

KEITI 2020 Sustainability Report

Green Solutions for
Sustainable Future

Environment

Solution

About this Report

The 2020 KEITI Sustainability Report is the second report published by the Korea Environmental Industry & Technology Institute. Through this report, KEITI shares with stakeholders its activities and performance in sustainable management over the past two years. The report covers KEITI's material sustainability issues. KEITI promises to continuously communicate with stakeholders by publishing the sustainability report on a regular basis.

Reporting Principles	This report was prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option, and reflects directions set by ISO26000, the UN SDGs, and the Ten Principles of the UNGC.
Reporting Period	January 1, 2019 - December 31, 2020
Reporting Cycle	Biannual (previous report published in April 2019)
Assurance	Independent third-party assurance
Report Information	This report was published in Korean and English, and can be downloaded from the KEITI website (www.keiti.re.kr).

Korea Environmental Industry & Technology Institute Contact Information

| Address: 215, Jinheung-ro, Eunpyeong-gu, Seoul, Korea | Department: Planning & Coordination Office | Telephone: 02-2284-1115 | Website: www.keiti.re.kr



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“ The Korea Environmental Industry & Technology Institute dedicates the utmost efforts to improving environmental welfare and fulfilling social value. ”

President's Message

The Korea Environmental Industry & Technology Institute (KEITI), a quasi-governmental organization under the Ministry of Environment, is committed to realizing social values by leading the green technology and industry and creating a safe environment for the people, with hopes of handing down clean natural heritage to future generations. Having joined the UN Global Compact in March 2012, KEITI has been faithfully complying with the Ten Principles in the areas of human rights, labor, environment, and anti-corruption. Despite global environmental issues and the COVID-19 pandemic, we are exerting our utmost effort to improve the environmental welfare services for the nation.

KEITI Lead the Way for the Green Transition.

We are supporting the research and development activities of solving current issues closely related with the daily lives of people, which includes reduction of fine dust, recycling of domestic waste, and risk assessment of microplastics. We continue to create green jobs by giving support to the startups in the environment field and to the commercialization of outstanding green technologies; hence strengthening the competitiveness of environmental companies. KEITI will realize the value of shared growth by taking the lead in developing environment and human-centered technologies, and fostering environmental industry as Korea's new growth engine.

KEITI Creates a Sustainable and Eco-friendly Society.

We contribute to the settlement of a sustainable culture of consumption and production by adapting the Korea Eco-Label system, which ensures the people with eco-friendly products and encourages companies to voluntarily develop and manufacture green products. We are also designating green stores to expand the green distribution network for supplying green goods, as well as hosting eco-friendly competitions and promoting green card benefits to help people settle a eco-friendly lifestyle.

KEITI Realizes Social Values for the Environmentally Disadvantaged.

KEITI never stops to discover and support the victims of environmental pollution, such as household chemical products, asbestos, and other hazardous substances. With the aim to generate inclusive social values through environmental welfare activities, we inspect and give advice on the household environment of socially vulnerable groups and operate safe environment-certified facilities for children including day care centers and kindergartens. We will continue to strengthen our environmental services for the victims of environmental pollution and the socially disadvantaged.

KEITI will strive for becoming an environmental organization that leads the green ecosystem by guaranteeing the work-life balance of employees and a safe workplace. We ask for your warm encouragement and support for us to lead a carbon-neutral society for a sustainable future.

Thank you.

May 2021

Jechul Yoo

유 제 철

President of the Korea Environmental Industry & Technology Institute

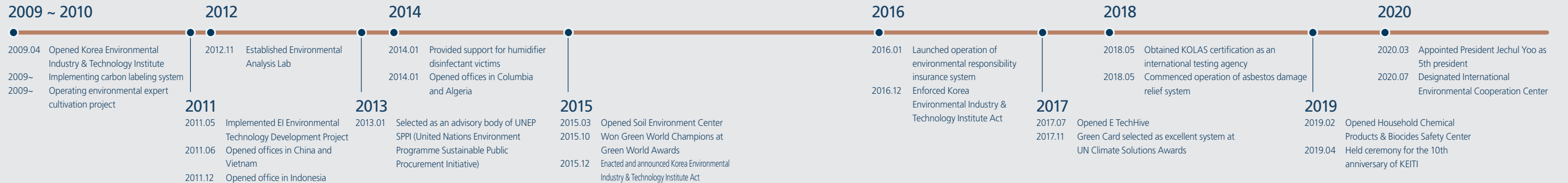
About KEITI

In 2009, the Korea Environmental Industry & Technology Institute was founded as a quasi-governmental organization affiliated to the Ministry of Environment through the integration of the Korea Institute of Environmental Science and Technology and the Eco-friendly products Agency. By developing environmental technologies, fostering environmental industry, and spreading eco-friendly lifestyles, KEITI is contributing to improving environmental welfare services for citizens and to achieving sustainable national development.

Overview (as of December 2020)

Date of Establishment	April 8, 2009	Legal Grounds	Korea Environmental Industry & Technology Institute Act
Governing Organization	Ministry of Environment	Address	215, Jinheung-ro, Eunpyeong-gu, Seoul, Korea
President	Jechul Yoo	No. of Executives and Employees	651 employees
Features	Commissioned-service type quasi-governmental institution	Governing Organization	2 headquarters, 5 divisions, 2 departments, 28 offices, 3 centers

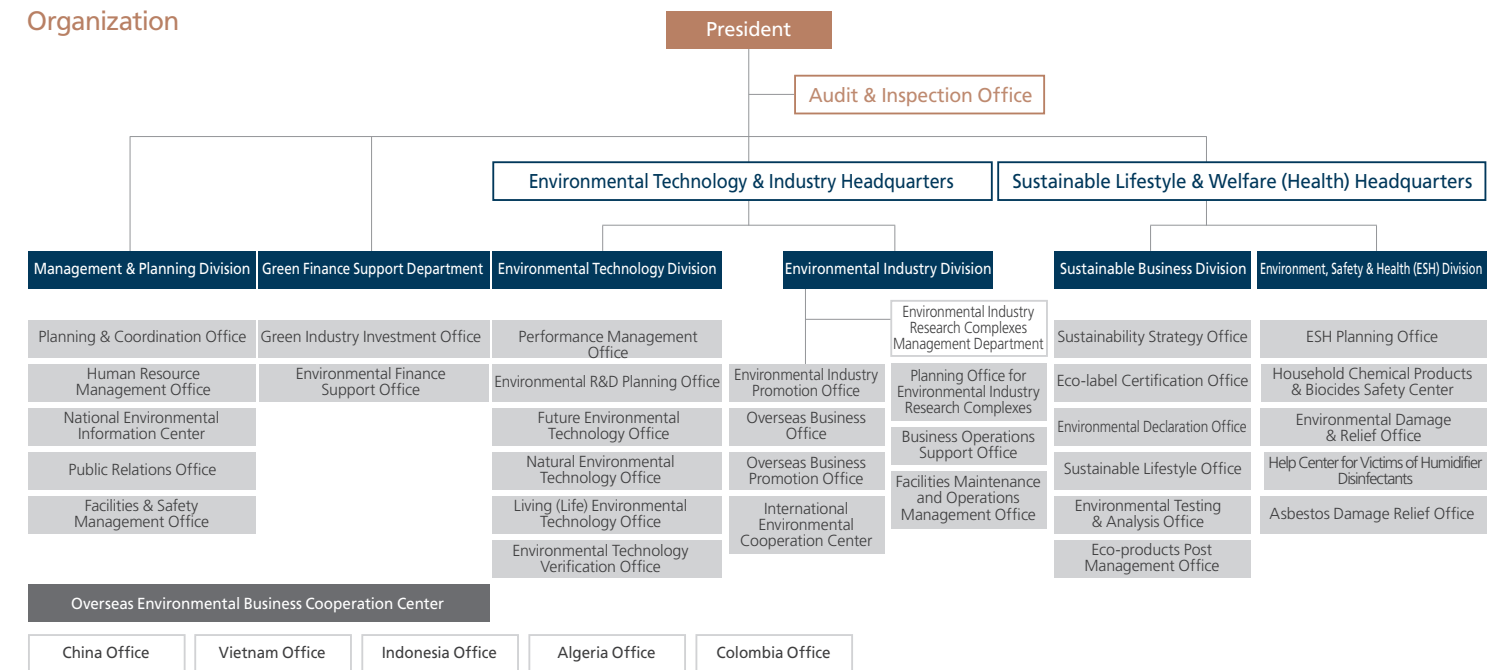
History



Features and Roles



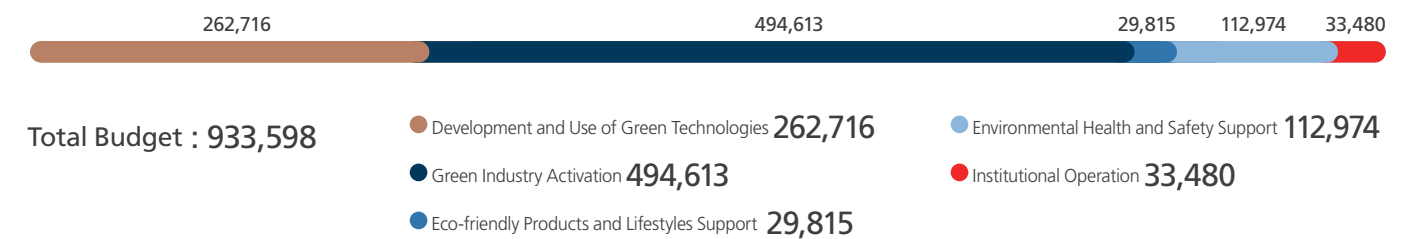
Organization



Employees (as of December 31, 2020)

3 Executive directors **361** Permanent positions **287** Indefinite-term contracts **27** Temporary positions **305** Female employees

Budget (Unit: KRW million, %) (as of December 31, 2020)

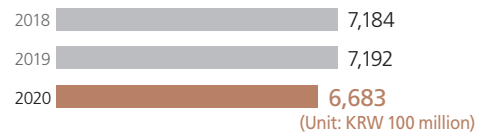


KEITI Businesses

Development and Use of Green Technologies

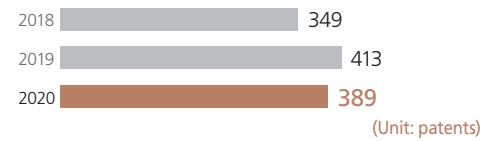
KEITI focuses on securing competitiveness of green business technology and creating a safe living environment for the people by expanding support for environmental technology development to find projects to cope with future environmental crisis and resolve environmental issues.

Domestic sales through technical commercialization support



Livestock manure solid fuel conversion facility using highly efficient dehydration and drying

Patent registration by supporting companies with promising technologies

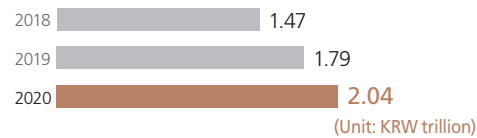


Ultrafine dust (PM2.5) automatic measurement system using beta-ray absorption method

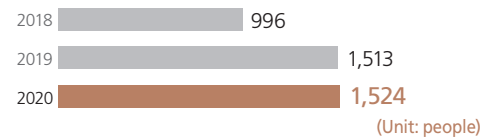
Green Industry Activation

KEITI is committed to fostering promising green companies and sustaining the growth of green industries through customized support such as support for growth of environmental SMEs with excellent technologies and support for overseas expansion in connection with international financial institutions.

Export and order performance of environmental SMEs through corporate promotion and overseas expansion support



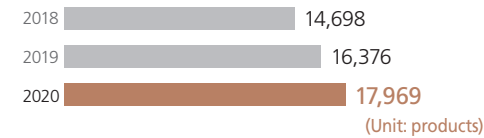
Creation of environmental jobs by supporting corporate growth and providing environmental services to the public



Eco-friendly Products and Lifestyles Support

Through the distribution of green products, KEITI strives to create an eco-friendly life culture for the people and to become a sustainable society by upgrading green product certification and supporting certified companies.

Eco-label certified products



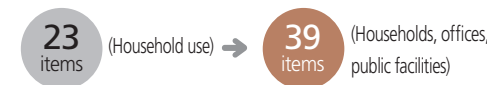
Green product purchase in public sector



Environmental Health and Safety Support

KEITI is creating a healthy, eco-friendly welfare society by establishing a social safety network through management of household chemical products and support for relief related to humidifier disinfectant, environmental pollution, and asbestos damage, and by providing services that are closely related to people's lives, such as environmental safety certification for children.

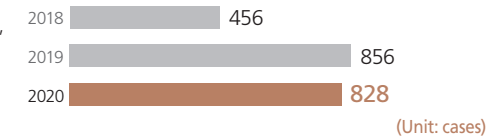
New Construction of Household Chemical Products & Biocides Safety Center



Reports and Certificates **15,597**



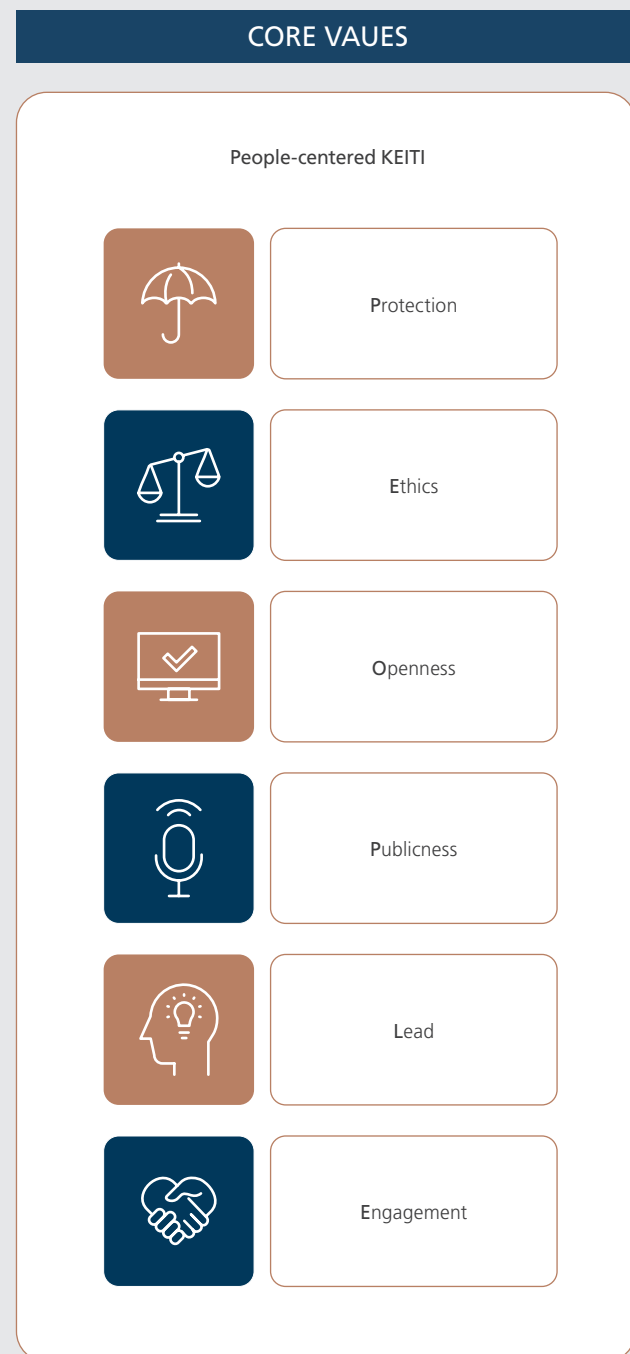
Door-to-door damage relief service



2020 ESG Management Strategy

KEITI has established the 2020 New Management Strategy System according to mandatory management goal setting in order to respond to internal and external changes in the management environment and to systematize performance management of public organizations. KEITI is promoting changes to innovate all areas of its business so that, externally, it can respond to the Green New Deal to overcome the low growth phase, and internally create a cooperative culture of communication and sharing and strengthen digital operating competency.

KEITI's 2020 management strategy reflects the ESG (environmental, social, and governance) elements with the increasing importance of non-financial value in organizational operation across the world in addition to financial value. While focusing on the ESG elements as the central axis of its strategic direction, KEITI has added innovation elements in order to lead the fourth industrial revolution for public organizations and the Korean Green New Deal. KEITI will reflect its commitment to the activities for creating social value in addition to the implementation of its businesses in the I + ESG management system, will and secure links between each business, thus establishing the identity as an organization that provides high-quality services to the nation.



Basis for Sustainable Management Promotion

- 13 | Governance
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Governance

Formation of the Board of Directors

The Board of Directors of KEITI consists of nine members in total: one chairperson, two executive directors, five non-executive directors, and one non-executive auditor. The President is appointed by the Minister of Environment from multiple candidates recommended by the Executive Recommendation Committee. Non-executive directors are also appointed by the Minister of Environment. Non-executive directors who are not ex-officio directors are selected from the industry, research circles, and private environmental groups. The Board of Directors guarantees a three-year term for the President and a two-year term for directors and non-executive auditors, and allows them to serve consecutive terms on a yearly basis in order to encourage responsible decision-making.

Board of Directors

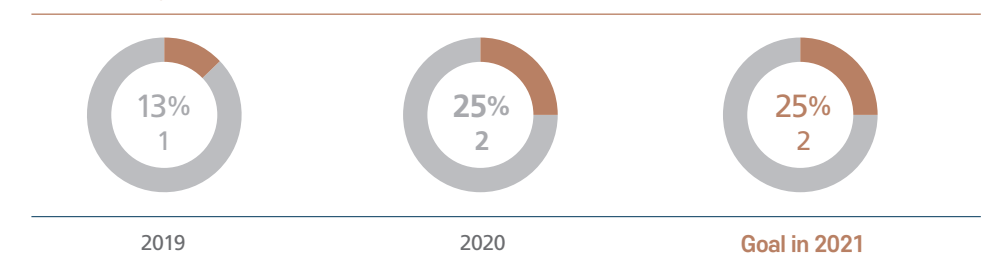
(as of Oct. 2020)

Name	Affiliation and Position	Term of Office	Gender	Type
Je-chul Yoo	President	20. 3. 23~23. 3. 22	Male	Chairperson
Dong-gu Kim	Green Transition Policy Division, Ministry of Environment	19. 6. 10~	Male	Non-executive Director (ex-officio)
Ki-hong Ryu	Partner, Grant Thornton Daejeon	19. 11. 1~21. 10. 31	Male	Non-executive Director
Woo-hyung Park	Visiting Professor, Jeonbuk National University	19. 11. 1~21. 10. 31	Male	Non-executive Director
Choony Kim	Deputy Secretary-general, Korea Federation for Environmental Movements	20. 4. 29~22. 4. 28	Female	Non-executive Director
Won-ki Lee	Executive Advisor, People and People LLC	20. 4. 29~22. 4. 28	Male	Non-executive Director
Myoung-ju Lee	Professor, Myongji University College of Architecture	20. 4. 8~22. 4. 7	Female	Non-executive Auditor
Gyung-ho Kim	Head of Environmental Technology & Industry Headquarters, KEITI	19. 9. 30~21. 9. 29	Male	Executive Director
Jong-hwan Kim	Head of Sustainable Lifestyle & Welfare (Health) Headquarters, KEITI	20. 9. 21~22. 9. 20	Male	Executive Director

Promoting Gender Equality in Appointment of Executives

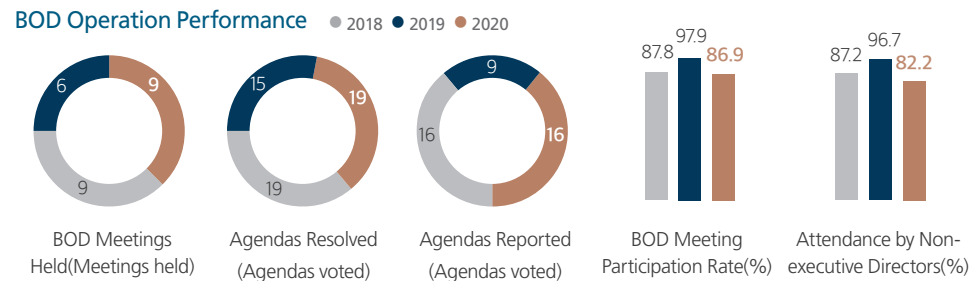
KEITI is practicing gender equality in appointing its executives by setting gender-equality goals in executive appointment. Considering the rate and term of service of executives, KEITI plans to increase the proportion of female executives of the eight executives whose term is soon to expire. To fulfill the gender equality goal in executive appointment, the ratio of female members of the Executive Recommendation Committee members was set to 40%. In addition, to secure female applicants for executive positions, KEITI posted public announcements to invite executives in the relevant organizations including the Korean Women's Development Institute and the Korean Institute for Gender Equality Promotion and Education.

Gender-equality ratio in Executive Appointment



Activation of Board of Directors Operation

KEITI is striving to revitalize the board of directors(BOD) by explaining prior agendas, increasing the number of events and meetings. Regular BOD meetings are held twice a year, and temporary BOD meetings are held when material issues arise. In 2020, seven temporary BOD meetings were held, three times higher than the previous year. In 2020, as 3 out of 6 non-executive directors were newly appointed, we expanded the number of reported agendas and resolution agendas, such as explaining the agency's work plan and sharing the status of response to Covid-19. KEITI informs non-executive directors two weeks prior to BOD meetings and supports institutional management participation by explaining agenda in advance.



BOD operating system

Meeting Stage	Timeline	Activity	Activity	Timeline	Activity
BOD meeting	D-30	Meeting plan establishment	Preliminary deliberation	D-5	Preliminary presentation
	D-20	Receive agenda/consultation	Preliminary sharing	D-3	Inform labor union
	D-15	Meeting announcement	Resolution	D-Day	BOD meetings
	D-7	Agenda notification	Feedback	D+	Management proposal reflection

Subcommittee Operation

KEITI has formed a subcommittee in accordance with the management strategy of the institution, and encourages the participation of major business advisory activities and institutional events according to the specialized field of non-executive directors.

