

Communication on Engagement to the United Nations Global Compact



KAIST COLLEGE OF BUSINESS



THE SEVENTH OF OCTOBER, TWO THOUSAND SIXTEEN

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KAIST Commitment

Dear Mr. Secretary-General,

I am pleased to confirm that KAIST College of Business (hereafter, KCB) supports the ten principles of the Global Compact regarding human rights, labor, environment and anti-corruption. With this commitment, we express our intent to support the Global Compact advancing these principles, and will make a clear statement of this commitment to our members.

We also pledge to participate in and engage with the UN Global Compact in the following ways by promoting good governance:

- Propose and implement 10 principles of UN Global Compact into KCB's vision, mission and values.
- Promote 10 principles of UN Global Compact into KCB's curriculum and educate a variety of students about ethics and sustainability issues.
- Join the Principles of Responsible Management Education (PRME).

We recognize that a key requirement for participation in the Global Compact is the submission of a Communication of Engagement (COE) report that describes our efforts to implement ten principles and engage with UN Global Compact. We support public accountability and transparency and therefore, we would like to submit the first Communication of Engagement as below.

Sincerely,



Tong Suk Kim

Dean

KAIST College of Business

KCB Vision, Mission and Core Values

The foundation of KCB strategic management is its strategic framework that includes three main parts: mission, values, and vision. The KCB mission is cast in broad but clearly defined terms, reflecting the educational needs of our diverse student population and the diverse communities in which they live and work. We are in many ways defined by this diversity as well as the demands placed on us to foster the same global outlook as the stakeholders we serve in one of the most dynamic, technology intensive regions of the world.

a) Mission

The mission of KAIST College of Business is **to develop global business leaders with theory and practice in management and technology, as well as leaders capable of applying such knowledge to innovation and real world problem-solving**. Therefore, our mission focuses on:

- *Commitment to Excellence in Education and Research*
- *Integration of Management and Technology Education*
- *Dedication to Initiatives Benefiting Society*

KCB shares its mission with our internal and external stakeholders through various school publications and school-operated media. The publication and media include its website, quarterly magazine (*Frontier*), Facebook, online blog, school brochure and internet broadcasting.

b) Vision

The vision of KCB is to become a world-class business school integrating technology and management. Specifically KCB describes our vision as follows:

- *To become a world-class business school in academic excellence*
- *To foster highly creative and caring qualified leaders with global perspectives*
- *To spearhead scientific and technological innovation towards greater global competitiveness*

c) Values

KCB values extend from global perspectives driven by market orientation, excellence in research and education, interdisciplinary teamwork, and productive alliance with business partners. The core values of KCB are the basic principles for achieving our vision, and they are embedded in operating our education programs, performing our research activities and serving the needs of our community.

‘SUPER TEAM’, an acronym for our core values, stands for ‘**Sustainability, Uniqueness, Pioneering, Excellence, Reliability, Teamwork, Ethics, Agility, and Motivation**’. Figure 1 shows how KCB’s mission, vision and values are correlated.

