derived raw material, with a corn starch-based ingredient during polyester manufacturing. This material reduces reliance on petroleum-based resources, cutting energy consumption by 30% and lowering greenhouse gas emissions by up to 63% compared to traditional nylon polymers.

E-Land World has also developed Duck Fiber and Flower Down as eco-friendly filling materials for winter down products. Duck Fiber is made by recycling fine feathers that were previously discarded during the conventional duck down production process. Enhanced with E-Land World’s advanced technology, this material offers improved softness and volume. Flower Down serves as an eco-friendly alternative to traditional goose down, combining plant-based and recycled materials. It consists of fibers extracted from kapok fruit (20%) and recycled duck and goose down (80%), offering both lightweight and highly effective insulation.

### Development of Eco-Friendly Products

E-Land World has introduced a range of products aimed at reducing water and energy consumption during production. For instance, SPAO’s Eco Linen lineup is manufactured using the Eco Innovation Washing technique, which reduces water usage by up to 99%, and the "Nano Bubble Tech" process, which decreases energy consumption during washing by more than 70%. Additionally, SPAO’s Eco Denim and WHO.A.U’s ESG Denim collections utilize Turkish ISKO and KIPAS materials, which are highly biodegradable with excellent color vibrancy and durability. By incorporating Sustainable Ozone Technology, these products have achieved a 95% reduction in water usage, a 90% reduction in chemical use, and a 40% reduction in electricity consumption compared to traditional washing methods. As of the 24FW season, 51% of the total fabric orders for SPAO and WHO.A.U denim lines consisted of these sustainable materials, with plans to further increase this percentage in the future.

### Sustainable Ozone Technology



### Proportion of Sustainable Fabric Used in 24 FW SPAO Denim

Categor	TOTAL			Male			Female		
	Fabric Order Volume	No. of Styles	No. of SKUs	Fabric Order Volume	No. of Styles	No. of SKUs	Fabric Order Volume	No. of Styles	No. of SKUs
Category	189,199	25	49	96,499	13	26	92,700	12	23
Proportion (%)	51	76	51	57	76	54	45	75	47

New Balance’s Green Leaf line showcases products that prioritize sustainability by integrating eco-friendly materials and manufacturing processes. This line incorporates over 50% sustainable materials in its apparel and footwear, all while maintaining high standards of design and functionality. The iconic New Balance 574 model is part of the Green Leaf line, featuring 100% bio-foam and recycled polyester mesh to reduce carbon emissions.

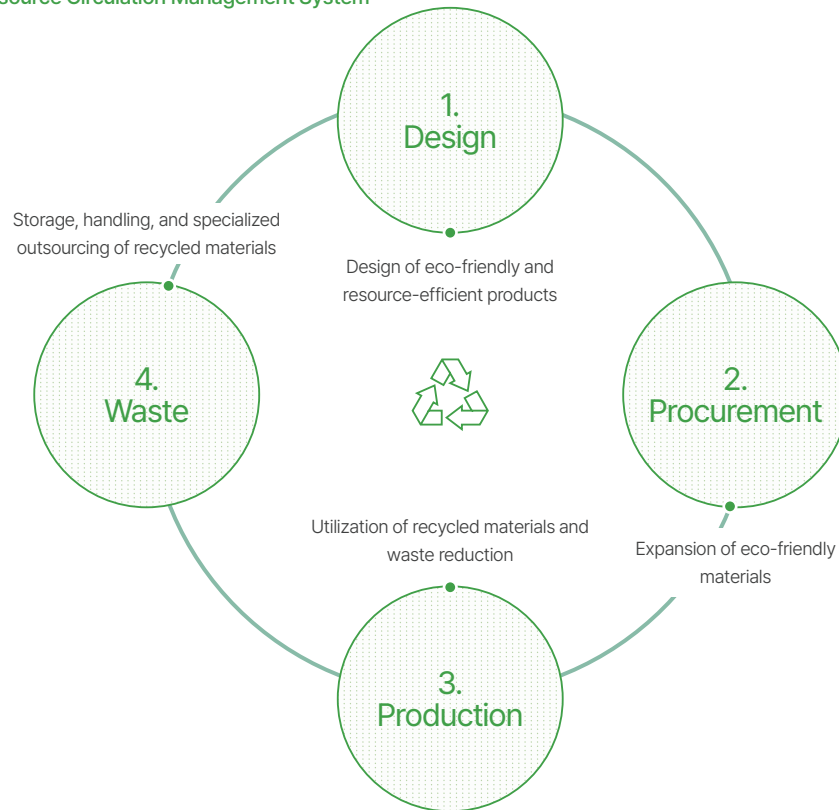
# Resource Circulation and Waste Management

## APPROACH

### Resource Circulation Management

E-Land World has developed resource management guidelines aimed at reducing the environmental impact of its business operations, prioritizing resource efficiency across the entire product lifecycle. By incorporating eco-friendly materials, designing for resource efficiency, and reducing waste through procurement, production, and recycling, the company is fostering a virtuous cycle of sustainable resource management.

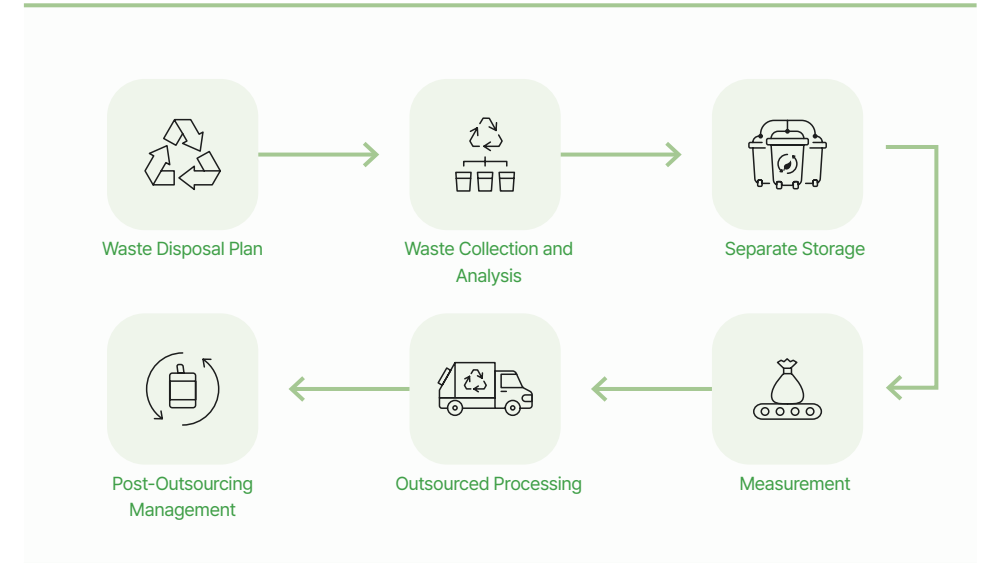
### Resource Circulation Management System



### Waste Management

Waste management is a key challenge in the environmental aspects of the fashion industry, highlighting the need to establish systems for resource reuse. To address this, E-Land World has implemented a circular economy model, focusing on recycling and waste minimization from the product design stage. When waste is generated, recyclable materials are prioritized, sorted, and stored for reuse as raw materials in production. Non-recyclable waste designated for incineration is handled by specialized waste management contractors.

### Waste Management Process



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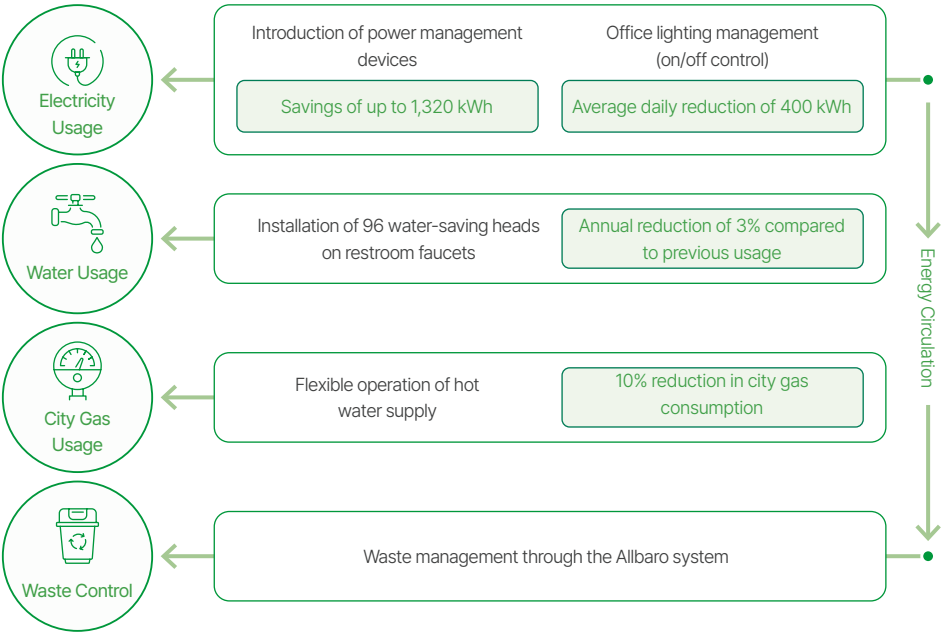
# Resource Circulation and Waste Management

## PERFORMANCE

### Energy Management

E-Land World is actively pursuing energy sustainability through various initiatives. To maximize energy efficiency, the company tracks energy consumption within its organizational boundaries to enable accurate forecasting and develop reduction strategies. At its headquarters, electricity, water, and heating usage is monitored daily, weekly, and monthly, based on factors such as staff presence, seasonal changes, time, and specific conditions. When increased consumption is detected, the company investigates the cause and seeks ways to conserve energy. E-Land World remains committed to continuously improving its energy-saving systems to achieve both economic efficiency and environmental stewardship.

### Energy Management Activities



### Magok Global R&D Center

Completed in January 2024, E-Land's Magok Global R&D Center is classified as a building required to submit an energy-saving plan under Article 14 of the Green Building Construction Support Act, supporting the government's 2030 greenhouse gas reduction targets. The center consists of five underground levels and ten above-ground floors, with a total floor area of 250,000 m<sup>2</sup>, and will serve as the central hub for E-Land Group's key subsidiaries. In March 2024, the building obtained a preliminary certification for a 1+ grade in building energy efficiency under the Seoul Green Building Design Standards. In April, it also received the Green Building Certification with a Grade 2 (Excellent).



Magok Global R&D Center

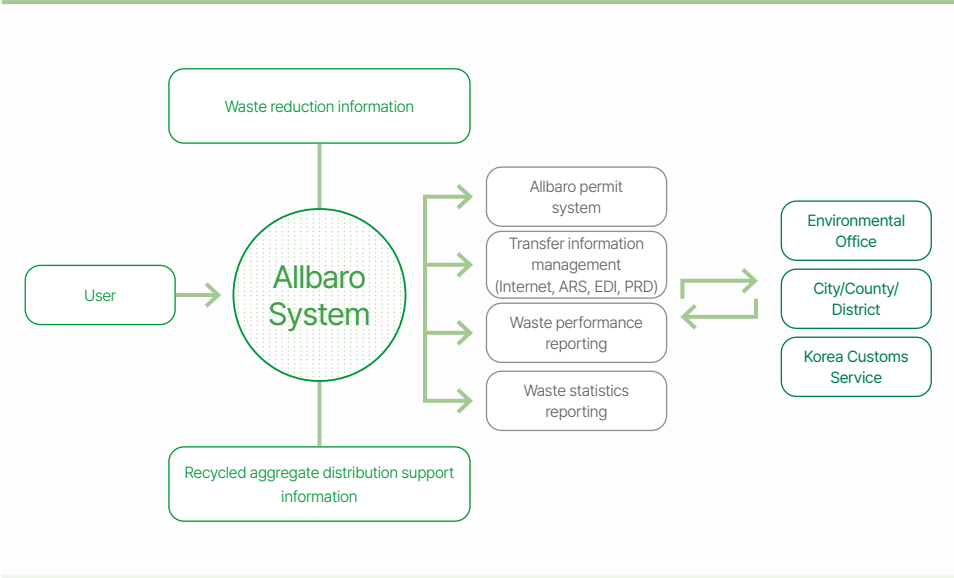
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# Resource Circulation and Waste Management

## Waste Management

E-Land World uses the Allbaro system to reduce waste generation and promote resource circulation while complying with waste management laws and regulations. The Allbaro system is an integrated waste management platform that enables real-time monitoring and oversight throughout the entire process, from waste generation to transportation and disposal. This system ensures transparent reporting of waste generation and verifies that all waste is disposed of properly and in accordance with regulations.

### Allbaro System Process



## Resource Circulation Activities

### New Balance Reusable Upcycled Bag

E-Land World's New Balance offers upcycled bags crafted from reusable materials through its online store as a membership tier benefit. Targeting "greensumers" who prioritize sustainable consumption, the New Balance Reusable Bag has gained attention for promoting upcycling and transforming recycled materials into practical, innovative products.



The New Balance Reusable Bag is a prime example of upcycling in practice

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# Strengthening Human Rights Management

## APPROACH

### Human Rights Management Principles

Respecting and protecting human rights are fundamental core values for achieving sustainable development. To support this, E-Land World has defined three core principles of human rights management: “mutual respect,” “ethical living,” and “fair treatment.” The company strives to foster a culture of respect for human rights across all aspects of its business operations and supply chain.

Category	Details	
	Mutual Respect	Foster mutual respect and use courteous language in interactions between partners and employees.
	Ethical Living	Avoid inappropriate personal conduct and sexual harassment while maintaining an honest and modest lifestyle.
	Fair Treatment	Provide equal growth opportunities regardless of gender or background and take responsibility for work outcomes.

### Human Rights Management Policy

E-Land World has implemented a human rights management policy aligned with global standards, including the United Nations (UN) Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights. The policy covers key areas such as the “prohibition of gender discrimination,” “prohibition of discrimination against people with disabilities,” “prevention of workplace sexual harassment and appropriate actions in response,” and “prohibition of workplace bullying with measures to address incidents.” E-Land World is dedicated to ensuring that all stakeholders are treated equally, without discrimination, and that their rights and freedoms are fully upheld.

Category	Details
Prohibition of gender discrimination	<ul style="list-style-type: none"><li>• Prohibit gender discrimination in employee assignments, promotions, and training</li></ul>
Prohibition of discrimination against people with disabilities	<ul style="list-style-type: none"><li>• Eliminate workplace bias against individuals with disabilities</li><li>• Increase hiring of employees with disabilities</li><li>• Participate in disability awareness training</li></ul>
Prevention of workplace sexual harassment and response measures	<ul style="list-style-type: none"><li>• Participate in workplace sexual harassment prevention training</li><li>• Establish a grievance committee with a confidentiality policy</li><li>• Prevent sexual harassment by customers or others</li></ul>
Prevention of workplace harassment and response measures	<ul style="list-style-type: none"><li>• Prohibit acts that cause physical or mental distress or deteriorate the working environment</li><li>• Participate in workplace harassment prevention training</li><li>• Protect affected employees, maintain confidentiality, and prohibit unfair treatment</li></ul>

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# Strengthening Human Rights Management

## PERFORMANCE

### Employee Training and Awareness Building

E-Land World regularly conducts various human rights-related training programs to raise employee awareness and promote human rights principles. Each year, the company provides a one-hour disability awareness training session aimed at preventing workplace discrimination, fostering mutual understanding between employees with and without disabilities, and fostering a culture of respect for people with disabilities. In addition, sexual harassment prevention training is offered to educate employees on relevant laws, grievance counseling, and remedial procedures. Workplace harassment prevention training focuses on defining workplace harassment, identifying its forms, and providing guidance on appropriate responses and support in the event of incidents. E-Land World will continue to improve its training programs in line with its human rights management objectives, fostering a sustainable workplace where all employees can work safely and maintain their well-being.

### Engagement with Management

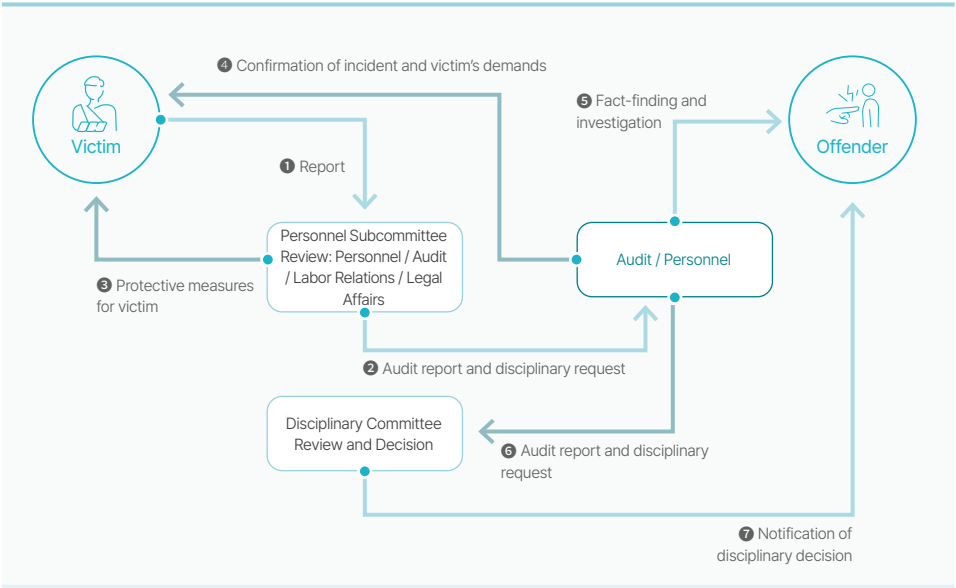
E-Land World organizes monthly communication sessions with executives, including the CEO. These sessions, conducted both online and offline, serve as a platform to review business performance, share successful marketing strategies, and discuss growth plans across different divisions. In particular, discussions with the CEO focus on topics such as “delivering customer value,” “growth strategies in adapting to change,” and “future vision,” all rooted in the company's management philosophy, which contributes to fostering a healthy corporate culture.

