

Collective Actions of UNGC Korean companies in support of SDGs



THE GLOBAL GOALS
For Sustainable Development



Global Compact
Network Korea

Forward

Message from the Secretary General of Global Compact Network Korea

Sustainable Development Goals (SDGs) is a new set of ambitious targets in which the international community committed to making progress in the fifteen years ahead. At the United Nations, multi-stakeholders including UN agencies, governments, businesses, and civil societies have reached an agreement to address various problems from poverty, inequality and climate change to food supply. Unlike their predecessor, the Millennium Development Goals, the SDGs explicitly call on all businesses to apply their creativity and innovation to solve life-threatening and multifaceted challenges. The SDGs have been agreed by all governments, yet their success hinges on action and collaboration by all stakeholders.

The SDGs present an opportunity for business-led solutions and technologies to be developed and implemented to address the world's biggest sustainable development challenges. Secretary General Ban Ki-Moon said, "The UN Global Compact is the starting point for any company seeking to advance the SDGs. The Compact's Ten Principles provide a universal definition for responsible business." Korean companies namely, the UN Global Compact signatories are increasingly finding innovative ways to engage through their core business operations, value chain, market-based solutions, social investment, strategic philanthropy activities and public private partnerships to be at the forefront of tackling global threats.

In the wake of the adoption of SDGs, UN Global Compact published SDGs Compass and SDG Industry Matrix to support the incorporation of SDGs in business operations. This short summary showcases some of the activities having been implemented by the signatories of Global Compact Network Korea in support of the SDGs. Global Compact Network Korea has continuously built a database on the best practices of private sector's contribution to global development.

Global Compact Network Korea firmly believes that this publication serves as a channel for reviewing progress Korean companies have made in achieving SDGs and communicating great efforts of Korean companies in areas like poverty eradication and sustainable development.

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CJ Korea Express



The CJ Korea Express is the product of the CJ Group and of Korea Express - the first Korean logistics company founded in 1930- coming together. 78 overseas bases in 22 countries are in place, with 5,300 employees. Total sales amount to 5,720 Million USD (as of 2015). Historically, the root logistics company acted as the main gateway for imports and exports, handling several vital logistical events which led it to becoming a champion for Korean economic growth. The four business areas of the CJ Korea Express consist of: Contract logistics, Parcel delivery service, Maritime business and Forwarding service. The company is now rapidly growing into a global, integrated, logistics company that aims to be one of the top 5 global companies in the field.

1. Senior Parcel Delivery

The Opportunity

If the current trends are kept constant, the OECD estimates Korea to become the second “Oldest” country, just after Japan, by 2050. According to Statistics Korea (KOSTAT), the ratio of the senior citizen population (over 65) to the entire population exceeded 12.2 % in 2013, and is forecasted to reach 37.4% in 2050. The Aged Dependency Ratio, which is the number of retired persons divided by the number of the working population, is increasing sharply, estimated to reach 20.0 % in 2018 and 57.2 % in 2040. Moreover with the “Aging Society” phenomena, the negative effect of being out of the workforce has become a big social issue, where some senior citizens are exposed to a sense of social isolation and loneliness, poverty and economic sufferings.

To turn to another problem, at first seemingly distant, the express business sector was faced with an existing shortage of delivery staff and challenged by difficulty in providing effective delivery services to secluded distant areas or to narrow alley towns, where normal delivery vehicles could not easily reach or gain access. As routine, private delivery vans or Call-van services, commis-

sioned at high prices, were used in these instances.

To respond to the prospective social needs of the aging society and to create a business opportunity, the CJ Korea Express recognized these two distinct problems and, using its strong foundation in logistical operations in the express business, established the “Senior Parcel Delivery” in 2013 with joint partners.



The Strategy

In 2007, several domestic parcel delivery companies started to create delivery jobs for seniors in response to corporate social responsibility. However, with an inefficient operating system and a lack of systematic partnerships with stakeholders, steadfast decline in the productivity ensued. On this basis, CJ considered a new sustainable model, able to create economic and social values at the same time.

- Local cluster development

A model of unique partnerships was created. An independent logistics company named Senior Total Distribution Service Inc. that operated in partnerships with the Korean Ministry of Health & Welfare (MoHW) and the Busan Municipal Government was born. Currently, there are four affiliates, including Seoul, Incheon, and Gyeongnam, in addition to Busan. Each playing its role, the CJ Korea Express is responsible for training senior employees, providing eco-friendly easy-to-drive electric carts, and offering SCM consulting solutions; while the Ministry of Health and Welfare provides the company

with expenses in operation and marketing; and the Busan Municipal Government provides the business site and reduction in its rental fees.



The Senior Total Distribution Service Inc, accredited as a “Senior-Friendly Enterprise,” enjoys a variety of incentives, including a 0.8 million USD of government subsidiary provided to the three affiliates (excluding Incheon).

- Redefining productivity in the value chain

Establishing delivery bases near apartment complexes and residential areas not only reduces the delivery time for the senior staff but also increases customer accessibility, building a base for future business models.

To increase productivity, the CJ Korea Express introduced special electric carts made easy to drive for seniors. These environmentally friendly carts emit zero carbon emissions and enable delivery through alleyways where normal delivery trucks could not enter.

Results-Value for Business and Society

- Business results

- By diversifying delivery methods through the expansion of Senior Parcel Delivery and of local delivery bases, CJ Korea Express could process additional 4 million parcel boxes per year which increased annual sales by 2.6 million USD without establishing additional Delivery Terminals (0.4 million USD in construction cost per terminal, 0.3 million USD/year in operation cost). 1 million USD was reduced from the total expenses by 2016.

- The Senior Parcel Delivery, as a way of diversifying existing delivery method, enables the CJ Korea Express to promptly and efficiently react to events of unexpected oversupply.

- After introducing the electric carts, the number of parcels delivered each day increased from an average of 33 boxes to 56 boxes. (While 200 boxes are delivered by regular delivery staff each day, hiring 4 senior staff can produce the same output.) This raises the competitiveness of the senior workers and solved a shortage of delivery workers in certain areas.

- Social results

- By March 2016, 560 new jobs for seniors have been created.

- On top of pensions, senior staff can earn a stable source of monthly income as well as the added benefit of government subsidiaries for market workforce participation. The total is estimated to exceed the average living cost of seniors by 14%, supporting seniors with better financial independence.

- The reincorporation into the workforce not only established an economic benefit for the senior staff but a sense of dynamic social belonging. As indicated in a survey, 90% of the senior staff expressed “satisfaction” about their work and 70% said they would recommend their work to other seniors.

- Turning away from gasoline usage, the electric carts introduced by the CJ Korea Express do not produce any direct greenhouse gas emissions. This merges successfully with the global endeavor to reduce greenhouse emissions and Korea’s low-carbon green growth strategy.

Lessons Learned, Challenges and Outlook

The unique model put forth by the CJ Korea Express and its partners instituted a sustainable profit-creating business model offering new jobs for seniors in an aging society and meeting environmental needs, as Korea’s first senior parcel delivery service based on CSV.

There are still opportunities to improve productivity; one is through the expansion of the business itself. The senior parcel service, which is currently limited to the Busan, Gyeongnam, Seoul, and Incheon areas, is to be expanded nationwide.

- By 2016, the company plans to create 1000 more jobs, establish 130 more regional delivery bases and provide 400 more electric carts.

- To further reduce delivery time, creative solutions are to be sought after where existing regular delivery staff and senior staff can share logistics or work together in meaningful ways to produce systems of synergy.



DGB Financial Group



1. Launching 'With-you Education Tutor Volunteers'

In 2013, The DGB Social Contribution Foundation organized 'With-you Education Tutor Volunteer Corps' to provide educational supports for children and youth who is under the bottom classes. The volunteers are led by 40 university students from local universities, who are taking on the role of mentors for the children of the neighbors in need. Students with poor educational backgrounds were selected to be the mentees, and the mentors are helping them in their studies or attending cultural event together. Looking ahead, the DGB Social Contribution Foundation will make continuous and systemic improvements to the program, with the mentors planning to visit the mentee's houses to help them continue learning.



2. Solar Power Facilities

DGB Daegu Bank is a clean workplace, hardly producing any direct air, soil, water or noise pollution. However, as part of worldwide efforts to preserve our earth, we are striving to minimize our environmental impact by monitoring and reducing waste from short-term causes such as remodeling construction and indirect waste. Daegu Bank is joining the government's initiative to promote alternative energy. In a first among Korean financial institutions, we have installed and tested a solar power facility (15Kw) at Banyawol branch and Gyoung-ju branch.



< Solar Power Facilities at Banyawol Branch >

3. The Second Head Office of Daegu Bank, a local landmark

Since its ground-breaking in December 2013, the construction of the second head office of DGB Daegu Bank is almost completed. The new building was designed to cut 45% of energy consumption, more than 30% of carbon emission and over 40% of water use, all of which are remarkable facts, enough to receive the Gold rating from Leadership in Energy and Environmental Design. This US green certification is planned to give the second head office an edge as an environmental landmark in Daegu, upon its completion.



< The Second Head Office of Daegu Bank >

4. Community Engagement Programs for Social Minority Groups Support for Multicultural Families

Under the slogan of “Cheering for the brighter dreams and future of multicultural families”, DGB’s Social Contribution Foundation has an opportunity to report the results of projects conducted for supporting multicultural families. The Foundation offered Korean language classes which served as a stepping stone in adapting to the Korean society and vocational training programs designed to help the families become financially independent. As we have operated Korean language classes once a week for a year to help them improve the language abilities and also courses for certificate of proficiency in Korean, over 85% of applicants obtained grades in TOPIK, the Korean proficiency test. In an attempt to support foreign spouses stand on their own feet, the Foundation provided foreign spouses with various professional training courses.