Subcommittee Operation Performance

Subcommittee	Composition	Activities in 2019
Management Committee	Executive Non-executive	Consultation on major project promotion plans, deliberation and evaluation of organizational performance evaluation, etc.
Environmental Technology & Industry Committee	Executive Non-executive	Deliberation consultation on major R&D projects, deliberation and evaluation of new technology certification revocation, etc.
Sustainable Lifestyle & Welfare (Health) Committee	Executive Non-executive	International Forum on Green Public Procurement lecture, Carbon Footprint of Products (CFP) contribution screening, etc.
Auditor Selection Committee	Non-executive	Evaluation and selection of external accounting firms, major audit (accounting) consultation, etc.
Executive Recommendation Committee	Non-executive BOD recommendation	Transparent and fair executive recommendation, strict procedure execution and candidate verification, etc.

In order to fulfill its social responsibilities, KEITI makes decisions on sustainability-related issues as a subcommittee or board agenda.

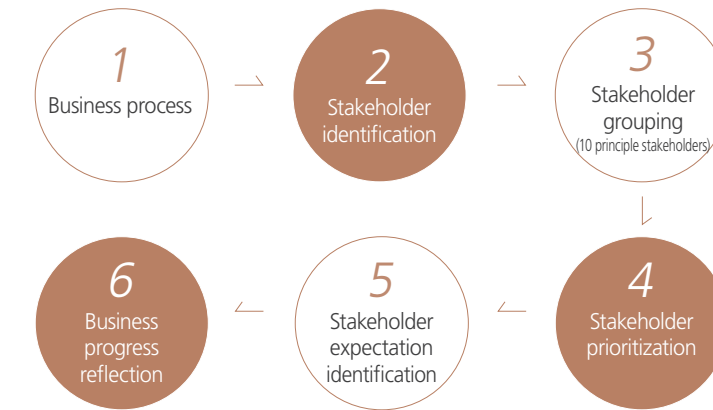
Cases of decision-making considering sustainability

Date	Sustainability Issues	Major Achievements
2020.8.25	Reinforcement of social responsibility for safety accidents	Enactment of censure regulations for executives regarding safety accidents
2020.10.27	Establishment of mid- to long-term management goals	Establishment of an innovative and sustainable I+ESG strategy by specifying missions and tasks, etc.
2020.12.23	Safety and health management for employees and customers	Establishment of safety management responsibility plan

Stakeholder Engagement

KEITI defines its stakeholders as all subjects directly or indirectly affected by business operations, and strives to build a strong trusted relationship by operating various communication channels for smooth communication with the stakeholders.

KEITI Stakeholder Engagement Process



Major stakeholder communication channels and expectations

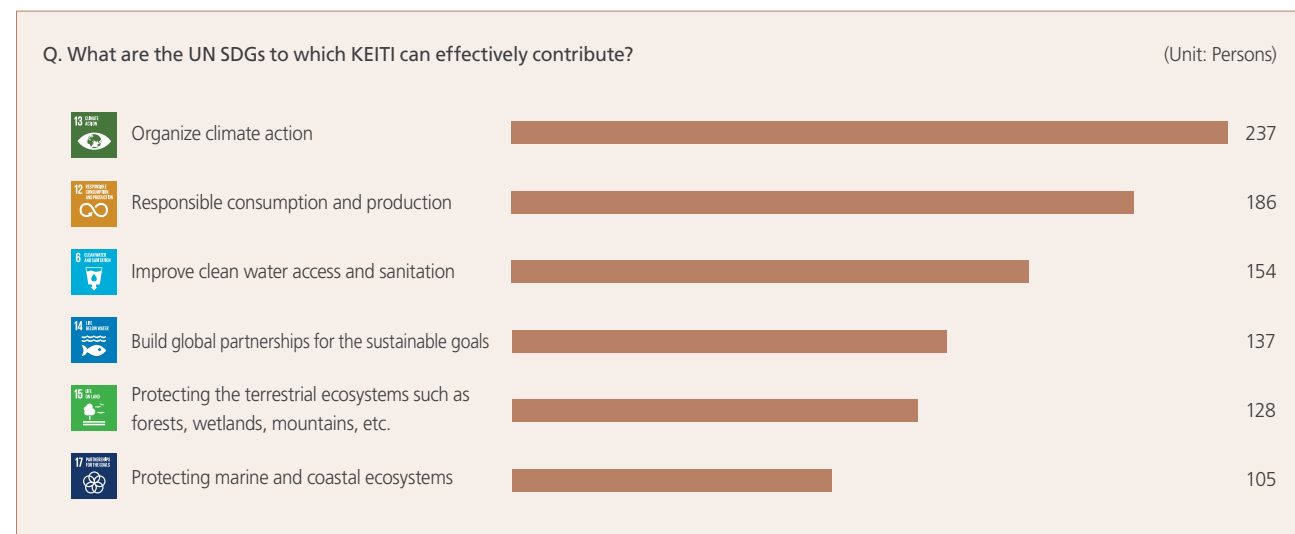
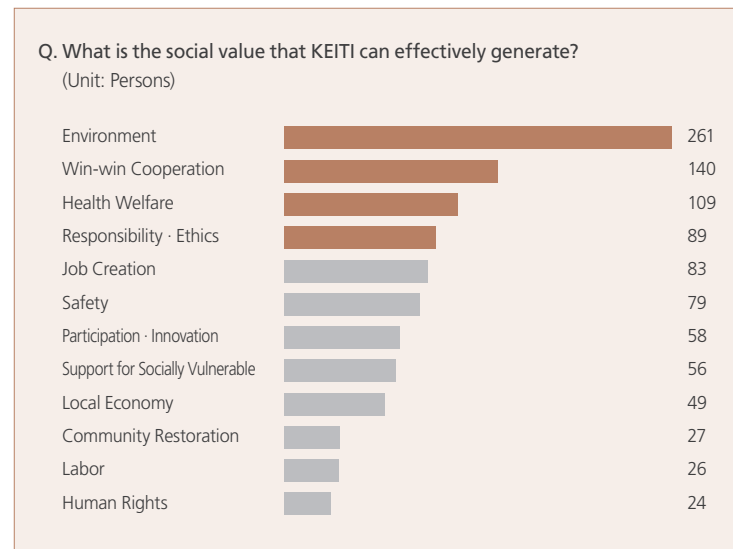
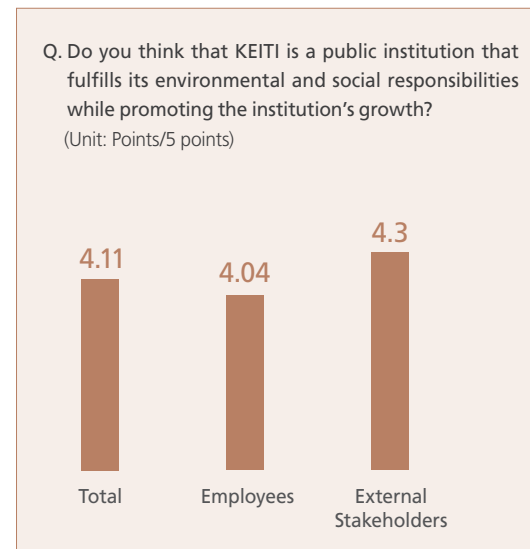
10 stakeholders	Members	Communication Channels	Expectations	Related Social Values	
Major stakeholders	1. Government institution	Government ministries, domestic and foreign related institutions, government offices, government-affiliated agencies, etc.	· Conference on Environmental Cooperation · Anti-corruption network	· Environmental issue resolution · Upright organizational culture	Environmental conservation, social responsibility, publicness enhancement
	2. Employees	Employees	· Joint Consultative Committee · Employee communication channel · Ethical Business Practice Committee	· Working condition improvement	Human rights protection, labor/work
	3. Business customer	Environmental industries, environmental pollutant and waste treatment facilities, etc.	· Environmental business conference · Customer satisfaction survey · Public hearing for planning	· Environmental regulatory system application · Citizen quality of life enhancement · Technology development suggestion	Win-win cooperation, environmental conservation
Strategic stakeholders	4. National Assembly	Members of the National Assembly	· Inspection of government offices	· Misconduct improvement · Research on use of technology patents	Public strengthening
	5. Citizens	Consumers, socially vulnerable groups, environmental victims, etc.	· Citizen communication channels (living lab, space forum, civil evaluation group, etc.)	· Citizens' perceived environmental technology · Eco-friendly product information	Public participation, socially vulnerable support
	6. Service providers	Accounting firms, consulting firms, public relations agencies, IT firms, etc.	· Service briefing session · Service provider conference	· Communication expansion	Win-win cooperation, labor
Environmental stakeholders	7. Partner institutions	Health centers, research institutions, banking/financial institutions, medical institutions, international advisory groups, etc.	· Technology Policy Utility Committee · Partner institution conference	· Policy support enhancement	Social responsibility, publicness enhancement
	8. Press	Press companies	· Press reports · Coverage	· Business progress monitoring management	Public participation, publicness enhancement
	9. Local residents and governments	Local residents, local governments, river basin regional environmental offices, etc.	· MOU with Eunpyeong-gu Office · Green shop distribution council	· Local community economic revitalization · Local community contribution	Local community and local economy revitalization, win-win cooperation
	10. Environmental organizations	Civic organizations	· Environmental justice forum · Public participation innovation group	· Citizens' perceived environmental technology · Social issue resolution	Public participation, social responsibility

Material Sustainable Management Issues

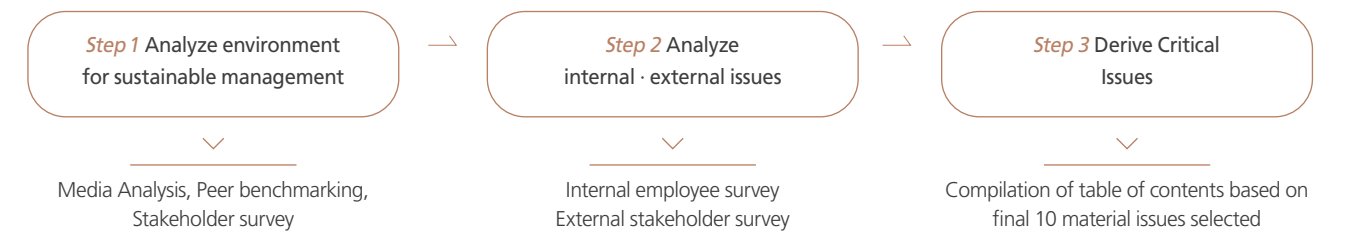
KEITI conducted a materiality assessment by identifying the sustainable management issues important to its stakeholders. We organized a pool of 20 material issues by conducting internal and external environmental analyses based on the GRI Standard, and surveyed internal and external stakeholders. A total of 295 people, including executives and employees(72%), the government(5%), SMEs(6%), partners(10%), and the general public(7%) responded to the survey. Based on the survey, we selected the top 10 issues by combining the results of sustainable management level diagnosis, media analysis, and benchmarking.

Survey on Awareness of Sustainable Management

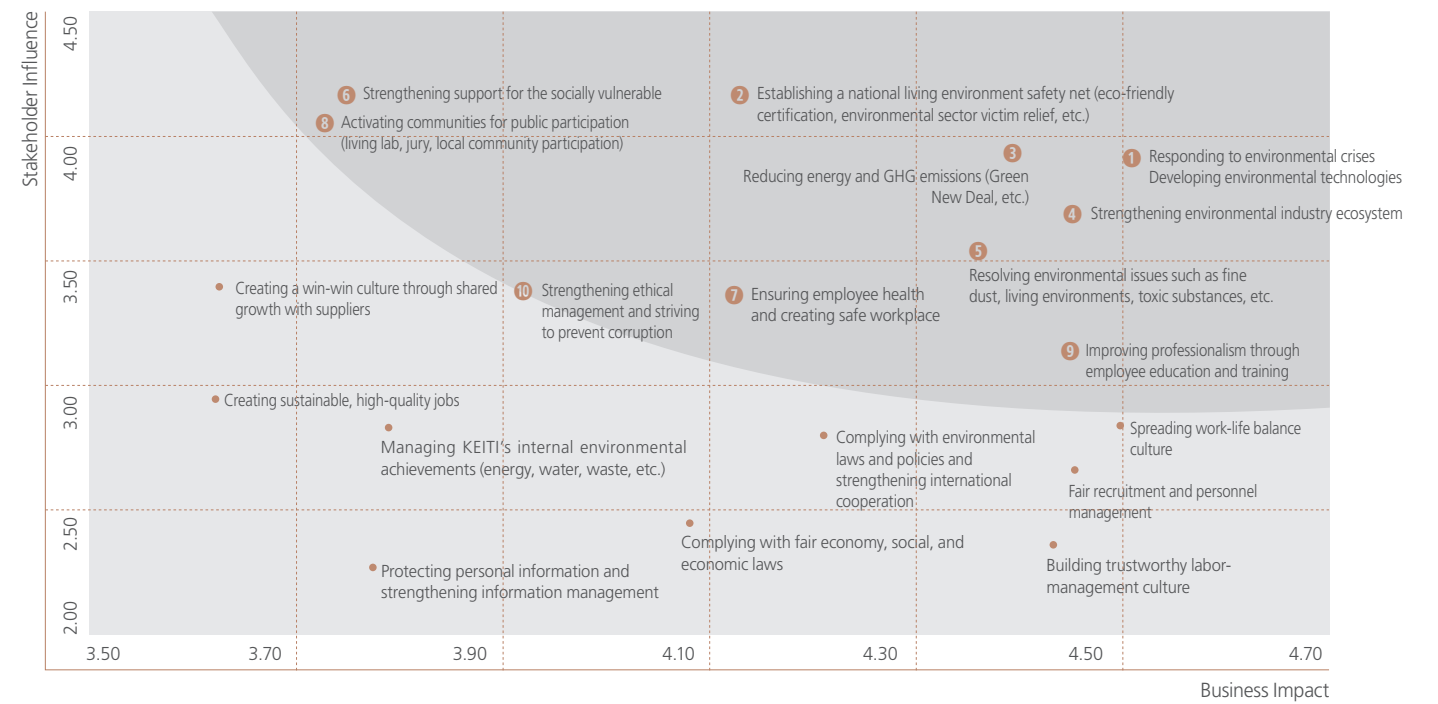
KEITI's sustainable management level was rated higher by external stakeholders than by employees. Likewise, we found that the social values that KEITI can effectively create in the future are "environment" and "win-win cooperation", and they selected "climate change response" and "reduction of natural resource loss and waste generation" as the goals that can contribute to the UN SDGs.



Material Topics Selection Process



Materiality Assessment Matrix



Material Issues

(Changes in rankings compared to 2018)

Report Category	Material Issues	Page
Creating growth engines based on the Green New Deal	3 Reducing energy and GHG emissions (▲9)	34, 44-45, 66
	1 Responding to environmental crises and developing environmental technology (-)	44-45
Leading a sustainable eco-friendly society	4 Strengthening the environmental industry ecosystem (▼2)	37-41, 46-47
	5 Resolving environmental issues such as fine dust, living environments, toxic substances, etc. (New Issue)	28, 52
Realizing inclusive environmental welfare	2 Creating an environmental safety net for citizens (▲3)	49, 54-55
	6 Strengthening support for the socially vulnerable (▲4)	28-29, 52-53
Realizing CSR management with public engagement	7 Ensuring employee health and creating safe workplace (▲1)	18-21, 63-65
	8 Activating communities for public participation (New Issue)	30-31, 66-67
	9 Improving professionalism through employee education and training (-)	57, 64
	10 Strengthening ethical management and striving to prevent corruption (▼3)	60-62

KEITI, Engagement in Overcoming COVID-19

In September 2020, the number of confirmed cases of the coronavirus disease (COVID-19) exceeded 31 million worldwide. COVID-19 is significantly affecting the society and economy, and the crisis driven by uncertainty is likely to continue. As a response, KEITI, as a public institution, not only places the safety of employees as its top priority, but also strives to support environmental industries and revitalize the local economy in preparation for the prolonged economic recession at home and abroad in order to overcome these difficulties together.

Citizen Safety Net

Providing Masks to Victims of Humidifier Disinfectant

As the COVID-19 pandemic continues to persist, the victims of humidifier disinfectant, who is receiving KEITI relief assistance, are experiencing growing anxiety and restriction of basic living. Most of the victims of humidifier disinfectant are high-risk chronic respiratory disease patients due to degraded lung function, suffering difficulties such as lung disease and asthma. Around 150,000 medical masks (KF94) were provided to such victims to assist them in continuing basic living. In addition, 3,000 masks were donated to children, adolescents, and seniors suffering from atopy, asthma, and rhinitis.

Introducing Korea's First Indoor COVID-19 Detection Kit

KEITI was the first in Korea to use the COVID-19 detection kit to test the presence of COVID-19 in indoors. The innovative antigen-antibody binding technology developed through R&D support was used for the detection kit, and the establishment of a new national COVID-19 quarantine system is expected if the commercialization of indoor-space COVID-19 detection is successful using KEITI as a testbed. The detection kit will be used in public spaces in government buildings, in-house daycare centers, etc. to help reduce the risk of COVID-19 infection among employees and vulnerable groups.

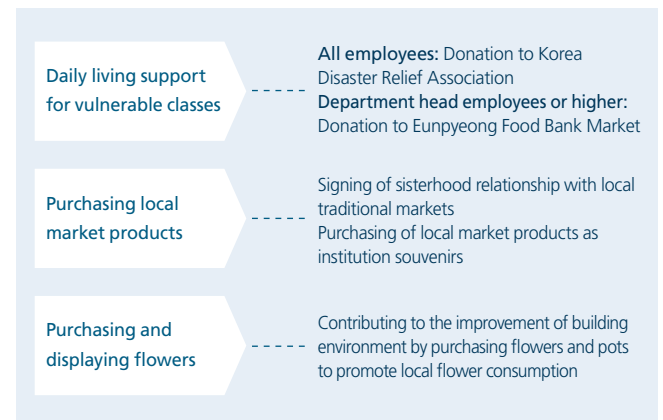


Supporting Safe Use of COVID-19 Control Products

KEITI has established a safety management process for COVID-19 control products, such as hand sanitizers, in order to prevent damages to citizens caused by the abuse of public anxiety over COVID-19 as well as the distribution of illegal and defective products. Since February 2020, online platforms such as portals, open markets, and social commerce are constantly monitored, and offline distribution products are also being checked in cooperation with market observers. In addition, the safety of the public is being protected by blocking the distribution of 325 suspected illegal products through monitoring of false advertising for disinfectants as well as the distribution and sales of unapproved and unreported products.

Participating in Reviving Local Economies

To help local SMEs suffering from COVID-19 and deliver warmth to underprivileged neighbors, KEITI formed a sisterhood relationship with Daejo Market in Eunpyeong-gu to purchase a variety of foods and daily necessities. We practice social contribution activities by delivering items purchased with care to about 900 vulnerable groups, including local social welfare facilities, underprivileged children, the elderly living alone, and the disabled.



Environmental SMEs Safety Net

Alleviating Corporate Financial Burden

In preparation for the prolonged domestic and overseas economic recession caused by COVID-19, measures to support environmental industries and revitalize local economies were set in place. Accordingly, the execution target for the first half of the year for the institution was raised with the early execution effort of the agency budget.

Alleviating burdens on businesses in comprehensive environmental research complex

- (Reducing rent) KRW 400 million scale (based on approx. 120 businesses, Mar. 2020 - Dec. 2020)
- (Rent payment delay) 19 businesses
- (Reduction of late fee) 39 businesses
- (Reduction of water bill) 100 businesses
- (Electricity bill payment delay) 3 businesses

Discounts on testing and inspection fees

- Provision of testing and inspection fees for small businesses that produce and distribute household chemical products (Aug. 2020 → Jun. 2020 early progression, total KRW 130 million)
- Expansion of discount on test analysis fees to social enterprises that produce eco-friendly products (50% → 70%, Jul. 2020-)

Funding environmental businesses

- Provision of emergency management stabilization funds (Approx. KRW 20 billion for 100 businesses)
- Early selection and application of funds for environmental SMEs commercialization support businesses
- Raising advance payment limit for institutional service projects (70% → 80%)

Establishing an Environment for On-contact Networking with Overseas Clients

With the prolonged COVID-19 pandemic, domestic companies are experiencing numerous difficulties in expanding overseas as overseas business trips or hosting overseas companies are becoming difficult. In particular, small-scale businesses are suffering in their overseas business activities due to a lack of overseas branches. Consequently, the reception of foreign clients was hosted online for the first time to connect domestic and international business in a contact-free manner. A total of 58 domestic businesses conducted 170 virtual meetings with 48 foreign clients from around 26 foreign countries. Likewise, online virtual meetings are encouraged between the UAE client and 6 domestic businesses for 7 projects totaling USD 175 million. Among such meetings, orders for high-risk special waste incineration facilities were received through online meetings only, with no in-person meetings.



Case of Order Support for UAE Environmental Project Virtual Meeting

In April 2020, the UAE Waste Management Agency urgently pursued a number of projects including waste incineration, recycling, landfill gas power generation, etc. A request was received to introduce Korean businesses capable of implementing this project, and the client wished to consult in person through a visit to Korea or a local business trip to a Korean business.

However, since it was difficult to meet in person due to COVID-19, KEITI identified in advance the technology that the client needed in cooperation with KOTRA's Dubai Trade Center, and conducted a total of 7 virtual

meetings from April to September with 7 competitive environmental businesses in the field.

As a result, in September 2020, three SMEs (special waste incinerators, landfill gas solar power generation, and waste recycling facilities) have submitted proposals to the client. Among the businesses, orders were completed for high-risk special waste incinerators in October this year, and additional orders are expected in the UAE and other countries in the Middle East. Other projects are aiming to win orders of approximately KRW 40 billion in the first half of 2021.

