

KOREA TRADE-INVESTMENT PROMOTION AGENCY

2022 KOTRA Sustainability Report





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South Korea's
global business platform
that connects the
world to the future

We will contribute to the development of the national economy by promoting trade and investment and creating jobs. We will also aim to create a better society and a brighter tomorrow by implementing social values. Furthermore, we pledge to support the growth and development of Korean companies through economic and trade cooperation. These commitments represent **KOTRA's** dedication to a sustainable society.



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2022 KOTRA Sustainability Report

ABOUT THIS REPORT

KOTRA discloses its sustainable management goals and achievements and shares them with its stakeholders through annual sustainability reports. This is the 11th sustainability report published by KOTRA, This is the 11th sustainability report published by KOTRA, which covers the corporation's financial and non-financial efforts for sustainable management, focusing on key issues selected by stakeholders.

Report Criteria

This report is prepared in accordance with GRI(Global Reporting Initiative) Standards 2021, which are internationally recognized guidelines for sustainable management. This report faithfully reflects the standards and principles set out in domestic and international sustainability initiatives such as the K-ESG Guidelines, UN SDGs, and UNGC(UN Global Compact).

Additionally, this report incorporates the standards and recommendations provided by ISO 26000, SASB, and TCFD to broaden the disclosure of sustainability information, particularly in relation to KOTRA's initiatives in addressing climate change.

Reporting Period and Scope

This report covers the sustainability management performance from January 1, 2022 to December 31, 2022, and includes major achievements related to ESG management until the first half of 2023. For quantitative performance, this report presents data for the past three years, enabling the evaluation of annual trends. The primary reporting scope covers activities and achievements in the domains of business, society, environment, and governance, pertaining to KOTRA's headquarters, 12 local support centers, and 128 overseas business centers

Assurance of the Report

This report has undergone verification by the Korea Management Association, an outside professional organization with no affiliations or interests in relation with KOTRA to bolster the fairness and reliability of the reporting procedures and details. The assurance statement is available in the Appendix for your reference.

Report Inquiry

If you have any questions or require additional information regarding this report, please do not hesitate to contact us using the contact details provided below. KOTRA seeks to actively gather valuable opinions from stakeholders on sustainable management.

KOTRA as a Global ESG Platform

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PDF

This report has been created in an interactive PDF format. Use the navigation tools at the top for a quick browse. The report also includes shortcuts to related websites.



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CEO Message



KOTRA will function as a robust cornerstone for supporting Korean SMEs against the backdrop of the new global economic paradigm and changes in the industrial ecosystem.



President & CEO of KOTRA

Dear stakeholders,
Since its inception in 1962, KOTRA has proactively undertaken new roles called upon by the times and promoted the growth of Korean SMEs through their overseas expansion over the last 60 years. We are now all confronted with new challenges, such as shifts in the global trade order, reorganization of supply chains, and the climate crisis. To address these issues, KOTRA further enhanced its ESG management system last year while also working to spread it internally and externally upon its recognition of the need for change towards a sustainable future.

KOTRA has been committed to expediting the green transition.

As a public organization, KOTRA has made diverse efforts to take the lead in practicing carbon neutrality. We are faithfully implementing our responsibility as a dedicated agency for the Korean government's global greenhouse gas reduction project by adopting legislative rules to achieve the national carbon neutrality goal and fostering eco-friendly enterprises. Furthermore, KOTRA is working to encourage the eco-friendly overseas expansion of Korean SMEs through its green leader nurturing project.

KOTRA has demonstrated the values of coexistence and inclusiveness.

KOTRA has created a working environment where employees' diversity, human rights, and safety are valued, while adopting mutual growth values in various sectors through efforts to generate jobs and implement projects for balanced regional development. In particular, we are focusing on developing a sustainable business ecosystem by expanding global CSR activities in partnership with Korean enterprises in overseas markets and promoting development cooperation projects such as the KSP (Economic Development Experience Sharing Project).

KOTRA has strived to enhance compliance management and transparency as a leading public institution.

KOTRA has witnessed a continuous increase in its level of institutional integrity through its efforts to advance its institutional internal control system and improve its organizational culture. We are also committed to enhancing our decision-making system by establishing a separate ESG organization within the board of directors. Furthermore, we fostered communications with stakeholders through the Civic Participatory Innovation Group and local community councils and helped usher in a 'new era where everyone can be an exporter' by sharing data in line with the customer-centered digital transformation.

KOTRA has assisted Korean SMEs in identifying opportunities amidst the evolving landscape of ESG management.

Even amidst the risks of the global market, we can uncover opportunities. We have established several programs like research, teaching, and in-depth consulting based on the 'ESG Information Utilization Support Center' to address changes in the ESG landscape confronting Korean SMEs. Through a robust cooperation mechanism with the Korean government and relevant domestic and international organizations, we have sought to effectively assist the ESG of Korean exporters. KOTRA will continue to focus our resources on leading a sustainable future with a sense of responsibility and duty as a crucial institution that promotes trade and investment in Korea. We ask for our stakeholders' steadfast support and continuous interest, as they serve as our foundation and direction. Thank you.



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KOTRA ESG

KOTRA will remain committed to advancing the ESG strategy system established in 2021, strategically addressing the rapidly evolving business landscape, and systematically managing ESG risks through transparent and proactive communication with diverse stakeholders.

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About KOTRA

Overview

KOTRA contributes to development of national economy with various activities and services, which include promoting trade, attracting foreign investment, supporting technological cooperation between domestic and foreign companies, attracting foreign professionals, and assisting export negotiations between governments.



Company Profile				
	Name of Institution	Korea Trade-Investment Promotion Agency		
	Basis of Establishment	Korea Trade-Investment Promotion Agency Act (Act No. 1059, enacted on April 24, 1962)		
	Date of Establishment	June 21, 1962		
	Ministry in Charge	Ministry of Trade, Industry, and Energy		
	Type of Organization	Commissioned service-based quasi-governmental institution		
	Number of Employees	1,304		
	Head of Organization	Yoo Jung-yeol		
	Headquarters	13, Heolleung-ro, Seocho-gu, Seoul, Republic of Korea 06792		
	Organizational Structure	Headquarters	Domestic	Overseas
		6 Divisions, 32 Offices, 5 Centers, 44 Teams	12 Support Centers, 2 Support Branches	83 Countries, 10 Regional Headquarters, 128 Korea Business Center (KBC)

* As of December 31, 2022

Management Strategy System

- Mission**: To contribute to the development of the national economy through global business support
- Vision**: To be South Korea's global business platform that connects the world to the future
- Core Values**: Global | Innovation | Contribution | Public Integrity

KOTRA's Commitments to the Customers

	Aiming for globalization <ul style="list-style-type: none"> We support the globalization of SMEs, industries, and citizens. We aim to be the world's best trade and investment platform, which encompasses the entire cycle 		Encouraging changes <p>We contribute to the innovative growth of the country and our customers.</p> <ul style="list-style-type: none"> We pioneer digital transformation and offer innovative services.
	Contribution for communities <ul style="list-style-type: none"> As national infrastructure, we contribute to the national economy and public interest. We assist the country in moving forward toward becoming a global leader and achieving sustainable growth. 		Ethical implementation <ul style="list-style-type: none"> We conduct ethical management with the highest level of integrity among public institutions. We enhance public trust through transparent and fair operations



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Introduction to KOTRA's Business

As the business landscape changes rapidly due to diverse issues such as shifts in the trade and investment paradigm, reorganization of global supply chains, and major energy transitions due to climate change, KOTRA is assisting Korean SMEs in maintaining stable supply chains and effectively responding to changes to discover new business opportunities. We intend to support exports, overseas expansion, and the establishment of a stable supply chain for Korean companies and further expand our role as Korea's global business platform by seeking to attract investment as well as strengthen trade cooperation.



Promoting Export 	Gradual cultivation of exports	Export initiation - Export expansion - Globalization
	Global marketing	Export consultancy, forums, exhibitions, and industry-tailored support
Supporting Overseas Expansion and Employment 	Supporting projects and public procurement expansion	Project discovery, assistance for winning contracts, public procurement market expansion, and international greenhouse gas reduction project
	Supporting overseas investment expansion	Support center for Korean investment companies, global M&A support projects and reshoring assistance
	Assisting the expansion into overseas defence markets and G2G transactions	Support for trade in defense goods and support for inter-governmental trade
	Leveraging overseas business center infrastructure	Use 128 foreign business centers in 83 countries(As of December 31, 2022)
Assisting Global Supply Chain Stabilization and Economic Cooperation 	Assisting employment	Overseas employment assistance and overseas professional talent attraction
	Economic diplomacy	Partnerships in business, follow-up projects in economic diplomacy, and economic diplomacy utilization portals
	Cooperation for development	Global ESG+ project, KSP
Attracting Foreign Investment 	Stabilizing global supply chains	Global partnering projects and global supply chain management
	Supporting investment attraction	Arrangement of the foreign investment week, investment attraction consultation sessions, investment attraction delegation, etc.
	Promoting foreign investment	IK website and promotion materials for investment attraction
	Consulting with foreign-invested companies and resolving difficulties	Holding overseas press conferences and providing support through Korea Investment Promotion Ambassadors
		Providing consulting and administrative services for foreign investment and addressing grievances

About KOTRA

Key History of KOTRA

KOTRA has been serving as a representative trade and investment platform in Korea. We are striving to become a platform that opens sustainable future through expansion of CSR programs, contribution to mutual growth, reinforcement of SME's global ESG, as well as continuing diversification of export commodities/markets, assistance in responding global supply chain crisis, attraction of foreign investment, and creation of jobs.

1962-1969



Export drive to overcome the poverty

1962. 6. 21.
Establish Korea Trade Promotion Agency
Start export support for Korean SMEs

1964.
Achieved USD 100 million in exports

1970-1989



Dawn of the high-growth era, Strengthen economic competitiveness

1974.
Open local business center for regional development

1977.
Achieved USD 10 billion in exports

1982.
Hosted Seoul International Trade Fair
Built reputation as a specialized institution for the exhibition industry and advertised Korea's industrial development model

1983.
Established foundation for the Korean Exhibition Industry by hosting the Korea International Food Technology Exhibition, etc.

1990-1999



Expand globalization, Entry into the \$100 billion era

1995.
Renamed to the Korea Trade-Investment Promotion Agency
In addition to trade promotion, started support for investment attraction and industrial technology cooperation

1995.
Achieved USD 100 billion in exports

1998.
Established the Foreign Investment Support Center to overcome the IMF crisis

2000-2009



Support the nation's growth as a trade and investment leader by attracting investment and strengthening overseas expansion

2003.
Launched Invest KOREA
Provided one-stop investment attraction service and strengthen collaboration with related organizations

2008.
Established Contact Korea to attract global professionals

2009.
Implemented the Global Partnering Project

2009.
Established Overseas Expansion Support Center

2010-2019



Support sustainable growth of Korean SMEs through various collaborations and diversion in supporting methods

2011.
Achieved USD 1 trillion in trade

2012.-2014.
Assisted trade of defense products, G2G, development cooperation, global M&A, reshoring companies, and overseas startup

2015.
Established the foundation for ESG support by declaring shared growth/human rights management

2017.
Introduced the Export Voucher Program

2020-2022



New challenges and innovations to achieve \$2 trillion in trade

2020.
Supported international community to overcome COVID-19 crisis

2021.
Operated on/offline Korean Pavilion at the Dubai Expo

2022.
Achieved the largest national export amount ever (USD 683.6 billion)
Designated as a dedicated organization for the international greenhouse gas reduction project



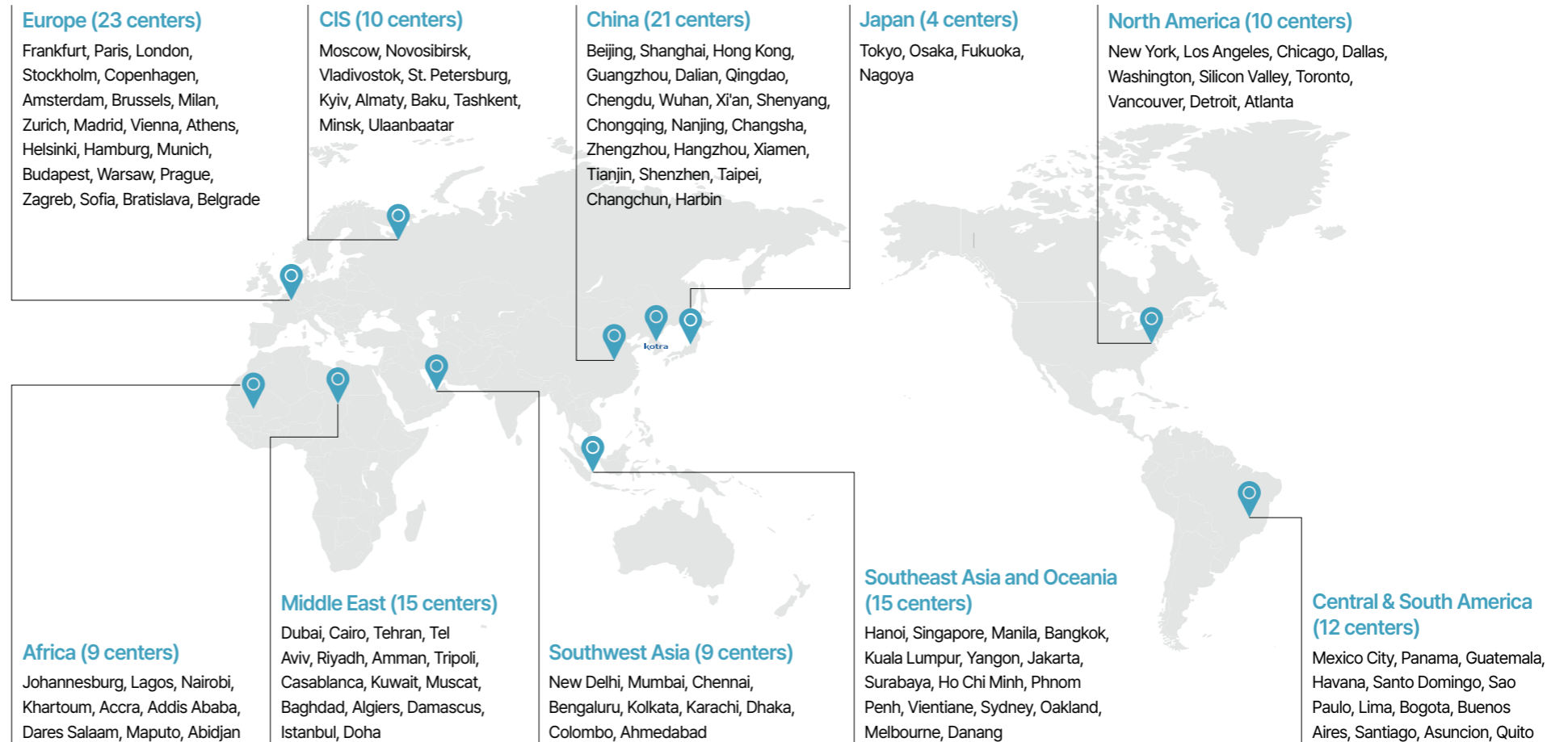
About KOTRA

Global Network

KOTRA is Korea's largest platform, with 128 Korea Business Centers in 83 countries worldwide to help Korean firms expand and develop their trade and investment. Korea Business Centers in foreign countries, in particular, concentrate on on-site activities, such as pioneering global markets, recruiting investment, and conducting research for Korean enterprises. Furthermore, in the event of an urgent diplomatic situation such as the Russia-Ukraine conflict, we defend the safety of Koreans living abroad and businesses operating abroad. KOTRA will continue to serve as a reliable global safeguard network for the sake of export companies and citizens.