### Operation of Grievance Handling Channels

E-Land World operates grievance handling channels to protect employee rights and address issues such as workplace harassment, sexual harassment, and other human rights violations. Whistleblowers can report incidents through various channels, including the “E-Land Reporting Box” available via the online reporting center and mobile app, as well as email or phone.

All reports are immediately forwarded to the Audit Office, which initiates a response process. A personnel subcommittee, consisting of relevant departments such as HR, audit, labor relations, and legal affairs, is assembled to review the case. The subcommittee collaborates with the audit and HR departments to conduct a prompt and thorough investigation, typically within seven days. Confidentiality is strictly maintained throughout the process, with the protection of the whistleblower's personal information given top priority. Upon completing the investigation, specific measures are implemented to resolve the issue. Strict disciplinary action is taken against the offender, while the victim is informed of the outcome and, if necessary, provided with follow-up measures to prevent recurrence.

### Grievance Handling Process



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# Talent Acquisition and Development

## APPROACH

### Talent Acquisition and Development Strategy

E-Land World firmly believes that its people are its most valuable asset for the future and actively works to enhance employee skills and competitiveness. The company has built a recruitment and talent development system rooted in its four core values: sharing, rightness, growth, and serving. Recruitment is conducted through a fair and transparent process to ensure that no candidate faces disadvantages due to non-job-related factors such as gender, age, or background. Since 2022, the company has implemented an “internal referral recruitment” system to identify individuals aligned with E-Land World's vision and organizational culture, with notable success.

For new hires, an onboarding program is provided to help them quickly adapt to the corporate culture and settle into a stable work environment. Additionally, all employees have access to customized training programs tailored to their roles and positions, focusing on improving job performance and leadership skills. E-Land World is committed to continuously unlocking the potential of its employees, fostering a culture of growth where everyone can thrive.

### Talent Management Strategy

1	E-Land World offers employees a variety of high-quality educational opportunities and develops young global CEOs through its 3×5 CDP system.* * 3×5 CDP (Career Development Path) System: A personnel system that enables promotions every three years across five levels
2	In 2011, marking its 30th anniversary, the company introduced one of the industry's most competitive salary systems. This performance-based annual salary system, which includes base salary, achievement-based pay, and performance bonuses, fosters a sense of pride among employees.
3	Since its founding, E-Land has consistently organized cultural activities, such as Song Festivals, family retreats, company-wide sports events, and Gimhap Year-End Gatherings.
4	E-Land adheres to high ethical management standards, ensuring that employees can work with integrity.
5	Through its internal job posting system, employees can explore opportunities across various industries and roles, including fashion, retail, hospitality, food service, IT, construction, and welfare foundations.

### Diversity-Driven Recruitment

E-Land World is dedicated to fostering a recruitment culture that values diversity and strictly prohibits discrimination based on gender, social status, disability, or race to secure top talent for future competitiveness. In 2014, the company introduced a recruitment system for individuals with disabilities, providing additional points during the hiring process for individuals with disabilities and veterans. Through these efforts, E-Land World not only met the required direct hiring ratio for individuals with disabilities but also received the Iron Tower Order of Industrial Service Merit at the 2019 Disability Employment Promotion Conference organized by the Korea Employment Agency for Persons with Disabilities. In 2010, the company was also recognized as a gender-equal workplace.

### Talent Recruitment Process

Step	Description
1. Document Screening	Review and assess applicants' documents to identify candidates aligned with the recruitment plan and select those who qualify
2. Job Aptitude Test (ESAT)	Evaluate candidates' organizational adaptability and job suitability through assessments of personality, language, and numerical reasoning
3. Practical Interview	Conduct a one-stop interview with the working-level team using various methods to evaluate candidates' skills, values, and potential for growth
4. Final Interview	Conduct a one-on-one interview with management for candidates who pass the practical interview

#### 2024 E-Land World Fashion Division Internal Referral Recruitment

**Do you know someone you'd like to work with in E-Land World's Fashion Division?**

We have an internal referral system where anyone can recommend outstanding supervisors or colleagues they'd like to work with. If the recommended person is hired, the referrer will receive a reward of up to KRW 1 million.

Program Duration

January 2, 2024 (Mon) – December 31, 2024 (Sun)

How to Make a Referral

01. Click on the poster image to view the positions currently open for internal referral.  
02. Review the available positions, click the Google Form link at the top, and complete the referral survey.

Referral Reward

Staff level and below

KRW 500,000

Manager level and above

KRW 1,000,000

Internal Referral Q&A

**01. What are the criteria for receiving the referral reward?**  
50% of the reward is paid after the referred person joins the company. The remaining 50% is paid if the referred person remains employed six months after their start date.

**02. When is the referral reward paid?**  
The reward is issued on the payday (25th) of the following month after the referred person completes their probationary period and transitions to regular employment.

**03. Is the reward amount paid after tax deductions?**  
The reward amount is pre-tax and will be issued after deducting withholding taxes in accordance with the Income Tax Act and other relevant regulations.

**04. Does the referral reward apply to internal job postings?**  
The reward applies only to referrals for external candidates (experienced hires) and not for internal job postings.

# Talent Acquisition and Development

## PERFORMANCE

### Talent Development Enhancement Program

E-Land World aims to nurture top-tier talent that drives sustainable growth and remains dedicated to supporting the development and advancement of its employees. The company provides customized training programs tailored to each position and role, reflecting diverse job responsibilities and personal growth goals. Looking ahead, E-Land World plans to expand opportunities to enhance employees' competitiveness in an ever-evolving business landscape.

### Position-Specific Training Programs

The EBG Training (E-Land Business Golden Rule) is a tailored program designed for employees at different levels. For new hires, it focuses on building foundational job skills and fostering a deeper understanding of company culture. For experienced employees and newly promoted leaders, it emphasizes enhancing leadership and problem-solving abilities.

### EBG Training



New employee orientation



Training for onboarding experienced hires

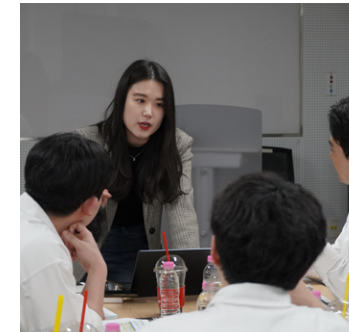
### Job Competency Training

E-Land World offers a variety of online and offline training programs to enhance their employees' job skills and ensure they stay aligned with rapidly changing industry trends. Key initiatives include language programs for developing global talent and the "Production School," which is designed to strengthen expertise in production roles. Through these initiatives, employees gain insights into the latest industry trends and acquire the specialized knowledge and skills needed for their respective departments.

### Job Competency Enhancement Programs



E-Land World also offers "Store Manager Candidate Training" to cultivate key leaders in store operations. Through this program, participants systematically acquire essential skills for fieldwork, including store management, sales analysis, inventory control, and visual merchandising (VM). For brand leaders, the "Senior Store Manager Training" provides advanced courses in performance management and leadership, preparing them to excel as store operation leaders.



On-site store manager onboarding



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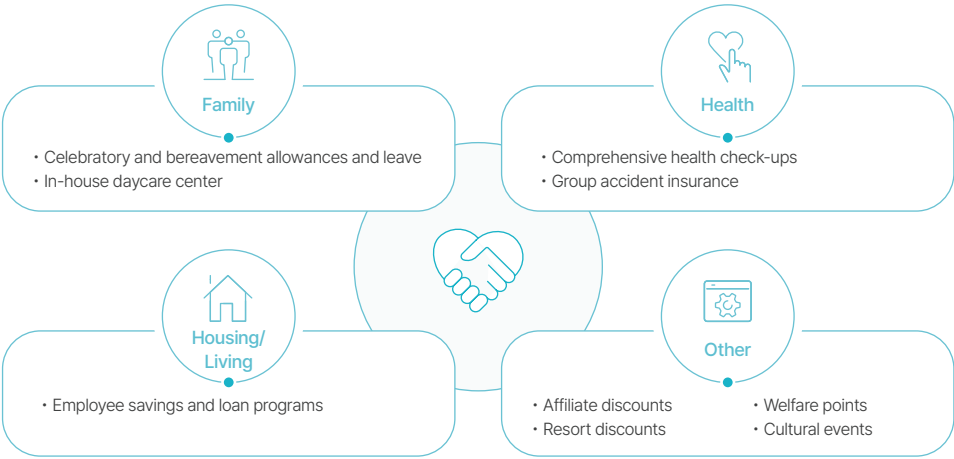
# Talent Acquisition and Development

## Welfare benefits

### Employee Welfare System

E-Land World offers a range of welfare programs to promote a healthy work-life balance and a fulfilling lifestyle. To support physical and mental well-being, the company provides comprehensive health check-ups and operates an in-house daycare center to help employees balance work and family responsibilities. Additionally, financial support programs such as savings and loan assistance, along with resort discounts for leisure activities, are available. All welfare benefits are equally accessible to all employees, whether full-time or contract.

### Welfare Policy



## Retiree Support

E-Land World offers a retiree support system to help mid-career employees prepare for the next phase of their lives. The program is designed to facilitate career transitions and ensure financial stability, promoting continued growth and well-being.

### Purpose and Expected Outcomes of the Retiree Support System

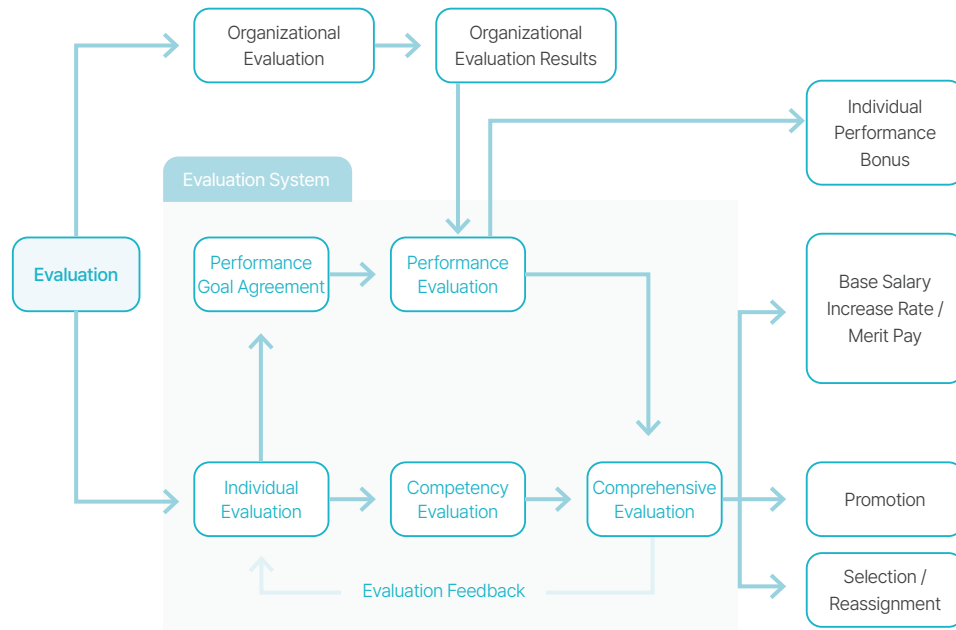
Category	Details
Company	<ul style="list-style-type: none"><li>Facilitating smooth organizational transitions</li><li>Systematizing the retirement process</li><li>Fulfilling corporate social responsibility</li><li>Reducing potential legal disputes and social issues</li></ul>
Mid-Career Employees (45 and older)	<ul style="list-style-type: none"><li>Alleviating anxiety and stress associated with retirement</li><li>Supporting a positive and forward-looking retirement preparation</li><li>Fostering personal growth and long-term well-being</li></ul>
Organizational Culture	<ul style="list-style-type: none"><li>Enhancing productivity and morale</li><li>Improving job and organizational engagement</li><li>Increasing trust and satisfaction within the organization</li><li>Minimizing concerns about job security and future uncertainties</li></ul>

# Talent Acquisition and Development

## Evaluation and Compensation

E-Land World has established a committee to ensure the transparent evaluation of employee performance and capabilities. Following a structured evaluation process, feedback is provided to motivate employees to achieve their goals and promote growth. The company has also implemented a performance-based compensation system, offering rewards such as bonuses and promotions to outstanding employees. Moving forward, E-Land World will continue to improve its evaluation and compensation framework to encourage active participation and instill a sense of pride in all employees.

### Evaluation Process



## Employee Communication

E-Land World is committed to creating a positive organizational culture by promoting open communication and strengthening bonds among employees. Real-time communication is facilitated through various channels, such as the intranet and messenger platforms, accessible to all employees. Additionally, the company organizes diverse cultural events, including corporate clubs, YouTube content creation, volunteer programs, sports competitions, and song festivals, to foster teamwork and collaboration.



In-house clubs and volunteer activities



# Ensuring Workplace Safety

## APPROACH

### Safety and Health Management Policy

At E-Land World, employee safety and well-being are top priorities, and the company is committed to creating a secure workplace. In 2022, E-Land World introduced a safety and health management policy to ensure a healthy and comfortable work environment where employees can work confidently and safely.

### Safety and Health Management Policy

The E-Land World Fashion Division considers safety and health as core values and is dedicated to enhancing employee well-being and preventing workplace accidents through continuous improvement and support.

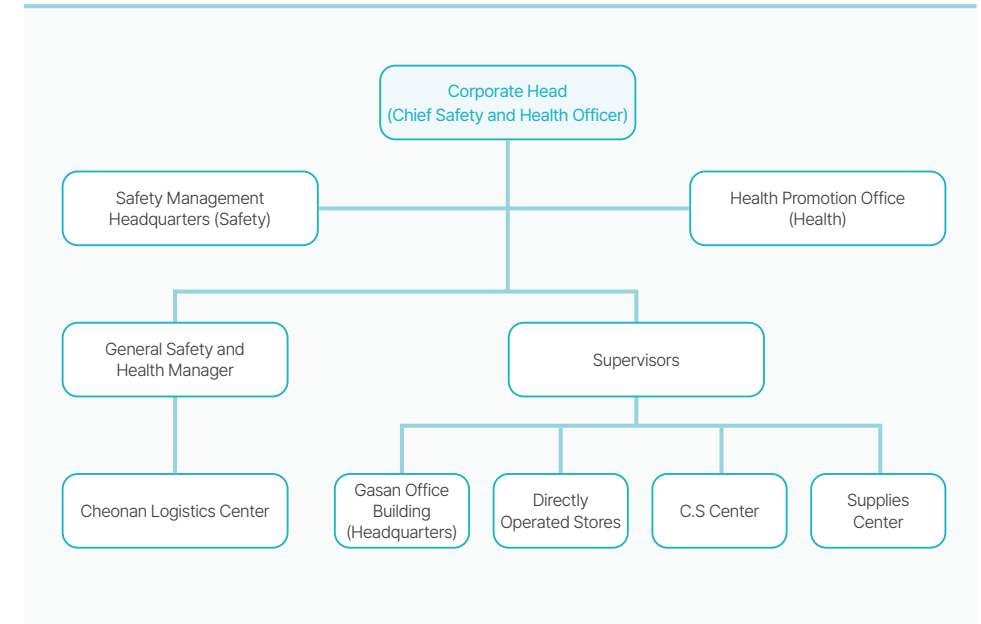
- ① Ensure compliance with the Occupational Safety and Health Act and other relevant regulations, making every effort to elevate safety and health standards.
- ② Minimize hazardous conditions and risks to prevent accidents and maintain a safe, comfortable work environment.
- ③ Make safety and health responsibilities a priority for all employees, establish effective communication channels, and provide education and training to encourage active participation in safety and health initiatives.
- ④ Set safety and health objectives and action plans, implement them, and conduct regular inspections and evaluations.

### Safety and Health Management System

#### Safety and Health Management Strategic Framework

E-Land World has implemented a safety management system to proactively identify and address potential risks. The Safety Management Headquarters, established in 2021, operates under the CEO's leadership and is responsible for ensuring compliance with the Occupational Safety and Health Act and the Serious Accident Punishment Act. It oversees all safety and health-related tasks, including workforce planning, budgeting, and establishing a robust safety and health management system. Additionally, specific standards have been established for high-risk work environments. The company conducts regular site inspections and provides specialized safety training to ensure the protection of both employees and customers.

### Safety and Health Management Organizational Chart



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# Ensuring Workplace Safety

## Industrial Safety and Health Committee

The Industrial Safety and Health Committee is a body composed of an equal number of employee and employer representatives that is tasked with managing and improving workplace safety and health. The committee convenes quarterly to discuss and review key issues, including the development of industrial accident prevention plans, the establishment of safety and health management regulations, work environment inspections, and strategies to prevent serious industrial accidents. These efforts form the foundation for the continuous improvement of the company's safety management processes.