Operating Cyber Environment Education

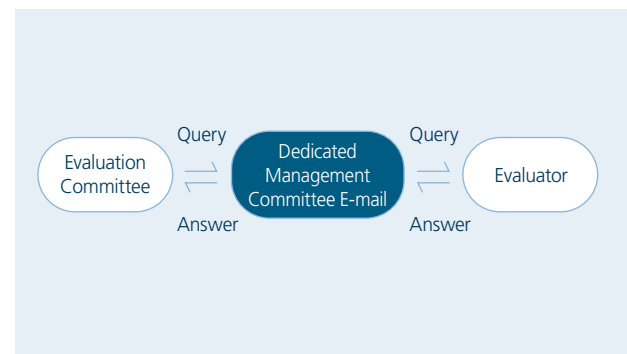
KEITI is operating Cyber Environment Education, an online environmental education service, to cultivate environmental technical personnel and improve job skills. Cyber Environment Education is a specialized educational website that targets not only people already working in the environmental field but also those who are interested in the environment. The website provides various practical training for free, such as water quality management, environmental health management, and more. 46 practical environmental training courses were operated in 2020, and the efficiency of education was improved by piloting a micro-learning process that allows students to select the content necessary for work to learn within a short time. The website is intended to contribute to nurturing environmental talents by reinforcing various incentives, such as mileage expansion and participatory events, to increase the participation and motivation of learners in the future.

* Cyber Environment Education website: konetic.ecoedu.go.kr

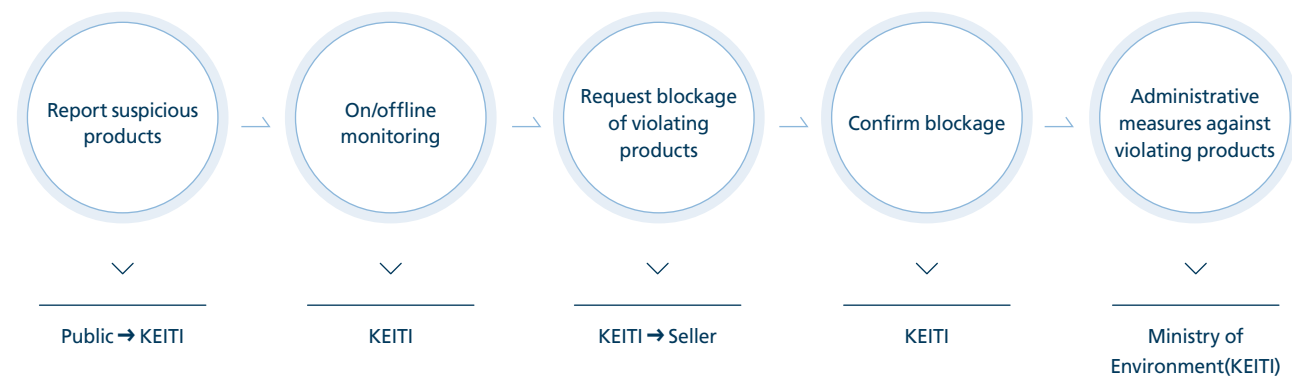


Transitioning to Contact-free Evaluation

The Environmental R&D research project, which is one of KEITI's major projects, involves eight evaluation committee members in each field to evaluate the content presented by the research institute and Q&A to decide whether to apply them according to the Regulations on the Operation of Environmental Technology Development Projects. However, because virus infection and spread are a concern if the evaluation is conducted by the existing face-to-face or group method amidst this situation of national crisis, it was switched to written and video evaluation through active administration that breaks free from existing regulations. 73 out of 88 tasks evaluated for selection as new tasks in 2020 were conducted in a contact-free manner, and the gathering of approximately 600 people was prevented in sites where evaluation took place as of the first half of 2020.



Safety Management Process for COVID-19 Prevention Products



Employee Safety Net

Preventing Infection in the Workplace

KEITI is doing its best to protect the safety and health of its employees. It established an institution-wide emergency response committee from the beginning of the COVID-19 outbreak, and has implemented various measures in accordance with the health authority guidelines. As COVID-19 has changed our daily lives, our workplace are changing as well. It is expected that such measures will increase the work concentration of the technical staff and environmental SMEs and contribute to building an environmental industry ecosystem safety net.

Reinforcing Government Building Access Control

Access is restricted for those showing high body heat by performing a body temperature check for all visitors to the government building using thermal imaging cameras, and entry is granted following confirmed hand sanitization and mask use. Measures were taken to completely control visitor access to the office space and to only allow access to the conference hall according to duties. Any events attended by outside parties are prohibited within the institution, and contact-free channels are actively utilized, such as written, online, and telephone.

Preparing and Disseminating the Employee Code of Conduct

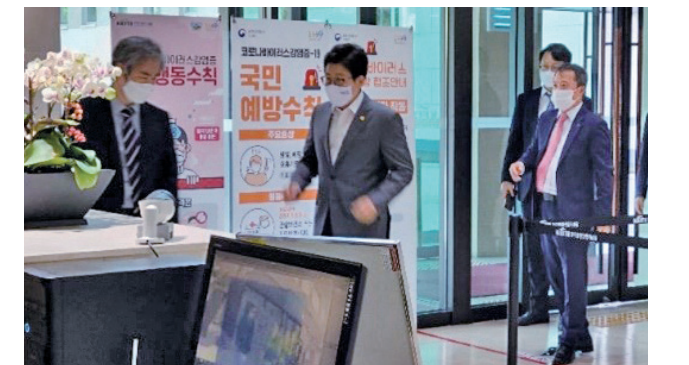
An employee code of conduct was prepared and shared institution-wide through bulletin boards, text messages, posters, and videos. When entering the workplace every morning, all employees are granted entry after body temperature check and hand sanitization, and all are urged to wear masks during work hours. Meetings and events are avoided, and group dinners and gatherings are prohibited. Business trips are avoided as much as possible, especially to risk areas such as China, Hong Kong, and the United States. Measures are taken to promptly report any visits in the path of confirmed infections, contact, or suspicious symptoms.

Preventing Infectious Diseases through Facility Management

Elevator buttons and speed gates are always disinfected to prevent cross-infection when using multi-contact facilities. Usage of the cafeteria is regulated with a time lag between departments to reduce congestion when body heat is checked upon entering the area. The lobby and evaluation center in the building are disinfected periodically, and in the library, book lending has been suspended and book sterilizers have been installed.

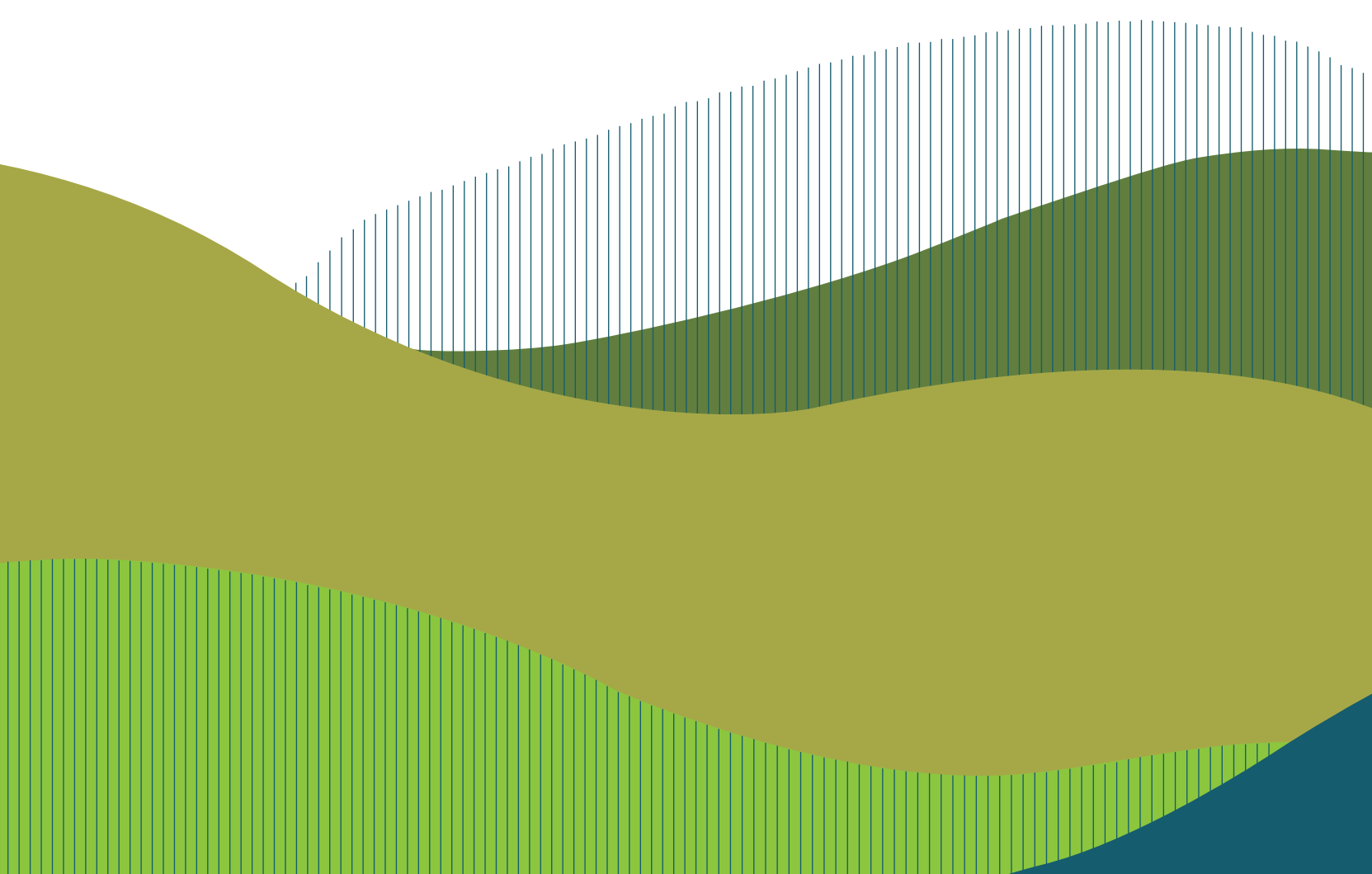
Establishing Contact-free Work Systems

In order to minimize concerns over COVID-19 infection, KEITI has reduced face-to-face work by implementing a virtual conferencing system that enables evaluation and briefing sessions via video. It strives to ensure no obstacles in promoting the agency's businesses by regularly training the staff for smooth use of the system.



KEITI, Creating Social Value

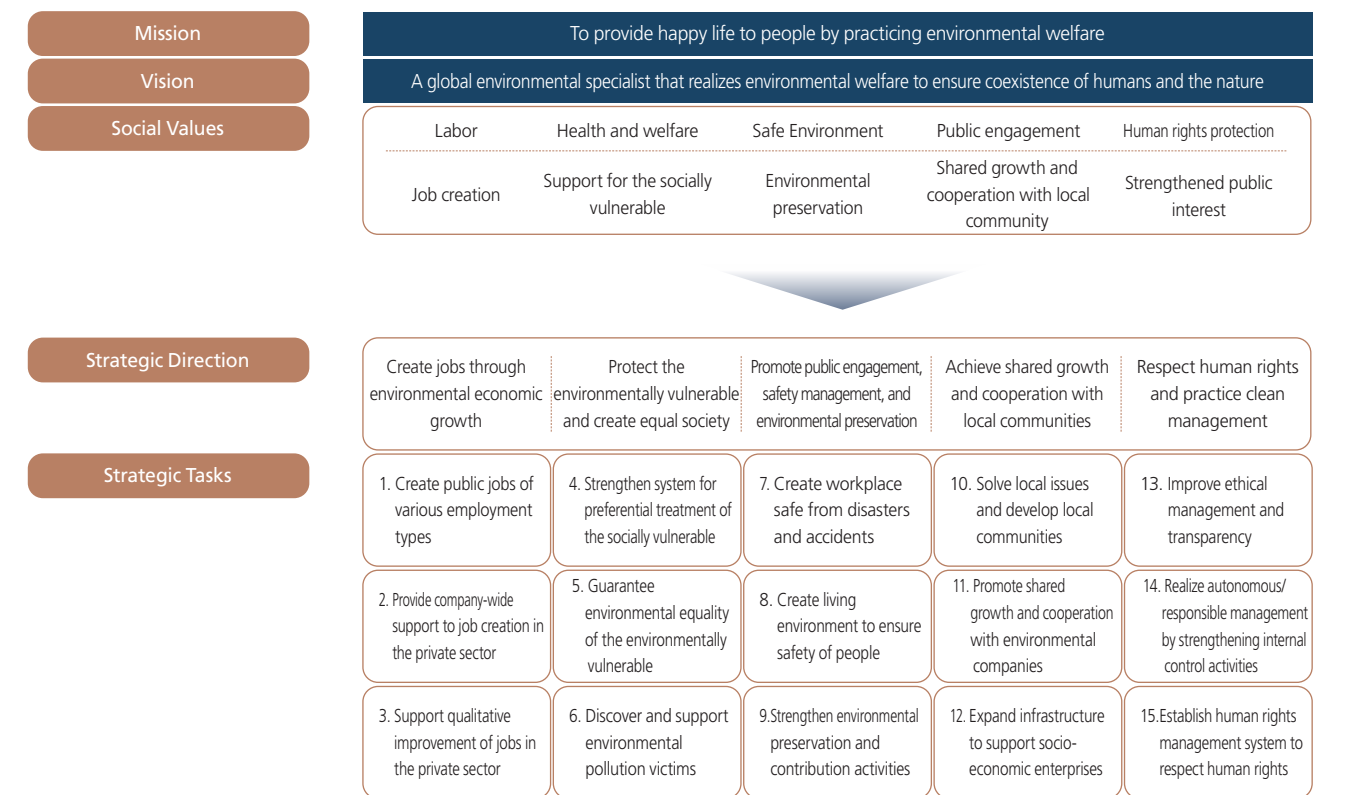
- 23 | Strategic Direction of Social Value
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Strategic Direction of Social Value

Corporate social responsibilities are being emphasized across the globe. The current government administration has selected restoration of publicness through the realization of social value as the top priority out of its 100 national tasks. KEITI is a global environmental agency that promotes social value at the institutional level in order to strengthen the publicness of the institution and realize the environmental welfare that citizens require. In particular, it has developed an index to measure social value according to the strategic direction, and it is being systematically operated and managed.

Social Value Creation Strategy System



10 Commandments of Social Value Practices

1. We protect the people's and our own human rights with respect and consideration, without discriminating against each other.
2. We fulfill our duties with the priority of creating a healthy and safe living environment for citizens.
3. We strive to create an organization where workers are happy by guaranteeing labor rights and improving working conditions.
4. We create quality jobs and actively support the socially vulnerable, providing equal opportunities for all.
5. We take the lead in realizing sustainable social development by fostering environmental industries through win-win cooperation.
6. We contribute to vitalizing and developing the local community and economy by strengthening cooperation with the region.
7. We contribute to the improvement of national environmental welfare and sustainable national development so that everyone can enjoy a clean environment.
8. We seek the public interest rather than our own convenience and interests.
9. We will create an organization that functions alongside the people by expanding participation and communication with citizens.
10. We commit to becoming an organization of integrity, trusted by the people, by promoting fair and transparent work.

Value Creation Process

KEITI supports the development of environmental technologies, fosters the environmental industry for clean air and water, appropriately recycles and treats waste, and heals the natural environment. By performing activities and producing outcomes in each business area, we fulfill our roles and responsibilities as a public organization to create environmental and social values, which our stakeholders consider important, in addition to economic values.



Creating Jobs through Environmental and Economic Growth

Direct and indirect job creation of **1,524 people**

Preferential support of **KRW 28.1 billion** for environmental policy fund to 34 SMEs

96 projects to support growth from starting up to commercialization

Fostering 123 experts of market-tailored environmental technology

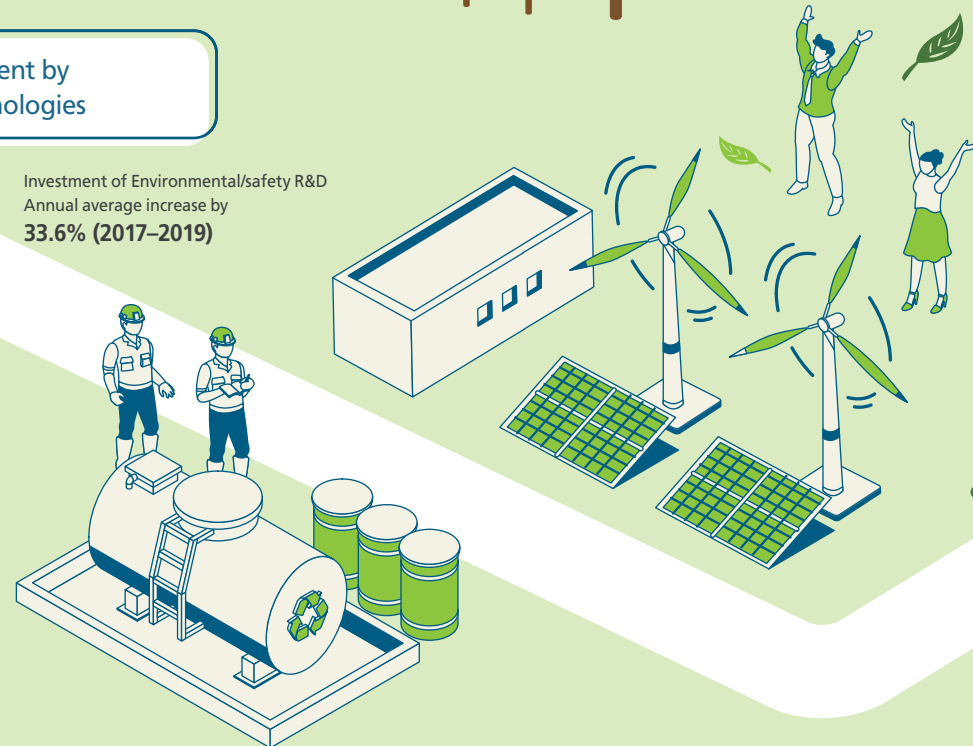


Healing the Natural Environment by Developing Eco-friendly Technologies

Investment of KRW 6 billion to support eco-startups

Supporting commercialization of promising green technologies
Scale of **KRW 6.3 trillion** in 28 countries to support winning environmental/energy projects

Investment of Environmental/safety R&D
Annual average increase by **33.6% (2017-2019)**



Ensuring Safety of People by Spreading Eco-friendly Consumption Culture

16,000 eco-label certifications

38,104 eco-friendly and safe products

Approx. **10.3 billion** Green Card eco-money points as of December 2020

Conducted safety monitoring on **11,786** products by market monitoring group

KRW 568.6 billion increase in sales of eco-friendly products in the private sector



Ensuring Pleasant Living Environments for the Socially Vulnerable Groups

Strengthened support of relief for **6,643 environmental victims**

1,395 safe environment-certified facilities for children

Installation of Household Chemical Safety Center and strengthened safety management of chemical products



Creating a Happy Workplace by Realizing Future-oriented Organizational Culture

Level 3 on anti-corruption policy assessment

7,861 hours reduction in annual working hours (RPA introduced)

Education for 52 hours per employee

Social Value Highlight #1. Environmental Preservation

“Zero-waste Stores Leading Eco-friendly Lifestyles”

Number of products dealt in the green market

7,094

Purchase amount of green products from public institutions increased by

11.4%

Number of Green Stores

628

The Green store designation system designates a green store that induces an eco-friendly consumer lifestyle to the customer and is dedicated to promoting eco-friendly products. In order to spread the eco-friendly consumption culture, KEITI has established a nationwide distribution network for eco-friendly products. By inducing new enterprises, it has increased the number of designated green stores, and for certified companies has introduced the opening of the green store, and has supported SMEs by creating promotional websites and expanding products offered at green stores. As a result, the total number of green stores has increased from 528 cumulative stores in 2018 to 628 cumulative stores in September 2020.

Also, to reflect the increasing demand for online shopping due to COVID-19, an online green store is test-operating from September to December 2020. In an online green store, the exclusive green products promotional page is operating to enable easy purchase of over 2,000 green products categorized by type. Through this online green store, KEITI is planning to expand the online sales window with online shopping mall companies by assessing the purchase tendencies of online shopping mall users.



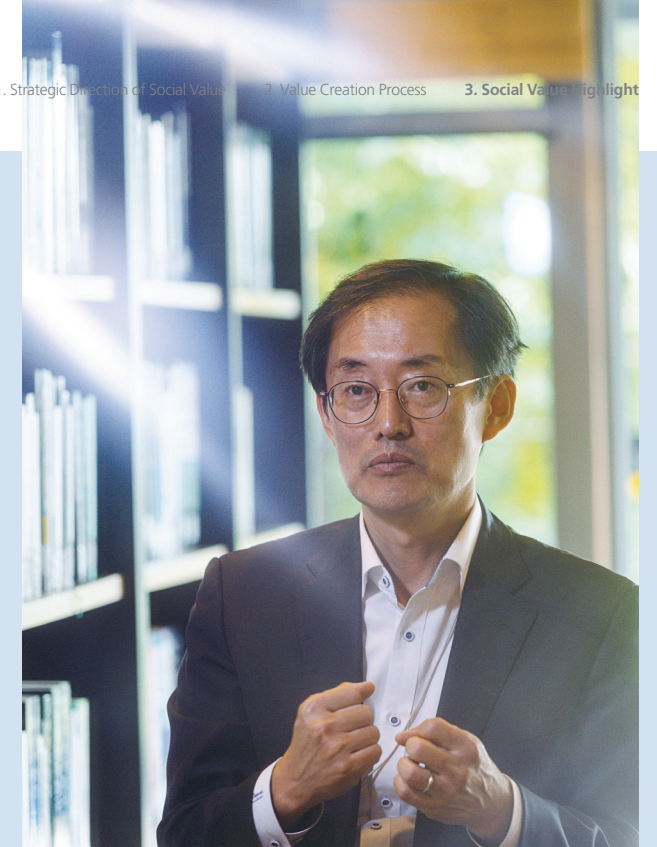
Operating Zero-waste Specialized Green Stores*

KEITI is operating specialized green stores to reduce the use of plastic packaging in daily life. Specialized green stores are designated by the Ministry of Environment (MOE) among green stores that minimize use of plastic containers and plastic bags, and as of October 2020, two stores were designated as specialized green stores. These stores suspended the usage of plastic bags in the store, and are not using separate packing for vegetables, side dishes, and food, rather selling it by packing in containers brought by the customer. In the future, through this test operation, KEITI will gather the opinions of distributors and consumers and gradually expand the products that can reduce use of plastic packaging.