83 countries
128 Korea Business Centers

* As of the end of 2022



About KOTRA

Domestic Network

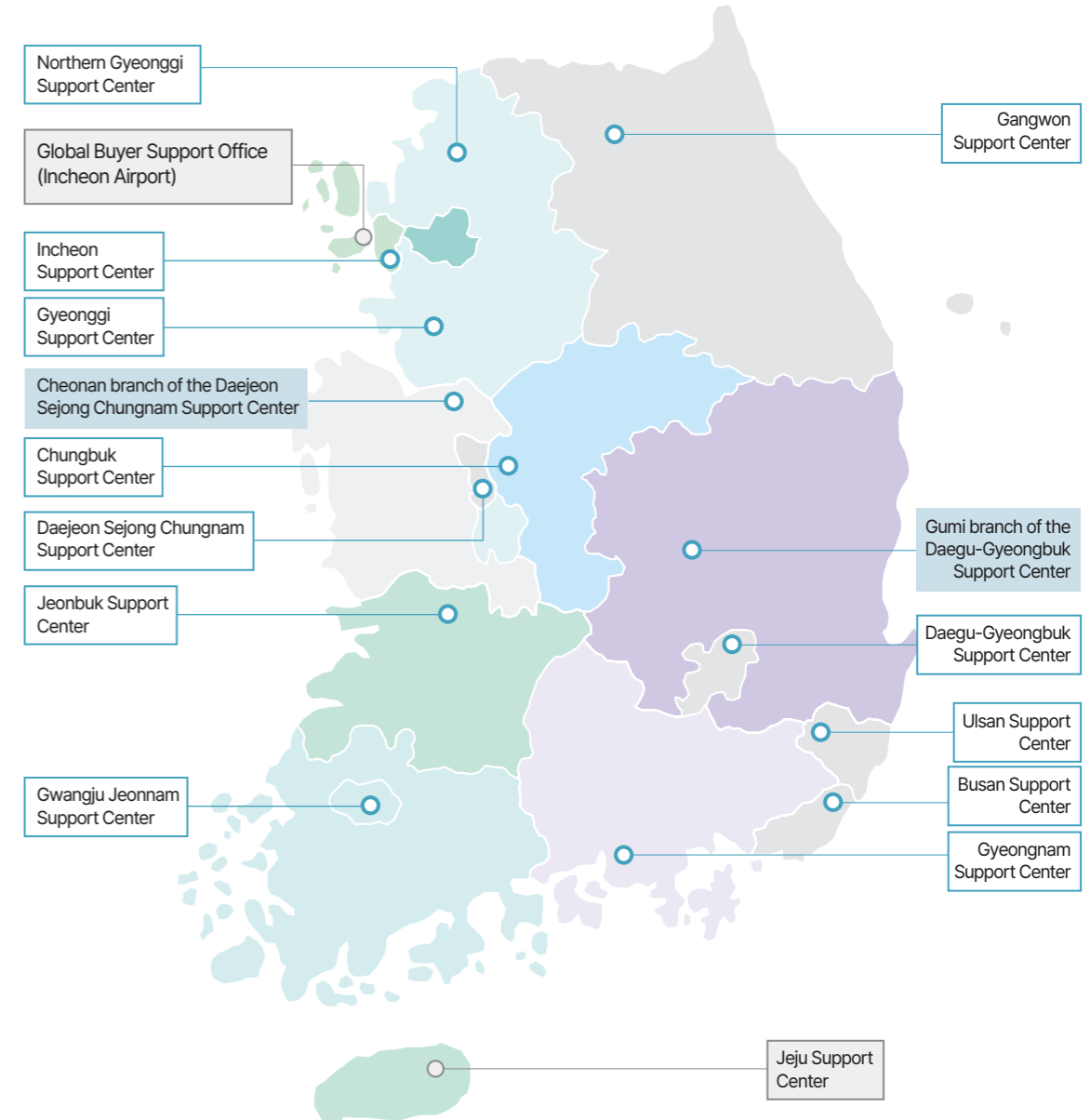
KOTRA operates 12 regional support centers, 2 support branches, and 2 support offices to assist customers at a place closest to trade and investment sites. We are committed to providing education for local companies, assisting in the creation of regional innovation clusters, attracting investment in regional specialized industries, discovering and fostering promising export SMEs, and supporting export marketing in collaboration with related organizations and local governments in order to contribute to the revitalization of local industry and the economy.



Collect opinions for service improvement based on local characteristics through Business Clubs



Enhance export capabilities by fostering experts in trade and investment to support local SMEs





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Key Figures

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International greenhouse gas reduction projects

Designated as a dedicated organization



Environmental management certification

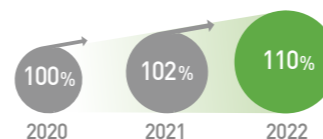
Acquisition of ISO 14001

(June 2022)



Greenhouse gas reduction goal

Goal Overattainment rate



Green product purchase performance

Selected as an excellent purchasing organization



SOCIAL

Shared growth assessment

Excellent grade

for 2 consecutive years



Safety and health management system (KOSHA-MS)

Certification (for 2 consecutive years from 2021 to 2022)

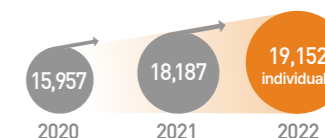
Highest grade in customer satisfaction

The only public institution to win for 8 consecutive years



Public and private sector

Job creation



Human rights impact assessment Institutional operation

97.1 points



Major business

95.0 points



Job creation sector

Commendation from the Minister of Employment and Labor (December 2022)



GOVERNANCE

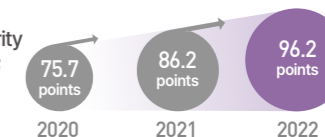
For the creation of sustainable future value

Declaration for implementing ESG management by labor, management, and auditors (December 2022)



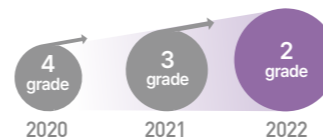
Ministry of Public Administration and Security

Comprehensive evaluation of information disclosure



The Anti-Corruption & Civil Rights Commission

Comprehensive integrity assessment result



Ministry of Public Administration and Security Information provision platform TriBIG

Excellent Award for the best practice for public institution innovation (September 2022)





2022 ESG Highlights

Major Achievements in Focus Areas

Globalization of Green Industry



Export assistance for green projects

193 cases
KRW **246** billion



Green leader nurturing project

107 companies



Export assistance for carbon-neutral recycled pallets
(equivalent to a **CO₂** reduction of **57,000** Kg)

*Carbon reduction effect equivalent to planting **8,960** pine trees

Responding to Global ESG



Provision of ESG-related information and education, consulting on corporate supply chain due diligence support, and assisting in obtaining overseas standard certification

Construction of ESG Utilization Support Center



Consultation through the ESG helpdesk

(387 cases)

Cooperation for Development and Global CSR assistance



Economic development experience sharing project (KSP)

Project discovery through private proposal system: **70** cases

(Participation in economic development experience sharing projects)



Relief and safety supply donations for Ukraine

Product donation and participation in post-war reconstruction projects



Exports of companies jointly expanding to overseas markets

Achieved **USD 350 million**

*13% increase YOY



Support for socially underprivileged companies

Small merchants (contributed to the export of

USD 1,209 billion

Social enterprises (contributed to the export of

of USD 1,491 billion

*23% increase YOY



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ESG Management Strategy System

With the 3Is(Integrity, Innovation, and Influence) as its pillars of the ESG management strategy, KOTRA is systematically fulfilling its position as a worldwide ESG platform. Specifically, we are taking the lead in exemplary implementation of global ESG standards(Integrity), transformation for internalizing ESG management(Innovation), and enhancing positive impact(Influence) not only on the green industry but also on the international community and Korean SMEs.

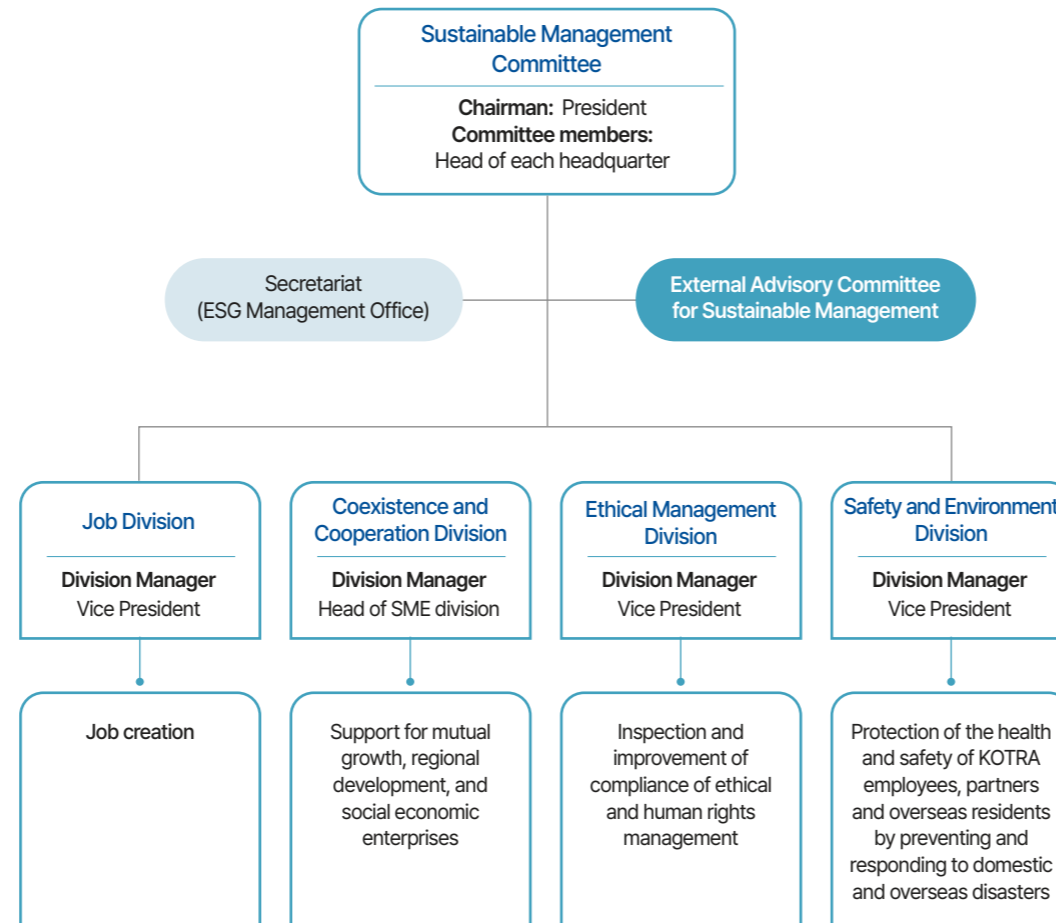


ESG Vision		KOTRA as a Global ESG Platform			
Field	Strategic Direction	Mid-to-long Term Goals	Strategic Task		
			Integrity	Innovation	Influence
E Environmental	Accelerate the Green Transition	<ul style="list-style-type: none"> Advancing K-Green Innovation model Contribution to meeting the NDC (Nationally Determined Contribution) 	E01 Establishment and implementation of eco-friendly management	E02 Internalization of human rights and safety management	E03 FOCUS Activation of the board of directors and embodiment of compliance and ethical management
S Social	Lead the Implementation of International Responsibility	<ul style="list-style-type: none"> A Grade in the Safety Activity Level Assessment Top grade in the Mutual Growth Assessment 	S01 Eco-friendly business and work innovation	S02 FOCUS Expansion of contribution to mutual growth and the local community	S03 FOCUS Improvement of data openness and public communication
G Governance	Strengthen the Global ESG Foundation	<ul style="list-style-type: none"> Level 1 in the comprehensive integrity assessment Reinforce global ESG response support system 	G01 Expansion of the green industry globalization	G02 Cooperation for development and advancement of global CSR projects	G03 FOCUS Reinforced support for global ESG response of Korean SMEs



ESG Management Promotion Organization

In order to implement and advance ESG management, KOTRA carries out the KOTRA ESG management strategy and establishes an annual business plan through the Sustainable Management Committee. The ESG Management Office systemically connects and integrates KOTRA's ESG management into diverse support projects and operates an external advisory committee composed of subject-specific divisions and field experts to enhance our global ESG capabilities professionally.



External Advisory Committee for Sustainable Management		
Field	Consultant	Affiliation
ESG strategy	Shin Hyun-sang	College of Business, Hanyang University
	Kim Joo-wan	National Unification Advisory Council
	Oh Joon-seok	Business Department of Sookmyung Women's University
	Na Seok-kwon	SK Center for Social Value Enhancement
	Lee Jong-jae	Institute for Social Responsibility of Public Sector Institutions
	Bae Jong-tae	KAIST
	Lee Hyun-sang	Agricultural Policy Insurance & Finance Service
Coexistence and Cooperation	Dho Hyun-myung	Impact Square
	Kwak Lawrence	Global Social Economy Forum
	Oh Han-sun	Beauty Cosmetic Co., Ltd.
	Kim Young-sik	The Association of Korean Local Governments for Social Economy and Solidarity
	Yoon Jong-tae	Korean Social Enterprise Promotion Agency
	Kim Ja-ryeong	Headquarters for Sustainable Growth
	Kim Ja-ryeong	Hope Foundation for SMEs
Ethical Management	Lee Bum-chul	BEXCO
	Kim Sung-kyu	Strategy Works
	Lee Jongik	Korea Social Investment Foundation
Safety and Environment	Park Hyun-jung	Control Risks Korea
	Lee Eun-kyung	UN Global Compact
	Kim Tae-il	Korea Industrial Safety Association
	Jeong Hyeong-wan	Cyber Investigation Bureau of the National Police Agency
	Yoon Seok-joon	Korea Safety and Culture Promotion Agency



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External Advisory Committee

In the interview, the External Advisory Committee under the Sustainability Management Committee and the Digital Innovation Committee cited the “recognition of the social impact awareness through overseas network operation,” “assistance in exporting SMEs in their response to global ESG,” “enhanced performance of functions with a focus on diagnosis and improvement” as key tenets of KOTRA’s ESG management. KOTRA will actively reinforce ESG management both within and beyond its organizational boundaries, thereby fortifying the capabilities of Korean SMEs to effectively navigate global ESG imperatives.



CEO
Kim Sung-kyu
Strategy Works

“I believe KOTRA’s most significant function is to help Korean SMEs improve their export competitiveness and reduce their export risks by enhancing their response to changes in global ESG regulations and policies, finding opportunities, and mitigating risks. This strategy will help KOTRA get closer to its ESG goal of ‘KOTRA as a Global ESG Platform’ as a platform that supports the ESG of SMEs, industries, and citizens.”



Director of Headquarter
Yoon Jong-tae
Korean Social
Enterprise Promotion
Agency, Cooperative

“Because KOTRA is pursuing the ‘value’ of assisting SMEs in expanding overseas, I believe it is critical to establish and implement an ESG management strategy to assist these companies in developing in a sustainable manner through exports. To fulfill the ESG goals necessary for the sustainable growth of SMEs, it is vital to comply with mandated domestic regulations, as well as respond to ESG assessments in the supply chain for major Korean enterprises and global corporations considering overseas expansion. To create value via sustainable exports and growth, it is also important to meet the ESG reporting and due diligence requirements of clients, as well as to comply with the ESG-related policies and regulations of key export destination countries. However, in reality, when compared to major organizations, Korean SMEs lack resources and information. As a result, KOTRA should systematically organize information on ESG-related policies of major export destination countries, such as evaluation indicators, disclosure obligations, and related regulations by industry, and make it available to Korean SMEs in a timely manner so that they can develop response strategies for ESG practices and requirements. It is also advised that practicable best practices be discovered and disseminated for SMEs who are new to ESG management and find it difficult to innovate, so that they can eliminate mistakes and benchmark.”



Professor
Oh Joon-seok
Business Department
of Sookmyung
Women’s University

“KOTRA, a trade infrastructure for Korea with an outward-oriented economy, should assume “social impact” as a core tenet of its sustainable management when operating its business and overseas networks. In this regard, social impact is primarily manifested in two ways. First, KOTRA should recognize its ‘public nature as a gateway’ for Korean companies entering overseas markets and pioneer the digital transformation to connect its headquarters and the entire organizational network based on such public nature to guarantee that anyone can access KOTRA in this era where anyone can trade. Furthermore, KOTRA should not only contribute to Korea’s unilateral overseas expansion as a world trade powerhouse but also serve as a ‘Localization Center’ that considers how Korean companies can contribute to the host country through their products, businesses, and management activities and generates business for CSP(Creating Shared Prosperity). These two responsibilities, in my opinion, are the most important in KOTRA ESG management.



