



2020/21 KCC GLASS ESG Report

ACTIONS TOWARDS SUSTAINABLE LIFE

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ESG Performance

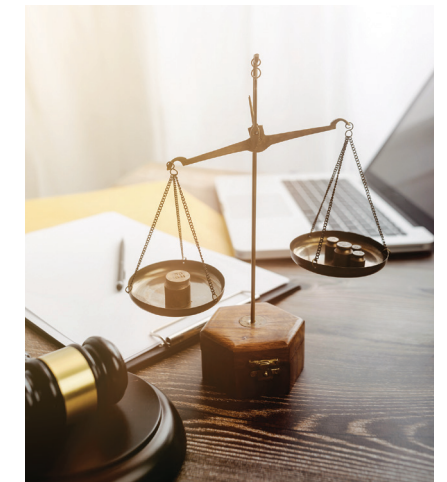
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CEO MESSAGE



“KCC GLASS will focus on stakeholder oriented management to grow as an ESG Leading Company.”

Honesty and ethics are the core values upon which KCC GLASS was founded.

I would like to express my sincere gratitude to all stakeholders, including shareholders, customers, partners, local communities, and employees, who have shown continued support and care for KCC GLASS. To realize the vision of becoming number one company that cherishes customer value and leads the global market with green technologies, KCC GLASS continuously ventures in technological innovation and differentiated services with 'honesty and ethics as the top priority in all business activities.

This year, KCC GLASS has actively attempted to turn a crisis into an opportunity amidst the economic uncertainties and downturn caused by the global pandemic of COVID-19. Through this report, we intend to share the achievements of KCC GLASS in relation to economic and social values, accomplished in spite of the global crisis, as well as our future goals. KCC GLASS will continue to utilize various channels to communicate with stakeholders, including the ESG Report, about our growth and progress with regard to the following commitments and tasks:

We will attend closely to the voice of customers (VOC) and stakeholders.

KCC GLASS will focus on maximizing customer values using its outstanding technology, design capabilities, and solid sales network. Broadening the definition of stakeholders, including customers, that we may have an impact on, we will incorporate and reflect our stakeholders' opinions in our decisions. The economic values created from such decision-making will be used to lay the foundation for sustainable management and create a virtuous cycle structure.

We will create a safe and eco-friendly workplace.

The recent proliferation of extreme weather events poses a stronger challenge for companies in assuming new roles. As a global corporate citizen, KCC GLASS has established and complies with seven environmental management policies at all business sites. We are strengthening workplace safety management and establishing a safety system to achieve ZERO safety accidents. KCC GLASS is dedicated to promoting the safety and health of employees and conserving the environment.

We will work to become a widely trusted and beloved company.

KCC GLASS will closely assist stakeholders and move toward a sustainable future. We will work towards becoming the most trusted company that creates ESG values (environment, social, and governance). With "2025, ESG Leading Company" as the strategic goal of the company's ESG management, we will work to lay the foundation to achieve sustainable growth as a trusted company that protects the environment and respects people. We appreciate your unwavering support and continued interest.

KCC GLASS joined the UN Global Compact (UNGC) in 2021 to promote ESG management in earnest, domestically and at a global level. Through this report, KCC GLASS declares that we will support and comply with the ten principles of the UNGC in regard to human rights, labor, the environment, and anti-corruption. As a member of the UNGC, we will respect our stakeholders and work harder for the sustainable development of the nation and the international community. KCC GLASS will continue to practice and promote values of the UNGC through sustainable management.

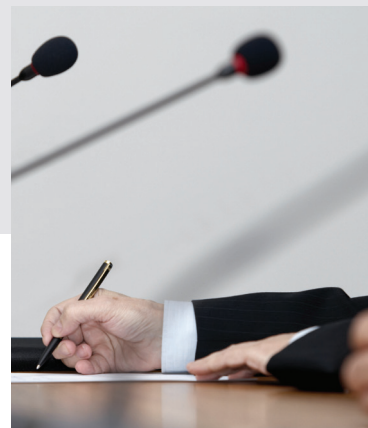
October 2021
CEO Kim Nae Hoan

2020/21 HIGHLIGHTS



1 Establishment of KCC GLASS

KCC GLASS was established as a spin-off from KCC Corporation in January 2020, in order to strengthen management efficiency and expertise and to respond quickly to changes in the market environment. By separating the business divisions of glass, HomeCC, flooring, film, etc., we increased our core competencies and secured expertise in each field. We further improved organizational efficiency by establishing a decision-making system suitable for each business division. We will continue to improve the quality of life of our customers and increase our corporate value through the development of new technologies and designs.



3 The First General Meeting of Shareholders and Establishment of an External Director Recommendation Committee

On March 26, 2021, KCC GLASS held the first regular general meeting of shareholders after the split and merger. In the general shareholders' meeting, shareholders voted on the establishment of an external Director Recommendation Committee to enhance management transparency and strengthen the ESG management. Through the establishment of an autonomous External Director Recommendation Committee, KCC GLASS intends to lay the foundation for sound governance and promote sustainable ESG management.

2

Merger with Korea Autoglass Corp.

On December 1, 2020, KCC GLASS merged with Korea Autoglass Corp, a manufacturer of automobile safety glass. Through the merger, we strengthened the foundation of our glass business and established a system that manages a comprehensive process, from acquisition of raw materials to production and sales of architectural and automotive glass.



4 The bus flooring material 'SENSTONE' received Jang Young-Sil Award

Received the IR52 Jang Young-Sil Award, the most prestigious industrial technology award in Korea, for the development of flooring materials for buses, based on its excellent safety features.

Received excellent grades in all safety-related categories, including non-slip properties, flame retardancy, volatile organic compound (VOC) emissions, and exhaust gas emissions (light weight)

6

HomeCC won the Best Brand of the Year at the 2020 Korea Consumer Awards hosted by the Korea Consumer Association for two consecutive years

Received a high commendation for protecting consumer rights and providing reliable services in the interior market, which has high information asymmetry

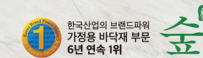


7

SUP, a flooring material, ranked first in the 2021 Korean Industry Brand Power (K-BPI) for six consecutive years

Rated No. 1 in the household flooring category for six consecutive years

Received highest score in all evaluation items, including initial recognition, brand image, purchasability, and preference.



5 Ranked in 1st place in three categories in the 2020 KS-QEI (Korea Quality Satisfaction Index).

Eleven consecutive years in PVC flooring; four consecutive years in low emission glass; and a first time winner in new decoration film

8

Started construction of the first overseas plant in Indonesia

Started construction of a 490,000 - square - meter flat glass plant in Batang Industrial Complex, Central Java, Indonesia, scheduled to be completed by 2024

Prepared a bridgehead for entering the global market



9

Joined the United Nations Global Compact (UNGC)

Internalized ten principles in the areas of human rights, labor, environment, and anti-corruption

Started participating in the UN Sustainable Development Goals (SDGs)

KCC GLASS AT A GLANCE

COMPANY PROFILE

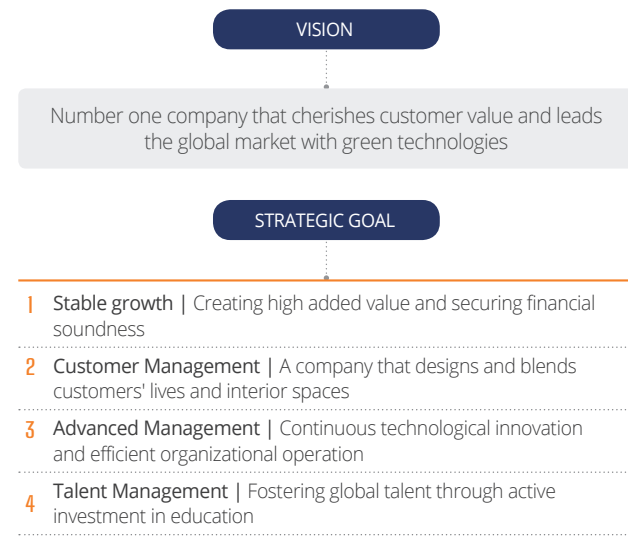
KCC GLASS was established as a spin-off from KCC Corporation on January 2, 2020, in order to strengthen management-efficiency and expertise in Glass, HomeCC, Flooring, Film and Interior Stone, as well as to respond quickly to changes in the market environment and policies by separating the company's B2C business. We will be focusing our corporate competencies on developing "one and only" products that will lead the global market and apply technologies in the architectural materials and glass industries that we have acquired over the course of our history. In order to create a new growth engine, on December 1, 2020, we absorbed and merged with Korea Autoglass Corporation and established a comprehensive system for the glass business. To further strengthen digital marketing capabilities, our interior specialty brand, HomeCC, which has been largely based on offline stores, launched an online platform, HomeCC Mall. Through HomeCC, a brand specialized in total interior design, we strive to provide an ideal, better living environment for our customers. KCC GLASS will constantly take on challenges to advance further to become the world's best glass and interior specialist.

Date of Establishment	January 2, 2020
CEO	Kim Nae Hoan
Headquarters	587, Gangnam-daero, Seocho-gu, Seoul
Business Areas	Glass, Interior distribution/service, Flooring Materials, Film, Interior Stone, PHC Pile etc

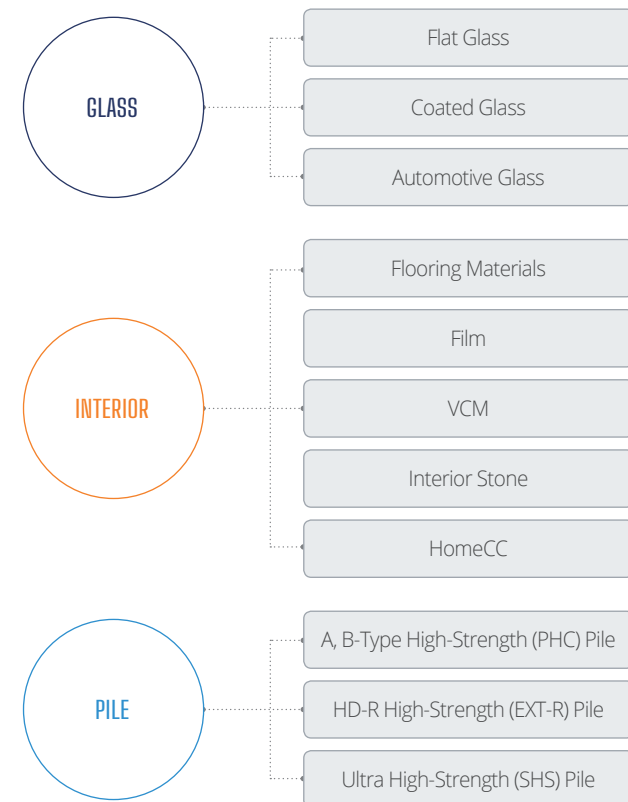
Net Profit	Sales
KRW 132.3 Billion	KRW 708.7 Billion
Number of Employees	Operating Income
1,704	KRW 35.8 Billion

* As of December 31, 2020

COMPANY OVERVIEW



BUSINESS AREA

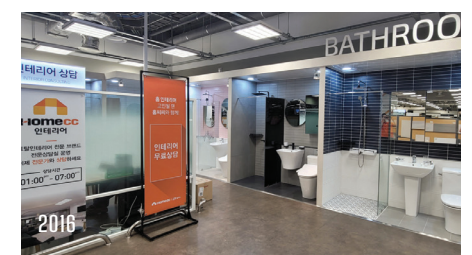


HISTORY

- 1950** Founded Keumkang Slate Ind. Co., Ltd.
- 1958** Keumkang Slate Ind. Co., Ltd. renamed as Keumkang Limited
- 1970** Completed construction of Yeosu Plant
- 1976** Completed construction of Yeongwol Plant
- 1980** Completed construction of Asan Plant
- 1987** Keumkang and Korea Chemical merged and renamed as KCC Co., Ltd. Established Korea Auto Glass Co. (KAC)
- 2000** KCC Co., Ltd. renamed as KCC Corporation
- 2010** Korea Silica renamed as KCC Mineral Resources Corporation (KMR)
- 2011** Opened HomeCC Incheon Branch
- 2012** Completed construction of Jeonui Plant #2
- 2015** KCC merged with KMR. Acquired VCM business unit of Innogratech
- 2016** Opened HomeCC Ulsan Branch. HomeCC won the first prize in the interior category of 2016 Master Consumer Confidence of Korea Brand Awards
- 2017** Merged with Sambu Construction Industrial and established the Pile Division
- 2019** Ranked No. 1 in 2020 Korean Standard Quality Excellence Index (KS-QEI). Flooring (ten consecutive years), Coated Glass (three consecutive years)
- 2020** Established KCC GLASS. Merger with Korea Autoglass Corp.



- 1990** Established Korea Silica Co., Ltd.
- 1995** Completed construction of Yeongwol Plant
- 1996** Completed construction of Asan Plant
- 2000** Keumkang and Korea Chemical merged and renamed as KCC Co., Ltd. Established Korea Auto Glass Co. (KAC)
- 2005** KCC Co., Ltd. renamed as KCC Corporation

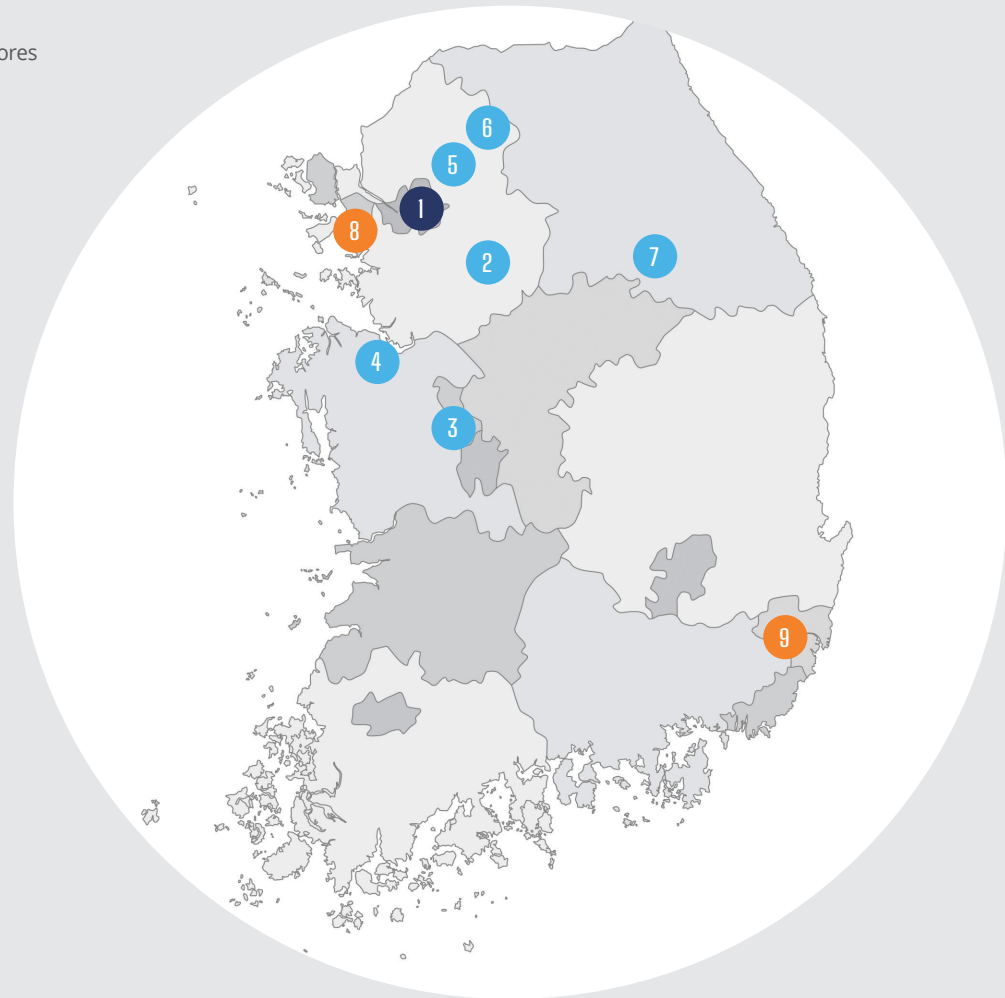


BUSINESS PORTFOLIO

Business Sites and Products

As a glass and interior specialist, KCC GLASS operates in a variety of markets, including architecture, construction, automobile, and home appliances. In addition to our Seoul headquarters and large scale production plants in Yeosu, Jeonui, Asan, Gapyeong, Yeongwol, and Deokso, we are operating showrooms and retail stores in Incheon, Ulsan, and other major cities to promote healthy growth and fulfill corporate social responsibilities. In May 2021, we held a groundbreaking ceremony for a glass production plant in Batang Industrial Complex, Indonesia, where we are planning to ultimately build a comprehensive glass cluster to target overseas markets.

- — Headquarters
- — Plant
- — HomeCC Stores



Nationwide Sales Offices

Seoul Metropolitan Office	587, Gangnam daero, Seocho gu, Seoul	Honam Sales Office	270, Mujin daero, Gwangsan gu, Gwangju
Incheon Sales Office	16, Jungbong daero 393beon gil, Seo gu, Incheon	Ulsan Sales Office	28 17, Jinjangyutong ro, Buk gu, Ulsan
Chungcheong Sales Office	150 Sintanjin ro, Daedeok gu, Daejeon	Yeongnam Sales Office	1628, Jungang daero, Geumjeong gu, Busan

KCC GLASS Major Domestic Business Sites

1 Headquarters



Address | 587, Gangnam daero, Seocho gu, Seoul, Republic of Korea

2 Yeosu Plant



Address | 541, Yeojunam-ro, Ganam-eup, Yeosu-si, Gyeonggi-do, Republic of Korea
Products | Flat Glass, coated glass

3 Jeonui Plant



Address | 134, Sandan-gil, Jeonui-myeon, Sejong-si, Republic of Korea
Products | Automotive safety glass

4 Asan Plant



Address | 658-33, Asan-ro, Yeomchi-eup, Asan-si, Chungcheongnam-do, Republic of Korea
Products | Flooring, film

5 Deokso Plant



Address | 244, Sure-ro, Wabu-eup, Namyangju-si, Gyeonggi-do, Republic of Korea
Products | PHC PILE

6 Gapyeong Plant 7 Yeongwol Plant



Gapyeong Plant
Address | 42, Muransan-gil, Gapyeong-eup, Gapyeong-gun, Gyeonggi-do, Republic of Korea
Products | Silica

Yeongwol Plant
Address | 282-54, Wondongjae-ro, Buk-myeon, Yeongwol-gun, Gangwon-do, Republic of Korea
Products | Dolomite

8 HomeCC Incheon



Address | 16, Jungbong daero 393beon gil, Seo gu, Incheon, Republic of Korea
Products | Interior materials

9 HomeCC Ulsan



Address | 28-17, Jinjangyutong ro, Buk gu, Ulsan, Republic of Korea
Products | Interior materials

HomeCC Interior Showroom

HomeCC Seocho	344, Sapyeong daero, Seocho 4(sa)-dong Seocho gu, Seoul	HomeCC Busan Geumjeong	1628, Jungang daero, Geumjeong gu, Busan, Republic of Korea
HomeCC Bundang Pangyo	210, Daewangpangyo ro, Bundang gu, Seongnam si, Gyeonggi do, Republic of Korea	HomeCC Gwangju Gwangsan	270, Mujin daero, Gwangsan gu, Gwangju, Republic of Korea
HomeCC Goyang	2014, Goyang daero, Deogyang gu, Goyang si, Gyeonggi do, Republic of Korea	HomeCC Daegu Junggu	111, Taepyeong ro, Jung gu, Daegu, Republic of Korea
		HomeCC Changwon City Seven	320, Woni-daero, Uichang gu, Changwon si, Gyeongsangnam do, Republic of Korea

GLASS

KCC GLASS's glass products can be classified into three categories: flat glass, coated glass, and automotive glass. Through these glass product lines, we strive to enhance customer convenience and functionality, with focus on creating a pleasant residential environment and energy conservation.

Flat Glass

KCC GLASS's flat glass products achieve optimal level of visible light transmittance for the best viewing experience of customers. They are used in both interior and exterior applications and contribute to creation of new values of space.



Clear Glass : Clear glass with excellent light transmission is used in architectural buildings and home appliances, etc widely.

Colored Glass : With adjustable light transmittance, colored glass makes it more comfortable for the user's eyes and provides a variety of colors to enhance quality of building.

Design Glass : Patterns engraved on the glass adjust the level of transmission of direct sunlight to create a cozy ambiance and improve privacy.

Coated Glass

KCC GLASS's Coated Glass boasts excellent insulation, as well as protection against solar heat, which provides excellent energy saving features. It is a perfect choice for creating a pleasant indoor environment all year long. It comes in a variety of colors to complement the exterior designs of buildings.



E-GLASS : A high-performance soft-coated single Low-E glass with superior thermal insulation and anti-condensation properties.

· EGIS Series: Easy to store and machinable soft Low-E coated glass with durable coating.

· Crystal Series: High-functional single Low-E coated glass with lots of color choice and excellent thermal transmittance comparable to that of double Low-E glass.

E-MAX : Multi-functional double Low-E coated glass with the highest insulation and solar heat shielding effects that improve cooling and heating efficiency.

Automotive Glass

KCC GLASS's Automotive Glass provides a comfortable driving environment for the driver and passenger, while providing additional protection against external impact and reducing the chance of secondary accidents caused by glass fragments. By blocking solar heat, KCC GLASS's automotive glass helps improve cooling efficiency, thus conserving energy and reducing CO₂ emissions.

➤ Standard automotive safety glass



Laminated Glass : Two sheets of glass are laminated with a layer of PVB (Polyvinyl-Butyral) bonding film, which has excellent tensile strength, at high temperature and high pressure. It is mainly used for windshields of automobiles for its high shock-absorption property.

Tempered Glass : A strong compressive stress is formed on the surface through a process of heating the glass sheet to 600~700°C, forming, and quenching. It is used in rear and side windows of vehicles, as it has three- to five-times higher impact strength than regular glass.

➤ Specialized automotive safety glass

Soundproof glass : A special film PVB (Polyvinyl-Butyral) with noise-blocking properties is applied between two sheets of glass and adhered at high temperature and pressure to reduce transmitted noise in the 1,000-3,000Hz frequency band.

Solar heat shielding glass : Specialized in blocking UV rays and solar heat to reduce a vehicle's burden on air-conditioning, hence reducing fuel consumption and CO₂ emissions.

Panoramic glass : It is used to make the entire roof of the car translucent, to give a feeling of openness and improve ventilation.



Privacy glass : By changing the composition of the glass to have darker color with low light-transmittance, it makes the interior less visible from the outside.

HUD Glass : HUD (Head Up Display) glass is made by inserting a special PVB (Polyvinyl-Butyral) film and bonding it at a high temperature and pressure. It displays driving information on the front glass to improve safety of the driver.

Wire-Heated Defrosting Glass : Made by inserting a thin wire inside the laminated glass, which heats up the glass to remove frost, ice, and snow on the glass for safety.

Water-Repellent Glass : Special repellent coating is applied on the glass to help improve visibility and ensure safety by preventing formation of water droplets on the surface of glass.

Photovoltaic Glass : Solar cells are installed on the sunroof to generate solar power.

Lightweight Glass : Manufactured thinner by bonding with PVB (Polyvinyl Butyral) film or heat strengthening the glass. Improves the fuel efficiency by reducing the thickness and the weight of the vehicle.



FLOORING

KCC GLASS's HomeCC flooring products are designed to offer optimal functionality to meet specific needs of a wide range of living spaces.

Residential Flooring

Having acquired a variety of eco-friendly certifications, KCC GLASS's eco-friendly residential flooring materials offer various features suitable for residential spaces.

➔ Residential Flooring



With excellent antibacterial and deodorizing properties, it is the first domestic flooring brand to acquire the Atopy Safety Certification.

➔ Hardwood Floor

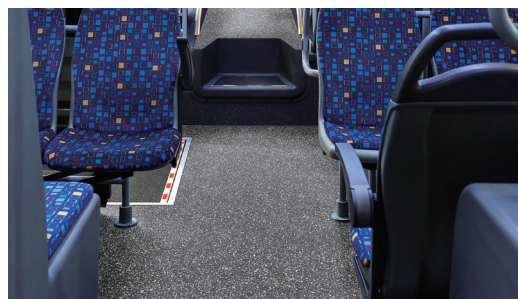


Highly durable and resistant to wear; creates a comfortable and functional indoor environment with natural color tones and texture.

Flooring for Transportation Vehicles

Special chips and fiberglass layers in flooring provide excellent durability and resistance to deformation due to heat and moisture. Our flooring materials have been certified for various features and performances and are perfect for flooring of buses and ships.

➔ Automotive Flooring



Partial dispersion of PVC chips and silicone carbide (SiC) in chip type products provide excellent resistance to slippage. As for the wood type products, high strength transparent layer and UV coating layer of the surface make it durable and easy to maintain for a long time.

➔ Flooring for Ships



The special fiberglass layer prevents deformation from heat and humidity and its excellent fire resistance prevents spread of fire in the event of fire.

Commercial Flooring

Commercial flooring is highly functional and has diverse applications, including business facilities, hospitals, and schools. While exhibiting physical properties that meet specific requirements, it provides elegant appearance with high durability.

➔ PVC Tile (LVT)



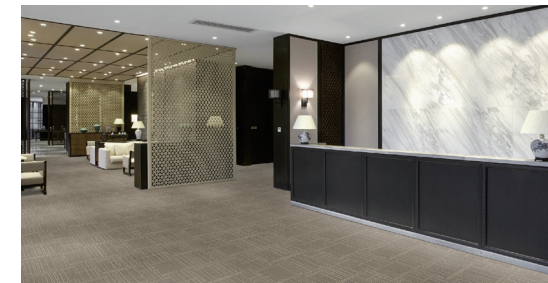
PVC Tiles offer diverse designs and choices of materials including concrete, carpet, marble and wood. The special UV paint coating makes it easy to maintain and resistant to scratches and stains.

➔ Deluxe Tiles



From the product surface to floor, constant marble chip structure ensures long lasting durability.

➔ Carpet Tiles



Carpet tiles are easy to install and has excellent sound absorption.

➔ Rubber Tiles



With superior sound absorbing effect and cushioning, KCC GLASS's Rubber Tiles provide non slip, safe flooring.

➔ Functional Flooring



With anti static and electric resistance properties, it is used in research institutes and computer rooms where many electronic devices are being used. Its double flooring secures required space for wiring and ensures safety.

➔ Flooring for Educational Facilities



This is a sheet type flooring product with a high elasticity cushioning layer, which reduces living noise and increases comfort and durability

FILM

KCC GLASS's HomeCC Film products are used in furniture and molding as eco-friendly surface finishing materials. The film products come in a variety of patterns and colors to complement a wide range of residential and office spaces. In addition, we offer films with specific features needed for home appliances, advertisements, etc.

➔ VICENTI Decoration Sheet



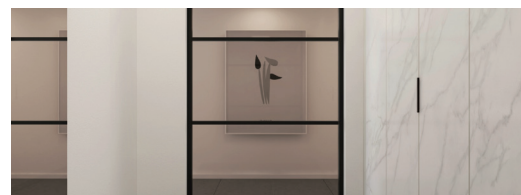
This is a surface finishing film that can be applied to the interior and exterior of windows, furniture, and molding. The sophisticated patterns and colors help create an elegant space.

➔ VICENTI Furniture



This is an eco-friendly surface finishing material for general furniture and kitchen and meets the Green Housing Construction Standards. A wide range of color options and intricate surface textures provide high quality finishing to spaces.