### Industrial Safety and Health Committee Activity Summary

Category	Details
1st Quarter	1. Appointed supervisors and conducted group training; replaced employer representatives on the Industrial Safety and Health Committee 2. Conducted regular risk assessments for the first half of the year and introduced a QR-based system for collecting employee feedback 3. Implemented safety improvement measures (disposal of Type A ladders, enhanced lighting, and the installation of AEDs)
2nd Quarter	1. Replaced aging forklifts at the logistics center and introduced new safety equipment (red beam lights, voice alarms, warning beacons, battery racks with automatic fire extinguishers) 2. Implemented a safety compliance pledge and a permit system for hazardous tasks
3rd Quarter	1. Developed improvement measures based on the results of employee job stress surveys 2. Appointed an additional health manager 3. Scheduled group training sessions for employees who did not complete regular industrial safety and health education
4th Quarter	1. Developed improvement measures based on the results of employee job stress surveys 2. Appointed an additional health manager 3. Scheduled group training sessions for employees who did not complete regular industrial safety and health education

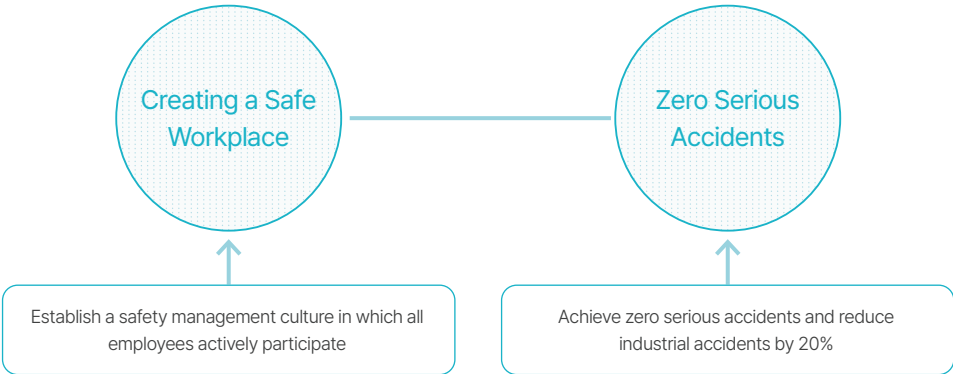
## Safety and Health Management Plan and Board Approval

E-Land World has developed a safety and health management plan to better fulfill its commitment to workplace safety and health. Following industrial safety and health-related laws and regulations, the company identifies and evaluates risk factors to establish priorities, with thorough consultation with employee representatives throughout the process. Once the objectives and response measures are finalized, the plan is submitted to the board for approval before being implemented. The progress and effectiveness of the plan are regularly reviewed and assessed, with the findings incorporated into the development of the following year's safety and health management plan.

### Safety and Health Management Plan Process



## 2024 Safety and Health Goals



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Ensuring Workplace Safety

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20% Reduction in Industrial Accident Rate for 2023

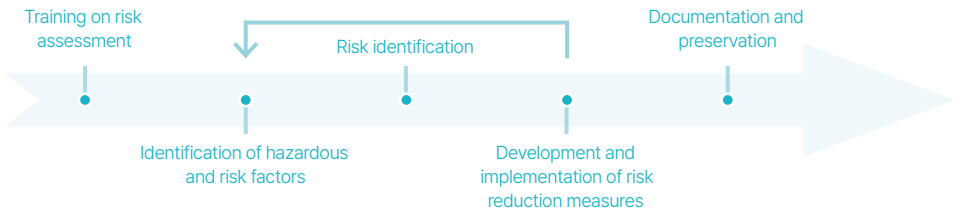
Category	2023	2024 Goals	Reduction target compared to previous year
Accident Fatality Rate	0%	0%	Maintain 0%
Accident Rate (Incidents)	0.15%	0.12%	Decrease by 0.03%
Accident Rate (Occupational Diseases)	0%	0%	Maintain 0%

Safety and Health Risk Management

Safety and Health Risk Assessment

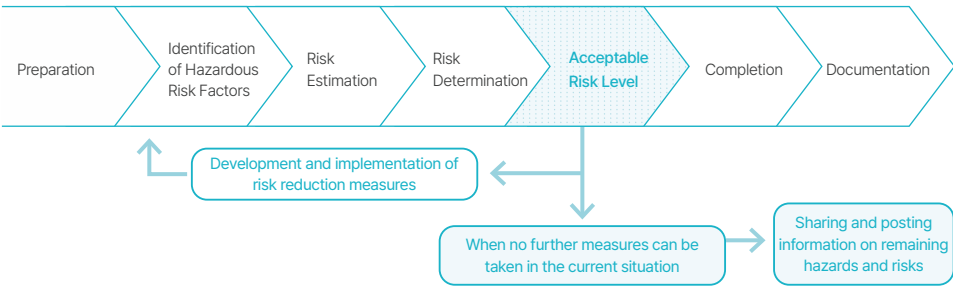
E-Land World regularly conducts risk assessments across all workplaces to systematically implement safety and health management. These assessments evaluate hazardous factors, the likelihood of safety incidents, their frequency, and potential outcomes, while incorporating employee feedback to develop improvement measures for identified risks. New stores are required to undergo a risk assessment within one month of opening. Tasks are classified as high-risk based on the workplace risk level, and enhanced countermeasures are implemented accordingly. Additionally, information on hazardous factors identified through these assessments is documented and preserved, serving as valuable reference material for developing recurrence prevention strategies.

Risk Assessment Management Process



Safety and Health Risk Assessment Process

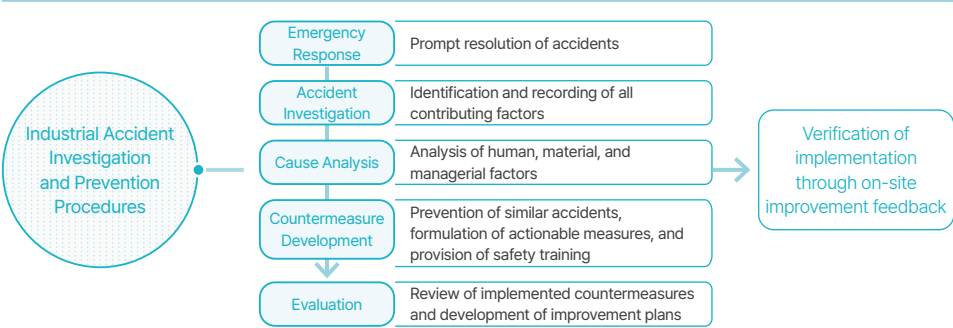
The risk assessment process consists of five key steps: preparation, identification of hazardous factors, risk estimation, risk determination, and the development and implementation of risk reduction measures. This process is not a one-time evaluation; it is repeated through all five steps until the risk level reaches an acceptable standard.



Recurrence Prevention Measures

In the event of an industrial accident, E-Land World immediately forms a rapid response team to handle the situation promptly. At the same time, the company conducts a thorough analysis of all contributing factors—human, material, and managerial—to develop measures aimed at preventing similar incidents. Safety and health supervisors create improvement plans based on these evaluations and ensure their effective implementation by providing relevant training and applying practical measures in the workplace.

Process for Recurrence Prevention Measures



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# Ensuring Workplace Safety

## Safety and Health Management Initiatives

### Establishment of Safety and Health Manuals and Training Programs

E-Land World continuously develops and revises safety and health manuals to promote the safety and well-being of its employees. Regular, customized training sessions are conducted based on these manuals to equip employees with essential safety and health knowledge, enabling them to respond effectively to hazardous situations in the workplace. Safety and health training for new hires is provided through online remote sessions to ensure they can focus on the training without disrupting their work. Job-specific training for supervisors at various locations, including the Gasan office, directly operated stores, and logistics centers, is tailored to the unique characteristics of each site. These sessions cover topics such as drafting and managing legal documents, responding to accidents, managing stores and warehouses, and conducting risk assessments. In 2023, the average safety and health training time per employee reached 24 hours, with a participation rate of 78%. E-Land World is committed not only to providing training but also to systematically managing completion rates and collecting employee feedback from various work environments to deliver more effective and practical safety and health programs.

### Safety and Health Training Program

Training Categories	Training Target	Training Duration
Regular Training	Headquarters staff	At least 6 hours per quarter
	Store employees	At least 3 hours per quarter
	Supervisors	At least 16 hours annually
Training Upon Hiring	New hires	At least 1 hour
		At least 8 hours
Training for Job Changes	Employees with significant changes in work duties	At least 1 hour
		At least 2 hours
Special Training	As per separate regulations	As per separate regulations

### Workplace Safety Management

E-Land World has implemented a safety management system to provide a safe working environment for employees at its directly operated stores and logistics centers and conducts regular inspections. The company has prepared legally required documents for each site and developed standardized management guidelines applicable to both stores and warehouses. These measures streamline on-site management while addressing any gaps in safety and health responsibilities that may arise from supervisory staff rotations.

In stores, repetitive handling of heavy items increases the risk of musculoskeletal disorders, while working on ladders poses a potential fall hazard. In logistics centers, accidents may occur from operating potentially dangerous machinery, such as conveyors and forklifts. To mitigate these risks, E-Land World conducts regular risk assessments and joint inspections at these locations to identify hazards and focus on improvement initiatives. Throughout this process, the company ensures that employee feedback is actively considered and incorporated.

### On-Site Walk-Around Inspections

E-Land World conducts regular walk-around inspections at worksites, including stores and logistics centers, to ensure safety and quality management. These inspections are conducted by a joint committee comprising members from various departments. The team evaluates the work environment, ensures compliance with safety regulations, and identifies potential hazards while gathering feedback to pinpoint areas for improvement. In addition, regular inspections are performed with the participation of experts to assess risks from multiple perspectives.



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# Ensuring Workplace Safety

## Employee Health and Wellness Initiatives

E-Land World offers health promotion programs to support the well-being of its employees. Each year, the company provides consultations with medical specialists based on employees' comprehensive health check-up results, and high-risk individuals are closely monitored using baseline health data. Additionally, the company runs various physical and mental health programs, including smoking cessation clinics, stress management, and depression support. For disease-related concerns, real-time response measures are shared via electronic bulletin boards and email. E-Land World also promotes a healthy work environment through initiatives like remote work policies and preventive health measures.



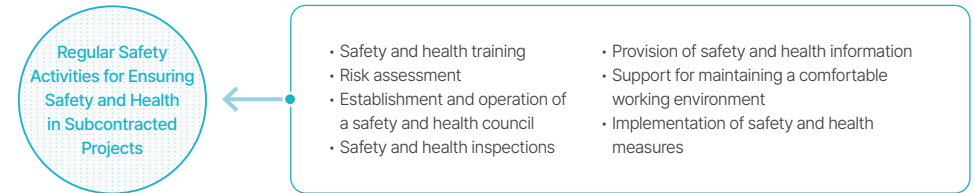
## Promoting Safety and Health Communication

E-Land World is committed to fostering a healthy work environment by actively engaging with its employees. The company identifies workplace hazards through an online QR code reporting system and collects employee feedback via written surveys to enhance safety and health policies and practices. Furthermore, decisions made by the Industrial Safety and Health Committee are transparently shared on the company's intranet. E-Land World remains dedicated to expanding communication channels to ensure employees' voices are heard and valued.

## Safety Management for Partner Companies

E-Land World views its partner companies not merely as part of a buyer-supplier relationship but as key collaborators in building a sustainable industrial ecosystem. To support this, the company has formed a subcontractor council to foster closer communication with its partners and provides assistance through safety and health inspections, evaluations, and related training. These initiatives are designed to help partner companies maintain safe and comfortable working environments.

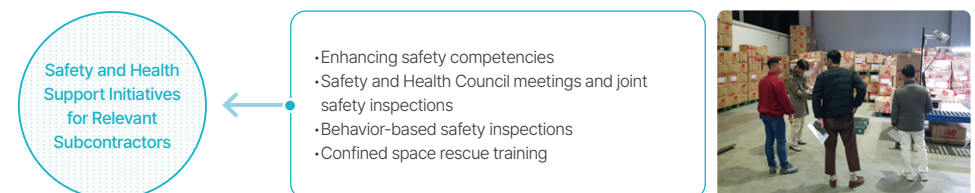
## Safety and Health Support Initiatives for Partner Companies



## Safety Management for Relevant Subcontractors

E-Land World recognizes that enhancing the safety and health capabilities of its relevant subcontractors is essential for securing corporate competitiveness and has undertaken various initiatives. The company conducts safety capability assessments for its subcontractors at least once every six months to provide continuous support for implementing necessary changes. Regular safety and health council meetings, along with joint safety inspections, are held to address concerns and establish safer workplaces through facility upgrades. To prevent unforeseen accidents on worksites, weekly behavior-based safety inspections are carried out. The findings are reported during safety and health council meetings, where improvement plans are developed and promptly executed. For confined space operations, semi-annual rescue training is conducted to strengthen the ability to respond quickly and safely to emergencies, ensuring effective rescue in critical situations.

## Safety and Health Support Initiatives for Relevant Subcontractors



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# Enhancing Quality Management and Customer Satisfaction

## APPROACH

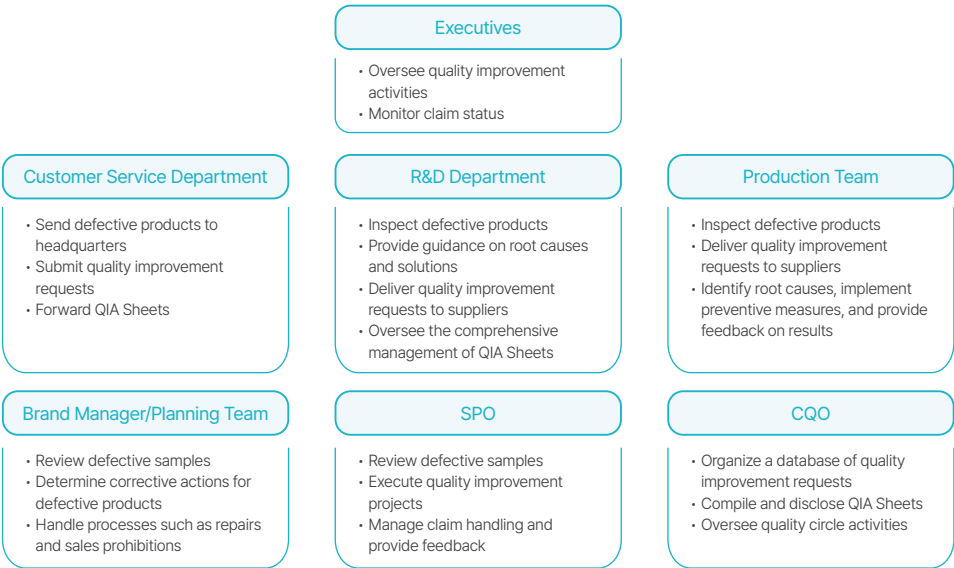
### Quality Management Framework

E-Land World has implemented a quality management system under the slogan “Everyone Enjoys Excellence,” with customer satisfaction as its highest priority. To achieve this, the company has established strict safety and quality standards and assembled a dedicated quality management team. This team provides thorough oversight of production processes, including step-by-step quality inspections and initiatives to reduce defect rates. E-Land World remains committed to continually enhancing its quality improvement systems to meet the high expectations of its customers.

### Organization of Quality Circle

E-Land World’s quality circle, overseen by company executives, consists of six key departments, including Customer Service, R&D, and Production. When a quality issue arises, executives and department representatives promptly identify the root cause and implement effective solutions to ensure a swift and efficient response.

### Quality Circle Organization Chart



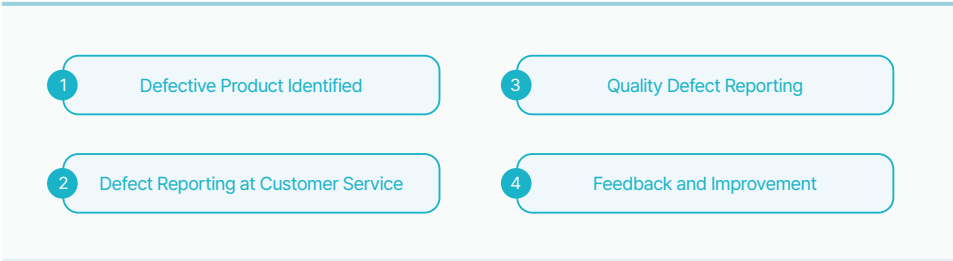
### Quality Management Activities

The quality circle performs step-by-step inspections throughout the production and shipment process, adhering to strict quality and safety standards. Weekly monitoring is conducted to document and analyze quality issues, with stricter management and oversight applied to brands and suppliers with a higher frequency of defects. For children’s products, in particular, both potential hazards and design elements are meticulously reviewed to prevent safety risks and ensure exceptional quality.

### Quality Assurance Operational Policy



### Quality Assurance Operating Process



# Enhancing Quality Management and Customer Satisfaction

## PERFORMANCE

### Enhancing Customer Service and Communication

E-Land World operates an online integrated customer feedback system and brand-specific customer service centers to address inquiries and report quality defects. Upon receiving a report, the customer service center sends the defective product to headquarters and shares the quality improvement request form and project plan (QIA Sheet) across the company to ensure prompt resolution. Through this meticulous management process, E-Land World upholds strict compliance with product and service regulations. As a result, the company has maintained a record of zero fines for violations related to safety, marketing, and labeling regulations over the past three years.



E-Land World's Integrated Customer Feedback Platform

### Partner Quality Management

E-Land World has implemented a quality management system for its manufacturing partners to enhance the quality of their products. During the product design phase, all E-Land World partners thoroughly analyze customer requirements to establish clear quality standards. An initial inspection is conducted before full-scale production begins to identify and address potential quality issues. Additionally, a final inspection of shipment samples is performed prior to delivery to ensure the products meet E-Land World's quality standards.

### Partner Quality Management Process



E-Land World ensures that all partner companies systematically adhere to its quality and safety standards. To support this, detailed checklists have been developed for each stage of the production process, including factory selection, raw material inspections, laundry testing, and final shipment inspections. Professional on-site inspectors regularly conduct evaluations using these checklists to maintain high standards.