5. DGB Cyber Green Branch

In 2010, Daegu Bank became the first Korean bank to open an Internet-based, environmentally-friendly branch. The branch only offers green financial products covering deposits, loans, funds and credit card products, and donates a certain percentage of the profits to support regional environmental preservation activities.

Sales at DGB Cyber Green Branch

Classification	2012	2013	2014	2015
No. of accounts sold	1,665	2,099	2,564	3,054
Amount (KRW in millions)	2,294	2,071	2,094	2,100



6. Environment Protection Activity in Local Community

DGB Financial Group practices diverse environment protection activities, in a bid to take the lead in environment conservation in local communities. As a result, a total of 2,120 employees partook in them in 2015. For example, Environment Care that includes tree planting and invasive foreign species elimination that disturb the

ecological system, Shincheon Cleaning under the policy of ‘One Company, One Stream’, banner posting that urge trailers not to set on wildfire, events in commemoration of World Water Day, Dok-do (Island) Love, including support to Dok-do abalone project and consolation events for Dok-do Guard.

Environmental Preservation Activities

Category	2012	2013	2014	2015
No. of activities	73	92	91	95
No. of participants	5,022	2,570	2,585	2,120



7. DGB Anti-Desertification Forest Project in Mongolia (Goal 15)

In order to prevent desertification in Mongolia, DGB Financial Group planted 180,000 trees in Mungun Morit, Mongolia from 2009 to 2011 and did about 5,000 trees at the same region from 2012 to 2013. Financial group also delivered scholarships for local students aiming to become forestry experts as part of the company's efforts to fight desertification in the region up to present.



DGB Anti-Desertification Forest project in Mongolia

type	2009	2010	2011	2012	2013
No. of Trees Planted (trees)	60,000	60,000	60,000	2,100	3,000

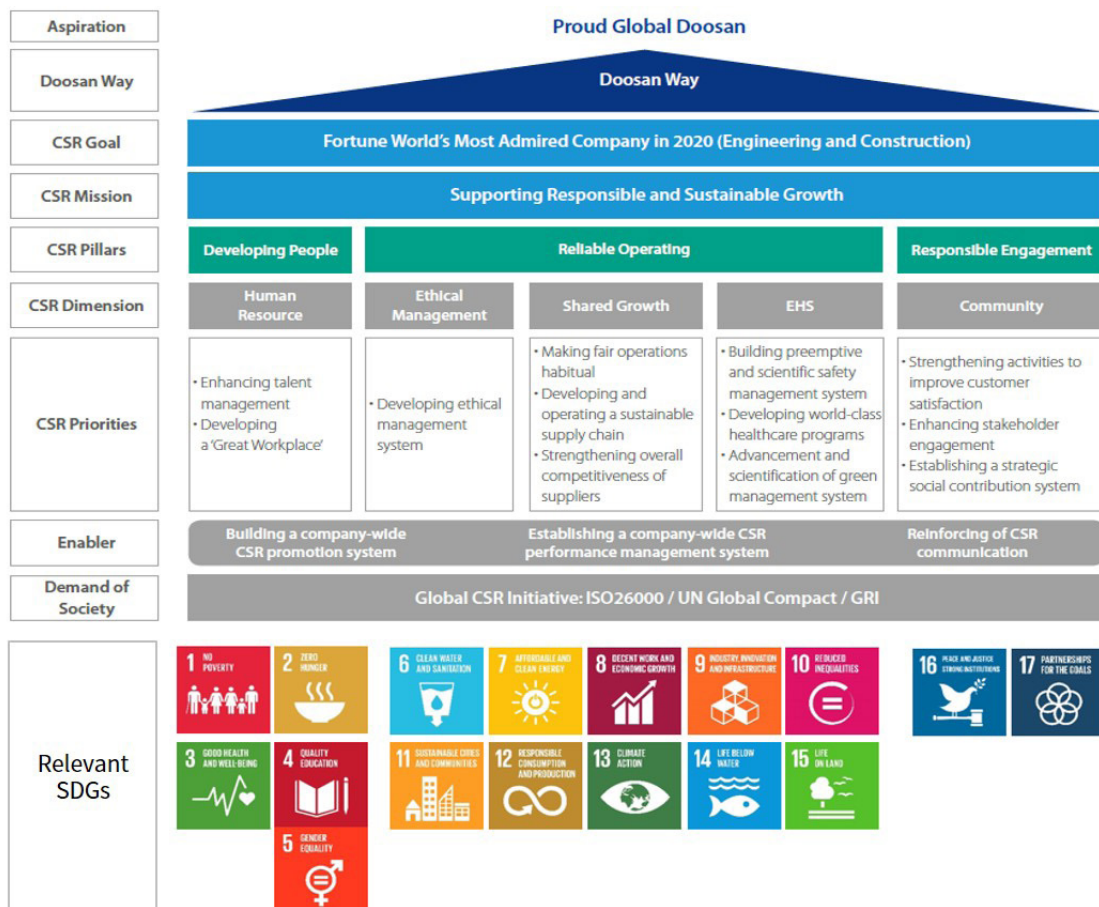
* Beginning 2012, all trees planted were Sea Buckthorn so as to provide financial assistance to local residents

Doosan Heavy Industries & Construction



Doosan Heavy Industries & Construction, (hereinafter “DHIC”) strives to supply power and water, two elements that are essential to human civilization. In the hopes of contributing to the greater well-being of mankind and the planet, DHIC also develops technologies and solutions aimed at preserving a clean environment, which is fundamental to the health of future generations. To this end, DHIC has been developing eco-friendly technologies which are touted as future growth engines. The company has been actively engaged in developing technologies that minimize the

generation of greenhouse gas (GHG) like carbon dioxide, leading to the development of technologies such as the circulating fluidized-bed (CFB) technology, which discharges less pollutants than the existing pulverized coal-fired boilers and cuts down on fuel costs, as well as the integrated gasification combined cycle (IGCC), wind power generator, carbon capture & storage (CSS) and oxy-fuel technologies. DHIC is also endeavoring to secure a new growth momentum by exploring new business models, such as developing gas turbines and utilizing information & communication technology.



<Alignment of DHIC CSR Strategy and SDGs>

DHIC has in place a robust corporate social responsibility (CSR) strategy, which was devised to fulfill its social responsibilities as a corporate citizen. Its CSR strategy, which consists of three core pillars – Developing People, Reliable Operation and Responsible Engagement - involves carrying out various processes in alignment with the SDGs.


The aim of DHIC’s power and desalination business coincides with SDGs #7 and #6 respectively, which are to ensure affordable and clean energy and clean water and sanitation.

Thus, DHIC’s business objectives can be regarded as being very much in alignment with the SDGs. The company’s efforts do not end here, as it is engaged in a wide range of CSR initiatives through which the SDGs are supported.

DHIC has been implementing strategic CSR initiatives in three main areas - Cultivation of Talent, Support for the Underprivileged and Becoming Closer with Local Communities. All are aligned with the company’s three key principles of being ‘Business Oriented’, ‘Community Focused’, and securing ‘Employee Engagement.’ As indicated in the SDG Index activities, DHIC is committed to expanding such SDG-aligned programs to help successfully achieve the SDG targets. Introduced below are some of the major activities carried out by DHIC.

1. Cultivation of Talent: Youth Energy Project

Behind the success of Doosan is its unwavering ‘trust in people.’ This was something the company’s founder firmly believed in, as he was often heard saying, “Investment in people provides the foundation for business.” This belief is well summed up in the company’s 2G strategy (Growth of People, Growth of Business), which has been the driving force behind the company’s success. It is the company’s belief that the strategy will guide them on their journey to prosperity in the global era. At the heart of the 2G strategy is the concept that a virtuous cycle exists, one in which ‘the growth of people creates the foundation for the company’s growth, and the latter in turn leads back to the former.’ Since 2010, DHIC has been hosting the Youth Energy Project for the purpose of developing the young generation into competent, well-rounded and self-reliant individuals. All programs under the project are customized to suit the growth stages of the young talents. Diverse programs are offered, such as basic capability-building programs for future young talents, programs aimed at cultivating talents in the fields of natural science and engineering and technical training programs for the unemployed. In 2015, DHIC also conducted the ‘M.Y. Dream (Make Your Dream)’ program to help youngsters explore career options and provide them with a good understanding of the various jobs. This is a program that supports achievement of SDG # 4 Quality Education.

Major Projects		
Primary school students <ul style="list-style-type: none"> - Theme programs for local childcare centers - Matching school expenses for low-income families - Donation of school textbooks - Sponsorship to Dream-High (Kumkum-Dda) Orchestra 	Middle school students <ul style="list-style-type: none"> - ‘Job Film Festival’ for Youth Career Exploration - Scholarships for students with outstanding academic performance from low-income families - Donation of school uniforms - Matching school expenses for low-income families - Donation of school textbooks 	High school students <ul style="list-style-type: none"> - Support programs for science high schools - Operation of ‘Doosan Class’ in master / vocational high schools - Scholarships for students with outstanding academic performance from low-income families
		University students <ul style="list-style-type: none"> - Academic-Industrial collaboration (Doosan Class in vocational colleges) - Technology study contest and visits to advanced overseas countries
		The Youth <ul style="list-style-type: none"> - Vocational training and employment support for job seekers

<Youth Energy Project Major Programs>

2. Support for the Underprivileged: Medical Services in Vietnam

Since 2009, Doosan VINA, DHIC's Vietnamese subsidiary, has been providing free surgery every year to cleft lip/ palate patients and the elderly suffering from cataract. With only substandard medical facilities being available in the region, local residents face difficulty receiving necessary care when needed. Thus, Doosan VINA sought to make a genuine social contribution by offering free medical assistance whenever and where ever it is needed. In addition, the company donates nutrients for children up to the age of five, medicines for local residents, surgical instruments for cataract surgeries and medical devices for physical therapy. Under a joint program pursued with Korea's Chung-Ang University Hospital, a medical volunteer corps is dispatched every year to various locations across Vietnam. Ever since the medical volunteer service was initiated in 2009, more than 15,000 Vietnamese people have received free medical treatment and over 70 children with cleft lip/ palate have undergone charity surgery. This program is very much in sync with SDG # 3 which is to ensure Good Health & Well-Being for all. It donated a seawater desalination plant in An Bihn Island, Vietnam and carried out various activities to foster, sponsor and promote corporate social responsibilities.