➔ VICENTI Glass



As an interior film for glass that uses the UV imprinting technology suitable for household appliances, it provides improved surface hardness anti-fingerprint properties. It is used in household appliances, doorways, furniture doors, etc., and is a safe product that utilizes UV adhesive technology.



➔ VICENTI Interior Film



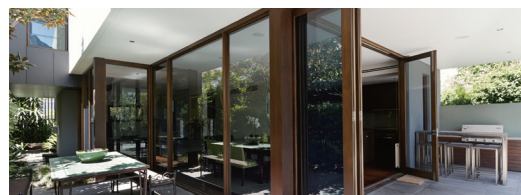
The trendy pattern and design make space more visually appealing. The adhesive backing makes it easier to install.

➔ VCM(Vinyl Coated Metal)



KCC GLASS realizes intricate patterns on VCM with the company's unique high luminance metal printing and UV imprinting technology. It can be used in interior decoration, as well as premium home appliances, such as refrigerators and washing machines.

➔ High-Weatherability Sheet



As a product for the exterior, it is resistant to environmental conditions, such as strong wind, direct sunlight, UV rays, humidity, and heavy snow. It is also resistant to discoloration, deformation, and abrasion and can be used to decorate exterior windows and panels.

➔ Graphic Film

With excellent weatherability and clear print quality, KCC GLASS's Graphic Films are mainly used in the exterior of buildings and spaces.

HOMECC

HomeCC is an interior brand that is dedicated to providing superior-quality building materials produced by KCC GLASS, as well as other interior finishing materials. At two interior stores and seven showrooms, we offer quick and easy quotes and customer-orientated interior shopping experiences. We are concentrating on setting the latest trends in interior concepts and styles by proposing design packages that capture not only the architecture and interiors, but also the lifestyles of customers. HomeCC Interior's design packages present an unrivaled quality and design that reflect the latest domestic and international trends. Customers can choose between Organic, Soft, and Trendy packages offered in our showrooms according to their tastes.



➔ ORGANIC

The Organic package creates natural spaces, with a focus on unrefined or organic textures as well as natural tones, to allow customers to experience nature within the space.

➔ SOFT

The Soft package has been updated with sophisticated, timeless style with calm, neutral base colors and classic elements for kitchen furniture and lighting.



➔ TRENDY

The Trendy package has been renewed with a vibrant Nordic style with an emphasis on the use of trendy light-gray and patterned tiles. It promotes harmony between the space and lifestyle of the occupants.

HomeCC Interior Stores

Located in Incheon and Ulsan, Interior stores of HomeCC are the nation's largest interior design stores with approximately 200 brands and 30,000 products.

HomeCC Incheon



HomeCC Ulsan



Bath Showroom



Kitchen Showroom



HomeCC Interior Showrooms

HomeCC Showrooms are operating in major cities in Korea, including Seoul and Busan, for convenience and accessibility of customers. In addition to experiencing the company's own design and space, customers can also receive a reliable interior service through standard contracts at our showrooms.

HomeCC Seocho



HomeCC Bundang Pangyo



HomeCC Goyang



HomeCC Busan Geumjeong



HomeCC Gwangju Gwangsan



HomeCC Daegu Junggu



HomeCC Changwon City Seven



INTERIOR STONE

With its wide range of color and material options, KCC GLASS's HomeCC Interior Stone can be applied to various spaces from residential to commercial spaces.

SENSTONE-ULTRA(Big Slabs)



With natural stone designs, this ceramic surface finish has excellent thermal, scratch and contamination resistance. It provides a superior finish to interior and exterior walls, floors, etc. It comes in large sizes, so it can be installed with fewer seams for a cleaner, impressive look, which is appropriate for a premium finishing material.

SENSTONE-QUARTZ(Engineered Quartz)



SENSTONE QUARTZ is a natural quartz based reinforced stone in natural texture and color. With low absorption, it is a high quality, hygienic surface material that has secured consistency in design and color of the pattern across different lots.

SENSTONE-MARBLE(Engineered Marble)



This is a natural marble based reinforced stone that uses natural shattered stone for charming patterns. Compared to natural stones, it is easier to cut and has a wide range of applications.

SENSTONE-PLUS(Acrylic Engineered Marble)



This has a wide range of applications for interior and exterior, and produces excellent design with thermoforming and seamless finish. It is a premium finishing material that is easy to maintain, hygienic, and is easy to finish with general tools and equipment.

PILE



PHC(Pretensioned spun High strength Concrete)Pile

As a basic building material for construction work that transfers the load of the building to the ground, it is used in various fields, including buildings, multi use facilities, apartments, and schools, as well as civil works and plants.



RESPONSE TO COVID-19

Strategies for Response to COVID-19

“Let us overcome COVID-19 together.”

The global outbreak of the COVID-19 pandemic in 2020 has brought many changes and difficulties, both internally and externally, including economic shocks and a complete change to our daily lives. The distribution of the vaccine at the end of 2020 was expected to slow down the spread in 2021, but rapid spread of the variant viruses makes it hard to anticipate when the COVID-19 will actually end. Under these circumstances, KCC GLASS places the highest priority on protecting the health and safety of its employees and mobilizes all its capabilities to prevent plant shutdowns or other management risks related to the nature of the industry.



Screening body temperature and sanitizing hands at the entrance Rapid PCR Test at Yeosu Plant

Preventive Measures

Temperature Measurement and Sanitation Efforts

KCC GLASS has placed hand-sanitation stations and thermal-imaging cameras at all entrances to the business sites to measure body temperature and enforce hand sanitation. Anyone with fever or suspected of being infected is prohibited from entering the business site and is encouraged to work from home.

Routine Sanitation

We are providing face masks to our employees and installing partitions in the office, cafeteria, and conference rooms to prevent the spread of virus. We regularly disinfect places that are frequently touched, such as handrails and elevator buttons, and have hired a professional disinfection company to conduct scheduled disinfection of the entire business site. We are also actively utilizing video conferencing to minimize face to face meetings.

Working from Home and Paid Vaccination Leave

We have changed the company policy in 2020 to accommodate working from home for our employees as necessary and are operating telecommuting in accordance with the government's social distancing stage. We highly recommend that employees be vaccinated for COVID-19 and offer paid leave on the day of vaccination and up to two additional days in case of an abnormal reaction.

Vaccination rate

First dose	1,504 persons
Vaccination rate for first dose	83.23%
Complete vaccination	613 persons
Vaccination completion rate	33.92%

Paid Leave Usage after Vaccination

Number of employees that used paid leave	1,443 persons
Average number of paid leave each employee used	1.75 days

* As of September 30, 2021



Countermeasures to COVID-19 Infections

Establishment of Emergency Response System

KCC GLASS established an emergency response organization responsible for establishing management and response guidelines and operating emergency response systems for COVID-19 infections. The organization keeps updating information on people who received COVID-19 tests; those who recently had contacts with someone who has COVID-19; those who have traveled overseas; and those who had respiratory symptoms. By establishing employee guidelines, sending alert messages, etc., the organization helps prevent the spread of viruses in a more systematic manner.

Preemptive Response in Cooperation with Government Organizations

In January 2021, Yeosu City introduced the rapid PCR test and conducted free tests for all residents of Yeosu to preemptively respond to COVID-19. In addition, mobile testing stations offering rapid PCR testing were installed in large-scale facilities. KCC GLASS's Yeosu Plant conducts rapid PCR tests at least once per month for employees and business partners working in the plant. A confirmed case was found in a test conducted in June 2021, but we were able to prevent large-scale spread in the local community and the business site in advance. KCC GLASS will continue to make an active effort to protect the health and safety of employees, subcontractors, and stakeholders by complying with the government's regulations until the end of COVID-19.



CHANGE IN ACTION

KCC GLASS is concentrating on advancing into the global market and strengthening B2C business capabilities, in addition to producing high added value products based on energy efficient and eco-friendly technologies.

ACTION 1.

VALUE CREATION IN BUSINESS

Development of New Growth Engine

Merger with Korea Autoglass Corp

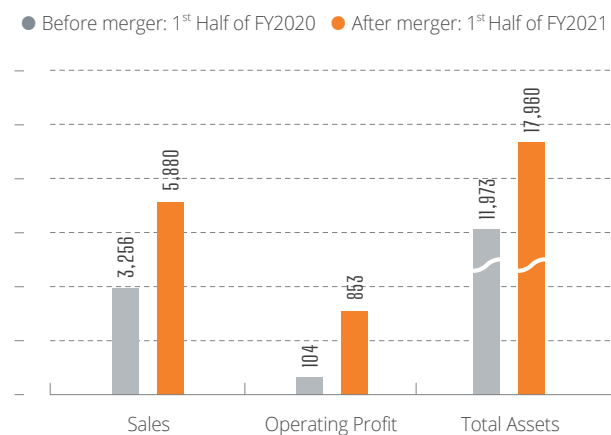
In order to create a new growth engine, on December 1, 2020, KCC GLASS absorbed and merged with Korea Autoglass Corporation (KAC), a specialized manufacturer of automotive safety glass. Through the merger, KCC GLASS intends to facilitate the establishment of a unified system, from production of raw materials to distribution, to not only ensure technological advancement but also improve efficiency and strengthen the company's overall competitiveness.

KCC GLASS expects synergy from the merger since the company has the no. 1 market share in the domestic market of glass panels, which is used to make automotive safety glass. The merger will allow KCC GLASS to continue the business of KAC, which has been leading the domestic automotive safety glass market as a key vendor to major automakers such as Hyundai Motor, Kia Motors, and GM. In addition, KCC GLASS plans to continue to create new growth opportunities by enhancing the company's competitiveness through the development of high-performance and high-functional glass, while actively seeking overseas export channels.



Key Financial Information Before and After the Merger

(Unit: KRW 100 million)



KCC GLASS Commenced Construction of its First Overseas Plant in Indonesia to Advance into the Global Market

On May 6, 2021, KCC GLASS held a board meeting and passed a resolution for the construction of a glass plant in Batang Industrial Park, Central Java, Indonesia. On May 20, KCC GLASS held a groundbreaking ceremony at the plant site in Indonesia with the company officials and Indonesian government officials. KCC GLASS Indonesia Plant is to be located in Batang Industrial Park, Central Java, Indonesia, and will cover a total area of 490,000m² (49ha). The construction is scheduled to be completed in 2024.

Batang Industrial Park is an industrial complex within the Grand Batang City, a strategic project promoted by the Indonesian government, with "smart and sustainable industrial complex" as an objective, covering a total area of 43 million m²(about 4,300ha). Upon completion in 2024, the plant is expected to produce around 438,000 tons of architectural flat glass per year for the growing Southeast Asian market, including that of Indonesia. KCC GLASS plans to expand the plant in stages to develop an integrated glass cluster for the overseas market. The plant in Indonesia will be the first overseas manufacturing facility of KCC GLASS since its establishment, and is expected to act as a bridgehead for the company's expansion into the global market.



Economic Issues and Key Performances

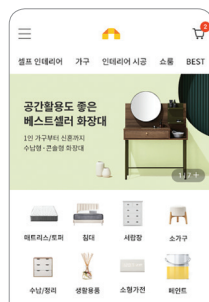
KCC GLASS Strengthens its B2C Business Capabilities

KCC GLASS is focusing on strengthening its B2C business capabilities through its interior design brand, HomeCC. In 2021, HomeCC showrooms in Incheon and Ulsan went through an expansion and renewal that added a variety of newly trending products. HomeCC Interior Showroom in Incheon has strengthened experiential aspect so that customers are not only able to experience the designed space, but also receive expert consultation.

Furthermore, KCC GLASS has launched an online platform, HomeCC Mall, to strengthen digital marketing and online customer interaction. To improve customer service even more, we have introduced a new logistics system and are establishing B2C business infrastructure.

HomeCC is expanding its B2C business by renewing the interiorstone Senstone line, premium-finished windows (HomeCC WINDOW), and a specialized bathroom package (EASY BATH).

On-line



Off-line



Reinforcing ESG Management through Launching of Eco-Friendly Products

HomeCC is launching a variety of new eco-friendly interior products as part of its efforts to strengthen its ESG (Environmental, Social, and Governance) management.

Launched in 2020 and 2021, HomeCC's flooring materials, SUP DODAM and SUP HYUGAON, respectively, are representative eco-friendly products that obtained various environmental certifications, such as the Korea Atopic Association's recommended product mark and the Korea Air Cleaning Association's eco-friendly building material (HB) certification. In particular, SUP DODAM is the first residential flooring material that acquired the PS Certification (Pet Product Safety Certification).

VINCENTI Decoration Film, interior surface finishing film, and VINCENTI Furniture also have obtained the Ministry of Environment's environmental mark (Environmental Label Certification) and the Korea Air Cleaning Association's eco-friendly building material (HB mark) certification.



Low Carbon, Green Growth through Production of High Performance Glass

KCC GLASS is advancing in the high-insulation building glass market with a variety of high-performance Low-E glass products tailored to customer needs and the government's energy-reduction policies for buildings. KCC GLASS first launched the high-insulation double Low-E products for residential use in Korea in 2018. Since then, the company has continued to help reduce building energy consumption by launching in 2021 a high-performance, high-insulation single Low-E glass product that comes in a variety of colors, known as the Crystal Series.

In addition, the lightweight glass and solar heat shielding glass for automobiles help reduce carbon dioxide emissions from automobiles. Furthermore, the production of photovoltaic glass is contributing to the introduction and development of solar-power generation technology for electric vehicles. Through continuous R&D, various kinds of functional glass, including HUD glass, which allows images to be projected on glass, and soundproof glass are being produced.

KCC GLASS leads advanced architectural design through continuous quality improvement and development of eco-friendly products. We were ranked first for the eleventh and the fourth consecutive years in the PVC flooring and low-emissivity glass category, respectively, of the KS-QEI (Korean Standard Quality Excellence Index), and we were the first in the industry that won the decorative film category in 2020.



ACTION 2.

VALUE CREATION IN ENVIRONMENT

Eco-Friendly Business

Using Sustainable Energy

Renewable Energy and Solar Power Generation

In efforts to increase the use of renewable energies, KCC GLASS continues to expand its solar power facilities. Including the first solar power plant in Yeosu Plant in 2012, the company operates six solar power plants at three business sites as of 2020. The solar power plant is installed on the roof of the business site of KCC GLASS to utilize idle space; the total installation area is 44,659m² (4.5ha). The six solar power plants have a power-generation capacity of 7.9MW, and as of 2020, they produced 10.1GWh of electricity, which is equivalent to the amount used by about 3,659 households for one year (230KWh/month as average monthly electricity consumption) and has the effect of reducing greenhouse gas emissions by 4,719tCO₂e per year.

Solar Power Generation

10.1GWh

Solar Power Generation Facility Operation Status

Business Site	Installation Area(m ²)	Power Generated(MW)	Power Generated in 2020(GWh)	Investment(KRW 100 million)
Yeosu Plant	24,732	4.3	5.4	97
Jeonui Plant	9,260	1.7	2.2	32
Ulsan Logistics Center	10,667	1.9	2.5	34
Total	44,659	7.9	10.1	163



Expansion of Low Carbon Energy

KCC GLASS's Yeosu Plant is operating six waste-heat boilers (WHB) that utilize heat from exhaust gas generated during the glass-melting process. Using high-temperature exhaust gas heat, a waste-heat boiler is a clean facility that does not emit greenhouse gases to produce steam, unlike general boilers. The generated steam is used for hot water, heating, and cooling of employee residences and office buildings. Any excess is being used to drive steam power generation facility to generate electricity. The generated electricity is reused in the production process to help reduce electricity consumption.

Generation by Year

Year	Power Generated(KWh)	GHG Reduced(tCO ₂ e)
2018	712,106	332
2019	781,512	364
2020	590,852	276

Networking for Renewable and Green Energy Related Research

In order to expand the application of solar power, we are developing technologies in cooperation with various organizations. We are working with research institutes and companies to increase the commercial value of the BIPV (Building Integrated Photovoltaic) panel, which is an essential part of the government's zero-energy building project, by producing the cover glass in a variety of colors.

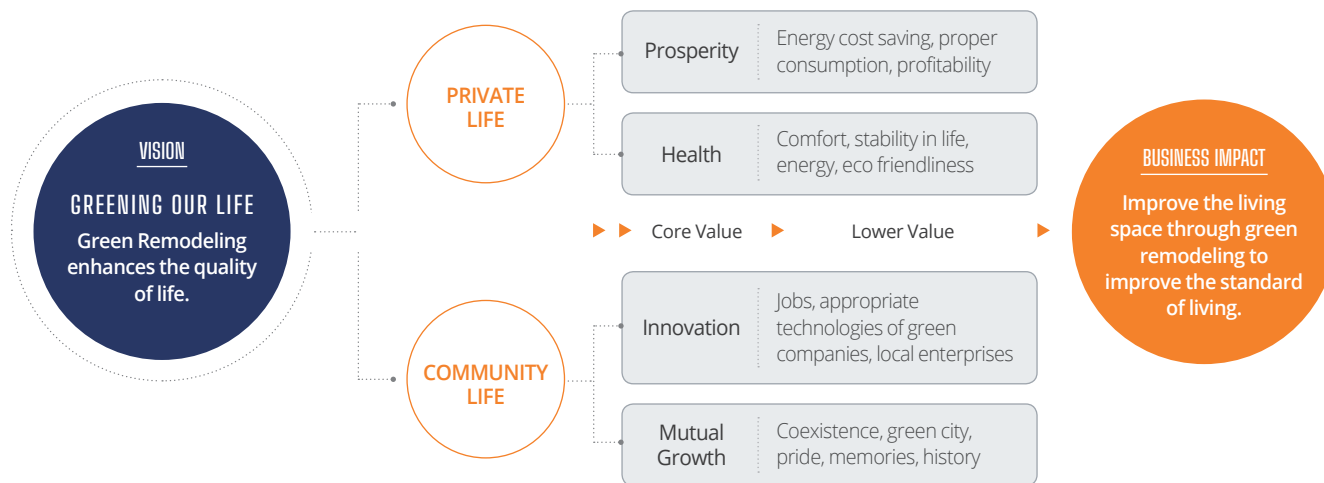
In the automobile sector, we are conducting research to improve fuel efficiency and reduce CO₂ emissions in cooperation with automakers. We jointly developed a sunroof with solar cells with Hyundai Motor's Namyang Research Institute. In addition, we are developing a technology for lightweight glass with reduced thickness while maintaining the performance.

Green Remodeling Project

KCC GLASS is participating in a green remodeling project jointly sponsored by the Ministry of Land, Infrastructure and Transport and Korea Land and Housing Corporation to provide a pleasant and healthy living environment while lowering greenhouse-gas emissions and increasing the energy efficiency of old buildings. The project is being carried out for privately owned buildings such as apartments, houses, and buildings. For up to 60 months, the government subsidizes 3% of the interest, depending on the window energy consumption efficiency rating, up to a maximum of KRW 30 million for apartment homes.



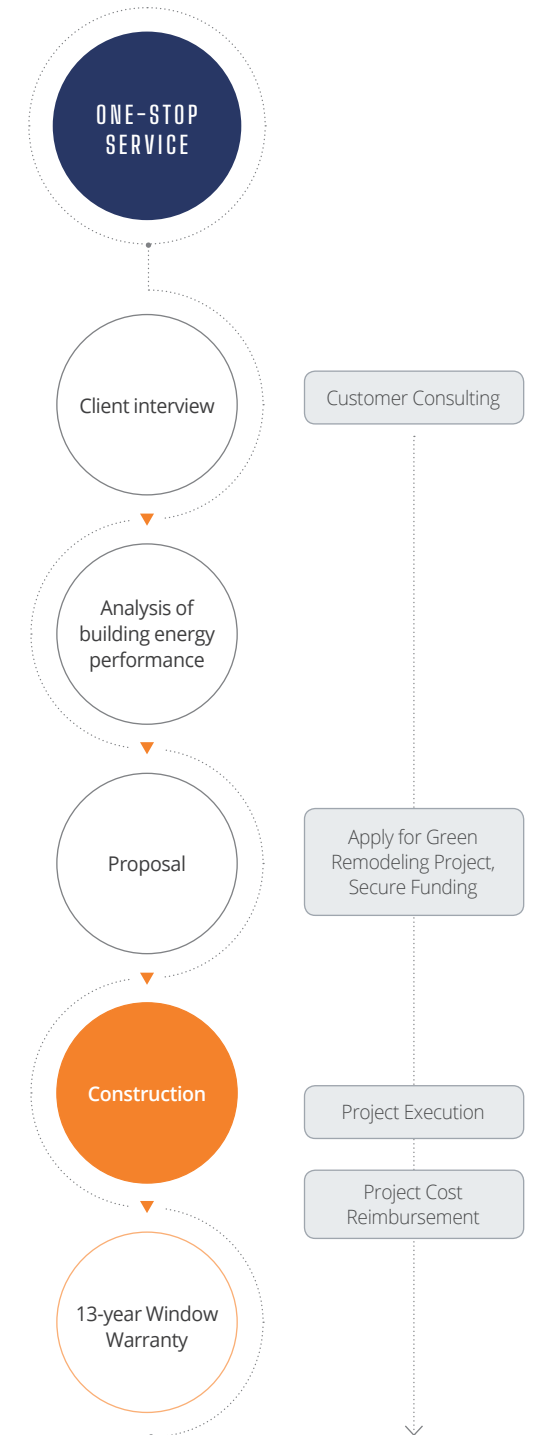
Green Remodeling Value System



HomeCC Green Remodeling One-Stop Service

KCC GLASS provides a one-stop solution for all stages of green remodeling, from interviews with clients for green remodeling projects, to application preparation and submission, funding and construction, and follow-up management. We offer a 13-year* warranty on windows for residential homes, installed by our direct construction team. In accordance with the terms of the Window Quality Assurance, free maintenance and repair service is provided for up to 13 years from the date of installation, in case of defects caused by faulty construction or materials.

* Classified into 2-year, 5-year, and 13-year, depending on the type





APPROACH TO ESG

KCC GLASS will protect the environment and respect people to become a company that is trusted by people. By internalizing sustainability into our business strategy, we will develop into an ESG leading company.

Sustainable Management Strategy

KCC GLASS has established a company-wide ESG management strategy that embraces all stakeholders to create a better world. In line with the company's vision of becoming "No. 1 company cherishing customer value equipped with world-leading eco-friendly technology," we have set the goal of "2025, ESG Leading Company," and identified the ESG (environment, social, and governance) strategies and tasks for each area.

Setting the company-wide goal for 2025 was a rather bold and ambitious decision for KCC GLASS, which represents our proactive attitude toward challenge. Based on the ESG strategies outlined below, KCC GLASS will protect the environment and respect people to become a company that is trusted by people. Linking these efforts with the Sustainable Development Goals (SDGs), KCC GLASS will continue to pursue sustainable management, as well as global sustainable development. We appreciate your unwavering support and continued interest on the journey of KCC GLASS as an ESG-leading company.

ESG Organizational Structure

To lay the foundation for sustainable value creation and practice socially responsible management across all areas of environment, social, and governance, KCC GLASS established the ESG Management Team. The ESG Management Team holds biweekly meetings to discuss and implement corporate social responsibility activities. KCC GLASS recognizes that the internalization of ESG management is a key driving force for improving corporate value and it will allow the company to respond strategically in the changing market environment, in which companies are not judged solely on profitability. By incorporating non-financial factors into our business strategy, we will continue to create social value and achieve financial growth. Moving forward, we plan to review key ESG-related policies and strategies in more detail to be able to support the management's decision-making process.

ESG Organizational Chart



Vision and Strategy



Strategic Tasks for ESG Management

KCC GLASS pledges that all executives and employees will actively participate in the following strategic tasks and action items at a company wide level in order to achieve the goal of "2025 ESG Leading Company."

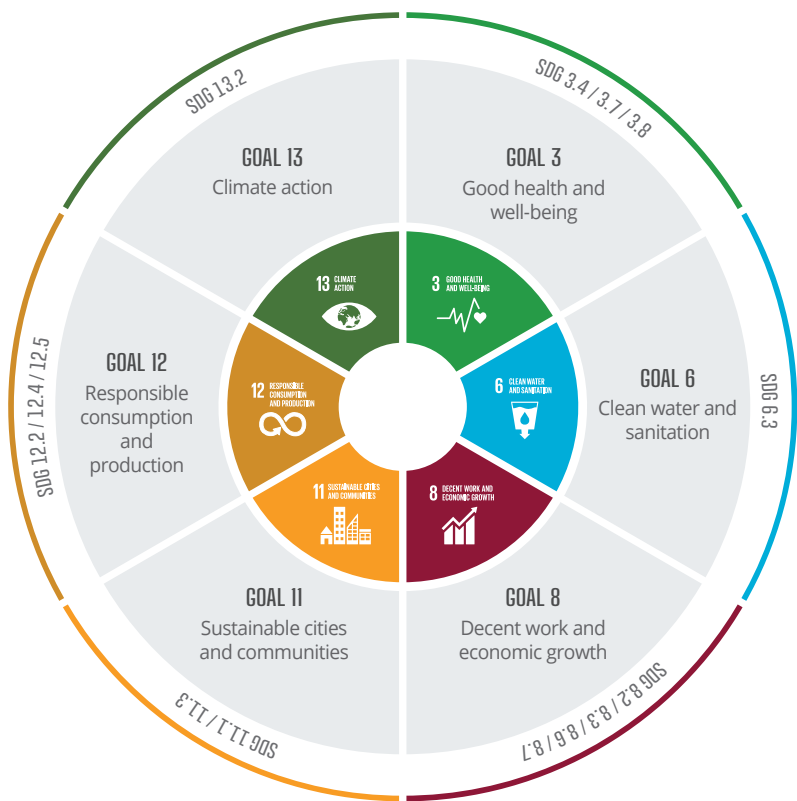
Three Strategic Directions for ESG Management	NO	12 Strategic Tasks	24 Action Items
Company that protects the environment	1	▶ Advancement of environmental management system	· Reinforce integration and monitoring of environmental management performance at business sites. · Improve awareness about eco-friendly management.
	2	▶ Response to climate change	· Participate in environmental initiatives (CDP, TCFD, etc.). · Set and achieve goals related to energy and greenhouse gas.
	3	▶ Creation of eco-friendly business sites	· Reinforce waste management. · Reinforce management of environmental pollutants.
	4	▶ Development of eco-friendly products	· Obtain green technology certification, green business certification, etc. · Promote green/recycled products.
Company that respects people	5	▶ Creation of quality workplace environment	· Establish global-level labor practices and human rights management. · Promote professional development of employees.
	6	▶ Creation of safe workplace	· Establish a company-wide safety and health management system. · Reinforce safety and health awareness.
	7	▶ Implementation of social contribution activities	· Encourage employees to participate in social contribution activities and strengthen management. · Develop new social contribution programs.
Company that is trusted by people	8	▶ Creation of customer values	· Establish policies to reduce risks for B2C customers. · Promote activities to improve customers' awareness of sustainable consumption.
	9	▶ Advancement of ESG Management	· Expand ESG awareness at the company level. · Encourage all employees to participate in socially responsible management.
	10	▶ Transparency and diversity of governance	· Realize diversity in the composition of the Board of Directors. · Discuss social responsibility management agenda within the Board of Directors.
	11	▶ Ethical management	· Conduct anti-corruption risk assessment. · Establish and spread a culture of fair competition.
	12	▶ Management of sustainable supply chain	· Strengthen CSR risk management in the supply chain. · Expand CSR training and support for partner companies.

UN SDGs

Efforts to Achieve UN SDGs

UN Sustainable Development Goals refer to the collection of goals determined at the 70th UN General Assembly to be achieved by the global community with the foremost priority by 2030. The SDGs include 17 goals needed to solve common social and environmental issues and pursue sustainable growth.