### Safety and Quality Requirements for Partners

Safety Requirements	Quality Requirements	Functional Quality Standards
<ul style="list-style-type: none"> <li>• Key guidelines for KC testing</li> <li>• Safety standards for textile products</li> <li>• Safety standards for winter gear</li> <li>• Safety standards for leather goods</li> <li>• Safety standards for umbrellas and parasols</li> <li>• Safety standards for children's accessories</li> <li>• Synthetic resin products</li> <li>• General safety standards for children's items</li> <li>• Safety tests applicable to specific types of raw materials</li> </ul>	<ul style="list-style-type: none"> <li>• Quality standards for apparel raw materials</li> <li>• Quality standards for the washability of finished apparel products</li> <li>• Applicable products by category</li> <li>• Quality standards for accessories raw materials</li> <li>• Applicable products by item</li> <li>• Quality standards for raw materials</li> </ul>	<ul style="list-style-type: none"> <li>• Drying speed, absorbency, cooling effect upon contact, antimicrobial properties, thermal insulation, UV protection factor, deodorization, etc.</li> </ul>

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## Partner Quality Management Checklist

Factory Selection	<ul style="list-style-type: none"><li>• Factory registration standards</li><li>• E-evaluation</li></ul>
Raw Material Inspection	<ul style="list-style-type: none"><li>• Fabric</li><li>• Trim</li><li>• Material list</li></ul>
Laundry Testing	<ul style="list-style-type: none"><li>• Test standards</li></ul>
Approval Confirmation	<ul style="list-style-type: none"><li>• Document review</li><li>• Pattern review</li><li>• Sample review</li><li>• Sample production quantity standards</li></ul>
Product Inspection/Feedback	<ul style="list-style-type: none"><li>• Product extraction</li></ul>
Receiving Confirmation	<ul style="list-style-type: none"><li>• Reception</li><li>• Confirmation</li><li>• Quantity standards</li><li>• Feedback</li></ul>
Final Shipment Inspection	<ul style="list-style-type: none"><li>• Inspection methods</li><li>• Report standards</li></ul>

## Partner Quality Improvement Training

E-Land World offers quality training programs for partner company employees to help them consistently improve product quality and meet market demands. The training emphasizes a deeper understanding of E-Land World's quality and safety standards while addressing the root causes of product defects in the production process. Practical solutions are provided to prevent the recurrence of similar issues.



Quality management activities by on-site inspectors at partner companies



# Enhancing Quality Management and Customer Satisfaction

## INTERVIEW

E-Land World Fashion BG CS Center and E-Land Mall & Kidikidi CS Center



**Customer communication is the key to corporate competitiveness. Vision and Strategy of E-Land World's CS Team**



**E-Land World's CS team provides a range of services aimed at enhancing the customer experience. In addition to resolving issues promptly, the team collaborates with other departments when necessary to develop effective improvement plans. Moving forward, we will continue to strengthen customer communication through our Consumer-Centered Management (CCM) certification and remain committed to continuously improving product quality and service.**

### 1. What are the primary roles and responsibilities of E-Land World's CS team, and what principles are considered most important in carrying them out?

#### E-Land World Fashion BG CS Center

The CS team's main role and responsibility is to bring happiness and emotional satisfaction to our customers. To achieve this, we focus on identifying customers' pain points and strive to understand their concerns promptly and accurately. Rather than asking, "What went wrong?" we approach the issue from the perspective of "What failed to meet their expectations?"

#### E-Land Mall & Kidikidi CS Center

We provide a wide range of services to ensure that customers find value in their experience with E-Land World's online platforms. From membership registration, order processing, payment, and delivery to exchanges, we handle customer inquiries consistently according to standardized guidelines. For recurring issues, we maintain a resolution rate of over 95% within two days of receiving a complaint. Throughout this process, we communicate directly with relevant departments and sellers to ensure smooth and efficient problem resolution.

### 2. Explain how the CS team collaborates with other departments to improve quality and service.

#### E-Land World Fashion BG CS Center

The brand-specific CS team works closely with various departments to operate a daily VOC (Voice of the Customer) feedback system. When VOC feedback is received, the team requests root cause analyses from relevant departments and communicates the findings to the customer, ensuring appropriate compensation is provided when necessary.

#### E-Land Mall & Kidikidi CS Center

We handle customer complaints by leveraging the expertise and resources of different departments. For instance, the MD department provides information on new product launches and promotional events, while responsible sellers share real-time updates on inventory and delivery status, enabling us to resolve customer concerns efficiently. We also work with the IT department to resolve technical issues on the online mall and collaborate with the technical team to upgrade the chatbot service, further enhancing customer self-service options.

# Enhancing Quality Management and Customer Satisfaction

## 3. Explain the process for resolving customer feedback and complaints about products.

### [E-Land World Fashion BG CS Center](#)

Customer claims are categorized into A, B, and C levels for resolution. The process has been streamlined to allow direct reporting of product and incident-related issues to headquarters staff. Additionally, information sharing among the MD, planning, and production teams has been automated, reducing the risk of claims escalating further.

### [E-Land Mall & Kidikidi CS Center](#)

Our representatives categorize customer complaints received through various channels into two types: those that can be resolved immediately by the agent and those requiring referral to another department for further investigation. For the latter, a confirmation request is promptly sent to the seller or brand representative. If no response is received within one day, the customer service center resolves the issue independently. For recurring complaints or those with potential legal implications, we work closely with relevant departments to improve processes and prevent similar issues in the future.

## 4. What is CCM, and why is it important as we work toward the 2025 CCM certification goal?

### [E-Land World Fashion BG CS Center](#)

We recognize that fostering a customer-centered management culture is essential for enhancing corporate competitiveness. By addressing customer demands through VOC analysis, resolving complaints swiftly to reduce dispute-related costs, and demonstrating our commitment to customer rights through CCM certification, we can strengthen customer trust and enhance our brand value.

### [E-Land Mall & Kidikidi CS Center](#)

Customer-centered management (CCM) emphasizes placing customers at the core of all business operations, with continuous improvements to better meet their needs. Managed by the Korea Consumer Agency and certified by the Korea Fair Trade Commission, CCM certification serves as a key indicator of a company's strong commitment to resolving customer complaints. Achieving this certification enhances brand image, increases customer loyalty, and strengthens corporate competitiveness, establishing CCM as a vital foundation for the company's future growth.

## 5. What preparations have been made since 2023 for CCM certification?

### [E-Land World Fashion BG CS Center](#)

To manage VOC at all customer touchpoints, we have developed and implemented various services internally rather than outsourcing them. These include KakaoTalk chat services, visual ARS, voice ARS, daily VOC reports, monthly risk prevention reports, and customer satisfaction surveys.

### [E-Land Mall & Kidikidi CS Center](#)

We are establishing a customer-focused management system across the organization and continuously refining business operations to accurately address customer needs. By fostering a customer-centric organizational culture, collecting and integrating customer feedback, and enhancing the overall customer experience, we aim to achieve CCM certification by 2025.

## 6. Have improvements been made in customer communication and product quality management during the CCM certification preparation process?

### [E-Land World Fashion BG CS Center](#)

We have conducted regular analyses of VOC data by type and actively utilized the results to enhance customer communication and improve product quality management. These findings are consistently reported to senior management (such as brand representatives or the chief customer officer). Based on their feedback, we develop detailed action plans and continuously work toward improvement.

### [E-Land Mall & Kidikidi CS Center](#)

By strengthening our customer feedback system, we have successfully met customer needs with greater precision and provided consistent service across multiple channels. Additionally, refining our quality management processes has enabled us to address customer complaints proactively, leading to ongoing improvements in product quality.

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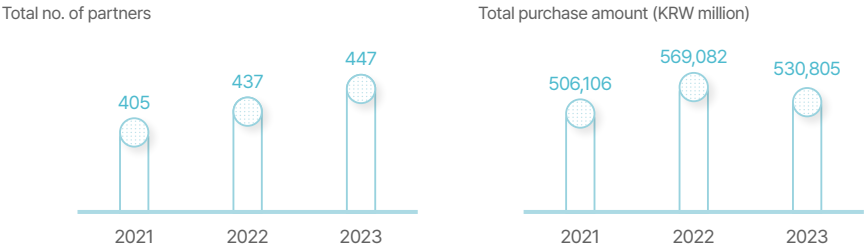
# Building a Sustainable Supply Chain

## APPROACH

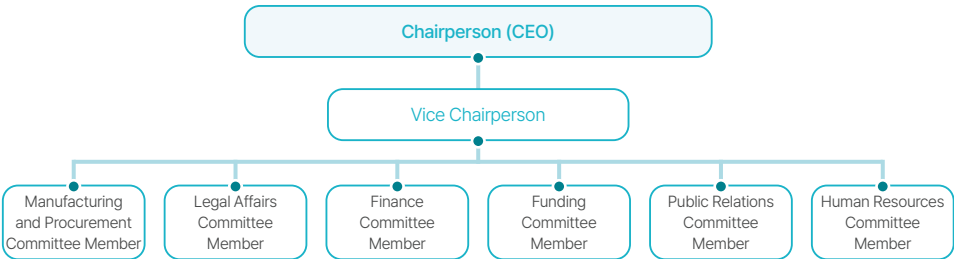
### Partner Management Framework

E-Land World has established a Co-Growth Committee to systematically oversee its partnerships with suppliers. ESG factors are prioritized at every stage, from partner selection to performance evaluation, ensuring that all partners fulfill their social responsibilities and promote sustainable growth. In addition, E-Land World supports its partners in enhancing their business competitiveness through various co-growth initiatives, such as joint development of new products and materials, raw material purchasing assistance, and performance-sharing programs. The company remains committed to further strengthening ESG standards across its supply chain and implementing diverse support measures to foster more reliable and sustainable partnerships.

### Status of Partners



### Co-Growth Committee



### Supply Chain Management Policy

With the recent adoption of the EU Supply Chain Due Diligence Directive, ESG management and due diligence in corporate supply chains have become global regulatory requirements, making proactive measures essential to maintaining competitiveness. To address this, E-Land World has established regulations and procedures that align with global standards. The company has introduced the "Partner Selection Operational Guidelines" to ensure a fair selection process based on objective criteria, including ESG evaluation ratings. Once selected, partners are guaranteed the right to pursue fair profits and the principle of contractual freedom under E-Land World's "Guidelines for Mutual Growth with Partners." Additionally, new domestic partners are required to sign a pledge of integrity, which includes commitments to ethical conduct and prohibitions against unfair practices.

### Partner Selection Operational Guidelines

#### Article 5 [Provision of Equal Opportunities for Business Transactions]

No selected and registered partner shall be unfairly restricted or discriminated against in bidding opportunities or other transaction-related processes without justifiable cause.

### Partner Evaluation Checklist

Factory Management	Manufacturing Equipment	Quality Control	Product Quality Check	Quality Assurance	
Workforce Management	Work Environment	Genuine vs. Defective Product Distinction	Management Evaluation	Overall Evaluation Results	ESG Evaluation Results

### Contract Guidelines for Mutual Growth with Partners

#### Article 5 [Unit Price Determination Based on a Reasonable Calculation Method]

- The unit price of components shall be determined through consultation, considering factors such as quantity, quality, specifications, delivery schedule, payment terms, material costs, labor costs, and market trends, while incorporating reasonable management costs and profit based on a rational calculation method.
- Should the initially agreed unit price be subject to change, the criteria and procedures for such adjustments shall be outlined in the contract through mutual agreement.

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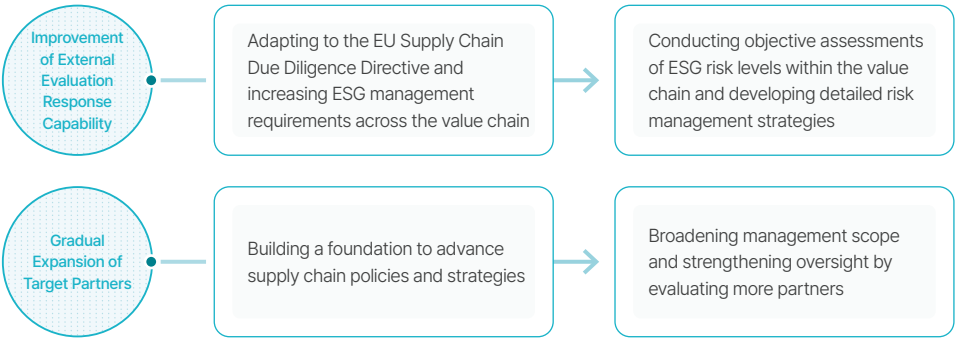
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## Partner ESG Evaluation

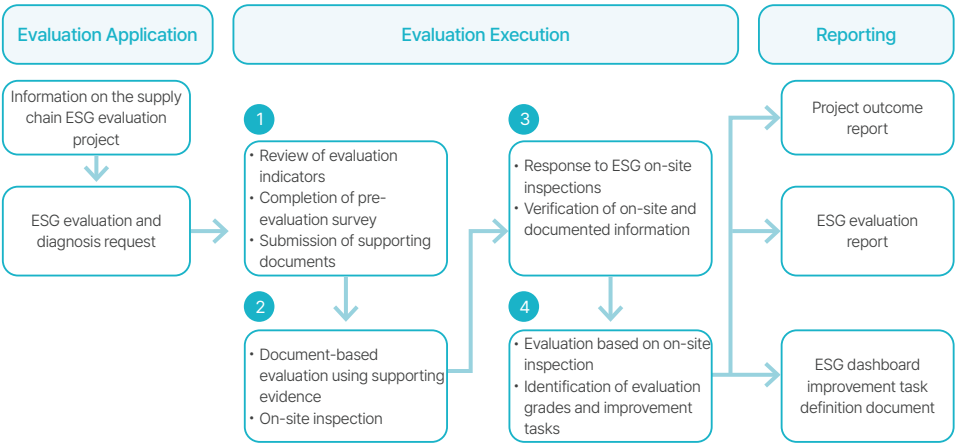
E-Land World conducts annual ESG evaluations of its partners, prioritizing the assessment of ESG risk levels and developing improvement strategies. The company fully covers the cost of these evaluations and provides incentives to high-performing partners.

Based on the results, ESG training is provided to all partners, and on-site inspections are conducted at overseas production facilities, including those in Vietnam, India, and Bangladesh. These inspections identify opportunities, risks, and potential challenges, facilitating the implementation of targeted improvement measures. For overseas factories, E-Land World has developed a checklist focusing on environmental and technical aspects to enable a more quantifiable evaluation. The company remains committed to expanding on-site inspections across its supply chain to foster sustainable partnerships with its partners.

## Key ESG Issues and Evaluation Priorities



## ESG Evaluation Process



## Partner Code of Ethics

E-Land World actively encourages its partners to strengthen corporate competitiveness and promote social progress through corruption-free management and fair competition. All partners commit to ethical management by signing a pledge of integrity, ensuring fair and transparent business practices.

## Integrity Pledge Items

1	Prohibition of unfair and improper practices
2	Prohibition of false tax invoice issuance
3	Safeguarding of information
4	Cooperation in document submission
5	Reporting of unethical practices



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# Building a Sustainable Supply Chain

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### Partner Support Program

Since 2014, E-Land World has been striving to enhance the competitiveness of small and medium-sized enterprises (SMEs) while promoting the globalization of Korea's textile and fashion industry. The company has introduced various collaborative growth initiatives, including the Performance Sharing System, Co-Prosperity Job Creation Program, and Co-Prosperity Loan Program. It has particularly focused on providing R&D support, which has significantly contributed to enhancing the technological capabilities of its partners. As a result, E-Land World has achieved the highest R&D support performance among major fashion corporations. The company received the Presidential Commendation at the 2023 Co-Prosperity Week Ceremony and has been recognized as a Partnering Company with Agencies by the Fair Trade Commission for three consecutive years. Going forward, E-Land World aims to further strengthen mutual cooperation in areas such as new material development, collaborative growth, digital manufacturing innovation, ESG, and the localization of materials.

### Co-Prosperity Program

Co-Prosperity Loan Program	<ul style="list-style-type: none"><li>E-Land World partners with banks to establish a co-prosperity fund. The interest earned from the Co-Prosperity Term Deposit is used to lower interest rates for partner companies when they take out loans</li></ul>
Raw Material Procurement Support	<ul style="list-style-type: none"><li>To reduce costs and promote financial stability for partner companies, E-Land World directly purchases raw materials required for manufacturing and supplies them to partners at fixed prices</li></ul>
Technical Support Program	<ul style="list-style-type: none"><li>At the request of partner companies, E-Land World's experts provide on-site consulting in areas such as production facilities, quality control, productivity improvement, and FTA compliance</li></ul>
Performance Sharing System	<ul style="list-style-type: none"><li>E-Land World collaborates with its partners on initiatives such as cost reduction, quality enhancement, productivity improvements, business innovation, and joint marketing</li><li>The resulting achievements are mutually shared based on pre-agreed contracts</li></ul>
Partner Training Support	<ul style="list-style-type: none"><li>To boost the competitiveness of its partners, E-Land World offers and supports training programs designed to develop the professional skills of employees from both primary and secondary partner companies</li></ul>

### Achievements of the Co-Prosperity Program

Co-Prosperity Program Categories	Key Details and Outcomes
Purchase-Based New Product Development Program (2013 - 2023)	Implemented 5 projects
Innovation Partnership (2018 - 2023) <ul style="list-style-type: none"><li>Productivity and Quality Improvement Support Projects (2023)</li><li>Carbon Neutrality Initiatives, Including Low-Carbon and Eco-Friendly Technology Development (2023)</li></ul>	Completed 56 projects
Performance Sharing System (2018 - 2023)	Completed 104 projects
Win-Win Job Creation Program for Large and Small Enterprises (2019 - 2021)	Trained 29 employees from 22 companies
Innovation-Driven Wage Gap Reduction Agreement (2019 - 2023)	Signed agreements worth KRW 14.1 billion
Contributions to the Co-Prosperity Cooperation Fund (2014 - 2023)	Contributed KRW 3.3 billion
Operation of the Co-Prosperity Payment System, R&D Support, Specialized Training for SMEs, Technology Escrow Services	
SME Recruitment Incentive Program, Exhibition Participation Support, Free Facility Leasing, Patent Support	

### Co-Prosperity Awards and Achievements

- Received the Presidential Commendation at the Co-Prosperity Week Ceremony (November 2023)



- Recognized as a "Partnering Company with Agencies" for three consecutive years (2021 - 2023)



- Rated as the top-performing company in the Fair Trade Agreement Implementation Evaluation (2019 - 2023)



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# Building a Sustainable Supply Chain

## Strengthening Communication and Partnerships with Partner Companies

E-Land World has established a reliable communication system to strengthen its partnerships with partner companies. The E-Land World Co-Prosperity website (<https://partner.eland.co.kr/>) offers an online communication channel to gather a wide range of feedback from partner companies. Additionally, the Subcontract Dispute Resolution Committee was created to resolve disputes with partners fairly and efficiently.