Certified public
accountant
Lee Hyun-sang
Sam Young
Accounting
Corporation

First, as sustainable management has matured into a materialized system known as ESG, it is experiencing a number of changes, including the establishment of international standards and practical standards. Second, KOTRA’s operating system differs from those of other firms. KOTRA should professionally encourage trade and investment while also playing a far more important role through its foreign business centers than ordinary private enterprises’ overseas branches. My own experience working at KPMG Poland taught me that foreign business centers must do more than just share information and help with trade and investment; they are expected to play a missionary role as well. In other words, setting defined criteria and compensation mechanisms for sustainable management in a transparent and reliable manner would help the corporation accomplish its goals in terms of social function (S). Third, it is suggested that the function of the Sustainable Management Committee be expanded beyond that of a basic advising group to that of an implementation organization capable of diagnosing ESG and seeking improvement solutions.



Interview with Major Stakeholders

KOTRA regularly solicits feedback from various stakeholder groups, including executives and employees, citizens, and customers. KOTRA communicates regularly with major stakeholders and encourages their participation to transparently share KOTRA's ESG management performance and challenges and proactively incorporates the ideas for improvement in our management strategies. The fundamental features of KOTRA's ESG management, according to major stakeholders, are "strengthening shared growth with customer companies and partners," "taking the lead in responding to strengthening ESG demands," and "serving as a window to resolve corporate difficulties."



Nah Eo-jin, Senior Manager of ESG Management Office

"New mutual growth with KOTRA"

KOTRA seeks to provide a range of assistance, such as performance and collaboration profit sharing, technology protection, employee welfare, and capacity building training, to diverse firms, including export SMEs and business partners, in pursuit of sustainable mutual growth. KOTRA will continue to listen to the demands of enterprises for shared growth, recognize them as vital partners, and make every effort to grow together.



Park Yong-jun, Manager of Safety Management Team

"KOTRA's ESG management is becoming more global."

KOTRA is actively pursuing ESG management on a worldwide scale through a variety of initiatives, including delivering safety supplies to children in local communities and raising funds for overseas disaster relief. Furthermore, in order to actively perform the new role demanded by the times, the corporation fully supports overseas marketing for companies with excellent safety and health management, signs MOUs with related organizations, and works to identify overseas sales channels for domestic industrial safety technologies and products. Expectations for the global ESG management of KOTRA, Korea's representative business platform, are rising in the post-COVID-19 era!



Gong Tae-won, Union Chairman

"Labor-management cooperation for sustainable management"

To practice sustainable management, the company must be built on a culture that promotes collaboration between labor and management. KOTRA is building a future-oriented labor-management collaboration system, which includes the introduction of the labor director system. Furthermore, the corporation is substantially improving working conditions by reflecting employees' opinions through efforts such as three-dimensional interactive communication channels and the organization of a session for cross-generational discourse. The KOTRA labor union will continue to aggressively collaborate with the corporation to drive Korea's export growth through labor-management collaboration, a coexistence endeavor.



Customer, CEO of a company

"I hope KOTRA will serve as a window to resolve corporate difficulties."

Through regional support centers, KOTRA is making every effort to assist the growth and export potential of local SMEs. In an environment where ESG management responsibilities are spreading across the supply chain, KOTRA has provided a range of programs and resources this year, including minimal basic training, to guarantee that SMEs can also respond seamlessly to ESG management. ESG management is not a simple chore for businesses, but it is also an essential challenge that must be tackled with a strategic and long-term strategy. We expect that KOTRA will serve as a hub for corporate issues, allowing businesses to respond effectively to this standard.



Lee Chang-heon, KOTRA Citizen Participation Innovation Group

"Grow as a public-loved institution that actively responds to the global ESG needs of SMEs"

KOTRA performs ESG management and actively assists SMEs in responding to global ESG in preparation for global carbon neutrality and the digital era. To establish a brighter future, KOTRA must practice sustainable management in order to give innovative services to customers and actively perform new responsibilities in the global era. I hope that KOTRA will continue to aggressively extend interaction with stakeholders in order to successfully address global challenges and changes and that it will become a public-loved institution that actively meets the global ESG demands of SMEs.



Lee Byung-jun, International Cooperation Officer, International Affairs and Protocol Bureau, National Assembly Secretariat

"KOTRA as a 'constructive contributor' that complies with ESG"

By assisting Korean SMEs in entering foreign markets, KOTRA plays a unique role in economic diplomacy. Many issues in the global era transcend national boundaries. In a world where borders are dissolving, the significance of ESG, which connects companies, industries, and nations, will grow. I expect KOTRA to comply with ESG, the international standard, and to create and properly fulfill its role as a 'constructive contributor,' which connects the private and public sectors, as well as Korea and other nations.



Stakeholder Communication and Engagement

KOTRA controls stakeholders that have an impact on management operations in one of four ways: value production, value cooperation, value consumption, and value sharing. We solicit their feedback through a range of communication methods customized to the group's characteristics and analyze their values and needs in order to actively reflect them in KOTRA's overall operations.

Category	Major stakeholders	Communication channel	Value and needs	Quantitative and qualitative expansion of communication	Major cases and achievements
Value production 	<ul style="list-style-type: none"> Executives Labor union Board of directors Member of a major committee 	<ul style="list-style-type: none"> Open bulletin boards and meetings Joint labor and management workshop Board of directors Regular/non-regular committees 	<ul style="list-style-type: none"> Sharing core values Field-oriented communication Horizontal organizational culture 	<ul style="list-style-type: none"> Generational empathy event Link with open-innovation bulletin to vitalize communication Expand communication with local employees from each country 	<p>Receiving a high score in the external integrity assessment of public institutions 96.90 points(6.6 points higher than the average score)</p> <p>Attaining the highest score in human rights self-examination ever recorded 94.4 points(93.0 points in 2021)</p>
Value cooperation 	<ul style="list-style-type: none"> Government, national assembly, and related organizations Local governments and related agencies Industrial cooperation/ organizations Private export support organizations Foreign governments and related agencies 	<ul style="list-style-type: none"> Organization-specific conferences Hyupup Yieum (Cross-agency collaboration platform) 	<ul style="list-style-type: none"> Support for trade and investment policies Joint use of KOTRA's infrastructure and capabilities Fulfilling social responsibility of a public institution 	<ul style="list-style-type: none"> Continuous operation of overseas one-roof consultative bodies Regular consultation with export support agencies Discovering emergency support based on company needs 	<p>Achieving the largest sum of export ever recorded USD 660 billion in 2022</p> <p>Achieving the largest attraction of Investment USD 30.45 billion in 2022</p>
Value consumption 	<ul style="list-style-type: none"> SMEs Overseas buyers Foreign investors Small business owners Job seekers and entrepreneurs 	<ul style="list-style-type: none"> KOTRA Trade investment 24 (website) Idea-ro Kakao Talk channel Business conferences 	<ul style="list-style-type: none"> Services tailored to customer needs Continual discovery of new business opportunities Increase service accessibility 	<ul style="list-style-type: none"> 「Trade and Investment 24」 export consultation by the government Small business export support center Enhancing customer communication and accessibility through digital transformation 	<p>In acknowledgement for the advancement of digital platforms throughout the entire overseas expansion cycle, such as TriBIG and buyKOREA, winning the Excellent Award in the 2022 Public Institution Innovation Excellence Award</p>
Value sharing 	<ul style="list-style-type: none"> Citizens Press media Local communities 	<ul style="list-style-type: none"> Survey SNS such as YouTube Citizen Participation Innovation Group 	<ul style="list-style-type: none"> Contributing to regional economic recovery Support for local problem resolution Support for opening and utilizing trade investment data 	<ul style="list-style-type: none"> Expanding databases that citizens and businesses need Support for industry-academic cooperation Improving the data delivery platform 	<p>Public data quality management level assessment hosted by the Ministry of Public Administration and Security</p> <p>Excellent grade for two consecutive years 「Overseas Economic Information System」 Selected as top 100 cases of government innovation</p>



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Materiality Assessment

Every year, KOTRA performs a materiality assessment to identify major issues in the field of sustainability management and communicate transparently with stakeholders and reflects the results in the report. In 2022, we applied the double materiality standards to review both KOTRA's social and environmental impact, as well as its financial impact, in line with the Global Reporting Initiative(GRI) Standards 2021. KOTRA intends to actively utilize these results in order to execute and advance the ESG management strategy system and strategic tasks.

Materiality Assessment Operation Process

01 Organization of issue pools

The initial pool of sustainable management issues(222 items) was generated by analyzing international standard indicators, industry benchmarking, and ESG strategy tasks, and a total of 26 final issues were selected by using quantitative methodologies to determine issue priority.

02 Stakeholder survey

A survey based on double materiality assessment was conducted to identify stakeholders' sustainability management issues and financial impact.

Period: July 7-13, 2023
Participants: 653 individuals in total
(Employees: 318 individuals)

03 Prioritization of issues

Each issue was selected according to the double materiality assessment method, which took into consideration global evaluation indicators, media and internal data analysis, and the opinions of professionals in relevant domains, in addition to surveys.

04 Materiality assessment results

The materiality assessment results are managed systematically by incorporating newly identified issues and related risks into the ESG strategy system to supplement KOTRA's ESG management strategy and management direction.

* Double materiality assessment: An assessment method where both the materiality of social and environmental impact and financial materiality are evaluated when assessing important issues regarding corporate sustainability.

Application of Double Materiality

International Standard Analysis

Analyzing the frequency of international standards included in KOTRA issues by comparing ESG-related standards and KOTRA issues
- Converting the mode to 5 points and assigning points proportionally to each item(social and environmental impact: five indicators(TCFD, SASB, MSCI, DJSI, KCGS) used / financial impact: five indicators(GRI, UN SDGs, UNGC, ISO26000, WEF) used)

Media Research

Analyzing the frequency of press releases containing issues out of 3,358 KOTRA-related media press releases(January 1, 2022–December 31, 2022)
- Converting the mode to 5 points and assigning points proportionally to each item (social and environmental impact)

Internal Material Analysis

Analyzing the frequency by comparing KOTRA's 2022 material issues with ESG strategy tasks and KOTRA's issues with those of the same industry
- Converting the mode to 5 points and assigning points proportionally to each item(financial impact) * 2022 management performance report, CEO assessment goals, business report, website posts, etc

Expert Analysis

Interviewing ESG external advisory groups, experts from ESG specialized organizations, and experts from related organizations (social and environmental impact and financial impact)



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FOCUS AREA Business 설명회

KOTRA is dedicated to fulfilling its role as Korea's premier global business platform by supporting government policies that promote a private-centered, dynamic economy, growth-oriented industries, and SMEs seeking innovative growth.

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B01

Reinforcing Support for Korean SMEs in Responding to Global ESG

In the face of the EU Supply Chain Due Diligence Act taking effect, nations worldwide are swiftly reforming their global supply chain policies. Nonetheless, the awareness and preparedness of Korean SMEs for this transformation remain insufficient. In addition to its internal ESG management, KOTRA recognizes the substantial importance of supporting Korean SMEs. Consequently, we have integrated this imperative into our institutional management objectives to establish a comprehensive company-wide support system.

Major Achievement

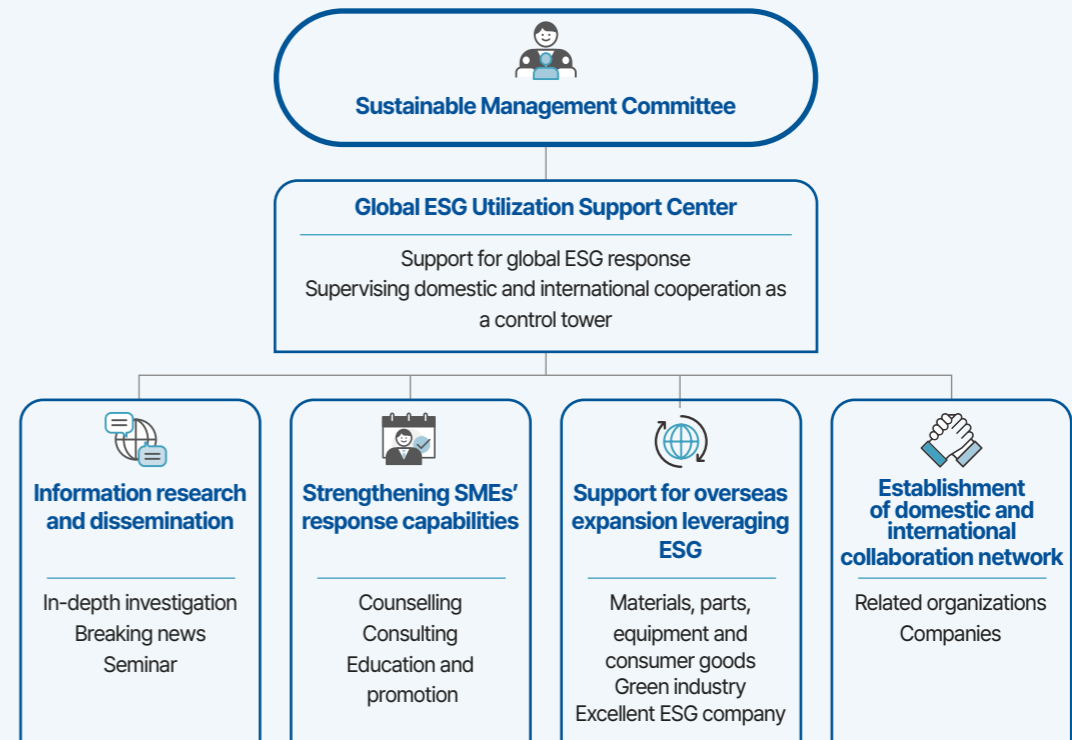
	Counselling with SMEs on their difficulties	387 cases
	In-depth consulting to respond to ESG	23 companies
	Public Institution ESG Innovation Policy Award (Korean Association for Policy Studies)	Grand Prize

Reinforcement of ESG Support Organization

KOTRA fully understands the public role it should play in assisting Korean companies in thriving in complex changes in the global economic and trade environment. Notably, we have built the ESG Information Utilization Support Center and ESG Help Desk to more professionally and effectively adapt to the non-tariff barriers created under the ESG initiatives and have been operating a wide range of support projects.



Professional and efficient assistance through the ESG Information Utilization Support Center



Sustainable Management Committee

Global ESG Utilization Support Center

Support for global ESG response
Supervising domestic and international cooperation as a control tower

Information research and dissemination

In-depth investigation
Breaking news
Seminar

Strengthening SMEs' response capabilities

Counselling
Consulting
Education and promotion

Support for overseas expansion leveraging ESG

Materials, parts, equipment and consumer goods
Green industry
Excellent ESG company

Establishment of domestic and international collaboration network

Related organizations
Companies



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Provision of ESG Information and Field-Focused Service

Sharing ESG trend information

The year 2022 can be described as a trade paradigm shift due to strengthened supply chain and trade regulations, declining global demand, etc. In response, KOTRA aggressively conducted initiatives to strengthen Korean enterprises' export capacities. In particular, to assist Korean SMEs in promptly understanding and responding to global ESG trade regulations, we have published data on ESG policy trends in 66 countries across 7 continents, including Asia, the Middle East, Europe, North America, Central and South America, Africa, and Oceania, as well as reports on the response status of global companies and companies operating overseas.