As a global corporate citizen, KCC GLASS has selected six main goals and 14 detailed targets tasks that are highly relevant to the company in order to actively participate in the UN SDGs. We will focus on implementing these tasks and communicate the activities and performance corresponding to each goal every year. KCC GLASS will strive to incorporate these tasks into the management strategy to achieve the UN SDGs.



I N T E R V I E W



We welcome KCC GLASS in joining the UNGC and the global corporate citizenship movement. We look forward to seeing KCC GLASS achieve the SDGs, the global consensus goal for a sustainable world and the values pursued by the UNGC, through responsible management.

Over the past 10 years, corporate human rights and anti-corruption regulations have been tightened worldwide. This year, 2021, is the 10th anniversary of the adoption of the UN Guiding Principles on Business and Human Rights (UNGPR), which is an international standard for corporate human rights issues. The EU is also planning to enforce corporate due diligence on human rights, environment, and governance in the supply chain. To keep pace with this movement, global leading companies are making full-fledged efforts such as establishing board-centered governance to strengthen the ESG management, managing and responding to ESG risks, and establishing goals and disclosing goals related information in line with the global standards.

I hope that KCC GLASS will successfully establish eco-friendly management and transparent governance in line with the low-carbon economy era, reflecting the opinions of internal and external stakeholders in corporate management, and firmly establish itself as a company that is committed to protecting human rights and being trusted by customers.

With the publication of the first ESG report, I hope that the journey and efforts of KCC GLASS toward sustainability will be effectively communicated to customers and stakeholders. I also recommend that KCC GLASS incorporates the expectations and suggestions of the stakeholders by utilizing various communication channels to achieve the ESG management goals.

UN Global Compact Network Korea / Lee Eun Kyung

SDGs	Our Approach	Key Performance
	<p>GOAL 3. Good health and well-being</p> <p>3.4 Prevention and treatment of disease and promotion of mental health and well being</p> <ul style="list-style-type: none"> Employee health check-ups (once a year) Employee counseling in connection with psychological counseling center Participation in the Environmental disease prevention project for the socially vulnerable class sponsored by the Korea Environmental Industry & Technology Institute <p>3.7 Universal access to healthcare services, including family planning</p> <ul style="list-style-type: none"> Parental leave, maternity leave, and workplace daycare <p>3.8 Universal health coverage, including access to quality essential healthcare services</p> <ul style="list-style-type: none"> COVID-19 vaccination paid leave policy Employee medical expenses support 	<p>Employee medical expenses support</p> <p>KRW 745 million</p> <p>(Including health checkup, medical expense support, sickness compensation, flu vaccination, and special check up)</p>
	<p>GOAL 6. Clean water and sanitation</p> <p>6.3 Improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, and substantially increasing recycling and safe reuse</p> <ul style="list-style-type: none"> Installation of facilities for reuse of wastewater and operation of facilities for reuse of sewage and effluent water 	<p>Water reuse rate</p> <p>41.4%</p>
	<p>GOAL 8. Decent work and economic growth</p> <p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high value added sectors</p> <ul style="list-style-type: none"> Development of eco-friendly decorative film, G-Pet, and low-e glass energy-saving technology <p>8.3 Promote development-oriented policies for small-scale businesses to support productive activities, decent job creation, and access to financial services</p> <ul style="list-style-type: none"> Priority employment for local residents and partners when hiring technical personnel at business sites. Early payments for suppliers. <p>8.6 Reduce the proportion of youth not in employment</p> <ul style="list-style-type: none"> Hiring interns with possibility of turning them into permanent positions. Recruitment through local universities near the business site. <p>8.7 Eradicate forced labor and child labor</p> <ul style="list-style-type: none"> Implementation of PC off system to prevent involuntary overtime work Prohibition of child labor and forced labor as stipulated in the KCC GLASS's code of ethics for stakeholders 	<p>Creation of employment for youth (19~34 year olds)</p> <p>50 Persons</p>
	<p>GOAL 11. Sustainable cities and communities</p> <p>11.1 Ensure access for all to adequate, safe, and affordable housing and basic services and upgrade slums</p> <ul style="list-style-type: none"> Residential environment improvement project for the underprivileged. <p>11.3 Inclusive and sustainable urbanization and capacity for participatory, integrated, and sustainable human settlement planning</p> <ul style="list-style-type: none"> Green remodeling project 	<p>Expenses for housing improvement projects for the underprivileged</p> <p>KRW 88.44 million</p>
	<p>GOAL 12. Responsible consumption and production</p> <p>12.2 Sustainable management and efficient use of natural resources</p> <ul style="list-style-type: none"> Encourage production and consumption of eco-friendly and energy-efficient products. Establish policies to prohibit the use of conflict minerals. <p>12.4 Achieve the environmentally sound management of chemicals and all wastes and significantly reduce their release to air, water, and soil</p> <ul style="list-style-type: none"> Compliance with hazardous chemical management guidelines <p>12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse</p> <ul style="list-style-type: none"> Compliance with waste-management guidelines Recycling glass, PVC scrap, etc. 	<p>Raw material (cullet) Recycle rate</p> <p>28.2%</p>
	<p>GOAL 13. Climate action</p> <p>13.2 Integrate climate change measures into national policies, strategies, and planning</p> <ul style="list-style-type: none"> Install inverters to improve the efficiency of electrical equipment. Reduce greenhouse gas emissions and energy consumption through cullet recycling, etc. 	<p>GHG Emissions</p> <p>766,916tCO₂e</p>

Risk Management

Risk Management System

Risk Management Overview

The constant changes in the business environment due to instability in domestic and foreign political/economic conditions, and COVID-19, call for preemptive identification of and prompt responses to financial and non-financial risks.

Accordingly, KCC GLASS established risk management policies such as enactment of compliance regulations and code of ethics for stakeholders respond flexibly to changes in internal and external conditions. In addition, we upgraded the internal accounting management system for detection, diagnosis, and elimination of risks.

Risk Management Organizational Chart



Risk-Management System

The risk-management system of KCC GLASS is managed by respective departments that conduct analyses and monitoring optimized for each type of risk. KCC GLASS classifies risks into financial and non-financial risks, which are managed by the Internal Accounting Management Organization, the Internal Audit Organization, and the ESG Management Team. The detailed risk management process is as follows.

Internal Accounting Management Organization

Recognizing the importance of the internal accounting management system to ensure transparency and reliability of accounting information, KCC GLASS established a dedicated internal accounting organization and completely redesigned the internal audit process. Responsibilities for ethical values are stipulated by applying the best standards for the internal accounting management system and internal controls are designed and executed in a way to ensure proper implementation of internal audit. In addition, internal accounting management system is evaluated on a regular basis and reported to the Board of Directors and the Audit Committee. The Audit Committee performs evaluation and supervision of the report.

Internal Audit Organization

KCC GLASS responds to business risks through internal audits. Each month, company checks financial and non financial risks that may occur in sales, production, purchase, and management, and establishes countermeasures in consultation with the persons in charge to prevent any recurrence.

ESG Management Team

To lay the foundation for sustainable value creation, KCC GLASS established the ESG Management Team dedicated to handling all ESG related matters. Within the ESG Management Team, persons in charge of the respective areas of environment (E), society (S), and governance (G) help ensure socially responsible management across all areas. The company's performance in ESG activities is evaluated based on the ISO26000 standard, the international standard for corporate social responsibility, and then potential risks are identified for further development of countermeasures and strategic implementation.

Risk Types and Countermeasures

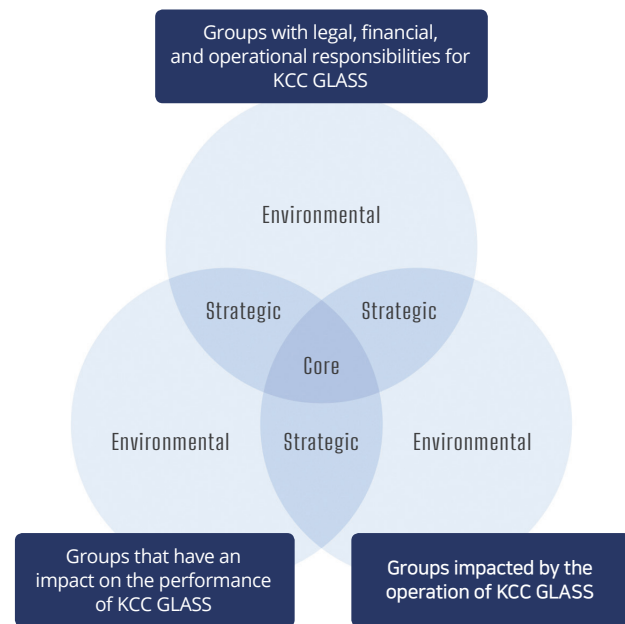
Category	Risk Types	Details	Countermeasures
Financial Risks	Credit Risk	<ul style="list-style-type: none"> · Credit risk to the receivables account · Cash and cash equivalents and deposits in financial institutions 	<ul style="list-style-type: none"> · Transactions with clients with a credit rating above a certain level and operate policies and procedures for credit reinforcement · Adjust transaction limit and collateral level after periodic re-evaluation of customer credit rating · Transactions with financial institutions with excellent credit ratings
	Liquidity Risk	<ul style="list-style-type: none"> · Repayment risk for obligations related to financial liabilities 	<ul style="list-style-type: none"> · Securing flexibility in financing by maintaining credit extension limits · Retain non-guaranteed overdraft contract limit
	Currency Risk	<ul style="list-style-type: none"> · Exposure to currency risk from international business activities 	<ul style="list-style-type: none"> · Compliance with exchange risk management regulations, such as prohibition of foreign exchange management for speculative purposes · Avoid foreign currency risk in a natural hedge method that matches foreign currency collection and expenditure · Regular monitoring of the foreign exchange market and frequent review of the introduction of derivatives
Non-Financial Risks	Environmental	<ul style="list-style-type: none"> · Damage to corporate image in case of non-compliance with tightening environmental laws · As a company subject to the greenhouse gas emission trading system, manufacturing cost increases due to the purchase of emission rights when the allocated emission allowances are exceeded · Changes in consumption trends due to increased consumer interest in environmental issues 	<ul style="list-style-type: none"> · Establishment of company-wide environmental management system <ul style="list-style-type: none"> - Establish environmental audit, report, evaluation, and support system · GHG intensity management and reduction goals for each business site and performance evaluation · Expansion of eco-friendly products
	Health and Safety	<ul style="list-style-type: none"> · Financial losses from suspension of operation and fines, and damage to corporate image due to media reports, in case of safety accidents and industrial accidents 	<ul style="list-style-type: none"> · Establishment of company-wide health and safety management system <ul style="list-style-type: none"> - Establish health and safety audit, report, evaluation, and support system
	Human Rights	<ul style="list-style-type: none"> · Labor issues, such as workplace harassment, discrimination, unreasonable demands and excessive workload, and gender issues, such as discrimination based on gender and sexual harassment, can cause legal issues and affect the ESG management evaluation. 	<ul style="list-style-type: none"> · Human rights management policy and human rights assessment under development · Improve policies through accurate assessment, visits, and follow-up measures
	Supply Chain	<ul style="list-style-type: none"> · Taking responsibility for supply chain management within the corporate ecosystem when ESG is not realized in subsidiaries or subcontractors 	<ul style="list-style-type: none"> · Implement sustainability management programs for business partners · Plan to develop ESG evaluation items for major suppliers and conduct periodic evaluations
	Ethics/Compliance	<ul style="list-style-type: none"> · Failure to manage ethical/compliance risks leads to not only legal problems, but also financial losses 	<ul style="list-style-type: none"> · Establish and announce Code of Ethics for Stakeholders · Operate fair trade compliance program

Stakeholder Engagement

Stakeholder Identification and Classification

KCC GLASS has identified stakeholders according to the legal, financial, and operational responsibilities and degree of impact, in accordance with the standards presented in ISO26000. Classifying stakeholders into three groups of core stakeholders, strategic stakeholders, and environmental stakeholders, KCC GLASS encourages each group's participation in the organization's value chain.

Stakeholder Mapping & Grouping



Core Stakeholders	Customers, Employees, Shareholders, Investors
Strategic Stakeholders	Partners, Local Communities, Government and Related Organizations
Environmental Stakeholders	Research Institutions, NGO, Socially Underprivileged, Media

Stakeholder Survey

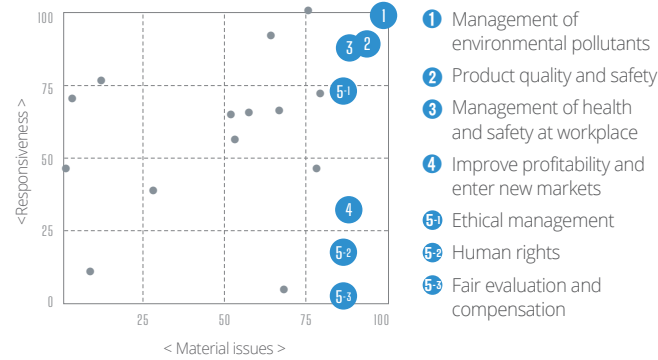
KCC GLASS conducted a survey to better understand the interests of stakeholders and to reflect them in sustainability management as a priority. A total of 21 issues extracted from the international standards, ESG evaluation indicators, and major sustainability management issues were included in the issue pool of KCC GLASS. These issues were then classified in terms of level of importance and the level of response needed by each stakeholder group.

Survey Overview

Period	May 17 ~ 28, 2021 (10 days)	
Method	Online survey (Five point scale for each question)	
Number of questions	Twenty seven questions for basic information, level of importance and level of response needed	
Response rate (%)	Total 431 responses	
Internal Stakeholders	Executives and managers	6.7% (29)
	Other employees	60.4% (261)
External Stakeholders	Shareholders/Investors	1.9% (8)
	Customers	4.4% (19)
	Government and Related Organizations	3.0% (13)
	Partners	17.8% (77)
	Research Institutions, NGO	4.2% (18)
	Local Communities, Others	1.4% (6)

Material issues identified by internal and external stakeholders

Internal Stakeholders



External Stakeholders



Stakeholder Communication

KCC GLASS identifies pending issues through communication with stakeholders and reflects them in its management activities. Going forward, KCC GLASS will strengthen two way communication even further and actively listen to stakeholders' feedback.

Engagement Channels & Status by Stakeholder Group

Classification	Stakeholders	Key Issues	Response of KCC GLASS	Communication Channel and Period
Internal	Employees	<ul style="list-style-type: none"> · Improve profitability and enter new markets · Fair evaluation and compensation · Professional development and training · Work life balance 	<ul style="list-style-type: none"> · Operation of new market development council · Operation of evaluation system based on performance and competency · Strengthen competency development programs · Improvement of organizational culture and welfare benefits 	· Groupware At all times
				· Dr. KCC GLASS At all times
				· SFA At all times
				· Labor Management Council Quarterly
				· Occupational Safety & Health Committee Quarterly
				· ESG Report Annually
External	Customers	<ul style="list-style-type: none"> · Improve quality and service · Enhance customer satisfaction · Protect customer privacy · Research and develop eco-friendly products 	<ul style="list-style-type: none"> · Strengthen quality standards and secure product reliability · On time delivery and prompt after sales service · Conduct customer satisfaction survey and identify customer needs · Establish information security system and conduct cyber security training · Develop eco-friendly products and energy saving technologies 	· Cyber Whistle Blowing Center At all times
				· Customer Center At all times
				· On site Visit of Technical Support At all times
				· Department Call Center At all times
				· Product Seminars At all times
				· Customer Satisfaction/NPC (Net Promoter Score) Survey Occasionally
	Shareholders and Investors	<ul style="list-style-type: none"> · Shareholder's Rights and Interest · Transparent Disclosure 	<ul style="list-style-type: none"> · Establish corporate governance charter · Payment of dividends according to shareholder return policy · Holding the general meeting of shareholders and the board of directors in a timely manner · Transparent disclosure 	· TQM System At all times
				· ESG Report Annually
				· Company Website At all times
				· Regular general meeting of shareholders Annually
				· Disclosure and announcements Occasionally
				· IR Meeting Occasionally
Partner companies	<ul style="list-style-type: none"> · Win-win partnership · Fair trade 	<ul style="list-style-type: none"> · Provide technological development support, training, and manpower · Operate fair practice compliance programs 	· ESG Report Annually	
			· Company Website At all times	
			· Cyber Whistle Blowing Center At all times	
			· Partner training Occasionally	
			· Distributor semina Occasionally	
			· HomeCC Volunteer Group Occasionally	
Local communities	<ul style="list-style-type: none"> · CSR activities 	<ul style="list-style-type: none"> · Develop and operate social contribution programs · Business linkage and regional development projects · Operate employee volunteer group 	· CSR program Occasionally	
			· Emissions Market Council Occasionally	
Government and Related Organizations	<ul style="list-style-type: none"> · Response to climate change · Reinforce management of environment and safety 	<ul style="list-style-type: none"> · Establishment of master plan for greenhouse gas reduction · Environmental and Safety management system certification 	· Carbon Neutrality Council Occasionally	
			· Emissions Market Council Occasionally	

* SFA: Sales Force Automation * TQM: Total Quality Management

Materiality Assessment

Materiality Assessment Process

Through materiality assessment, KCC GLASS identified various expectations and concerns of internal and external stakeholders, as well as sustainability issues that have impacts on management activities. In accordance with the evaluation criteria provided by the GRI Standards and the methods presented in the ISO26000 standard, the priority of each issue was determined through the process of material issue identification, prioritization, and validation. The selected material issues then formed the basis of this report.

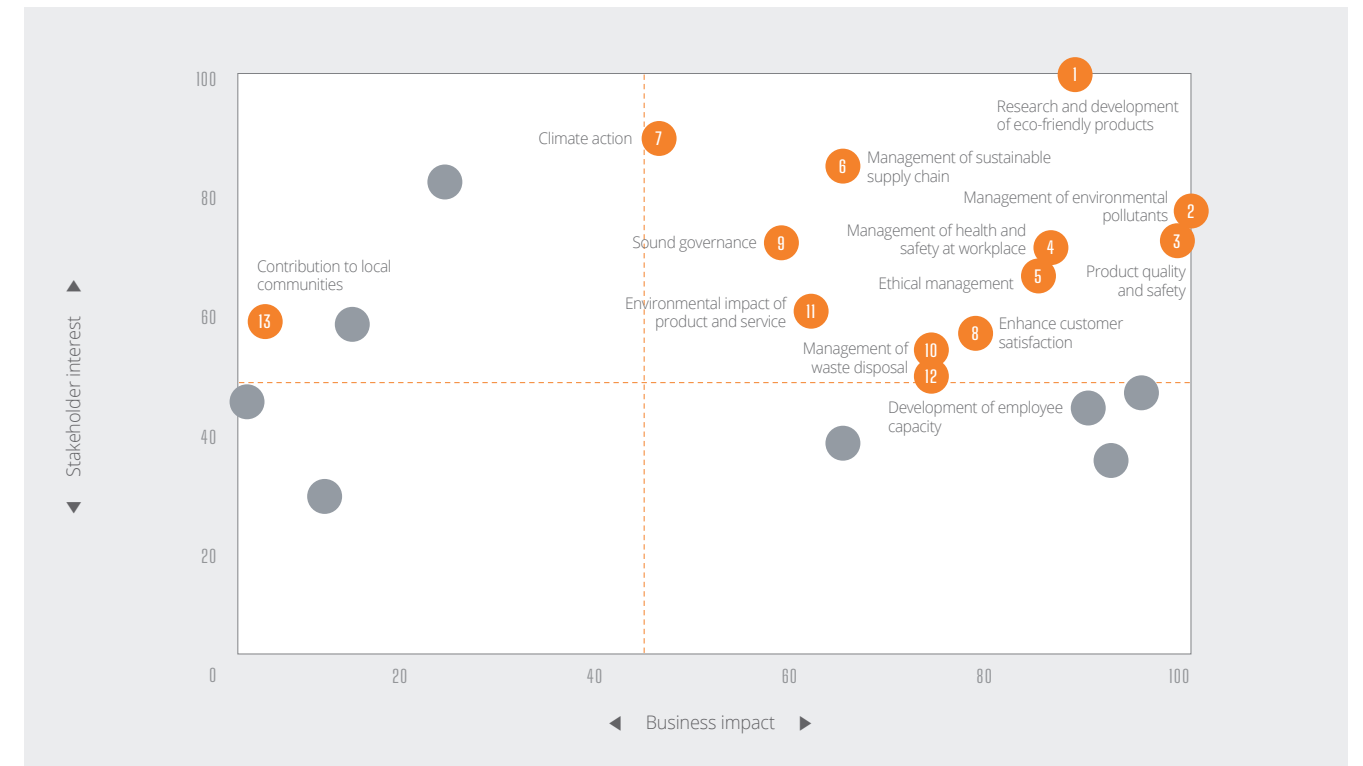
Materiality Assessment Results

KCC GLASS identified 21 sustainability issues and evaluated the materiality of each issue. As a result, a total of 13 issues, including five in environmental, six in social, and two in economic fields were identified as high priority issues. In 2020, the topics that stakeholders, executives, and employees identified as important for KCC GLASS's sustainability are issues related to the environment and safety, including "research and development of eco-friendly products," "pollutant management," "product quality and safety," and "health and safety in the workplace." More in depth discussions on each material issue can be found on the pages indicated in the below Materiality Assessment Matrix. Additional information is also disclosed for stakeholders as deemed necessary.

Materiality Assessment Process

Steps	Description	Method	Result
1 Identify issue pool	· Identify social aspects and topics that the company has significant impacts on.	· Media research of all activities, products, services, and relationships of the company.	· A pool of 53 issues is identified through analyses of international standards, review of material issues in the glass and construction materials industry, benchmarking, etc.
2 Evaluate relevance	· Evaluate how various issues are relevant to the company.	· Evaluate consistency with the evaluation criteria in accordance with ISO26000.	· Selected 21 issues out of 53 issues.
3 Evaluate significance	· Identify issues to be disclosed in the report with priority.	· Evaluate quantitatively by constructing a questionnaire on a 5 point scale · Normalize by applying weights based on internal/external perspective	· Twelve material issues selected through analysis of survey by 431 internal and external stakeholders
4 Verify validity	· The management reviews and approves the material issues identified.	· Add, delete, and change priorities of material issues as needed.	· One issue added in consideration of internal strategic direction, etc.

Materiality Assessment Matrix



Area	Issues	GRI Standards Topic	Topic Boundary	Reporting Boundary	Page number
Environmental	1 Research and development of eco-friendly products	-	Internal	Internal	50, 51
Environmental	2 Management of environmental pollutants	GRI 305 Emissions	Internal	Internal	47
Social	3 Product quality and safety	GRI 416 Customer Health and Safety	Internal/External	Internal/External	58, 59
Social	4 Management of health and safety at workplace	GRI 403 Occupational Health and Safety	Internal/External	Internal/External	61-63
Economy	5 Ethical management	GRI 205 Anti corruption	Internal/External	Internal/External	69-71, 80, 81
Social	6 Management of sustainable supply chain	-	Internal/External	Internal/External	68-71
Environmental	7 Climate action	GRI 305 Emissions	Internal	Internal	45, 46
Social	8 Enhance customer satisfaction	GRI 417 Marketing and Labeling	Internal/External	Internal/External	56
Economy	9 Sound governance	-	Internal	Internal	76-79
Environmental	10 Management of waste disposal	GRI 306 Effluents and Waste	Internal	Internal	49, 85
Environmental	11 Environmental impact of product and service	-	Internal/External	Internal/External	46-51
Social	12 Development of employee capacity	GRI 404 Training and Education	Internal	Internal	66, 67
Social	13 Contribution to local communities	GRI 413 Local Communities	Internal/External	Internal/External	72-75



ESG PERFORMANCE

KCC GLASS promotes the integration of ESG factors into the entire process of organizational operation. Going forward, we will continue to communicate with stakeholders and actively implement our ESG strategies in order to realize our vision of "No. 1 company cherishing customer value equipped with world-leading eco-friendly technology."

01

Environmental Management



Materiality of Issue

Climate action, pollutant management, water-resource management, and waste management are key issues that have an impact on production and profit of a corporation. In order to keep pace with these changes, KCC GLASS has established a management system that allows the company to preemptively respond to the environmental issues.

Our Approach

- 1 _ Establish a company-wide environmental management system for systematic environmental management
- 2 _ Identify climate change risks; establish and implement response strategies
- 3 _ Install Ceramic Catalyst Bag Filter (CCF), which is capable of treating NOx, SOx and Dust simultaneously, to minimize emission of air pollutants
- 4 _ Ensure compliance with environmental laws and requirements/expectations of internal and external stakeholders
- 5 _ Develop green technologies
- 6 _ Establish waste-disposal process; develop recycling plans
- 7 _ Enhance wastewater reuse rate through process improvement

Future Plans

- 1 _ Obtain EMS certifications for all business sites
- 2 _ Establish an integrated EMS for the entire company
- 3 _ Review and implement technologies that help reduce GHG/ environmental pollutant emissions
- 4 _ Conduct regular inspections and training at business sites
- 5 _ Install CCF in more facilities

Air-Pollutant Reduction Compared to 2019

814.6 tons
(-30%)

Waste Recycling Rate

86.4%

Certified Green Products

17

Environmental Accidents

ZERO

Climate Change Response System

Climate change issues can expose a company to various operational and capital risks as the greenhouse gas emission regulations recently became stricter. KCC GLASS's manufacturing plants use electricity, B-C oil, and LNG as energy sources, and as production increases, the total emission is bound to increase. KCC GLASS seeks to continuously reduce dependence on fossil fuels and reduce greenhouse gas emissions by improving energy efficiency and using alternative and renewable fuels.



Climate Change Risk Management

The climate response strategies, risk management, and reduction plans implemented by KCC GLASS demonstrate that the company acknowledges and has a deep understanding of the seriousness of climate issues. The ESG Management Team holds biweekly meetings to review and discuss the status of progress of environmental management policies, training, and GHG-reduction plans, and report the relevant issues to the CEO. KCC GLASS plans to conduct more in-depth reviews and deliberation on climate change-related policies and strategies at the management level.

Climate Response Strategies

KCC GLASS manages greenhouse gas emission data for all business sites based on the Ministry of Environment's Guidelines for Emission Reporting and Certification of the Greenhouse Gas Emissions Trading Scheme. In addition, we are working to get all business sites EMS-certified and establish an integrated company-wide environmental committee. We are also making efforts to respond strategically to climate change as we expand our eco-friendly product portfolio.

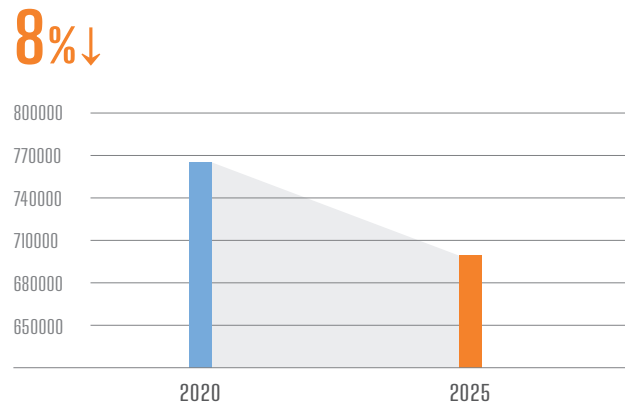
Climate Change Risk Management

KCC GLASS actively responds to internal and external climate risks. In order to understand the financial and strategic impact of climate risks and establish appropriate countermeasures, we analyze the current climate risks, domestic and overseas greenhouse gas policies, and changes in the emissions trading price. In addition, we conduct internal training for all employees so that they can recognize and adequately handle climate change-related risks.