* Specialized Green Stores: Among the green stores designated by the MOE, a store that satisfies a special category of minimization of plastic packaging (small portion sales, use of eco-friendly packaging, etc.)

We will become an icon representing eco-friendly consumer life.

Hongseok Kim, Sustainable Lifestyle Office



1. As citizens are more aware of environmental protection, their behaviors have changed, keeping pace with their awareness. KEITI is operating the green store designation system—is your role in the business expanding green product purchases of consumers?

Recently, I feel that not only in Korea but also around the world, interest in eco-friendliness has drastically increased. As many global companies are contributing great efforts to reduce GHGs and to minimize pollution levels, eco-friendliness has become a very important topic in the overall industry. The green store designation system that we run from our institute induces an eco-friendly consumer lifestyle for customers who visit major supermarkets, convenience stores, and small supermarkets, and is a designation system by the MOE to promote the consumption of green products that are certified by the government. Especially in order to inform people of the outstanding quality of green products, we are putting great efforts into green product promotions with the distributor or promotion through broadcasting and social media to facilitate easier understanding by consumers.

2. What is the reaction from the consumer on using empty containers from zero-waste specialized green stores?

The most representative method of zero-waste selling is for the consumer to bring their own container when they visit the store and purchase the products without packaging. It is indeed less convenient than purchasing the products that use disposable packaging. However, many consumers who take interest in the environment showed a positive response as they were able to experience the zero-waste sales method at retail stores in Korea. They also left comments saying that they hope to see more zero-waste sales methods available.

3. Could you tell us what environmental issue was most improved through the specialized green stores, and what would be the effects of green store business on improving the environment?

Specialized green stores are in test operation this year in each store of Orga Whole Foods and Choroc Maeul. We are minimizing the use of disposable packaging by not offering disposable plastic bags and by selling major agricultural products such as fruits and vegetables in smaller portions, and we are operating in such a way that unnecessary waste is not produced. I think this project is a way for consumers to recognize the global plastic waste problem and the climate change problem around the world and to participate in such movements. We will make efforts so that specialized green stores can expand and spread the eco-friendly consumption culture.

4. What are the future plans of the green store project, and what are the points that need to be improved for sustainable growth of KEITI?

Together with Korea's representative distributor, we will expand the quantity and quality of green stores to spread eco-friendly consumption culture, increasing accessibility to green stores that sell by the eco-friendly method in order to facilitate easier purchasing of green products, and not only minimize the use of packages but also build an image that represents reduction in GHGs and an eco-friendly consumer lifestyle. In the future, we at KEITI will establish various systems and expand support for every citizen to practice eco-friendliness in their lives alongside citizens, companies, and the government.

Social Value Highlight #2. Support for the Socially Vulnerable

“KEITI, Providing Non-Toxic Houses”

1,700 locations

Conducted indoor environment examination and consulting

303 patients

Supported free medical treatment and disease monitoring for those with environmental diseases

Environmental Health Service for Socially Vulnerable Groups

Won MOE innovation participation award

As the social cost of treating atopy, asthma, and rhinitis is increasing, the demand of citizens for a clean and pleasant living environment is gradually increasing as well. Accordingly, the Korea Environmental Industry & Technology Institute (KEITI) is implementing the “Non-Toxic Houses DREAM” project that provides environmental health services for activity spaces of the disadvantaged, such as children and the elderly, who are at risk of major damages from harmful chemical exposure.



Examination and Improvement of Indoor Environment for Socially Vulnerable Groups

The Non-Toxic Houses DREAM project is a mutual co-operational urban regeneration business that conducts activities to improve residential environments together with private companies and local governments. It is being implemented first through cooperation with local governments by selecting vulnerable groups that need prioritized support, such as elderly and low-income households, and by conducting indoor environment examination and consulting. Concentration levels are measured for 7 hazardous substances such as mold to identify environment vulnerabilities, with the participation of 18 private companies including LG Hausys, KCC, Cuckoo Electronics, and others, and improvement construction is provided for indoor environments of deteriorated houses by procuring sponsored goods such as household goods (air purifier), materials (floor pad, wallpaper), etc.

Medical Support for Patients with Environmental Diseases

KEITI cooperates with medical centers on a regional basis to provide medical treatment for environmental diseases such as atopic dermatitis, asthma, allergic rhinitis, etc. to children and the elderly of the sensitive and vulnerable social groups such as multicultural families and the elderly single-person household. In 2019, KEITI has provided free medical treatment services to a total of 202 children, and was awarded the governmental innovation and participation award on environmental welfare service in reducing blind spots for providing environmental welfare to the vulnerable such as children and elderly. In 2020, free medical treatment services and funds were provided to 303 children and the elderly by including people aged over 65 in the scope of providing support.



We are expanding our businesses in the field of children's environmental health.

Research Specialist Jaeho Im, ESH Planning Office

1. What is your role in the “Non-Toxic Houses DREAM” project?

The Non-Toxic Houses DREAM project started in 2009 as the “environmental disease prevention project for vulnerable groups” with the implementation of the Environment Health Act, and this business has become more important in the current government that prioritizes social value. My role is to cooperate with the MOE and establish business plans, recruit subject households through cooperation with local governments, establish cooperative systems for private companies, provide house examination consultation, and manage improvement schedules, post-measurement, and all of the overall work to execute the business. For reference, hazardous substances in the home refers to mold, dust mites, fine dust, ultra-fine dust, formaldehyde, and total volatile organic chemicals that cause environmental diseases.

2. You are continuing the cooperation with private companies to prevent environmental diseases for vulnerable groups. Would you share with us what you can expect from this?

One of the main KEITI businesses is the environmental label certification system, and through this business, cooperative relationships were naturally built with private companies sponsoring wallpaper, floor coverings, household goods, air purifiers, and boilers. By connecting with companies' contribution activities to society, we are continuing to discover companies that take an interest in social contribution activities and procure the goods necessary to improving indoor environments. This is a good model for the Public-Private Partnership, which provides a lot of support to beneficiaries with a limited budget.

3. What exactly is the children's activity space referring to, and what are the specific examples of children's products that are being managed? If you have a specific business direction to grow as an environmental health institution for children's activity spaces in the future, please explain.

According to the Environmental Health Act, a children's activity space refers to the space where children under 13 mainly stay, such as childcare facilities, kindergartens, elementary schools, children's play facilities and daycare centers, etc. as designated under presidential decree. Also, for children's products, it includes toys, stationeries, disposable diapers, tissues, and other items that children often use or touch. Two of the main businesses that we conduct in KEITI are to investigate whether levels of lead, cadmium, or mercury in paints or finishing materials of children's activity spaces are below the environmental safety standards and an “environmental safety certification system” that recognizes the indoor air quality of daycare centers and kindergartens as being environmentally safe. We provide self-management consulting to children's products manufacturers and importing companies, support post-management, and determine whether children's products meet the standards of the MOE, and by enhancing the management of kids' cafes we are expanding our businesses in the field of children's environmental health.

Social Value Highlight #3. Citizen Participation

“Market Observers Citizens Participating in Ensuring Safety!”

Monitoring of label standards for household chemical products on safety confirmation subjects

11,786 cases

Online/Offline Distributor

False Eco-Friendly Product Investigation

4,015 cases

Achieved **92.6%** of National Reliability on Eco-Friendly Products (up by 2.3% from 2018)

Recently, due to the radon mattress and micro-plastics fabric softener incidents, people’s sensitivity and are increasing anxiety over the harmfulness of daily living products and safety management. Accordingly, the necessity was raised to investigate confirmation of compliance with product labeling standards and correct information provided to consumers, and KEITI has gathered market observers to promote monitoring of products from the consumer’s perspective.



Market observers for monitoring of household chemical products

Market observer groups to monitor household chemical products are formed with 81 citizens who voluntarily participate to form a safe household chemical product production and consumption culture. In 2020, through reviewing 11,786 cases of label standards for household chemical products on safety confirmation subjects currently being distributed in the market and 1,748 products for safety review, a total of 113 illegal and faulty products were detected and thus requested for administrative measures in order to facilitate safe use of household chemical products, which helped to relieve citizens’ anxiety over chemical products.

Green market observers

A group of 130 green market observers is formed based on the cooperation with consumer organizations, and they are uncovering false eco-friendly products sold in supermarkets that use environmental labels without verification, such as in toys, detergents, clothing, and daily living products. Also, in cooperation with online shopping malls, if an offense is found in online distribution products, they prevent the damage to the public by immediately taking direct corrective measures such as requiring correction or removal of the advertisements of the manufacturers and sellers.

We will do our best to ensure that consumers can purchase with confidence.

Eunhwa So, Market Observer



1. How did you come to know about the household chemical product market observers, and why did you join?

Right now I am reviewing clothing at the consumer organization, and started to participate after being informed by KEITI about the market observers. At first, I had some fear and anxiety over chemical substances because of the humidifier disinfectant incident, and started to make natural products like natural soap to avoid the problem by reducing my own use of household chemical products. However, after being informed by KEITI, I had the opportunity to rethink household chemical products, and learned that I can contribute to the safety of household chemical products, so I applied to be a market observer.

2. As a market observer, can you tell us what is the role you were given and the activity plans?

Among various household chemical products, I examine and report dyes or substance dyeing products. As a consumer observer, we examine both online and offline channels, and for offline, we visit shops like large stationery stores, shoe repair companies, nail art shops, and beauty supply shops that sell dyes or substance dyeing products, and confirm whether they use products with environmental certification. For online, we monitor whether products are properly announced according to labeling standards. Also, as a consumer observer, we monitor unauthorized products and unstated products and send them to KEITI, and the institute takes additional confirmation measures.

3. What is the most rewarding thing in your activity as a household chemical products market observer, and what do you think of the role of KEITI?

I meet a lot of sellers as a market observer. When I go out for monitoring, I explain the purpose and the necessity of the monitoring, and of selling safe products. I feel most rewarded when I see that there is an improvement in the sellers. The market observer project for KEITI is taking on a very important role, since it resolves the anxiety and lack of trust of consumers towards household chemical products.

4. How do you think that the market observers of KEITI can affect product manufacturing?

If the market observers were to continuously monitor illegal and faulty uncertified products, companies could put efforts into securing a label safety confirmation mark for safe production so that consumers can trust them when purchasing products. From the consumer’s perspective, when purchasing the products, they can check the safety confirmation mark, and if they cultivate habits of checking main ingredients, amounts, manufacturers, and warnings, I believe a mutual trust can be built.

KEITI, Realizing Sustainable Management

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01 SUSTAINABILITY ISSUES

Creating Green Growth Engines Based on the Green New Deal

The Korea Environmental Industry & Technology Institute is establishing strategies for innovation in the fields of environmental technology and industry in order to respond to the “new normal” era. As a part of the Green New Deal policy, the institute is making efforts to transition to a low carbon society and contribute to overcoming the economic crisis due to COVID-19 by expanding green technology development and creating high value. In addition, in order to respond to startup demand in the environment field, we are planning vitalization of environment economy with the newly established data company startup support and eco-startup incubating project and by discovering green unicorn enterprises and establishing general support platforms for environmental field startups.



9 Industry, Innovation and Infrastructure

- 9.2 Promote inclusive and sustainable industrialization
- 9.4 Upgrade all industries and infrastructures for sustainability
- 9.5 Enhance research and upgrade industrial technologies



13 Climate Action

- 13.1 Strengthen resilience and adaptive capacity to climate-related disasters
- 13.2 Integrate climate change measures into policy and planning



Expansion of the Foundation for Innovative Green Industry Growth

Secured **KRW 200 billion** budget (as of 2020)



Support for Eco-Startups (research complex)

Total of **KRW 6 billion** invested in **96** projects Support for growth from startup to commercialization (as of 2020)



Supporting Commercialization for Promising Green Technology

28 countries, **KRW 6.3** trillion scale Environment/Energy Business Contract Support

Leading Future-Responsive Innovative Strategies

Commercialization Support for Promising Green Technology

R&D Planning in Response to Environmental Risk

In order to respond to future risks in advance, the Korea Environmental Industry & Technology Institute has established systematic response strategies with the Green New Deal as the base, and is discovering promising new projects. To do this, we are investing in creating an environmental R&D heavy mid- and long-term roadmap, planning biomimetics environmental technology and organism material R&D, managing intelligent urban water resources, development of urban ecological damage restoration management package technology, development of intelligent water management technology, expansion of hydrothermal technology application, and environmental compatibility technology development. For the preliminary feasibility survey, we prepared a planning manual and developed methodology on economic analysis for new environmental field R&D projects, and we are actively using the study community in order to enhance staff R&D planning capabilities.

SMEs Green Technology Certification Support

Green technology certification is a system where the government certifies technologies that reduce GHGs and pollutants through efficient use of energy and resources. KEITI is making efforts to enhance technologies related to fine dust and climate change, which have high public interest, and by easing the access conditions for waste processing technology so that various technologies can obtain green certification and apply at the industrial site. The certified companies can receive financial support on the green field and receive the benefit of designation as a subject of mandatory priority purchase by public institutions. KEITI will update technology standards according to the change in the industry and actively support the vitalization of green technology certification, and will promote the environmental industry by receiving feedback from consumers.

Excellent R&D Innovation Product Certification Support

"The MOE established the 'Guidelines for designating excellent R&D Innovative Products' to support the establishment of a market for products developed through R&D projects, and has designated KEITI as an 'excellent research and development innovative product' evaluation agency. The designation system for excellent R&D innovative products was first introduced in March 2020, and through the first announcement in March received 76 products from a total of 11 companies. Evaluation was conducted according to 3 categories: publicness, social value, and market and innovation, and 5 products were selected as excellent innovative products, including an ultrasound water meter that measures volume and temperature of waterworks. The designated products will be granted access to public free contracts and have a high expected potential to enter the public market.

Ultrasound water meter



Excellent R&D innovative product

Category	Function
Ultrasound water meter	Digital ultrasound water meter x250 (2nd grade), life cycle 8 years, short distance communication and IoT enabled
Small-sized water supply real-time remote control system	Small-sized town tank for water remote managing system
Closed (advanced) heavy water processing facility	Wastewater and sewage waste (slush) odor blocking and separator automatic cleaning
Wrinkle bag	Unfixed method back filter filtration area is large, and small pressure loss allows energy savings
Floating compressed filtration device using fiber filter media	Stable filtration back washing* with floating compressed filtration device using fiber filter media * Cleaning filtration device to send water upstream

Building a Foundation for Responsible Investment of Good Companies

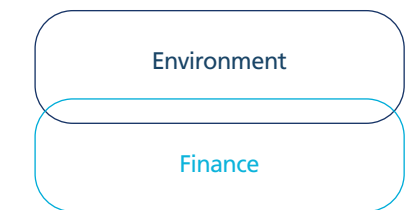
Establishing an Environmental Information Disclosure System

KEITI has improved companies' voluntary initiative on environmental management, and in order to actively communicate with citizens, it has established an environmental information disclosure system. We are encouraging green investment activities of financial institutions for eco-friendly companies by providing to financial institutions the data on energy consumption, active and certified main environment information for GHGs reduction of a total of around 1,500 companies and agencies such as public institutions, green companies, and GHG target managing companies.

Operating the Green Management Company Financial Support System

To provide financial benefits such as special loans, investment and discount insurance rates, and to actively promote green financing, KEITI is operating a green management company financial support system called enVinance, which is a combination of environment and finance. Based on environmental information held by government departments, it evaluates environmental management performance, which is composed of the environmental management standards of companies, environmental management activities, and environmental pollution risk, and provides the result to financial institutions. 226 companies that practice eco-friendly management received interest rate benefits in 2019. We also put efforts into building green investment conditions, such as by developing green bond guidelines for Korea. Later, the technology institute will reform environmental information disclosure subjects and categories with the green classification system and ESG evaluation system base, which is the basis of green finance, and will promote various projects such as cultivating experts in green finance.

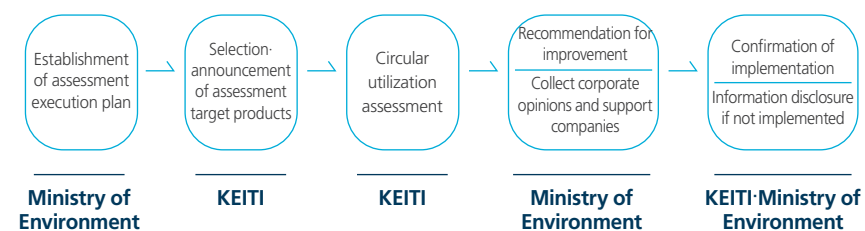
Green Management Company Financial Support System



Enhancement of Eco-friendly Projects to Prevent Resource Waste

Resources are being wasted because entire products are disposed, as they cannot be recycled due to the material, structure, or hazardous substances of the product. Accordingly, KEITI introduced the "Assessment of hazard and circular utilization of products, etc." to promote efficient use and recycling of resources from the product manufacturing stage to distribution, consumption, and up to disposal. It is a system to promote the reduction of waste and recycling by inducing improvements of product manufacturers by evaluating the restrictive factors for recycling in the disposal stage. From 2018, 252 products from 63 companies are conducting recycling evaluation and implementing the improvements.

Procedures for assessment of hazard and circular utilization of products, etc.



Building a Green Transition Cooperation Platform

Expansion to Enter Customized New Markets

Operating the International Environment Cooperation Center

With the rising importance of international cooperation on climate change and environmental fields, systematic and proactive international environmental cooperative responses are in demand. Accordingly, the Korea Environmental Industry & Technology Institute has established a domestic environment cooperation response system, and we are operating an international environmental cooperation center to perform projects to lead the international society's environmental cooperation. We are expecting it to take on an important role in expanding cooperation for the global Green New Deal by not only researching the system and collecting information, but also by exchanging environmental information and technology by holding international exhibitions and academic conferences and supporting the signing of a memorandum of understanding between international organizations.

Entering International Markets Utilizing Multilateral Funds

In March 2019, KEITI and ADB signed an MOU for the entry of Asian environmental companies and to actively support investment. Through this agreement, we will share ADB's support for planned projects in the environmental fields, and the technology institute will find cooperating businesses that can link with various overseas support projects. Also, based on stable finances, we are planning to expand overseas support projects linking with multilateral development banks and international organizations to enhance identification of overseas projects in developing countries. In the future, through active cooperation with multilateral development banks, we will actively promote domestic environment companies in order to safely tap into overseas markets.

Opening of Global Green Hub Korea

The 13th anniversary of GGHK is hosted each year to support domestic companies in entry to overseas environmental markets. In 2020, due to the travel restriction between countries because of COVID-19, it was held by contact-free online methods, and 26 countries, 48 overseas ordering organizations, and 58 domestic companies participated. There have been 170 business consultations on environmental energy business projects, worth about 5.4 billion dollars. We will actively support the use of online advertisement pages for GGHK to arrange video conference between overseas buyers and domestic companies to achieve visible contract outcomes.

Business agreement between KEITI and Asia Development Bank



2020 Global Green Hub Korea



Development of Environmental Technology through Cooperative Platforms

Promotion of Multi-Ministry Joint Projects for Integrated Risk Management of Environmental Hormones

The environmental hormone integrated risk management project is a Multi-Ministry joint project to reduce emissions of environmental hormone substances and to improve the health of citizens by developing and applying the environmental hormone integrated risk management evaluation system. For the integrated management of hazard assessment and monitoring of endocrine disruptors, which are individually managed by ministry, KEITI promoted joint management of the system with the Ministry of Science and ICT and the Ministry of Food and Drug Safety (MFDS) over the last five years (2015 – 2019). Through this project, we developed an integrated hazard assessment platform (IRAMecoREA) for chemicals exposed to the human body through various channels. This platform was also used by the MFDS in relation to its policy. With this, KEITI prepared a foundation for implementing the Government Project 57-4 (Integrated Hazard Assessment of and Strengthened Safety for Harmful Substances and Products to Human Body).

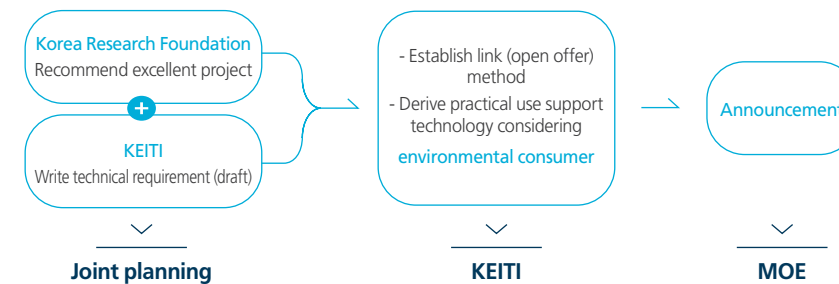
Signing of Agreement for Utilizing Shared Environmental Research Data

In 2019, KEITI established a data management plan targeting the projects of high value for public use in order to ensure efficient sharing of research outcomes and data among research institutes. In addition, we have added the functions of data sharing and use to the existing research management system (Ecoplus). In October, 2020, we signed a business agreement with the Korea Institute of Science and Technology Information (KISTI), which runs national research data platforms to share and utilize accumulated research data during environmental technology development business research. Thus, if environmental research data is registered on national research data platforms, any researcher can access the data and outcomes, allowing them to efficiently plan and perform successive research. With this agreement, the achievements of environmental technology development are systematically managed, and we are expecting that it can be used for various fields of interdisciplinary convergence research.

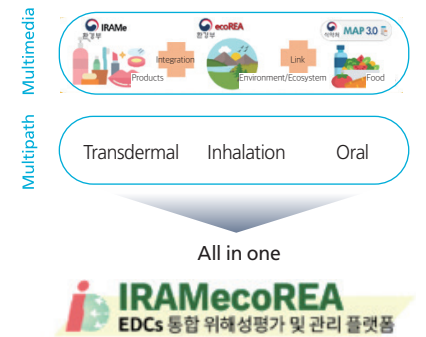
Eco-Bridge Program

The Eco-Bridge program is a project that promotes National R&D finance efficiency and achievement utilization by linking excellent fundamental technologies of other departments like NRF for practical use of research in the environmental field. Through a consultative group composed of staff members of KEITI and NRF, Bridge project planning, operating achievement presentation, and people exchange are the main goals. In 2019, we supported a total of 11 projects, including support for advanced projects and biomimetics base environment pollution management technology development projects.