Global Supply Chain (GVC)
Publication of weekly information (Global Supply Chain Insights) and ESG response handbook (December 2022)



2022 Mid-sized Enterprise ESG+ Forum (October 2022)



Major cases of ESG trend information dissemination

Southeast Asia/Oceania	<ul style="list-style-type: none"> (Vietnam) Vietnam's circular economy policy and consultative body status for Net-Zero in 2050 (Australia) ESG trends in the Australian mining industry
Middle East/Southwest Asia	<ul style="list-style-type: none"> (Middle East/Israel) Israel's ESG-related policy trends and their impact on Korean companies (Southwest Asia/Pakistan) Introduction to the latest ESG trends in Pakistan
North America	<ul style="list-style-type: none"> (USA) The significance of ESG management as evidenced by ESG developments in the United States (Canada) In-depth analysis of ESG in Canada
Africa	<ul style="list-style-type: none"> (South Africa) Climate change and inequality issues are causing havoc in the South African economy: The growing importance of ESG management (Kenya) ESG management in action in Kenya, Africa
Europe	<ul style="list-style-type: none"> (Germany) Industrial trends identified through GreenTech Festival 2022 (Netherlands) Dutch companies' approach to ESG (Hungary) Must-know ESG trends for entering the Hungary market
East Asia	<ul style="list-style-type: none"> (Japan) Examples of ESG activities of three companies in Osaka, Japan (China) ESG adoption status of China's leading IT companies: Alibaba and Tencent
Latin America	<ul style="list-style-type: none"> (Guatemala) 2022 Guatemala ESG Report (Colombia) Exploring ESG application cases of gold-rated Colombian companies in terms of the ESG Index



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Implementing ESG education and offering consulting services

KOTRA not only provided global ESG information but also enlarged and adjusted the proportion of ESG supply chain due diligence and on-site services available to enterprises in the field. A webinar on the response to the EU Supply Chain Due Diligence Act was held in particular for materials, parts, and equipment companies with a high proportion of exports to the EU market, and in-depth ESG consulting was provided to assist companies in conducting ESG management diagnosis and identifying tasks for improvement. We assisted enterprises aiming to access global distribution networks in obtaining Extended Producer Responsibility(EPR) accreditation. We signed an MOU with the Shared Growth Committee in July 2022 to lay a foundation to assist exports for excellent ESG SMEs.



Publication of a coaching guide to respond to ESG for mid-sized companies (December 2022)



Publication of an ESG evaluation report in English for mid-sized companies (December 2022)



Webinar for the response to the EU Supply Chain Due Diligence Act

→ In-depth consulting for ESG

Consulting in preparation for supply chain due diligence

- Consulting for ESG management diagnosis and identification of improvement tasks(23 companies)
- Support for preparing ESG reports in English(13 companies)
- Support for ESG due diligence of production plants (face-to-face or non-face-to-face, for 5 companies)
- Support for preparing the EPR* investigation report and registration (19 companies)

*Extended Producer Responsibility(EPR)

A system in which a certain amount of recycling obligation is imposed on waste products and packaging materials, and if this obligation fails to be fulfilled, a recycling fee is imposed on producers, with the goal of broadening producers' obligations to recycle waste generated after consumer use of products.

→ Signing an MOU to strengthen the overseas expansion capabilities of excellent ESG SMEs

Signed an MOU with the Shared Growth Committee

- Signed MOU to provide ESG-related comprehensive service package (July 2022)
- (including ESG education, consulting, diagnostic and assessment, and overseas marketing support)
- Provision of related services in case of expanding to overseas markets
 - ① Discount on overseas market research fees(20%)
 - ② Discount on global business trend briefing session participation costs(20%)
 - ③ Preference in selecting Korean enterprises to obtain export assistance
 - ④ Preference in choosing participants for the Korea Excellent Product Exhibition, etc.



Provision of information of the EPR amendment



Signing of an MOU to expand joint ESG management among large enterprises and SMEs (July 2022)



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Expansion of Green Industry Globalization

KOTRA is a dedicated international greenhouse gas reduction organization that implements policy programs for the Korean government to attain carbon neutrality. We assist Korean enterprises participating in international greenhouse gas reduction programs with their abroad projects and acquire the International Transferred Mitigation Outcomes(ITMO) required to meet their Nationally Determined Contribution(NDC).

Signing of an MOU between dedicated organizations to implement international greenhouse gas reduction projects (March 2023)



International Greenhouse Gas Reduction

Designated as a dedicated organization for international

Since its designation as a 'dedicated international greenhouse gas reduction project organization' in 2022, KOTRA has established a strategy to promote reduction projects for the international reduction of greenhouse gases. Specifically, in order to meet our Nationally Determined Contribution(NDC) by 2030, we are pushing overseas projects, developing bilateral cooperation with foreign governments, and investing in and supporting Korean enterprises' overseas reduction businesses.



Goal | To contribute to meeting the NDC by securing ITMO through international greenhouse gas reduction projects

Implementation Directions	
<p style="font-size: 0.8em; color: #0056b3; font-weight: bold;">Domestic</p> <p style="font-size: 0.8em; color: #0056b3;">Discovering carbon reduction projects in the global carbon market based on the mechanism under Article 6 of the Paris Climate Agreement</p>	<p style="font-size: 0.8em; color: #0056b3; font-weight: bold;">Overseas</p> <p style="font-size: 0.8em; color: #0056b3;">Supporting overseas reduction efforts of Korean enterprises (via climate response funds) in order to reach the NDC(CO₂-eq) foreign reduction objective of 37.5 million tons</p>

KOTRA's role			
<p style="font-size: 0.8em; color: #0056b3; font-weight: bold;">International collaboration</p> <ul style="list-style-type: none"> • Bilateral agreements or negotiations with major partner countries • External cooperation with international organizations, etc. 	<p style="font-size: 0.8em; color: #0056b3; font-weight: bold;">Implementation of international reduction projects</p> <ul style="list-style-type: none"> • Management and supervision of international greenhouse gas reduction projects • Establishment of project plans and participation in the deliberation committee 	<p style="font-size: 0.8em; color: #0056b3; font-weight: bold;">Management of climate response fund operation and reduction performance</p> <ul style="list-style-type: none"> • Execution and supervision of government subsidies (climate response fund) • Securing reduction performance and management of transfer 	<p style="font-size: 0.8em; color: #0056b3; font-weight: bold;">Development and support of international reduction projects</p> <ul style="list-style-type: none"> • Operation of overseas carbon neutral support centers and bases • Development and implementation of external cooperation projects such as domestic and international forums

Implementation organization	
Internal	<ul style="list-style-type: none"> • Greenhouse Gas International Reduction Team • Korea Business Center(KBC)
External	<ul style="list-style-type: none"> • Carbon Neutrality and Green Growth Committee(under the direct supervision of the President, Chairman: Prime Minister) • Greenhouse Gas International Reduction Council(government ministries including the Ministry of Trade, Industry, and Energy)
Major Achievement	<ul style="list-style-type: none"> • Implementation of the first international greenhouse gas reduction pilot project in the industrial energy sector in 2023 • Securing an estimated 260,000 tons (CO₂-eq) of overseas reduction



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Extensive Support for Korean SMEs' Response to Carbon Neutrality

Assistance in overcoming trade restrictions related to carbon neutrality

To meet the rising eco-friendly demand amid the global energy crisis, KOTRA is identifying environmentally friendly programs and greenhouse gas reduction projects, as well as extending its export assistance. As part of these efforts, KOTRA has attracted investment in major enterprises and enhanced collaboration with global companies to assist global innovative growth in the domains of new and renewable energy, eco-friendly mobility, and hydrogen industries. We also promote international collaboration to assist Korean SMEs in overcoming different forms of trade barriers, such as the Carbon Border Adjustment Mechanism(CBAM), EU Taxonomy, and Supply Chain Due Diligence Act, which are being implemented throughout the world.



Carbon Neutral Support Center opening ceremony (Vietnam Hanoi Business Center, May 2023)



Briefing on the international greenhouse gas reduction pilot project (Vietnam, March 2023)




Business discovery

- Increasing assistance to green industry-focused overseas projects to win orders
- Expanding investment attraction in carbon neutrality and new energy business sectors
- Expanding our role and foundation as a dedicated international greenhouse gas reduction organization
- Expanding programs to facilitate the entry of the eco-friendly mobility industry into the GVC




Expanding global bases

- Korea-Europe Battery Day **April-May**
- Hydrogen industry partnership linked to the Paris Hyvolution exhibition **May**
- UAE nuclear power equipment delegation **May**
- Korea-India ESS consultation **June**
- Korea-China Green Industry Cooperation Plaza **June**
- Korea-Europe K-Wind Energy **June**
- Pinpoint consultation regarding company R's offshore wind power **October**
- Green Energy Hall in association with Boom Up Korea 2022 **December**



Raising corporate awareness

- Spreading global carbon neutrality issues
- ESG+ Forum for Mid-sized companies **October**
- Customized corporate capacity building



Carbon Neutral Support Center

- As of 2023, International greenhouse gas reduction projects being promoted across 11 different countries through operation of one Carbon-Neutral Support Center and 10 bases
- In September 2023, launched assistance for pilot international reduction projects in the industrial and energy sectors(Investing government subsidies worth KRW 6 billion)

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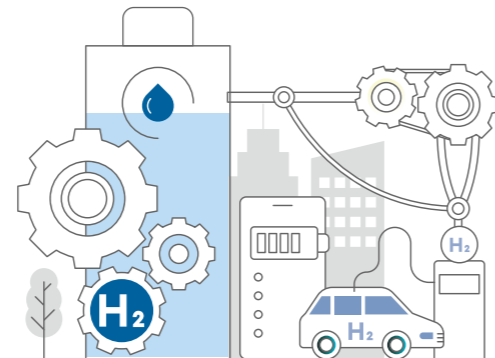
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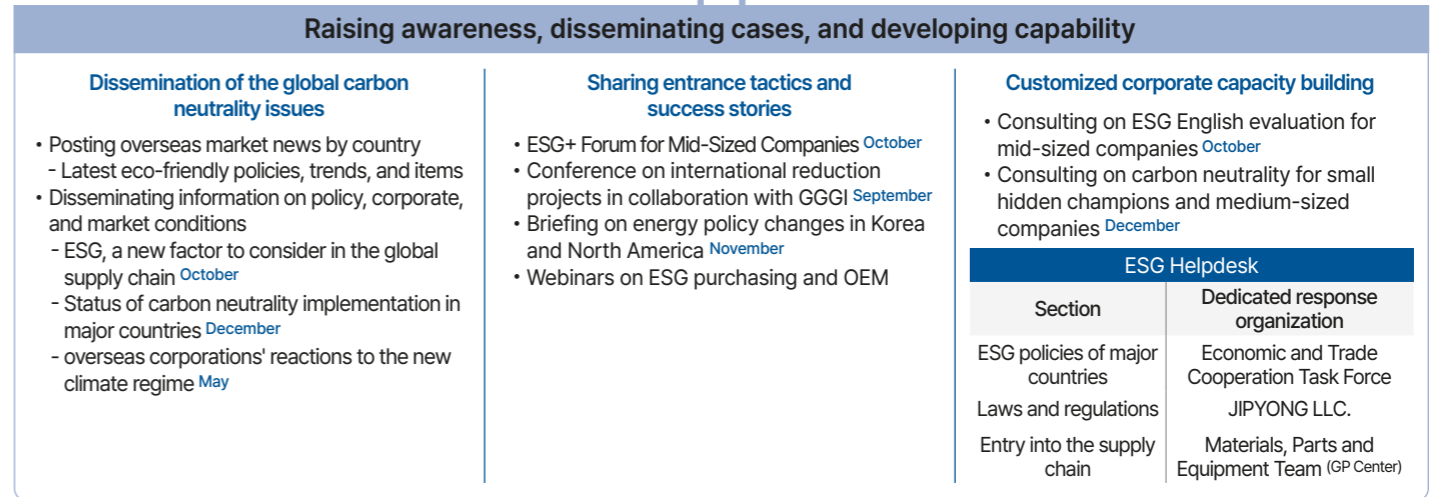
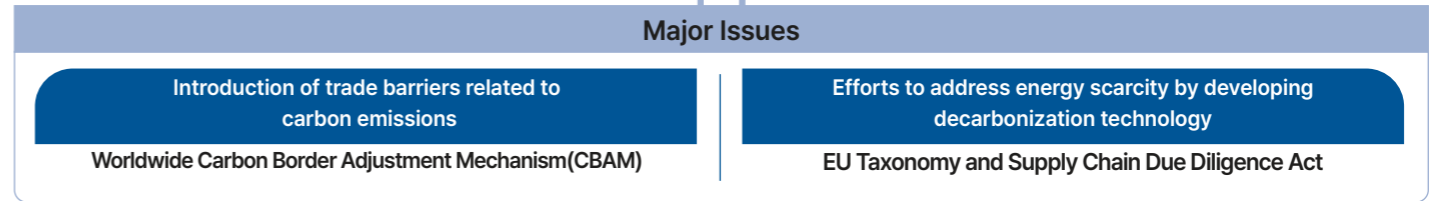
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Promoting the Globalization of Eco-Friendly Industries

Spreading the global carbon neutrality issues
 KOTRA encourages the growth of eco-friendly businesses among Korean corporations in order to promote the globalization of eco-friendly industries by distributing information and trends on global carbon neutrality concerns, as well as transferring entrance tactics and success stories. Furthermore, we run the ESG Helpdesk to help Korean SMEs overcome the challenges posed by carbon neutrality-related trade barriers such as the EU's Carbon Border Adjustment Mechanism(CBAM).



Goal | To spread the global carbon neutrality issues and assist in overcoming carbon neutrality-related trade barriers



Major Achievement

- ⓪ Posting 387 breaking overseas market news articles on 'eco-friendly' topics(105 business centers in 70 countries), with an average of 1,370 views per article
- ⓪ Providing 387 customer consultations on ESG-related difficulties and inquiries through the ESG Help Desk, which was launched in 2022.



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Strengthening Support for Overseas Expansion of Promising SMEs in the Eco-Friendly Sectors

Reinforcing the support system for green companies and leading companies

In order to globalize the green industry, KOTRA is expanding worldwide partnerships in four major industries, including secondary batteries, hydrogen, wind power, and nuclear power, and assisting companies in winning orders for eco-friendly projects. To name a few key accomplishments, supply contracts for secondary battery materials and equipment were signed(Germany), an investment commitment worth \$70 million in offshore wind power was reported(Denmark), and nuclear power plant equipment was exported(UAE).

Increasing exports with vouchers

Giving preference to green companies in selecting recipients of export vouchers	<ul style="list-style-type: none"> Enterprises with green certification account for 30.4%(for the first time) of the 677 enterprises chosen for export vouchers in 2022.
Green leading company fostering project new	<ul style="list-style-type: none"> 52 of the 107 leading green companies boosted their exports over the previous year. Four domestic companies with no export history succeeded in exporting for the first time.

Strengthening global partnership

Secondary battery	<ul style="list-style-type: none"> Signing a supply contract for secondary battery materials and equipment(Germany), Korea-Europe Battery Day April-May2 Consultation with 5 global auto parts and battery companies (China): GP in Shanghai July-August
Hydrogen	<ul style="list-style-type: none"> Confirmation of investment by French company A in the Korean hydrogen mobility sector (France), Hydrogen industry partnership linked to the HyVolution Paris exhibition May Collaboration with Daren City and Hydrogen Association (China): Korea-China Green Industry Cooperation Plaza June
Wind Power	<ul style="list-style-type: none"> Attracting USD 70 million investment in offshore wind power of Company B (Denmark), Korea-Europe offshore wind power partnership June Pinpoint consultation on offshore wind power with Company R (Germany) October
Nuclear Power	<ul style="list-style-type: none"> Two nuclear power plant equipment's exports worth USD 21,000: UAE Nuclear Power Plant Market Development Team May, Green Energy Hall December

Assistance in obtaining orders for eco-friendly projects

Increasing the proportion of eco-friendly programs in traditional projects	Green transportation infrastructure, resource recycling, and energy selection
Enhancing green project discovery	Outperforming the indicators of the carbon reduction project (246 discovery cases and 193 support cases)
Establishment of a collaboration system with domestic and foreign organizations	Supply and installation of medical waste incinerators in the UAE (USD 700,000)

Country- and region-specific support for Korean companies entering the market

Furthermore, KOTRA has pushed different forms of collaboration for every country and region in order to actively assist Korean firms' overseas growth. We held a number of export support and consulting events, including encouraging mid-sized Korean enterprises in the materials, parts, and equipment sectors to export to the European electric car battery market and assisting local energy storage companies in entering India.