Greenhouse Gas Reduction Goal

To overcome the climate crisis, KCC GLASS has set its own reduction goals and is continuously pursuing reduction activities. Our internal reduction goal is to reduce greenhouse gas emissions by 700,000 tCO₂e by 2025, based on 766,000 tCO₂ of greenhouse-gas emissions in 2020. To achieve the goal, we plan to improve facilities and invest in new technologies. We are currently reviewing long-term reduction targets for 2030, and we plan to set and disclose long-term targets in the near future.

GHG Emissions



Participation in Climate Change Initiatives

KCC GLASS has been participating in the CDP (Carbon Disclosure Project), under which the company promises disclosure of corporate opportunities and risk factors related to climate change. Through this, we plan to understand our environmental management status in more detail, use it to improve our environmental performance, and solidify our commitment to responding to climate change.



Environmental Impact Management

Environmental Impact Management Policies

Environmental Management Plan

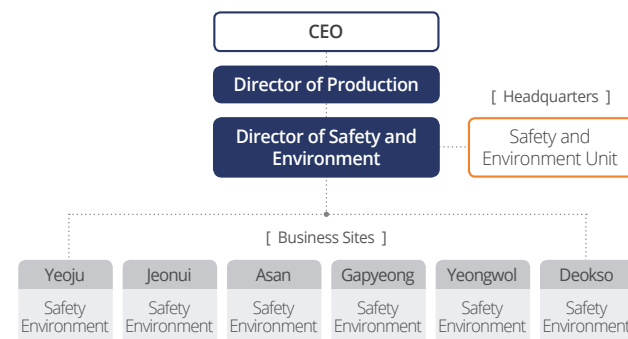
KCC GLASS has established and is operating seven environmental management policies to minimize the environmental impact of corporate activities. Based on the environmental management policies, we are minimizing environmental risks related to environmental laws and climate change responses.



Environmental Organization

KCC GLASS has established dedicated organizations at the head office and business sites to establish and operate a company-wide environmental management system. The organization in charge of safety and environmental management includes the Director of Safety and Environment, the Safety Environment Unit at the headquarters, and the Safety Environment Organization at each business site. Our headquarters and plants work together to collectively respond

KCC GLASS's Safety and Environment Management Organization



to climate change and reduce pollutants and waste. In addition, we conduct semi-annual compliance inspections on all business sites to minimize the risk of violating laws and regulations.

Training and Investment in the Environment

KCC GLASS strictly complies with legal training requirements and conducts job competency improvement training in various ways, such as online training, group training, and workshops, to improve the job competency of environment managers. In addition, KCC GLASS is continuously expanding its environmental investment to prevent environmental pollution accidents, reduce greenhouse gas emissions, and reduce energy consumption. In 2019, the Gapyeong plant invested KRW 4.66 billion to improve the production process, and as a result, in 2020, as much as 3,936 tCO₂e of greenhouse gas and 59 TJ of energy were saved.

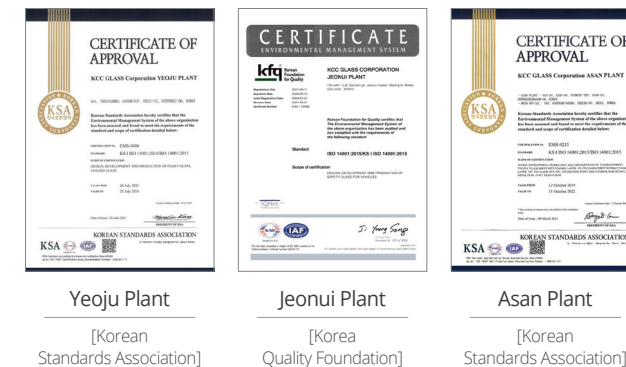
Environmental Investment

(Unit: KRW 1 million)

Category	2018	2019	2020	Remarks
Energy	-	4,659	-	Improving magnetic separator (Dry → Wet)
Air	784	3,512	242	Installation of atmospheric prevention facilities, etc.
Water quality	14	44	7	Water treatment facility improvement, etc.
Other	32	39	18	Prevent chemical leakage, etc.
Total	830	8,255	267	-

Environmental Management System Certification (ISO14001)

KCC GLASS operates six business sites in Korea, three of which (Yeosu Plant, Jeonui Plant, Asan Plant) have acquired the environmental management system certification (ISO14001) and undergo follow up/renewal inspections every year. We are preparing business sites that do not currently have an environmental management system certification to acquire certification so we can establish a company wide environmental management system.



Environmental Impact Management Programs

Clean Air Management

KCC GLASS acknowledges that air pollutants, including NO_x, SO_x and dust, are produced as byproducts during our production process. We are also aware that these air pollutants can have a significant impact on local communities and the environment. KCC GLASS strives to reduce air pollutants by investing in eco-friendly facilities and improving technologies and processes. Our goal is to minimize potential financial impacts by improving operational efficiency beyond responding to legal requirements.

Major Activities

- ① Sign and implement voluntary agreements for fine dust reduction

Organized By	Agreement	Agreement Period
Gyeonggi Provincial Government	Voluntary agreement to reduce fine dust at worksites	2018. 04.~2021. 12.
Ministry of Environment	Voluntary agreement to reduce fine dust during high concentration season	2019. 12.~2022. 12.
Chungnam Provincial Office	Voluntary agreement on reduction of air pollutants	2020. 11.~2024. 12.

- ② Investment in environmental facilities to reduce nitrogen oxides - low NO_x burner, SCR (Selective Catalytic Reduction), etc.)
- ③ Establishment/enforcement of internal standards that are stricter than the government's emission standards
- ④ Minimizing abnormal operation through regular management of prevention facilities

Achievement

(Unit: Ton)

Category	2019	2020	Reduction amount
Dust	52.7	37.1	15.6
Sulfur oxid	1,290.3	1,061.2	229.1
Nitrogen oxide	1,367.2	797.4	569.9
Total	2,710.3	1,895.7	814.6

* Sum of 6 domestic business sites

Reduce air pollutant emissions compared to 2019

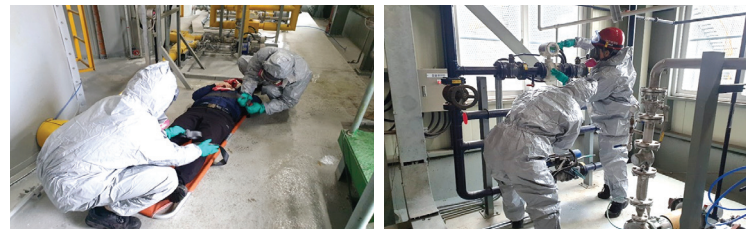
30%↓ (814.6 tons)

Future Plan

Additional installation of air pollution prevention facility (CCF) that can treat SO_x, NO_x, and dust at the same time

Hazardous Chemicals Management

KCC GLASS uses hazardous chemicals, including methyl ethyl ketone (78 -93-3), ethyl acetate (141-78-6), selenium (7782-49-2), and sodium nitrate (7631-99-4) during the production process. These substances are stored in the legitimate handling facilities to prevent accidents, and the hazardous chemical manager conducts inspection of the handling facilities at least once per week. In addition, we train employees with emergency drills every six months to improve the initial response capabilities of hazardous chemical managers and workers in the event of a hazardous chemical accident.



Conducting emergency drills

Water Resource Management

KCC GLASS uses water for manufacturing, cooling, and firefighting. After the used water is treated in its own wastewater treatment facility, 100% of treated water is recycled as industrial water at five business sites, excluding Jeonui Plant, where treated water is discharged to the terminal treatment plant. In order to respond to the risk of water shortage, KCC has continuously promoted process improvements to increase the wastewater recycling rate. The reuse rate in 2020 was 382,000 tons, or 41.4%. In particular, in Yeosu Plant, where there is a large amount of water intake, sewage generated in factories and company housing is treated as heavy water and used as industrial water 100% of the time.

Water Source by Business Site

Yeosu, Yeongwol, Deokso, Asan Plants	Underground water
Gapyeong Plant	River water
Jeonui Plant	Industrial Water

Managing Use of Raw and Subsidiary Materials

KCC GLASS uses silica, dolomite, cullet, PVC, and concrete, as raw materials to produce glass, flooring, and concrete pile products. In particular, the Yeosu Plant is seeking ways to increase the amount of cullet used to improve resource recycling and reduce greenhouse gas emissions.

* When the amount of used cullet increases, the amount of carbonate, such as dolomite, and energy consumption are reduced, hence reducing the greenhouse gas emissions.

CORE STAKEHOLDER INTERVIEW



Government Official

I am well aware that ESG has recently become a hot topic in corporate management. I suspect that environment (E) is presented first in ESG, because it is the most important. It is meaningful that we have come to a consensus that the environment plays an integral role in corporate management. KCC GLASS has been investing in facilities and making improvements to protect the environment and reduce pollutant emissions for a long time. I acknowledge KCC GLASS's efforts in installing large scale emission reduction facilities (SCR, SDR, CCF, etc.) to reduce air pollutants generated during the glass production process, applying standards that are stricter than those of the government.

I think that going forward, KCC GLASS should actively pursue research and development of recycling of waste generated during the production process since resolving environmental issues is central to ESG management. I hope that KCC GLASS will continue to carry out environmental improvement efforts and leads the circular economy of the industry by example of waste reuse and recycling.

Secretary General of Yeosu City Hall / Jang Min Sik

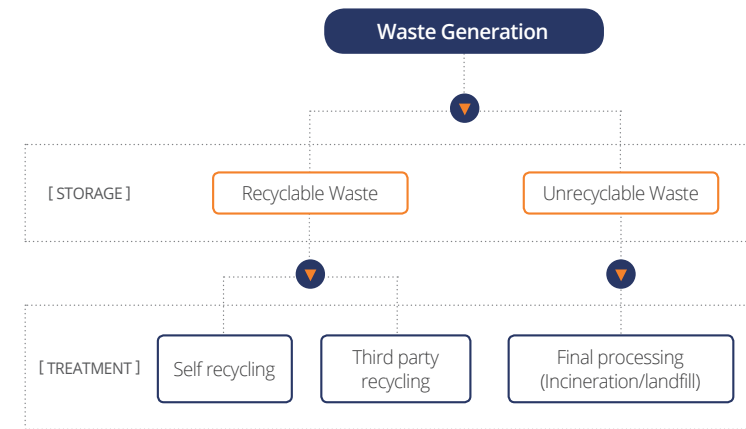
Packaging Materials Management

KCC GLASS uses synthetic resin packaging to protect the product during storage and shipping. In 2020, the shipment volume was 334 tons. We are continuously reviewing ways to improve packaging methods and collect packaging materials to reduce the use of packaging materials and increase recycling.

Waste Management

KCC GLASS has a waste treatment process for the sustainable use of resources. Efficient use of resources throughout the product life cycle not only helps minimize our environmental impact, but also promotes the company's long term growth and competitiveness. By recycling resources, we are able to reduce energy use as well as production cost. In 2020, 22,464 tons of waste was generated at KCC GLASS business sites, which includes waste dust, sludge, PVC scrap, waste glass, and waste synthetic resin. The entire process (from discharge to disposal) is managed online through the Korea Environment Corporation's Allbaro System, and the waste treatment company regularly conducts inspections on the disposal system.

Workplace Waste Treatment Process



To reduce the amount of incineration/landfill waste, KCC GLASS carefully reviews the waste recycle method and determines the companies that can reuse our waste. As a result, we recycled 86.4% of waste in 2020. KCC GLASS keeps track of the amount, category, and properties of waste to minimize landfill and incineration and find new ways of recycling. We will continue to promote waste reduction and improve the recycling rate to take the lead in resource recycling.

Category	Unit	2018	2019	2020
Amount of waste generated	Ton	15,035	21,310	22,464
Recycling amount	Self recycling	-	941	2,934
	Third party recycling	10,182	16,241	16,486
		10,182	17,182	19,420
Recycling rate	Total	67.7%	80.6%	86.4%

Prioritizing Purchase of Eco-Friendly Products

KCC GLASS not only produces eco-friendly products, but also prioritizes distribution and purchasing of green certified products at HomeCC stores.

Purchased Eco-Friendly Products (Unit: KRW 1 million)

26,678

BEST PRACTICES

Certified as Energy Efficient Business Site



KCC GLASS's Gapyeong Plant was certified as an energy efficient business site by the Korea Energy Agency for the achievement of an excellent intensity reduction level through process improvement and participation in the "2020 Voluntary Energy Efficiency Target System."

Eco-Friendly R&D

Introduction of Green Products and Technologies

Technological Innovation for Eco-Friendly Production Process

KCC GLASS is continuously investing and improving the production process to reduce generation of environmental pollutants during the manufacturing process of glass. The world's largest production line of 1,200 ton/day is in operation to improve melting energy efficiency; the CCF (Ceramic Catalytic Bag filter), which can simultaneously remove contaminants such as nitrogen oxide, sulfur oxide, and dust, is applied to the automotive flat glass line. In addition, we have invested in facilities to transition from using B C oil, which emits a lot of environmental pollutants, to LNG, a clean fuel. By introducing a wet magnetic separation process to the production of silica, a raw material for glass, the amount of CO₂ generated during the drying process has been reduced.

We are developing and mass producing technology for G PET products that do not emit organic compounds to reduce environmental pollution caused by organic compounds in PVC products. VCM (Vinyl Coated Metal) home appliance film reduces the amount of gas emissions by applying a solvent free UV imprint method. We are developing and producing eco-Friendly products that comply with various environmental standards, such as the use of eco-Friendly plasticizers and non use of harmful heavy metals for flooring and laminated films.

Intellectual Property Management

In order to strengthen competitiveness of intellectual property and expand green intellectual property rights, KCC GLASS keeps track of various intellectual property related needs from selection of research topic to product launch.

Among various patents and utility model rights that KCC GLASS possesses in the glass and flooring sector, 115 out of 174 are maintaining the registration status and 59 are pending application as of 2020.

The main patents are: triple Low-E glass that uses three infrared reflective layers to increase the sun blocking to 80% (Korean Patent Registration No. 10 2269782); eco-friendly soldering replacing lead applied to automobile glass (Korean Patent Registration Nos. 10 0968173, 10 1438897); and eco-friendly decoration sheet that does not contain phenol and has a low emission of total volatile organic compounds (TVOC) (Korean Patent Registration No. 10 2167904).

Intellectual Properties

Category	Unit	2020
Pending Application		59
Registration Status Maintained	Cases	115
Total		174



Key Environmental Research Topics

In the automotive glass field, we are conducting studies to improve fuel efficiency and increase functionality. As a result, we successfully produced low transmittance, high iron glass for sunroofs, which has the world's lowest level of transmittance. In addition, we are currently in the process of developing a new solar glass composition with enhanced solar heat shielding effect. We have also developed a 10% lighter windshield, reducing the thickness from 5.0mm to 4.5mm. This is currently being mass produced and used in various car models. We are developing technology to reduce the thickness to 3.6mm.

Other products under development are heating glass and coatings applied to electric vehicles and luxury cars. Since electric cars do not have a heat source, they require a lot of electricity to heat the air inside the vehicle. Using heating glass, however, it is possible to effectively remove frost or ice from the windshield with a small amount of electricity.

In the field of architectural glass, we developed the new Low-E glass that can save more energy compared to the existing Low-E glass to reduce heating costs for residential buildings. Using Low-E glass with high insulation performance in combination with a high insulation window system has an effect of significantly saving building energy. We have also developed EVT186, a coated glass that is applied to zero energy houses. While preventing heat loss of indoor heating during winter with high performance insulation, EVT186 maximizes transmittance of sunlight, and is thus suitable for use in zero energy houses.

R&D Cost (Unit: KRW 1 million)

5,810

Introduction of Eco-Friendly Products

- Low-E Glass**
 - High insulation Low-E glass is a product that prevents heating loss of a building to conserve energy. High shielding Low-E glass blocks solar energy from the exterior and helps reduce cooling costs in summer by preventing the building's indoor temperature from rising.
- Solar Heat Shielding Glass**
 - It is specialized in blocking UV rays and solar heat to reduce vehicle's load on air conditioning, fuel consumption, and CO₂ emissions.
- Lead Free Solder for Vehicles**
 - Lead free solder is used to produce automobile rear glass products. Lead free solder was jointly developed by KCC GLASS and a partner company that supplies raw materials. It received the IR52 Jang Young Sil Award from the Korea Industrial Technology Association.
- Residential Flooring**
 - Residential flooring products have acquired various eco labels and Green Building Materials Certifications (HB Mark).
- Decoration Sheet / Interior Film**
 - It does not contain three types of phthalate plasticizers (BBP, DBP, and DEHP) and heavy metals that are harmful to the human body, and is a product that acquired major domestic eco-friendly certifications, such as the eco label certification and eco-friendly building material certification.
 - * Phthalate plasticizer: It is harmful to the human body and can cause hormonal imbalances, female infertility, and decreased immunity.
- G-PET**
 - VICENTI Furniture is a green G-PET film launched in 2020 that meets the Global Recycled Standards. PET is widely used in baby tableware and high end furniture finishing as it does not emit harmful substances. It is excellent in blocking formaldehyde and volatile organic compounds, which are carcinogenic substances in furniture.

Green Certifications

Name	Number of Certifications	Related Products
Eco Label	10	Commercial flooring, laminated film, LVT, etc.
Low Carbon Products	6	Commercial flooring, deluxe tile
GRS certification	1	G-PET

-  A system which requires quantitative assessment of environmental impact of a product or service throughout the life cycle, from raw material procurement to production, transportation/distribution, use, and disposal, to improve its environmental quality.
-  Eco labeled products that meet the Low Carbon Product Standards.
-  Certification for a product for using 20% or more of recycled material as raw materials during the production process.

BEST PRACTICES

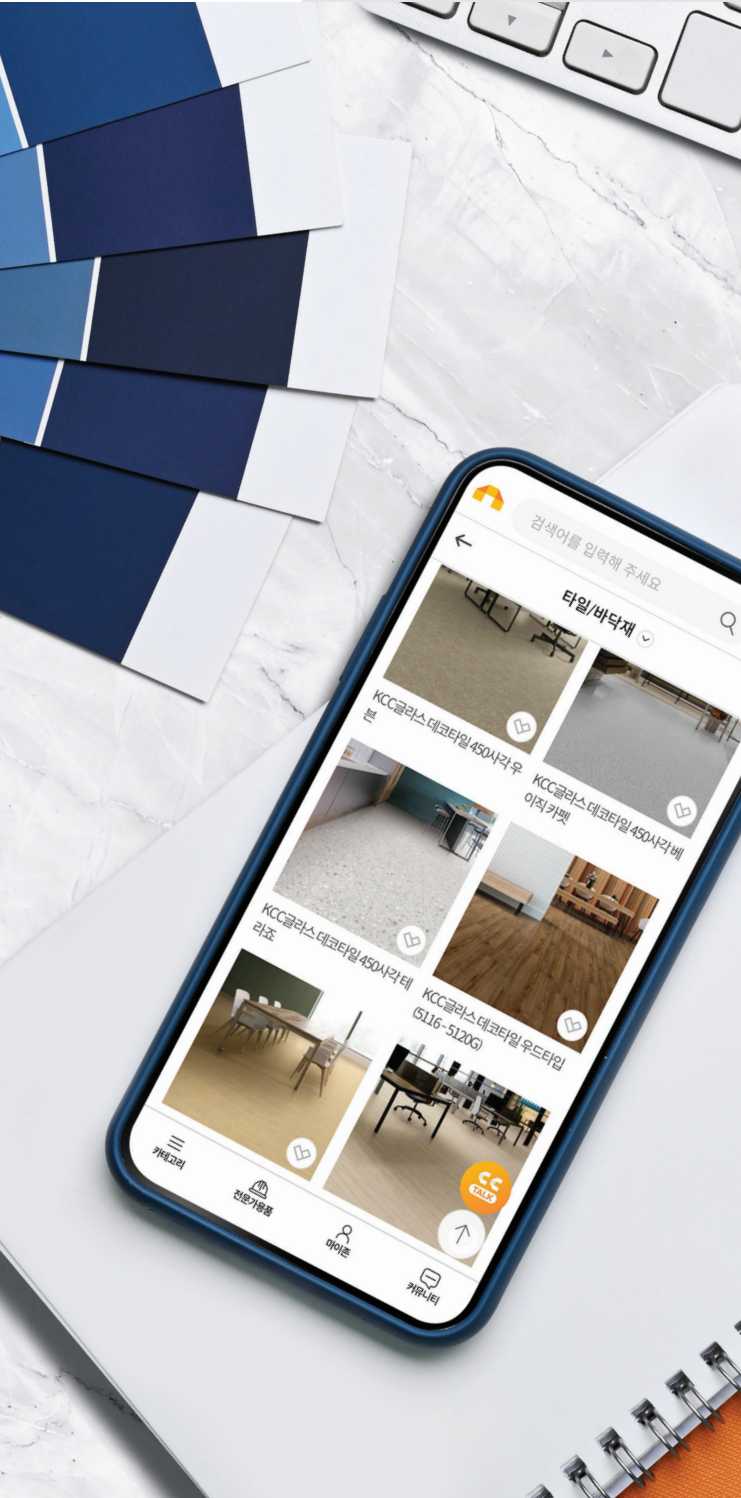
Improved performance of solar heat shielding glass



Solar heat shielding performance has been enhanced to improve performance of the solar glass and reduce the cooling load of a vehicle. Solar heat shielding performance was improved to be less than 50% from 53% (3.2mm) in 2016, and less than 48% in 2020.

02

Customer Value Creation Management



Materiality of Issue

Due to the increase in single person households and the prolonged COVID-19 outbreak, people are spending more time at home, which has increased the demand for interior products. In addition, consumers are becoming more environmentally conscious, resulting in more demand for eco-friendly products. KCC GLASS is reflecting on these changing customer demands as we strengthen product quality and safety and develop new products that will lead the future market trends.

Our Approach

- 1 _ Analyze customer and market trends for design development.
- 2 _ Provide one stop solution from interior consultation to after sales service for customer convenience.
- 3 _ Secure quality competitiveness by providing technical support and network reinforcement to partners.
- 4 _ Provide product safety and environmental information by disclosing product reports and certificates on the website.

Future Plans

- 1 _ Improve customer accessibility through on/offline omni channel reinforcement.
- 2 _ Increase customer satisfaction by expanding two way communication with customers.
- 3 _ Secure an edge in global quality competitiveness.
- 4 _ Reinforce customized design competitiveness.
- 5 _ Develop green products and strengthen marketing for sustainable consumption.

Product Safety Certification

65^{total}

- ▶ 48 Korea Eco-Label
- ▶ 16 HB Mark
- ▶ 1 Atopy Safety Mark

2020 Korean Standard Quality Excellence Index

No.1

* PVC Flooring, coated glass, decoration film

Maximizing Customer Satisfaction

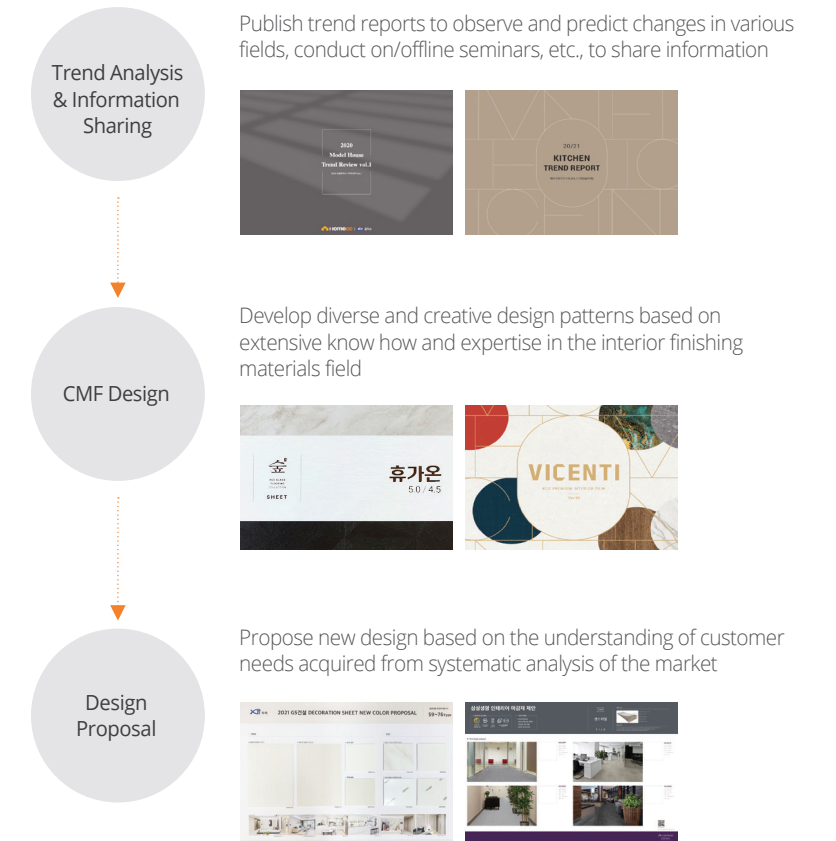
Strengthening Market Responsiveness

Lead the Market Trends

In order to satisfy the demand for home decoration and old house remodeling resulting from the trend of "homeconomy," which refers to the recent trend in customers' consumption activities largely taking place at their residence, KCC GLASS created a separate digital transformation (DT) organization, which is dedicated to analyzing big data related to customer experience (CX) and market trend and providing optimized interior solution services.

The design team researches and analyzes various market trends and trains experts who can apply the information to actual products when communicating with customers. We conducted a 2020 Model House Trend Analysis Webinar to continue developing space design packages. Our Technical Service Team (TSD) is committed to providing best service by analyzing risk factors and types of defects that may occur during the construction service process, the key elements that determine customer satisfaction.

Design Process



Development of Customized Interior Finishing Materials

As the consumer interest in interiors is increasing, so are the market needs for interior building materials in various colors and patterns. In line with this consumer trend, KCC GLASS provides a variety of design and spatial package.

Expanding Use of Big Slab

Through market data analysis, we have identified key concepts as premium living, natural design, and hyper personalized interior, and through expanded application of Big Slab, we have developed interior solutions that not only meet customer needs, but also satisfy functional requirements.



Big Slab: a ceramic based surface finishing material applicable for both interior and exterior use for having excellent heat resistance, scratch resistance, and stain resistance, in addition to the beautiful appearance of natural stone.

2020 Korea Interior Architecture Exhibition

KCC GLASS has been sponsoring the Korea Interior Architecture Exhibition, co hosted with the Korean Society of Interior Architects/Designers (KOSID) for the development of the interior architecture field. KCC GLASS attended the 32nd Korea Interior Architecture Exhibition to introduce our products and business directions, strengthen communication with next generation designers, and identify new talents.



A total interior design brand, HomeCC

HomeCC is a high quality interior brand that presents space with philosophy and value of life based on the technological expertise in building and interior materials. HomeCC analyzes customers' lifestyles to meet hyper personalized needs, and provide interior package design and optimized living space. At HomeCC interior stores and showrooms, customers can directly view, consult, and purchase the latest trending interior building materials with proven quality. In addition, the stores offer differentiated one stop solution, from interior consultation to after sales service, through strict quality control of excellent interior partners and construction quality manager.