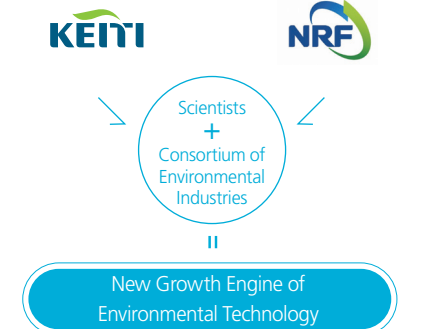
R&D Bridge project planning process



Integrated Risk Assessment Platform



Consortium composition system



Building Innovative Green Infrastructure

Local Economy Revitalization Based on Public-Private Partnership

Effort to Discover Green Unicorn Enterprises

The MOE and the Ministry of SMEs and Startups (MSS) signed a business agreement to train preliminary green unicorn enterprises at the Korea Environmental Industry & Technology Institute. Preliminary green unicorn enterprise refers to a startup company worth over KRW 100 billion in enterprise value. Through this agreement, each department will be selecting 50 places that hold eco-friendly technology, and will support commercialization and technology development for 3 years and up to KRW 3 billion. Based on this agreement, we will come up with various supporting plans so that green SMEs can overcome the management crisis during the era of COVID-19 and continue to grow.

Progress of INNOPOLIS Designation

KEITI signed a business agreement to support Incheon University Industry-Academic Cooperation and Incheon local environmental research development and to expand research achievements. Through this agreement, which we can say is the stepping stone to apply for Incheon INNOPOLIS*, we are planning to expand technology development and achievements at the environment industry research complex, an INNOPOLIS candidate location. In addition, in order to exchange excellent environmental technology held by companies in the environmental industry research complex and Incheon University, we support technology transfer consultation, and in order to commercialize the excellent technology, we are planning to cooperate and operate company training programs which are promoted by both institutes. Other than this, in order for Incheon to be appointed as INNOPOLIS, we will promote the necessary activities that require cooperation from both institutes.

Signing of business agreement to promote Incheon INNOPOLIS



* INNOPOLIS: A project that the Ministry of Science and ICT (MSIT) designates for a small but-high-density location within a total area of 20 km² to plan local innovation growth.

Idea Commercialization and Startup Support

Opening of Eco Startup Challenge

For innovative growth and creating jobs, KEITI is hosting Eco Startup Challenge that discovers companies with promising environmental business items to support them from 2018. By selecting excellent companies and clubs from the 3 categories of environment startup related ideas, promising companies, and school clubs, not only are we offering support with workplace improvement funds, but we also reinforce the brand and support job seekers with communication, and grant additional points at the time of selection evaluation only for those who wish to reside in the environmental venture center and environmental startup labs. In the future, we will continue to build an environment where the Green New Deal related startup can be actively implemented through Eco Startup Challenge.

2019 Eco Startup Challenge



2019 Eco Startup Challenge's main winning items

Eco-friendly snow removal agent using starfish extract	Utilizing microorganisms to recycle-process plastics	Forest pest monitoring using sensors	Insulated bottle bag utilizing a diving suit

Operating the Eco Startup Support Project

KEITI is operating an eco-startup support project related to green industry cultivation to support stable growth of preliminary startups that hold excellent ideas for the environment field and startup companies younger than 3 years. In 2020, we have selected 40 projects for the prospective startups and 56 for startups in their initial phase of business to support a commercialization fund of KRW 50 million to 100 million (including a share by private sector). In addition, we are offering mentoring programs in addition to startup trainings and networking support.

Opening of Environmental Information Application Idea Contest, 'Ecothon'

KEITI hosts the Ecothon every year to discover innovative ideas utilizing public environmental information and improve the living environment, and to support environmental field startups and create new jobs. Ecothon is a compound word from Eco, Hacker, and Marathon, and is a contest that lasts for 24hours to thoroughly discuss the ideas that utilize environmental information, and to materialize the results. In 2020 the slogan "Take Care of Korea's Environment with Environmental Data" was used to proceed with the contest in 2 categories: Idea planning in the environmental field utilizing public data and product service development. The seven ideas selected through a specialized review were further refined and developed through expert mentoring and their rankings were determined at the final contest. The winning teams will receive various supports, such as diagnosis on business model and an opportunity for investment.

Environmental information application idea contest, "Ecothon"



02 SUSTAINABILITY ISSUES

Leading a Sustainable Eco-Friendly Society

The Korea Environmental Industry & Technology Institute will contribute to leading a sustainable eco-friendly society by promoting environmental R&D to improve the daily environment and quality of life of the citizens. According to Article 6 of the Framework Act on Environmental Policy, every citizen has the right to live in a healthy and pleasant environment. Recently, public interest in fine dust, humidifier disinfectant, and water pollution damage has increased. KEITI will focus on financial capabilities to secure national environmental rights, and is promoting early resolution of urgent environmental issues. KEITI will cultivate environmental companies and support all of their progress, from technology development to investment and a strengthened environmental ecosystem. In addition, we make efforts to form an eco-friendly society by expanding eco-friendly certification and supporting eco-friendly consumption.



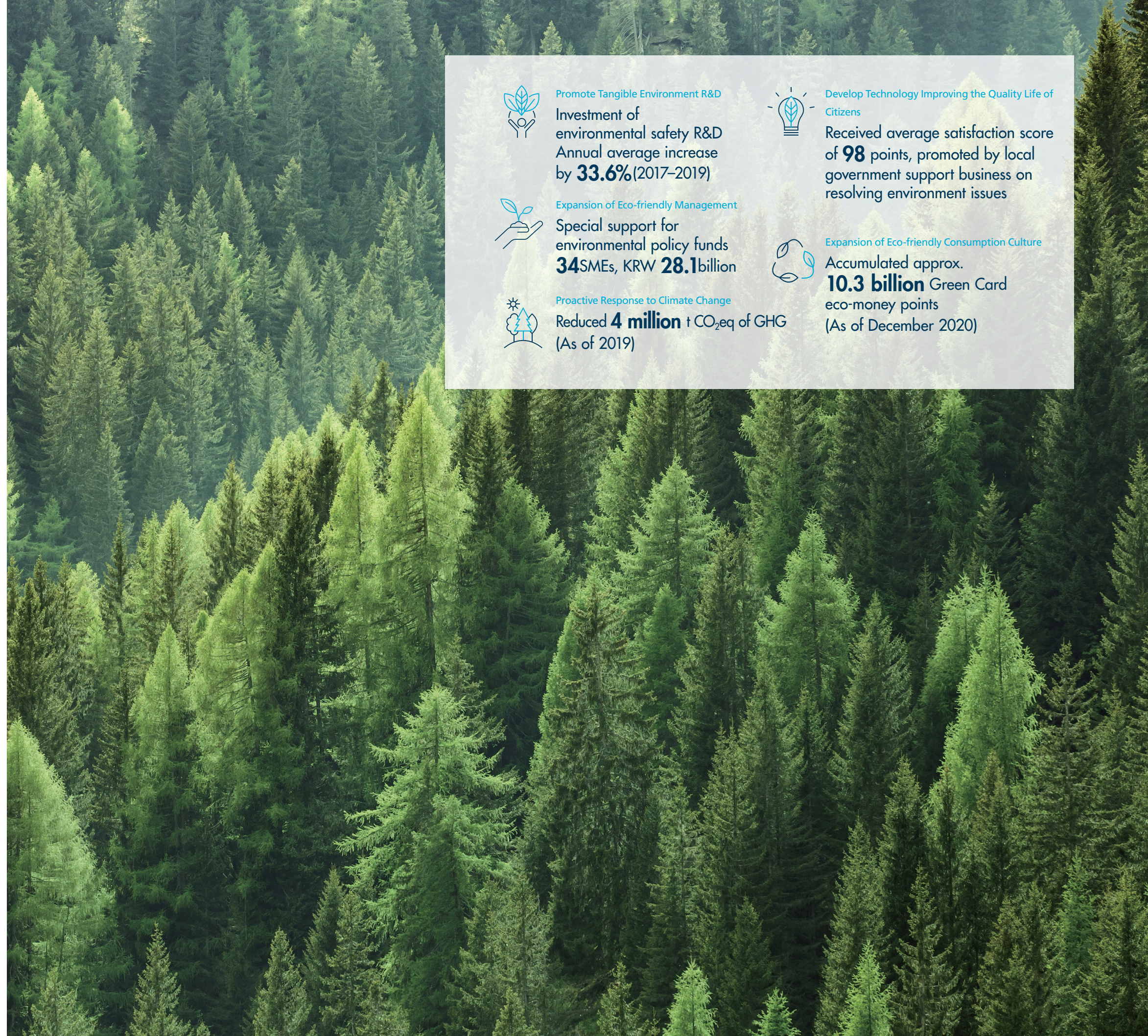
3 Good Health and Well – Being






- 3.3 Fight communicable diseases
- 3.9 Reduce illnesses and death from hazardous chemicals and pollution
- 3.c Increase health financing and support health workforce in developing countries
- 3.d Improve early warning systems for global health risks



8 Decent Work and Economic Growth

- 8.5 Full employment and decent work with equal pay

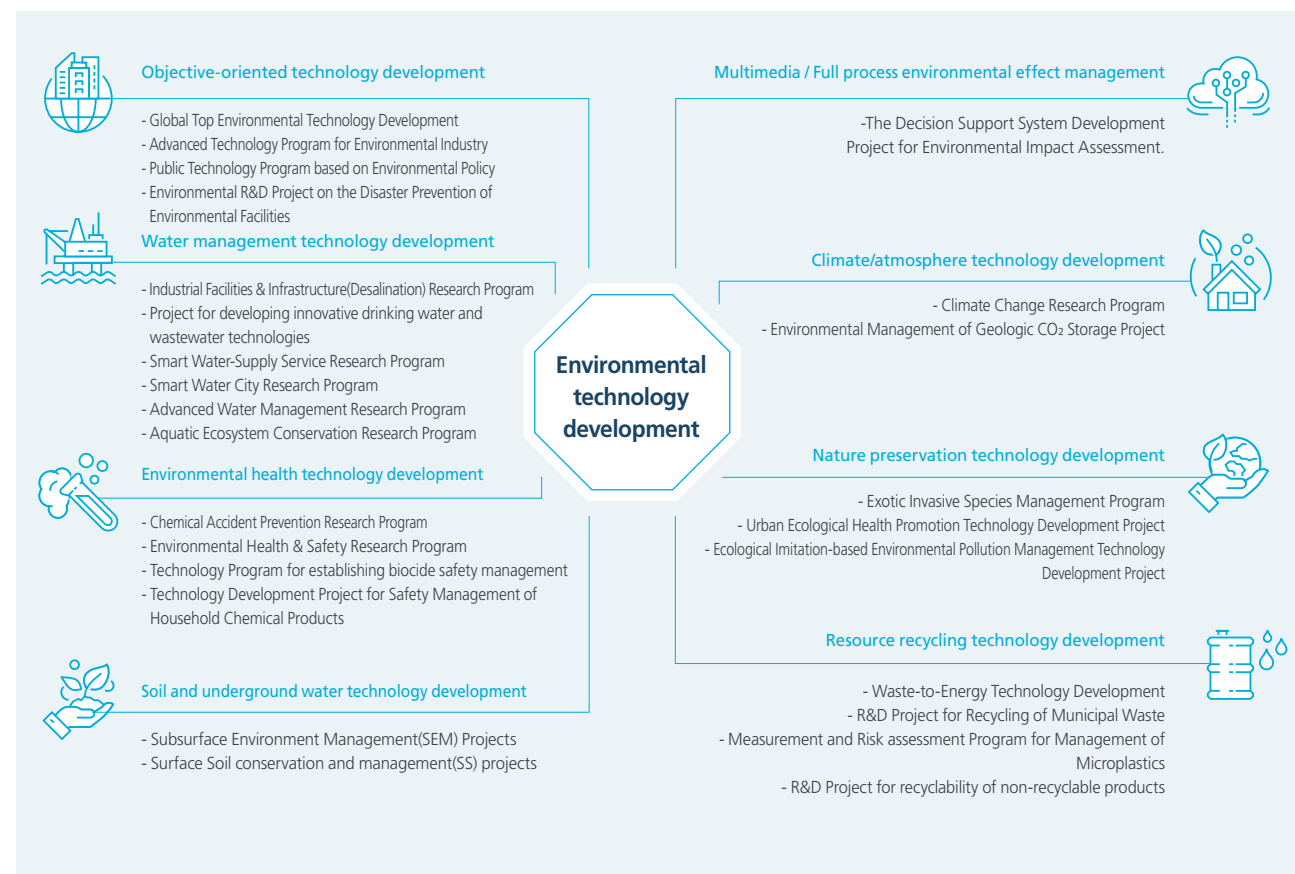


 <p>Promote Tangible Environment R&D Investment of environmental safety R&D Annual average increase by 33.6%(2017–2019)</p>	 <p>Develop Technology Improving the Quality Life of Citizens Received average satisfaction score of 98 points, promoted by local government support business on resolving environment issues</p>
 <p>Expansion of Eco-friendly Management Special support for environmental policy funds 34SMEs, KRW 28.1billion</p>	 <p>Expansion of Eco-friendly Consumption Culture Accumulated approx. 10.3 billion Green Card eco-money points (As of December 2020)</p>
 <p>Proactive Response to Climate Change Reduced 4 million t CO₂eq of GHG (As of 2019)</p>	

Development of Environmental Technology Responding to Environmental Challenges

Promotion of Environmental R&D

The Korea Environmental Industry & Technology Institute is promoting the focus on environmental technology projects to address environment issues and to enhance people's environmental welfare. We are handling world-class technology development in necessary fields such as climate change response to cultivate the environmental industry, and are researching technologies to prevent harmfulness of asbestos, which is in close proximity with our daily lives.



Development of Technology for Improving Quality of Life of Citizens

Disaster Response at Water Purification Plants and Wastewater Processing Plants

KEITI is developing site-tailored technology to resolve various environmental issues occurring in the local community and by promoting relocation of the local community. In 2019, it promoted the best of 7 projects such as water and sewage processing, and others. In order to preserve the aquatic ecosystem, KRW 3.5 billion was invested in convergence R&D to pre-detect disaster situations of environmental facilities and provide urgent response for water purification plants and wastewater processing plants. KEITI is striving to evaluate facility vulnerability and engages in real-time monitoring and leakage prevention technology development to respond to all types of disaster situations.

GHG Reduction Technology Development

In order to reach the national GHG reduction goal, KEITI launched the Non-CO₂ GHG reduction technology development business unit and is promoting the development of GHG reduction technology and supply. In 2020, KRW 6.7 billion was provided in support for 12 projects on methane utilization, reduction of nitrous oxide, and reduction of fluorinated gases. Furthermore, through using a high-output, high-efficiency generation system to operate a LFG generation facility and carrying out CDM project in the Wonju landfill, KEITI have obtained 15,000 tCO₂eq of CERs each year until May 2024. By carrying out overseas test-bed CDM business, we expect to obtain about 60,000 tCO₂eq of CERs each year for 10 years and contribute to reducing GHG. Above this, we are applying this technology to the waste refrigerant, semiconductors, and electronics industry to reduce GHG.

Food Waste and Household Waste Management

KEITI is promoting tangible environmental improvement projects to improve the quality of life of local residents. It has been expanded to local governments, developing a technology that can manage food waste and household waste, which causes discomfort from bad odor and waste. Applying the technology, odors from food waste were reduced to 200 times less, and with the food waste bioenergy technology, 80 tons of food waste energy is using as a heating fuel for the city of Chungju. Other than this, household waste recycling expansion technology is developing that utilizes artificial intelligence. Through this technology we are expected to improve our daily lives, as the waste plastic automatic selection rate will be improved by 90% and energy usage by 20%.

Improvement of Environmental Pending Issues in Developing Countries

KEITI is contributing to improving the environmental welfare of poor countries by supplying adequate technology and reforming the system. In the case of Ben Tre, An Thoi county office in Ho Chi Minh, Vietnam, more than 50% of the poorest residents were suffering from waterborne diseases because of insufficient supply of the water system, and water resources such as rainwater and wells had a high level of salt. KEITI supported purification technology that utilizes membranes and UV, and supplied safe water to town units and resolved sanitation issues such as waterborne disease. In 2019, purification and wastewater processing facilities were provided to 4 of the countries, including Vietnam, contributing to improving environmental issues of developing countries.

Installation of Water Supply at Small Town in Africa

The global influence of Africa is increasing due to abundant resources and growth potential, and the necessity for environmental field cooperative measures is growing. Thus, KEITI is executing a water supply installation project in a small town in Africa with domestic technology to solve water supply difficulties that Africa is facing, building a foundation for domestic companies to enter. After test installation project of water supply at a small town in Ghana in 2011, it is executed every year since 2012 as an ODA* project, and in 2020, Keta in the Oromiya region of Ethiopia was selected for promoting a project to support installing a container-type small-size purification facility. In the future, the KEITI will do its best to enhance the water management capabilities of developing countries by sharing domestic water management technology and experience, and will contribute to resolving the global water issue.

* Official Development Assistance (ODA): Refers to funding or technical cooperation provided by the government of public institutions with the aim of improving economic development and social welfare in developing countries

Received average satisfaction score of **98 points** promoted by local government support business on resolving pending issues

Chungju Foodwaste Bioenergy Center



Ethiopian town water supply



Strengthening the Environmental Industry Ecosystem

Provision of Full-Cycle Support for Environmental SMEs

Establishing a Stage-by-Stage Support System for Environmental Companies

The Korea Environmental Industry & Technology Institute has established a full-cycle support system that leads to “Commercialization-Investment-Enterprise Value enhancement” in order to lay the foundation for innovative growth. In particular, as a result of surveys conducted on 1,022 subjects from 779 companies at a regional environmental industry policy briefing, “Support for technology and commercialization” was selected as the first priority, and accordingly, we have made this our priority. In addition, we have strengthened the step-by-step support system by reflecting the point where gaps were created, in which it was difficult for companies to overcome by themselves for each stage of technology commercialization leading to “idea-technology-product-market”, and the point where even if the technology development in the experimental stage was successful, there would still be difficulties in commercialization and overseas expansion due to limitations in demonstration and field application facilities.

Stage by stage environmental company support system and performance(as of 2020)

	Support content	Performance
Precise diagnosis	Identify innovation tasks and coach growth after diagnosing the environmental company's standards precisely	Provide support for customized consultations to overcome commercialization gaps (12 companies)
IP-R&D	Provide support for IP-R&D* for environmental SMEs through business cooperation with Korea Patent Strategy Development Institute *IP-R&D (Intellectual Property Research & Development): R&D centered on intellectual property rights	- Provide support for R&D strategy establishment centered on intellectual property rights (13 companies in 2020) - IP-R&D support amount (2019: KRW 136 million -> 2020: Expanded to KRW 196 million)
Prototype production	Provide support for prototype production counseling, production method technical consultation, free use of prototype production laboratory, etc.	62% increase in number of prototype production support for environmental companies
Funding support	Provided funds for the commercialization, field application, and performance verification of technology that has undergone development.	23 companies which received support in 2019 experienced a 127% rise in sales in 2020 for the supported tasks
Demonstration support	Form and operate Institute of Technology-Incheon-City-Facility management organization working-level council Discover companies in Incheon that can solve environmental issues and link them to demonstration tests	Link/promote 3 cases of demonstration tests for tenant companies using basic environmental facilities in Incheon
Loan support	Resolve lack of funding for environmental SMEs by providing loans tailored to corporate needs	Provided support of KRW 457.8 billion to 883 companies for stabilization of private recycling businesses, support for improving foundations and environment of small and medium-sized environmental companies (92% increase compared to 2019).
Investment attraction	Provided support for capacity building of investment attraction activities for 51 companies, including education (3 sessions), consulting (22 companies), production of IR data packages (32 companies), and mock IR (12 companies).	Succeeded in attracting investments of KRW 910 million for 10 companies including KRW 77.4 billion in consultation for investment through briefing sessions, conferences, investment road shows, etc.
Brand value enhancement	Provide support in the fields of finance, export, and marketing for environmental companies with high growth potential	Designated/supported 12 companies as leading environmental companies to foster representative companies in the environmental field

Reinforcing of Venture Incubation Capabilities to Support Sustainable Growth

Although excellent startup companies were discovered, it was pointed out that connectivity with the follow-up support projects was poor. Accordingly, KEITI secured professional workforces to support management stability and growth of venture companies, and in order to continuously support excellent startups, the venture business office was expanded by 22%, from 27 in 2019 to 33 in 2020. In addition, we strengthened the expertise of human resources for institutional startup venture companies by expanding the number of personnel who acquired business incubation manager qualifications. As a result of these efforts, we were awarded as an excellent venture incubation institution, and won the Award of Merit at the Startup Mentoring Contest.

Fostering Small Hidden Environmental Companies

Fostering Leading Environmental Companies

KEITI designates companies that produce excellent environmental technologies and products as leading environmental companies. The branding and competitiveness of the designated leading environmental companies are strengthened by receiving support in R&D and investment/financing linkage, participation in domestic and international exhibition fairs, promotional marketing, and production of exhibition models and promotional videos. In 2019, 12 companies, including Techone and Enbion, were designated as leading environmental companies.

In addition to supporting R&D and commercialization, we supported the operation and promotion of the Indonesian Environment Fair (INDOWATER) and the Vietnam Environment Fair (ENVIROTEX) brands. As a result, a total of KRW 528.3 billion in exports were made to 78 countries including China.