### Online Feedback Portal

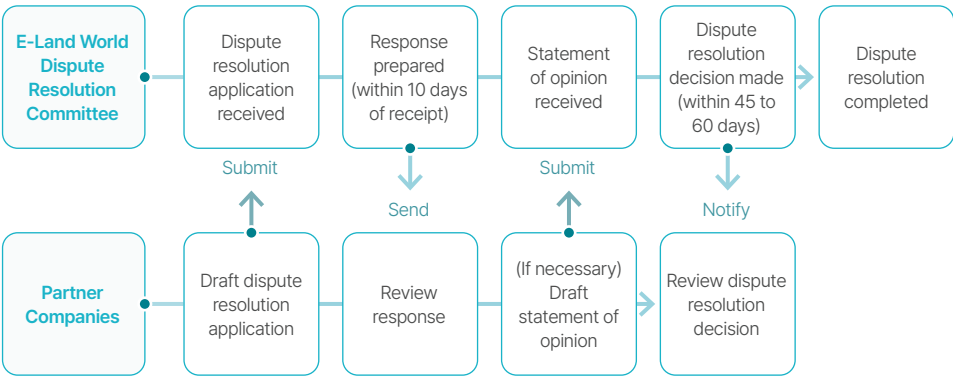
Partner companies can conveniently submit various suggestions, including reports related to fair trade and ethical management, through the online platform. Reports concerning misconduct are reviewed by the Fair Trade Team and the Audit Office and subsequently reported to the CEO.



## Dispute Resolution Committee

E-Land World operates a Dispute Resolution Committee to ensure smooth cooperation and build trust with its partner companies. Under the committee's regulations, once a dispute resolution request is received, a response must be prepared and provided to the partner company within 10 days. After reviewing the response, the partner company may submit a statement of opinion if necessary. E-Land World then evaluates the input and resolves the dispute within 45 to 60 days, taking the necessary actions to address the issue. As a result of these efforts, the number of disputes reported by partner companies has remained at zero for the past three years.

### Dispute Resolution Process



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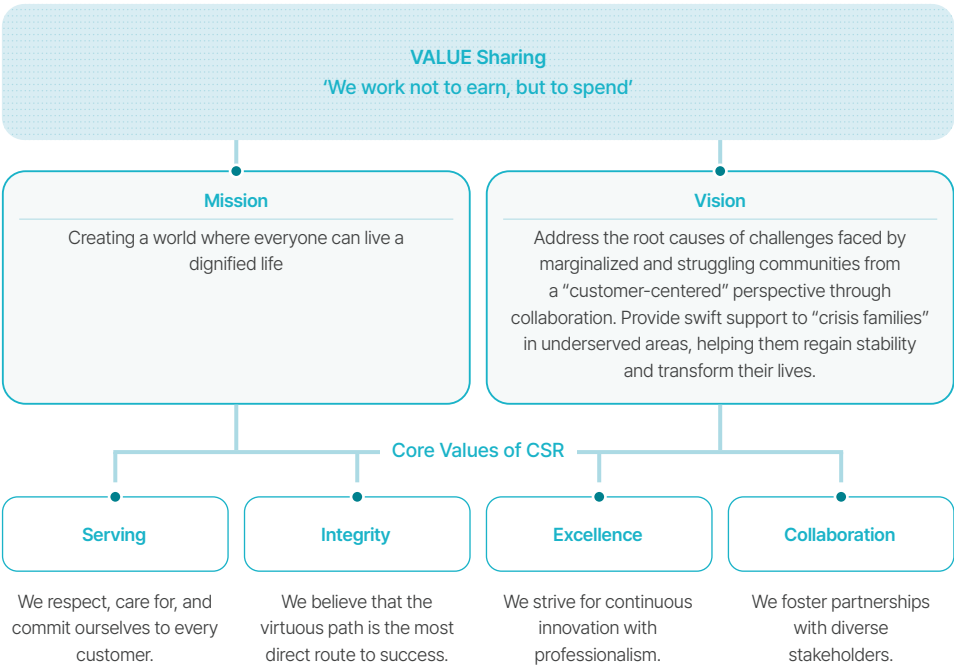
# Promoting Social Contributions

## APPROACH

### Social Contribution Framework and Strategic Direction

E-Land World operates under the philosophy that “a company must generate profit and use it responsibly,” making “sharing” a core value in fulfilling its social responsibilities. To demonstrate this commitment, E-Land World donates 10% of its annual net profits to society, actively promoting co-prosperity. The company also collaborates with the E-Land Foundation and the E-Land Welfare Foundation to carry out various social contribution initiatives, ensuring the consistent fulfillment of its social responsibilities.

### Core Values of CSR



## Guidelines for Fulfilling Social Responsibility

### Mission Statement

We are the light and salt of the world, pursuing value and inspiration.  
We sincerely serve marginalized individuals with God's love.  
We act as dedicated servants, honest stewards, and exceptional managers

### Principles



### Code of Conduct

We serve rather than simply give.  
We seek trust rather than fame.  
We share both bread and the gospel.  
We work according to God's will.  
We strive to be wise stewards of donations.  
We work actively and diligently on-site.  
We joyfully go to places that are difficult to reach.

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Promoting Social Contributions

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Social Contribution Achievements

Total KRW 4.538 billion	KRW 2.393 billion	KRW 2.072 billion	KRW 0.730 billion
	Total support for marginalized communities in 2023	Total regional welfare support in 2023	Total support for overseas projects in 2023

Talent Sharing

E-Land World conducts quarterly talent-sharing sessions, holding a total of four events per year at the Nanuri Regional Children's Center in Geumcheon-gu. Each division within the fashion corporation takes turns organizing these programs, with participation from the division's HR team, volunteers, and the cultural team. Between March 2023 and June 2024, five talent-sharing sessions were held, featuring activities such as ice skating lessons, playing the traditional Korean game "ttakji-chigi," slime-making, and crafting beach bags and bracelets.

Additionally, in June 2024, the Online Business Division of E-Land World Fashion collaborated with the Sadang General Welfare Center to host a "Kiosk Training" program aimed at helping digitally disadvantaged groups. Eighteen employees from the Online Business Division taught seniors in their 60s and 70s how to use kiosks. Participants practiced tasks such as booking KTX train tickets and ordering food using a kiosk-simulated app. They then applied their skills in a real-world setting by placing orders at a restaurant kiosk during a hands-on session.

Talent-Sharing Activities

Date	Responsible Division	Details of Activities	Sponsored Items and Donations
March 2023	Casual BU	Ice skating class	SPAO sweatshirts, WHO.A.U. phone grips
June 2023	Online BU	Clay & ttakji-chigi class	KRW 2 million donation
November 2023	Sports BU	Soccer class	SHOOPEN backpacks, scarves, hats, etc.
February 2024	Casual BU	Slime-making class	SPAO windbreakers
June 2024	Women's BU	Beach bag, bracelet crafting	New Balance cardholders

Donations and Gift Sharing



In May 2023, to celebrate Family Month, E-Land World donated Children's Day gifts to the Nanuri Regional Children's Center, along with a portion of the profits from its in-house café, Winning Lounge. The company continues to provide support by donating funds, clothing, and other essentials during talent-sharing events, at the end and beginning of the year, and whenever additional assistance is needed. E-Land World's fashion brands also engage in participatory

donation initiatives with customers.

New Balance and The North Face partnered with E-Land Retail to launch a "Good Consumption" edition, donating part of the proceeds through World Vision to fund international water development projects. In October 2023, the jewelry brand Lloyd teamed up with anchor Ji-hye Park to host the "One-Day, One-Run Challenge," encouraging donations for youth living outside their homes. Since 2017, New Balance has also been running the "MyNB Campaign," where customers' MyNB app reward points are donated to support young athletes. Through these initiatives, E-Land World aims to continuously develop programs that encourage customers to participate in social responsibility, fostering a culture of giving and sharing.

Employee Volunteer Activities and Sharing Events

In December 2023, E-Land World Fashion Corporation organized a winter volunteer event as part of its "Sharing Love Project." The event involved visiting Eden I Ville, a child welfare facility supported by the foundation. Sixty employees from the fashion, jewelry, and Innople divisions participated, engaging in activities to clean and improve the environment, creating a warm and comfortable atmosphere. Additionally, each participant contributed KRW 20,000 to a "Sharing Fund," resulting in a total donation of KRW 1.2 million, which was presented to the facility.

Another collaborative effort with the E-Land Welfare Foundation involved hosting a special event for children at the Nanuri Regional Children's Center. Known as "Cruise Day," the event treated the children to a meal at Ashley and a cruise tour, helping them create cherished and joyful memories. E-Land World plans to continue expanding its social contributions in diverse areas. By the end of 2024, the company aims to enhance its "Sharing Expansion" program by introducing activities such as tutoring and educational support for middle and high school students. These efforts seek to foster a sustainable culture of sharing by involving employees, customers, and the local community.

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# Establishing Sound Corporate Governance

## APPROACH

### Composition of the Board of Directors

E-Land World has established a governance structure led by its Board of Directors, the highest decision-making body, to uphold its core management philosophy of “transparent and fair business operations.” The Board ensures fairness and independence in key decision-making processes and strives to fulfill its duties and responsibilities to build trust with shareholders and stakeholders. The Board comprises five executive directors elected at the general shareholders’ meeting. In accordance with the Board’s operating regulations, a chairperson is selected from among the directors. The Board holds regular monthly meetings to discuss and make decisions on critical management matters, including major business strategies, financial performance, and risk management. Additionally, ad hoc meetings may be convened when necessary.

### Board of Directors Composition

As of November 2024

Category	Name and Position	Gende	Term	Key Career Highlights
Executive Director	Jong-yang Choi, CEO (Chairperson) <sup>1</sup>	Male	2019. 11. 4. ~ 2025. 11. 3.	(Former) Head of E-Land China BG (Concurrent) E-LAND Fashion (Shanghai) Co., Ltd. (affiliate)
	Dong-ju Cho, CEO	Male	2024. 10. 24. ~ 2027. 10. 23.	(Former) COO of E-Land World Co., Ltd.
	Hyung-wook Choi, Vice President (equivalent)	Male	2017. 4. 13. ~ 2026. 3. 29.	(Former) Strategic Planning Division, E-Land World Co., Ltd. (Concurrent) E-Land Retail Co., Ltd. (affiliate)
	Yoon-joo Lee, Senior Managing Director	Female	2017. 4. 13. ~ 2026. 3. 29.	(Former) CF of E-Land Retail Co., Ltd. (Concurrent) E-Land Retail Co., Ltd. (affiliate)
	Kwan-joo Ko, Senior Managing Director	Male	2016. 4. 5. ~ 2025. 3. 29.	(Former) CFO and Head of Finance, E-Land World Co., Ltd. (Concurrent) E-Land Investment Advisory Co., Ltd. (affiliate)

1 For efficient decision-making, the CEO concurrently holds the position of Chairperson of the Board.

### Board Diversity and Independence

E-Land World selects board candidates based on their experience and professional expertise. The Board is composed of specialists in diverse fields such as management, finance, and accounting, facilitating rational decision-making across all business operations. To promote gender diversity, E-Land World has appointed female directors. The company also strives to enhance the Board’s diversity and independence to ensure it remains impartial and free from representing specific interests. This approach helps prevent conflicts of interest and fosters transparent, accountable management that builds stakeholder trust.

### Board Evaluation and Compensation

E-Land World determines director compensation through resolutions passed at the general shareholders’ meeting, dividing it into fixed salaries and performance-based bonuses. Compensation is provided in accordance with the executive compensation policy, considering factors such as the director’s position, the nature of their responsibilities, and their performance in the previous year. Additionally, the average compensation per director is transparently disclosed annually in the business report.

### Board Compensation

Category	No. of Individuals	Approved Amount by Shareholders’ Meeting
Registered Directors	5	KRW 8.0 billion
Auditor	1	KRW 0.4 billion

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# Establishing Sound Corporate Governance

## Committees Under the Board of Directors

E-Land World has established the ESG Committee and the Asset and Liability Management Committee under its Board of Directors to support responsible decision-making. These committees play a vital role in formulating strategies, particularly in promoting sustainability and ensuring financial stability.

### ESG Committee

The ESG Committee, composed of three executive directors, is a specialized body focused on addressing environmental, social, and governance (ESG) issues. Its primary function is to review and approve ESG-related management strategies, fostering the creation of sustainable value in business operations. By integrating the ESG Committee's regulations into company policies, E-Land World has strengthened the committee's roles, authority, and responsibilities. This improvement enables the Board to make more informed and effective decisions regarding the company's sustainability.

#### Purpose and Role of the ESG Committee

Category	Details
Purpose of Establishment	<ul style="list-style-type: none"><li>Enhance the company's soundness through transparent governance and analyze its impact on the environment and society</li><li>Systematically manage the company's environmental, social value, and governance aspects</li></ul>
Role	<ul style="list-style-type: none"><li>Review the company's environmental, social, and governance (ESG) strategy</li><li>Deliberate and resolve ESG-related matters</li></ul>

## ESG Committee Regulations

Category	Details
Purpose	Defines the functions, composition, and authority of the ESG Committee
Functions and Roles	Serves as the ESG oversight body within the Board, responsible for reviewing and approving management matters related to environmental, social, and governance.
Composition	<ul style="list-style-type: none"><li>Chairperson: One member is appointed from the committee</li><li>Committee Members: Consists of at least three directors with a one-year term</li><li>Advisory Body: May include external experts</li><li>Secretary: Responsible for facilitating the committee's ESG-related activities</li></ul>
Resolutions	<p>Decisions require the attendance of a majority of all committee members and approval by a majority of those present</p> <p>* External advisory committee members have no voting rights</p>
Matters for Resolution	ESG strategy direction, progress of initiatives, implementation of the previous year's ESG tasks, non-financial issues related to environmental and social matters, ESG-related stakeholder communication, and other ESG-related matters

### Asset and Liability Management Committee

The Asset and Liability Management Committee is responsible for the comprehensive management of E-Land World's assets and liabilities, aiming to minimize risks and ensure financial soundness. It plays a key role in developing and approving strategies for managing borrowings, cash, and idle funds, thereby supporting the company's stable growth. In 2023, the committee held 14 meetings, during which it reviewed and approved 80 items related to asset and liability management.

#### Purpose and Role of the Asset and Liability Management Committee

Category	Details
Purpose of Establishment	<ul style="list-style-type: none"><li>Review and coordinate matters related to asset management and debt management</li></ul>
Role	<ul style="list-style-type: none"><li>Develop and approve borrowing management strategies</li><li>Develop and approve strategies for managing cash and idle funds</li></ul>

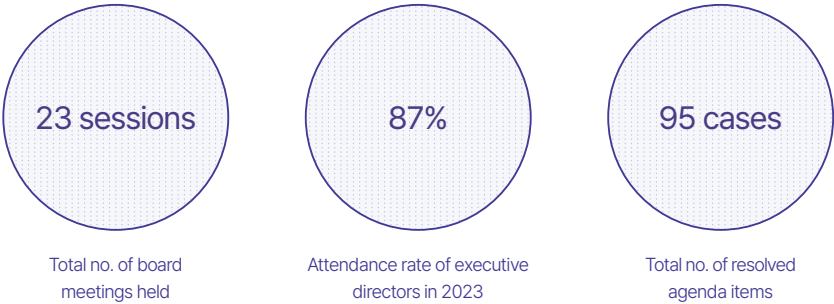
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### Status of Board Operations

The CEO of E-Land World, or a director appointed by the Board of Directors, convenes board meetings by notifying members at least one day in advance. The Board holds regular meetings once a month, and in 2023, it held 23 meetings, addressing 95 agenda items with an average attendance rate of 87%. The board remains actively engaged in ensuring transparent and accountable management, with a focus on the company’s sustainable growth. E-Land World will continue to reinforce trust with stakeholders through professional and efficient board management.



### Key Resolutions of the Board of Directors\*

Date	Agenda Item	Resolution Status
January 2023	Proposal to set the limit for electronic short-term bond issuance	Approved
	Proposal for contributions to the in-house employee welfare fund	
	Approval of the 2022 pre-audit financial statements	
	Approval of the 2023 operating budget plan for affiliated companies	
February 2023	Proposal for the 2023 industrial safety and health management plan	Approved
	Resolution to convene the regular general shareholders' meeting	
April 2023	Approval of amendments to company regulations	Approved
August 2023	Revision of the executive performance bonus payment regulations	Approved
October 2023	Proposal for the issuance of public bonds	Approved
November 2023	Proposal for the operation of the Investment Review Committee	Approved
December 2023	Notification of the convening of an extraordinary general shareholders' meeting	Approved
	Approval of the 2024 management plan	
	Approval of the 2024 operating budget plan for affiliated companies	
	Approval of the 2024 in-house welfare fund budget	
Proposal to amend the Internal Accounting Management Regulations and the Board of Directors' Operational Rules Proposal for re-registration in the Win-Win Payment System		

\* Redundant agenda items, such as affiliate loan extensions, new financial borrowings, and renewals of existing borrowings, were excluded. All resolutions have been disclosed in the business report.