Korea – Europe Battery Day (April-May 2022)

- KOTRA assists Korean businesses in entering the rapidly increasing European electric vehicle battery market.
- Because of climate change and eco-friendly subsidy schemes, the European Union's(EU) electric car sector is growing as a promising market.
- Europe has set a goal of producing 30% of the world's batteries by 2030 by funding 6 billion euros in batteries under the Important Projects of Common European Interest(IPCEI).
- Export consultations were held with 40 Korean SMEs in battery materials, parts, and equipment and major European companies in electric vehicles and electric vehicle batteries.



Korea-India ESS Online Consultation (June 2022)

- 'Korea-India Energy Storage Sector Briefing and Export Consultation' was held online to support Korean energy storage companies' exports to India.
- Consultations were held on a variety of topics, including the export of battery materials and parts, the introduction of manufacturing and inspection equipment, and the formation of joint ventures, with the participation of 15 Indian buyers and 35 Korean companies.
- Notably, 'Reliance New Energy' and 'Rajesh Exports,' which were selected for the USD 2.3 billion Production-Linked Incentive (PLI) program implemented by the Indian government, consulted with Korean battery pack component manufacturers and energy storage solution providers.



2022 Global Green Hub Korea



(Offshore wind power) Panel discussion on collaboration demand by Danish companies



2022 Green Energy Seminar



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Strengthening Support for Overseas Expansion of Promising SMEs in the Eco-Friendly Sectors

Expanding global partnerships

KOTRA is actively supporting Korean green companies' entry into the global value chain(GVC) by identifying promising partners in each carbon neutral field, such as secondary batteries(electric vehicles), hydrogen, and green energy(wind power, nuclear power), and creating opportunities for Korean companies to enter the global market by expanding and supporting global partnerships in each field.



Green Energy

Support for project cooperation and penetration into the supply chain through partnerships with global companies

<Offshore wind power>

- Korea-Europe offshore wind partnership (September-December)
- Offshore wind power pinpoint consultation (October)

<Nuclear power plant>

- UAE Nuclear Power Plant Market Pioneer Team (May)
- Green Energy Hall (December)



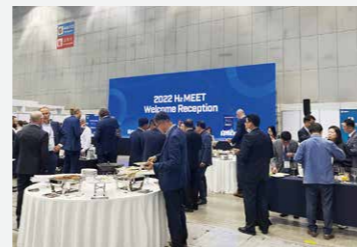
Korea-Europe offshore wind partnership seminar (December 2022)



Hydrogen

Identifying demand and supporting overseas expansion at each stage of the hydrogen industry supply chain

- Hydrogen Partnership Plaza in connection with HyVolution Paris 2022 (May)
- Korea-Canada Hydrogen Economy Forum (April)
- Global hydrogen industry partnership in relation to H2 MEET 2022 (August)
- Hydrogen Partnership Plaza, in collaboration with German Wind Energy (September)



Global hydrogen industry partnership in relation to H2 MEET 2022 (August 2022)



Secondary Batteries (electric vehicles)

Support for key items of future vehicles and market-oriented export consultations

- Korea-Europe Battery Day (April-May)
- Korea-Mexico electric vehicle pinpoint video conference (May-July)
- Korea-India ESS consultation (June)
- GP China in Shanghai (July-August)
- Korea-Japan Next Generation Mobility Partnering Project (November)



Korea-Japan Next Generation Mobility Partnering Project (November 2022)

October 2022

CASE

ROK-Australia Critical Minerals Business Roundtable



The 'ROK-Australia Critical Minerals Business Roundtable' was hosted by KOTRA to strengthen the supply stability of critical minerals between Korea and Australia with respect to global key minerals. We anticipate that this event will promote networking between institutions and enterprises in both countries, strengthening ESG collaboration in the mineral industry, and identifying global ESG trends.



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Assistance in winning orders for green projects

KOTRA's key assistance aims for obtaining orders for international projects have switched from equipment and civil plant development to eco-friendly and green projects.

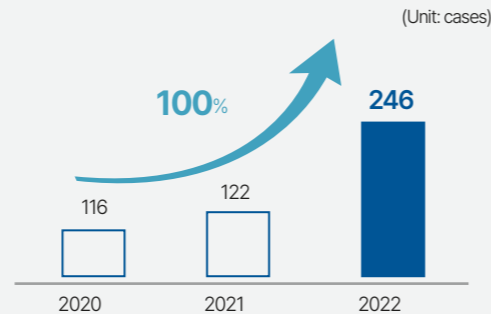
We increased our examination of green projects and converted existing electricity and power production firms to be more environmentally friendly, resulting in the identification of 246 green projects and the acquisition of orders worth \$159 million in 2022.



Major cases of winning orders for green projects

- Energy storage system (ESS) project in South Africa (USD 158.38 million)
- Green hydrogen development franchise project in Duqm region, Oman(USD 44.8 billion)
- ESS project for climate response in Kuwait, Middle East (USD 180 thousand)

Number of green projects discovered compared to previous years



CASE

May 2022

Securing the energy storage system (ESS) project in South Africa



KOTRA obtained information on the ESS project and took the lead in contacting the domestic company H. KOTRA provided consultation opportunities to the domestic company through GPP and MDB, its invitation events for project owners visiting Korea, and successfully supported companies in winning contracts through three years of followup support, including the provision of bidding-related information and the establishment of local corporations. Company H, which secured local references for the project, has laid the groundwork for future renewable energy orders.

CASE

June 2023

Obtaining the green hydrogen development franchise project in Duqm region, Oman



KOTRA collected project information by conducting interviews with project implementers and organizing a local green hydrogen strategy forum. During this forum, they presented the Korean government's hydrogen development policy and showcased the capabilities of the Korean consortium, which includes six companies, including Company P, to the project owner. Following the forum, KOTRA created opportunities for consulting with Korean firms through GGHK, its invitation event designed for project owners visiting Korea. KOTRA also joined and facilitated the delegation's visit to inspect Korean companies, led by Oman's Vice Minister of Energy and Minerals. As a result of these efforts, the Korean company successfully entered Oman's renewable energy sector for the first time.

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Advancement of Development Cooperation and Global CSR Programs

KOTRA also contributes to addressing global challenges by assisting Korean enterprises in expanding globally. We have taken the lead in fostering a sustainable business ecosystem, in particular by expanding our existing global CSR(corporate social responsibility) programs and driving private sector engagement in development cooperation.

	Introduction of the KSP private business proposal system and discovery of businesses	70 cases
	Participating companies in ESG+ projects	70 companies
	Internal and external events to share development cooperation outcomes	3 events

Global CSR Activities

In carrying out its social responsibilities as a public entity, KOTRA understands the necessity of tackling global challenges. We have contributed to the development of a sustainable business environment by actively assisting Korean enterprises in entering the market through global activities for corporate social responsibility(CSR) as well as increasing private sector engagement.



KOTRA visited by Colombia KSP team to Korea (July 2022)

KOTRA's development cooperation implementation system

Expanding sustainable development cooperation in line with KOTRA's management goals

Mid- to long-term project roadmap

Short term (2022)	Mid term (2023~2024)	Long term (2025~)
Expanding participation of private companies in development cooperation	Strengthening the link between development cooperation and exports/ contract wins	Strengthening the link between development cooperation and exports/ contract wins

Expansion of development cooperation projects linked to business performance

KSP private proposal system	Building ESG+ projects	Expanding advanced development cooperation
<ul style="list-style-type: none"> • First introduced in 2022 • Expanding development cooperation projects that use developed countries' projects as models • Implementation of win-win cooperation ESG based on partner countries' demands • Encouraging KSP projects in the private sector • ESG+ projects based on mutual cooperation • Development cooperation/CSR • Aggressively pursuing KSP export and contract win opportunities 	<ul style="list-style-type: none"> • Conducting a wide range of social contribution activities by taking advantage of institutional characteristics • Increasing company participation in ESG+ projects (196 companies, up 43.1% YOY) • Performance-linked project that incorporates the Korean government's development cooperation agenda of 'Linkage with the private sector and creation of national interest' • Donating throwable fire extinguishers to the Ministry of Defense of Ukraine 	<ul style="list-style-type: none"> • Expanding win-win development cooperation projects with emerging countries to help them promote trade and build capabilities • Increasing the chances of winning projects by aggressively combining firms' capabilities with development collaboration • Establishing the master plans for EIPP projects and proposing them to target recipient countries • Leveraging EIPP as an opportunity to win orders in conjunction with EDCF • Hosting International seminars for sharing and disseminating outcomes(3 events)



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Building a Framework for Private-sector Collaboration in Global CSR

Private-driven mutual prosperity and development cooperation for sustainable development cooperation

KOTRA has not only advanced sustainable development cooperation by expanding opportunities for private entities to engage in global CSR activities in line with its core values (global, innovation, contribution, and public integrity) but has also introduced and managed the KSP private business proposal system and global ESG+ projects to facilitate companies' entry into a sustainable business ecosystem. We have also reflected global ESG trends to promote coexistence-driven development cooperation. Notable accomplishments include the identification of 70 KSP projects, marking a 12-case increase compared to the previous year, and the participation of 196 companies in ESG+ projects, representing a 43.1% growth from the previous year. KOTRA's vision extends towards expanding development cooperation in a manner reminiscent of developed countries. This entails laying the groundwork for development cooperation through both paid packages involving the EDCF(Economic Development Cooperation Fund) and free packages.

* EIPP(Economic Innovation Partnership Program): A program that provides intense policy assistance in areas with strong commercialization potential for more than three years

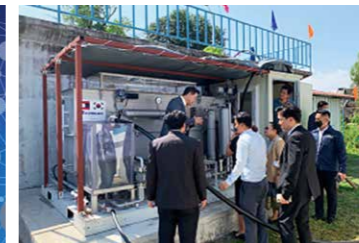
Konza, Kenya, smart city building project	Introduction of the KSP private proposal system	Training of drinking water treatment technology in Laos	Donating disaster and safety supplies to Ukraine
<ul style="list-style-type: none"> • Expanding the discovery of development cooperation projects that can be linked to contract wins by private companies • Enhancement of the inter-organization ODA cooperation system: Signing of an implementation agreement between KOTRA and the Kenyan government for prospective EIPP* projects (June 2022) 	<ul style="list-style-type: none"> • Introducing the KSP private proposal system for the purpose of expanding private sector participation in development cooperation (July 2022)** • A total of 58 companies discovered 49 projects, with 5 receiving final approval. 	<ul style="list-style-type: none"> • Implementing support activities to implement green values from the E (Green Initiative) perspective 	<ul style="list-style-type: none"> • Donating throwable fire extinguishers to aid in the response to fires in power facilities(power plants), water sources, and private facilities, as well as secondary damage(extended to large-scale fires and power outages, and so on) in the case of war damage
<ul style="list-style-type: none"> • Implementing a smart city construction project for effective city operation in response to cities in African countries becoming metropolitan cities • Identification of promising EIPP projects related to metropolitan transportation networks, smart logistics, etc. in the first stage of urban development(4 cases) • Strengthening the groundwork for long-term goals by inviting the Kenyan Minister of ICT to visit Korea and developing a network of key personnel 	<ul style="list-style-type: none"> • Increasing private sector involvement in ODA, a fundamental component of the national task of 'emulating developed countries in international development cooperation • Using the strengths of KOTRA's private business network to present KOTRA's development cooperation model to the government and conducting development cooperation driven by private-government win-win cooperation • Resolved by the International Development Cooperation Committee in 2021 and enforced in 2022 	<ul style="list-style-type: none"> • Provision of microbial fermentation equipment • Combining with KOTRA projects, such as creating new momentum in the sphere of innovative growth(pushing a green growth partnership and signing an MOU with Laos, etc.) 	<ul style="list-style-type: none"> • Contributing to increased efficiency in evacuation and rescue operations, as well as dramatically decreasing fire occurrence and relevant damage • Protecting Ukrainian forces' and inhabitants' lives and property, as well as helping in post-war rehabilitation projects, combining with KOTRA projects, such as creating new momentum in the sphere of innovative growth



Implant seminar for Ethiopian doctors (September 2022)



Contest poster for KSP privately proposed project (July 2022)



Training of drinking water treatment technology in Laos (September 2022)



Donating disaster and safety supplies to Ukraine (January 2023)

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B04

Support for Shared Growth of Large Enterprises and SMEs

KOTRA serves as a platform for encouraging the mutual growth of large enterprises and SMEs. We have built best practices for joint expansion into overseas markets by fully taking advantage of our diverse projects, including crisis response projects, overseas expansion support, investment attraction, and DX response projects.

Commendation from the Minister of SMEs and Startups in the shared growth between large and small businesses sector (November 2022)



Support for Companies' Shared Growth

KOTRA is performing collaborative projects to help large enterprises and SMEs evolve together in pursuit of prosperous coexistence with Korean companies. In particular, in 2022, we joined our forces together to overcome the crisis by operating an emergency response team amid export emergencies triggered by the Russia-Ukraine conflict and global logistical challenges.



Support for mid-sized and small businesses in case of export emergency

Russia-Ukraine crisis	Global logistics crisis	Supply chain entry issues
<ul style="list-style-type: none"> • Companies operating in Russia and Ukraine put at risk of war • Supply chain crisis and export/import threats due to cargo interruption, etc. 	<ul style="list-style-type: none"> • The increased possibility of logistics difficulties due to the LA port backlog (January), the Russian-U.S. crisis (February), and the Shanghai blockade (April) • A halt in raw material import and export due to prolonged logistics difficulties 	<ul style="list-style-type: none"> • Supply chain paralysis since the outbreak of the COVID-19 crisis • Unstable supply of raw materials due to China's blockade • Export companies in fear of the 'contract cancellation' as a result of ESG supply chain due diligence

Achievements

<ul style="list-style-type: none"> • Emergency evacuation support for companies operating overseas (43 people from 13 companies) • Resolving 488 management difficulties of shared growth companies • Support for logistics and return of evacuating companies • 100% rent reduction for companies in Russia and Kazakhstan • Preventing the occurrence of receivables by suspending cargo and amending transaction conditions based on advice from lawyers with expertise in Russia 	<ul style="list-style-type: none"> • Supporting the decision-making of the shared growth companies by ensuring alternate route availability through previous monitoring and data collection • Addressing anxiety stemming from logistics challenges and fluctuations in raw material supply and demand in a timely manner • Minimizing export damage early diagnosis of global risks 	<ul style="list-style-type: none"> • Utilizing overseas bases in response to EU legislation mandating supply chain due diligence • Securing 13 consulting companies in preparation for EU supply chain due diligence • Sharing information on ESG supply chain restructuring and providing assistance for appropriate responses • Assisting five automobile manufacturers in conducting ESG supply chain due diligence (Japan and Turkiye) • Successfully entering the global supply chain(GVC) and expecting to sign a USD 39.9 million export contract with a global company
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Assistance in Enhancing the Capacity of Korean Businesses

Support for the exports of SMEs

KOTRA provides support throughout the entire cycle to help domestic companies, including SMEs, small business owners, and startups, ensure successful and ongoing exports. We have carried out systematic export support initiatives in particular by actively giving practical export consulting to or sharing expertise in online export with SMEs and startups that lack their own capabilities despite having the desire for overseas expansion.