Owing to such efforts, Doosan VINA has become the most respected company in Vietnam, and business growth and localization have been facilitated as well.



<Medical checkups & treatment offered to over 15,000 Vietnamese residents>

3. Becoming Closer With Local Communities: Doosan Day of Community Service

To fulfill its corporate social responsibilities and help local communities enhance their competitiveness, DHIC set up a biannual event called the 'Doosan Day of Community Service.' Over 70 diverse programs are arranged for that day, with close to 3,000 employees from 14 work sites around the world participating. The event enables DHIC to carry out numerous volunteer programs centered around the local communities' needs, which in turn also coincides with supporting the SDGs. DHIC is committed to continuously pursuing such activities in line with its sustainability strategy and in doing so, endeavors to support the successful achievement of the SDG targets.



<Doosan Day of Community Service Accomplishments>

Korea Expressway Corporation



1. Overseas voluntary service for children with heart disease

“We build roads to connect people and cultures, creating a new world.”

Korea Expressway Corporation has donated to heart disease patients of low-income countries for 18 years. Donation was gathered on the expressway in South Korea cross the border and touched the hearts of children in need. Korea Expressway Corporation and the Korea Salvation Army collected donation jointly at the Expressway tollgate and supported the treatment of children with heart disease in under-developed countries.

In 1999, cardiac services began with helping to cure Chosun compatriot children with heart disease in China. Voluntary activity has expanded the beneficiary countries from Mongolia in 2008 to Philippines in 2016. By 2015 for 17 years, 290 children from 7 countries(China, Mongolia, Cambodia, Vietnam, Russia, Kyrgyzstan, Philippines) were cured of heart disease and recovered.

Korea Expressway Corporation, Korea Salvation Army and Danwon Hospital joined to medical support for Filipino children with heart disease in Apr 2016. With the visit, Philippine children will be able to get treatment in this summer. Korea Expressway Corporation will continue to expand cardiac services in low-income countries in Southeast Asia with overseas business.



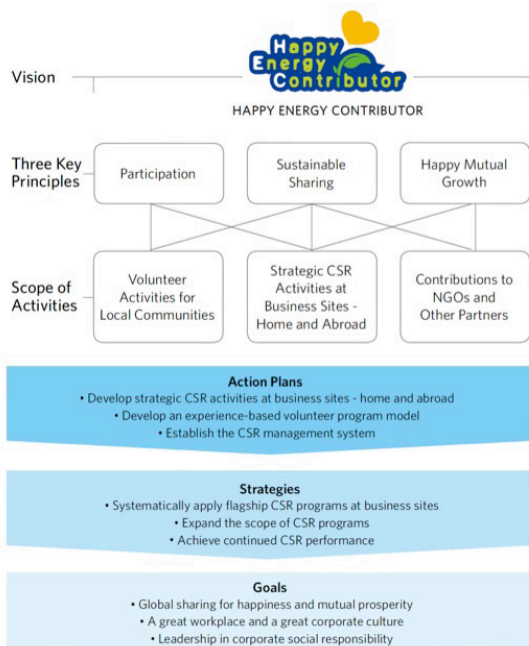
Hyundai Engineering



Hyundai Engineering is a global engineering company which provides optimal solution in fields of process plant, power plant, building, housing and asset management.

Not to mention the role of enterprise citizenship, Hyundai Engineering tries to improve the quality of life for the people in the communities where we operate. In order to perform as a sustainable leader, we have signed in ASD last year to implement SDGs proactively. ASD is the Korean Association for supporting SDGs for the UN, established in 2011, and it literally encourages participation and networking of leaders in Korea to promote successful implementation of SDGs. Every quarter, Hyundai Engineering joins 'Korea National Assembly UN SDGs Forum', and supports developing SDGs Business Index for the UN (SDG BI) run by ASD.

Since Hyundai Engineering manages over 150 projects in 26 countries, social contribution activities are also performed globally in a systematic way.



1. Representative social contribution activities abroad : New Hope School

In abroad, the employees voluntarily seek for what is in need for the local community and the work is managed promptly with the headquarters support. Employees in overseas sites generally focus on primary education and make great efforts to provide children in poor village the equal chance for education.

Starting from 2010, Hyundai Engineering has founded and donated 4 New Hope Schools in Cambodia, Equatorial Guinea, Bangladesh, and Philippines. The contribution continues even after the foundation. We also help the children and their family to increase the income and make the self-reliance possible, and set up one-on-one match between children and employees so that stable financial aid can continue.

Hyundai Engineering will consistently increase the chance for education for the needy extending the targets to adults and offering them skill training which will gradually lead to the job creation.

Contents	1st School	2nd School	3rd School	4th School
Year	2010	2013	2014	2015
Country	Cambodia	Equatorial Guinea	Bangladesh	Philippine
Students	70	40	250	1000
Note (1-on-1 match)	O (70 pairs)	X	O (100 pairs)	X



<New Hope School in Bangladesh>

2. Representative social contribution activities in Korea : Didimdol House Project

In Korea, Hyundai Engineering mainly focuses on housing welfare for the people living in poor condition in diverse ways.

First, Hyundai Engineering has signed an MOU with Seoul City in 2013 to run the Didimdol (Steppingstone) House Project. For 2 years, we've been comprehensively supporting housing, facilities, career and social life of flophouse residents by renovating houses and facilities, establishing workplaces(flower shop, handicraft workshop), providing mental care programs, etc.

Didimdol House is a systematic and long-term project rather than one-time support.

In addition, Hyundai Engineering developed disaster relief house in 2015 by applying the modular technology to solve the housing problem in our society and alleviate social polarization.

We earned the Porter Prize for Excellence in CSV by this Modular Housing as it fulfills social and economic value while it enables a close coordination between Hyundai Engineering, local governments, partner companies and Hope Bridge (Korea Disaster Relief Association).



<Modular house>



<Exhibition with photos taken by flophouse residents>



<Renovated houses>

Kangwon Land



1. Sustainable Regeneration in abandoned mine areas

We are initiating the City Restoration Project with the aim of boosting the growth momentum of the Kangwon region, which has fallen behind due to the decline of the mining industry. The City Restoration Project is more than just a city redevelopment plan, or mere physical maintenance; rather, it aims to revitalize local communities not only by improving its physical facilities, but also by making sophisticated improvements in the fields of society, economy and culture, with the local residents at the core of it all. More specifically, the 'Cocreation for good community' forum attracted empathy, support and cooperation from the key players, including local residents and the local government. Moreover, we are continuously pouring effort into creating a promotional organization composed of city restoration experts, local administrative authorities, and local citizens, and collecting the diverse opinions of such stakeholders. And, by commercializing the unique cultures of the abandoned mining regions in accordance with the aforementioned approach, we are plan to play a major role in vitalizing the local economy and generating synergy by connecting the abandoned mining regions to Kangwon Land. We are also looking forward to an advance in the community sentiment stemming from the active participation of local citizens and stakeholders.



<'Cocreation for good community' forum>

2. Water resources management

Kangwon Land is striving to actively participate in the national water resource saving campaign in consideration of its water scarcity problem due to its geographical location. In 2015, water resource management measures were established in preparation for increased water usage, and a second reservoir (total capacity: 240,000 tons) was autonomously used to supply the necessary water. In order to effectively deal with wastewater from laundry, which has increased due to the extension of the resort, the daily handling capacity was increased to 500 tons; and, by adopting new wastewater technology called the 'membrane method', the water for laundry was provided. Additionally, water originating from abandoned mines is purified with the reverse osmosis pressure method for daily water usage and cleaning of the ski resort. By changing the equipment in which water from the lawn plaza can be used for heavy water, the water re-usage rate has been increased as well. In addition to this, the re-usage of water resources has been extended to various parts of the resort to save water, and thus water has been secured by improving the water situation inside the province.

* Membrane method : process of separating unnecessary substances from wastewater and accepting only pure water. It is effective not only for water purification but also for recycling.

3. Energy saving activities aimed at reducing greenhouse gas emissions

Kangwon Land submits its energy objectives and plan for saving energy and reducing its greenhouse gas emissions to the government every year, following the 'Guidelines on Rationalization of Public Institutes' Energy Fulfillment'. To reduce energy use more effectively, the Energy Saving Promotion Committee and Energy Hunter systems are operated.

As part of the supply business of LED lights for public institutions, Kangwon Land changed the lighting

of all its buildings to LED lights. 62% of the light was changed, which exceeds the government's objective in the 2015 standard, and next year's target is to change 70%.

The progress of greenhouse gas reduction is measured on a monthly basis by analyzing energy usage in each business unit; and LPG, a clean fuel, is used as the main energy source. The second waste heat recovery equipment has been activated to minimize the amount of heat emitted by the buildings, and 1,459 tons of energy was re-produced, and 1,441 tons of greenhouse gases were reduced by adopting wood-pellet boilers.

