COMMUNICATION ON ENGAGEMENT ARTS COUNCIL KOREA

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I. Supporting Statement from ARKO Chair

Arts Council Korea (ARKO) is a government associated organization established to support programs and activities promoting the arts, based on the belief that excellent art has the power to transform all of our lives. Since its establishment in 1973 as the Korea Culture and Arts Foundation, over the past forty-five years ARKO has engaged in various programs aimed at enabling people to share the joy of creativity and lead meaningful lives.

ARKO supports the ten principles of the UN Global Compact, and we endeavor to reflect the values of human rights, labour, environment and anti-corruption throughout our organizational culture and programs.

ARKO is committed to continuing to fulfil our social responsibilities as a public organization, in order to realize the vision of "creating a happy citizenry through sharing and creativity of arts and culture." We are working to extend the ten principles of the UN Global Compact not only to all our employees and stakeholders but also throughout the creative community.

Acting Chair of Arts Council Korea
Oh Jung-Hee

$\scriptstyle\rm II$. Major Outcomes of 2015–2016

1	Human	Rights
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ARKO defines the enjoyment of arts and culture as an inalienable human right, and has run
various programs to allow everyone to enjoy arts and culture without discrimination. Thus the
sharing of culture is a key principle of the organization. In the 2015-2016 period ARKO has:
☐ Provided cultural welfare by running arts programs for the underrepresented.
☐ Supported the promotion of cultural diversity in communities by embracing multi-cultural
families, immigrants, and North Korean refugees.
☐ Run educational programs for ARKO staff on protecting human rights.
☐ Managed the "ARKO Volunteers" group to support underrepresented citizens.
2 Labour
ARKO strives to eliminate discrimination on the basis of gender, religion, social class, and
physical conditions, and runs various programs to ensure labour rights are upheld and maintain
healthy labour-management relations. In the 2015-2016 period ARKO has:
☐ Abolished discrimination factors in HR and made various advancements in hiring
practices including the introduction of a promotion system for contracted workers.
☐ Introduced flexible work schedules and expanded parental leave to encourage work-life
balance.
☐ Fostered communication between employees and management by establishing a new
communication channel and holding joint workshops.
3 Environment
ARKO observes governmental environmental policies and endeavors to take responsibility for
the environment. In the 2015-2016 period ARKO has:
☐ Given priority to environmentally-friendly products in accordance with governmental
policies when purchasing supplies.
☐ Taken measures to reduce greenhouse gas emissions, starting with everyday work activities.

4 Anti-Corruption

ARKO considers clean and transparent management	nent a source of excellence and competitiveness,
and makes every endeavor to fight against of	corruption and promote a culture that fosters
integrity among public officials. In the 2015-201	16 period ARKO has:
☐ Actively responded to the implementation	of the Improper Solicitation and Graft Act by
modifying internal regulations.	
☐ Made efforts to ensure a culture of h	onesty and integrity by running educational
programs and promotional campaigns.	
☐ Strengthened the monitoring system for ins	tances of corruption.

III. Specific Outcomes

1 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.

☐ Initiatives for the enhancement of cultural welfare, a core human right that cannot be compromised:

• The "Munhwa-nuri Card" program (also known as 'culture vouchers') to enable citizens with restricted access to the arts to enjoy arts and cultural activities.

Cards worth 50,000 won, specifically for use on cultural activities, tours, and sports events etc. were issued to 2.6 million basic livelihood welfare recipients

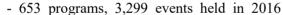
- 4,175,186 card transactions in 2015.
- 4,780,471 card transactions in 2016.



• The "Exciting Arts Tour" project for inmates, people with disabilities, North Korean refugees, and others with limited access to cultural activities.

Performances were given at social welfare facilities, correctional facilities, etc. bringing the arts to those whose access is limited by economic, social or geographic conditions







- The "Program to Facilitate the Enjoyment of the Arts by People with Disabilities" to create a society where physical difference does not limit the enjoyment of life.
- The program supported people with disabilities in creating, presenting, sharing, exchanging, and researching arts and culture nationally and internationally. (The total budget for the project in the 2015-2016 period was 5.2 billion won.)
- ☐ Program to promote cultural diversity in the communities of multi-cultural families, immigrants, and North Korean refugees.
 - The "Rainbow Bridge Initiative" was delivered to foster cultural diversity in local communities.

- The initiative increased opportunities for minorities, including people with disabilities, multi-cultural families, immigrants, and North Korea refugees, to express their own creativity and culture.
- Programs were carried out to promote communication and exchanges among various cultural agents in local communities.
- ☐ Human rights educational programs delivered throughout ARKO.
 - Educational programs were delivered for the prevention of sexual harassment and the practical and active protection of privacy.

Category	2015	2016	Photographs
Sexual Harassment Prevention	Held once (August 11th)	Held twice (April 29th/May 2nd)	
Privacy Protection	Held five times, including programs for outsourcing companies processing private information (April 8th and 13th/May 7th/October 29th /November 2nd)	Held four times (June 10th/June 14th/ October 28th/October 31st)	Widera A.

- ☐ "ARKO Volunteers" programs to support the underrepresented:
 - O Support and outreach programs.

Meal service for seniors living alone, "Bazaar for Sharing Hope," book donation program, and more.

- 252 volunteers in 2015
- 33 volunteers in 2016



• "Painted Sneakers" donation program to support refugee children.