HomeCC Interior Service Process

- 1 **Request Interior Consultation**
Visit the store/online page / call center to request consultation
- 2 **Interior Partner Consultation**
Consult with local interior partners certified by KCC GLASS headquarters
- 3 **Design Package Selection**
Select interior design concept after based on details of consultation
- 4 **Quotation/ Site Survey**
Reasonably priced quotation through on site survey by experts
- 5 **Contract Signing**
Sign an interior construction contract, using KCC GLASS's standard contract
- 6 **Standard Construction by Professional Partner**
Customer Support Team makes frequent visits to the site to ensure construction quality
- 7 **Quality Assurance (1 Year Warranty)**
Confirm construction completion after final inspection and walk through
- 8 **Happy Call (Customer Satisfaction Survey)**
Get customer feedback on problems and satisfaction of construction through Happy Call



Main Businesses

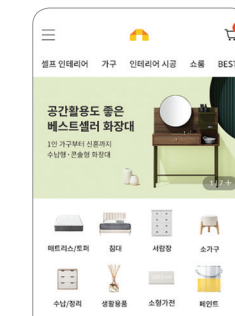
HomeCC provides interior solutions through three design packages: Organic, Soft, and Trendy. In order to prioritize customer convenience, HomeCC's Easy Bath, a dry construction bathroom, and HomeCC Window offer a one day construction service. Through a wide selection of products, including highly functional and aesthetic HomeCC window products, easy open handle, screen fixing handle, and other new subsidiary materials that have improved functionally and design, HomeCC Windows offers the highest energy saving and trendy products.

HomeCC Mall and offline channels have been renewed in line with changes in the ecosystems for shopping. Showrooms in major metropolitan areas, including Gangnam, have also been expanded to enhance customer convenience and accessibility.

Win-Win Partnerships

HomeCC has established partnerships with small and medium sized interior companies and provides customer referral, interior package design, and store consultation space. We endeavor to enhance the competence of interior partners through regular training and seminars. HomeCC guarantees quality and provides thorough after sales service; through the HomeCC standard contract, we ensure construction quality of our partners.

HomeCC Incheon, the largest interior store in Korea, offers products from a number of different partners in the Gyeongin region, such as Funny Rack, a prefab furniture company, World Blind, Hangil Changho, Reapers, and Decoline Furniture, for strengthened cooperation with local communities. HomeCC is building win-win partnerships for mutual growth with local commercial areas through cooperation of small and medium sized, local HomeCC partners and the home furnishing companies.



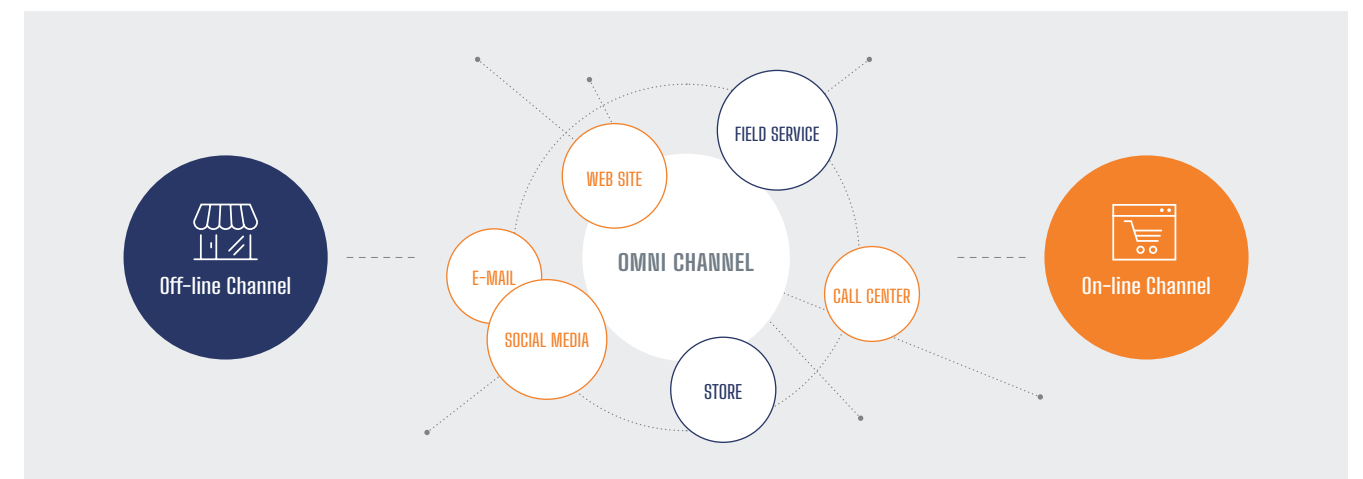
HomeCC Mall

HomeCC Mall is an online shopping mall for construction and interior materials operated by KCC GLASS, where customers can receive real-time consultation and find out about interior information, know-hows, and reviews.



<https://www.homecc.com/>

Diagram showing connection between on/offline channels



Enhancing Customer Value

Customer Satisfaction Management

KCC GLASS is a company specializing in glass and interior solutions with customer's trust and satisfaction as top priority. At the core of KCC GLASS's product development are the needs of customers and the market. We design customized products, enhance quality and safety, manage quality of our suppliers, and reflect VOC (Voice of Customer) and customer satisfaction surveys to provide optimized services to customers. In addition, the Stakeholder Code of Ethics represents the company's commitment in providing ethical management toward customers.

Responsibilities to Customers in the KCC GLASS Stakeholder Code of Ethics

KCC GLASS's goal is to provide an ideal living space for customers beyond gaining customer trust.

Customer Safety	Put customer safety as a top priority with strict standards on the whole process of product and service.
Service Quality	Transcend customer satisfaction through safety of raw and subsidiary materials, securing of product quality and best service.
Customer Trust	Tell the truth and must keep the promise with customers.
Customer Information	Observe the laws and regulation related to personal information and protect customers from act of infringement of personal information.
Customer Response	Listen to customer's opinions on products and service and actively accept reasonable suggestions. Maintain convenient facilities and business environment clean and pleasant.
Customers' Right to know	Publicize the facts that the customers must know or must be informed in an active manner.
Customer Satisfaction	Pursue customer satisfaction based on the understanding of customers and best technology.
Responsible Procurement	Strictly control the use of conflict minerals and strive for responsible procurement of minerals.

No. 1 in Customer Satisfaction

In the 2020 Korean Standard Quality Excellence Index (KS QEI) hosted by the Korea Standards Association (KSA) and co organized with the The Korea Society for Quality Management, KCC GLASS ranked first in PVC flooring materials, coated glass, and decoration film categories, demonstrating the performance of customer centered management. In addition, KCC GLASS's residential flooring products won the first place in the 2021 Brand Power of Korea Industry hosted by Korea Management Association Consulting (KMAC) and were recognized as the best product by consumers and professionals.



2020 Korea Quality Satisfaction Index (KS-QEI)

- Eleven consecutive years winner in PVC flooring
- Four consecutive years winner in low-emission glass
- A first-time winner in new decoration film



2021 Korean Industry Brand Power (K-BPI)

- Rated No. 1 in the household flooring category for six consecutive years

Enhanced Customer Service

We have integrated online and offline CS organizations for optimized customer contact management. The organization collects customer voices in a standardized system process and promptly reflects them in products and services. Using the Salesforce Automation (SFA) system independently developed by KCC GLASS, we analyze the core requirements of customers, which are promptly communicated to the quality, sales, and design teams to improve the level of customer satisfaction. Going forward, we plan to upgrade the related systems so that we can speedily deal with customer complaints through AI data based VOC analysis.

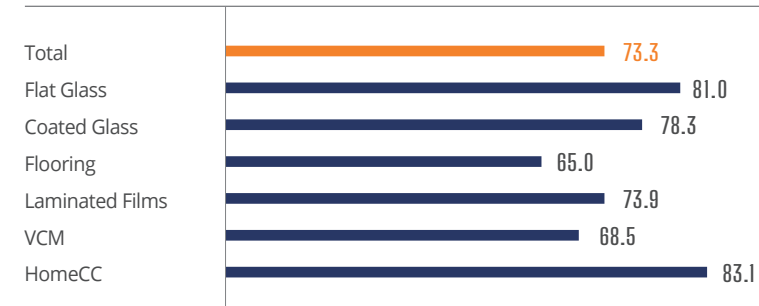
Ensuring Fair Trade for Consumers

KCC GLASS complies with relevant laws and internal regulations so that there is no harm to consumers in the process of purchasing and using our products. Since the establishment in January 2020, we have not had a single violation of the Labeling and Advertising Act and other related laws.

As a measure of consumer protection, we operate a fair trade compliance program and conduct in house training through newsletters.

In order to prevent situations that may interfere with consumers' rational choices or cause damage from incorrect display of product information and false advertisements, the relevant departments are carefully reviewing all information in advance. Additionally, our resolution process is in accordance with the current laws and regulations to further ensure customer protection.

Customer Satisfaction Survey Results



1 Product (flat glass, coated glass, flooring, laminated film, VCM)

- Survey Period : Oct. 2020~Dec. 2020
- Survey Participants : 70 stores with highest sales
- Survey Method (self-visit survey)
 - Brand Preference : Brand preference on company and product / Impact of marketing
 - Quality Satisfaction : Exterior, physical properties, packaging / Environment, safety
 - Service Satisfaction : Order placement, purchasing, delivery / AS, technical support

2 HomeCC

- Survey Period : Jan. 2020~Dec. 2020
- Survey Participant : Customers who have signed contract with HomeCC (1,730 contracts)
- Response Rate : 34.5% (597 customers)
- Survey Method : Through Happy Call after construction completion
- Evaluation Method : Very satisfied (100), Satisfied (75), Average (50), Dissatisfied (25), Very dissatisfied (0)

Communication with customers

KCC GLASS communicates with customers through various channels, including the company website, customer service center (1588 9894), channeling, and SNS. HomeCC conducts after service surveys on customers that have recently received our construction or after sales service. Through various means, including meetings with retailers and distributors for glass and commercial flooring and online/offline surveys, we collect and reflect upon the VOC and customer feedback. In addition, employees who directly interface with HomeCC interior partners and customers are trained on how to impress customers and how to respond to dissatisfied customers, in addition to general communication skills, to improve customer service. Through these activities, KCC GLASS strives to provide superior quality and service to customers and continuously improve market competitiveness.

CORE STAKEHOLDER INTERVIEW

Customer

As people spend more time at home due to COVID-19, it is evident that interest in and demand for interior and remodeling are increasing. In addition, the bases of customers' choices of interior materials are gradually changing. For example, product quality was the most important in the past, but nowadays, customers have developed a stronger preference toward eco-friendly products. It is well known that the MZ generation is extremely resourceful in gathering information about product quality and price. People of the MZ generation sometimes even request a material test report, which shows that eco-friendly products have become a necessity rather than an option for them.

In order to quickly respond to such consumer demands and changes in trends, KCC GLASS is actively reflecting the voices of customers in the planning and R&D phases of new products. In addition, I have a high regard for KCC GLASS's prompt and proactive response system in the event of customer complaints. I hope that KCC GLASS continues to develop eco-friendly products that meet consumer needs and trends to further solidify the position as the best in the industry.

Woorim General Materials Co., Ltd. CEO / Koo Dong Seop

Strengthening Product Quality and Safety

Strengthening Product Quality

Quality Management System

KCC GLASS has established and is operating a 3QP (Quality Product, Quality Process, Quality People) quality management system, through which we strive to provide the highest level of product quality and service to our customers.

Business Site	Quality Certification	Remarks
Yeoju	ISO9001, KS	· ISO9001: Quality Management System Certification
Asan	ISO9001, KS	· KS : Korean Industrial Standards
Gapyeong/ Yeongwol	ISO9001	· IATF 16949: Automotive Quality Management System Standards
Jeonui	IATF16949	
Deokso	ISO9001, KS	

QUALITY PRODUCTS

As a company specializing in glass and interior business, KCC GLASS is concentrating the corporate capabilities to reflect the diverse needs of customers and markets in product development, production, and service process. In order to provide customers with high quality and eco-friendly products, we are developing innovative technologies and acquiring and managing related certifications.

QUALITY PROCESS

KCC GLASS is realizing customer satisfaction by minimizing product defects and customer complaints through the operation of an advanced quality management system. Through the Total Quality Management (TQM) system, the company automatically collects the Critical To Quality (CTQ) of internal and external customers and coordinates CTQ with Critical To Process (CTP) for overall quality process improvement from development quality to material quality, mass production quality, customer quality, and quality innovation. By establishing the Manufacture Execution System (MES), we are managing the optimal production process, from ordering to product completion.

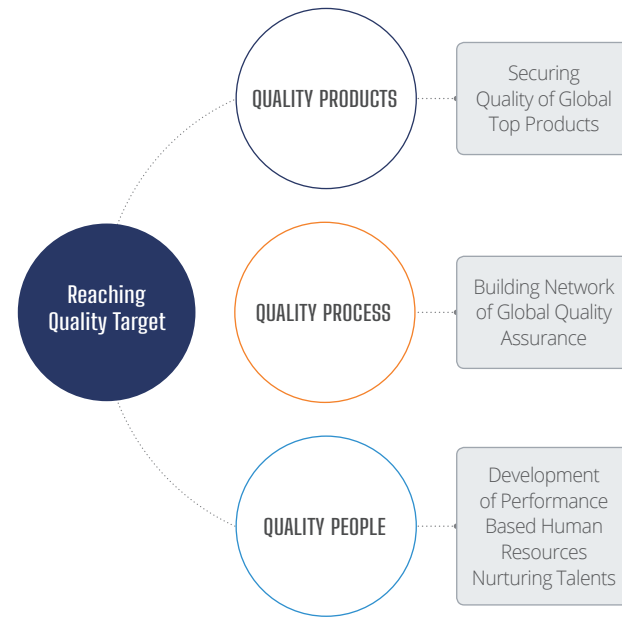
QUALITY PEOPLE

KCC GLASS has internalized a high level quality management system through Six Sigma activities in the development and manufacturing sectors, and by continuously nurturing in house quality experts (GB, BB, MBB), customer requirements are actively being reflected in new product development and production activities.

Six Sigma Certification (As of December 31, 2020)

GB	BB	MBB
56	26	12

Quality Information System



Partner Quality Management, KCC GLASS e-MAX Club

The e-MAX Club is a quality certification granted to domestic glass processing companies that produce excellent quality products; it is the largest glass processing network in Korea. The e-MAX Club started with 16 member companies that produce double glass in February 2006. In 2010, it expanded its certification standards to tempered e-MAX club and laminated e-MAX club in 2012. It is now becoming a complex processing network.

Strict quality standards are applied through regular inspections to ensure that high quality processed glass is supplied to customers. The membership is renewed each year through comprehensive annual evaluation.

e-MAX Club provides technical support for each type of processed glass for optimal process stabilization and offers a total solution that reduces the defect rate while improving the quality and productivity of the e-MAX members. In addition, we are planning to introduce an automated processing facility platform and working on fostering members to enhance the competitiveness of future leaders in the industry.

KCC GLASS e-MAX Club Membership Status

Year	Double Glass	Tempered	Laminated
2018	64	25	9
2019	70	26	8
2020	75	26	9

BEST PRACTICES

Excellent Innovation (Big-Y) Contest



In November 2020, the Excellent Innovation Contest was held, in which one or more excellent innovation tasks were selected for each business site as an attempt to promote best practices and improve management performance. In 2020, the announcement and evaluation were made online due to the spread of COVID-19. The contest is currently limited to the manufacturing related areas, but we are planning to make it a company wide event to encompass sales/logistics.

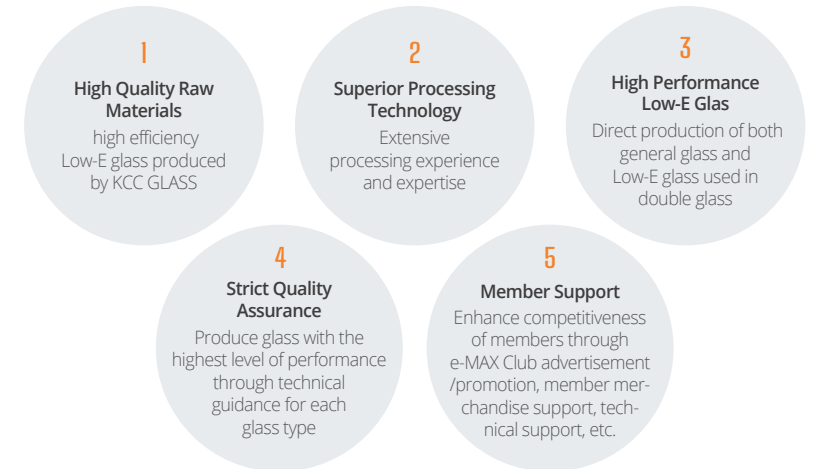
2020 E-Max CLUB Members (Unit: ea.)

81

Product Safety Certification (Unit: ea.)

65

Operation of KCC GLASS e-MAX Club

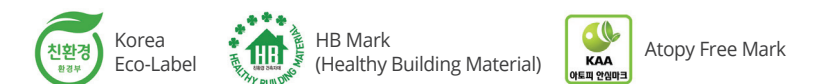


Strengthening Product Quality

Providing Information Related to Product Safety

KCC GLASS provides information on product safety through its website for easy access to customers. In particular, certificates/reports related to volatile organic compounds and heavy metals are continuously managed.

Name of Certification	Number of Certifications	Related Products
Korea Eco-Label	48	Commercial flooring, laminated film, LVT, etc.
HB Mark	16	Commercial flooring, laminated film etc.
Atopy Free Mark	1	Commercial Flooring



Activities to improve product safety

KCC GLASS manufactures and sells products (excluding flooring materials for indoor use) that follow the Electrical Appliances and Household Products Safety Management Act. In order to meet the legal standards required at various sites, such as the Indoor Air Quality Act, the Environmental Health Act, and the Health Housing Construction Standards, internal standards for each product group have been developed and are being managed separately. As a result, to this date we have had zero reported violations of product safety and health related legal standards or internal regulations. In particular, to manage harmful substances (TVOC, HCHO Toluene, etc.), environmentally harmful heavy metals (lead, cadmium, mercury, chromium 6+), and endocrine disrupting substances (phthalate plasticizer, etc.) to a level below respective legal standards, we have established internal analysis team that conduct regular test through authorized institutions. By developing and improving products closely related to consumer safety, such as automotive safety glass, non slip architectural flooring, and flame retardant film, we will strive to ensure compliance with environmental & safety values.

03

Human Resource Management



Materiality of Issue

In a rapidly changing business environment, the growth of employees is directly related to the success of a company. Recruiting and nurturing talented people who will lead the market with new ideas is an important task for KCC GLASS. KCC GLASS strives to establish a horizontal organizational culture that respects individual's human rights, establishes a fair and innovative human resource development system, and provides a safe and happy workplace.

Our Approach

- 1 _ Establish company wide health and safety management system
- 2 _ Reinforce safety and health awareness through risk assessment
- 3 _ Join the UNGC and support the 10 principles
- 4 _ Ensure transparent recruitment and promote diversity
- 5 _ Establish accessible learning program through mobile education platform
- 6 _ Promote work and life balance of employees

Future Plans

- 1 _ Establish company wide health and safety management system
- 2 _ Reinforce disaster prevention activities
- 3 _ Support safety accident prevention activities for business partners
- 4 _ Strengthen human rights management through regular human rights due diligence
- 5 _ Foster outstanding talents through fair performance evaluation and compensation.

Health and Safety Training Completed by

1,730
employees

Labor Management Council Agenda

Resolution Rate
98%

Operating Cost of Daycare Center at Workplace

KRW 41 million

Health and Safety

Health and Safety Management System

Promoting health and safety management

KCC GLASS has established a company wide safety and environment management system and an organization dedicated to safety and environment management at the head office and worksites to achieve zero accidents at worksites. The organization in charge of safety and environmental management consists of the Safety Environment Director, the Safety Environment Unit at the headquarters, and the Safety Environment Organization at each business site. Through organic work linkage between the headquarters and business sites, we are minimizing workers' health and safety risks.

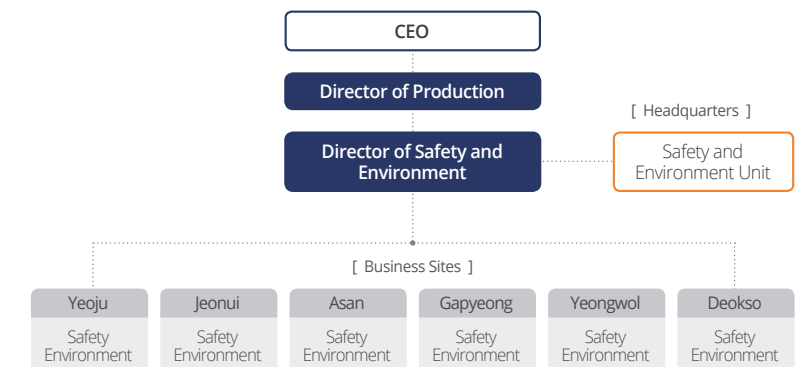
Occupational Safety & Health Committee

In accordance with the Occupational Safety and Health Act, KCC GLASS has established and operates the Occupational Safety and Health Committee for each business site. The Occupational Safety and Health Committee, which is composed of workers and employer, convenes every quarter to discuss, review, and decide on the various agenda, including the establishment of an industrial accident prevention plan, employees' safety and health training, evaluations of the work environment, and workers' health management. In addition, the Labor Management Council is held every quarter at the Yeongwol and Gapyeong Plants, which are not required to form the Occupational Safety and Health Committee under the Occupational Safety and Health Act, to deliberate and decide on various issues with safety as the top priority.

Composition of Committee

- Committee Chair : Director of Safety and Health
- Members : Employee representative, Honorary Occupational Safety Inspector, no more than nine members designated by the employee representative
- Employer's Members : Safety Manager, Health Manager, no more than nine members designated by the representative
- Frequency : Quarterly

KCC GLASS's Safety and Health Management Organization



Health and Safety Management System Certification

Four out of six domestic business sites KCC GLASS have acquired safety and health management system certification. The Jeonui plant has been certified with ISO45001 and conducts annual follow-up/renewal audits, and the Yeosu, Yeongwol, and Deokso plants have acquired KOSHA-MS certification in 2021. We are in the process of acquiring KOSHA-MS certification for Asan and Gapyeong plants with the goal of having all business sites certified with the safety and health management system in order to be able to respond to safety and health regulations and establish a systematic safety and health system.

Business Site	Name of Certification	Organization	Remarks
Jeonui Plant	Safety and Health Management System (ISO45001)	Korean Foundation for Quality	
Yeosu Plant			Acquired in September 2021
Yeongwol Plant	Safety and Health Management System (KOSHA-MS)	Korea Occupational Safety and Health Agency	
Deokso Plant			In progress
Asan Plant			
Gapyeong Plant			

* Safety and Health Management System applies to all employees working at the relevant business site (including in-house partners)

Safety and Health Risk Management

Business Site Audit and Support System

KCC GLASS conducts safety inspections at the job sites once a every half year to check compliance with safety and health related laws and to identify and eliminate potential risk factors. A safety/health manager of a business site teams up with a member from Safety and Environment Unit at the headquarters and inspects business sites other than their own. By doing so, we hope to improve the competency of workplace safety/health managers, communication between business sites, and exchange of best practices for safety and health.

Accident Investigation and Response

In March 2021, an accident occurred in Yeosu Plant and part of the glass production line was damaged. Fortunately, the prompt response of workers prevented casualties and secondary damage from fire or explosion. However, out of the units that were in operation Units 2, 3, and 7, Unit 3 was stopped KCC GLASS has taken all measures to minimize the impact of accidents on business activities through emergency maintenance and inventory utilization. In addition, we started cold repair work for the production line No. 5 of the Yeosu Plant, which was suspended in November 2018. The operation resumed after three months to stabilize production.

KCC GLASS promises to use this as an opportunity to re evaluate our systems and take fundamental measures so that safety and health

become the top priority in all business activities. We will continue to provide a stable supply of high quality glass through eco-friendly manufacturing processes and contribute to the advancement of Korea's glass industry.

Safety and Health Management of Partners

At each business site, KCC GLASS has organized a council with our partners and holds a monthly meeting on safety and health issues to strengthen the safety culture in leadership. At the meeting, the council members analyze the cause of accidents and harmful risk factors for each business site. Through these activities, we strive to not only improve the safety and health management, but also share safety accidents, preventive measures, and changes in relevant laws and regulations, to further reinforce the safety awareness and capabilities of our partners and employees.

Safety and Health Training

KCC GLASS conducts regular safety and health training and special safety training every quarter, in addition to new employee safety training at the time of hire, to raise safety and health awareness of employees and executives, eliminate harmful risk factors, and to be able to respond in case of disasters.

Safety Training Status

Category	Unit	2020
Total Hours of Training	Hours	42,372
Total Number of Employees that Completed the Training	Persons	1,730

* The number of employees that completed safety training include persons who resigned/retired in 2020.

Emergency Response Drills

KCC GLASS conducts Emergency Response Drills for all employees in order to ensure efficient, timely response to emergency situations, such as fire, explosion, leakage, and earthquake. Three types of drill include Emergency Response Drill, Self Fire Drill, Earthquake Evac-



* KCC GLASS requires that workers stop working and evacuate immediately in the event of an imminent risk of industrial accidents. Procedures for reporting/response/evacuation/recurrence prevention of fire and other serious disasters have been established, and relevant training is provided to employees.

uation Drill, and AED / CPR Practice, and each drill is carried out according to the annual plan. In addition, a public private joint training is regularly conducted to establish a cooperative response system with related organizations in response to possible fires, explosions, and leaks that may occur at the job site.

Promotion of Employees' Health and Welfare

In order to create a healthy working environment and help prevent occupational diseases, KCC GLASS has appointed a health manager, provides support for health checkups, and implements health promotion programs. We offer annual health check ups* for all employees and executives and biennial check ups for spouses and partners of eligible employees. Designated as a health promotion workplace, Yeosu Plant participates in the Health Promotion Program*, which is sponsored by the Yeosu Public Health Center every year.

* Spouse Health Check Up: Once every two years for the spouse of employees and executives who are 50 years or older.

* Health Promotion Program: Smoking cessation campaign, lifestyle disease prevention counseling, and Cardio-cerebrovascular campaign

Employee Safety and Health Data

Category	Unit	2020
Occupational injuries	Cases	6
Injury rate (frequency) *	-	1.47
Fatalities from work-related accidents	Cases	-
Occupational diseases	Cases	1
Occupational disease frequency (severity rate) *	-	0.02
Number of Lost Time	Cases	7
Lost Time Injuries Frequency Rate(LTIFR) *	-	1.71

Partner Safety* and Health Data

Category	Unit	2020
Occupational injuries	Cases	5
Injury rate (frequency) *	-	3.67
Fatalities from work-related accidents	Cases	-
Occupational diseases	Cases	-
Occupational disease frequency (severity rate) *	-	-
Number of Lost Time	Cases	5
Lost Time Injuries Frequency Rate (LTIFR) *	-	3.67

* In-house partner: subcontractors or service companies that are different from affiliated companies

* Injury rate (frequency): Frequency of injuries for total hours worked by all workers [(Number of accidents × 1,000,000) ÷ Total number of working hours per year]

* Occupational disease frequency (severity rate): Frequency of occupational diseases for total working hours of all workers [(Number of lost working days × 1,000) ÷ Total number of working hours per year]

* Lost Time Injuries Frequency Rate (LTIFR): The number of work loss cases for more than one day for the total working hours of all workers [(Number of lost working days × 1,000,000) ÷ Total number of working hours per year]

Human Rights and Diversity

Human Rights Management

Respect of Human Rights

KCC GLASS complies with the United Nations Universal Declaration of Human Rights and various international human rights laws to respect dignity and rights of all stakeholders, including executives and employees, customers, and partners. Since joining the United Nations Global Compact (UNGC) in July 2021, we have been promoting the ten major principles of human rights, labor, environment, and anti-corruption.

KCC GLASS discloses relevant information on the company website through our Stakeholder Code of Ethics. We are committed to creating a sound organizational culture that respects individuality through mutual trust. To resolve various human rights related grievances of our employees, we conduct various trainings to prevent sexual harassment, and to improve awareness of persons with disabilities every year, in addition to operating an anonymous grievance bulletin board.