4. Education Support in the Local Community

With the target of growing future leaders, we are running a local leader program for middle school to university students by stages. We offer subsidies for tuition and living expenses for impoverished middle/high school and university students through the High1 scholarship. Moreover, we are supporting education and career counseling in order to eliminate the education gap between regions, and promoting the science experience camp 'Creative Science Academy' and the global visit program 'High1 Expedition'. We expanded the eligibility for the 'High1 Expedition' to middle school students earlier this year, and so far a total of 64 high school and 60 middle school students have had the privilege of exploring advanced culture.



<Education Support in the Local Community>

Despite our efforts to grow leaders, there is a possibility of psychologically negative influences on the youth of the nearby region due to the characteristics of our business. Accordingly, we are sending social workers to schools in the abandoned mining region to ensure that children develop healthy and stable emotions. We are planning to expand the number of schools that social workers visit and thereby promote the healthy growth of local youth. These efforts have been evaluated as having raised the standard of the local education

environment while providing an inter-resident communication forum with the topic of education.

5. Reinforcement of human rights of female employees

Despite the exponential increase of females entering the workplace, infrastructure and systems that ensure women's rights have not kept up with the trend accordingly, and, as a result, many female employees are faced with problems such as work-family imbalance and gender discrimination. In order to resolve this issue, a committee composed of then members was established in February 2015 to protect and enhance the rights and interests of female employees, and to vitalize cooperation and communication between employees. The Female Committee is striving to resolve and help female employees' issues, such as sexual harassment by customers, and to increase the recruitment of women and enhance their rights. In addition, measures were introduced to resolve conflicts between males and females, improve their understanding of each other, and create a corporate culture that promotes female talents and gender equality. The Female Committee held a conference on 8 occasions in 2015 to request improvement of the disadvantages women face after returning from childbirth and infant care leave, and also strived to enhance the rights and interests of females, such as by preparing a female mentoring program in the area of female talent development education. The Female Committee plans to keep working hard to establish a sound working environment favorable to females' career development and self-realization.



<Female Committee establish>

KIA Motors



1. Green Light Project

As a vocal supporter of plans to ensure a sustainable society (SDGs), Kia is determined to do its part. For example, our win-win partnerships with suppliers—an integral factor for sustainable development—enhances the competitiveness of our supply chain. In fact, Kia's mutual growth system and sustainable growth foundation-building/global competitiveness-building programs have allowed 600 of our domestic partners to advance into overseas markets alongside us to date. In addition, our commitment to safety has resulted in the development of several safety technologies that protect both drivers and pedestrians. We have even gone so far as to realize an advanced driver assistance system (ADAS) that helps drivers steer clear of potential accidents. At the same time, we remain vigilant to addressing important social issues in communities around the world where we have a presence, and engaging in diverse programs to create new value for these local residents. As part of our commitment to equal opportunity, Kia's flagship global CSR program, the Green Light Project, assists individuals and communities become self-sufficient through greater mobility.

The Green Light Project (GLP), Kia Motors' signature global CSR campaign, epitomizes the company's CSR philosophy. We go to places most in need and find solutions to the most pressing issues. Based on past resolutions, we have built schools and community centers, while providing vehicles that best serve local needs such as school shuttles, village shuttles, mobile clinics and mobile libraries. Our five-year programs are aimed at helping local communities stand on their own feet through education and training and also at providing assistance in terms of operational know-how. Based on the GLP Roadmap, we select two new beneficiaries every year. As a result, we helped eight communities in five African countries between 2012 and 2015. Starting in 2016, another five-year project begins in Uganda.



Since 2013, our employees have been joining hands with this cause during the summer vacation months. In 2015, the third GLP volunteer group of Kia employees from across the world volunteered at Salima and Lilongwe in Malawi for 10 days. Additionally, the corporate donation system, K-Nanum Together, raised a total of KRW 33million for one-to-one sisterhood campaigns between Kia employees and GLP school students.

The first beneficiary of Kia's Green Light Project was Nagashangqui village in Tanzania in 2012. The village's GLP School later graduated its first class in February 2014. Some of the graduates are going to visit Korea as part of an exchange program.



At Kipato House, a self-reliance project site, local residents and students are taking sewing lessons to make school uniforms. In 2016, we expect that they will be

able to make about 2,400 uniforms for sales purposes, with all proceeds to be used for funding village projects.

At the GLP Healthcare Center in Salima, Malawi, Korean doctors and nurses treated a total of 10,000 patients at the center or through mobile clinics throughout 2015. The center engaged in a malaria prevention program throughout the village, where 46 percent of visitors to the clinic are diagnosed with malaria. The center's nutrition project also helped 73 infants, 71 of whom became healthier.

We also run literacy campaigns and health education programs through mobile clinics, mobile libraries, and mobile theaters in five villages in the region. Additionally, our fertilizer lending program is expected to generate more than USD 10,000 in profits for 2016.

In Lilongwe, Malawi, the GLP School will graduate its first class in August 2016, and we plan on doubling the number of students there, while the number of classrooms will increase from four to eight. Completed in 2015, the maize mill is slated for full operation as of 2016, with estimated annual profits of USD 11,500 from flour milling and bakery operations.

In Zavala, Mozambique, 1,019 students are attending the GLP School and a local hospital is operating a mobile clinic that visits 10 neighboring villages once a week. Also, a microfinancing program is helping 396 people from 17 groups in 19 villages.

Another GLP School was completed in Guangua, Ethiopia in August 2016, with the aim of accepting its first new students in September of the same year, while the Mobility Project is preparing to get off the ground in July. Currently under construction under an alliance with KOICA (Korea International Cooperation Agency) are vehicle repair training centers in Addis Ababa, Ethiopia and Dandora, Kenya. When completed and in operation later in 2017, the centers are expected to help alleviate local unemployment issues.



Korea Tourism Organization



Korea Tourism Organization(KTO) is a government invested company responsible for the Korean Tourism Industry with its aim to attract foreign inbound tourists and promote the domestic tourism industry. KTO has done global voluntary activities in affiliation with its overseas offices since it launched a global volunteer corps, 'Go-Every-Nook_and_Cranny-to-Share', in 2006. And all KTO executives and staff members have participated in the volunteer work since its inception.

KTO gives hope and courage to foreign countries in need of help through sharing by utilizing its network of 31 overseas offices in 20 countries.

1. "Shared Medical Tourism" Project Invites Chinese Child Patients

In order to promote Korea's unique jeong (affection) culture and outstanding medical technology, the Korea Tourism Organization launched the "Korea-China Shared Medical Tourism" project in 2015. Through this project the KTO reached out to the lesser fortunate young patients in the Xinjiang Uyghur Autonomous Region, where medical benefits are very limited. On June 1st 2015, a group of 35 guests, including 6 children with cleft lip/palate, arrived in Korea for a 5-day stay. The next day the children were taken to 3 different cosmetic surgery clinics and treated at no cost. The group also had the opportunity to participate and experience various cultural tours.

The entire process, which began in Xinjiang and continued on to traveling to Korea and receiving necessary treatment was filmed and aired throughout China as a "Special Documentary."

In addition, due to China's media (TV, radio and internet news) coverage of Korea's shared medical treatments and cultural tours, the Chinese public was able to further understand and experience Korean Medical Tourism.

KTO will continue the 'Shared Medical Tourism Project' in the future to give a new lease on life and love to

overseas people who are badly in need of medical care.



2. ODA-Funded Training Program for Tourism Officials

From November 9 to December 9 2015, the Korea Tourism Organization hosted the "2015 Global Tourism Leaders Forum" and the "Training Program for Tourism Policy and Strategy." A total of 47 tourism officials and researchers from the 14 ODA Priority Partner Countries, including Asia and South America, joined and participated in the events.

The 14 Priority Partner Countries of Korea are Vietnam, Indonesia, Mongolia, Cambodia, Bangladesh, Philippines, Laos, Sri Lanka, Nepal, Myanmar, Pakistan (hereafter Asia), Colombia, Paraguay (hereafter South American), Uzbekistan (hereafter Europe).

Now on its second year, this year's training program was organized to introduce Korea's strategy for the rapid growth of its tourism industry, and also provide

hands-on experience opportunities of our tourism industry to participants.

The “Training Program for Tourism Policy and Strategy” is divided into 2 parts: a hotel service training, and a practical training session that includes case studies of Korea’s tourism policies and medical and industrial tourism product development, and on-site tours.

Through this training program, KTO were able to share Korea’s remarkable growth of the tourism industry with world tourism leaders, while also providing practical assistance in achieving economic development through tourism to participating countries.

In order to support the growth of the tourism industry of ODA Priority Partner Countries, the Korea Tourism Organization will continue hosting training programs and forums for tourism officials.



Korea Racing Authority



Excavate and intensively conduct the Korea Racing Authority's Only-One representative social contribution activity

Korea Racing Authority(KRA) reflects on they didn't do the social contribution activity differentiated from other institutions although they have conducted the social contribution activities consistently until now, and contemplated what field they could do best in terms of offering a service for people, and 2015, they determined the sustainable representative social contribution activity in a midterm and long term, which accords with the KRA's business nature and is carrying it out intensively.

1. "Let's run horse riding healing center" that heals the physical/mental disorder by means of the horse

KRA opened the No.1 "Let's run riding healing center" in Seoul Let's Run Park and is proceeding with 'healing riding' targeting the disabled people's family and proceeding with 'rehabilitation riding' targeting the disabled. It is proceeding with customized lecture according to the rehabilitation purpose and invited 3 certified foreign experts to complete developing the international-level program. Also, it builds the verifying system of substantial effect on the riding lecture in connection with 3 large medical centers(Shincheon Severance, Seoul Sungmo Hospital, and Seoul Asan Hospital) in order to carry out the differentiated social contribution activity.