Discovering Promising Startup Companies

KEITI is promoting the commercialization and growth of environmental startups and venture companies with innovative ideas through provision of customized services. First, a startup competition was promoted to investors and startup planners. Subsequently, the existing system of “evaluation → awards” was reorganized into “primary evaluation → capacity building → secondary evaluation → awards” to provide mentoring and training programs to strengthen the competency of participating companies. Startup support programs such as venture capital briefing sessions and overseas road shows have been expanded, and we are promoting the growth of SMEs in the environmental field through various support methods such as commercialization support, loan support, and overseas expansion support.

Provision of support for the whole process of venture business growth(as of 2020)

Classification	Discovering promising startup companies	Commercialization support	Loan support	Overseas expansion support
Contents	Discover promising entrepreneurs in the environmental field Provide support for actual startup success through competency development of participants Expansion of startup support programs (5 → 7 programs)	Provide support of funds for commercialization for promising environmental companies to enter the market and expand its business	Provide long-term, low-interest loans for strengthening of competitiveness and development of environmental companies.	Reorganization of export expert committee (77 → 94) Promotion of customized export consultations for SMEs
Performance	73% increase in applications to participate compared to 2019 Achieved KRW 5.27 billion in 2020 sales, 49 new hires and KRW 1.1 billion in investment by the 2019 Eco Startup Challenge winners team	Produced 4.3-fold of task related sales compared to government subsidies	An increase of approx. 10% in sales after provision of loans to environmental companies	An increase of approx. 10% in cases of consulting support for overseas expansion

Creation of Eco-Friendly Lifestyle Culture

Spreading an Eco-Friendly Consumption Culture

Green Card



Promoting Sustainable Consumption Operation of the Green Card System

The Green card system has been introduced and implemented since 2011 to promote sustainable consumption. The green card provides "Eco Money" points as rewards for sustainable consumption activities such as purchasing eco-friendly products, using public transportation, and saving energy at home. When charging electric vehicles or hydrogen vehicles with a green card, it also provides discount. Green card is striving to solve environmental problems in daily life by expanding its social roles and promoting sustainable consumption.

Efforts for activation of Green Public Procurement

There are 660 companies in Green Marketplace as of 2020, with a total of 8,366 products being traded. In addition, as a result of various efforts such as expanding on-site education for public purchasers, distributing purchase guidelines, and correcting inaccurate information on some green products, the amount of green purchases of educated institutions increased by 13.2% compared to 2018. KEITI will continue to operate company-wide TF and establish external cooperation systems, while also striving to create a nationwide eco-friendly distribution network.

Hosting Eco-Friendly Competitions

The "Eco-Expo Korea" is the largest eco-friendly exhibition in Korea, covering all eco-friendly industries such as eco-friendly products, energy, transportation, and architecture. The Eco-Expo is held annually under the supervision of KEITI. In 2019, a total participation fee of KRW 98 million was provided to 12 social enterprises and 46 SMEs in order to expand their sales channels. In addition, based on the results of a survey of the companies participating in 2018's Eco-Expo, the need for substantial benefits leading to product sales and sales increase was identified. Accordingly, we supported the sales of products in the exhibition halls of social economy companies and provided consulting for large-scale stores. In addition, as a result of promoting the planning and sales of eco-friendly products produced by social enterprises, a satisfaction level of 73% was achieved for the 12 social enterprises that participated, and sales increased by 123% compared to 2018



Education for mandatory purchase of green products by public institutions



Eco-Expo Korea (Source: Green Post Korea)



Operation of the Environmental Seal Certification system

Improving the Environmental Seal Certification System

KEITI has made continuous efforts to improve the environmental labelling certification system. The environmental seal certification self-checklist was expanded from 44 to 169 product lines, and the verification process has been simplified by switching from model unit to product unit certification. In addition, business agreements were signed with accredited testing and analysis institutions to reduce the burden of testing and analysis costs for the companies applying for certification, and the operations of environmental seals "Communication Day" and "visiting information session by region" were implemented to inform consumers of the environmental seal certification system. As a result, the number of applications for environmental seal certification increased by approximately 120% compared to 2018, and the number of valid certified products increased by 110%.

Customer-Oriented Environmental Certification System

To strengthen the environmental certification, which is in close contact with people's life, KEITI reinforced the verification of human contact products, and the hazardous substance identification system was established. In addition, an online test analysis system was established, and the test service operating system has been enhanced through the introduction of an open laboratory system. In addition, a laboratory information management system (LIMS) that is able to systematically manage the process from test analysis reception to test report issuance was introduced to increase customer accessibility, and a full-course admission test was conducted in which the personnel in charge of the test request and the operator of the test system participated to resolve customer complaints regarding test results and strengthen test analysis transparency and reliability. Furthermore, we are striving to operate a customized certification system that includes deriving improvement projects based on the opinions collected from the personnel in charge of the certified company.

Environmental seal certificate design



On-site visit to an environmentally-label certified company



Green Financial Support for Excellent Environmental Companies

KEITI is providing green finance incentives to eco-friendly companies to foster excellent environmental companies. To this end, agreements were signed with the Industrial Bank of Korea, Shinhan Bank, Korea Development Bank, and Export-Import Bank of Korea, along with newly signed agreements with Nonghyup, Busan and Daegu banks to spread green finance. Contracted banks offered preferential interest rates of 0.1%~2.0%p per company, and as of 2019, 34 outstanding SMEs received preferential support for environmental policy funding of KRW 28.1 billion. As a result, a total of KRW 2,175 billion worth of green financial products was developed, with effects for production inducement* of KRW 4,111 billion* and job creation for 18,705 people.

Bank interest rate preferential benefit (as of first half of 2020)

	Funding unit (KRW 100 million)	Preferential interest rate(%p)
Industrial Bank of Korea	150	0.7~2.0
Shinhan Bank	1,000	0.4~1.3
Korea Development Bank	5,000	0.6
Export-Import Bank of Korea	10,600	0.1~0.3
Busan Bank	2,000	~0.5

* Assuming the KRW 2,175 billion as an investment, effect on production inducement (final demand induction coefficient per investment unit in 2014: 1.89) and employment inducement coefficient (average of 8.6 people per billion in total industry in 2014) was applied

03 SUSTAINABILITY ISSUES

Realizing of Inclusive Environmental Welfare

The Korea Environmental Industry & Technology Institute is striving for inclusive environmental welfare where no one is left out and that can benefit everyone. The Institute provides environmental welfare services for citizens and society. In order to increase the sustainability of welfare, local governments were asked to cooperate in strengthening environmental safety management for vulnerable groups such as children and the elderly. Quick and fair aid is provided for the victims and their families who suffered health damages from humidifier disinfectant and asbestos incidents. Besides this, as the demand for solving environmental problems increases, new industries focusing on the environment are growing, and we are actively supporting them for the growth of new environmental job opportunities.



6 Clean Water and Sanitation

- 6.2 End open defecation and provide access to sanitation and hygiene
- 6.b Support local engagement in water and sanitation management



9 Industry, Innovation and Infrastructure

- 9.1 Develop sustainable, resilient and inclusive infrastructures
- 9.4 Upgrade all industries and infrastructures sustainability



12 Responsible Consumption and Production

- 12.2 Sustainable management and use of natural resources
- 12.a Support Developing countries' scientific and technological capacity for sustainable consumption and production



13 Climate Action

- 13.1 Strengthen resilience and adaptive capacity to climate related disasters



17 Partnerships for the Goals

- 17.6 Knowledge sharing and cooperation for access to science, technology and innovation
- 17.7 Promote sustainable technologies to developing countries



Focused on Socially Vulnerable; Creation of a Safe Living Environments

Children's activity spaces for 2020: **1,395** valid certifications for environmental safety



Creating Environmental Jobs
1,524 people hired (as of 2020)



Enhancing Damage Relief for Environmental Victims

Support for **10,437** people (as of 2020)



Fostering Environmental Professional Talents

Fostering **123** professional talents in environmental technology tailored to the market



Strengthening of Product Environmental Safety Management

Eco-friendly safe products: **38,104** products secured (as of 2020)



Strengthening Support for the Socially Vulnerable

Creating a Safe Living Environment Centered on the Socially Vulnerable

Children's activity spaces in 2020



1,395
valid certifications for environmental safety

Creating a Safe Living Environment for Children

The Korea Environmental Industry & Technology Institute strives to fulfill its role as a specialized institution for children's environmental health.

First and foremost, we reinforced indoor environment inspections for children's activity spaces such as daycare centers and kindergartens by reflecting the characteristics of children who can suffer significant health damage even with the same exposure. In 2020, we promoted joint guidance and inspection of 4,600 children's activity spaces with local governments and the education office, and supported the improvement of facilities that exceeded the standard. 712 children's cafes (deferred facilities under the law) and local children's centers in blind spots were also examined for indoor environment management and improvement, and efforts were made to protect children's health by supporting improvement works. In addition, environmental safety certification is granted to children's activity spaces with excellent environmental safety management. We continue to promote the reinforcement of follow-up management so that the environmental safety certification for children's activities can be recognized as a system that parents can trust.

Strengthening Environmental Safety Management of Children's Products

KEITI works to protect children's health from environmentally harmful factors that may be contained in children's products. Every year, we monitor the compliance of standards through surveys on over 2,000 children's products and activities of the market observers. In addition, we technically and financially support companies to produce and import safe products through projects to support the management of environmental hazards of children's products. We will continue to strengthen the environmental safety management of children's products to protect children's health from environmentally harmful factors.

Environmental Disease Prevention Project for Vulnerable Groups

Environmental diseases (asthma, atopic dermatitis, rhinitis, etc.) are diseases that show frequent recurrence and deterioration, especially for sensitive and vulnerable groups with low environmental pollution defense. Accordingly, KEITI conducted diagnosis and consulting on the indoor environment* for 2,470 households and facilities of sensitive and vulnerable groups, including low-income households, elderly people, and the disabled. In addition, we provide medical expenses and daily guardian services to 303 children, teenagers, and senior citizens who suffer from environmental diseases such as atopic dermatitis, asthma, and allergic rhinitis to help them to hospitalize more easily.

In particular, this project is meaningful in that it is a project that supports the prevention of environmental diseases among sensitive and vulnerable groups in connection with social contribution activities (in-kind donation) such as environmental sign certification companies.

* Diagnosis of indoor air pollution factors such as fine dust, mold, and foam aldehyde

Supporting Small and Disadvantaged Environmental Companies

Environmental Policy Fund Financing

KEITI has activated loans and investments for small enterprises so that the necessary funds for each stage of growth are smoothly raised to foster small hidden environmental companies. In the first half of the year, loans equivalent to 74% of the budget were executed early to stimulate the market. In addition, companies striving to solve environmental problems such as waste and fine dust were provided with more active support in order to provide timely support to respond to environmental issues and meet demands.

To meet the needs of funding, the recycling industry promotion loan budget and secondary conservation loan budget was expanded to KRW 35 billion and KRW 8.5 billion, respectively. Based on this, additional working funds were provided to 46 environmental companies and recycling companies. In addition, a new regulation was established to prevent the government's financial support from being unbalanced, and an interim inspection of loan support companies was conducted. Also, the management and supervision of the loan business were strengthened by preventing financial incidents in advance.

Supporting Commercialization of Environmental SMEs

KEITI is helping environmental SMEs to produce practical results through systematic commercialization support. Preferential support was given for environmental issue projects within the selection evaluation, and increased additional points were given for selection evaluation of environmental R&D performance linkage. This resulted in support of KRW 840 million in commercialization funding to 7 projects for solving environmental issues and KRW 850 million to 5 companies connected with environmental R&D success.

Support was provided for the scale-up of workshops for environmental SMEs for networking, conferring ministerial awards to six companies with excellent performance and shared achievements. Furthermore, a customized business proposal request was established in order to strengthen the sustainable growth capabilities of environmental SMEs, and performance targets were managed and conducted with mid-term inspection site visits to reinforce the capability to commercialize technology for environmental companies. During the mid-term inspection, 12 projects were successfully completed as a result of on-site visits, additional inspections were performed for 3 projects that were not completed, and the satisfaction level of the supported companies was 85 points.

Supporting Small and Disadvantaged Companies in the Certification Process

KEITI has eased the burden of environmental certification by expanding support projects for SMEs. Support for the calculation of environmental performance for 87 products within 37 SMEs and certification fees were reduced by 50% for 58 companies and 161 products. In addition, benefits of reducing testing and analysis fees by up to 70% were provided for SMEs and social enterprises. In addition, certification acquisition was supported by providing consultations on environmental performance evaluation for social enterprise products, and social value was created through the use of designs, exhibitions, and promotional support. The acquisition of environmental labeling certification was supported for SMEs' PB products (11 companies, 24 products) in connection with large distributors, and eco-friendly consumption was promoted through conducting promotions to activate consumption.

Budget for loans for environmental policy funds (recycling industries)



An expansion of
KRW 35 billion

Received "Environmental Welfare Service for the Socially Vulnerable" Government (MOE) Innovation



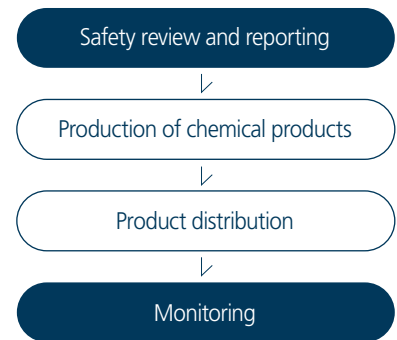
Encouragement Award
as of 2019

Creating an Environmental Safety Net for Citizens

Inspection results of safety and labeling standards for household chemical products

Secured **38,104** eco-friendly-safe products as of 2020

Procedures for the distribution of life chemical products



Civic group monitoring



Strengthening Product Environmental Safety Management

Operating the Household Chemical Products Safety Center

As active measures have become required to protect people's lives and health from household chemical products along with active administration to protect people's safety, KEITI has established the "Life Chemical Product Safety Center", an organization specializing in the safety management of daily life chemical products. Unlike in the past, when the reckless products of chemical producers were distributed due to the lack of management, safety review/reporting and monitoring procedures have been added to enable companies to distribute only the products that have proven their stability and have been reported.

The Life Chemical Product Safety Center, established in 2019, provided "living environment safety data" that linked data on chemical products and chemical substances held by the Ministry of Food and Drug Safety and the Korea Consumer Agency. According to this data, it disclosed 921 products that had violated the safety labelling. In order to relieve fear and anxiety over chemical substances (chemophobia), the 10th corporate working-level conference was held and the participation of civil society as observers was encouraged. As a result, 22 household chemical products disclosed all the ingredients of 1,417 household chemical products, which corresponds to about 40% of the household chemical product market share (sales) in 2020. KEITI will continue to strengthen voluntary responsibility for the safety management of household chemical products by civic groups, companies, and the government, and will provide public services that people can experience.

Enactment and Revision of Certification Standards

KEITI revised and enacted the environmental certification standards based on the recognition that it is necessary to secure fairness and transparency in procedures in order to restore the trust of certified customers, such as citizens and businesses. From March 2019, an improvement plan was made by forming a task force to improve the environmental seal certificate system and thoroughly examining the laws, regulations, and guidelines of the overall certification system. The required data for each examiner was unified in order to contribute to securing the fairness and objectivity of the review, and applications have seen an increase from 44 to 165 by expanding the certification common standard self-checklist to all product lines. In addition, as a result of reinforcing the verification of the entire process by conducting parallel verification through on-site inspection of environmental mark certification, high satisfaction was recorded for on-site inspection and corporate monitoring (kindness 4.90/5, expertise 4.90/5)

Follow-Up Control

As civil complaints related to eco-label certified products increased and consumers became more concerned about damages caused by unauthorized application of certifications, KEITI has reinforced the follow-up control for eco-label certified products. Voluntary quality management of certified companies was induced by improving the follow-up control method from product-centric to full-scale investigation of certified products producing companies. In 2020, a total of 2,193 companies and 4,092 certificates were thoroughly inspected, through which 153 certificates were canceled. In addition, the monitoring of unauthorized use of environmental markings was activated through collaboration with civic groups, in which it would secure public safety through follow-up control, such as by introducing environmental labelling and self-correction programs advertisements in cooperation with distribution industries.

Environmental Damage Relief

Humidifier Disinfectant Damage Relief

KEITI is conducting damage relief in accordance with the "Special Act on Remedy for Damage Caused by Humidifier Disinfectants" in order to quickly provide relief to the victims and their families due to the humidifier disinfectant incident in 2011. As a result of continuous improvement of the system, such as expanding the scope of support for diseases recognized for damage and medical expenses, and the introduction of integrated and expedited reviews, 3,487 people were recognized for damage by 2020, and a total of KRW 60 billion was provided for medical expenses.

In addition, as a central platform for the relief of humidifier disinfectants, we work with related agencies such as the Special Investigation Commission on Social Disasters, the Ministry of Health and Welfare, the Ministry of Defense, and the Ministry of Education to identify the victims while providing various administrative services to sustain their social activities. We also support services such as healing camps and health counseling in cooperation with Korea National Park Service and Korea Association of Occupational Health Nurses to recover the victims' physical and mental health.

Healing camp operation



Environmental Pollution Damage Relief

KEITI operates an environmental pollution damage relief system in order to quickly and fairly aid victims from environmental pollution damage, and provides legal services such as support for damage litigation for relief of the rights of socially vulnerable groups who suffered from environmental pollution. Previously, relief money were paid only in cases where the environmental polluter was unknown or non-existent or was insolvent. However, a pilot project for prepayment was implemented to increase the effectiveness of environmental pollution damage relief, in which 171 people were recognized as victims of environmental pollution and medical expenses were paid for a total of 125 types of diseases including nephritis and osteoporosis. In addition, as a result of supporting damage relief through various communication channels such as visiting services and on-site briefings, the overall satisfaction of the environmental pollution damage relief service scored 77.4 points in 2020, increased by 4.6 points from 72.8 points in 2019.

Asbestos Damage Relief

KEITI actively implements victim-centered administration by preemptively providing relief for the victims of asbestos, fairly assessing the damage, and swiftly paying out the relief fund. In order to identify and find the victims, we have discovered suspected victims with the cooperation of the relevant organizations, informing them via post or phone call, and by personally visiting the households of the vulnerable, such as elderly people and patients with advanced stages. At the same time, we have strived to realize swift damage relief by reducing the time required in recognizing the damage and deciding the relief fund payment. As a result, 687 people were recognized as victims of asbestos, and a total of KRW 16.284 billion of relief funds were provided. Moreover, by strengthening the civil complaint service through the operation of various communication channels including satisfaction surveys, talks with the victims as well as training conducted by the relevant staffs of local governments, KEITI scored 86.9 points in the asbestos damage relief system satisfaction survey.

Creating Sustainable, High-Quality Jobs

Job Creation and Quality Management



Improving the Job Creation System, Job Quality Management

The Korea Environmental Industry & Technology Institute supported the creation of civil environmental jobs (4,650 jobs, cumulative as of 2020) by promoting 21 projects in the fields of supporting growth of environmental companies in high-quality environmental jobs and environmental services to the public in order to drive sustainable growth of environmental industries.

The environmental industry promotion support business system was improved to establish a support system for sustainable environmental jobs, with the aim to improve the workplace of environmental companies. The business guidelines, etc. were revised to reflect the results of job creation, such as new hiring, when selecting company support projects or evaluating performance, and the selected excellent companies for job creation (10 companies) were awarded the Minister of Environment citation. In addition, the support for improving workplace was expanded to create a favorable workplace for employees (30% increase from the previous year). In the future, the Korea Environmental Industry & Technology Institute plans to work hard to create quality environmental jobs through various strategies.

Target of creating 1,314 environmental jobs in 2020



- Support for growth of environmental industries
- Support of customized workforce supply for environmental industries, 470
- Support of public environmental services 375

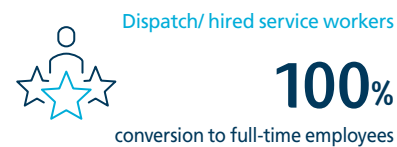
Creation of New Jobs

KEITI has introduced various types of work in addition to discovering new jobs, and is securing additional new employees. Based on the analysis of the expected vacancy scenario, in 2019, a total of 175 new employees were hired through recruitment conducted four times a year. In addition, seven additional employees were hired, including facility/security workers and janitorial workers (operations workers) by improving the work system that reflects the needs of various employees, such as the shift work method and the work time selection system.

Conversion of Dispatch · Hired Service and Fixed-Term Employees to Full-Time Employees

KEITI set the direction for the transition to full-time employees based on the agreements reached by the Conversion Deliberation Committee and the Council, such as improving the personnel management system and increasing compensation by introducing a promotion bonus.

In particular, due to a fair conversion process including external interviewers, a total of 173 dispatched/hired service workers and 13 fixed-term employees were converted to full-time employees 100% in 2019. Projects for continuous communication and improvement of working conditions are also being implemented by establishing a union to represent the personnel and converting positions to full-time employees.



Fostering Environmental Professional Talents

Operating Specialized Graduate Schools

KEITI has secured the human resources necessary for fostering green industry and solving environmental issues, and trains professional talent to strengthen the competitiveness of the environmental industry. We have launched a curriculum that combines environmental economy and 4th industrial factors, and designated and operate two universities. In addition, four universities have been operating education courses to foster entrepreneurial sustainable development convergence talents and professional talents in solving fine dust issues since September 2020 through newly planned support of specialized graduate schools in the field of sustainable development and fine dust management.

11 specialized graduate schools in the fields of biomaterial, green restoration, post plastics, and green finance were also newly planned to lead the Green New Deal and solve environmental issues in order to cultivate a professional workforce that can be immediately sent to industrial sites.

Fostering Employment-Related Professionals

KEITI has fostered professional talents to respond to the demands of the environmental market, and pursues successful recruitment and employment. Environmental safety and health and resource circulation processes are operated at the Environmental human resource development center, providing 8 weeks of theoretical training and 4 weeks of field intern training. The existing soil/groundwater course has been reorganized into a training course for professional talents in environmental risk management, a national qualification item in the environment field, established in 2019. The number of students who completed the environmental risk management course increased by 53.8% compared to 2018, showing high interest in the qualification course. Opportunities were provided to participate in employment consulting, employment meetings, and employment fairs in the environment field in order to support employment of professional talents trained through the three courses of resource circulation, environmental safety and health, and environmental risk management. In particular, the Institute identified the demand of 68 universities nationwide with environmental-related departments, and signed a final agreement with 10 universities to receive up to 12 credits upon completion of the environmental technology expert fostering course. Through this, the environmental talent development center cultivates human resources in the environmental field, from which we can expect a virtuous cycle that increases the youth employment rate supplied to environmental companies.