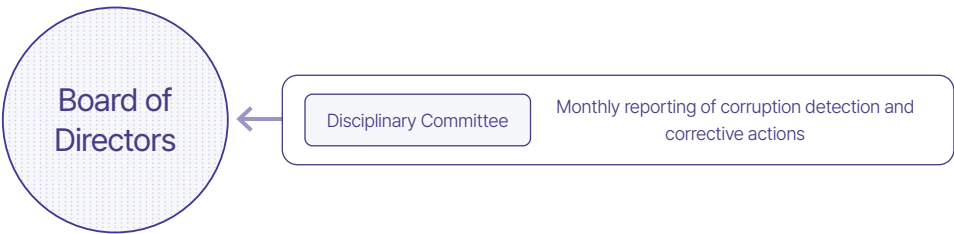
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# Integrating Ethical Management Practices

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### Ethical Management Framework

E-Land World considers ethical responsibility and legal compliance as core principles of its business operations and is committed to fostering a transparent and fair corporate culture. To this end, the company has established a Code of Ethics and Ethical Practice Guidelines to ensure that all employees follow these standards in their work. Furthermore, an anti-corruption program has been implemented to identify potential risks, with any detected cases of corruption and subsequent corrective actions reported to the Board of Directors on a monthly basis.



### Code of Ethics and Ethical Practice Guidelines

E-Land World has established the E-Land 10 Key Code of Ethics and E-Land Ethical Practice Guidelines to serve as ethical standards and behavioral guidelines for all employees. The E-Land 10 Key Code of Ethics is made accessible through the company's intranet and the E-Land Ethical Management website ([www.elandethic.co.kr](http://www.elandethic.co.kr)), allowing both employees and external stakeholders to easily access it. Additionally, the company has introduced the E-Land Ethical Practice Guidelines to promote ethical behavior in transactions with customers and partners, thereby mitigating risks associated with unethical practices. By adhering to these guidelines, E-Land World aims to ensure that all employees uphold high ethical standards, foster a transparent and trustworthy business environment, and enhance customer value while building stronger trust with stakeholders.

### E-Land's 10 Key Code of Ethics

 Customer Respect	 Compliance with Laws and Regulations	 Transparent Transactions	 Anti-Corruption	 Distinction Between Public and Private Matters
Provide value that resonates with customers, thereby earning their love and trust.	Adhere to the applicable laws, regulations, and business standards in all corporate philosophies and business activities.	Engage in fair and transparent dealings, avoiding any unjust actions or pursuit of personal interests with business partners.	Refrain from requesting or accepting any form of money, gifts, entertainment, compensation, favors, or conveniences from business partners.	Avoid the improper acquisition or personal use of the company's or its partners' assets, products, or funds.
 Information Security	 Mutual Respect	 Ethical Living	 Fair Treatment	 Accident Prevention
Refrain from disclosing any information or confidential matters obtained from customers, business partners, or work-related activities.	Foster mutual respect and use courteous language in interactions between partners and employees.	Avoid inappropriate personal conduct and sexual harassment while maintaining an honest and modest lifestyle.	Provide equal growth opportunities regardless of gender or background and take responsibility for work outcomes.	Commit to safeguarding the environment and ensuring customer safety through diligent accident prevention efforts.

### E-Land Ethical Practice Guidelines

Category	Guidelines
Meals	Limit joint meals with business partners (if dining together, each party must cover their own expenses) Prohibition on shifting departmental dining expenses onto partners, such as suppliers or clients
Celebrations and Condolences	Prohibition on directly or indirectly notifying business partners of personal celebrations or condolences
Monetary Transactions	Prohibition of monetary transactions, including the exchange of money, acting as an intermediary for payment (or delivery) of invoices, and borrowing or lending funds
Gifts	Prohibition on receiving or giving gifts
Entertainment	Prohibition on offering or accepting entertainment, such as lavish hospitality or drinking gatherings
Business Transactions	Prohibition on conducting business transactions with individuals with whom there is a personal relationship

# Integrating Ethical Management Practices

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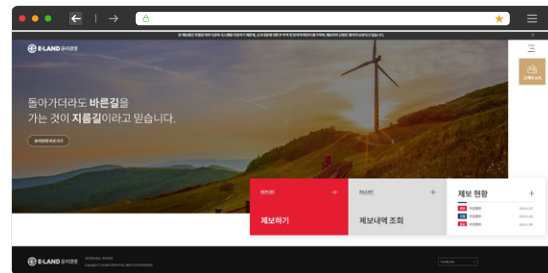
### Ethical Risk Management Reporting Ethical Violations

E-Land World operates a reporting channel for employees and all stakeholders to report unethical behavior, including violations of laws or company regulations. Upon receiving a report, the case is assigned to the appropriate personnel for an impartial and thorough investigation. The investigation outcomes are shared through a customer-focused reporting system. Reports that result in financial benefits for the company or prevent potential losses are reviewed, and the whistleblower is rewarded accordingly. In 2023, all reports submitted through the channel were fully processed, achieving a 100% completion rate.

#### Ethics Violation Reporting Process

1. Report Submission	2. Report Review	3. Report Verification	4. Result Confirmation
Receive reports regarding improper business conduct or fraudulent activities	Assign the submitted report to a responsible party and review its contents	Verify objective information and conduct an investigation	Provide access to the results of report processing

#### Whistleblower Protection System



whistleblower identities and report information.

The ethics violation reporting channel operates on the principle of anonymity, ensuring that whistleblowers are fully protected from any disadvantage and that their identities remain strictly confidential. Additionally, an independent external system is utilized to prevent IP tracking and unauthorized access to report details, enabling strict management of

### Ethical Management Initiatives

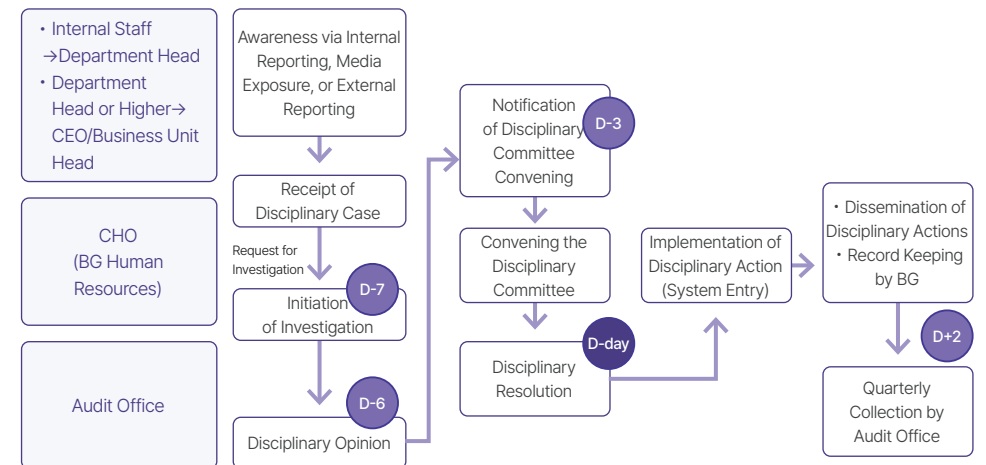
#### Ethics Training for Employees and Partners

E-Land World provides training to enhance ethical management awareness among its employees and business partners. For employees, case-based, in-person training is offered on specific topics, tailored to newly implemented or revised regulations and evolving business environments. The company also conducts direct visits to partners and store owners, offering guidance on ethical decision-making in business operations, with a focus on anti-corruption and fair trade practices.

#### Ethics Violation Disciplinary System

E-Land World has implemented a systematic process to address ethics violations swiftly and accurately. When an ethics violation is reported, a disciplinary request department and a Disciplinary Committee are promptly formed. The Audit Office then begins an investigation, aiming to complete the disciplinary process within seven days. The investigation results are reviewed by the relevant departments and the Disciplinary Committee, and disciplinary actions are carried out based on their decisions. After resolving the case, the company takes follow-up measures to prevent recurrence, such as improving internal systems and enhancing training programs. In 2023, there was one instance of disciplinary action for an ethics violation and 13 cases related to anti-competitive behavior, regulatory breaches, and violations of the Code of Conduct.

#### Ethics Violation Disciplinary Process





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# Strengthening Information Security

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### Information Security Policy

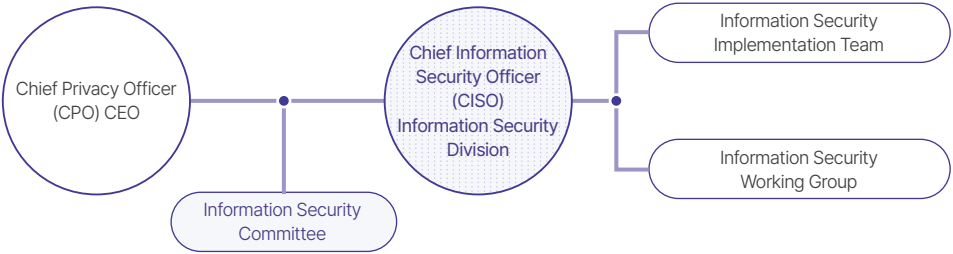
E-Land World has implemented information security policies and guidelines to systematically safeguard the information of all stakeholders, including customers and employees, in response to increasingly sophisticated cybersecurity threats. These policies and guidelines specify the scope, targets, and organizational operations for information security. To ensure compliance, they are made accessible to all employees through the company intranet. E-Land World also provides specific guidelines for partners and contractors, overseeing their adherence to information security measures through training for personnel handling personal data and requiring signed confidentiality agreements.

In addition, the company has developed personal information protection guidelines and internal management plans, clearly outlining procedures and measures to secure personal data. This framework ensures the safe collection, storage, processing, and disposal of personal information. It identifies potential risks in the data handling process and establishes a system for rapid response in case of incidents. The company conducts annual inspections, audits, penetration tests, and risk assessments of its customer information and information security systems in collaboration with security experts. E-Land also undergoes annual Information Security Management System (ISMS) audits by the Korea Internet & Security Agency (KISA) to maintain high and credible information security standards.

### Information Security Management System

E-Land World's information security management structure includes the Chief Privacy Officer (CPO), the Chief Information Security Officer (CISO), and information security officers (brand heads) along with personnel assigned to each brand. The Information Security Committee, reporting directly to the CPO and CISO, is responsible for developing information security policies and overseeing their implementation. Additionally, the Information Security Implementation Team and the Information Security Working Group play crucial roles in systematically managing the internal personal information protection plan.

Information Security Management Organizational Chart

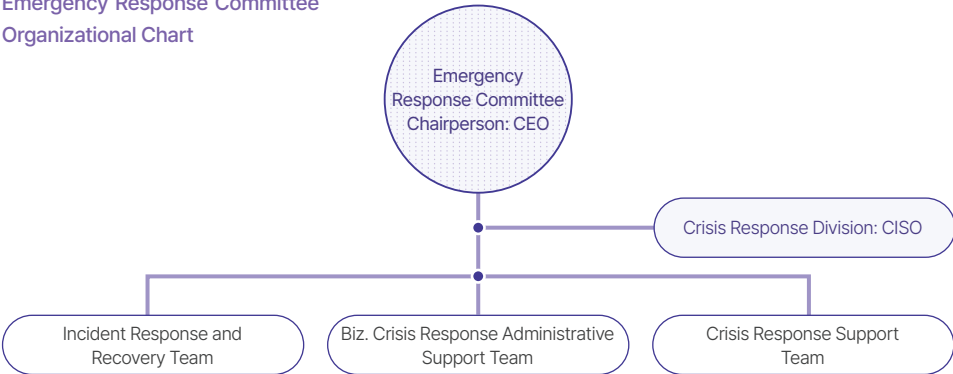


### Strengthening Information Security Response

#### Crisis Response System

E-Land World has established an Emergency Response Committee, an information security crisis management organization, to minimize damage to information assets and ensure business continuity during disaster situations. The crisis response organization is equipped with a reporting system that includes incident response guidelines, business continuity management procedures, and an emergency contact network, enabling swift action in the event of emergencies such as information system failures.

Emergency Response Committee  
Organizational Chart



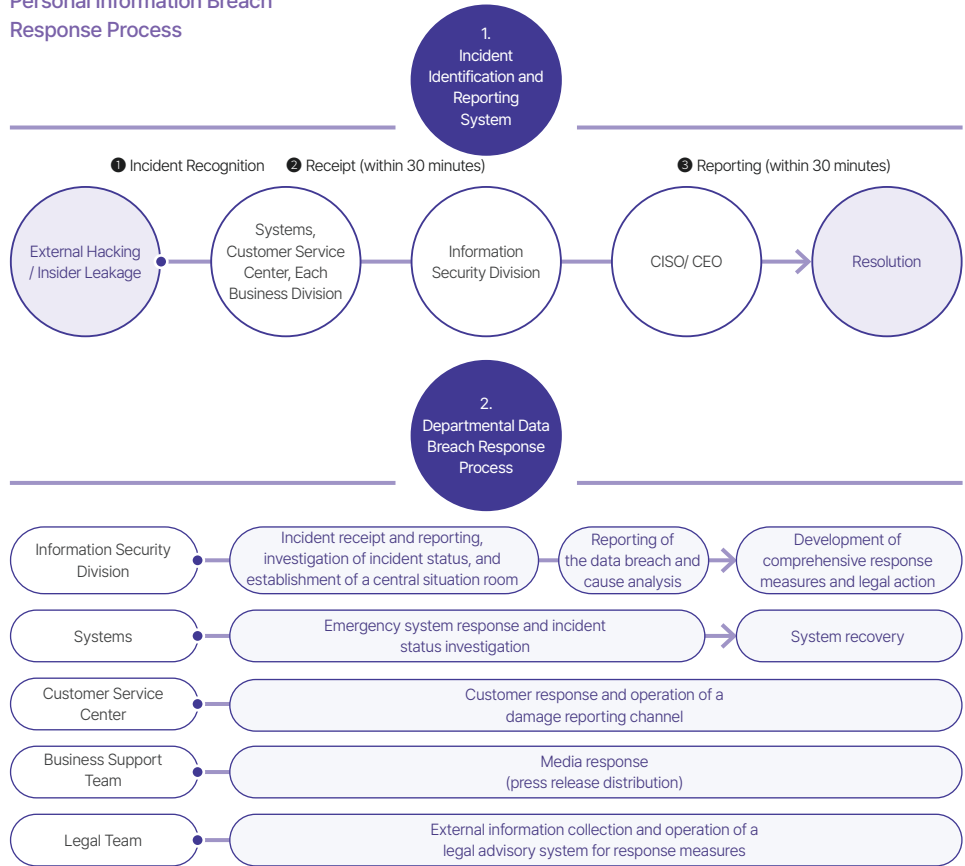
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# Strengthening Information Security

## Personal Information Breach Response System

E-Land World has implemented a response system designed to minimize damage in the event of a personal information breach or leak. When an incident is identified or reported, the Information Security Division promptly notifies the CISO and establishes a central situation room. Comprehensive response measures, including investigating the cause and assessing the damage, are quickly developed and executed. E-Land World maintains secure operations without any incidents of customer data leakage, theft, or loss.

### Personal Information Breach Response Process



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### Information Security Management System Certification

E-Land World ensures a reliable level of information security management by maintaining its Information Security Management System (ISMS) certification.\* To uphold this certification, the company must comply with 80 main criteria and 211 sub-criteria set by the ISMS Certification Committee. E-Land World continuously undertakes improvement initiatives, such as preliminary inspections, on-site audits, and follow-up assessments, to meet these standards.

\* Certification scope: Operation of E-Land World online services

### Enhancing Information Security Awareness

E-Land World engages in various initiatives to enhance employees' awareness of information security and build their competencies. Annual personal information protection training is provided to all employees, with additional role-specific training, such as personal information handler training and IT/security courses, conducted as needed. To further strengthen its information security culture, the company conducts simulated incident response drills to prevent APT\*\* attacks and runs regular information security awareness campaigns.

\*\* APT (Advanced Persistent Threat): A highly advanced and persistent cyberattack aimed at organizations, where malware is embedded in email attachments or URLs to compromise PCs

### Information Security Management System (ISMS) Certification



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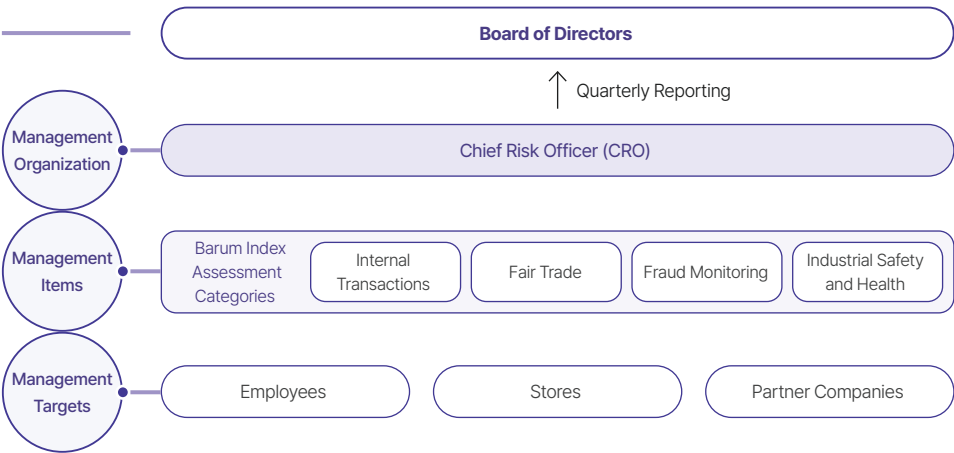
Risk management

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Risk Management System

E-Land World has developed and implemented a risk management system to proactively identify and address potential financial and non-financial risks across all business operations. The system categorizes risk assessments into four Barum Index categories: internal transactions, fair trade, fraud audits, and industrial safety and health. This approach enables the integrated management of potential risks in areas such as fair trade, intellectual property, audits, industrial safety, and information security, with the goal of minimizing potential losses.