Supply chain entry issue

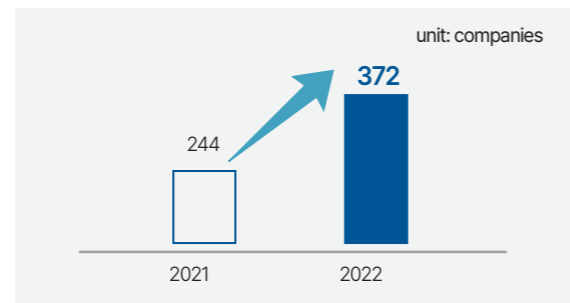
- Increased global uncertainty and the occurrence of export bottlenecks due to COVID-19 and the prolonged Russia-Ukraine crisis
 - ▶ Implementing export capacity building and ESG support programs to help exporting enterprises overcome challenges while responding to the advent of new trade obstacles



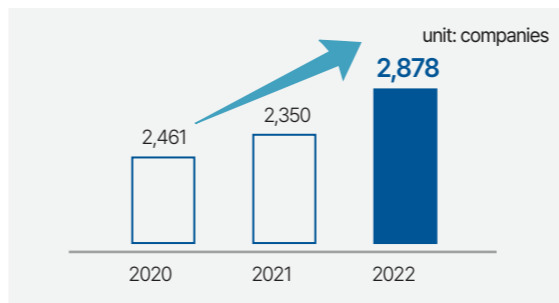
Assistance details

- (Developing a framework) Operation of the "Small Business Owner Export Support Center" and establishment of a performance sharing platform
- (Expansion of support) Expanding beneficiaries and enhancing tailored programs
- (Cooperation with related organizations) Providing government-funded loans and export vouchers

↓ Number of companies that succeed in exporting through the Small Business Owner Export Support Center
*Opened in March 2021



↓ Young company with increased exports
(up by **22.5%** compared to 2021)



CASE

September 2022

Expanding small business owners' online export experience through online distribution platforms



Through an RFQ from Alibaba.com in September 2022, KOTRA's Small and Medium Innovative Business Team discovered Indian buyers interested in the collagen ampoule of cosmetics company J, which participated in the Koala Project, and facilitated communication between the two companies, including price negotiation. As a next step, we intend to invite the buyer to Boom Up Korea in 2023 to finalize a purchase agreement with the Korean company.



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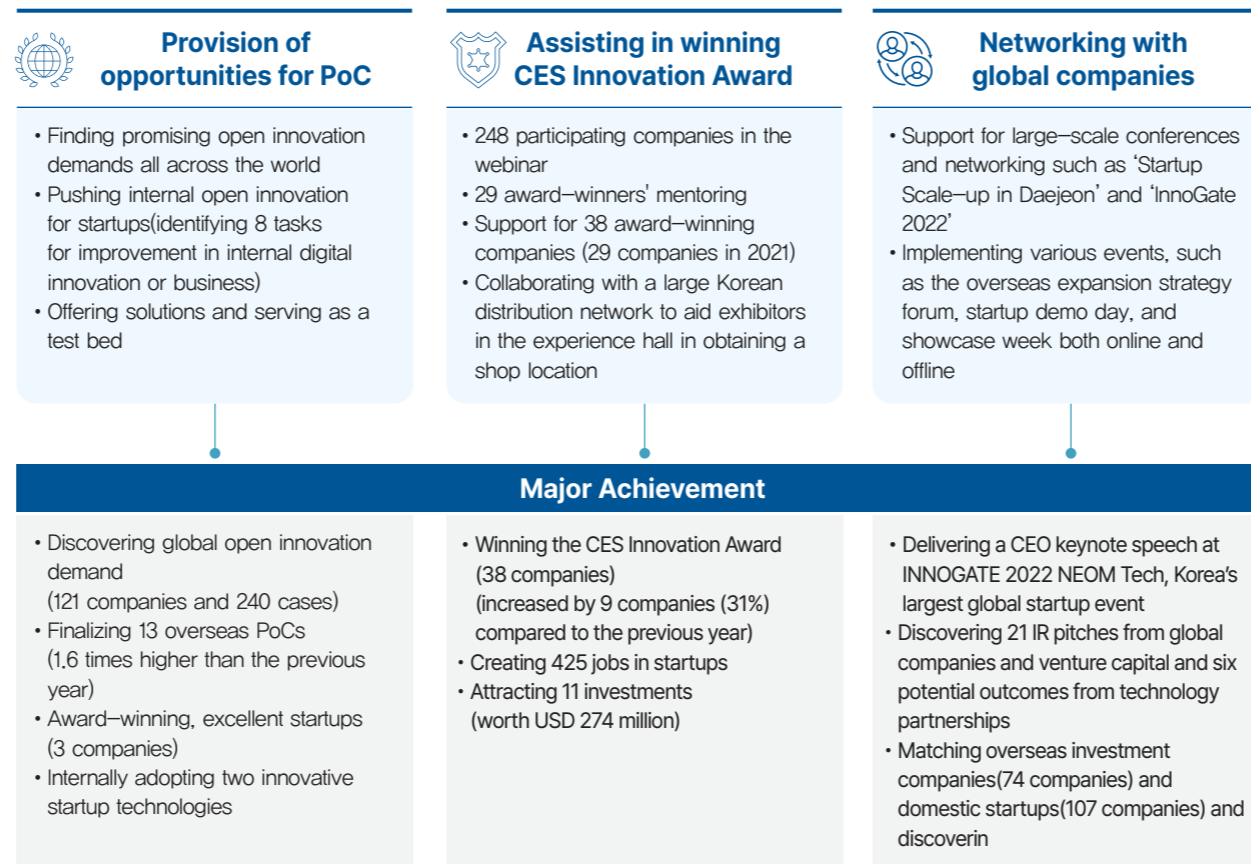
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Support for startups' export

Furthermore, KOTRA executes a number of projects to help companies expand into international markets and develop their competencies. Based on its perception of global companies' needs for innovative technology, KOTRA has provided startups with opportunities to validate their technology and assisted them in bolstering their reliability by winning the CES Innovation Award. We also helped entrepreneurs expand their business networking through attendance at large conferences such as INNOGATE.



CASE

Of the 111 companies awarded the 'CES 2023 Innovation Award', 38 (34%) were beneficiaries of KOTRA's support



At the CES 2023 Innovation Awards, 38 Korean startups received awards (a 9-company increase from the previous year), with one getting the Best Innovation Award. KOTRA hosted a CES Innovation Award webinar for 248 companies to share the strategies of previous award winners, as well as proactively supported Korean startups to actively engage in the CES Innovation Award, including a mentoring program.



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Actively attracting global investment in Korean companies

KOTRA Invest KOREA has operated the IKMP(Invest KOREA Market Place) project to assist Korean firms seeking overseas investment by matching domestic innovative enterprises with global investors. KOTRA held investment attraction consultations and briefing sessions and selected new excellent companies, successfully attracting investments totalling \$274 million(13 cases) in 2022. Furthermore, as ESG management activities are recognized by global investors as an important evaluation factor when selecting companies for investment, we intend to advance our assistance program to encourage companies' ESG management activities by adding extra points to the total evaluation score of companies with excellent ESG management, beginning with the recruitment of participating companies for the third round of 2023(September 2023).

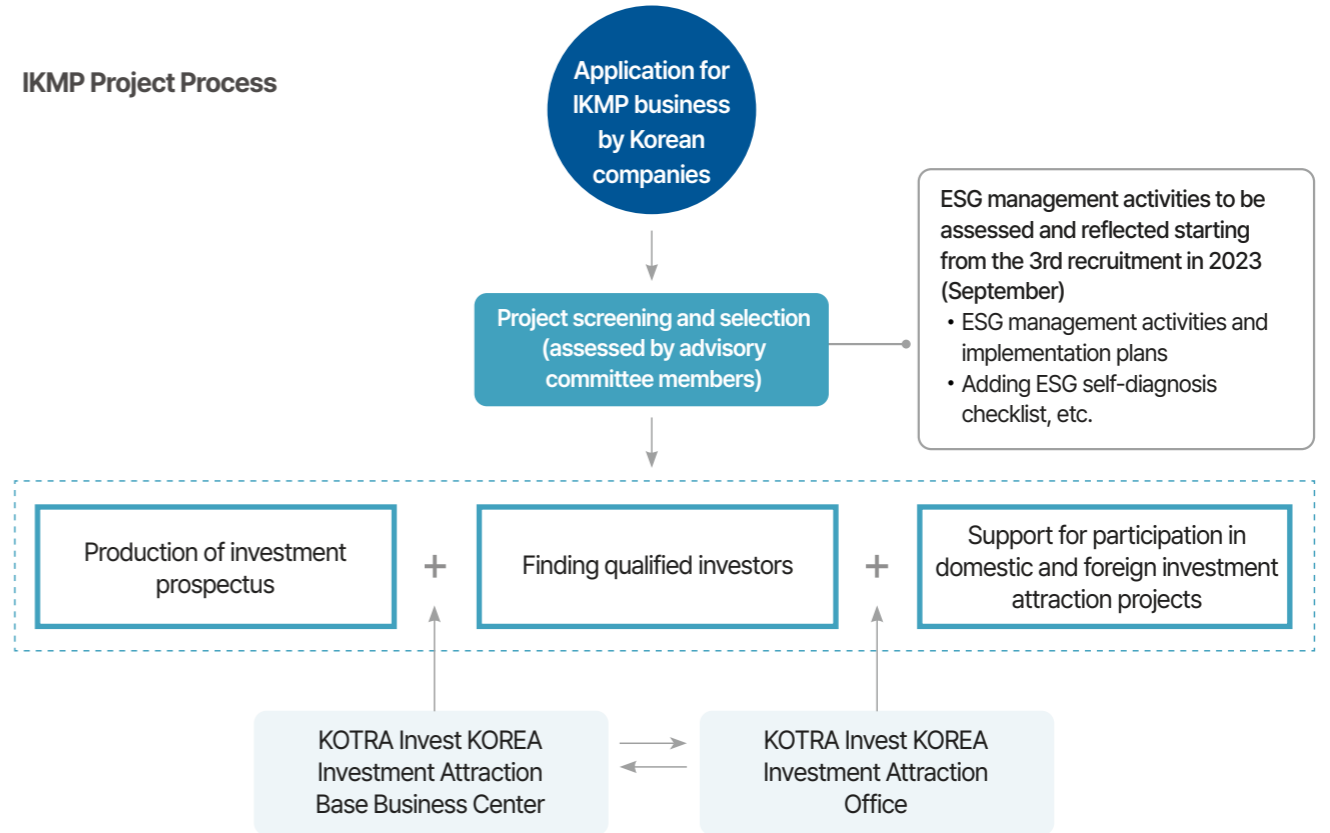


Umicore, The largest in scale in Asia R&D center for secondary battery materials Establishment (May 2022)



Investment attraction IR for Innovative Korean Companies in connection with the German-Korean Business & Investment Summit (June 2023)

IKMP Project Process



Major Achievement

	Number of IKMP support projects (Unit: companies)	Number of participating companies in investment attraction support projects (Unit: companies)	Korean companies' successful investment attraction (Unit: USD 1 billion (case))
2021	279	185	2.47(8)
2022	290	243	2.74(13)



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Support for strengthening the competency to respond to DX

As digital transformation(DX) accelerates across many industries, the role of public institutions in providing assistance is becoming increasingly important. In 2022, KOTRA established three new Digital Trade Support Centers(deXter) as a platform to assist Korean enterprises in obtaining digital capabilities across the whole cycle, with intentions to progressively extend them into an all-encompassing digital support infrastructure by 2030.



Daejeon deXter (newly launched in 2022)



Using deXter to nurture digital trade talents and companies (deXters)

Transitioning from a content production support center to a digital trade comprehensive support center

K-Studio (6 locations)

Support focused on content creation and marketing (Seoul, Gwangju, Busan, Daejeon-Chungnam, Gangwon, Chungbuk)

deXter (30 locations by 2030)

Planning to build in areas with a low Digital Trade Infrastructure Index (DX Index) preferentially

Content creation

Buyer matching and counseling

Digital marketing

One-stop support for performance management

Digital Trade Comprehensive Support Center (deXter) operation conditions

- Opened in 2022
(3 locations in Gumi, Gyeongbuk, Seoul, and Daejeon)
- Scheduled to open in 2023
Busan, Ulsan and Goyang
(3 locations already open),
Jeonju (October),
Cheongju (November),
Pyeongtaek (November)
- Plan to open 30 locations by 2027





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 - Implementing Corporate-Wide Eco-Friendly Management Practices

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KOTRA recognizes the impact of the climate crisis on the supply chain and the global competitiveness of Korean SMEs. Therefore, we are integrating eco-friendly management principles into our company management strategy and overall organizational operation system, taking the lead in implementing them.

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E01

Development and Implementation of an Eco-Friendly Management System

In accordance with the government's 2050 carbon neutrality target, KOTRA has developed an eco-friendly management system. Furthermore, in response to stakeholder demands, we are enhancing the capacity of our employees to engage in eco-friendly management.

Acquisition of the ISO 14001 certification (June 2022)



Upgrading Eco-Friendly Management System

To address the climate change crisis and promote sustainability, KOTRA has declared to establish an eco-friendly management system on a global scale with the goal of attaining carbon neutrality by 2050. In particular, we are striving to meet the varied requirements of our stakeholders by further enhancing our eco-friendly management system. Going forward, KOTRA will continue to support SMEs' transition to eco-friendly and low-carbon management in line with global ESG management trends and the government's Green New Deal policy to help them secure global competitiveness and take the lead in establishing a carbon-neutral ecosystem.



Goal | To reduce greenhouse gas emissions by 50% by 2025 and achieve 100% renewable energy use by 2050

Mid- to long-term management goals for 2023–2027

Bolstering ESG management and support for corporate ESG responses	Scaling up the global reach of decarbonization and environmentally-friendly sectors
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Action plan

Establishment of environmental management policy	Labor-Management Joint Energy Saving Committee	Labor-management eco-friendly management T/F	Green marketing and international reduction bilateral cooperation guild
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Carbon neutrality implementation mechanism

Environmental impact assessment	Operational management	Performance measurement	Monitoring
Analysis of the risk factors for pollution in all departments (air pollution, wastewater, and waste)	(Management) Emission facilities management and compliance with laws and regulations (Business) Business development and corporate support	12% increase in greenhouse gas reduction 9% increase in green product purchases	Internal evaluation + external evaluation (documents and onsite inspection)



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 - Introduction of the Public-Private Cooperation Pilot Project
 - Implementing Corporate-Wide Eco-Friendly Management Practices

ESG Management Promotion Organization

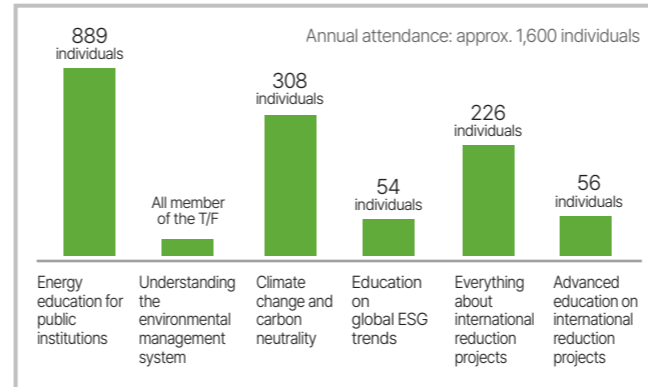
Implementation of a corporate-wide environmental commitment

In order to practice efficient eco-friendly management, KOTRA is adopting various strategies, such as establishing an Energy-Saving Promotion Committee within the Sustainability Management Committee and operating an eco-friendly management TF. These organizations help us incorporate eco-friendly elements into all of our projects and operations and minimize the environmental impact on the local community.

Energy Saving Promotion Committee	Eco-friendly management T/F	Energy Guardian
<p>Activities</p> <p>Establishment of a semi-annual energy-saving plan and inspection of its implementation</p>	<p>Activities</p> <p>Creation of an environmentally friendly management system on a global level</p>	<p>Activities</p> <p>Efforts to save energy and globalize eco-friendly industries</p>
<p>Major achievement</p> <p>Creation of a global-level eco-friendly management system by obtaining ISO 14001 certification</p>	<p>Major achievement</p> <p>Outperforming the greenhouse gas reduction target by 10%</p>	<p>Major achievement</p> <p>Selected as an excellent organization by exceeding the green product purchase target</p>

Enhancing competency across the entire organization through training

Over one year, more than approximately 1,600 individuals have completed the company-wide expert training program implemented by KOTRA on the international reduction project that aims to achieve carbon neutrality, eco-friendly industry, and greenhouse gas reduction.



Labor and management collaboration to reinforce eco-friendly management

KOTRA has developed a shared understanding of eco-friendly management and adopted a joint declaration to implement ESG management, including eco-friendly management and a contribution to reaching carbon neutrality, at the "Declaration Ceremony for implementing ESG Management by Labor, Management, and Auditors" held in November 2022.