2. The development of horse industry field and the talent donation for communication "Let's run probono center"

"Let's run probonocenter" is a talent donation activity that all employees participate in targeting horse producing farmers and private horse-riding course by means of materialistic infra such as the horses/riding and the personal infra such as veterinarian and farrier. It is trying for the development of horse industry through the one-stop synthetic support activity by visiting the horse producing farms.

Raise the professionalism of social contribution activity by launching of "Let's run foundation"

The KRA's social contribution before Let's run foundation was launched was the simple donation activity. Let's run foundation was launched in 2014 to overcome this limit and conduct the social contribution business focusing on creating social shared value(CSV). Let's Run foundation intensively conducts the 4 core fields activity affiliated with the government assignment and is developing the specialized social contribution.

First, it achieved the effect of recruiting 155 persons in 2015 through the youth hope job-seeking business and the riding healing center operational support business in order to create stable jobs for youth and alienated class.

Second, It founded “Let’s run dream center”, a free space for adolescents who couldn’t adapt to the public education as much as 5 ones in 2014, 12 ones in 2015 through the cooperation with Ministry of Gender, Equality, and Family, and the local government. It helped North Korea-leaving youths adapt to the South Korean life by providing the jobs. It is trying to train the future talented persons.

Third, it conducted the cultural performance targeting local residents under a motto “Let’s Run CCC, living with nearby residents” for culture prosperity, and the orchestra concert provincial performance obtained a great favorable response from Let’s Run CCC residents.

Fourth, considering the gradually aggravating reality due to the aging of agricultural/fishery villages, it is strengthening the customized welfare reflecting the demand while addressing the vulnerable class of agricultural/fishery villages. It provided the household items for 10 thousand households, 25 thousand single old men during Chuseok holiday and at the end of year, and it contributed to improving the quality of life by replacing the boiler and changing the residential environment of old farmers and fishermen.

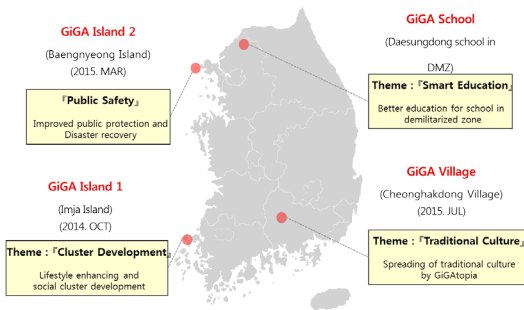
Continuously carry out the sharing activity through “Let’s Run Angels”, an executive volunteer group

Let’s Run Angels is the volunteer group of KRA consisting of about 1,000 executive and staff, which was launched in January, 2004. It is consistently performing the volunteer work through the “1 department 1 sisterhood relationship” with nearby social welfare facility every year. Furthermore, it is building the overseas volunteer work system consistently targeting Myanmar and Philippines.





KT executes GiGA Story, the social contribution project to create shared values, in order to present comfort as well as convenience to remote and isolated regions through the GiGA Infra and future convergence technology.



1. Imja GiGA Island

“Through GiGA Infra, smart life begins in Imja Island located in archipelago.”



For it is surrounded by ocean, there are 3,237 islands in Korea that are separated from the land. KT has carried out activities for the GiGAtopia in separated and under-developed regions. In Imja Island in Jeollanam-do Province's archipelago, we have made substantial changes to lives of Imja Island's people by improving the environment to the level of cities through innovative ICT technology.

2. Daeseongdong GiGA School

“At Daeseongdong Elementary School in the DMZ, students study with next generation media and Edu Solution.”



Daeseongdong Elementary School is located in the world's sole demilitarized zone (DMZ), where access to the area is strictly controlled causing extremely poor educational environment. In November 2014, KT introduced the Smart Edu Solution (an ICT convergence education system) into Daeseongdong thus created a school where children can grow with dream and hope communicating with the world.

3. Baengnyeong GiGA Island

“Everyone in Baengnyeong Island, the northernmost part of West Sea, enjoys safe life with integrated security service.”



Baengnyeong Island is bordering North Korea located in the northernmost part of West Sea. Due to its geographical condition, there had been always unrest for a long time. KT, therefore, established a safe environment in this island in March 2015 with its cutting-edge Triple GiGA network technology. Thanks to KT, people of Baengnyeong Island can live a safe life even during disasters and incidents.

4. Cheonghak GiGA Creative Village

“Traditional village in Cheonghaktong has been transformed into complex ICT village.”



Cheonghaktong is a traditional village that is mountainous and isolated. KT found out that Cheonghaktong has a difficulty in communicating with outside regions thus needs an overall renovation in life style. In July 2015, accordingly, KT applied ICT solutions specialized for the area and revolutionized the village into a complex ICT village enabling the smooth communication and cultural exchange with city.

5. Bangladesh GiGA Island

“GiGAtopia delivering convenience and comfort is being disseminated into the world.”

KT will take a challenging leap into the world through its experiences and know-hows achieved by providing GiGA Infra and ICT convergence technology to remote and isolated regions in Korea. Starting from Bangla-

desh, KT is establishing a new development model of developing countries while striving for global GiGAtopia where the world citizens can enjoy not only convenience but comfort as well.

GiGAtopia Towards UN SDGs

“Realization of UN Sustainable Development Goals through Creating Shared Value”

GiGAtopia embraces every corner of Korea. KT advances and benefits the world far beyond the border of Korea thus becomes the pioneer who aims at realizing UN SDGs, the common goal of the entire mankind.



LG Electronics



1. Good Health and Well-Being

LG Electronics is working with the International Vaccine Research Institute (IVI) to protect the people of Ethiopia against cholera; we have administered cholera vaccines to more than 50,000 people and conducted health-hygiene awareness classes for over 60,000 school children.



<Ethiopia Health-Hygiene Awareness Class>



<Ethiopia Cholera Vaccination>

LG Electronics first launched a health awareness campaign in 2013 for medically underserved people in Myanmar, and expanded the program to include Bangladesh and Cambodia in 2014. Through this program, LG Electronics with medical teams visits medically underserved local communities and provides free medical services as well as health-hygiene awareness classes that covers various health issues, such as hypertension and diabetes, nutrition, and personal hygiene. In the

year 2015, LG Electronics organized 24 health campaign sessions in the three countries to provide free medical service and medical supplies to about 40,000 individuals and hosted health education for about 50,000 people.



<Cambodia Health Campaign>



<Myanmar Health Campaign>

2. Quality Education

LG Electronics established LG-KOICA Hope TVET¹ College in 2014 to provide vocational training to young Ethiopians. As of March 2016, more than 130 students were enrolled in the school's electronics and ICT² device repair courses and working hard to become professional repair technicians. In order to provide the best possible learning experience, we dispatched our Master Repair Engineers to the school to lead two advanced sessions, and organized a student field trip to our Dubai service location. Students are responding enthusiastically to our efforts, performing exceptionally well in the national certification test; 98 percent of our graduate acquired the Level I (entry) certification, with 83 percent of them successfully advancing to Level II (intermediate) certification as of year-end 2015.



<LG-KOICA Hope TVET College>

3. Partnerships for the Goals

After a 7.8 magnitude earthquake struck Nepal in April 2015, LG Electronics, together with local buyer Chaudhary Group, built and donated 100 prefab housing units to victims of the disaster. It also donated 500 mobile phones to the Nepal Scouts through the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) to assist their relief efforts, and dispatched repair engineers to offer free repair service to earthquake victims. In Myanmar, LG donated medical supplies to more than 820 families affected by the floods that hit the country in August 2015, and provided support for the nation's relief efforts through the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI).



<Emergency Relief Efforts in Nepal>

Since 2011, LG Electronics has made marketing assets available to international organizations and NGOs as part of our efforts to raise public awareness on social responsibility and encourage members of the public to do their part in resolving social issues. In 2015, we offered our Times Square, New York City digital billboard to the UNEP³ to feature campaign videos for World Environment Day and International Youth Day, and contributed to heightening public awareness on these important causes.



<LG Hope Screen>

1 TVET : Technical and Vocational Education and Training

2 ICT : Information and Communication Technology

3 UNEP : United Nations Environment Programme

LG Household & Health Care



1. Establishment of the Beyond Cluster in the Himalayas in Nepal

LG H&H began developing cosmetics products using herbs grown at high altitudes in Nepal, in collaboration with Good Neighbors, an international humanitarian organization. This collaboration, along with partnership from the Mugu and Humla region, not only supports independence of the local residents, but also aids in the construction of a new business model for LG H&H.

Launched at the end of 2014, the Beyond Himalaya Deep Moisture line features products that contain HIUM herb, a wild plant that grows at an altitude of over 3,000 meters in the Himalayas in Nepal. Located at an altitude of over 3,000 m, these villages are two of the most underprivileged villages among the administrative districts in Nepal. Due to the poor geographical conditions, herbs, the major income source of residents, are sold at low prices, while daily necessities are sold at high prices.

The products, made from herbs collected by residents in Mugu and Humla in Nepal, provide moisture and vibrant energy to your skin. Mugu and Humla are the least-developed areas in Nepal. Under the MOU agreement with Good Neighbors, these areas supply high-quality herbs to LG H&H for the development of new ingredients of cosmetics, while our company provides local residents in these areas with basic technologies for processing plants as ingredients of cosmetics. In this way, our company can create the environment in which the local residents can stand on their own feet and receive 10-15% more payment compared to what they have received through fair trade. This process is expected to contribute to increasing the income of the residents.