Employee Grievance Handling and Human Rights Protection Activities

KCC GLASS ensures human rights protection at the company level through the Stakeholder Code of Ethics Practice Guidelines. By operating a labor management council composed of members elected by employees, as well as an anonymous grievance board, we actively listen to the voices of our employees and protect their human rights. Employees' human rights issues and other suggestions/grievances gathered through the anonymous bulletin board are handled in a reasonable manner and a way that demonstrates company's commitment to protecting human rights of employees, improving labor management communication, and building a cooperative culture.

Category	Unit	2020
Dr.KCC GLASS	Number of Grievances Received	Cases 7
	Number of Grievances Received	Cases 7
	Resolution Rate	% 100

Employee Diversity

Diversity Policy

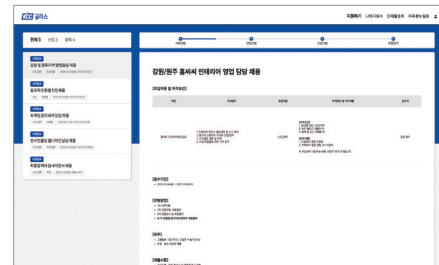
All members of KCC GLASS and related persons have the right to pursue happiness in relation to human dignity, value, and provision of work. KCC GLASS ensures compliance with applicable laws including the Labor Standards Act and the Maternity Protection Act, and strictly prohibits any form of discrimination based on gender, nationality, or disability through the employment rules, collective agreements, and compliance regulations that promote diversity in the workplace. In addition, responsibilities for employees are stipulated in the KCC GLASS's

Stakeholder Code of Ethics, displaying the company's promise to respect diversity and ensure fair treatment of employees.

Open Recruitment

KCC GLASS has established principles of open recruitment, through which we hire individuals who are suited to our culture of respect for diversity. Our open recruitment policy ensures equal opportunities to all applicants based on job competency and does not put restrictions based on gender, age, or other factors irrelevant to one's job related competencies.

KCC GLASS Online Recruitment Site



New Employees Hired in 2020 (Unit: persons)

88

Responsibilities to Employees in the KCC GLASS Stakeholder Code of Ethics

KCC GLASS complies with the UN Declaration of Human Rights, International Human Rights Norms and related laws to respect and protect the human rights of its employees.

Equity and Diversity	· We provide equal opportunities to all employees and applicants. · We do not discriminate based on nationality, religion, gender, gender identity, age, disability, marital status, family support, political party, etc. in practices of HR policies, including recruitment, promotion, compensation, training, disciplinary action, and retirement.
Prohibition of Forced Labor	· We guarantee free willed labor and strictly prohibit any form of forced labor, through both mental and physical restraint.
Prohibition of Child Labor	· In compliance with the minimum employment age, children, and adolescents under the age of 15 are prohibited from working.
Freedom of Association	· We guarantee freedom of association, the right to organize, and the right to collective bargaining in accordance with labor laws, and do not discriminate against the cause of union formation, membership, or activities.
Working Hours	· We comply with laws related to working hours and holidays, and do not impose working conditions that are below the legal standard.
Wages	· We pay more than the minimum wage in accordance with laws and regulations.
Labor Contract	· We conclude a written labor contract with all employees.
Health and Safety	· We ensure safety in the workplace by removing risk factors and potential hazards, taking precautionary measures, observing safety rules, providing personal protective equipment, and conducting safety training.
Human Resource Development	· We support employees in their endeavor to acquire knowledge and information necessary for the job and strive to create an environment that promotes creative thinking and autonomy.
Fair Evaluation	· We strive for fair evaluation and compensation of executives and employees by applying fair standards in consideration of capabilities and achievements.

CORE STAKEHOLDER INTERVIEW



Labor Management Council

KCC GLASS is attempting to move away from the existing brand image of a manufacturing company to be more approachable as a company specializing in interior and distribution. To reflect the increasing interest in the residential environment due to COVID-19, we are expanding O2O (Online to Offline) business to promote diversification of business portfolio and increase market share.

In these rapidly changing domestic and overseas business environments, I believe that this is the time for innovation of management and organizational culture. It makes sense to discard the conservative and hierarchical system of a manufacturing company and strive to create a horizontal, dynamic culture in line with the new business direction and goals. By establishing a system that promotes free and open communication between employees, departments, and ranks, we will be able to create more collaboration opportunities and solve problems more efficiently. This will also boost employee morale and enhance management efficiency.

Labor Management Council Employee Representative / Ko Ah Young

Corporate Culture Innovation

Creating a Bright and Pleasant Workplace

Operation of Flexible Working Hours

KCC GLASS is implementing a number of different flexible working hour systems, including estimated working hour system, which is used when it is difficult to calculate exact hours worked due to frequent outside work, such as business trips and dispatches; flexible working hour system, which is used when employees or certain department are expecting to do overtime for a project to allow flexible adjustment of working hours; selective working hour system, which allows an employee to decide the start and end of a work day as long as the employee meets the total number of hours set by the company; discretionary working hours system, which delegates the method of work at discretion of employee in consideration of nature of work; and the telecommuting system, in which an employee works from home or places other than the company office. In particular, the telecommuting system is becoming more prevalent due to the spread of the COVID-19 and for improving employees' concentration and productivity. We are taking various measures to improve organizational culture as well as infrastructure for successful remote working. We will continue to strengthen and improve related systems to enhance productivity and promote employees' work life balance.

Interactive Communication Channels

Apart from the Labor Management Council, we operate various communication channels, including Dr. KCC GLASS and Staff/Assistant Manager Seminars to handle complaints and grievances of our employees. Dr. KCC GLASS is an online portal for employees to share their grievances and suggestions, which are then addressed by the HR Team and General Affairs Team for immediate action and improvement measures. Staff/Assistant Manager Seminar is an offline forum held quarterly among employees to share grievances and suggestions. In 2020, we were not able to hold the seminar due to COVID-19, but we plan on holding it regularly once the pandemic is over. Operation of these systems and two way communication channels not only helps improve job satisfaction, but also work efficiency.

Labor Management Cooperation

KCC GLASS is striving to establish a win-win labor management culture based on mutual respect and trust. We ensure the three labor rights and basic rights of workers through collective bargaining every year and endeavor to improve the wage and working conditions of technical staff. The collective bargaining conducted in 2020 was concluded without disputes to achieve community goals based on a mature labor management culture. A non negotiation agreement was signed at the collective bargaining in 2021, delegating all powers to the company to overcome the crisis in the uncertain business environment at home and abroad. These examples demonstrate that KCC GLASS pursues win-win cooperation between labor and management to enhance corporate competitiveness and stability in

production. In addition, we hold quarterly Labor Management Council meetings, where representatives from each group discuss ways to improve employee welfare and build healthy partnership, sound corporate culture, and effective communication system for labor and management.

Enhancing Employee Satisfaction

KCC GLASS promotes healthy organizational culture and strives to improve employees' job satisfaction. To create a healthy and productive working environment, we encourage employees' participation and feedback on improving measures. Furthermore, we are continuously looking into introducing other systems and plans, including a plan to improve grievance handling and welfare/benefits, to increase employee satisfaction.

Category		Unit	2020
Labor Management Council	Number of Agenda	Cases	98
	Number of Resolutions	Cases	96
	Resolution Rate	%	98

* Including Headquarters, Yeosu Plant, Jeonui Plant, Asan Plant, Gapyeong Plant, Yeongwol Plant, and Deokso Plant

Work Life Balance

Family-Friendly Management

In line with the change in maximum working hours to 52 hours per week, KCC GLASS is taking various measures to create a productive working environment. We make daily announcements at the end of the day to encourage employees to leave on time and have a "Casual Dress Day" every Friday so that employees may work in comfortable clothes. We have introduced a "PC-Off System" and "Working Hours Management System" to encourage employees to have dinner with family, avoid overtime, and promote work life balance. In addition, various work types such as selective working hours and flexible working hours are introduced to enhance employee engagement and efficient work time management.

Family Life and Childcare Support

KCC GLASS operates maternity leave and parental leave in accordance with the standards set by the Labor Standards Act. 100% of the regular wage is paid to employees during the first 60 days of maternity leave, as well as to those who requested reduced work hours during pregnancy, so that employees can leave for childbirth and childcare in confidence. KCC GLASS encourages use of parental leave to all eligible employees, regardless of gender, and maintains a pool of part time employees to substitute in case of vacancy. We also ensure there is no discrimination or unfair treatment due to use of parental leave.

Employee Welfare and Benefit Program

KCC GLASS strives to create an environment, in which employees are able to fully engage in their work and ensure quality of personal life. In addition to the four mandatory insurances and medical expenses, we offer support for various celebrations and condolences and also provide holiday pay, vacation pay, as well as subsidies for housing and living expenses. Furthermore, we are operating a daycare center at the head office and offer company housing and dormitories for the convenience of our employees. KCC GLASS promotes enhanced work efficiency by improving job satisfaction through the welfare benefit system. We believe this strategy will ultimately allow us to create sustainable corporate value.

Major welfare and benefit programs

Category	Details
Support for children's education expense	Tuition support for employees' children in high school and college
Family health checkup support	Annual health checkup support including spouse checkup
Family leisure facilities support	Offering condominium and KCC Family Campground at discounted rate
Operation of in-house daycare center	Installation and operation of in-house daycare centers
Family medical expense support	Support for medical expenses for employees, and their spouse and children
Support for congratulations and condolences	Congratulations and condolences leave and pay for marriage, death, 60th birthday, and childbirth
Loans	Support for housing loans and other loans related to living expense, etc.
Employee counseling system	Provide psychological counseling services for employees and their spouses
Support for club activities	Support for sports activities, such as basketball, baseball, and marathon, other club activities, such as band, and volunteer groups

BEST PRACTICES

Operation of In House Daycare Center



Our in house daycare center located in Seocho gu was established in May 2019 to provide convenient childcare support for employees. The daycare center is free of charge for all employees of KCC Group. Out of 11 children in the daycare center, five are KCC GLASS employees', as of 2020.

Developing Talents

Human Resource Development System

Recruiting Excellent Talent

With the belief that a company's sustainability is maintained by the growth and development of each employee, KCC GLASS's HR system promotes mutual growth of individuals and organization. In compliance with employment rules and collective agreements based on the Labor Standards Act, we make various efforts to secure excellent talents in each field. Our open recruitment policy is founded on the principle of respect for diversity, including gender, age, major, and region, and considers job competency as top priority. We are committed to protecting human rights of women, persons with disabilities, etc. from discrimination and disadvantages, so they can fully demonstrate their abilities. KCC GLASS seeks and values individuals with Knowledge, Challenge, and Courage. This is the basis of our human resources policies and training system.

Training Programs

Data Expert Training

In response to the era of digital transformation, we introduced a big data training program on Python to nurture in-house data analysts. The online platform offers practical courses in three stages, introductory, basic, and advanced. Only users with highest 30% scores are allowed to proceed to the next level to enhance the level of engagement. In addition, we support training by providing intensive study days (1 to 2 days/month) and allowing work from home.

Online Training

KCC GLASS and KCC Group Training Center have jointly developed online training programs to help our executives and staffs learn about their jobs, products, and languages. Through the "Micro Learning System," which refers to a series of short clips on various subjects within 10 minutes, our employees can quickly learn about the topic and get the information they need. In March 2020, we reorganized our education portal with focus on mobile contents to build an ongoing learning system.

Onboarding Program

KCC GLASS provides training to all new hires to introduce the core organizational values, culture, system, and company policies. Through one on one mentorship within the department, new hires get familiarized with the department's Roles and Responsibilities (R&R) and learn about the in house computer system, etc. KCC GLASS supports various onboarding programs tailored to different needs to help new employees adapt to new environments in the rapidly changing internal / external conditions.

Training Program

Category	Type	Details
Training Center	Basic Training	Overview of company history, business areas, core values, and working attitude to help new hires adapt to the organization
	Advanced Training	Reinforcement of job competency and leadership development by position
	Onboarding Training for Mid Term Hires	Learning about core values and improving job related skills by understanding company regulations and systems
	Training for the Newly Promoted	Job competency and management competency training for the newly promoted employees
Online job training	Job specific training	Specific job/competency training
	Language Training	Training contents provided in connection with external educational institutions
External	Job specific training	Specific job training through external educational institutions

Re Employment Support for Prospective Retirees

KCC GLASS provides reemployment support in collaboration with external providers for workers over the age of 50 who involuntarily retired in accordance with the Article 21-3, Paragraph 2 of the Elderly Employment Law. The main training course consists of career design training, entrepreneurship training, and employment training. Anyone who wishes to take the course and choose the one they want to take online or offline. The training provides support in career planning, self development, and other opportunities for alternative careers after retirement. In addition, after providing training, overall satisfaction with the service and improvement areas is derived for appropriate follow up management.

Detailed Curriculum

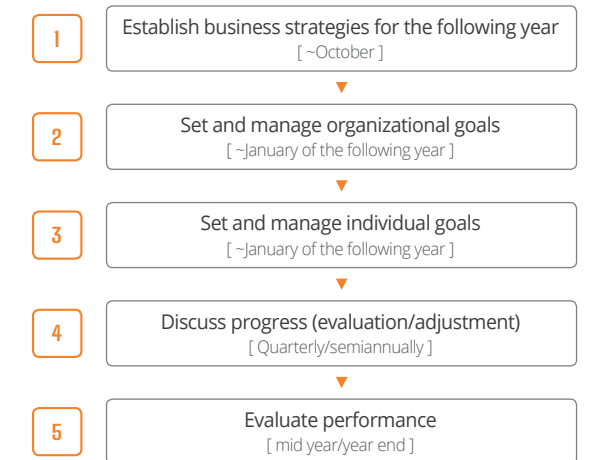
1 Career Design	Job search, career search, career design, etc.
2 Employment Support	Job search basics, competency enhancement, job search strategy, job search execution
3 Life Planning Support	Asset management, health management, and other supports

Evaluation and Compensation

Transparent and Fair Evaluation

KCC GLASS strives to operate a transparent and fair human resources management system. We make sure that our executives and staff are motivated and proud of what they do through a "performance and competency oriented" evaluation system, in which individuals set their own goals and improve their performance based on the feedback as well as the final report. Establishing an MBO that is consistent with the strategic direction of the business not only helps employees to focus on their work but also allows objective evaluation of employee. Regardless of gender or whether the person has completed military service, all evaluation results are being used in a consistent manner to determine promotion, salary, incentive and

bonus, and job assignments. KCC GLASS ensures implementation of fair and objective evaluation through compliance with relevant process and by making the process transparent. In addition to year end evaluation, the company organizes frequent feedback sessions to discuss progress and provide a clear direction for each employee. Additional efforts, including self development plan, are being made to effectively link evaluation and development of employees.



Objective and Fair Compensation

KCC GLASS is moving away from the existing relative evaluation system and introducing an absolute evaluation system based on performance. It is to practice the principle of fair compensation based on competency and contribution. Instead of setting ambiguous goals, we have established an MBO evaluation system, setting and evaluating financial goals, productivity goals, and strategic goals. KCC GLASS adopts a cumulative annual salary system based on the MBO evaluation result, and gives incentives based on the evaluation result of annual work performance.

04

Sustainable Supply Chain



Materiality of Issue

Achieving sustainability within today's complex supply chains requires cooperative efforts across the supply chain, not just one company. KCC GLASS supports the growth of competent partners by creating a fair trade culture based on mutual trust and encourages their participation in socially responsible management.

Our Approach

- 1 _ Support partner companies' growth infrastructure
- 2 _ Strengthen communication with partners
- 3 _ Operate fair trade compliance program
- 4 _ Establish fair trade reporting system and training

Future Plans

- 1 _ Establish socially responsible management policies for business partners
- 2 _ Develop and operate CSR evaluation criteria for business partner selection
- 3 _ Support fair trade and CSR training for business partners
- 4 _ Hold more meetings with business partners

Fair Trade Training Completed by

[First half of 2020]

543
employees



Fair Trade Training Completed by

[Second half of 2020]

676
employees

Advance payment for vendors

KRW
5,257
million

Mutual Growth With Business Partners

Fair Trade

Fair Trade Compliance Program

In order to practice fair competition and transparent transactions in the supply chain, KCC GLASS introduced and has been operating the Fair Trade Compliance Program (CP) since the establishment of the company as a spin off in January 2020. In January 2020, the CEO of KCC GLASS declared compliance management and fair trade compliance program, clearly expressing company's expectation for fair trade activities, such as respecting the trade secrets of other companies, prohibition of solicitation, promotion of anti corruption, and compliance with the principles of fair trade with respect to competitors. In addition, to establish a culture of fair trade compliance, we are conducting activities under the supervision of the Fair Trade Compliance Manager and a dedicated team. At the semiannual Compliance Coordination Committee, members discuss the details of activities and review the improvement items for report to the Board of Directors and disclosure. Furthermore, the compliance officer checks compliance with the company's internal compliance control standards and reports the results to the Board of Directors once a year.

Major Activities of Compliance Program

· Declaration of Compliance Program	· Training
· Revision and Distribution of Fair Trade Guidebook	· Newsletter
	· Review of contracts, legal advice

Four Guidelines for Fair Trade

- 1 **Guideline to Fair Agreement** : Reflect interest of all parties in the contract with small to mid sized companies and prevent abuse of power to ensure fair agreement.
- 2 **Guideline to the Selection and Operation of Partners** : Increase transparency and fairness in the process of selecting / operating partner companies; contribute to the establishment of fair order of subcontract transactions and prevent the violation of the Fair Transactions in Subcontracting Act and violations of other laws and regulations.
- 3 **Guideline to the Installation of Internal Deliberation Committee** : Perform advanced review on fairness, legality, etc., of subcontract agreement to ensure establishment of fair order in subcontract transactions.
- 4 **Guideline to the Issuance and Retention of Subcontract Agreement**: Comply with the issuance and retention guidelines recommended by the Fair Trade Commission for the establishment and dissemination of a proper subcontract culture.

Operation of Fair Trade Violation Reporting System, Cyber Shinmungo

KCC GLASS operates an online whistleblowing center, where all KCC GLASS stakeholders, including partners, customers, and employees, can report misconduct of KCC GLASS employees, such as receiving/giving bribe, unfair trade practices by abusing power, leakage of confidential company information, and other forms of corruption and malpractice. We ensure anonymity of the informant and that there is no disad-

vantage for reporting. The validity of the report is verified with the relevant departments and 100% of the reported cases are resolved in principle.

* In 2020, there were 0 reports received through Cyber Shinmungo.

Fair Trade Training

KCC GLASS conducts fair trade compliance education every year to establish a culture of fair trade. In compliance with the government's social distancing guidelines for COVID-19, training materials are distributed to employees so they can learn in their own time, while preventing violation in advance.

Fair Trade Training

Category	Unit	2020
Subcontracting Law Training (First Half)	Hours	1
	Persons	543
Anti Graft Law Training (Second Half)	Hours	1
	Persons	676

* Eligibility: All office workers who have relevant matters for their work

Cooperation with Partners

Supply Chain Management System

KCC GLASS is promoting the global competitiveness of its partners in terms of management, quality, and technology for sustainability throughout the corporate ecosystem. In addition, in order to create a fair trade culture with business partners, we notify and obtain consent at the time of signing contract. We will be considering sustainability in the selection, operation, and evaluation of business partners in order to manage business risks and fulfill corporate social responsibilities in the value chain. By establishing policies that reinforce socially responsible management, we will continue to manage the relevant risk factors in the supply chain.

Supply Chain Management System

Category	Management	Quality	Technology
Management items	Financial status, compliance with laws, mutual cooperation	Quality management system, defect control	Production management system, new product development
Management Plans	Ethical/human rights risk management		Safety/environment risk management

Selection and Operation of Partners

KCC GLASS conducts business with 164 partners. We evaluate new partners based on the evaluation criteria for each product/business area, and only conclude contracts with those who meet our standards. KCC GLASS conducts annual inspections and evaluations on its partners with a transaction scale above a certain level to manage risks. We conduct regular/frequent evaluation of partners by product/field. For the partners evaluated with excellent grade, we offer incentives such as

CORE STAKEHOLDER INTERVIEW

Partner

We started working with KCC GLASS over 10 years ago, when the company was KCC. KCC GLASS is a very reliable primary contractor that cares about the growth of partners, material supply, on time payment, etc. Supply chain relationships between the large corporate, or prime contractor, and suppliers is an important issue for a supplier. Especially with the shifting paradigm from direct production to OEM centered production of large companies, for sustainable supply chain management, it will be effective if large companies focus on reliable supply of raw materials, product development, and marketing activities, while partners focus on producing quality products. We are satisfied with the way KCC GLASS builds long term relationships with suppliers. We look forward to continuing a win-win partnership with KCC GLASS for mutual growth.

CEO of Poongsan Maru Co., Ltd., / Lee Kwang Il

expansion of transaction items, etc. For the partners that need improvement, we request and manage the status of improvement measures consistently. KCC GLASS plans to establish and distribute the sustainability management guidelines for partners and incorporate social responsibility management evaluation items in the selection and evaluation of partners.

* Partner refers to a company to which the subcontracting law applies.

Evaluation Process



Conflict Mineral Management Policy

KCC GLASS understands the seriousness of the issues regarding the four major conflict minerals (gold, tin, tantalum, and tungsten) mined in conflict zones in Africa, including the Republic of Congo, and recognizes the importance of mineral management policies to protect human rights and the environment. To show our commitment, we collect and manage component analysis and information on the supply of raw materials from our partners, and do not purchase minerals mined in conflict zones from the raw material purchasing stage. In addition, we ensure that our partners do not trade with those who supply conflict minerals.

Win-Win Cooperation Program

To promote the growth and innovation of business partners, KCC GLASS operates win-win cooperation program, which includes contract support, cash payment, financial support, training, and technical support.

Category	Details
Contract support	Priority of bidding opportunity, exemption from performance bond, etc.
Cash payment	Improvement of payment conditions
Financial support	Early payment before National Holidays(Chuseok, Lunar New Year's Day)
Technical support	Production technology support, quality control support, etc.
Training support	In person training and online training support

Early payment to partners

To help the cash flow of partners, KCC GLASS made early payments to suppliers in 2020 before the holidays (Chuseok).

Category	Number of partner companies	Early payment amount
All suppliers	212	KRW 5,257 million
Partner companies (subcontractors)	24	KRW 646 million

* Supplier Criteria: Companies with pending payment before Chuseok

Training and Technical Support

KCC GLASS conducts seminars for each product/business area to help improve technological capabilities of partner companies. We also dispatch our experts to partner companies for quality improvement.

The main items of support are quality training and process improvement. In 2020, we could not hold meetings due to COVID-19. Instead, we utilized other platforms, such as online training, etc. We will continue to work to improve environmental management of partners through various partner support programs.

Support for e-MAX Club Members

KCC GLASS provides technical services to improve the quality and productivity of processing networks of e-MAX Club. We are working hard to deliver the best products to our customers through active support activities, including quarterly quality evaluation; deduction and application of improvement plan through 4M analysis of non-conforming items; operation of training programs and technical seminars; and process consulting for productivity improvement. In addition, we provide glass processing facility funding support for agencies and e-MAX Club members nationwide; support for KOLAS certification test; support for business connection with domestic KOLAS certification test institutes; and new agency training programs. This is to not only help alleviate the burden of expensive equipment and testing, but also to provide a service that links product evaluation, quality improvement, and production.

Starting in 2020, we are implementing the premium e-MAX Club certification system to select about 10 excellent agencies each year and provide more benefits to raise awareness of quality management to the next level.

Communication with Partners

In order to improve communication with our partners, KCC GLASS is operating a Cyber Shinmungo on its website and an Inquiry Channel in the channeling (order/receipt) system. KCC GLASS uses the portal to receive and respond to the grievances and general inquiries of partners. In 2020, we conducted interviews and surveys on 23 partner companies regarding the status of production/sales activities and response to COVID-19. We will continue to strengthen communication with partners through regular/frequent meetings.

05

Local Community Engagement



Materiality of Issue

Respect for people is one of the three ESG strategies of KCC GLASS. In order to become a company that coexists with people, we want to create a sustainable society, promote co-prosperity with the local community through various social contribution activities, and eliminate the marginalized in our society.

Our Approach

- 1 _ Aligning social contribution with business
- 2 _ Development of social contribution program
- 3 _ Operation of in house volunteer group and spreading culture of voluntary participation

Future Plans

- 1 _ Quantitative management of social contribution activities
- 2 _ Promotion of employee volunteer groups

Number of employees in volunteer group

113 employees

Number of CSR Activities

35

CSR Expense

KRW 470 million

Social Contribution System

Vision and Strategy

Social Contribution Strategies and Goals

With the vision of <A Happy World Living Together>, KCC GLASS practices corporate social responsibility activities for everyone's happiness. We are conducting social contribution activities under the core ideas of "Happy Space", "Happy Society," and "Happy Sharing." We also utilize our products and technologies in connection with our business areas of building materials and interior business to solve various social problems. In connection with the UN SDGs, we are "creating sustainable cities and residential areas" and focusing on improving the residential environment of the underprivileged. Our employee volunteer group actively collects employees' ideas to organize more diverse social contribution programs.

Employee Volunteer Group

The HomeCC Volunteer Group was established in March 2021 to cultivate a culture of service and sharing among employees. A total of 121 executives and staff members voluntarily joined the group. The first activity of the volunteer group was conducted in a non face to face manner to prevent the spread of COVID-19. Various activities are being planned for the future, and volunteer hours are being counted as working hours to encourage employees' participation. We plan to establish a policy to revitalize participation in social contributions and come up with a way to quantitatively manage social contribution activities.

Social Contribution Strategy Map



Social Contribution Activities

Major Activities

Residential Environment Improvement Project for the Socially Vulnerable Class with Habitat for Humanity Korea

We have signed a sponsorship agreement with Habitat for Humanity Korea to contribute to the improvement of the living environment for the socially disadvantaged. By donating flooring and interior building materials to the mobile home project of Habitat for Humanity, home repair project for descendants of persons of distinguished service to independence, customized housing project, etc., we strive to create a more pleasant environment for the beneficiaries.

Creating a Better Space with Jogye Order Social Welfare Foundation

To improve the environment of local children's centers, we donate eco-friendly flooring materials to the 'Creating a Warm Space' project promoted by the Jogye Order Social Welfare Foundation. We donate 10 rolls of flooring material every month to help the needed in our communities.

Saeddeul Maeul Project

We joined the "Saeddeul Maeul Project" organized by the Ministry of Land, Infrastructure and Transport, and Presidential Committee for Balanced National Development to support low income families. The project is a state funded project for improvement of quality of lives of people living in slums, in terms of safety, sanitation, living infrastructure and welfare. To support the project, KCC GLASS donated various building and glass materials for housing repair. For 2020, 127 old houses in Jeonju, Seochun, Jingu (Busan), Youngju (Gyeongbuk), Cheongyang (Chungnam), and Pyeongtaek were selected for the improvement project.

Collaboration with Universities and Research Institutes

As an industry academia cooperation project for technological development and nurturing of professional manpower in the glass field, we are participating in the Functional Ceramic Material R&D Expert Nurturing Project of the Ministry of Trade, Industry and Energy. KCC GLASS also supports the growth and employment of industrial innovation talents at Korea Aerospace University with Korea Optical Communication Co., Ltd. and KCC Co., Ltd.

Environmental Disease Prevention Project for the Socially Vulnerable

We are participating in an environmental improvement project organized by the Ministry of Environment, in which we diagnose and consult harmful elements in the indoor living space to help prevent environmental diseases for the socially vulnerable. We are donating eco-friendly flooring materials certified by the Ministry of Environment in efforts to create a cleaner and safer space for the affected class.