Sneakers for refugee children in Myanmar, "Thank You" Project

- 23 volunteers

- 140 pairs of shoes donated



2 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.
- ☐ Ensuring an HR system without discrimination by working to eliminate discriminative factors such as those faced by those without university degrees and temporary or contracted workers.
 - In 2016 the same seniority and promotion system that applies to full-time workers was introduced for contracted workers.
 - High school graduates, contracted workers and temporary workers are being provided the same welfare benefits as full-time workers.
- Expanding flexible work schedule systems and parental leave to support work-life balance.
 - Measures taken to foster a family-friendly workplace environment from maternity to child care:
 - Extended the system to reduce working hours for pregnant employees (2016).
 - Running an "early clocking-off program" for those who are expecting (ongoing).
 - Extended parental leave from one year to two years (2016).
 - Increased the period in which parents are eligible for parental leave from six years after the birth of their child to eight (2015).
 - Introduced a one-year "early clocking-off period" for employees returning from parental leave (2016).
 - Introduced a leave of absence system for family care (2015).
 - Running a program to reduce working hours for child care (ongoing).
- Working to guarantee balance between work and family by improving provisions and work environment with the following initiatives:
 - Extending flexible working schedule programs including working from home (ongoing).
 - Programs for psychological health, including counselling, meditation, and art therapy (122 recipients of individual counselling in 2016).
 - Supporting group activities (12 activity clubs were created in 2016).



- Establishing new communication channels between employees and management and holding joint workshops to improve communication:
 - Workshops held with employees and management, creation of a labour-management TF, conferences (2015-2016)

되마기 좋은 탁강 구선을 위한 노사 공동산인

Workshops

- 2015 Labour-Management Joint Workshop
 - Announcement of the joint task force



• The "Young Initiative Group" was set up to serve as a direct communication channel between the ARKO Chair and employees, and enhance solidarity across the organization (2016).

3 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.

- Giving priority to environmentally-friendly products when purchasing supplies, in accordance with governmental policies.
 - In 2015, 93% of all products purchased by ARKO were environmentally-friendly, reflecting a spend of 130 million won.
 - In 2016, 25% of all products purchased by ARKO were environmentally-friendly, reflecting a spend of 20 million won.
- ☐ Taking measures to reduce greenhouse gas emissions, starting with everyday work activities.
 - 48.5MW of energy has been saved by installing solar panels in the parking facilities of ARKO headquarters.
 - 24.4MW of electricity generated by solar panels in 2015 (12,286t CO₂ reduction).
 - 24.1MW of electricity generated by solar panels in 2016 (12,286t CO₂ reduction).

Electricity From Sunlight!

- 48.5 MW of electricity generated by solar panels - 24,385 t CO_2 reduction

(Equivalent to planting 7,665 pine trees)



- Energy saved by installing efficient, semi-permanent LED lighting.
- 73.95% LED lighting installation rate in facilities run by ARKO(Arts Center, Art Space etc.)

Category	2014	2016	Variation
LED lighting share of the total	69.72%	73.95%	+ 6%
The number of LED lighting fixtures	1,909	2,040	+ 131

Ocontinued using environmentally-friendly hybrid cars when driving on official duties.

Exhaust fumes DOWN! Pollution DOWN! By driving hybrid cars

24,567 kilometers driven in 2015-2016
 1,080kg reduction in CO₂



4 Anti-Corruption

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

- Actively responding to the implementation of the Improper Solicitation and Graft Act by modifying internal regulations.
 - Part of the ARKO 'ethics guidelines' and the entire 'general principles of behavior' for employees were amended (2016).
 - New regulations established and existing provisions amended to reflect the Improper Solicitation and Graft Act, including restrictions on giving and accepting excessive speaking fees (2016).
 - Deleted expressions from guidelines that can be interpreted in ways that go against the Improper Solicitation and Graft Act.
- Introduced an "active administrative exemption system" (2016).
 - Designed to encourage integrity and active handling of work for the public good, under the system employees responsibilities are exempted or relieved when they meet a certain requirement.
- ☐ Striving to ensure a culture of honesty and integrity by running educational programs and promotional campaigns.
 - Education programs were carried out throughout the organization to encourage ethical conduct and integrity.

Category	2015	2016	Photo
Education on ethics and integrity	Held twice (May 6th/ May 21st)	Held six times (September 22nd/26th November 8th/15th December 13th/16th)	
Workshop on the evaluation of integrity	Held four times (June 22nd/23rd/29th July 3rd)	Held twice (June 24th/27th)	

• Implemented promotional programs and campaigns to improve awareness of how to prevent corruption.

"Clean ARKO Week" (2015)

- Created and published cartoons on integrity
- Promoted regulations and systems regarding integrity and ethics (by web-letters)

"Integrity Resolution Program" (2016)

- ARKO Chair and all workers joined an "integrity resolution program"
 - All staff made pledges on integrity

Strengthening anti-corruption promotional programs internally and externally (2016)

- Promotional materials (posters, stickers, etc) displayed at every ARKO-run facility

11.30 월요일 12.4 금요일

2015 / 겨울 클린 아르코 주간

1. 우리 위원회는 2015년 봄, 여름, 가을, 겨울 네 차례 클린아르코 주간을 운영합니다. 각자의 윤리적 대도와 정직한 업무 자세를 돌아보는

> 배적결·**청렴행정** -임직원 결의대회



Awarded the "2015 Korea Ethical Management Prize"

Awarded the 2015 Korea Ethical Management Prize by "Korean Economy Magazine"

(July 30th 2015)



- ☐ Strengthening the monitoring system for instances of corruption.
 - Steps taken to strengthen the monitoring system:
 - A survey on ethics management awareness conducted and feedback given (ongoing).
 - The monitoring system for supporting ethics funds in the National Culture and Arts Support System (NCAS) has been enhanced (2016).
 - A "visitor registration system for integrity" has been introduced (2016).
 - An anti-corruption reporting system has been put in place.
 - A Compliance Help Desk called "RED WHISTLE" has been developed to provide an anonymous reporting system (ongoing).