Furthermore, we held an event to provide mules as gifts to those who were suffering from hardships in transporting goods, eventually providing a total of 25 mules that can be used by 400 households. As an exemplary case of open innovation as part of the Creating Shared

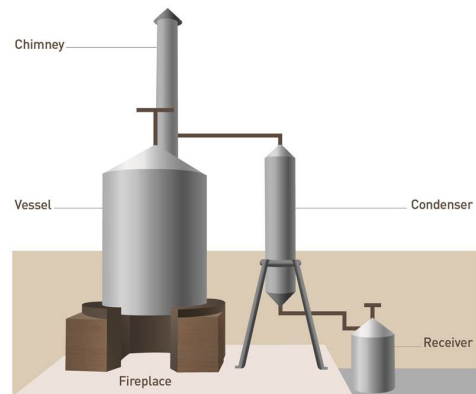
Value (CSV) activities, LG H&H develops good ingredients and provides quality products to customers, while it helps residents in Nepal to overcome their economic hardships by increasing their technical capacity and establishing the foundation for the herb industry.

In 2015, this region achieved KRW 3.75 billion of sales, resolving its fundamental problems and increasing the residents' income. We will continue CSR activities further to provide even more help to those in need.

LG H&H plans to expand its application of Nepal herb infused cosmetics into export markets to China, thereby aiding poverty and providing solutions to economic issues in the region.



<Source: Good Neighbors>



<Herb Plant in Nepal>

2. Community Involvement and Development Care Community

LG H&H has been carrying out a mango tree planting project in a sustainable and permanent manner in South Sudan, Africa, where people are suffering from the poor environment and from food shortage.

The project is aimed at helping each household become self-sustainable by providing them with mango tree seedlings and education on how to plant them and make them grow. Through this project, 10,000 mango trees are planted in the country yearly. Mango trees are seen as very effective tools in addressing the poverty and hunger issue in the region as they bear fruit when they turn 4 years old, and their fruits can be harvested twice a year. Their fruits are very good for children with malnutrition as they provide enriched vitamins A, C, and D and can live up to 100 years even under the poor conditions in Africa. Furthermore, in 2012, LG H&H purchased mango extracts cultivated in Sudan for its Mango Seed product line, a highly moisturized cosmetic line composed of seven varieties, which fetched approximate KRW 20 billion in sales in 2013. We call it "Himango Circulation Circle," targeting economic and educational self-subsistence. The circle will go around as a certain

portion of the product sales proceeds is reinvested in the planting of mango trees. In 2012, our commitment to this project produced tangible fruits through the establishment of Himango Village, a comprehensive education and culture center designed to provide the foundation for the self-reliance of the people in Tonj. There, the males receive vocational training in carpentry and construction, and the females, sewing and English. A preschool was built to offer education to the children. Approximately 250 people find hope for the future through this project.



<Himango elementary school>



<Himango village>

Pulmuone



Pulmuone first started as a small organic vegetable store in 1981, when 'organic' was still an unfamiliar term. In just 30 years, Pulmuone has become a leading 'authentic wholesome foods' company of Korea.

Pulmuone has expanded its business areas from fresh foods and beverage including tofu to food materials, health functional foods, group meal services, concession, environmentally friendly food retail, drinking water, and fermented milk.

The mission of Pulmuone is to be a 'LOHAS company caring for both humans and nature.'

LOHAS (Lifestyles of Health and Sustainability), which is the core and ultimate value of Pulmuone, represents a conscious lifestyle that strives for not only health of consumers but also sustainability of our society and environment.

1. Authentic Wholesome Foods Campaign



<Authentic Wholesome Foods Campaign for Children>

As a food company, Pulmuone believes that providing education on the importance of authentic wholesome foods and healthy eating habits is also an important part of our corporate social responsibility.

Therefore, Pulmuone has been rolling out authentic wholesome foods campaign for children since 2010.

Professional food educators are deployed to kindergartens, elementary schools and local childcare centers to

teach children how to read and understand food product labels, develop healthy palate and achieve nutritional balance.

The campaign was expanded to education on healthy dietary life for parents from 2015.

Pulmuone has developed 'Low GL (Glycemic Load) Diet,' and has been offering classes where families can understand and try the concept so that they can practice the diet easily at home.

The main idea of this 'Low GL Diet' is a nutritionally balanced diet of fresh vegetables, protein with less saturated fat, and whole grains at the ratio of 2:1:1.

This well-balanced diet is expected to be effective in lowering blood sugar level, preventing excessive secretion of insulin, and ultimately reducing occurrence of chronic diseases caused by obesity such as metabolic syndrome.

For the last six years since 2010, a total of 2,138 sessions of authentic wholesome foods education were conducted for 49,402 people.

Under the goal of reaching out to 100,000 people by 2020, Pulmuone aims to develop the authentic wholesome foods campaign into a wider social movement.

2. Gender Equality and Empowerment for Women

Pulmuone is a gender-equal company where women account for 51% of the total employees.

To better recognize and nurture the talents of women, we are improving our system and culture in a way to promote the work-life balance.

To this end, Pulmuone is providing various supports to our female employees and families, including a company-run daycare center, automatic reduction in work hours for pregnant employees, childcare allowances, and flexible work hours for childcare.

We have a human resource policy which does not dis-

criminate on the ground of gender and a quota system for female executives.

Pulmuone has vowed to increase the ratio of female executives to 30% by 2020. From 2015, we started to set and manage female executives quota according to years of service.

'Open Meeting with General CEO,' where female workers can have a conversation with CEO, is held monthly to bolster women's participation in management.

Pulmuone will continue to lead improvement of work conditions and systems to prevent gender discrimination and women's career interruption.



<A Company-run Daycare Center>

3. Climate Change Action

As we recognize climate change as a weighty global issue, Pulmuone has taken action toward various mid and long-term strategies on climate change.

We newly created an ES (Environmental & Safety) Team dedicated to climate change action in 2008, and have been operating Environment Safety Committee.

Our midterm goals are to reduce water consumption by 40%, greenhouse gas emissions by 50% and energy use by 20% from the 2008 levels, and to achieve 'Waste Zero' by 2020 under a solid and specific road map.

In 2015, we raised the share of renewable energy of our total energy use to 15% and improved energy efficiency by 2.1 folds thanks to our investments in clean energy technologies.

As a result, water consumption¹ in manufacturing process decreased by 61% and greenhouse gas emissions² by 59% in 2015 compared to the 2008 figures.

Furthermore, in order to cut back on greenhouse gas emissions, the main culprit of climate change, from the product development and design stage, Pulmuone developed a model to estimate carbon footprint, which

has been in use since 2016.

This model stands for Pulmuone's strategy to curtail greenhouse gas emissions from the product and service development stage, let alone emissions released from our business sites, and to protect our planet over the entire product cycle of manufacturing, distribution, and consumption by actively communicating our endeavor to consumers.



<The Passive House in Pulmuone's training center complex>

The 'Passive House' was built in 2013 in Pulmuone's training center complex, 'LOHAS Academy,' located in Goesan, North Chungcheong Province. This certified building by the Passive House Institute in Germany, which was designed to minimize greenhouse gas emissions, is now used as a venue for employees and partners of Pulmuone as well as youths to gain first-hand experiences in sustainable lifestyles every year.

1 water consumption per ton of product: 19.0m³/product ton in 2008 to 7.3m³/product ton in 2015

2 greenhouse gas emissions per ton of product: 0.232tCO₂e/product ton in 2008 to 0.095tCO₂e/product ton in 2015

Seongnam Development Corporation



1. Employee human right and moral management

Seongnam Development corporation(SDC) is one of the members of UN global compact. And, we respect it's principles. Also, we follow the working our and wage law under the world human rights law. We respect the diversity by not discriminating the employe by their age, sex, nationality, school, religion, area, disability, race and marriage status.

In order to meet the vision of: "Citizens trust The first class Development corporation" we do our best to respect customer, promote innovation and efficiency, and service. Moreover, we put our effort to make the CEO philosophy to be connected to effective policy.

To protect our employee, we follow Compliance with working hours, reduction of work hour, Including prohibits night work pregnant woman, Hazards toxin infected Employee offer special medical check up. Moreover, we also run maternity leave, family day, family education and education to curb sexual Harassment. Also, employee have right to choose flexible working hour.

Furthermore, with the operation of committee to protect the human right, we manage the purpose organization of the freedom guarantee and request registration system, so we can curb the corruption.

2. Providing Equality employment

By changing the status of 384 temporary workers to regular workers, we allowed workers to grant the fair promotion.

These are the employment percentage(2015, December):

- Women: 26.6 %
- Aged: 21.85 %
- Handicapped: 6.42 %
- Youth: 5.2 %

Moreover, we employed many second class citizens, which was more than the government request. we trying to offer low imcome worker, Feature talent and vulnerable position people quality jobs. Since the establishment, National merit's high employment percentage is our achievement. so, we have been awarded 2015 an achievement award by The Ministry of Patriots Veterans Affairs. Going to continue, we will follow the government human resources guideline, and we will provide the high quality job openings.

3. Effort for multi-cultural family and immigrant wives

The OECD, categorized south korea a "multi-cultural family nation". The number of immigration married couples have reached 150,994 as a year of 2014. Out of the number, the immigrant wives reached the percentage of 84.9%¹. Most of the immigrant wives live in:

- Gyeonggi Province

Ansan City → Suwon City → Siheung City → Seongnam City

We, by acknowledging the cultural change trends, promote business regarding multi-cultural family and immigrant wives.

Regarding this effort, we have been awarded, by Ministry of Culture Sports & Tourism minister.