Fostering Professional Talents in Environmental Evaluation for Recycling

In order to support the fostering of professional talents following the introduction of the recycling environment evaluation system, KEITI supported the competency development of beginner, intermediate, and advanced incumbent workers and managed the quality of professional qualifications. In order to improve the operation of the recycling environment evaluation at the beginner and intermediate level, the question bank system was applied to improve test fairness and efficiency, and online education contents were developed to improve education accessibility and satisfaction. Through new online promotion, the number of people who completed the recycling environment evaluation training increased by 43.3%, resulting in a total of 86 people completing the training.

In addition, as part of an effort to produce high-level environmental impact assessors who are professional talents for mandatory employment in line with the implementation of the environmental impact assessment system, the number of candidates and successful candidates has increased significantly through promotion of the need for compulsory employment to the media. KEITI is striving also to manage the quality of certifications and maintain a balance of demand.

Expansion of professional talents training in the field of environmental issues and green innovation



04 SUSTAINABILITY ISSUES

Realizing CSR Management with Public Engagement

As public interest in environmental media increases, the communication channels for the public have expanded along with increased demand for participation in environmental policy. The human rights of various stakeholders, including employees of KEITI, have been guaranteed by creating a happy workplace, making it possible to lay the foundation for strengthening the competitiveness of the institution. Through the promotion of Digital Work 2.0 to lead the Green New Deal and Post-COVID-19 by the Institute, it was possible to create an environment in which employees and customers can work efficiently in a contact-free environment regardless of time and place. Various social contribution activities are also being conducted to create social value for local communities.

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3 Good Health and Well-being
3.9 Reduce Illnesses and Deaths from Hazardous Chemicals and Pollution
3.d Improve Early Warning Systems for Global Health Risks
- 

4 Quality Education
4.3 Equal Access to Affordable Technical, Vocational and Higher Education
4.a Build and Upgrade Inclusive and Safe Schools
- 

5 Gender Equality
5.5 Ensure Full Participation in Leadership and Decision-making
5.b Promote Empowerment of Women through Technology
- 

16 Peace, Justice and Strong Institutions
16.3 Promote the Rule of Law and Ensure Equal Access to Justice
16.6 Develop Effective, Accountable and Transparent Institutions
16.10 Ensure Public Access to Information and Protect Fundamental Freedoms
- 

17 Partnership for the Goals
17.17 Encourage Effective Partnerships

 <p>Ethics and Human Rights Management Evaluation of anti-corruption measures Level 3</p>	 <p>Customer Value Enhancement 2019 Customer satisfaction survey results "Good" level achieved</p>
 <p>Establishment of Smart Workplace Annual reduction of working hours through RPA implementation 7,861 hours</p>	 <p>Local Economy Revitalization Social economic enterprise Expansion of product sales KRW 73.5 million achieved (123% ▲ compared to 2018)</p>



Realizing CSR Management with Public Engagement

Ethics Management

Ethics Management System

The Korea Environmental Industry & Technology Institute strives to become a transparent public institution that can be trusted and respected by citizens. In order to improve the transparency of the overall operation of the institution and realize improvement in internal integrity, compliance and ethical management systems were implemented and performed with active monitoring of ethics.

Compliance/Ethical Management System

Vision	Establishment of ethical management system for communication and cooperation through member participation		
Goal	Level 2 in total integrity level, Level 2 in anti-corruption policy evaluation, and zero-corruption institution		
Promotional Directions	Establish a culture of integrity through communication	Proactive corruption risk management	Consolidation based on anti-corruption and integrity
Tasks	Senior positions leading by example and integrity activities Integrity program for all employees	Prevention-oriented anti-corruption activities Management of organizational corruption-vulnerable businesses	Activation of public-private cooperation activities Securing power of anti-corruption and integrity institutions

Forming a Dedicated Ethical Management Organization

KEITI has formed a dedicated ethical management organization to more actively operate ethical management and implement systematic activities. Various roles are implemented such as determining important policies for ethical management of the Institute and promoting system improvement tasks, and efforts are made to establish an ethical corporate culture.

Ethical Management Organization

Dedicated organization	Key roles	Key activities
Ethical Management Committee	High-level council led by the head of the institution Decisions on important ethical management policies, etc.	Operated four times a year, including inspection for employee code of conduct
Ethical Management Working Committee	Employee Engagement Working Group Promotion of system improvement projects, etc.	Enhancement of execution capabilities by expanding the configuration of the working-level committee (22 → 30 people) Identification and implementation of autonomous internal control projects, etc.
Integrity Ombudsman	- Surveillance, evaluation, and monitoring of projects, etc. - Participation in audit and system improvement recommendations, etc.	Reinforcement of monitoring by expanding the composition of the integrity ombudsman (5 people → 6 people) Periodic meetings to collect opinions, such as for system improvement (4 times)

Strengthening the Transparency of Institutional Management

KEITI has prescribed necessary matters regarding the use and disclosure of business promotion expenses to ensure transparency and integrity in budget execution. Corporate cards were distributed to all departments to prevent waste in the budget due to inappropriate overseas business trips, etc., and a settlement system based on actual expenses was established in connection with in-house MIS*. It was also made obligatory to obtain approval from the management department in advance when planning the budget execution, and review from the audit office was required when executing expenses exceeding KRW 10 million and project promotion expenses exceeding KRW 500,000.

* MIS (Management Information System): Management information system

2020 Overall integrity



Level 3

Integrity Live Hosted by Civil Rights Commission

KEITI held Integrity Live with the aim to spread an institutional integrity culture and create an opportunity for public institution integrity cooperation. Integrity Live was based on various opinions derived from employee surveys so that people could learn with more interest and in depth about the topic of integrity, which can at times be a bit heavy. This was to form a consensus among all employees and raise the will to practice integrity.

Establishment and Operation of an Internal Control System

KEITI systematically operates an internal checking system to establish itself as an organization with integrity. The internal control system is largely divided into internal management and external management, and proactively manages corruption risks using internal and external experts. Internally, an ethical management plan is established through the ethics management committee, and inspections such as comprehensive audit, specific audit, daily audit, and service audit are performed on institutional activities and service status, etc. In addition, internal control over integrity is made a daily routine by expanding the internal control self-assessment system through which the department inspects and improves corruption risks.

The integrity ombudsman, composed of external citizen inspectors, is responsible for conducting ethical monitoring for the operation of the institution, and the culture of integrity is spread to the private sector through the establishment of public-private cooperative governance in order to lead in fundamentally blocking injustice and corruption.

2020 Internal Audit Results

Classification	Summary	Number of times	Status disposition	Administrative disposition	Financial disposition
Comprehensive audit	Audit of overall organization operation	0 times	-	-	-
Specific audit	Audit for specific tasks, projects, funds	3 times	1 person	-	-
Daily audit	Legitimacy of main business execution and preliminary feasibility audit	172 times	-	-	-
Service audit	Employee service duties, working conditions, etc.	5 times	-	-	-

2019-2020 Cases of corruption and results of actions

Classification	Cases	Summary	Results
No. of corruptions within the reporting period	1	Violation of the duty of sincerity and prohibition of leaving the workplace	Suspension (3 months) and reimbursement

*No. of contract cancellations and lawsuits related to corruption=0

Number of Ethical Management (practical) Committees Held

Classification	2018	2019	2020
Ethics management committee held	4 times	4 times	3 times
Ethics management working-level committee held	4 times	4 times	3 times

Operation of Corruption Reporting Channels

KEITI operates a clean reporting center and a power abuse damage report and support center on the Institute's website to comply with the government's policy on the prohibition of bullying in the workplace and to eradicate private power abuse from public institutions. The identity of the informant is thoroughly protected so that informants do not suffer any disadvantages, and reported matters are subject to thorough investigation and disclosure with appropriate penalties imposed for corruption.

Integrity Live by the Civil Rights Commission



2020 Evaluation of anti-corruption measures



Level 3

Human rights violation damage relief process



Human Rights Management Promotion System

KEITI seriously considers the human rights of all stakeholders, including not only workers, but also related companies and local communities. Accordingly, the human rights impact assessment is conducted every year and the organization in charge is enhanced to become a leading company in human rights management.

KEITI Human Rights Management System

Goal	Sustainable management implementation through protection of and respect for human rights		
Promotional Directions	Establishment of human rights management system	Practice of human rights-friendly management	Relief for human rights violations
Promotional projects	<ul style="list-style-type: none"> - Preparation of human rights management system - Declaration and spread of human rights management - Configuration and operation of the Human rights management committee 	<ul style="list-style-type: none"> - Implementation of human rights management plan - Human rights education and training - Human rights impact assessment and feedback 	<ul style="list-style-type: none"> - Preparation and implementation of relief procedures for human rights violations - Promotion and spread of relief procedures for human rights violations

Human Rights Impact Assessment

Human rights impact assessment is implemented by KEITI in order to identify potential human rights risks that may affect human rights in the process of business activities and business performance. In 2019, an evaluation team made up of external experts conducted a human rights impact assessment on a total of 129 indicators related to the operation of the institution and major projects. Through the evaluation, three items requiring improvement measures were derived. Accordingly, improvement measures were completed for all items such as expanding human rights management of business partners, strengthening industrial safety protection regulations, and changing of business for the impact assessment subject.

Enhancement of Management Transparency Through Information Disclosure

Systematic Record Management

KEITI is striving to strengthen institutional transparency through systematic record management. A records management manual has been established specifying the records management regulations, and periodic training is provided for department record management personnel. Suitable production and management procedures for each type of record have also been established by continuously improving the classification and evaluation system for records.

Preparation of a Standard Model for Advance Information Disclosure

KEITI has prepared a standard model for preliminary information disclosure in order to ensure transparent administration and facilitate citizens' right to know. The information disclosure standard models a list of information subject to publication that standardizes information held by public institutions into a list of publications and items according to the list so that the public can see the information subject to publication at a glance and so that it can be applied to each institution. Through transparent information disclosure, we will strive for active collection of citizen opinions and establish a stepping stone for communication.

Worker Safety Management

Employee Safety Management System

KEITI has established a company-wide safety management system to protect the safety of all citizens, including employees. Safety-first management is practiced by activating the internal proposal for safety management, diversifying communication channels with internal and external stakeholders, and managing various risk factors such as natural disasters and chemical leakage.

Safety Management Promotion Plan

Goal	Protect the lives and safety of employees and citizens by realizing a safe workplace		
Promotional Directions	Establish a safety-first management system	Form an accident preventing workplace	Safety cooperation together with citizens
Promotional projects	<ul style="list-style-type: none"> - Reinforcement of dedicated organization and workforce - Diversification of safety communication channels - Institution-tailored safety culture activities 	<ul style="list-style-type: none"> - Two-way risk evaluation - Expand psychological stability programs - Provide support for facility management worker protection 	<ul style="list-style-type: none"> - Strengthen support for inclusive disaster response - Prevention and response to environmental disasters for the public

Enhancing the Safety-First Management System

KEITI has reorganized the company-wide safety management system centered on a dedicated organization based on labor-management cooperation (safety and health committee) to reflect the government's safety-first policy approach. Procedures and guidelines related to safety management have been standardized, and a system has been established to manage and inspect safety issues at all times. In the future, we will continue to strive to secure internal and external reliability of institutional safety management operations.

Prevention of Accidents in the Workplace

KEITI strives to identify and resolve potential risk factors experienced by workers by promoting a two-way risk assessment where workers and experts participate. Periodic workplace measurements and evaluations are conducted to prevent chemical accidents in laboratories with high risk within the institution. Special checkups and mental health diagnosis improvement programs are also operated to help manage the physical and mental health of employees.

Safety Cooperation with Citizens

A joint disaster safety response cooperation system with tenant companies was reinforced to establish an inclusive disaster response support system, and support activities were conducted so that the vulnerable in the region could live safely throughout national disasters such as the COVID-19 pandemic. Public safety R&D projects were identified and support expanded to contribute to the prevention of and response to environmental disasters for the public, taking the lead in forming a safe living environment by reinforcing the management of hazardous substances in household chemical products.

Volunteering in quarantine



Establishing a New Future-Oriented Organizational Culture

Establishing a Smart Workplace

Business Innovation Through RPA (Robotic Process Automation)

The Korea Environmental Industry & Technology Institute has introduced RPA* to automate routines and repetitive manual tasks. Mistakes and omissions were reduced and business processes were accelerated through the application of RPA to 9 tasks such as translation of overseas bidding information, registration of green product information, etc. As a result, the effect of reducing work time by 7,861 hours a year and maximizing work efficiency was achieved. Strengthening of work efficiency is planned by systematizing the RPA operation method and applying it to major tasks such as environmental technology development and environmental industry promotion.

Digital Work 2.0

KEITI is creating an efficient and flexible workplace by converting existing face-to-face business models to contact-free and digital-based models.

An environment was created where anyone could edit documents at any time in any place by introducing the online video conferencing infrastructure in major conference rooms of the institution to enable business discussions between the headquarters and branches as well as conferences with remote experts, where data was easily shared between departments or employees through the introduction of cloud-based web document editing services.

Strengthening Digital Capabilities

Integrating Individual Systems in the Environmental Technology Industry

KEITI is promoting system integration to improve the efficiency of information system operation and public service. A plan was established to build a platform that sequentially integrates 48 institutional information systems in order to comprehensively guide various businesses such as R&D, industry, certification, and exports, and to provide all information related to environmental industry and technology. Provision of customized information and services such as automatic recommendation for support projects considering the characteristics of environmental companies is scheduled using environmental technology and industry integrated big data.

Strengthening the Capacity of Future Talented People

KEITI operates professional education programs based on the strategic direction to foster talented people with new growth engines for the future environment. An organizational activation workshop was conducted by matching various departments and positions to innovate the organizational culture and enhance competencies, and support was generously provided to develop the best experts through special training and global business training to develop creative thinking and organizational skills. In addition, we support learning quality content in a smart way such as digital transformation (office automation, AI, etc.) education, and we are implementing an organizational culture that goes beyond acquiring knowledge through an on-contact process. Meanwhile, we support training of ISO auditors and interviewer training for career development of prospective retirees.



Employee training hours and expenses
(Unit: Hours, KRW 1,000)

Classification	2018	2019	2020
Training hours per employee	47.2	51.5	52
Education and training expenses per person	503	538	540

* RPA: Technology that replaces simple and repetitive tasks with robots (SW), such as unmanned autonomous production systems in manufacturing processes

Creating a Happy Workplace

Creating a Family-Friendly Workplace

KEITI is improving the system to create a family-friendly workplace that helps to maintain a good work-family balance. Welfare programs were introduced to ease the burden of childbirth and raising children, such as the establishment of childcare leave and special leave for childbirth, and the shortened work hours for pregnant women were expanded in order to respond to the government's policy on work-family balance. As a result, in December 2019, the Prime minister's citation for an excellent company in "Family-friendly certification" was awarded by the Ministry of Gender Equality and Family in recognition of the great contribution towards building a family-friendly workplace.

Parental Leave (male/female)



Opening of Green Dream Tree Workplace Daycare Center

KEITI is continuously improving the childcare environment, having relocated and opened the "Green dream tree workplace daycare" in the government building complex in February 2020. The building in the government building complex was remodeled and renovated due to issues of the previous daycare facilities being old and the nursery space too small. The "Environmental Safety Certification for Children's Activity Spaces" was also obtained by meeting standards such as environmental safety management, indoor air quality, and asbestos construction. We will continue to give our best in supporting work-family balance and family-friendly work culture.



Activating the Flexible Hours System

KEITI intends to establish a Work-Life Balance culture to improve the quality of life of employees. Accordingly, the PC-OFF system that automatically turns off PCs after 6 pm was introduced, and the unit of the application period was changed from one month to one week so that employees can manage their working hours efficiently for the convenience of using the flexible work system. A new compensation leave system for overtime work was also introduced, and 74% of all employees in 2019 were given compensation leave to guarantee employees' right to rest.

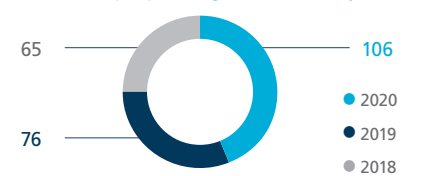
Improvements in Performance Evaluation

KEITI operates a rational performance management system in order to increase the fairness of the individual performance evaluation system and to motivate employees. The individual evaluation system suitable for jobs was supplemented by applying job performance capability, job performance, and job performance attitude to the evaluation items, and the entire process of individual performance evaluation is conducted online to minimize errors through the establishment of a new HR management system (Smart-HR). Through this, the satisfaction level of performance evaluation in 2019 reached 71.2 points, an 18% increase compared to 2018.

Green dream tree workplace daycare center



Number of people using flexible hours system



Activating Communities for Public Participation

Open Innovation through Public Participation

Operation of the National Jury

The Korea Environmental Industry & Technology Institute operates a national jury to increase stakeholder engagement and strengthen the fairness of R&D evaluation. By monitoring the fairness, initiative, and fidelity of secretaries and evaluation members in the selection and the annual and final evaluation, this presents project opinions from the perspective of citizens as well as measures to improve reliability of evaluation, etc. The Institute analyzed the evaluation and monitoring opinions of the jury of 2018, and derived the point that the understanding of the evaluation technology was insufficient and that monitoring before and after evaluation was impossible. Reflecting this, improvement measures were completed, including evaluation orientation and allowing the jury to participate in the entire R&D evaluation process.

Living Lab with Citizen Participation in Response to Fine Dust

Living Lab refers to a citizen-participation laboratory, a method for citizens to participate in research from the stage of technology development in real life spaces. KEITI has developed a system for reducing fine dust at bus stops by conducting R&D based on the Living Lab in order to respond to the problem of fine dust, which has emerged as a recent public environmental issue. The system is a human body sensor that reduces the concentration of fine dust by operating 5 air purifiers installed within the walls when a person enters the bus stop. Accordingly, it was possible to reduce the internal fine dust concentration by more than 50% compared to the outside of the bus stop. In recognition of this achievement in protecting people's health and creating social value, this was selected as an excellent case by the Ministry of Environment in 2019. This project is scheduled to be piloted at the Sangdong bus stop in Bucheon City by December 30, 2020, then to reflect and improve key opinions such as the degree of fine dust reduction, air volume, and convenience experienced by citizens. We will continue to strive to reduce the exposure of citizens to fine dust by expanding them throughout Bucheon City starting with the pilot operation.

Fine dust reduction bus stop



Amount of GHG Emissions (Unit: T CO₂eq, %)

Category	2018	2019	2020
Scope 1	127.581	204.166	146.294
Scope 2*	949.735	1,113.101	1,095.535
Reduction rate compared to standard emissions	27.91	38.14	40.537

* Indirect emissions can be checked from 2018 as the facility was newly registered as a facility subject to the GHG target management system management in 2017 after the government building remodeling.

Expansion of Participation Based on Communication with Local Communities

Eco-Friendly Improvement of Vulnerable Facilities in the Region

KEITI signed a memorandum of understanding (MOU) with Eunpyeong-gu Office to solve local environmental problems and improve environmental welfare services and is focused on promoting the environmental safety and health of local residents. The Institute improved regional children's and senior citizens' centers in the Eunpyeong-gu area based on accumulated technical capabilities and improved the energy efficiency of old buildings to provide a pleasant eco-friendly living environment.

Visiting Environment Class

KEITI operates a visiting environment class to increase access to specialized natural environment education and technical information with consideration for vulnerable groups. Interest in and understanding of environmental education among local students are raised by operating a complex curriculum consisting of theory classes and experimental education. In 2019, we visited Eunpyeong-gu to provide soil and groundwater education for 200 students.

Operation of Soil and Groundwater Youth Summer Camp

KEITI held the Soil and Groundwater Youth Summer Camp since 2015 to inform youth of the importance of soil and groundwater. For the 4th to 6th grades of elementary school, environmental education programs specializing in soil and groundwater were conducted during every summer vacation in cooperation with base universities nationwide. The vitalization of local community exchange was contributed by encouraging the participation of local communities, universities, students, and citizens. This was done by utilizing the research and education facilities owned by local universities and participation of college students as mentor teachers. In 2020, a broadcast was shown live online to prevent the spread of COVID-19, and it was selected as an "Excellent educational donation organization" by the Ministry of Education in recognition of the contributions toward raising the environmental awareness of youth. In the future, in order to increase public awareness about the environment by utilizing expertise as an environmental institution, we will take the lead in giving back to society and establishing a culture of sharing.

Excellent Technology Showroom Held

KEITI has produced and distributed an online showroom for the representative technology process of soil and groundwater with consideration for insufficient channels providing online educational content related to soil and groundwater, providing an opportunity to acquire specialized technical knowledge was for vulnerable groups who could not easily obtain technical information on soil and groundwater due to natural and physical limitations. Contributions were made to the spread of environmental education, and in January 2020, soil and groundwater online showroom content was distributed free of charge to 100 universities with environment-related departments.

Creation of Paperless Forest in Mongolia

KEITI signed an MOU with the Mongolian Ministry of Environment and Tourism, Ugii Nuur Sum, to prevent desertification in Mongolia and reduce damage from yellow dust and fine dust, and held the 2019 Paperless Mongolia Tree Planting. 100 people including executives and staff from related domestic organizations and local officials from Ugii Nuur Sum participated in planting Chacharkan trees, which are the resources for economic activities of Mongolian residents, and a total of 105,000 trees will be planted by 2021. The forest created by this Mongolian tree planting project is an erosion control forest that prevents local desertification, yellow dust, and fine dust, and it is expected to also play a role in improving the atmospheric environment in Northeast Asia including Korea, China, and Japan.