Risk Management System Structure



Risk Management Process

The Chief Risk Officer (CRO) conducts Barum Index assessments twice a year, focusing on employees, stores, and partners. Any financial or non-financial risks identified during these assessments are promptly reported to the Board of Directors, with efforts concentrated on implementing appropriate countermeasures. Quarterly company-wide special audits are also conducted to identify and address areas requiring improvement, with progress and results reported to the Board of Directors. In some cases, external law firms are engaged to conduct comprehensive company-wide evaluations, depending on the specific nature of the risk, to strengthen preventive measures.

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Risk Management Areas and Responses

Financial Risks

E-Land World is committed to maintaining transparency by preparing accurate and reliable financial statements for all business transactions and disclosing them publicly. To support this, the company conducts thorough pre-reviews of financial statements to prevent errors and prioritizes the detection and prevention of fraudulent activities through its Internal Accounting Management System.

Non-Financial Risks

**Fair Trade Risk Management** | E-Land World performs evaluations for the Fair Trade Commission's Subcontracting Fair Trade Agreement and Agency Fair Trade Agreement to ensure fair market competition and compliance with relevant regulations. These evaluations help identify risks, enhance business processes, and update internal regulations, reflecting the company's dedication to managing fair trade risks effectively.

**Industrial Safety Management Team Operations** | To minimize employee safety and health risks, E-Land World has implemented a systematic industrial safety and health response system. This system involves daily, weekly, and monthly inspections of headquarters, retail stores, and logistics centers. Upon identifying any hazardous conditions, immediate corrective actions are taken, followed by thorough management and oversight.

2023 Industrial Safety Risk Assessment and Improvement Measures

Category	Risk Factors	Industrial Accident Prevention Activities
Headquarters	<ul style="list-style-type: none"><li>Musculoskeletal disorders</li><li>Risk of fire and other incidents</li></ul>	<ul style="list-style-type: none"><li>Operation of the Industrial Safety and Health Committee</li><li>Enhancing safety awareness through paid safety and health education services</li></ul>
Retail Stores	<ul style="list-style-type: none"><li>Musculoskeletal disorders</li><li>Risk of falling from ladders</li><li>Risk of fire incidents</li></ul>	<ul style="list-style-type: none"><li>In-person safety and health training for supervisors (twice a year)</li><li>Monthly regular safety training sessions</li><li>Daily, weekly, and monthly fire prevention checklists</li></ul>
Logistics Centers	<ul style="list-style-type: none"><li>Risk of accidents during heavy lifting operations, including entrapment in hazardous machinery and equipment</li><li>Risk of electrical fires</li></ul>	<ul style="list-style-type: none"><li>Evaluation of subcontractors' safety and health standards with guideline recommendations</li><li>Strengthening fire protection systems and conducting monthly fire drills</li><li>Implementation of daily, weekly, and monthly fire prevention checklists</li></ul>

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Summary of Separate Financial Statements			
(Unit: KRW million)			
Category	40th (End of December 2021)	41st (End of December 2022)	42nd (End of December 2023)
[Current assets]	606,375	693,713	774,439
· Cash and cash equivalents	46,741	39,027	71,591
· Short-term financial instruments	23,428	26,998	29,142
· Accounts receivables	97,880	125,278	133,867
· Inventories	261,448	356,085	337,840
· Other receivables	162,355	134,574	183,699
· Other current financial assets	3,621	2,957	6,844
· Other current assets	10,902	8,794	11,456
[Non-current assets]	2,488,311	2,465,303	2,574,963
· Long-term financial instruments	8	8	4,573
· Long-term other receivables	333,476	189,060	148,567
· Other non-current financial assets	10,757	7,312	9,753
· Investments in subsidiaries and affiliates	1,415,723	1,508,134	1,607,308
· Tangible assets	527,904	592,810	658,465
· Right-of-use assets	135,291	106,726	84,943
· Intangible assets	11,598	16,279	21,780
· Investment properties	53,056	44,974	39,574
· Other non-current assets	498	-	-
Total assets	3,094,686	3,159,016	3,349,402

(Unit: KRW million)			
Category	40th (End of December 2021)	41st (End of December 2022)	42nd (End of December 2023)
[Current liabilities]	821,236	1,264,627	950,286
[Non-current liabilities]	816,741	328,089	678,406
Total liabilities	1,637,977	1,592,716	1,628,692
[Capital stock]	28,284	28,284	28,284
[Additional paid-in capital]	492,945	492,945	492,945
[Retained earnings]	586,385	696,271	850,621
[Accumulated other comprehensive income]	105,520	106,722	106,782
[Other capital]	243,575	242,078	242,078
Total equity	1,456,709	1,566,300	1,720,710
Valuation method for investments in subsidiaries and affiliates	Cost method	Cost method	Cost method
	2021.01.01 ~ 2021.12.31	2022.01.01 ~ 2022.12.31	2023.01.01 ~ 2023.12.31
Revenue	1,162,328	1,520,661	1,549,774
Operating profit	102,038	270,250	195,131
Profit (loss) before income tax	38,046	159,132	165,469
Net profit (loss)	22,990	121,422	155,307
Earnings (loss) per share (Unit: KRW)	4,872	46,578	59,577



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Income Statement			
(Unit: KRW million)			
Category	40th (End of December 2021)	41st (End of December 2022)	42nd (End of December 2023)
Revenue	1,162,328	1,520,661	1,549,774
Cost of sales	505,770	595,067	613,755
Gross profit	656,558	925,594	936,019
Selling and administrative expenses	554,520	655,344	740,888
Operating profit	102,038	270,250	195,131
Other income	32,887	27,199	76,399
Other expenses	60,427	103,956	44,922
Finance income	36,361	32,101	25,552
Finance costs	72,813	66,462	86,691
Profit before income tax	38,046	159,132	165,469
Income tax expense (benefit)	15,056	37,710	10,162
Net profit	22,990	121,422	155,307

Environmental Data

Greenhouse Gas Emissions <sup>1, 2</sup>					
Category	Indicator	Unit	2021	2022	2023
Greenhouse gas	Total GHG emissions	tCO <sub>2</sub> eq	3041.13	3300.44	3176.78
	- Direct GHG emissions (Scope1)	tCO <sub>2</sub> eq	53.96	52.19	57.29
	- Indirect GHG emissions (Scope2) <sup>3</sup>	tCO <sub>2</sub> eq	2987.17	3248.25	3119.49
	Intensity	tCO <sub>2</sub> eq/KRW 10 billion	26.16	21.70	20.50

1 Greenhouse gas emissions calculation methodology: The emissions were calculated based on the guidelines of the Intergovernmental Panel on Climate Change (IPCC). Direct emissions (Scope 1) were calculated using gas consumption data, while indirect emissions (Scope 2) were calculated based on electricity consumption

2 Changes to the greenhouse gas emissions calculation methodology have resulted in differences from the data reported last year

3 Scope of greenhouse gas emissions calculation: The data covers E-Land World's Gasan Headquarters and Pungse Logistics Center, used by the Fashion Business Division. For the Pungse Logistics Center, as separate meters are not available for each floor, the total electricity consumption was evenly distributed to calculate Scope 2 emissions

Energy Consumption <sup>1, 2</sup>					
Category	Indicator	Unit	2021	2022	2023
Energy	Total energy consumption	TJ	63.72	68.91	66.32
	- Electricity consumption	TJ	62.66	67.88	65.19
	- Heating consumption (city gas)	TJ	1.06	1.03	1.13
	Intensity	TJ/KRW 10 billion	0.548	0.453	0.428

1 Scope of energy consumption calculation: The data is based on E-Land World's Gasan Headquarters and the Pungse Logistics Center, utilized by the Fashion Business Division. For the Pungse Logistics Center, as there are no separate meters for each floor, total electricity consumption was evenly distributed in the calculation

2 Changes to the energy consumption calculation methodology have resulted in differences from the data reported last year

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Water Usage					
Category	Indicator	Unit	2021	2022	2023
Water	Municipal water usage (Gasán headquarters)	ton	17,292	17,894	20,097
	Groundwater usage (Pungse logistics center)	ton	19,771	28,300	27,616
Waste					
Category	Indicator	Unit	2021	2022	2023
Waste	Waste disposal amount <sup>1</sup>	ton	172.62	253.49	217.41

<sup>1</sup> In the previous year, the calculation scope was limited to the Gasán office building. This year, however, the waste emissions from both the Gasán office building and the logistics center have been combined and reported, with disposal handled by an external contractor

Social Data

Total Employee Status					
Indicator		Unit	2021	2022	2023
Total no. of employees		Persons	2,522	2,951	3,026
Age	Under 30	Persons	1,778	2,085	2,107
	30 to 50	Persons	689	799	835
	Over 50	Persons	55	67	84
Gender	Male	Persons	1,056	1,174	1,130
	Female	Persons	1,466	1,777	1,896
No. of permanent employees		Persons	1,122	1,304	1,481
Gender	Male	Persons	521	536	569
	Female	Persons	601	768	912
No. of contract employees		Persons	197	281	183
Gender	Male	Persons	73	118	73
	Female	Persons	124	163	110
No. of part-time employees		Persons	1,203	1,366	1,362

\* The business report includes information about non-affiliated workers

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Employee Diversity				
Indicator	Unit	2021	2022	2023
No. of female employees	Persons	1,466	1,777	1,896
- Executive positions	Persons	1	2	4
- Managerial positions	Persons	217	263	247
- New hires	Persons	1,656	2,126	2,512
National veterans	Persons	5	5	7
Employees with disabilities	Persons	74	71	57 <sup>1</sup>

1 39 severely disabled employees, 18 general disabled employees

Recruitment and Turnover Management <sup>1, 2</sup>					
Indicator		Unit	2021	2022	2023
Total domestic new hires		Persons	2,725	3,464	3,906
Age	Under 30	Persons	2,666	3,346	3,680
	30 to 50	Persons	58	114	213
	Over 50	Persons	1	4	13
Gender	Male	Persons	1,069	1,338	1,394
	Female	Persons	1,656	2,126	2,512
Total domestic employee turnover		Persons	394	433	486
Voluntary turnover rate		%	12.79	12.26	12.03
Total turnover rate		%	15.60	14.70	16.10

1 Due to the nature of part-time work, turnover rate calculation may be inaccurate; therefore, short-term part-time employees and interns are excluded from the turnover-related data scope  
2 Turnover-related data differs from the previous year's report as short-term part-time employees and interns were excluded

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Parental Leave					
Indicator		Unit	2021	2022	2023
No. of employees eligible for parental leave <sup>1</sup>	Male	Persons	123	134	100
	Female	Persons	130	150	117
No. of parental leave users <sup>2</sup>	Male	Persons	12	12	15
	Female	Persons	26	37	66
No. of employees returning after childcare leave <sup>3</sup>	Male	Persons	9	8	5
	Female	Persons	20	13	24
No. of employees retained 12 months after parental leave <sup>4</sup>	Male	Persons	7	8	4
	Female	Persons	18	12	18
month retention rate for parental leave users <sup>5</sup>	Male	%	77.78	100	80.00
	Female	%	90	92.31	75.00
Return-to-work rate for parental leave users <sup>6</sup>	Male	%	75	66.67	33.33
	Female	%	76.92	35.14	36.36

1 Total No. of employees covered by workplace regulations or employment contracts that include parental leave provisions

2 No. of employees eligible for parental leave who took it

3 No. of employees who returned to work during the reporting year after parental leave

4 No. of employees who resumed work after parental leave in the previous reporting year and remained employed for 12 months until the current reporting year

5 (No. of employees who returned to work after parental leave and remained employed for 12 months / No. of employees who returned after parental leave) \* 100

6 (No. of employees who returned after parental leave / No. of employees scheduled to return after parental leave) \* 100

Salary and Compensation					
Indicator		Unit	2021	2022	2023
Total employee working hours		Hours	4,944,000	5,840,000	5,467,384
Total annual salary		KRW million	73,558	82,600	105,007
Average salary per employee <sup>1</sup>		KRW million	29	29	29
Gender	Male	KRW million	27	27	24
	Female	KRW million	24	24	21

1 Includes all job categories, such as headquarters staff and sales representatives

Employee Training					
Indicator		Unit	2021	2022	2023
Average training cost per managerial employee		KRW	123,465	92,234	96,846
Average training hours per employee		Hours	37	38	39
Average training cost per employee		KRW	38,368	48,437	50,859

Employee Performance Evaluation <sup>1</sup>					
Indicator		Unit	2021	2022	2023
Percentage of employees receiving regular performance evaluations		%	44.96	45.37	48.94
By employment type <sup>2</sup>	Permanent employees	%	100	100	100

1 Includes all job categories, such as headquarters staff and sales representatives

2 Employees ineligible for performance evaluations (e.g., long-term absentees) are excluded from the scope

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Industrial Accidents					
Category	Indicator	Unit	2021	2022	2023
No. of employees covered by the Occupational Safety and Health Management System		Persons	2,522	2,951	3,078
	Percentage of employees covered by the Occupational Safety and Health Management System	%	100	100	100
No. of accident victims		Persons	18	18	14
No. of industrial accident victims		Persons	18	18	14
No. of industrial accident cases		Cases	18	17	14
Industrial accident rate <sup>1</sup>		%	0.21	0.23	0.15
No. of serious accident victims		Persons	0	0	0
Serious accident rate		%	0	0	0
No. of injury accidents		Cases	17	18	14
No. of fatal accidents		Cases	0	0	0
No. of serious accidents excluding fatal accidents		Cases	0	1	0
Illness	No. of cases	Cases	1	0	0
	No. of fatalities	Persons	0	0	0
No. of fatalities		Persons	0	0	0
Fatality rate		%	0	0	0
Total No. of fatalities among partner companies		Persons	0	0	0

1 Based on the industrial accident rate data from the Ministry of Employment and Labor

Violations of Safety and Health Regulations					
Category	Indicator	Unit	2021	2022	2023
Regulatory violations	No. of violations	Cases	2	2	0
	Fines	KRW thousand	-	-	0
	Penalties	KRW thousand	0	0	0

Safety and Health Training					
Category	Indicator	Unit	2021	2022	2023
General employees	No. of participants	Persons	2,533	2,951	3,078
	Training hours	Hours	24	24	24
	Training hours per employee	Hours	24	24	24
	Training participation rate	%	85	80	78
Partner companies	No. of participants	Persons	-	-	-
	Training hours	Hours	-	-	-

Industrial Safety and Health Management					
Category	Indicator	Unit	2021	2022	2023
Safety accident prevention and management	Risk assessment	Y/N	Y	Y	Y
	Safety prevention management for partner companies	Y/N	Y	Y	Y
Health support	Physical health management support	Y/N	Y	Y	Y
	Mental health management support	Y/N	Y	Y	Y



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Human Rights Violations <sup>1</sup>				
Indicator	Unit	2021	2022	2023
No. of human rights-related grievances received	Cases	0	0	0
No. of human rights-related grievances resolved	Cases	0	0	0
No. of discrimination and harassment cases reported	Cases	0	0	1
No. of participants in human rights training (completion rate)	Persons(%)	2,469(100)	2,848(100)	2,885(100)

1 Based on the No. of final dispositions

E-Land Foundation 2023 Achievements		
Indicator	Unit	2023
No. of vulnerable individuals supported	Persons	9,281
No. of mentoring recipients	Persons	53
No. of on-site organizations identified	Cases	124
Value of donations provided	KRW 100 million	46

E-Land Welfare Foundation 2023 Achievements		
Indicator	Unit	2023
No. of crisis-affected families supported	-	1,777
No. of WeGO Volunteer Corps members	Persons	57
Value of donations provided	KRW 100 million	51.7
External awards received	Cases	4

Social Contribution Total Funds Provided in 2023			
(Unit: KRW 100 million)			
Support for marginalized communities	Support for regional welfare	Support amount for overseas projects	Total support amount (sum)
2,393	2,072	73	4,538

Donation Amount				
Indicator	Unit	2021	2022	2023
Cash donation amount	KRW million	1,195	3,145	13,071
In-kind donation amount	KRW million	8,593	2,448	9,520

Elderly Welfare Support				
Indicator	Unit	2021	2022	2023
No. of care participants	Persons	8,310	7,392	6,086
No. of free meals provided	-	480,757	490,235	455,167
No. of elderly employed through job support	Persons	887	946	1,035

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Support for Underprivileged Communities					
Indicator		Unit	2021	2022	2023
Youth outside of family care	No. of families supported	-	247	267	65
	Support amount	KRW	75,000,000	95,000,000	132,357,260
Families in emergency crisis	No. of families supported	-	637	660	789
	Support amount	KRW	1,219,744,781	901,482,904	1,224,524,989
Multicultural families	No. of families supported	-	11	50	6
	Support amount	KRW	6,600,000	30,000,000	15,277,632

Scholarship Support					
Indicator		Unit	2021	2022	2023
No. of scholarship recipients		Persons	247	267	8
Scholarship support amount		KRW	351,477,220	136,581,499	15,570,000

Community Welfare Support					
Indicator		Unit	2021	2022	2023
Support amount for coal briquette donation		KRW	25,000,000	30,000,000	30,000,000
Support amount for kimchi sharing		KRW	25,000,000	50,000,000	70,000,000
Support amount from bazaar proceeds		KRW	30,000,000	40,000,000	23,332,663
Support amount for E-World invitation events		KRW	-	20,000,000	20,000,000
Love Grocery Baskets	No. of families supported	-	1,200	1,188	1,314
	Support amount	KRW	81,780,500	83,063,150	100,770,000
Angel Boxes	No. of families supported	-	1,004	4,016	3,012
	Support amount	KRW	700,000,000	1,200,000,000	1,050,000,000
Value of goods provided	New Balance (MY NB)	KRW	37,890,990	26,000,000	23,000,000
	SPAO	KRW	62,827,600	119,000,000	-