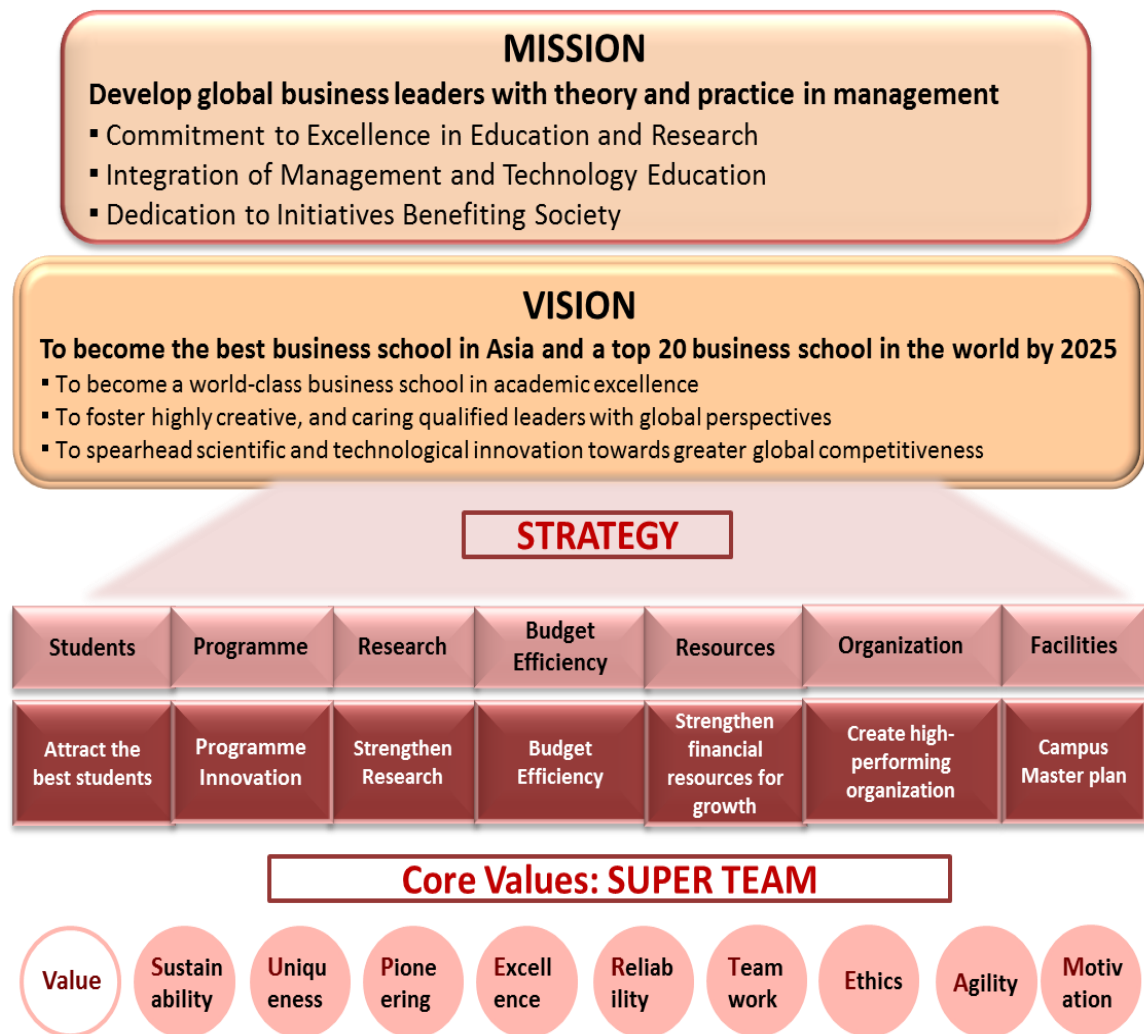


Figure 1. KCB Mission, Values, Vision and Strategy

KCB also encourages various ethical initiatives in every aspect of the college system. A traditional MBA education policy is focused on improving the profitability of commercial concerns to meet the needs of the market and the company. Recently, interest in sustainability, ethical management and green business has been increasing along with the aftermath of the financial crisis. As one of the top business schools in Korea, KCB also has a critical role to play in preparing students to serve as ‘future business leaders’ with the catchphrase ‘*Beyond Knowledge*’ which succinctly provides the definition of moral and civic maturity. KCB strives to educate our students to be future managers and executives who disseminate the importance of social responsibility and practice ethics in their organizations.

To make ‘*Beyond Knowledge*’ a reality, KCB is implementing the following initiatives:

Table 1. KCB Initiatives for ‘*Beyond Knowledge*’

Category	KCB Initiatives
Program	KCB has initiated MS and MBA programs specialized in green business and social responsibility as a part of integration of ERs into KCB.
Curriculum	KCB offers its students in-depth academic courses on business ethics,

	energy, environment, social responsibility and sustainability.
Research	All KCB members, not only faculty members but also students, are encouraged to participate in studies and research in regards to green business, CSR, and sustainability.
Academic Activities	KCB invites experts in social responsibility, ethical management, and green business from outside the school and regularly hosts seminars.
Student Activities	KCB provides its students with the opportunity to use their education in helping the local and global community through students' activities on sustainability.

KAIST Achievement in the Implementation of PRME

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

The College is committed to respecting the rights and dignity of all persons. As such, faculty, students, staff members and others acting on behalf of the College are expected to maintain the highest ethical standard, and all KCB members, regardless of the major and current position, are required to complete 'CC020 - Ethics & Safety' course as a mandatory. 'Ethics & Safety' course includes research ethics, leadership, Ethics and Safety, and Sexual violence & sexual harassment sections and KCB members take it through online at <http://eethics.kaist.ac.kr>. For students, this course is required for graduation (Table 2) and for employees; this is an annual mandatory program.