By the International Federation of Library Associations(IFLA) and Institutions committee's permission, we selected the "United Nations Educational, Scientific and Cultural Organization's Declaration of Multi-cultural library". This shows that, we have adopted the global change trends.

For the immigrant wives, we serve Korean language education, Comfortable Shelter, health care management, food and cultural activities. Recently, we made the bilingual story telling team, to promote licenses, in order to help immigrant wives to live independent lives. Moreover, in the year of 2015, we promoted the public fund business, to expend the service for immigrant wives.

다문화 한가족교실



다문화 한국어교실
일상생활을 주제로 한 회화와 동화 읽기를 활용한 한국어 교육

다문화한가족실
다문화자로 (중국, 일본, 베트남, 태국, 몽골, 캄보디아, 필리핀 언어 도서) 비치

다문화사랑방
한국생활에 필요한 정보교류 및 학습에 필요한 동아리 장소 지원

책책책 세계동화기차
결혼이주여성으로 구성된 이중언어 동화구연팀이 진행하는 아시아권 전래동화구연 및 문화체험활동



SK Telecom



1. Creating Shared Value through the Expansion of the ICT Ecosystem

As a leading ICT company, SK Telecom is towing the industry toward the era of convergence, and attempting to create shared value through ICT in various industries such as venture start-ups, the agriculture, livestock and sheries, healthcare and environmental industries.

SK Center for Creative Economy and Innovation, Leading the Regional Creative Economy

The Center for Creative Economy and Innovation was established with the aim to support the growth of SMEs in the strategic industries of the region by linking diverse economic units including SMEs and individuals. Its role is to discover business models for region-specific industries, support technological development and develop human resources.

With the participation of SK Group in the Dae-jeon and Sejong Center for Creative Economy and Innovation Project serving as the impetus, SK Telecom has been using the creative economy experience and capacity it gained from the traditional market promotion and ICT convergence agriculture and fisheries industry projects among others in the regional creative economy projects.

The Achievements of SK Center for Creative Economy and Innovation in the Past Year

The SK Center for Creative Economy and Innovation has been operating the “Dream Venture Star program,” providing assistance throughout all processes of business, the “Global Venture Star,” discovering competitive ICT companies and assisting in their global expansion, and the “Win-Win Growth Partnership” program, linking promising companies for improved growth.

In 2014, 10 companies were selected for the first Dream Venture Star program for provision of business spaces at the center and initial funding for technology development, assignment of dedicated mentors and assistance in global expansion. For start-up and

initial costs, KRW 1.02 billion in investment was attracted from investment agencies, and also, KRW 45 billion fund was raised for the expansion of the creative economy ecosystem. Of particular note, CMES, one of the tenant companies, developed a 3D scanner system for industrial uses and generated KRW 1.29 billion in annual revenue, while TEGWay gained global recognition when its wearable power generation technology using body temperature received the Grand Prize for the “top 10 emerging technologies that would change the world” by UNESCO in February 2015, and it is now planning to expand into Silicon Valley.



Export of the Business Model of the Center for Creative Economy and Innovation

In March 2015, an MOU was signed with Saudi Telecom on the export of the business model of the SK Center for Creative Economy and Innovation and mutual cooperation in the new growth business areas. Through the MOU, a private-government-corporate cooperation model for creative economy will be developed for Saudi Arabia, with plans to seek new business opportunities in the new growth areas such as smart city, healthcare, smart learning and IoT in Saudi Arabia and the Middle East.

2. Innovative ICT Solutions for Climate Change Smart Response

Climate change is a macro risk that has an impact on people's everyday lives as well as industries and regulations, yet it is also an opportunity factor that leads to the creation of a new green industry and market. Based on unique innovative ICT competencies

SK Telecom will not only restrain his impact on the business area but far beyond it will lead to the solution to the "Climate change" of the entire community.

Domestic Regulations Related to Climate Change and SK Telecom's Active Response

Since the initiation of the GHG and Energy Target Management Scheme (TMS) in 2010, the government has been imposing restrictions on GHG emissions by enterprises through various policy approaches. In 2015, Korea became the first nation in Asia to implement the Emissions Trading System (ETS).

SK Telecom relies on electric power for 95% of its energy consumption, and the telecommunications network equipment located nationwide is the main source of power consumption. Accordingly, a wide range of efforts were made to meet the reduction target such as the development and application of high-efficiency telecommunications equipment (e.g. low-power relay stations), reduction of electric power use for cooling purposes by upward adjustment of base station temperature levels, office energy management using Cloud Building Energy Management System (Cloud BEMS) and installation of an electric meter for each device. Despite these efforts, however, SK Telecom emitted a total of 743,000 tons of GHG, exceeding the GHG allowance (668,000 tons) for 2014 by 75,000 tons. With the implementation of ETS starting in 2015 for more aggressive GHG reduction efforts at a national level, it is expected that the reduction target will be set at a higher level.

Due to the nature of the industry, 24/7 operation of networks for advances in quality and continuous network facility investment are essential. Accordingly, this has caused a steady increase in the GHG emissions caused by the extension of network facilities, making it difficult for SK Telecom to achieve the GHG reduction target independently. It is projected that SK Telecom will be short of about 448,000 tons of GHG allowance during the first stage period of ETS (Jan. 2015 to Dec. 2017), meaning that it will be required to conducted large-scale reduction activities and purchase emissions rights. This is perceived as a major risk related to cli-

mate change.

In order to mitigate this issue, SK Telecom is participating in the joint efforts to counter climate change such as ETS and the Clean Development Mechanism (CDM) and actively conducting eco-friendly businesses as well as research to secure emissions rights using ICT. Estimation of the potential social GHG reduction amount by ICT and research on social GHG emissions reduction using T Map were performed as a means to reduce such potential risks. SK Telecom will continue to make a preemptive response to the regulations related to climate change, and actively secure carbon emissions rights and expand the scope of its renewable energy supply and storage solutions.

Efforts to Reduce Social GHG Emissions and Secure Emissions Rights Using ICT

SK Telecom is attempting to reduce the social GHG emissions that fall under Scope 3, which encompasses indirect GHGs that are generated during the process of using products and services, in addition to reducing the GHG emissions independently utilizing its core capacity, which is ICT. Efforts were made to reduce GHG centering on Scope 1 and Scope 2 starting in the 1990s, but due to the limitations caused by cost and quantitative factors, there has been increasing interest in the reduction of social GHGs that account for more than 40% of the global GHG emissions. Accordingly, SK Telecom became the first in Korea to determine the potential amount of social GHG reduction by 2020 (118.4 million tons 5.8 times higher than the ICT direct footprint) using its ICT services. This was used as a domestic social GHG reduction measure, and officially adopted in 2013 as a report for the International Telecommunication Union (ITU). In addition to the development of technologies such as "T Map," "Smart City," and "Smart Home," SK Telecom has been continuing its research on social GHG reduction measures and reduction amount approval using ICT, leading the government policy research through academic-industry-government stakeholder advisory meeting. Through these efforts, SK Telecom is seeking offsetting measures for the domestic ETS and striving to lead the creation of sustainable value and the enhanced competitiveness of all enterprises.

Leading Social GHG Emissions Reduction Using T Map

SK Telecom's "T Map" is a new type of navigation service, providing information on the fastest route to the requested destination point using real-time traffic information. This helps the users save time and reduce the GHG emissions. In 2012, SK Telecom collaborated with National Radio Research Agency (RRA) to develop the methodology for estimating social GHG emissions reduction amount using T Map, and this was given the final approval as the ITU International Recommendation Standard at the Environment and Climate Change Standardization Meeting of the UN International Telecommunication Union that was held in Peru in December 2013. In April 2014, it was officially recognized as the international standard methodology following a review by 200 member countries.

This is the first international standard recommended for estimating GHG emissions reduction amount using ICT services such as navigation systems. It is mainly a systematic and consistent method to calculate the amount of GHG emissions reduced by the users of real-time navigation systems bypassing the areas of traffic congestion. Based on this, SK Telecom conducted a study (confidence level of 95%) in 2012 to examine the GHG emissions reduction effects of the general navigation systems (providing information on the shortest route) and T Map with car model, fuel, time and sampled street route as controlled variables. The results of the study showed that the driving speed was faster by 9.99km/hr, fuel consumption was lower by 11.9% and GHG emissions were lower by 12.6% for T Map users.

SK Telecom is currently developing the business methodology to secure carbon emissions rights using T Map, and preparing to receive approval as a Clean Development Mechanism (CDM) business from the UN Framework Convention on Climate Change (UNFCCC). This will allow SK Telecom to gain recognition for the ICT-based social GHG emissions reduction and seek offsetting measures. Moreover, a government-initiated research project was conducted to promote the eco-friendly lifecycle using ICT services in 2014, and other research efforts have been made to pave the foundation for countering climate change.



Expansion of the ICT-based Energy Saving Solution Business

SK Telecom is providing and operating Smart Power Plant (SPP) solutions and energy efficiency enhancement solutions for buildings, factories, public institutions and facilities. In 2014, the reference by Energy Management System (EMS) customer type was further expanded, and qualitative and quantitative growth was pursued by improving profitability. As a result, there was a 215% growth in revenue compared to the previous year, and a target has been set to increase the revenue by 98% in 2015.