BEST PRACTICES

HomeCC Volunteer Group, DIY Moss Kit



The first activity of the HomeCC Volunteer Group, an employee volunteer group of KCC GLASS, was a non-face-to-face activity called DIY Moss Frame. We delivered Scandia Moss frames that our employees made by hand to Seongbok Happy Home School, a local children's center. Scandia Moss is produced by applying an eco-friendly technology to a natural moss that grows in the high mountains of northern Europe. When installed indoors, it has the effect of controlling indoor humidity and purifying the air and its unique fiber structure acts as a natural hygrometer for dehumidification and humidification. We plan to deliver more of these frames to regional centers near the Incheon HomeCC store and Jeonui and Yeosu Plants.

- 1 Contract Signing Ceremony for Residential Environment Improvement Project of Habitat for Humanity Korea
- 2 Donation of eco-friendly flooring materials by Jogye Order Social Welfare Foundation
- 3 Ceremony for the Environmental Disease Prevention Project for the Socially Vulnerable
- 4 Ceremony for Donation of Love to Neighbors

CORE STAKEHOLDER INTERVIEW



Local Community

Habitat for Humanity has benefited greatly from glass and interior building materials donated by KCC GLASS. With the goal of providing a comfortable living environment for all, Habitat for Humanity is paying close attention to the recent climate and environment issues. Climate change has the greatest impact on the insulation of buildings. As the surface area of glass increases with the recent design trends, the demand for high performance insulation glass has increased. The support of KCC GLASS has allowed Habitat for Humanity Korea to provide high insulation glass and meet customer expectations. I believe that KCC GLASS will be able to move forward as an eco-friendly company that promotes use of green products and virtuous cycle of resources if the company can find a way to manage waste generated from re processing of standardized products.

Manager of Habitat for Humanity Korea / Park Chang Hoon



Love House of Hope Residential Environment Improvement Project'

As a part of the house repair project, we are working with the Love House of Hope Corporation to improve the living environment of the underprivileged. KCC GLASS provides eco-friendly flooring and film; the donated products are used to repair more than two local children's centers or daycare centers every month. Currently, it is difficult to conduct face to face volunteer work due to the spread of COVID-19, but the HomeCC Volunteer Group plans to directly participate in the house repair work as soon as the situation is alleviated.

Delivering the Fruit of Love Donation to Neighbors

KCC GLASS donated a total of KRW 150 million to the Community Chest of Korea to promote a culture of sharing and strengthen ties with local communities. We divided the donation between Yeosu, Asan, Gyeongju, and Yeongwol, where our major business sites are located, to ensure even distribution of support. The local governments in each region used donated funds as living expenses and medical expenses for low income families and neighbors in financial difficulties.

Social Contribution Investment

(Unit : KRW 1 million)

Theme	Program	2020
Happy Space (Residential environment improvement)	· Creating a Warm Space with Habitat for Humanity Korea	88
	· Creating a Better Space with Jogye Order Social Welfare Foundation	
	· Saeddeul Maeul Project	
	· Environmental Disease Prevention Project for the Socially Vulnerable	
	· Love House of Hope	
Happy Society (Community support)	· Donations	382
	· Scholarships	
	· National Holiday gifts	
Happy Sharing (Volunteer activities)	(Founded the volunteer group in 2021)	-

06

Governance



Materiality of Issue

Honesty and ethics are the core values for sustainability of KCC GLASS. By establishing a transparent and sound corporate governance structure, we intend to solidify the foundation for sustainable growth in consideration of economic, social, and environmental values in our business activities. With the acceleration in digital transformation, KCC GLASS is strengthening the information protection system for protection of business and personal information as one of our main tasks.

Our Approach

- 1 _ Compose the Board of Directors centered on independence of external directors
- 2 _ Establish Audit Committee for business audit and internal control
- 3 _ Establish External Director Recommendation Committee to ensure transparency and independence of external directors
- 4 _ Establish Corporate Governance Charter

Future Plans

- 1 _ Expand CSR training, including ethical management
- 2 _ Diversify agenda items for BOD meetings to include environment, society, economy, etc.
- 3 _ Upgrade information security system and in house training

Number of Board of Directors meeting Held

11

Board of Directors meeting attendance rate of internal directors and external directors

100%

Reported case of privacy leakage

0

Governance

Composition of Board of Directors

The Board of Directors is the highest decision making body in KCC GLASS. The Board of Directors deliberates and decides on laws, Articles of Association, matters delegated by the general shareholders' meeting, and matters related to the company's management policies and important business execution. As of January 2021, the BOD consists of a total of five members, two of whom are internal directors (including the CEO) and three are external directors. Chung Mong Ik, an internal director, serves as the Chair of the BOD to achieve separation of chair and CEO roles. In order to strengthen the checks and balances role of the BOD over the management, the ratio of external directors is more than a half.

KCC GLASS restricts the voting rights of directors with special interests in certain matters for transparent and fair decision making of the Board of Directors. In addition, external directors are appointed from candidates with great experience and expertise in their respective fields in accordance with relevant laws and regulations. The external directors provide important advice and objective checks on business activities. To ensure faithful execution of duties, the company provides liability insurance for directors at the company's expense. To ensure transparency and fairness in the appointment of external directors, the External Director Recommendation Committee was established in March 2021. Composition of the Board of Directors is in compliance with the legal standards.

Board of Directors

(As of December 2020)

Category	Name	Gender	Title
Internal Directors	Chung Mong Ik	M	BOD Chairman/Chairman
	Kim Nae Hoan	M	CEO/President
	Kwon Soon Won	M	External director/Chair of the Audit Committee
External Directors	Kim Han Soo	M	External director/Member of the Audit Committee
	Lee Seung Ha	M	External director/Member of the Audit Committee

* Internal director Kim Seong Chun has resigned as of December 30, 2020. (Date of Registration: January 5, 2021).

Operation of the Board of Directors

The Board of Directors of KCC GLASS is run by registered directors appointed at the general shareholders' meeting, in accordance with relevant laws, Articles of Association, and regulations. In principle, regular BOD meetings are held once a month and special BOD meetings are held as matters requiring a separate BOD resolution occur. The board resolutions require a majority of the board members to attend the meeting and majority of attending members' votes.

By reporting important matters and issues to the BOD on an ongoing basis, we strive to continue professional and transparent management activities.

Operation of the Board of Directors

Category	2020
Number of Agendas	33
Number of Board Meetings	11
Attendance Rate (%)	100
Internal Directors	100
External Directors	100

Committees within the Board of Directors

There are a total of two committees within the Board of Directors of KCC GLASS, which are the Audit Committee and the External Director Recommendation Committee. Each committee is responsible for making rational decisions in its own field of specialty.

Composition and Role of Each Committee

Category	Role
Audit Committee (Three external directors)	Evaluate operation of the internal accounting management system. Conduct audit on company's business activities and accounting. Communicate with external auditors, etc.
External Director Recommendation Committee (Three external directors / one internal director)	Nominate new external director candidates. Candidate screening in accordance with the External Director Recommendation Committee Regulations.

* The External Director Recommendation Committee was established as a committee under the Board of Directors and the regulations of the External Director Recommendation Committee were enacted following the resolution of the general meeting of shareholders in March 2021. The committee will be convened in the future at the time of nomination and screening of external director candidates.

Operation of the Audit Committee (As of December 2020)

Date	Agenda
2020. 01. 02.	Appointment of Chair of Audit Committee External auditor selection
2020. 10. 29.	Enactment of internal accounting management regulations Method of external auditor selection
2020. 11. 19.	Revision of internal accounting management regulations External auditor report on the audit plan for 2020

Expertise and Diversity of Board of Directors

In order to strengthen the expertise and diversity of the BOD and support the rational decision making of the management, our external directors are composed of persons with expertise in corporate management, global networks, and accounting and finance. To assist external directors, we provide relevant materials one week in advance so they can review the agenda items thoroughly prior to

the board meeting. Additionally, a separate briefing session is held as deemed necessary. When needed, external directors can consult outside experts in accordance with the company's internal regulations and attend internal and external seminars and trainings.

Training of External Directors

Date	Organized by	Attended by	Details
2020. 07. 24.	Samjong KPMG Accounting Firm	Kwon Soon Won Kim Han Soo Lee Seung Ha	The Sixth KPMG Samjong Audit Committee Institute
2020. 11. 12.	Accounting Firm	Kwon Soon Won Kim Han Soo Lee Seung Ha	Audit Committee's Internal Accounting Management System Control Plan

Evaluation and Remuneration of Directors

In accordance with Article 388 of the Commercial Law and Article 40 of the Articles of Association, remuneration of directors is decided within the limit determined by the resolution of the general shareholders' meeting.

According to the spin-off plan approved at the 62nd Extraordinary General Meeting of Shareholders of KCC, the remuneration cap for directors in 2020 was set at KRW 6 billion, of which the total amount of remuneration paid to directors was approximately KRW 1.45 billion.

Compensation of internal director is decided by comprehensive examination of work skills, etc. Remuneration of members of the Audit Committee and external directors are determined at the time of contract signing to ensure independence of the Audit Committee.

Remuneration of the Directors (As of December 2020)

Category	Number of Directors	Total Payment	Average Payment Per Director
Internal Directors	3	KRW 1,253 million	KRW 418 million
External Directors (Members of the Audit Committee)	3	KRW 198 million	KRW 66 million

* Note 1) The total remuneration of Chung Mong Ik, an internal director who was appointed as a registered executive on October 29, 2020, was calculated from the amount paid from the date for his appointment as a registered executive.

Note 2) The above total remuneration includes the amount of the four major social insurances.

Note 3) The above personnel and total remuneration include Executive Director Kim Seong cheon, who resigned on December 30, 2020.

Transparent Disclosure

KCC GLASS provides timely disclosure of information as stipulated by relevant laws and regulations. There were no disclosure related violations in 2020. KCC GLASS conducts IRs for domestic and foreign investors as needed in relation to the earnings announcements, quarterly and semi annual reports, etc. (In 2020, there were 40 IRs, and 59 participating organizations) The company's Disclosure/IR Department utilizes various means, including phone calls, e mails, conference calls, and group meetings, to ensure disclosure of information in a timely manner. In addition, information on IR personnel and the company is made available on the website for easy access by all investors. In order to further improve information accessibility for foreign investors and ensure exercise of their shareholder rights, we provide compulsory disclosure items with high importance and voluntary disclosure items related to performance in English, in addition to operating an English website.

Protection of Shareholder Interests

To protect the rights and interests of shareholders, KCC GLASS is implementing various policies related to shareholder return, including the operation of the general shareholders' meeting and dividends. The company notifies all shareholders of the holding of the general meeting of shareholders in writing to increase the attendance rate and communicates about the meeting through electronic disclosure and website. The attendance rates for the first extraordinary general meeting of shareholders and the regular general meeting of shareholders were 62.8% and 55%, respectively. The company is also considering introduction of various systems, such as self-compliance to dispersed shareholder's meeting, to increase the attendance of the general shareholders' meeting and increase shareholder convenience.

In addition, the company strives to increase corporate value and improve long term shareholder return and dividend through continuous growth. Considering business performance, investment plans, financial status, and outlook, the first settlement dividend for fiscal year 2020 was determined as KRW 2,100 per share (about KRW 33.5 billion, par dividend rate 210%, dividend yield 5.31%, dividend payout ratio 25.3%) and quarterly dividend in June 2021 was KRW 1,000 per share (about KRW 15.9 billion). The company thoroughly reviews the complex factors affecting shareholder return, in terms of investment and shareholder value, to determine the dividend target within the range of dividend payable income.

Shareholder Summary

(As of December 31, 2020)

Shareholder name	No. of shares owned	Ratio of shares owned	Relation to company
Chung Mong Ik and 15 others	6,733,605	42.16	Major shareholders and related persons
Treasury share	26,425	0.17	Treasury share
National Pension Service	1,115,916	6.99	N/A
Metlife Life Insurance	212,177	1.33	N/A
Other shareholders	7,882,389	49.36	N/A

CORE STAKEHOLDER INTERVIEW

Investor

With the recent increase in interest in re-construction and remodeling in the real estate market, interest in eco-friendly building materials is also increasing. The fact that heightened interest in ESG management is leading to environmentally conscious decisions for investors is a very positive change. Increases in the ESG related bonds and institutions demanding funds are also making companies practice eco-friendly management and produce eco-friendly products. KCC GLASS is one of the leaders in realizing eco-friendly management as the company invests in improving the R&D and facilities for the production of eco-friendly building materials and environmental conservation.

As it is expected that the innovation and improvement in awareness will take place throughout the industry for the establishment of a green ecosystem, I urge that KCC GLASS continues to endeavor in development of green products and environmental preservation. I look forward to seeing continued implementation of ESG management activities by KCC GLASS, as a forerunner of environmental management.

**Deputy General Manager
at Mirae Asset Daewoo / Lee Gil Jun**

Ethical Management

Ethical Management System

Honesty and ethics are the founding values of KCC GLASS and the basis of employees' decision making. To meet the social demands for corporate transparency and ethics, we have introduced the compliance program in January 2020 and enacted internal compliance regulations and compliance rules. The ESG Management Team is in charge of conducting preventive training, operating ethics violation reporting channel, compliance program, etc., to ensure implementation of ethical management across all areas of business operation.

Area	Details
Code of Ethics	· Create and Announce Code of Ethics for stakeholder
Ethical Management	· Conduct preventive training · Operate internal reporting channel · Operate compliance program
Monitoring and Follow Up	· Monitor/follow up reported cases
Prevent Recurrence of Violation	· Investigate violations · Take measures to prevent recurrence

Cultivating Culture of Ethical Management

KCC GLASS promotes participation of various stakeholders for sustainable management and reflects them in corporate decision making. KCC GLASS has established the Code of Ethics for stakeholder to provide guidance to employees in their decision making and pursuit of ethical conduct.

➔ Code of Ethics Self Assessment Table

KCC GLASS executives and employees should perform self assessment of the following items when performing their duties. In case there is a possibility of ethical concerns, they should re assess or consult relevant departments.

Assessment Items

- Are there any legal issues?
- Are you comfortable disclosing this matter to the public?
- Are you making unreasonable demands on stakeholders?
- Are you using your time and resources for the company?

KCC GLASS Code of Ethics for stakeholder

Category	Details
Employees Ethics	· Carry out all job duties in accordance with law and the company's regulations. · Protect the company's assets and adhere to the ethics between employees.
Ethics toward Customers	· Provide safe products and correct information to customers · Thoroughly protect personal information
Ethics toward Shareholders	· Pursue the promotion of shareholders' value through transparent and sustainability management. · Guarantee the legitimate exercise of shareholders' rights as much as possible.
Ethics toward Partners	· Create fair business transactions culture based on mutual trust. · Support continuous growth and development of partners.
Ethics toward Competitors	· Respect market order and pursue fair competition. · Obtain and utilize information in a fair manner according to law.
Responsibilities toward Employees	· Respect human rights and prohibit discrimination · Prohibit forced labor and child labor · Provide equitable working conditions and a safe working environment. · Support the development of job competence and promote creativity.
Responsibilities toward the State and Society	· Green technology and conservation of resources · Create a bond with local communities and support social groups
Responsibilities for Internal Control Process	· Constant monitoring of ethics related risks · Implement countermeasures in case of violation

Ethical Management Training

In order to strengthen and practice ethical management, KCC GLASS has posted the Code of Ethics on the company intranet and website to help stakeholders, including employees, customers, and business partners, familiarize themselves with the code. In addition, we regularly train all employees to prevent sexual harassment and to improve awareness of persons with disabilities, which are statutory compulsory education for all employees. Starting in 2021, ESG training, including ethical management, is being provided as an in-house group education.

➔ Ethics Training Course

- Human Rights Course (prevention of sexual harassment, improving awareness of the disabled)
- Fair Trade Course (subcontract law, anti graft law)
- Information Security Course
- ESG Course

ESG Training Data

Category	Unit	2021
Number of courses	Ea.	1
Total Hours of Training	Hours	2
Total Number of Employees that Completed the Training	Persons	25

* Eligibility: Assistant managers in their third year

Reporting Channels for Unethical Practices

Through various channels, such as e mail, postal mail, telephone, and Cyber Shinmungo, KCC GLASS receives reports from employees, partners, and stakeholders about unethical business practices and feedback on improvement measures. All claims and reports received are investigated in accordance with relevant internal procedures. In case any misconduct is confirmed as a result of the investigation, follow up measures are taken, including disciplinary action, corrective action, and process improvement.

Report Handling Process

Category	Details
Receipt	· Cyber Shinmungo (company website) · Company Ethical Management Report Channels (e mail, mail, phone)
Investigation	· Receive request for investigation · Interview relevant parties and investigate details of the report
Report Investigation Results	· Report if there was any malpractice · Report if there was any disciplinary action
Notify the Informant	· Notify the investigation details and results to the informant · Ensure strict confidentiality of the informant

Details of Report

- 1 Illegal acts such as embezzlement, breach of trust, fraud, etc.
- 2 Leaking company secrets and violating trade secrets
- 3 Abuse of company assets and internal position and authority
- 4 Accepting money, entertainment, convenience, etc.
- 5 Violations of ethical conduct
- 6 Accounting related misconduct
- 7 Violation of ethical management

Measures against Unethical Practices

(Unit: Cases)

Category	2020
Number of disciplinary actions	0
Number of warnings	0
Total number of violations	0

Information Security

Information Security Management System

KCC GLASS has established an information security management system to protect its information assets and customers' privacy. Following the amendment of the Act on Promotion of Information and Communications Network Utilization and Information Protection in June 2019, we appointed the head of the IT department as the Chief Information Security Officer (CISO) in 2020 to implement various information protection activities.



Information Security System

KCC GLASS has introduced information security solutions, including server access control, database access control, intelligent network control system, and intrusion prevention system, firewall, and media control. We are technically equipped to handle threats from the outside and the inside. Information security solutions are continuously patched and upgraded through professional companies.

Information Security Training

KCC GLASS conducts information security awareness training at least once every half year to raise security awareness of all employees. Through continuous training, KCC GLASS employees learn about the need for security compliance and vulnerable items to prevent security accidents.

Information Security Training Data

Category	Unit	2020	
Employees	Total Hours of Training	Hours	1
	Persons who Took the Training	Persons	452
Persons with Access to / Control of Private Information	Total Hours of Training	Hours	1
	Persons who Took the Training	Persons	45

Number of information leakage in 2020

ZERO

APPENDIX

ESG DATA

BUSINESS

Category	Contents	Unit	2020
Distribution of Economic Values	Shareholders and Investors		
	Dividends	KRW 100 million	335
	Interest	KRW 100 million	32
	Government		
	Taxes and Duties	KRW 100 million	25
	Employees		
	Wages and Bonus*	KRW 100 million	1,152
	Retirement Benefits	KRW 100 million	58
	Welfare Benefits (Including company contributions for the four major insurances)	KRW 100 million	146
	Local Communities		
	Social Contribution Investment	KRW 100 million	4.7
	Partner Companies		
	Purchase Order Amount	KRW 100 million	739
Credit Rating (Corporate Bond)	Corporate Bond		
	Korea Credit Rating	grade	-
	Korea Ratings Corporation	grade	AA-
	NICE Investors Service Co., Ltd.	grade	AA-
	Commercial Paper		
	Korea Credit Rating	grade	A1
	Korea Ratings Corporation	grade	-
	NICE Investors Service Co., Ltd.	grade	A1
	Short-Term Bond		
	Korea Credit Rating	grade	A1
Korea Ratings Corporation	grade	-	
NICE Investors Service Co., Ltd.	grade	A1	
Financial Statement	Total Assets	KRW 100 million	17,178
	Current assets	KRW 100 million	7,610
	Non-current assets	KRW 100 million	9,568
	Total Liabilities	KRW 100 million	3,979
	Current liabilities	KRW 100 million	2,279
	Non-current liabilities	KRW 100 million	1,700
	Total Equity	KRW 100 million	13,199
Income Statement	Sales	KRW 100 million	7,087
	Operating Income	KRW 100 million	358
	Net Profit	KRW 100 million	1,323
Business Performance by Business Areas	Glass	KRW 100 million	
	Sales	KRW 100 million	4,266
	Operating Income	KRW 100 million	326
	Interior	KRW 100 million	
	Sales	KRW 100 million	2,753
	Operating Income	KRW 100 million	30

* Calculated based on the amount paid from January 1 to December 31, 2020 by KCC GLASS and Korea Autoglass Corp.

BUSINESS

Category	Contents	Unit	2020
	Concrete Pile	KRW 100 million	
	Sales	KRW 100 million	68
	Operating Income	KRW 100 million	2
	Total	KRW 100 million	
	Sales	KRW 100 million	7,087
	Operating Income	KRW 100 million	358
Sales by Region	Total	KRW 100 million	7,087
	Rep. of Korea	KRW 100 million	7,024
	China	KRW 100 million	30
	Asia, other	KRW 100 million	29
	Other	KRW 100 million	4
Stability	Current Ratio	%	333.9
	Debt Ratio	%	30.1
Profitability	Ratio of Operating Profit to Net Sales	%	5.1
	Ratio of Gross Profit to Net Sales	%	17.8
	Return on Assets	%	7.7
	Ratio of Operating Profit to Net Sales	%	10.03

ENVIRONMENT

Category	Contents	Unit	2020
GHG Emissions	Total	tCO ₂ e	766,916
	Scope 1	tCO ₂ e	592,994
	Scope 2	tCO ₂ e	173,922
	GHG Intensity	tCO ₂ e/MT	0.36
Energy Consumption	Total	TJ(MWh)	9,766(2,712,824)
	B-C Oil	TJ(MWh)	5,164(1,434,348)
	Power	TJ(MWh)	3,581(994,725)
	Petroleum cokes	TJ(MWh)	471(130,866)
	LNG	TJ(MWh)	324(89,950)
	Refined oil	TJ(MWh)	123(34,255)
	Others (Diesel, etc.)	TJ(MWh)	103(28,681)
	Energy Intensity	TJ/MT	0.0045
Air pollution management	NOx	Ton	797
	SOx	Ton	1,061
	Dust	Ton	37
Water and Wastewater Management	Water Use	1,000 Ton	923
	Reuse amount	1,000 Ton	382
	Discharge Amount	1,000 Ton	245

Category	Contents	Unit	2020
Waste Management	Total	Ton	22,464
	General Waste	Ton	16,861
	Special Waste	Ton	325
	Construction Waste	Ton	5,278
	Waste Disposal	Ton	3,043
	Recycling amount	Ton	19,420
Main Raw Material Consumption	Total	1,000 Ton	2,415
	Silica (ore)	1,000 Ton	675
	Silica	1,000 Ton	486
	Concrete raw material	1,000 Ton	484
	Soda ash, etc.	1,000 Ton	336
	Cullet	1,000 Ton	255
	Dolomite (ore)	1,000 Ton	160
	PVC (resin, film)	1,000 Ton	19
Water Pollution Management	BOD	kg	523
	COD	kg	1,075
	SS	kg	225
Chemical emissions	Total	Ton	12.3
	Methyl ethyl ketone	Ton	10.3
	Ethyl acetate	Ton	1.5
	Toluene	Ton	0.5
Number of people who have completed environmental training	Number of Trainees	Persons	11
Environmental Investment	Total	KRW 1 million	267
	Energy	KRW 1 million	-
	Air	KRW 1 million	242
	Water quality	KRW 1 million	7
	Other	KRW 1 million	18
Environmental Facility Operating Cost		KRW 1 million	3,459
Green Certification Status	Eco-Label	-	10
	Low Carbon Products	-	6
	GRS certification	-	1

* Greenhouse gas emissions and energy consumption include Scope 1 and Scope 2 emissions from domestic business sites, headquarters, logistics warehouses, and sales offices.

* Air pollutant management, waste management, main raw material usage management, water pollution management, and chemical disposal management are required for six domestic production sites.

* Water and wastewater management is required for the head office and six domestic production sites.

SOCIAL

Category	Contents	Unit	2020
Safety and Health Training*	Total Hours of Training	Hours	42,372
	Total Number of Employees that Completed the Training	Persons	1,730
Employee Safety and Health Data	Work-Related Injuries	Cases	6
	Injury rate (frequency) *	-	1.47
	Work-related deaths	Cases	-
	Occupational diseases	Cases	1
	Occupational disease frequency (severity rate) *	-	0.02
	Number of Lost Time	Cases	7
	Lost Time Injuries Frequency Rate (LTIFR) *	-	1.71
In House Partner* Safety and Health Data	Work-Related Injuries	Cases	5
	Injury rate (frequency) *	-	3.67
	Work-related deaths	Cases	-
	Occupational diseases	Cases	-
	Occupational disease frequency (severity rate) *	-	-
	Number of Lost Time	Cases	5
Employee Grievance Handling (Dr.KCC GLASS)	Lost Time Injuries Frequency Rate (LTIFR) *	-	3.67
	Number of Grievances Received	Cases	7
	Number of Grievances Resolved	Cases	7
Labor-Management Council	Resolution Rate	%	100
	Number of Agenda	Cases	98
	Number of Resolutions	Cases	96
Fair Trade Violation Reporting System	Resolution Rate	%	98
	Number of reports from Cyber Shinmungo	Cases	-
	Investigation completed	Cases	-
Fair Trade Training	Resolution/Responses	Cases	-
	Subcontracting Law Training	Hours	1
	Anti-Graft Law Training	Persons	543
Social Contribution Investment	Happy Space(Residential environment improvement)	Hours	1
	Happy Society(Community support)	Persons	676
	Happy Sharing(Volunteer activities)	KRW 1 million	88
Employee Data	Happy Society(Community support)	KRW 1 million	382
	Happy Sharing(Volunteer activities)	KRW 1 million	-
	Total number of persons	Persons	1,704
	Gender	Total	1,704
	Male	Persons	1,581
	Female	Persons	123
		%	92.8
		%	7.2

* The number of employees that completed safety training include persons who resigned in 2020.

* In-house Partner: subcontractors or service companies that are different from affiliated companies

* Injury rate (frequency): Frequency of injuries for total hours worked by all workers [(Number of accidents × 1,000,000) ÷ Total number of working hours per year]

* Occupational disease frequency (severity rate): Frequency of occupational diseases for total working hours of all workers [(Number of lost working days × 1,000) ÷ Total number of working hours per year]

* Lost Time Injuries Frequency Rate (LTIFR): The number of work loss cases for more than one day for the total working hours of all workers [(Number of lost working days × 1,000,000) ÷ Total number of working hours per year]

Category	Contents	Unit	2020
By Age	Total	Persons	1,704
	20s	Persons	122
		%	7.2%
	30s	Persons	506
		%	29.7%
	40s	Persons	558
		%	32.7%
	50s or above	Persons	518
		%	30.4%
	By Employment type	Total	Persons
Permanent	Persons	1,665	
	%	97.7%	
Temporary	Persons	39	
	%	2.3%	
By Position	Total	Persons	1,704
Executive	Persons	24	
	%	1.4%	
Manager or above	Persons	261	
	%	15.3%	
Associate manager or below	Persons	1,419	
	%	83.3%	
New Hires(by Gender)	Total	Persons	88
Male	Persons	61	
	%	69.3%	
Female	Persons	27	
	%	30.7%	
New Hires(by Age)	Total	Persons	88
30 or below	Persons	37	
31~50	Persons	26	
50s or above	Persons	25	
Retired or resigned	Total	Persons	73
Male	Persons	62	
	%	84.9%	
Female	Persons	11	
	%	15.1%	
Parental Leave Usage Status	Employees eligible for parental leave (A)	Total	222
Male	Persons	209	
	Persons	13	
Female	Persons	13	
Employees that used parental leave (B)	Total	Persons	14
Male	Persons	5	
	Persons	9	
Female	Persons	9	

SOCIAL

Category	Contents	Unit	2020
	Parental leave rate (=B/A*100)	%	6.3
	Male	%	2.4
	Female	%	69.2
	Persons who are to return to work (C)	Total	6
	Male	Persons	3
	Female	Persons	3
	Number of employees returned to work (D)	Total	6
	Male	Persons	3
	Female	Persons	3
	Rate of employees returned to work (=D/C*100)	%	100
	Male	%	100
	Female	%	100
	Number of employees who have been reached 12 months after returning from parental leave in the year (E)	Total	8
	Male	Persons	5
	Female	Persons	3
	Number of employees who have been retained for 12 months after returning from parental leave in the year (F)	Total	8
	Male	Persons	5
	Female	Persons	3
	Employee retention rate after parental leave (=F/E*100)	%	100
	Male	%	100
	Female	%	100
Employee Training Status*	Training average cost per person	KRW 1,000	190
	Average training hours per person	Hours	16.2
	Male	Hours	17
	Female	Hours	12
Employee Diversity	Female Leadership(Position)		
	Percentage of female employees	%	7.2
	Percentage of female managers*	%	3.1
	Female Leadership(Employment type)		
	Percentage of female employees among temporary employees	%	41
	Percentage of female employees among permanent employees	%	6.4
	Other		
	Percentage of persons entitled to veterans benefits	%	1.7
	Percentage of disabled	%	1.5
Employees Subject to Regular Performance Evaluation	Percentage subject to review	%	87.3
	Number of employees subject to review	Persons	1,487
Retirement Pension Enrollment Rate	Enrollment rate	%	100
	Number of Employees	Persons	1,704
Labor Union Membership	Total number(Technicians)	Persons	972
	Total number of members	Persons	457
	Percentage	%	47
Members Eligible to Collective Bargaining	Number of employees eligible to collective bargaining	Persons	972
	Percentage of employees eligible to collective bargaining	%	57

* The current status of employee training is based on the training of office staff.