Table 2. Course Description for 'CC020 - Ethics & Safety'

Classification	Course No.	Course Title	Credit	Semester
Mandatory	CC020	Ethics and Safety I	1AU	Spring & Fall

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

KCB adheres to all applicable national labor laws and provides staff members many opportunities. Staff training is a duty of the organization. KCB is well aware of it and employee development is a shared responsibility of management and employees and it enhances individual's ability as well as the school's value. Table 3 shows the list of staff development training last year.

Table 3. KCB's Staff Development Training

Category	Details
Work-related	<ul style="list-style-type: none"> · Individual job-task related training - MJ Yoon: Women in Innovation (WIN) workshop - NR Jung, HK Moon: Fundraising workshop, Taxation system for non-

	profit organization, - EJ Yu, HK Moon: Online PR training course - HK Kim, YH Kwak: University scholarship, tuition seminar · Computer related training - KH Lee: Ewin Data Modeler training - SJ Yoo: IT equipments management seminar
Language Courses	· English conversation class · Overseas staff training · Language course tuition reimbursement
Tuition	· MBA course tuition support
Rules	· Work related rules & regulations training · Training for work related electronic document processes (e.g. ERP) · Ethics and sexual harassment prevention training (Mandatory for all staff)

Recently, KCB set the new HR policy that KCB staff members have to receive 40 hours of training per year. The goals of staff training sessions are as follows:

- To offer training internal and external education sessions to widen job scope
- To offer seminars on various topics to broad common senses and business knowledge
- To offer language classes for globalization of staff members

Table 4. The List of KCB Staff Training Sessions

Category	Courses	Credits (Hrs)
Customer Service	CS Education	3
	CS Special Lectures	2
Workability	Negotiation Strategy	10
	Leadership	8
	Business Presentation	30
	Speech Training	20
	Project Management	20
	Self-development	8
	Statistics	10
	Creative Thinking	8
IT	Word (Microsoft)	20
	Power Point	20
	Photoshop	20
	Action Learning	102
	Excel (Microsoft)	20
	SNS/Smart phone	10
English	Conversation	16
	Reading & Writing	16
	English Study Group	8
	1:1 English Tutoring	2
Electives	Special Lectures	2
	Art	16

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

a) Integration of ERs into KCB Program

In seeking to better connect social responsibility and ethical development to the academic curriculum, KCB has established the MS in Green Business & Policy and Social Entrepreneurship MBA programs. Since September 2012, the SK Group funded the social entrepreneurship and an incubation program for social and ethical responsibility. In May 2013, the KAIST Board of Trustees approved the establishment of the new Graduate School of Green Growth in KCB along with the establishment of the Green MBA and MS in Green Business & Policy program. The government offers scholarships to MS in Green Business & Policy students to enroll for studies and research.

b) Integration of ERs into Curriculum

KCB has strong commitment to ethics, responsibility and sustainability and KCB's curriculum reflects this spirit. Core curricula contain ERs-focused courses, such as SMB 538 'Social Entrepreneurship' and GG 570 'Green Growth Policy'. Others advocate including the ethical dimension in functional courses like finance, marketing and entrepreneurship.

c) Integration of ERs into Research

All the members in KCB are encouraged to be actively involved in research on ethics, social responsibility and sustainability. There are four representative institutes and centers with a focus on ERs (Table 5).

Table 5. Research Centers related to ERs

No	Center	Description
1	Energy, Environment, Water and Sustainability Research Center (EEWS)	<ul style="list-style-type: none"> • Korean government funded research center to solve global problems including climate change issues • Performs annual EEWS student competition
2	Green Business and Sustainable Finance Research Center	<ul style="list-style-type: none"> • Conducts green business research on business strategy and green policies • Performs research on sustainable finance
3	SK Center for Social Entrepreneurship	<ul style="list-style-type: none"> • Promotes Korea's socially responsible management to meet global standards that suit local condition • Helps incubate social entrepreneurs in Korea
4	Center for Corporate Social Responsibility	<ul style="list-style-type: none"> • Promotes Korean firms' sustainable growth and innovation by developing appropriate innovation management, entrepreneurial management and corporate culture

Also, KCB faculty members have published a number of research papers and case studies on ERs.

d) Integration of ERs into Academic Activities

From September 2012 to July 2015, KCB hosted about 87 seminars on ERs with external speakers. Many lecturers from the government, academic institutions and the private sector deliver special lectures regarding ethics, social responsibility, green business and sustainable finance. **Seminars and conferences** are open to not only students but also to the public interested in ER.

e) Integration of ERs into Student Activities

KCB provides its students with case study opportunities to develop their understanding of social responsibility and ethical management (Table 6). Students of KCB have also participated in various competitions involving social, CSR, environmental issues. Students have not only participated but also have earned awards from various contests (Table 7).