Soil and groundwater youth summer camp



2019 Paperless Mongolia Tree Planting



Appendix

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- 78 | Independent Assurance Statement
- 80 | Awards

Data Center

Economic Performance

Financial Performance 102-45

(Unit: KRW)

Classification	12th period	11th period	10th period
Assets			
1. Current assets	289,384,114,285	283,605,541,640	278,195,685,544
1) Cash and cash equivalents	80,081,388,901	78,951,893,898	68,488,066,178
2) Current financial assets	206,189,559,958	201,546,388,279	206,165,812,488
3) Accounts receivables and other receivables	1,121,959,385	1,057,540,610	1,256,398,099
4) Current income tax assets	179,907,703	225,978,162	402,637,626
5) Current non-financial assets	1,811,298,338	1,823,740,691	1,882,771,153
2. Non-current assets	1,056,747,302,555	837,335,173,530	844,013,621,024
1) Non-current financial assets	1,047,766,619,618	829,855,006,969	837,455,876,790
2) Long-term accounts receivables and other receivables	267,469,355	254,797,041	274,351,191
3) Tangible assets	3,772,020,179	3,083,750,940	2,663,191,368
4) Intangible assets other than the goodwill	1,829,592,170	2,333,860,746	2,588,894,494
5) Deferred tax assets	3,111,601,233	1,807,757,834	1,031,307,181
Total assets	1,346,131,416,840	1,120,940,715,170	1,122,209,306,568
Liabilities			
1. Current liabilities	113,225,646,070	132,393,596,906	145,959,293,611
1) Accounts payables and other payables	4,460,826,670	4,928,254,123	5,230,106,134
2) Current financial liabilities	94,005,907,448	112,608,867,599	126,222,927,528
3) Current tax liabilities	-	-	6,877,025
4) Current non-financial liabilities	13,604,897,077	13,603,008,398	13,543,893,870
5) Current estimated liabilities	1,154,014,875	1,253,466,786	955,489,054
2. Non-current liabilities	1,197,873,432,238	960,519,049,931	951,271,297,003
1) Long-term accounts payables and other payables	110,793,541	236,764,944	
2) Non-current financial liabilities	1,183,618,004,660	947,970,929,763	942,644,653,360
3) Employee benefits liabilities	11,413,984,050	9,580,705,237	5,895,993,656
4) Long-term legal proceedings provision	2,730,649,987	2,730,649,987	2,730,649,987
Total liabilities	1,311,099,078,308	1,092,912,646,837	1,097,230,590,614
Stockholders' Equity			
1. Paid-in capital	247,048,224	247,048,224	247,048,224
2. Earned surplus (deficits)	34,786,698,594	27,783,083,648	24,734,705,080
3. Other components of capital	(1,408,286)	(2,063,539)	(3,037,350)
4. Capital attributable to the owners of the governing company	35,032,338,532	(2,063,539)	(3,037,350)
Total stockholders' equity	35,032,338,532	28,028,068,333	24,978,715,954
Total equity and liabilities	1,346,131,416,840	1,120,940,715,170	1,122,209,306,568

Summary of Comprehensive Income Statement

(Unit: KRW million)

Classification	2018	2019	2020
Revenues (sales)	334,505	388,821	521,654
Costs and expenses	319,158	375,898	508,158
	10,175	8,644	8,747
Operating profit	5,172	4,279	4,749
Other income	0	0	0
Other costs	0	12	0
Other profits	25	38	100
Financial income	398	389	396
Financial cost	31	1	9
Net income before income taxes	5,563	4,693	5,236
Income tax expense	(381)	(244)	(1,406)
Net income	5,944	4,937	6,642
Other comprehensive income	(289)	(1,888)	363
Total comprehensive income	5,655	3,049	7,004

Distribution of Economic Value 201-1

(Unit: KRW million)

Classification	Category	2018	2019	2020
Environmental technology development support		180,168	209,799	278,397
Environmental industry development support		197,799	197,326	476,227
Eco-friendly living support		16,436	17,856	21,033
Health-Safety		56,454	77,236	110,868
Government Corporate tax payment	Government Corporate tax payment	399	0	0
Employees	Salaries	33,194	41,461	42,892
	Welfare benefits	478	599	621
Community Cost of social contribution	Community Cost of social contribution	120	72	133

Environmental Performance

Energy Consumption

Classification	Units	2018	2019	2020	
Amount of fuel used	Gasoline	TJ	0.153	0.225	0.474
	Diesel	TJ	0.566	0.649	0.053
Amount of electricity used	TJ	19,555	22,919	22,527	
Amount of gas used	TJ	1.52	2.826	2.181	
Amount of water used	m ³	8,420	10,401	10,560	

GHG Emissions

Classification	Units	2018	2019	2020	
Amount of direct emissions (Scope 1)	Gasoline	tCO ₂ eq	10.476	15.156	31.869
	Diesel	tCO ₂ eq	39.956	45.563	3.725
	Gas	tCO ₂ eq	77.149	143.447	110.7
Amount of indirect emissions (Scope 2)	electricity	tCO ₂ eq	949.735	1,113.101	1,095.535
Total amount of GHG emissions	tCO ₂ eq	1,077.316	1,317.267	1,241.829	

Social Performance

Employees

Classification	Units	2018	2019	2020	
Total	people	466	596	633	
Permanent position	Male	196	308	316	
	Female	118	275	290	
Temporary position	Male	60	5	12	
	Female	92	8	15	
Age Group	10s	1	1	0	
	20s	169	132	138	
	30s	184	252	258	
	40s	86	134	149	
	More than 50 years old	26	77	88	
	Social equality employment*	Youth Internship	46	49	44
New employment*	Local talent	7	17	9	
	Disabled	2	5	2	
	Male	22	17	7	
Retirees	Female	19	25	18	
	Male	15	22	21	
Parental leave*	Female	10	21	11	
	Retirement rate	%	5.4	7.2	5.3
Labor union	Male	6	2	3	
	Female	20	22	38	
	Returnees to work after using parental leave	people	14	13	11
	Number of employees with over one year of continuous service period after returning from parental leave		10	12	11
Return rate	%	100	100	100	
	Rate of continuous service of over 12months	%	83.3	85.7	84.6
Labor union	Number of employees who have joined the labor union	people	350	416	432
	Rate of employees who have joined the labor union	%	75.1	78.6	73.9

* Written on the basis of Alio

Industrial Disasters

Classification	Units	2018	2019	2020
Injury rate	%	-	0.17	0.3
Occupational disease rate	%	-	-	-
No.of work-related deaths		-	-	-
Number of work-related injuries	case	-	1	2
The number of serious disasters		-	-	-
Industrial accident rate	%	0	0.17	0.3

Employee Training

Classification	Units	2018	2019	2020	
Training hours per employee	Gender				
	Male	hours	44.8	48.9	49.4
	Female	hours	49.6	54.1	54.6
	Job status				
	Permanent	hours	48.14	52.53	53.04
	Temporary	hours	46.26	50.47	50.96
	Position				
	Lead Research Specialist and above	hours	43.4	47.4	47.8
	Senior Research Specialist	hours	46.7	51.0	51.5
	Research Specialist or below	hours	51.4	56.1	56.7
Average education hours per person	hours	3.93	4.29	4.33	
Average education expense per person	KRW 1,000	503	538	540	
No. of ethical management training trainees	people	449	578	595	
No. of sexual harassment prevention education trainees	people	423	561	602	
No. of sexual harassment prevention education	case	2	2	2	

Community




Classification	Units	2018	2019	2020
No. of Dr.Eco* education	case	17	14	15
No. of Dr.Eco students	people	395	342	318
Volunteering hours per person	hours	1.7	1.8	2






Customer Privacy










Classification	Units	2018	2019	2020
Cyber infringement	case	0	0	0
Personal information Protection	points	94.6	99.79	99.55




* Dr.Eco: An eco-friendly education program that combines theory and discussion with a tour of the "Geumcheon Eco Center," an education center specializing in climate change in Geumcheon-gu

GRI Standards Content Index

Topic	Disclosure	ISO 26000	SDGs	Social Value	Page	Validation
Universal Standards						
GRI 102: General Disclosure						
Organizational profile	102-1	Name of the organization			6	●
	102-2	Activities, brands, products, and services			6	●
	102-3	Location of headquarters	6.3.10/6.4.1-6.4.2/6.4.3/6.4.4/6.4.5/6.8.5/7.8		6	●
	102-4	Location of operations			6	●
	102-5	Ownership and legal form			6	●
	102-6	Markets served			7	●
	102-7	Scale of the organization			6	●
	102-8	Information on employees and other workers			7	●
	102-9	Supply chain			Not applicable	●
	102-10	Significant changes to the organization and its supply chain			No significant change	●
	102-11	Precautionary principle or approach			52, 54	●
	102-12	External initiatives			5, 77	●
	102-13	Membership of associations			80	●
Strategy	102-14	Statement from senior decision-makers	4.7/6.2/7.4.2		5	●
Ethics and integrity	102-16	Values, principles, standards and norms of behavior	4.4/6.6.3		60-62	●
	102-17	Mechanisms for advice and concerns about ethics			60-62	●
Governance	102-18	Governance Structure			13	●
	102-22	Composition of the highest governance body and its committees	6.2/7.4.3/7.7.5		13	●
	102-33	Communicating critical concerns			14	●
	102-34	Nature and total number of critical concerns			14	●
Stakeholder's involvement	102-40	List of stakeholder groups	5.3		15	●
	involvement	Collective agreement		Labor	15	●
	102-42	Identifying and selecting stakeholders			15	●
	102-43	Approach to stakeholder engagement		Engagement	15	●
	102-44	Key topics and concerns raised		Engagement	15	●

Topic	Disclosure	ISO 26000	SDGs	Social Value	Page	Validation			
Reporting practice	102-45	Entities included in the consolidated financial statements			69	●			
	102-46	Defining report content and topic boundaries			5.2/7.3.2/7.3.3/7.3.4	2	●		
	102-47	List of material topics			17	●			
	102-48	Restatement of information			Not applicable	●			
	102-49	Changes in reporting			17	●			
	102-50	Reporting period			2	●			
	102-51	Date of most recent report			2	●			
	102-52	Reporting cycle			7.5.3/7.6.2	2	●		
	102-53	Contact point for questions regarding the report			2	●			
	102-54	Claims of reporting in accordance with the GRI Standards			2	●			
	102-55	GRI Content Index			73-76	●			
	102-56	External assurance			78-79	●			
	Topic-specific Standards								
	Topic 1: Responding to environmental crises by developing environmental technologies								
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			44-45	●			
	103-2	The management approach and its components							
	103-3	Evaluation of the management approach							
-	-	R&D investment	 	7	●				
Topic 2: Establishing a national living environment safety net									
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			54-55	●			
	103-2	The management approach and its components							
	103-3	Evaluation of the management approach							
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	6.7.1-6.7.2/6.7.4/6.7.5/6.8.8		54	●			
Topic 3: Reducing energy and GHG emissions									
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			34, 44-45, 66	●			
	103-2	The management approach and its components							
	103-3	Evaluation of the management approach							
Energy	302-1	Energy consumption within the organization	6.5.4/6.5.5		70	●			
	305-1	Direct (Scope 1) GHG emissions	6.5.5		71	●			
Emissions	305-2	Energy indirect (Scope 2) GHG emissions			71	●			
	-	Reduction of GHG emissions			66	●			

Topic	Disclosure	ISO 26000	SDGs	Social Value	Page	Validation	
Topic 4: Strengthening environmental industry ecosystem							
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			46-47	●	
	103-2	The management approach and its components					
	103-3	Evaluation of the management approach					
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	6.3.9/6.8.1-6.8.2/6.8.7/6.8.9		24, 35, 46-47	●	
	203-2	Significant indirect economic impacts	6.3.9/6.6.6/6.6.7/6.7.8/6.8.1-6.8.2/6.8.5/6.8.7/6.8.9		8, 46-47	●	
Topic 5: Resolving environmental issues such as fine dust, living environments, toxic substances, etc.							
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary		  	52	●	
	103-2	The management approach and its components					
	103-3	Evaluation of the management approach					
-	-	Number of households in the socially vulnerable class that received indoor environment diagnosis			52	●	
Topic 6: Strengthening support for the socially vulnerable							
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			52-53	●	
	103-2	The management approach and its components					
	103-3	Evaluation of the management approach					
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	6.3.9/6.5.1-6.5.2/6.5.3/6.8	  	25, 28-29, 52-53, 67, 72	●	
Topic 7: Ensuring employee health and creating safe workplace							
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			18-21, 63, 65	●	
	103-2	The management approach and its components					
	103-3	Evaluation of the management approach					
Employment	401-3	Parental leave	6.4.4/6.8.7		Labor, Job Creation	65, 71	●
Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	6.4.6/6.8.8		Labor	72	●

Topic	Disclosure	ISO 26000	SDGs	Social Value	Page	Validation
Topic 8: Activating communities for public participation						
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			30-31, 66	●
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
-	-		Monitoring of labeling standards for household chemical products subject to safety confirmation by the market observer		30	●
Topic 9: Improving professionalism through employee education and training						
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			57, 64	●
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
Training and Education	404-1	Average hours of training per year per employee	6.4.7		64, 72	●
	404-2	Programs for upgrading employee skills and transition assistance programs	6.4.7/6.8.5		64	●
Topic 10: Strengthening ethical management and striving to prevent corruption						
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary			60-61	●
	103-2	The management approach and its components				
	103-3	Evaluation of the management approach				
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	6.6.1/6.6.2/6.6.3		61	●

UNGC Advanced Level



Topics	Description	Page	GRI Contents
1	Strategies and Operations	The COP describes mainstreaming into corporate functions and business units.	
2		10-11	GRI 102-2
3		24	GRI 102-2
4	Human Rights	The COP describes robust commitments, strategies or policies in the area of human rights.	
5			GRI 103-1
6		62	GRI 103-2
7	Labor	The COP describes effective management systems to integrate the human rights principles.	
8			GRI 103-3
9		58	GRI 103-1
10	Environmental Management	The COP describes robust commitments, strategies or policies in the area of labor.	
11			GRI 103-2
12		64-65	GRI 103-2
13	Anti-corruption Management	The COP describes effective management systems to integrate the labor principles.	
14			GRI 103-3
15		34, 42	GRI 103-1
16	UN Goals and Issues	The COP describes robust commitments, strategies or policies in the area of environmental stewardship.	
17			GRI 103-2
18		24	GRI 103-2
19		44-49	GRI 103-3
20	Governance and Leadership	The COP describes effective management systems to integrate the environmental principles.	
21			GRI 103-1
22		60-61	GRI 103-2
23		11	GRI 103-3
24		50, 67	GRI 103-1
25		50, 58	GRI 103-2
26		5	GRI 102-13
27		13-14	GRI 102-14
28		15	GRI 102-18
29		50, 58	GRI 102-13
30		5	GRI 102-14
31		13-14	GRI 102-18
32		15	GRI 102-40, 42, 43, 44

* UNGC (UN Global Compact) Advanced level: As a voluntary initiative that promotes corporate social responsibility, the UN Global Compact's social responsibility performance and disclosure standards are in seven areas, including strategy and operation, human rights, labor, environment, anti-corruption, UN goals and issues, and sustainable governance and leadership.

Independent Assurance Statement



To: The Stakeholders of Korea Environmental Industry & Technology Institute.

Introduction

BSI Group Korea (hereinafter "the Assurer") was asked to verify the 2019-2020 Korea Environmental Industry & Technology Institute(hereinafter "KEITI") Sustainability Report (hereinafter "the Report"). This assurance statement applies only to the relevant information contained in the scope of the assurance.

KEITI is solely responsible for all information and assertion contained in the report. The responsibility of the assurer is to provide independent assurance statement with expert opinions to KEITI executives by applying the verification methodology and to provide this information to all stakeholders of KEITI.

Assurance Standard

AA1000AS v3 standard was applied to this verification, and in relation to the verification level, specific topics that realize social values in the environmental area, such as fostering the environmental industry [Responding to environmental crises by developing environmental technologies / Establishing a national living environment safety net / Strengthening environmental industry ecosystem / Resolving environmental issues such as fine dust, living environments, toxic substances, etc. / Strengthening support for the socially vulnerable / Activating communities for public participation], the Moderate Level of the Type 1 verification type, which confirms the conformity of the AA1000AP principle was applied. In specific topics related to internal performance, [Reducing energy and GHG emissions / Ensuring employee health and creating safe workplace / Improving professionalism through employee education and training / Strengthening ethical management and striving to prevent corruption], the verification was performed in accordance with the Moderate Level of the Type 2. In addition, it was confirmed that the topics complied with the Core Option of the GRI standards standard.

Scope of work

The scope of assurance applied to this report is as follows;

- The data from 1st January 2019 to 31st December 2020 in the report
- Major assertion included in sustainability management policies and objectives, business, performance and contents included in economic and social performance, and materiality evaluation results included in material issues
- The following items were not included in the verification;
 - Financial performance
 - Additional information included in other websites, not reports.

Methodology

As part of its independent assurance, the assurer has used the methodology developed to collect relevant evidence to comply with the verification criteria and to reduce errors in the reporting, and has performed the following activities;

- To determine verification priorities, review of materiality issue analysis process and verification of the results;
- System review for sustainability strategy process and implementation;
- Review the evidence to support the material issues through interviews with senior managers with responsibility for them;
- Verification of data generation, collection and reporting for each performance index

Our findings

As a result of verification, the assurer could not find any matters that would judge that the information and data contained in the report of the KEITI were inappropriately described in terms of materiality. The report is judged to have been prepared in accordance with the core option of the GRI Standards, and additional opinions on the principles proposed by AA1000AP (2018) are as follows.

[Alignment with the principles of AA1000AS \(2018\)](#)

Inclusivity: Stakeholder participation

The KEITI has a stakeholder engagement process in which key stakeholders such as employees, partner organizations, local communities, corporate customers, and government agencies participate, and has undertaken a stakeholder engagement program. Also, the report has communication channels for each stakeholder group and collecting various opinions.

Materiality: Identification and reporting of material issues

The report addresses economic, environmental, and social issues identified by KEITI as high material. KEITI identified impact issues and trend issues through evaluations consistent with the GRI materiality evaluation process and identified business impacts and stakeholder interests through stakeholder surveys to identify material issues and selected reporting criteria for prioritization.

Responsiveness: Response to stakeholder in material issues

KEITI has been responding to those issues it has identified as material and demonstrates this in its policies, objectives, indicators, and performance targets. The reported information can be used by the organisation and its stakeholders as a reasonable basis for their opinions and decision-making.

Impact: Stakeholder impact on material issues

KEITI identifies, measures, and expresses the impact on stakeholders related to important topics in an effective way. KEITI is establishing a process for monitoring, measuring, evaluating, and managing the impact of organizational activities for more effective decision making and management within the organization.

Key areas for ongoing development

To the extent that the results of the verification are not affected, the following comments were made.

- KEITI operates a subcommittee within the board of directors to reinforce the governance of sustainability management. However, it is expected that more effective management will be possible if the high-level policies and goals for sustainability management are established, and the accountability structure for establishing operational strategies and reporting performance is clearly distributed.
- It is recommended to establish a system to collect and manage performance data for each area of economy, society, and environment on a regular basis to manage performance against targets on a regular basis, and to integrate it with the internal audit process for data reliability management.
- Each field of the report describes a relatively positive aspect and expresses efforts to further develop it. At the same time, identifying issues with poor performance and disclosing specific plans to resolve them will help ensure the balance of the report.

Statement of independence and competence

The assurer is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with almost 120 years history in providing independent assurance services. No member of the assurance team has a business relationship with KEITI. We have conducted this verification independently, and there has been no conflict of interest. The assurer has a long experience in the fields of environment, society, business ethics, health and safety management systems, and is made up of excellent team members who understand the BSI Group's assurance standard methodology.

Review of application level of GRI Standards

The assurer confirmed that this report was prepared in accordance with the GRI Standards Core Option and the disclosures related to the following Topic-specific Standards Indicators based on the data provided by KEITI.

[Universal Standards]

102-1~13(Organizational profile), 102-14(Strategy), 102-16(Ethic and integrity), 102-18(Governance), 102-40~44(Stakeholder engagement), 102-45~56(Reporting practice), 103(Management approach)

[Topic-specific Standards]

- Economic: 203-1/2, 205-3
- Environmental: 302-1, 305-1/2
- Social: 401-3, 403-2, 404-1/2, 413-1, 416-1



April 6, 2021
Managing Director BSI NE ASIA, Peter Pu

Awards

Date	Details	Awarded by
2019.12	Selected as best institution for data quality evaluation by the National Science and Technology Knowledge Information Service (NTIS), and received the Minister of Science and Technology Information and Communication Award	Ministry of Science and Technology Information and Communication
2019.07	Minister of Environment Award for Social Contribution	Chosun Biz
2019.07	Vision Awards Gold Prize	LACP
2019.12	Government Award, Minister Award for loved companies	Ministry of Trade, Industry and Energy
2019.12	Acquired the family-friendly company certification and was awarded the Prime Minister's citation as an excellent family-friendly company	Ministry of Gender Equality and Family
2019.12	Selected as best institution (ranked 1st), and received the Minister of Science and Technology Information and Communication Award	Ministry of Science and Technology Information and Communication
2020.06	National Sustainable Development Innovation Management Award	Korean Journalists Association
2020.09	2020 Love Sharing Social Contribution Grand Prize	Chosun Biz
2020.09	2020 Social Eye Awards Grand Prize	Korea Internet Professionals Association
2020.12	Excellence award in the Social Economy Best Practices Contest under the Ministry of Environment	Ministry of Environment

Memberships

Global Ecolabelling Network	The National Assembly Forum on Climate Change	Korea Council of R&D Funding Agencies
UN Global Compact	Incheon Regional Business Incubation Association	Korea Business Council for Sustainable Development
The Institute of Internal Auditors Korea	Korea Water Partnership	The Korean Society for Life Cycle Assessment
Korea Electric Engineers Association	Korea Business Incubation Association	Environmental Research Institute Directors' Council



2020 KEITI Sustainability Report

Address 215, Jinheung-ro, Eunpyeong-gu, Seoul, Korea
 Telephone 02-2284-1115
 Website www.keiti.re.kr



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