Overseas Support Programs					
Indicator		Unit	2021	2022	2023
International child sponsorships	No. of children sponsored	-	345	259	-
	Support amount	KRW	166,600,000	162,030,000	-

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Essential Goods Voucher Support Program

Indicator	Unit	2021	2022	2023
No. of families supported	-	177	247	184
Support amount	KRW	106,200,000	148,200,000	104,580,000

Operation of Senior Welfare Centers

Indicator	Unit	2021	2022	2023
Senior welfare centers	KRW	1,838,233,204	2,008,516,570	1,873,351,362
Daycare services	KRW	48,500,000	41,000,000	10,000,000
Nursing homes	KRW	17,000,000	-	-

Underfunded Social Welfare Facilities

Indicator	Unit	2021	2022	2023
Health and Life	KRW	-	13,500,000	4,500,000
Shalom House	KRW	21,600,000	21,600,000	21,600,000
Seum	KRW	20,000,000	20,000,000	30,000,000
Yeomyung School	KRW	60,000,000	40,000,000	42,000,000
Peace House	KRW	18,000,000	18,000,000	7,500,000
Shelter	KRW	14,400,000	14,400,000	14,400,000
Hanbeot School	KRW	-	11,900,000	18,700,000

Support for Welfare Programs

Indicator	Unit	2021	2022	2023
Geumcheon District Office	KRW	9,236,500	10,535,980	11,300,100
Gangseo District Office	KRW	-	-	41,150,000
Emergency disaster relief	KRW	31,856,000	-	-
Housing support for the homeless	KRW	204,000,000	123,000,000	114,000,000
Homeless support (Hope Lighthouse)	KRW	10,000,000	-	775,500
South Jeolla Province foster care support center	KRW	17,800,000	1,300,000	-
Team & Team	KRW	99,620,000	99,620,000	60,000,000

Overseas and Third World Support Programs

Indicator	Unit	2021	2022	2023
Support programs for foreign workers in Korea	KRW	36,000,000	36,000,000	276,400,000
Domestic and international religious training and research programs	KRW	164,000,000	164,000,000	114,000,000
Support programs for Christian magazines and publications	KRW	54,000,000	54,000,000	44,000,000
Third World school support programs	KRW	73,200,000	73,200,000	63,200,000
Cross-cultural understanding and c cooperation programs	KRW	68,000,000	68,000,000	58,000,000
Health screening support programs for overseas volunteers	KRW	255,205,361	69,955,369	113,223,700
Regular sponsorship programs for overseas volunteers	KRW	2,425,569,084	2,519,793,200	2,675,145,951
Training and development programs for overseas volunteers	KRW	186,000,000	136,865,040	120,140,000
Overseas ship-based volunteer programs	KRW	114,250,875	111,186,375	188,186,750

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Status of Partner Companies				
Indicator	Unit	2021	2022	2023
Total No. of partner companies	Companies	405	486	430
Total purchase amount	KRW million	506,106	438,669	619,059
No. of Tier 1 partner companies	Companies	187	208	255
No. of Tier 2 and above partner companies	Companies	218	278	175

Partner Company Management				
Indicator	Unit	2021	2022	2023
Annual No. of ESG evaluations for partner companies	Companies	-	1	1
No. of partner companies evaluated for ESG <sup>1</sup>	Companies	-	17	12
Expenses allocated to ESG-excellent partner companies	KRW	-	26,000,000	26,000,000
No. of partner companies completing ESG training	Companies	-	23	59
Safety and Health Practical Council grievance handling	%	-	-	-
Resolution rate of issues via partner communication channels	%	-	-	-
No. of complaints submitted by partner companies	Cases	0	0	0
No. of complaints resolved among those submitted by partner companies	Cases	0	0	0

1 Data revised due to changes in disclosure units compared to the previous year

Compliance with Product and Service Regulations				
Indicator	Unit	2021	2022	2023
Fines for violations of safety and health regulations related to products and services	KRW	0	0	0
Fines for violations of marketing regulations	KRW	0	0	0
Fines for violations of product and service labeling regulations	KRW	0	0	0

Information Security				
Indicator	Unit	2021	2022	2023
Percentage of business sites certified for information security		100	100	100
Percentage of IT budget allocated to information security investments	%	0.61	1.41	2.39
Total IT budget	KRW million	22,737	28,150	30,965
Information security investment amount	KRW million	138	397	739
No. of complaints filed by regulatory authorities regarding customer privacy violations	Cases	0	1	0
No. of complaints filed by external parties regarding customer privacy violations	Cases	0	0	0
No. of incidents involving customer data breaches, thefts, or losses	Cases	0	0	0

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# Governance Data

Composition of the Board of Directors					
Category		Unit	2021	2022	2023
Composition of the Board of Directors	No. of non-executive directors	Persons	0	0	0
	No. of independent directors on the board	Persons	0	0	0
	Percentage of independent directors on the board	%	0	0	0
	Total No. of board members	Persons	6	5	5
BOD performance	Total No. of agenda items resolved	Cases	108	111	95
	Total No. of board meetings held	Sessions	22	19	23
	Attendance rate of executive directors	%	90.9	81.4	87

Board Diversity					
Category		Unit	2021	2022	2023
Board diversity	No. of board members (under 30 years old)	Persons	0	0	0
	No. of board members (aged 30–50)	Persons	1	1	1
	No. of board members (over 50 years old)	Persons	5	4	4
	No. of male board members	Persons	5	4	4
	No. of female board members	Persons	1	1	1
	Percentage of female directors	%	17	20	20
	No. of female registered executives independent of controlling shareholders and their relatives	Persons	1	1	1

Board Compensation					
Category		Unit	2021	2022	2023
Board of Directors compensation	Disclosure of criteria for determining individual director compensation	Y/N	Y	Y	Y

Asset and Liability Management Committee Composition					
Category		Unit	2021	2022	2023
Composition	Percentage of independent directors	Persons	0	0	0
Operations	No. of reporting agenda items	Cases	56	82	80
	No. of meetings held	Sessions	12	12	14
	Attendance rate	%	90.9	81.4	100



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Anti-Corruption					
Category		Unit	2021	2022	2023
Operation of reporting channels	No. of reports received through reporting channels	Cases	39	64	72
	No. of reports resolved among those received through reporting channels	Cases	39	64	72
Anti-corruption training	No. of employees who completed anti-corruption training by country	Persons	-	1,655	1,677
	No. of board members who completed anti-corruption training	Persons	-	6	6
Anti-competitive practices	No. of legal actions for anti-competitive behavior or antitrust violations	Cases	-	-	0
Regulatory violations	No. of regulatory violations	Cases	2	2	0
Corruption cases	No. of corruption cases	Cases	0	0	1
	No. of cases where employees were dismissed or disciplined due to corruption	Cases	0	0	1
	No. of cases where contracts with business partners were terminated or not renewed due to corruption	Cases	0	0	0
	No. of cases involving violations of the Code of Conduct or ethical policies	Cases	0	0	0
Code of Conduct violations	Corruption or bribery cases	Cases	0	0	0

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GRI Index

**Statement of use** : E-Land World has prepared its ESG management performance for the period from January 1, 2023, to December 31, 2023, in accordance with the GRI Standards in the 2023 E-Land World Sustainability Report.

**GRI 1 used** : GRI 1 : Foundation 2021

**Applicable GRI Sector Standards** : As of December 2024, when E-Land World publishes the report, there are no applicable GRI Sector Standards.

Universal Standard

Topic	No.	Disclosure	Page
GRI 2 : General Disclosures 2021			
The organization and its reporting practices	2-1	Organizational details	7
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	2-28	Membership associations <sup>1</sup>	-
Stakeholder engagement	2-29	Approach to stakeholder engagement	19
	2-30	Collective bargaining agreements <sup>2</sup>	-

1 Korea International Trade Association(KITA), Korea Packaging Recycling Cooperative (KPRC), Korea Federation of Textile Industries(KOFOTI), Korea Fashion Industry Association

2 There are no rights to collective bargaining or collective agreements under relevant laws, and operations are conducted through the labor-management council

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GRI 414: Supplier social assessment	414-1	New suppliers that were screened using social criteria	55-56, 80
	414-2	New suppliers that were screened using social criteria	55-56, 80
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	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	51, 80
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# Third-Party Assurance Statement



## To: The Stakeholders of ELAND WORLD LIMITED

### Overview

BSI (British Standards Institution) Group Korea (hereinafter referred to as the “Assurer”) was requested to verify the 2023 E-LAND WORLD Sustainability Report (hereinafter referred to as the “Report”). The Assurer is independent of E-LAND WORLD and has no major operational financial interest other than the assurance. This assurance opinion statement is intended to provide information related to the assurance of the ELAND WORLD report relating to the environment, social and governance (ESG) to the relevant stakeholders and may not be used for any purpose other than the purpose of publication. This assurance opinion statement was prepared based on the information presented by the ELAND WORLD and the assurance was carried out under the assumption that presented the information and data were complete and accurate.

ELAND WORLD is responsible for managing the relevant information contained within the scope of assurance, operating the relevant internal control procedures, and for all information and claims contained in the report. Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to ELAND WORLD only.

The Assurer is responsible for providing ELAND WORLD management with an independent assurance opinion containing professional opinions derived by applying the assurance methodology to the scope specified, and to provide the information to all stakeholders of ELAND WORLD. The Assurer shall not bear any other responsibility, including legal responsibility, to any third party other than ELAND WORLD in providing the assurance opinion and shall not be liable to any other purpose, purpose or stakeholders related thereto for which the assurance opinion may be used.

### Scope

The scope of engagement agreed upon with ELAND WORLD includes the following:

- Reporting contents during the period from January 1st to December 31st 2023 included in the report, some data included the first half of 2024.
- Major assertion included in the Report, such as sustainability management policies and strategies, goals, projects, and performance, and the Report contents related to material issues determined as a result of materiality assessment.
- Appropriateness and consistency of processes and systems for data collection, analysis and review.
- In Accordance with the four principles of AA1000 AccountAbility in the report, based on the type of Sustainability Assurance based on AA1000AS v3 and if applicable, the reliability of the sustainability performance information contained in the report.

The following contents were not included in the scope of assurance.

- Financial information in Appendix.
- Index items related to other international standards and initiatives other than the GRI.
- Other related additional information such as the website, business annual report.

### Assurance Level and Type

The assurance levels and types are as follows;

- Moderate level based on AA1000 AS and Type 1 (confirmation to the four principles as described in the AA1000 Accountability Principle 2018 in the report.)

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# Third-Party Assurance Statement



## Description and sources of disclosures covered

Based on the scope and methodology of assurance applied, the assurer reviewed the following Disclosures based on the sampling of information and data provided by ELAND WORLD.

### [Universal Standards]

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

### [Topic Standards]

301-2, 302-1, 302-3, 305-1~2, 305-4, 306-1~3, 308-2, 401-1~3, 404-1~3, 405-2~2, 406-1, 414-1~2, 416-1~2, 417-2~3

## Methodology

As a part of its independent assurance, the Assurer has used the methodology developed for relevant evidence collection in order to comply with the verification criteria and to reduce errors in reporting. The Assurer has performed the following activities;

- A top-level review of issues raised by external parties that could be relevant to organizations policies to provide a check on the appropriateness of statements made in the report.
- Discussion with managers and staffs on organization's approach to stakeholder engagement.
- Review of the supporting evidence related to the material issues through interviews with senior managers in the responsible departments.
- Review of the system for sustainability management strategy process and implementation
- Review of materiality issue analysis process and prioritization by reviewing materiality issue analysis process and verifying the results
- Verification of data generation, collection and reporting for each performance index and document review of relevant systems, policies, and procedures where available
- An assessment of the company's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000 AccountAbility Principles Standard (2018).
- Visit of the ELAND WORLD HQ to confirm the data collection processes, record management practices.

## Limitations and approach used to mitigate limitations

The Assurer performed limited verification for a limited period based on the data provided by the reporting organization. It implies that no significant errors were found during the verification process, and that there are limitations related to the inevitable risks that may exist. The Assurer does not provide assurance for possible future impacts that cannot be predicted or verified during the verification process and any additional aspects related thereto.

## Competency and Independence

BSI (British Standards Institution) is a leading global standards and assessment body founded in 1901. BSI is an independent professional institution that specializes in quality, health, safety, social and environmental management with almost 120 years history in providing independent assurance services globally. No member of the assurance team has a business relationship with ELAND WORLD. The Assurer has conducted this verification independently, and there has been no conflict of interest. All assurers who participated in the assurance have qualifications as an AA1000AS assurer, have a lot of assurance experience, and have in-depth understanding of the BSI Group's assurance standard methodology.

## Opinion Statement

The assurer was carried out by a team of sustainability report assurers in accordance with the AA1000 Assurance Standard v3. Assurer planned and performed this part of our work to obtain the necessary information and explanations assurer considered to provide sufficient evidence that ELAND WORLD's description of their approach to AA1000 Assurance Standard and their self-declaration of compliance with the GRI standards were fairly stated.

On the basis of our methodology and the activities described above, it is our opinion that the information and data included in the Report are accurate and reliable and the Assurer cannot point out any substantial aspects of material with mistake or misstatement. We believe that the economic, social and environment performance indicators are accurate and are supported by robust internal control processes.

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## Conclusions

The Report is prepared in accordance with the GRI Standards. (Reporting in accordance with the GRI standards). The detailed reviews against the AA1000 AccountAbility Principles of Inclusivity, Materiality, Responsiveness and Impact and the GRI Standards are set out below.

### Inclusivity: Stakeholder Engagement and Opinion

ELAND WORLD defined employees, customers, partner companies, shareholders/investors and local communities as a Key Stakeholder Groups. In order to collect opinions by each stakeholder groups in the context of sustainability, operated the stakeholder engagement process. ELAND WORLD conducted a review of the stakeholder engagement process at the governance level in order to reflect the major issues derived through the stakeholder engagement process in sustainability strategy and goals. ELAND WORLD disclosed the results related to the process in the Report.

### Materiality: Identification and reporting of material sustainability topics

ELAND WORLD implemented its own materiality assessment process in consideration of the major business and operational characteristics to derive important reporting issues related to sustainability. In the materiality assessment, ELAND WORLD conducted the analysis of global sustainability reporting or assessment standards. ELAND WORLD analyzed international disclosure standards and evaluation indicators/matters. ELAND WORLD derived 6 material topics through the relevant process, and disclosed GRI topic standards disclosures related to material issues in the Report.

### Responsiveness: Responding to material sustainability topics and related impacts

ELAND WORLD operated a management process for material topics in the context of sustainability derived from the materiality assessment. ELAND WORLD established mid- to long-term sustainability plans and goals in according to the management methodology established to effectively reflect the expectations of key stakeholders. ELAND WORLD reviewed through major management organizations, disclosed the process including policy, indicator, activity and response performance on material topics in the Report.

### Impact: Impact of an organization's activities and material sustainability topics on the organization and stakeholders

ELAND WORLD identified the scope and extent of the impacts to the organization and key stakeholders in the context of the sustainability of the material topics reported. ELAND WORLD established sustainability strategies and objectives based on the analysis results of major impacts, including risks and opportunities for material topics at the governance level, disclosed mid- to long-term plans and strategic system in the Report.

## Recommendations and Opportunity for improvement

The assurer will provide the following comments to the extent that they do not affect the result of assurance;  
Considering ELAND WORLD's key industrial sector characteristics and business operations,

- It may be effective to integrate the sustainability performance indicator management system and disclosure system with its own enterprise risk management(ERM) process and business operation process.
- It may be effective to advance the sustainability performance indicator management system of the subsidiary and expand the scope of data collection in responding to the requirements of the consolidated disclosure.

## GRI-reporting

ELAND WORLD provided us with their self declaration of compliance within GRI Standards. Based on our review, we confirm that social responsibility and sustainable development indicators with reference to the GRI Index. The Assurer confirmed that the Report was prepared in accordance with the GRI Standards and the disclosures related to the Universal Standards and Topic Standards Indicators based on the data provided by ELAND WORLD. The sector standard was not applied.

Issue Date: 31/12/2024

For and on behalf of BSI (British Standards Institution):

BSI representative

Jungwoo Lee, Lead Assurer, ACSAP | Seonghwan Lim, Managing Director of BSI Korea




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Hold Statement Number: SRA 821286



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# Awards and Recognitions

Date	Award Details	Presenting Organization
January 2023	Ho-sik Shin, CEO of Saipan MRI, received the Saipan Entrepreneur of the Year Award	Saipan Chamber of Commerce, Northern Mariana Islands
February 2023	E-Land World Fashion Division honored as a Leading ESG Fashion Company	Institute of Textile & Fashion Policy
June 2023	Mokpo E-Land Senior Welfare Center awarded Presidential Citation for contributions to elderly rights promotion	Ministry of Health and Welfare, Central Elderly Protection Agency
June 2023	E-Land PIC Saipan awarded Best Family Hotel	TripAdvisor
November 2023	Presidential Citation for Contributions to Mutual Growth	Ministry of SMEs and Startups
December 2023	Recognized as a “Partnering Company with Agencies” by the Fair Trade Commission for three consecutive years	Fair Trade Commission
September 2024	E-Land Farm & Food awarded Minister’s Prize for contributions to social responsibility	Ministry of Trade, Industry and Energy
September 2024	E-Land Welfare Foundation awarded Minister’s Citation on Social Welfare Day	Ministry of Health and Welfare



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