Table 6. List of Student Activities related to ERs

No	Category	Main Institution	No. of Participants	Task/Description	Period/Date
1	Competition	KAIST EEWS Business Competition	.	Annual KAIST-EEWS Business Competition	2012-Present
2	Consulting Project	KAIST Academy for Sustainable Society (KASS)	3	KASS (KAIST Academy for Sustainable Society) students participate in consulting projects regarding social enterprises.	2012.09-2013.02
3		KAIST- SK Center for Social Entrepreneurship	15	Case Platforms	2013.06-Present
4			15	Venture firm Process Platform	

Table 7. List of Students Awards related to ERs

No	Category	Competition	Awards	Year
1	Green	GSGG Student Research Presentation	Outstanding Research Award	2014.12
2		2012 EEWS Student Idea Festival	Participation Awards	2013.01
3	Social	2013 Global Social Venture Competition, UC Berkeley	Finalist Team	2013.04
4		Welfare and Workplace for the Aged, Full Paper Competition	Excellence Award	2012.12
5		Global Social Venture Competition Asia	1 st Prize	2012.11
6		The 3 rd Way: Market-based Approach through Appropriate Technology Festival	Excellence Award	2012.07
7	CSR	2015 Association of Korean Management Scholars	2 nd Prize	2015.08
8		The 1 st way: UN Global Compact CSR Strategic Proposal Competition	Grand Prize	2012.08
9		UN Global Compact CSR Full Paper Competition	Excellence Award	2012.07

f) Integration of ERs into Corporate Connections

KCB provides its students with internship opportunities in working with global ERs related companies and some of them map out their career paths by having a job in ERs related companies (Table 8).

Table 8. List of Students Career Development and Placement related to ERs

No	Career Path	Category	Main Institution	Task/Description	Period/Date
1	Career Development	Internship (Social Responsibility)	Kolon Investment	Investment on Corporate social responsibilities	2012.06-2012.08
2			Social Solidarity Bank	Corporate Social Responsibilities Consulting	2012.06-2012.07
3			Sustinvest	Social Responsible Investing and Environment, Social, Governance data analysis	2013.01-2013.06
4		Internship (Green)	ABN AMRO	Renewable Energy Transportation	2012.07-2012.12
5			Green Climate Fund	Climate Finance Research	2015.01-2015.02
6			Green Technology Research Center	Global Cooperation for green Technology	2013.09-2015.05
7			Global Green Growth Institute	Knowledge Development Management	2014.07-2014.08
8		Internship (Sustainability)	UNIDO*	Energy Efficiency Unit of Energy and Climate Change	2014.06-2014.08
9	Career Placement	Corporate	GS Global	Green Energy Team	2015. 02 Graduate
10			PwC	Global Sustainability Management & Climate Change (as Consultant)	2015.02 Graduate 2015.08 Graduates
11		Government/ Organization	Word Bank	Korea Green Growth Partnership	2015.08 Graduate
12			Korea Environmental Industry and Technology Institute	International fund raising and standardization	2015.08 Graduate

*UNIDO: United Nations Industrial Development Organization

C. Contribution to the Community

a) Faculty Level

Angel Club

A group of KCB faculty members has organized the 'Angel Club' to help elementary school children from under-privileged family. The Angle Club grants scholarships to the students, medical bill payment support for patients, and food drives for the local homeless (Table 9).

Table 9. Angel Club Activities

Year	2012	2013	2014	2015
Participants	Professor Young-Gul Kim, Professor Sung-Jae Yoo, Professor Sung-Joo Park, Professor Min-Hee Han, Professor Tong-Seok Kim, Professor In-Gu Han, Professor Young-Bae Kim, Professor Jae-Hyun Ahn, Professor Hee-Seok Lee			
Fund Raising (Euro)	5,002	5,000	3,333	1,333

Afterschool Library

Prof. Park, Kwangwoo with a number of KCB students operates a sort of social service community, in

which students are involved in afterschool study for impoverished neighborhood children.