Declaration ceremony for implementing ESG management by labor, management, and auditors (November 2022)



Joint declaration for implementing ESG management



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Eco-Friendly Innovation in Business Operations

KOTRA is shifting from a linear economy that consumes resources once and then discards them to a circular economy that uses resources efficiently for sustainable resource consumption and ecosystem preservation.

Leading the way in making exhibitions eco-friendly
Signing ceremony for an MOU supporting ESG management in the Korean exhibition (June 2022)



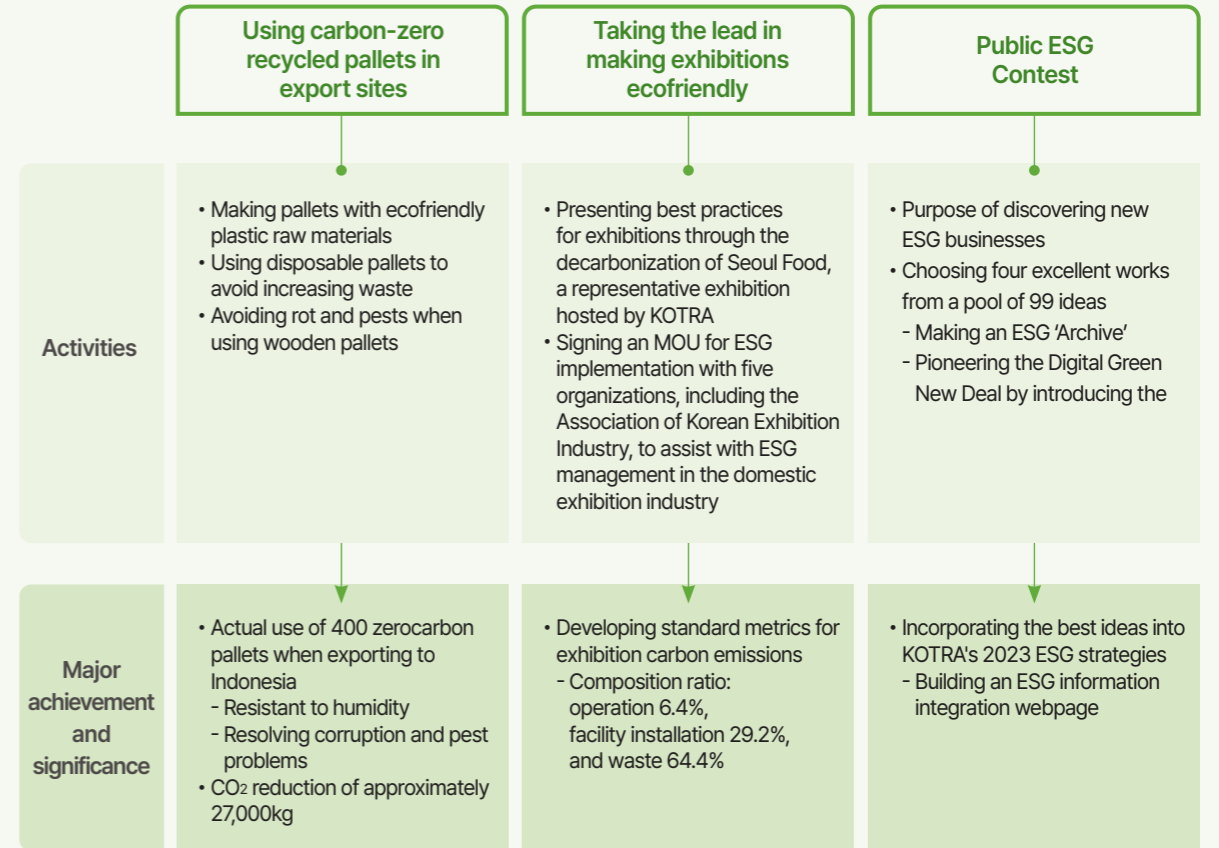
Introduction of the Public-Private Cooperation Pilot Project

Reaching Net-Zero by building a sustainable resource circulation process

KOTRA has reduced nearly 27,000kg of carbon by encouraging the use of carbon-zero recycled pallets to put its eco-friendly management into practice at export logistics sites and operated a zero-waste booth at SEOUL FOOD, one of the organization's prominent exhibitions, showcasing an eco-friendly exhibition model.



Zero-waste booth in SEOUL FOOD 2022



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Implementing Corporate-Wide Eco-Friendly Management Practices

Eco-friendly management efforts at the institutional level

KOTRA is actively advocating for energy-saving measures to mitigate greenhouse gas emissions. Through various efforts, such as reducing the use of air conditioning and heating appliances to minimize energy consumption, ensuring proper indoor temperature management in our offices, etc., we have curtailed energy consumption and broadened the adoption of environmentally friendly products by mandating the purchase of green products across all departments. Additionally, we are committed to reducing the fleet of public vehicles, replacing older business vehicles with 100% ecofriendly models, and minimizing waste through the implementation of paperless video conferencing and standardized waste separation procedures.

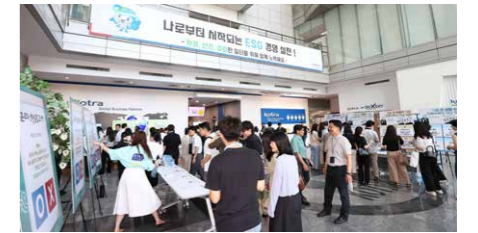
	Major Activity	Major Achievement
Saving energy 	<ul style="list-style-type: none"> • Increasing the cooling and heating shutdown times (9:30, 12:00, and 15:00) • Maintaining an appropriate office temperature (below 28 °C in summer and 17 °C in winter) 	<ul style="list-style-type: none"> • Exceeding the greenhouse gas reduction target (Target: 30.4% ⇒ Result: 37.5%)
Purchasing green products 	<ul style="list-style-type: none"> • Purchasing green products such as laptops, general office supplies, bidets, and PCs • Evaluating mandatory purchases of green products to encourage voluntary green purchases in each department 	<ul style="list-style-type: none"> • Recognized as an outstanding organization for purchasing green products • Achieving purchasing targets across all
Increasing green vehicles 	<ul style="list-style-type: none"> • Selling 7 internal combustion vehicles among public vehicles whose useful lives have expired • Replacing five old business vehicles with 100% eco-friendly vehicles 	<ul style="list-style-type: none"> • Reducing public vehicles (43 ⇒ 40 vehicles) • Increasing the proportion of green cars (51% ⇒ 65%)
Reducing wastes 	<ul style="list-style-type: none"> • Reducing paper use by establishing a paperless video conferencing system • Reducing waste by unifying waste separation methods 	<ul style="list-style-type: none"> • Reducing institutional food waste to ZERO by adopting an integrated cafeteria discharge approach
Building energy diagnosis 	<ul style="list-style-type: none"> • Consultation on building energy efficiency plans (February 2023) • Eliminating unnecessary energy waste 	<ul style="list-style-type: none"> • Diagnosing energy status and establishing improvement plans

Engaging all employees in ESG implementation

In order to implement eco-friendly management, KOTRA is striving for member-centered voluntary ESG practice by identifying ESG activities in which all employees can take part.



The flower pot sharing event using recycled cups, hosted by the in-house volunteer club 'Left Hands' in commemoration of Arbor Day (April 2022)



ESG implementation event on the way to work



ESG implementation by all employees using the 'Hangarae' app (June 2023)



Participating in the Disposable Products Zero Challenge Relay (April 2023)



Ceremony for the donation of recycled denim bags (April 2022)



Collaborative labor-management Jebudo beach cleaning event (May 2023)

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Implementing Corporate-Wide Eco-Friendly Management Practices

Eco-friendly activities with the people

KOTRA held the 2023 KOTRA Innovation Idea Contest to gather innovative ideas from citizens and customers, who are our major stakeholders, and incorporate them into our ESG management plans.

Efforts and Achievements for Eco-friendliness and Low Carbon Emission

KOTRA is committed to minimizing our environmental footprint through a range of initiatives aimed at implementing eco-friendly management practices. Our objectives include a 50% reduction in greenhouse gas emissions by 2025 and a complete transition to renewable energy sources for 100% of our electricity needs by 2050. To achieve these goals, we are conducting comprehensive assessments and management of greenhouse gas emissions, energy and water consumption, waste, and pollutants, aligning our practices with the government's K-ESG guidelines.

Public ESG Contest

- Choosing four excellent ideas from a pool of 99 submissions for the purpose of seeking new ESG project ideas
- Incorporating the best ideas into KOTRA's 2023 ESG strategies

Public ESG Management Innovation Idea Contest (November ~ December 2022)

Quantitative indicators	Performance			Performance analysis and assessment
	2020	2021	2022	
Achievement rate of greenhouse gas reduction targets	33.5%	33.5%	37.5%	Achieving greenhouse gas reduction by more than 10% compared to the target through corporate-wide energy-saving efforts based on the shared awareness between labor and management
Formation of the Energy Saving Promotion Committee and due diligence	-	-	2 cases	Attendance of vice-representatives from both labor and management to the Sustainability Management Committee's safety and environment division for the discussions on plans and performances
Winter energy consumption reduction	Achieved	Achieved	Achieved	Attendance of vice-representatives from both labor and management to the Sustainability Management Committee's safety and environment division for the discussions on plans and * Full score achieved when reduction is achieved by more than 10%
Purchase of high-efficiency energy equipment	-	100%	100%	A transitory rise in energy consumption due to an increase in main building users in the second half of 2022
Introduction of environmentally friendly cars	81.25%	100%	100%	Exclusively procuring 100% high-efficiency energy products
Purchase of green products	100%	100%	100%	Selected as an outstanding green product purchasing organization in 2022

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Throughout its business operations, KOTRA prioritizes human rights and works to implement social responsibility-centered management by creating a safe working environment for its members and supporting their professional development, as well as operating numerous social contribution initiatives and shared growth programs for the local community and partners.

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Strengthening Human Rights Management

KOTRA adheres to and supports international standards and norms, such as the Universal Declaration of Human Rights. We have already prioritized human rights awareness across its business operations, trying to develop the human rights awareness of all employees and establish an organizational culture that values human rights.

Receiving the grand prize in the Society sector of the ESG Innovation Policy Awards (The Korean Association for Policy Studies, August 2022)



Organizational Culture of Respecting Human Rights

KOTRA recognizes that in addition to the human rights of employees at headquarters and overseas business centers, the human rights of all stakeholders should be protected and respected. To this end, we have established human rights management promotion strategies and proclaimed the KOTRA Charter of Human Rights(amended in June 2021) to construct a proactive human rights management system.



KOTRA Human Rights Management Strategy

Human rights vision	"With the principle of putting people first , we promise to protect the human rights of all stakeholders "		
Environment analysis and feedback	Internal and external environmental analysis		Feedback on prior assessment results
	External environment	Demand for human rights management that adheres to both domestic and international human rights standards	Human rights impact Creating a system for safeguarding human rights of vulnerable groups
	Internal conditions	Variances in human rights awareness among different social classes and regions	Management assessment Improving performance indicator results and strengthening the remedy and management
Strategic direction	Advancing human rights management system	Creating a culture of preventing human rights violations	Implementing and spreading respect for human rights
Action plans	<ul style="list-style-type: none"> Enhancing the promotion and assessment system Advocating for the redress and management of human rights violations 	<ul style="list-style-type: none"> Expansion of targeted prevention activities Eliminating human rights risk factors in advance 	<ul style="list-style-type: none"> Protecting human rights of partners Implementing respect for global human rights
Activity	Norms	Organization	Consultation and communication channel
	<ul style="list-style-type: none"> Charter of Human Rights and Code of Conduct Code of Ethics for Human Rights 	<ul style="list-style-type: none"> Human Rights and Ethical Management Committee ESG Management Office and Ethical Management PM 	<ul style="list-style-type: none"> Ethics Promotion Team and Overseas Ethics Center Anonymous reporting channel (Red Whistle)
			Evaluation and monitoring
			<ul style="list-style-type: none"> Human rights impact assessment Internal human rights index



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Organizational Culture of Respecting Human Rights

Human rights management tailored to KOTRA's unique characteristics

Given the nature of its operations with many overseas networks, KOTRA considers human rights protection efforts for overseas dispatched personnel and their families, global staff, and local communities as an essential component of institutional human rights management.

Furthermore, we have identified six groups within the organization that are subject to human rights reporting, performed FGI and surveys, and improved the human rights status through monitoring, coaching, and education.

CASE

Internalizing human rights awareness through targeted prevention education tailored to each audience's requirements


Executive

"I would like to engage with Generation Z employees, but I'm unsure about the most effective approach."
 >> Effective communication methods with MZ generation employees(communication skills training and education for various real-world scenarios)


Mid-level manager

"I find myself in the midst of various generations and social classes. How can I avoid conflicts?"
 >> Training for conflict prevention and management within the organization(Discussion course based on Korean and international cases)


Entry-level manager

"I'm new to working overseas. How can I build good relationships with my global staff?"
 >> Small group mentoring with seniors in each region / Relationship building and conversation skills for entry-level managers


New hire

"I would like to proactively prepare for a smooth adjustment to working abroad."
 >> Experience sharing workshops with seniors returning from overseas / Education on other cultures and foreign languages

Preventive elimination process of human rights risks



Target group	Human rights violation factors	Pinpoint improvement	Achievement
All employees	Job stress	Expanding support for employee assistance program(EAP)	16.4% increase in the number of users compared to the previous year
Overseas dispatched employee	Conflict between employees	Identifying and improving risk factors for each overseas headquarters	Tasks for all overseas headquarters (20 tasks)
Global staff	Difference in regional human rights levels	Introducing human rights ethics training for global staff	Sharing human rights content in four languages
Young intern	Lack of awareness of human rights-related factors in the workplace	Implementing education to prevent gapjil and the four major violence	Providing education (12 times, 264 individuals)
Disabled	Potential discriminations	Releasing an 'Interview Guide for Recruiting People with Disabilities	Encouraging all departments to adhere to the guidelines
Customer-facing staff	Unusual complaints at call centers	Introducing online and offline coaching by inviting experts	Introducing a new coaching program (biannually)

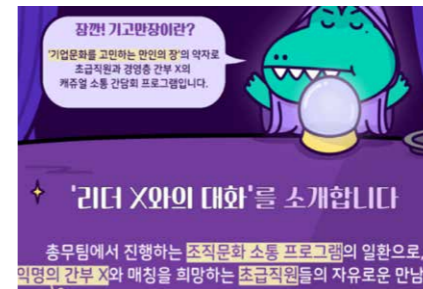
Major achievement

Increase in human rights training completion cases compared to the previous year
 (4,698 cases in 2021 ⇒ 4,918 cases in 2022)

Number of disciplinary actions for sexual misconduct/sexual harassment: ZERO



Notice on employee assistance program(EAP)



Experience sharing and mentoring program



Content creation aimed at fostering communication between different organizational ranks and enhancing mutual understanding



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Organizational Culture of Respecting Human Rights

Pioneering the promotion of respect for human rights through multifaceted efforts at the partner, local community, and global levels

Furthermore, in order to execute and extend respect for human rights, KOTRA has propagated a culture of respect for human rights across diverse stakeholders, including partners, local communities, overseas employees, and global staff. Within the organization, groups subject to human rights protection (vulnerable groups to human rights violations) were identified, potential violations were recognized, and comprehensive improvement activities were carried out. As a consequence, in the 2022 human rights impact assessment, we received an average of 97.1 points in the institutional operation sector, 95.0 points in the business sector, and 94.4 points in the human rights internalization index.

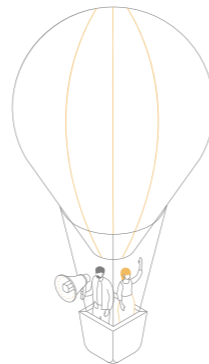
Human rights impact assessment results

97.1 points
Operation sector

95.0 points
Business sector

Human rights internalization index

94.4 points



Human rights impact assessment

Annually conducted in accordance with the National Human Rights Commission's standard checklist for human rights impact assessment of public institutions, covering various sectors such as 'human rights management system, employment, labor rights, industrial safety, supply chain, local residents, and major businesses'

* Secured a perfect score of 100 points in the following sectors: ensuring industrial safety, safeguarding the human rights of local residents, protecting consumer human rights, and upholding the freedom of association and collective bargaining.