* Manager: Manager or higher

GOVERNANCE

Category	Contents	Unit	2020
Operation of the Board of Directors	Number of Agendas	Cases	33
	Number of Board Meetings	Times	11
	Attendance Rate(Internal Directors)	%	100
	Attendance Rate(External Directors)	%	100
	Internal Directors		
Remuneration of the Board of Directors*	Number of Directors	Persons	3
	Total Payment	KRW 1 million	1,253
	Average Payment Per Director	KRW 1 million	418
	External Directors(Members of the Audit Committee)		
	Number of Directors	Persons	3
	Total Payment	KRW 1 million	198
	Average Payment Per Director	KRW 1 million	66
ESG Management Training Data	Number of courses	Ea	1
	Hours of Training	Hours	2
	Number of Employees that Completed the Training	Persons	25
Measures against Unethical Practices	Number of disciplinary actions	Cases	-
	Number of warnings	Cases	-
	Total number of violations	Cases	-
Information Security Training Data	Employees		
	Total Hours of Training	Hours	1
	Number of Trainees	Persons	452
	Persons with Access to /Control of Private Information		
	Total Hours of Training	Hours	1
	Number of Trainees	Persons	45
Number of information leakage		Cases	-

* Note 1) The total remuneration of Chung Mong Ik, an internal director who was appointed as a registered executive on October 29, 2020, was calculated from the amount paid from the date of his appointment as a registered executive.

Note 2) The above total remuneration includes the amount of the four major social insurances.

Note 3) The above personnel and total remuneration include Executive Director Kim Seong cheon, who resigned on December 30, 2020.

ISO26000 PERFORMANCE ASSESSMENT RESULTS

Assessment Standard

As part of the service provided to the Korean Agency for Technology and Standards, Korea Standards Association developed a checklist for the evaluation of KCC GLASS's performance of social responsibility in accordance with the ISO26000, which is a standard for implementing social responsibility. This report provides the assessment results of KCC GLASS's performance related to social responsibility processes and seven core subjects in ISO26000.

Scope of Assessment

KSA assessed KCC GLASS's processes and performance related to social responsibility, including the organization's long term strategies and execution, stakeholder engagement, and social responsibility activities.

Method of Assessment

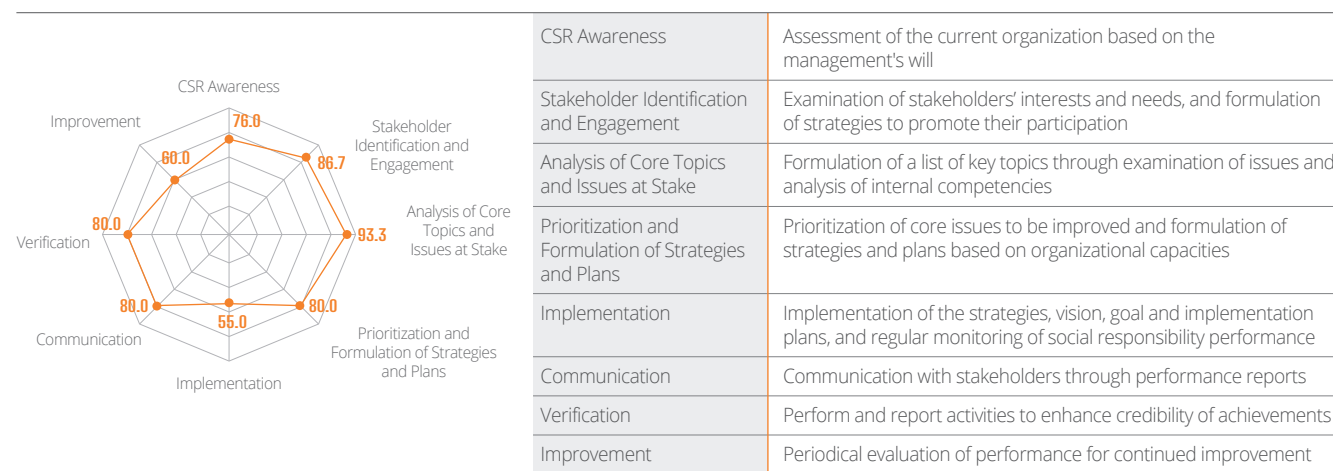
KSA performed the following activities to collect the necessary data and information based on the assessment criteria of ISO26000.

- Review of KCC GLASS's internal data related to activities and performance in corporate sustainability.
- Interviews with KCC GLASS's personnel in charge of each corporate sustainability subject.

I . Results of ISO26000 CSR Process Assessment

KCC GLASS was established as a spin off from KCC Co., Ltd. in January 2020, and started business as an independent new corporation. Recognizing the importance of social responsibility from the start of business, KSA first checked the current level of KCC GLASS's social responsibility management in compliance with ISO26000. It is highly commendable that ESG management strategies and action plans for each department have been established to internalize socially responsible management within the organization. From the assessment of the process, KCC GLASS received 274 points out of a total of 360 points (satisfaction rate 76%). KCC GLASS identified stakeholders and gathered their opinions in accordance with global standards and practices. Based on the gathered information, the company has analyzed corporate social responsibility issues and completed prioritization of tasks, as a first step to achieving socially responsible management. KSA recommends faithful implementation of tasks following the establishment of a strategic system, as well as active communication with stakeholders for the organization's sustainability.

Social Responsibility Process Assessment Results



CSR Awareness	Assessment of the current organization based on the management's will
Stakeholder Identification and Engagement	Examination of stakeholders' interests and needs, and formulation of strategies to promote their participation
Analysis of Core Topics and Issues at Stake	Formulation of a list of key topics through examination of issues and analysis of internal competencies
Prioritization and Formulation of Strategies and Plans	Prioritization of core issues to be improved and formulation of strategies and plans based on organizational capacities
Implementation	Implementation of the strategies, vision, goal and implementation plans, and regular monitoring of social responsibility performance
Communication	Communication with stakeholders through performance reports
Verification	Perform and report activities to enhance credibility of achievements
Improvement	Periodical evaluation of performance for continued improvement

II . ISO26000 7 Core Subject Analysis Results

Organizational Governance

KCC GLASS joined the UN Global Compact to contribute to global sustainable development through organizational operation that reflects stakeholder expectations. This shows that the company is committed to practicing management that ensures protection of human rights, labor, environment and anti corruption and achievement of the UN SDGs (Sustainable Development Goals). This has led to the establishment of an internal system for a socially responsible management within the organization, as well. In addition, the company has established the External Director Recommendation Committee to enhance the transparency and diversity of the Board of Director, when it was not a requirement. The External Director Recommendation Committee is expected to act as a forum for in depth discussions of KCC GLASS's social responsibility management activities, diversity of the Board of Directors, women's social advancement and participation in the Board of Directors, and recruitment of experts from various fields. In the future, it is recommended that the company actively promote social responsibility management activities by listening to and reflecting the voices of various stakeholders in corporate decision making for sustainable management.

Human Rights

KCC GLASS's employment rules, compliance regulations, and collective agreements address human rights protection of employees comprehensively. In addition, the company ensures implementation of human rights protection through the Labor Management Council and anonymous bulletin board. Recently, there has been growing stakeholder demand for human rights management, as sexual harassment, workplace bullying, abuse of power to business partners, and violation of human rights of local residents are being identified as human rights risk factors in corporate operation. KCC GLASS should preemptively respond to these risks by introducing a human rights management system. First, we recommend establishing related policies and conducting human rights impact assessments on organizational and major business areas. It is also advised to raise awareness of the value chain, including employees and partners, through various training programs.

Labor Practices

Along with the introduction of socially responsible management, labor practices of KCC GLASS were analyzed and compared to the global standards. The result of the analysis showed that KCC GLASS's labor practices reflect diversity and equal opportunities in hiring, a corporate culture that promotes work life balance, talent training and evaluation system that nurture next generation leaders of the company, and health and safety management system for production sites. It should be noted that there is a growing interest in the health and safety management of temporary, non permanent, and subcontractor workers, leading to strengthened laws and regulations. Recognizing the importance of the safety management system, KCC GLASS's Jeonui Plant has obtained ISO45001 certification and other five business sites are in the process of obtaining or renewing KOSHA MS certification. It is recommended that the head office directly manage and monitor the safety and health training of the Yeosu Plant, beyond the current level of management by inspection and guidance, despite the difficulty considering the nature of plant operation.

Environment

It has been confirmed that KCC GLASS makes proactive efforts to manage waste and pollutants generated from plants and reduce environmental impacts. Each plant has formed a separate environmental safety organization that identifies and monitors the source of pollutants and waste. Yeosu, Asan, and Jeonui Plants have acquired and maintain the ISO14001 certification; progressively, KCC GLASS plans to obtain certification for all business sites in sequence except the head office. The head office will also establish an environmental management system in the future to manage the environmental impact of business as a whole. It is recommended that the management set detailed goals for each environmental performance index and manage the improvement of environmental performance.

Fair Practice

KCC GLASS introduced the CP (Compliance Program), which includes compliance regulations and compliance manuals, and declared the Fair Trade Compliance Declaration against anti corruption. To promote a culture of anti corruption, KCC GLASS conducts compliance training twice a year, in addition to publishing fair trade newsletters. At contract signing, the company reminds partners about fair competition clauses to reinforce the spread of ethical management within the supply chain. To further promote socially responsible management in the supply chain, it is essential for KCC GLASS to include social and environmental assessment indexes in the supplier evaluation criteria and continuously monitor the activities.

Consumer Issues

KCC GLASS strives for customer safety and transparent disclosure through management of construction manual, quality standards, defects, handling manual for transportation, physical properties, or test reports, etc. In the past, when the company's main focus was B2B business, the customers, rather than consumers (users), were focus of the company's quality management and customer satisfaction related activities. As the company plans

to actively carry out B2C businesses through HomeCC in the future, it is proposed that KCC GLASS increase management activities for the safety and health of consumers who directly use the products and disclose the relevant information.

Community Involvement

KCC GLASS conducts social contribution activities under the core ideas of "Happy Space," "Happy Society," and "Happy Sharing," under the vision of "A Happy World Living Together." "Happy Space" is a residential environment improvement project, in which KCC GLASS provides the company's products and technologies in connection with its business areas in building materials and interior business. KCC GLASS HomeCC Volunteer Group proposes and participates in various activities, which is highly commendable for attempting to increase employees' community involvement. In line with the global expectation of community involvement and development, it is advised to set social contribution indexes, such as community funding, employee volunteer hours, and number of social contribution programs, and systematically manage the implementation.

Social Responsibility Performance Assessment Results



III. Conclusion

The result of ISO26000 compliance assessment shows that KCC GLASS scored a total of 791.1 points, which is equivalent to SR level 3, with 274 out of 360 points in the process and 517.1 out of 640 points in performance. This level means that the members of the organization have developed a consensus on social responsibility and are working to reflect it in their day to day work to help settle the sentiment within the organization. Although it appears that the performance is being managed to a certain level, the score reflects that the company needs to maximize performance and focus on important issues considering the characteristics of business and organization. One suggestion for improvement is to extend the process of socially responsible management to the field, beyond the leadership and dedicated teams through training and campaigns. Lastly, improvements in the areas of governance, human rights, and community involvement are needed for consistent performance management.



June 2021
Korean Standards Association **Kang Myeong Soo**

Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider which distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS, and ISO certifications. KSA is committed to the sustainable development of Korean society as an ISO26000 national secretary, certified GRI training partner, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, UN CDM DOE (development operational entity), and assurance provider of the Korean government's greenhouse gas energy target management system.

THIRD-PARTY ASSURANCE STATEMENT

Valued KCC GLASS Management and Stakeholders!

Foreword

The Korean Standards Association (hereinafter, "KSA") has been commissioned by KCC GLASS (hereinafter, "KCC GLASS") to perform a third-party assurance of the 2020/21 KCC GLASS ESG Report (hereinafter, "the Report"). KSA presents independent opinions based on the feasibility of the data contained in the Report. KCC GLASS has the sole responsibility for content and performance contained in this Report.

Independence

As an independent assurance agency, KSA has no commercial interest in the business of KCC GLASS, apart from undertaking a third-party assurance on the Report. KSA has no other contract with KCC GLASS that may undermine credibility and integrity as an independent assurance agency.

Assurance Standards and Level

This Assurance Engagement followed the AA1000 Assurance Standard v3 to provide Moderate Level Assurance. The four principles of inclusiveness, materiality, responsiveness, and impact - combined with data credibility of the Report - have been independently verified. Additionally, the Assurance Engagement was performed in accordance with the GRI Standards.

Assurance Type, Scope, and Limitation

This Assurance Engagement followed the AA1000AS v3 (Type 2), which means that the assurance assessed the accuracy of the company's statements and performance data provided in the Report. The scope of this Assurance Engagement primarily includes the systems and initiatives undertaken by KCC GLASS, including its sustainable management policies, goals, projects, standards and performance, from January 1, 2020 to December 31, 2020, and some achievements included the first half of 2021. While the company's environmental and social data, as well as financial data, were verified, the scope of review concerning stakeholder engagement was limited to the materiality analysis process.

Assurance Methodology

To gather information, documents, and evidence concerning the assurance scope, KSA employed the following methods:

- Review and analysis of media coverage on sustainability management of KCC GLASS
- Review of the management system and process used in improving the sustainability management performance and preparing the Report
- Review of the consistency between the financial data in company's audit report(s) and disclosure(s)
- Examination of internal documents and basic materials through in-person visits

Assurance Results and Opinions [Principle and Process]

The Report has been revised based on the suggestions made by KSA upon review of the draft. KSA has found no material errors or inappropriate statements in the Report. KSA offers the following opinions on the 2021/21 KCC GLASS ESG Report.

Inclusiveness

- Has KCC GLASS engaged stakeholders in the process of strategically responding to issues of sustainability management?

KSA verifies that KCC GLASS places great importance on stakeholder engagement and has established a process that promotes stakeholder engagement. KSA verifies that KCC GLASS has identified its employees, customers, shareholders and investors, partners, and local community as its stakeholders, and operates communication channels for each group, through which it gathers opinions.

Materiality

- Has KCC GLASS included material information in the Report to help stakeholders make informed decisions?

KSA verifies that KCC GLASS has not omitted or excluded material information from stakeholders. Additionally, KSA confirms that KCC GLASS has conducted a materiality assessment of key issues derived from internal and external environmental analyses and reported on its actual results.

Responsiveness

- Has KCC GLASS responded appropriately to stakeholder requirements and interests?

KSA confirms that KCC GLASS has reflected the opinions of its stakeholders in the Report and responds to stakeholder feedback. KSA has seen no evidence showing false reporting in KCC GLASS's response to material stakeholder issues.

Impact

- Has KCC GLASS monitored the impact on stakeholders in an appropriate manner?

KSA confirms that KCC GLASS has been monitoring the impact of its business activities on stakeholders in an appropriate manner and reflects it in the Report.

GRI Standards Application

KSA confirms that this Report has been prepared in accordance with the Core Option of the GRI Standards. Based on the data provided by KCC GLASS, KSA confirms the validity of the contents related to Universal Standards and Topic-Specific Standards.

Universal Standards

KSA has verified that the Report complies with the requirements of the Universal Standards of Core Option, upon reviewing of the following indexes:

102-1 to 102-13 (Organizational profile), 102-14 (Strategy), 102-16 to 102-17 (Ethics and Integrity), 102-18 (Governance), 102-40 to 102-44(Stakeholder Engagement), 102-45 to 102-56 (Reporting Practice), 103 (Management Approach)

Topic-Specific Standards

KSA has verified the specific disclosure list derived from a materiality analysis process, and examined the following indexes:

205-2, 205-3, 305-1, 305-2, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 413-1, 416-2, 417-2, 417-3

Opinions and Recommendations by Area [Performance/Issues]

KSA proposes the following for the implementation of sustainability management strategies in response to the issues with coherence at an organizational level.

Economic Performance

KCC GLASS was established as a spin-off from KCC Co., Ltd. on January 1, 2020 to strengthen the expertise and management efficiency of the glass, HomeCC, and construction materials business divisions. The ESG Report contains information related to the company's economic activities and performance. The acquisition of Korea Autoglass Corporation, a manufacturer of automobile safety glass, has allowed KCC GLASS to improve corporate competitiveness and consolidate core competencies even during time of high economic uncertainty from COVID-19. KSA advises that KCC GLASS to continuously maintain transparent management based on business innovation and reliable accounting information to become the world's best glass and interior specialist in the long term.

Environmental Performance

Recognizing the impact of corporate activities on the environment, society, and economy, KCC GLASS has published an ESG report in line with global environmental trends. Environmental indexes have been collected and disclosed as part of corporate social responsibility. Although this is the first issue of the ESG Report, KCC GLASS has shown proactive response to the indexes derived as material issues. Since index management can lead to reduction of environmental pollution and enhancement of social values, such a proactive attitude is evaluated positively. KSA recommends including the indexes related to sustainable supply chain management and products' environmental impact as major management areas and establishing specific targets and performance management systems for each issue.

Social Performance

KCC GLASS's first ESG Report shows its commitment for transparent communication of sustainable management initiatives and performance with stakeholders since its launch in January 2020. KCC GLASS has joined the UN Global Compact (UNGC) and is working hard to achieve a world-class sustainable management system through the establishment of a dedicated ESG organization and cooperative system. KSA recommends that KCC GLASS considers sustainable management in the performance evaluation of the management, in addition to the top-level decision-making process, to further improve the quality of sustainable management and solidify the company's sustainable management governance.

September 2021

Korean Standards Association **Kang Myeong Soo**




Korean Standards Association (KSA), established as a special corporation in accordance with the Law for Industrial Standardization in 1962, serves as a knowledge service provider which distributes and disseminates such services as industrial standardization, quality management, sustainability management, KS, and ISO certifications. KSA is committed to the sustainable development of Korean society as an ISO26000 national secretary, certified GRI training partner, AA1000 assurance provider, KSI (Korea Sustainability Index) operator, UN CDM DOE (development operational entity), and assurance provider of the Korean government's greenhouse gas energy target management system.

GRI CONTENT & ISO26000 INDEX

Universal Standards			
GRI 102 : General Disclosure			
	DISCLOSURE	ISO26000	PAGE
Organizational profile			
102-1	Name of the organization		6
102-2	Activities, brands, products, and services		6~17
102-3	Location of headquarters		6
102-4	Location of operations		8, 9, 23
102-5	Ownership and legal form		6
102-6	Markets served		6~17
102-7	Scale of the organization	6.3.10/6.4.1-6.4.2/ 6.4.3/6.4.4/6.4.5/6.8.5/7.8	6
102-8	Information on employees and other workers		6
102-9	Supply chain		6~17, 68~71
102-10	Significant changes to the organization and its supply chain		4,7,22
102-11	Precautionary Principle or approach		36~37
102-12	External initiatives		97
102-13	Membership of associations		97
Strategy			
102-14	Statement from senior decision-maker	4.7/6.2/7.4.2	2~3
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	4.4/6.6.3	80
Governance			
102-18	Governance structure	4.2/7.4.3/7.7.5	77~79
Stakeholder engagement			
102-40	List of stakeholder groups		38~39
102-41	Collective bargaining agreements		65
102-42	Identifying and selecting stakeholders	5.3	38
102-43	Approach to stakeholder engagement		38
102-44	Key topics and concerns raised		38~39
Reporting practice			
102-45	Entities included in the consolidated financial statements		83, 84
102-46	Defining report content and topic Boundaries		40~41
102-47	List of material topics	5.2/7.3.2/7.3.3/7.3.4	40~41
102-48	Restatements of information		N/A
102-49	Changes in reporting		N/A
102-50	Reporting period		98
102-51	Date of most recent report		98
102-52	Reporting cycle		98
102-53	Contact point for questions regarding the report	7.5.3/7.6.2	98
102-54	Claims of reporting in accordance with the GRI Standards		98
102-55	GRI content index		95~96
102-56	External assurance		93~94

Topic-specific Standards				
GRI 200 : Economic Topics				
TOPIC	DISCLOSURE		ISO26000	PAGE
GRI 205: Anti-corruption 2016	GRI 200: Economic Topics			
	103	Management Approach		76
	205-2	Communication and training about anti-corruption policies and procedures	6.6.1-6.6.3	69-70, 80-81
	205-3	Confirmed incidents of corruption and actions taken		81
GRI 305: Emissions 2016	GRI 300: Environment Topics			
	103	Management Approach		44
	305-1	Direct (Scope 1) GHG emissions	6.5.5	84
	305-2	Energy indirect (Scope 2) GHG emissions		84
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	6.5.3	84
GRI 306: Waste 2020	103	Management Approach		41, 49
	306-1	Waste generation and significant waste-related impacts	6.5.3-6.5.4	49
	306-2	Management of significant waste-related impacts		49
	306-3	Waste generated	6.5.3	49, 85
	306-4	Waste diverted from disposal	6.5.3-6.5.4	49, 85
	306-5	Waste directed to disposal	6.5.3	49, 85
GRI 403: Occupational Health and Safety 2018	GRI 400: Social Topics			
	103	Management Approach		60
	403-1	Occupational health and safety management system	6.4.6	61
	403-2	Hazard identification, risk assessment, and incident investigation	6.4.6	61
	403-3	Occupational health services	6.4.6	63
	403-4	Worker participation, consultation, and communication on occupational health and safety	6.4.5-6.4.6	61
	403-5	Worker training on occupational health and safety	6.4.6	62
	403-6	Promotion of worker health	6.4.6	63
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	6.4.6	62
	403-8	Workers covered by an occupational health and safety management system	6.4.6	61
GRI 404: Training and Education 2016	403-9	Work-related injuries	6.4.6/6.8.8	63, 86
	403-10	Work-related ill health	6.4.6/6.8.8	63, 86
GRI 413: Local Communities 2016	103	Management Approach		60
	404-1	Average hours of training per year per employee	6.4.7	88
	404-2	Programs for upgrading employee skills and transition assistance programs	6.4.7/6.8.5	66-67
GRI 416: Customer Health and Safety 2016	404-3	Percentage of employees receiving regular performance and career development reviews	6.4.7	88
	103	Management Approach		72
GRI 417: Marketing and Labeling 2016	413-1	Operations with local community engagement, impact assessments, and development programs	6.3.9/6.5.1-6..5.3/6.8	73-75
	103	Management Approach		52
GRI 417: Marketing and Labeling 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.6/6.7.1-6.7.2/6.7.4-6.7.5/6.8.8	N/A
	103	Management Approach		52
	417-2	Incidents of non-compliance concerning product and service information and labeling	4.6/6.7.1-6.7.5/6.7.9	N/A
	417-3	Incidents of non-compliance concerning marketing communications	4.6/6.7.1-6.7.3	N/A

UN GLOBAL COMPACT / MEMBERSHIPS OF ASSOCIATIONS

UN GLOBAL COMPACT

Since joining the UNGC in 2021, KCC GLASS has been actively participating in the UNGC activities. KCC GLASS faithfully complies with the ten UNGC principles related to human rights, labor, environment, an anti corruption as below.



Category	Principle	page
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	63
	Principle 2: make sure that they are not complicit in human rights abuses.	63-65
Labor Standards	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	65
	Principle 4: the elimination of all forms of forced and compulsory labour;	35, 80
	Principle 5: the effective abolition of child labour; and	35, 80
	Principle 6: the elimination of discrimination in respect of employment and occupation.	63, 64, 80
Environment	Principle 7: Businesses should support a precautionary approach to environmental challenges;	32-35
	Principle 8: undertake initiatives to promote greater environmental responsibility; and	35
	Principle 9: encourage the development and diffusion of environmentally friendly technologies.	26, 27, 50, 51
Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	80, 81

MEMBERSHIPS OF ASSOCIATIONS

Korea Chamber Of Commerce And Industry	Gangwon Central Health Managers Association	ICG(International Congress On Glass)
UNGC(UN Global Compact)	Korea Fire Safety Institute	The Mineralogical Society Of Korea
Korea Listed Companies Association	Korea Electric Engineers Association	The Korean Society Of Economic And Environmental Geology
Korea Enterprises Federation	Korea Interior Management Association	The Geological Society Of Korea
Korea Fair Competition Federation	The Korea Institute Of Building Construction	The Korean Society Of Mineral And Energy Resources Engineers
Seoul Bar Association	Korea Construction Engineers Association	Korea Glass Industry Cooperative
Korea Emissions Market Association	Korea Specialty Contractors Association	Korea Mining Industry Association
Korea Vinyl Environmental Council	Construction Workers Mutual Aid Association	Citizen Safety Management Council
Korea Environmental Preservation Association	Korea Specialty Contractor Financial Cooperative	Korean Foundation For Quality
Corporation Aggregate Korea Atopy Association	Korean Standards Association	Korea Pretensioned Spun High Strength Concrete Piles Association
Korea Packaging Recycling Cooperative	Korea Laboratory Accreditation Scheme	Korea Conformity Laboratories
Korea Industrial Safety Association	NFRC(National Fenestration Rating Council)	
Gyeonggi East Industrial Safety Council	Korea Flat Glass Window Association	
Seoul Metropolitan Area Fair Safety Council	Korea Energy Engineers Association	

This product is made of materials from well-managed, FSCTM-certified forests and other controlled sources. KCC GLASS produced this report using soy ink printed on recycled paper, considering ecofriendliness of resources consumption.

ABOUT THIS REPORT

This is the first ESG Report of KCC GLASS. Through the 2020/21 KCC GLASS ESG Report, we would like to communicate our ESG strategies, activities, and performance. Every year, we will publish an ESG report and communicate with our stakeholders.

Reporting Guidelines	GRI Standards (Core Option)
Reporting Boundary	KCC GLASS Headquarters and domestic business sites
Reporting Scope	Economic (based on Korean International Financial Reporting Standards), Social and Environmental Performance
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COVER STORY



About the Cover Design

The road that stretches towards the rising sun implies KCC GLASS's vision to become a leading company in the global market. Our commitment toward transparent management and environmental management is expressed with the background of forest and transparent window.

2020/21 KCC GLASS ESG Report

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