KCB Marathon Club

Prof. Song-Chung Moon has organized 'KCB marathon club' to raise €7/1km by running a marathon and donate the proceeds to the society since 1999.

b) Student Level

KCB students have been involved in many activities to contribute to local and global societies. From 2007, KCB students have operated a social service community in which the students take part in afterschool study programmes for neighborhood children, named 'After school library'. Participants teach elementary school students Math and English as well as other skills. KCB students also organized a study group called KAIST Academy for Sustainable Society (KASS). KASS is the club composed of KCB students interested in corporate sustainability and corporate social responsibility (CSR). To study and learn about the core value of '*Beyond knowledge*', KASS members have been doing a variety of activities including holding group seminars, book sharing, case competition and projects. In addition, KCB students are conducting various outreach activities and Table 10 provides detailed information of the student level of ERs activities.

Table 10. Students Level Contributions

No.	Title	No. of members	Activities	Period
1	After School library	16	Tutoring programme for impoverished neighborhood children in Math and English as well as some other skills. (Advisory professor: Prof. Park, Kwangwoo)	2007.03-Present
2	MITU(Model ITU*)	20	ITU (International Telecommunication Union) is an organization which devotes itself to social contribution and technological collaboration. KAIST MITU holds a model conference for developing nations through dissemination of IT.	2013.02-Present
3	KAIST Entrepreneurs	16	This group is to help venture companies including profit, non-profit, and social related enterprises to build partnerships and network both inside and outside KAIST.	2013.02-Present
4	Year-end Charity Service	52	Every year, KCB students host a charity event for the underprivileged neighbors by supporting food and delivering gifts to the underprivileged children.	2012.12.31-Present
5	Habitat for Humanity	10	As part of the worldwide social movement, KCB students participated in building houses in Jinjoo, Southern part of Korea, for people who do not have homes.	2013.05.30-2013.05.31
6	KAIST Creativity Camp	5	Invite children from multi-cultural families to introduce KAIST technology and science by using the funds collected from KAIST Marathon.	2014-Present
7	Bumper Year Project	3	KCB students help farmers to enjoy the bumper harvests with creative marketing ideas. (Diet onion juice in 2013 and lucky dried persimmon in 2014)	2013-Present

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

The Anti-Corruption and Bribery Prohibition Act, also known as the *Kim Young-ran Act* has most recently been promulgated and KAIST, as one of the government institutions, follows this act.

<Prohibition of Corrupted Requests>

The Kim Young-ran Act prohibits any person from making a corrupted request to Public Officials either directly or indirectly through a third party. A corrupted request generally refers to a request made to a Public Official to act beyond his/her legal rights or authority or in violation of laws and regulations. Specifically, any one of the following requests will constitute a corrupted request that is subject to prosecution under the Kim Young-ran Act.

- Request for illegal handling of a Public Official's duties relating to (i) granting licenses, permits, approvals or certifications; (ii) admissions, grades and performance evaluation at schools; (iii) military affairs such as physical examination for conscription or assignment to a certain corps, division or position; or (iv) investigation, trial, mediation, arbitration or reconciliation of a certain matter.
- Request for an exemption or a waiver of (i) tax, impost, fine or penalty, etc.; or (ii) various administrative actions relating to cancellation or revocation of a license or a permit.
- Request for an illegal intervention or exercise of influence on the (i) human resources management of Public Officials including matters relating to their recruitment, promotion and/or assignment; or (ii) allocation or contribution to a specific individual, organization or entity of certain subsidies, grants, bonuses or funds.
- Request for selection, exclusion or elimination of a certain individual, organization or entity (i) for or from a certain title or position engaged in the decision making of public institutions such as a member of various review, resolution or mediation committees or a member responsible for the examination or selection process supervised by a public institution; (ii) for or from various awards, prizes or recognition granted by a public institution; (iii) as a contractual party to a certain contract in breach of contract-related laws; or (iv) as the target of an administrative order, crackdown, audit or inspection.
- Request for unauthorized disclosure of confidential information relating to bidding, auction, development project, and examination, patent, military, tax, etc.
- Request for sale, exchange, transfer of possession of goods or services that are produced, supplied or managed by a public institution to a specific individual, organization or entity at prices beyond those set by the law or normal business practices.