Cloud BEMS and Cloud Factory Energy Management System (Cloud FEMS) are the key solutions for the energy efficiency enhancement business, which involves cloud-based management and analysis of data on customer energy consumption collected in real time to derive matters for improvement in facility operation and optimization of operating measures. In 2014, SK Telecom upgraded the existing systems and launched Cloud BEMS 2.0, enabling real-time management of energy consumption and facility performance data using mobile phones and tablets. Also, the "Collective Management Feature" for comprehensive management of energy use in dispersed business operation sites, the "Target Management Feature" for systematically managing the target energy consumption level, and the "Peak Power Consumption Management Feature" for managing the peak energy consumption amount of business operation sites were added for more effective energy saving efforts. In 2014, SK Telecom applied the ICT-based BEMS and FEMS solutions to some 30 business sites including buildings and factories to help its customers reduce their energy consumption. In addition, we have established "cloud FEMS 'solutions in chemical plants, and working actively to expand FEMS business centered on sectors like petrochemical, food, electricity and electronics, non-ferrous metals etc. SK Telecom will continue the consistent zooming on customers and on the other hand, work to expand widely

through Renewable energy supply and Storage Solution and contribute as well to: Reduce maintenance and repair costs, government environmental regulation countermeasures, new revenue generation and maximization of long-term effects.



Self-Reduction Efforts to Minimize Environmental Impact

In addition to reducing social GHG emissions, providing environmental solutions and introducing the Eco Card, SK Telecom is endeavoring to minimize its environmental impact throughout its business operations and spread eco-friendly culture by actively taking part in the TMS and ETS. To improve the energy efficiency of its operation processes, it has installed high-efficiency lighting fixtures, timers and automated temperature adjustment device, reduced the operation time of the heating and cooling systems in the non-working hours, and installed and began operating turbo coolant pump inverters, thereby reducing its energy consumption by about 3,143MWh/year. As a telecommunications service provider, SK Telecom does not directly engage in product manufacturing processes that generate air pollutants, toxic substances and harmful chemicals, which can have a serious environmental impact. Also, in 2014, SK telecom did not violate any environmental laws or regulations and was not imposed any related penalties and fines

Resource Reduction through Eco-friendly Mobile Membership

SK Telecom began issuing mobile eco-cards instead of plastic cards to new T members starting in August 2013. The issuance of T Membership mobile eco-cards is expected to result in the reduction of plastic use by 4.88g and carbon emissions by 12g per user. This is equivalent to conserving four pieces of A4 paper, and the amount of respiration by 40 pine trees.

SK telecom has issued more than 5 million plastic membership cards on average every year for the T Membership program, and if these were entirely converted into mobile cards, it would result in the conservation of more than 24 tons of plastic and reduction of 55 tons of carbon emissions annually. As such, SK Telecom is leading the efforts in environmental protection and encouraging the use of mobile membership cards through diverse benefits and promotions.

Taekwang Industrial



Taekwang Ind. manufactures and sells athletic footwear in South Korea. The company was founded in 1971 and is headquartered in Kimhae, South Korea.

Key performance to support SDGs

TAEKWANG Inc. sets up environmental key performance index (KPI) to cope with greenhouse gas reduction and tries to achieve the target. To protect the environment, we comply with the fundamental laws of Environmental policy, Air Environmental Conservation, Water Quality Control, and Waste Management.

All chemicals should be used after an approval and are encouraged to replace with less hazardous ones. We save energy usage: using electric power optimization, high efficiency illumination, and renewable energy. We make effective use of resources through the recycling of water and waste.

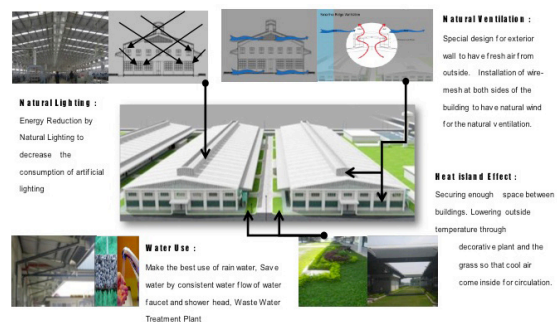
1. Energy

Green building: Green Building is an environment-friendly construction method to resolve energy issues as well as environmental problems. The design, construction, and operation of the building are oriented to save energy and enable environmental preservation. The application of high Efficiency Energy Equipment, resource recycling, and Environmental Pollution reduction technology to the structure helps to make the design of the building environmentally friendly and minimizes environmental damage when disassembled. Both our Mocbai Administration Office and Manufacturing Facility and Indonesian Administration Office received LEED Silver certification.

Renewable Energy: To stop global warming and use renewable energy, part of the energy for manufacturing is supplied from renewable energy.

A solar PV on the roof of T2 was installed in 2014 and is in full operation now. Accumulated electricity is 26,704 kWh and it is equivalent to 2.5ton of CO₂(tCO₂) reduction every year. Solar energy is also used for heating

water, washing machines, and equipment management which shows that TaeKwang actively participates in sustainable energy source expansion.



2. Chemicals

Our efforts to reduce hazardous chemicals have been continued in FY15.

The amount of hazardous chemicals has been decreased to 26.2% for the last 4 years.

The proliferation of auto feeding system, enclosed containers to minimize volatile compound, water-based UV primer and automation machines contributed to the reduction of both hazardous chemicals and hazardous waste. We try to reduce environmental risks from purchase, transportation, usage to disposal and adopt sustainable manufacturing process.

3. Water

Approximately 1.1 billion people around the world suffer from water shortage on a daily basis. Furthermore, it is expected that 40% of the world's population will experience a severe water shortage by 2050 according to the OECD Environmental Outlook released in Aug 2012.

For the Clean Water In and Out strategy, every manufacturing facility has their own waste water treatment facility except one Vietnam factory, which is discharging waste water to DongNai Industrial waste water treatment plant.

All the waste water treatment plant capacity is big enough to treat generated waste water into recycled water which is used for gardening and flushing water

Water consumption for the last 4 years shows 46% reduction from 43.7g/pr (FY12) to 23.6g/pr (FY15). The recycling percentage of waste water was increased to 59%. Recycled water is used for toilets and gardening.

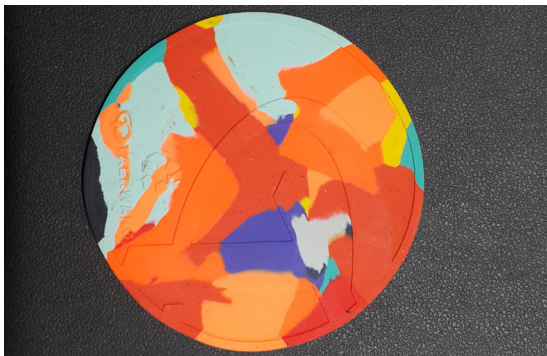
4. Solid Waste

Taekwang has a sound waste management system, which is to minimize waste discharge and to increase closed loop system. Using a barcode system, we segregate solid wastes into 43 types and track them. All recyclable wastes are downcycled to recycle outside of factories. Non-recyclable wastes are treated only in incineration with energy recovery.

Greenovation: We have researched and encouraged employees to come up with ideas on how to recycle/reuse solid waste since we have generated from our manufacturing process.

We call this project "Green-ovation" which is a compound word between Green and Innovation and it means we can achieve a sustainable environment through Innovative ideas.

We made cup coasters, mouse pads and cushions for stitching workers out of rubber/EVA sponge scrap. We opened an Innovation center, called the I-studio, and we used old molds for the showroom floor.



<Cup coaster made with rubber scrap>



<Mouse pad made with EVA scrap>

TAEKWANG Mug : We created and distributed a company mug for all employees to reduce disposable cup usage.

That way everyone can participate to sustain the future of the planet.

Greenovation 은 Green 과 Innovation의 합성어로 태광인의 혁신적인 아이디어를 통해 지속가능한 환경을 이루어내는 것을 의미합니다.

작은 실천이 지구를 푸르게 합니다. CO2배출량-머그컵의 28배 에너지 사용량-머그컵의 10배. 물리용 종이컵 1톤 = 나무 20그루. 물리용 종이컵이 분해될때만 CO2가 온리크 분해될 때 유해한 메탄가스를 발생시킨다.

EVA 스크랩 100% 재활용. 우리 태광 입법팀. 우리 태광 마우스패드.

그린 머그컵, 그린 스포츠 물병, 재활용 입법팀, 재활용 마우스패드.



<Waste mold used for Legacy room at I-Studio>



<Shoe bag made from left over materials>

Yuhan-Kimberly



Yuhan-Kimberly is a leading health and hygiene company in Korea. Since its foundation in 1970, the company has contributed to the development of Korea's hygiene culture. By introducing the first diapers and sanitary pads on the market, it greatly improved hygiene and health care of Korea. Yuhan-Kimberly is famous for its "Keep Korea Green" campaign which has continuously participated in environmental protection activities for forest areas as part of our corporate social responsibility program.

1. "Keep Korea Green" campaign

After years of the Korean War and rapid industrialization, the forest land in South Korea had been decimated. In response to this situation, Yuhan-Kimberly – the Kimberly-Clark joint venture in South Korea – launched Keep Korea Green in 1984. This campaign focused on educating the public on the importance of protecting the nation's environment and empowering them to join the effort to revive the country's forests.

Keep Korea Green celebrated its 30th anniversary in 2014 and met an ambitious milestone of 50 million trees planted while recognizing the thousands of people who made it possible.



2. Announcement of New Vision of 'Keep Korea Green'

To attain the new vision of 'Co-existence between Forests and People', Yuhan-Kimberly selected three projects, including a project of establishing and disseminating new models of urban forests and regional forests and the Future Forest for restoration of forests in North Korea, and reorganized our main programs through the aim of fostering leaders and sharing values. We are currently developing participation programs to foster 'forest' leaders and share values. Yuhan-Kimberly will contribute its efforts for a sustainable environment through the Keep Korea Green campaign.





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