Proactively promoting respect for human rights

Category	Activities to implement respect for human rights	Achievement
Partners	<ul style="list-style-type: none"> • Prevention Mandating employees in charge of contracts to fill out a gapjil self-diagnosis checklist New • Guides on reporting Sending messages of respect for human rights to partners and providing them with information about reporting channels 	<ul style="list-style-type: none"> • Number of reports of unfair practices from partners: ZERO
Local community	<ul style="list-style-type: none"> • Donation of goods by returning dispatched employees (1,557 points) and donation of overseas specialty products to the Red Cross (200 points) • Participation Creating murals for special schools and producing and delivering winter kits to support low-income families 	<ul style="list-style-type: none"> • Engaging in 12 community contribution activities and donating a total of KRW 38 million
Global	<ul style="list-style-type: none"> • Donation Supplying solar power equipment to an IT education center in Ghana, donating clothing to Delhi, India, etc. • Education Environmental restoration technology schools in mining areas in Mongolia, dental technology schools in Ethiopia, etc. • Idle equipment Swiftly procuring relief supplies, managing logistics, and personally delivering aid to isolated Korean residents 	<ul style="list-style-type: none"> • Conducting CSR activities through global ESG + projects (48 countries in total, 131 support cases)
	<ul style="list-style-type: none"> • Safety Implementing disaster response simulation training at overseas branches (expanding participation of companies operating overseas and local residents) • Health Swiftly procuring relief supplies, managing logistics, and personally delivering aid to isolated Korean residents 	<ul style="list-style-type: none"> • Contributing to an accident-free evacuation from Kyiv, Ukraine • Delivering relief goods to local residents in China

Improvement and strengthening results according to human rights impact assessment

Designing institutional human rights indicators	Objectively diagnosing human rights risks	Strengthening effectiveness
<ul style="list-style-type: none"> • First application to external organizations (revising human rights items in the self-diagnosis index(KOTEX)) • Securing the objectivity of indicators • Designing 206 indicators in a total of 12 sectors 	<ul style="list-style-type: none"> • Examining human rights risk factors within the organization <ul style="list-style-type: none"> - Institutional operation: 97.1% (excellent or good) - Major business: 95.0% (excellent or good) 	<ul style="list-style-type: none"> • Identifying 9 improvement tasks in 5 sectors • Completing improvement efforts within the year, including preparing preventive measures against human rights violations within partners



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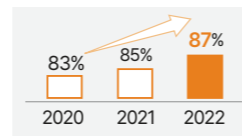
Efforts to balance work and family

KOTRA has established a digitally driven and flexible work environment with the aim of boosting productivity and addressing extended working hours. Our commitment to enhancing member satisfaction has resulted in three consecutive years of improved employee contentment with work-life balance. These efforts also earned us the grand prize in the working style category at the 2022 Public Institution Innovation Best Practices Contest, which was hosted by the Ministry of Trade, Industry, and Energy in September 2022.

Major Achievement

An increase in employees' satisfaction with work-family balance

for **3** consecutive years



'2022 Public Institution Innovation Best Practices Contest hosted by the Ministry of Trade, Industry, and Energy



The Grand Prize

in the working style category (September 2022)

Enhancing the overtime culture in 2022 compared to the previous year

with **74%**

of respondents expressing positive views

Establishing a work culture that aligns with the unique traits of both individuals and the organization

Enhancing work efficiency through digitalization

1. Efforts to advance digital infrastructure: reconstruction of groupware systems in 16 years

- (Aggregation solution) Automatically collecting and sorting documents and materials
 - (SNS-based Collaboration) Collaborating through the sharing of diverse opinions via posts, etc.
 - (Web Office) Enabling simultaneous editing by multiple staff members within the system
- A reduction of 1,984 days per year in data aggregation work, a saving of 500 hours per year in editing work, and an increase in communication speeds at overseas business centers by 33-50% compared to previous performance

2. Establishment of a digital-based work system

- (Data-based work) Revamping data-driven work approaches through the use of TRIBIG
 - (Work automation) Enhancing work efficiency by digitizing marketing processes, such as automating existing workflows.
 - (Report efficiency) Automatically generating reports, including videos, with the aid of AI technology
 - (Automatic information collection: Leveraging Korean startups' big data analysis and AI technology to automate information gathering for overseas ICT projects
- A reduction of 90,000 cases of work in major projects, such as overseas buyer matching, individual log management, template automation, and overseas project information collection (a 97% reduction in work time compared to manual processes)

Fostering a flexible working culture

1. Building a flexible work culture tailored to individual job characteristics

- Promoting a culture of free utilization of flexible work systems through monthly campaigns and regular training on flexible work practices
- Facilitating the re-employment of retirees by implementing a personalized work location system for employees in their 2nd to 3rd year of the peak wage system

Number of people using the flexible work system based on their individual job characteristics (Unit: individuals)

Classification	2020	2021	2022
Personalized start and departure times	197	203	223
Personalized work hours	109	84	105
Work from home	602	729	659

2. Creating a healthy workplace that oversees aspects ranging from employee rest to stress management.

- (Ensuring the right to take breaks) Refurbishing the old break room for the well-being of sanitation and security staff.
- (Encouraging leave sharing) Obtaining 400 hours of shared leaves by 2022 to assist employees requiring extended leave due to health issues.
- (Psychological and health management) Providing support for job stress assessments and psychological counseling(EAP).



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Efforts to balance work and family

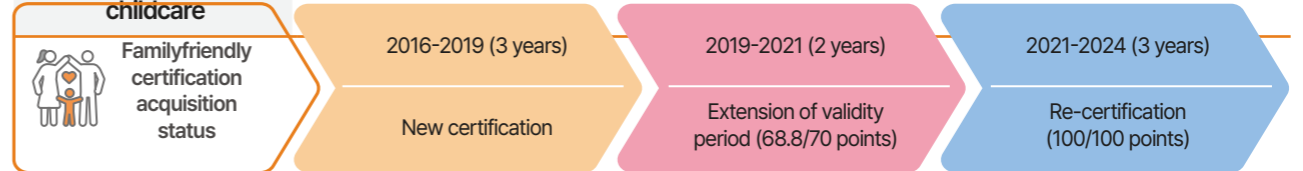
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Employee children invitation event

Intensifying social problems such as low birth rate	Rising demand for care services due to increased dual-income households >> Demand for the enhancement of diverse family-friendly systems and child-rearing environments, improving the quality of life by internalizing and actively promoting these familyfriendly measures.	
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Category	Major activity	Major achievement
Parental leave	<ul style="list-style-type: none"> Simplifying the approval process (omission of the Personnel Committee's deliberation) Improving application convenience by upgrading the automatic parental leave system Providing training for those returning from parental leave to adapt to the organization 	<ul style="list-style-type: none"> Number of employees using parental leave : total : (2021) 71 → (2022) 95 employees males : (2021) 14 → (2022) 22 employees
Work-hour reduction during childcare period	<ul style="list-style-type: none"> Supporting childcare by reducing working hours (15-35 hours) 	<ul style="list-style-type: none"> (2021) 2 → (2022) 3 employees
Childcare leave	<ul style="list-style-type: none"> Allowing leave for school events, children's hospital visits, etc. Allowing leave for family illness, accidents, caring for elderly parents, etc. 	<ul style="list-style-type: none"> (2021) 101 → (2022) 125 employees (2021) 3 → (2022) 6 employees
Consultation on childbirth and childcare	<ul style="list-style-type: none"> Providing consultation on childbirth, childcare, and education 	<ul style="list-style-type: none"> Participation of 100 parents with preschool children



Family-friendly event in the in-house club



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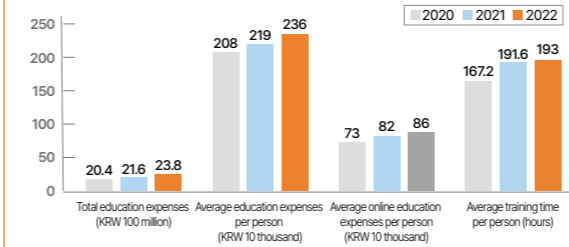
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Experts in promoting trade and investment in Korea

Amid the escalating need to create new growth momentum for exports that will contribute to our response to deteriorating global environments and complex crises, KOTRA has established and is operating an HRD system to enhance employees' expertise in markets and industries and strengthen individual capabilities.

Talent model (HRD goal)	Trade and investment promotion experts who take enterprises to the global stage based on market and industry insights											
HRD strategies and action plans	<ol style="list-style-type: none"> Strengthening expertise in responding to environmental changes <ul style="list-style-type: none"> Enhancing understanding of global issues and pending problems Strengthening expertise in markets and industries 	<ol style="list-style-type: none"> Improving customer-centered onsite capabilities <ul style="list-style-type: none"> Having a new perception and perspective of customer experiences Improving digital-based service capabilities 	<ol style="list-style-type: none"> Operating Digital Learning Platform 2.0 <ul style="list-style-type: none"> Stabilizing the digitalization of educational operations Promoting sharing and interactive education 									
	Evaluation and feedback	<table border="1"> <tr> <th>Self-competency diagnosis</th> <th>Education demand survey</th> <th>Education satisfaction survey</th> <th>Education performance evaluation</th> </tr> <tr> <td> <ul style="list-style-type: none"> Identifying competencies that require improvement and providing appropriate training Sophisticating competency and behavioural indicators </td> <td> <ul style="list-style-type: none"> (Organization) Job-specific training(monthly) (Individual) External professional training(occasional) </td> <td> <ul style="list-style-type: none"> Evaluating curriculum and systems and collecting opinions Conducting a survey on practical application for department heads </td> <td> <ul style="list-style-type: none"> Education completion rate, foreign language, or professional qualifications Director of the Overseas Business Center / Executive competency evaluation </td> </tr> </table>	Self-competency diagnosis	Education demand survey	Education satisfaction survey	Education performance evaluation	<ul style="list-style-type: none"> Identifying competencies that require improvement and providing appropriate training Sophisticating competency and behavioural indicators 	<ul style="list-style-type: none"> (Organization) Job-specific training(monthly) (Individual) External professional training(occasional) 	<ul style="list-style-type: none"> Evaluating curriculum and systems and collecting opinions Conducting a survey on practical application for department heads 	<ul style="list-style-type: none"> Education completion rate, foreign language, or professional qualifications Director of the Overseas Business Center / Executive competency evaluation 		
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Major achievement	<ul style="list-style-type: none"> Practicability Strengthening the linkage of education and training with practical and field work <ul style="list-style-type: none"> Practical application rate (2021) 92% → (2022) 93%* * Summing up the results of department heads' evaluation results on employees' education and training and supplementing objectivity New Competency level Improving competency level according to self-diagnosis results <ul style="list-style-type: none"> - 4.31/5 points (+0.27 points, up by 6.7%) 											



Data literacy training (April 2023)



Customer experience management training (September 2022)

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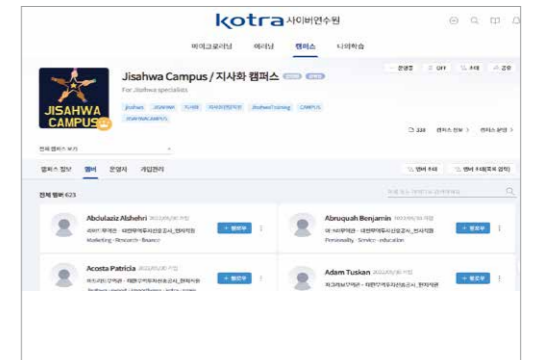
A collaborative educational operating system involving active participation and communication from all members

KOTRA promotes self-directed learning and personal growth according to the needs of its members. To achieve this goal, KOTRA has developed specialized content and introduced a comprehensive range of online and offline training courses both domestically and internationally. Furthermore, the entire training process is systemically evaluated and managed in our personnel systems.

Category	Major activity	Major achievement
<p>COLLABO</p> <p>Expansion of domestic and international collaboration</p>	<ul style="list-style-type: none"> • (Internal) Granting the authority to manage training programs to individual departments through the system and providing timely training by industry and function required by on-site operations • (External) Collaborating with specialized organizations in each field to jointly operate the curriculum and strengthen the expertise of educational content that addresses current issues and strategic areas <ul style="list-style-type: none"> - Korean Security Agency of Trade and Industry(supply chain), National Intelligence Service(Technology protection), National Information Society Agency (DX), etc. 	<ul style="list-style-type: none"> • Increasing specialized job training curricula through internal and external collaboration (2021) 73 cases → (2022) 183 cases
<p>SHARE</p> <p>Promotion of Knowledge Sharing</p> <p>Best Practice</p>	<ul style="list-style-type: none"> • Enhancing communication and participation-based learning to foster knowledge sharing among employees worldwide, taking into account the distinctiveness of KOTRA's global organization <ul style="list-style-type: none"> - (Branch Office Campus) Establishing a knowledge-sharing channel between overseas marketing business managers at Business Centers to regularly exchange regional marketing information and corporate support expertise. - (KOTRA Wiki) Storing and disseminating individuals' work knowledge and know-how in the system 	<ul style="list-style-type: none"> • 609 participants in the Branch Office Campus, 339 feeds and 5 workshops for knowledge sharing(Supporting up to 258 simultaneous connections) • 52 KOTRA Wiki postings
<p>LEARN</p> <p>Reinforcing selfdirected learning</p>	<ul style="list-style-type: none"> • Paying job training expenses to each individual and allowing them to voluntarily take job training, foreign language training, and external training tailored to their interests and learning level <ul style="list-style-type: none"> - Strengthening basic common competencies such as DX and speech through external education recommendation and curation 	<ul style="list-style-type: none"> • After expanding external job trainings, a total of 571 cases completed (increased 8% YoY)



Experience sharing workshops with returnee



Branch Office Campus on KOTRA Cyber Training Center



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A labor-management strategy system that takes into account changes in the workplace

KOTRA has established a labor-management vision and strategic direction, taking into account shifts in both internal and external labor environments, including the growing demand for innovation in public institutions. As a result, we are actively developing a forwardlooking collaboration framework between labor and management, with a primary focus on achieving consensus, enhancing labor capabilities, and improving working conditions. Notably, in 2022, we issued the joint ESG management declaration involving labor, management, and auditors, positioning us as leaders in the realm of ESG management among public institutions.

Labor-management vision	fostering a workplace that respects labor values through innovative adaptation to public expectations and enhanced labor-management communication																											
Strategic direction	Establishing a future-oriented labormanagement cooperation system	Securing consensus between labor and management and strengthening labor capabilities	Significant improvement in working conditions																									
Action plan	<ul style="list-style-type: none"> 100% compliance with government innovation guidelines Solidifying the labor director system and worker observation system Implementing the joint labormanagement ESG management 	<ul style="list-style-type: none"> Establishing a bidirectional communication system Broadening cross-generational and cross-regional communication channels Enhancing and elevating tailored labor capabilities 	<ul style="list-style-type: none"> Increasing work efficiency to promote work-life balance Restructuring into a performancebased compensation system Ensuring support for the socially disadvantaged, including public service workers 																									
Performance indicator	<table border="1"> <tr> <th colspan="2">Satisfaction with labormanagement relations</th> </tr> <tr> <td>80.4 points</td> <td>82.0 points</td> </tr> <tr> <td>2021</td> <td>2022</td> </tr> </table>	Satisfaction with labormanagement relations		80.4 points	82.0 points	2021	2022	<table border="1"> <tr> <th colspan="2">Number of agreed agenda items in the labormanagement council</th> </tr> <tr> <td>19 points</td> <td>21 points</td> </tr> <tr> <td>2021</td> <td>2022</td> </tr> </table>	Number of agreed agenda items in the labormanagement council		19 points	21 points	2021	2022	<table border="1"> <tr> <th colspan="2">Satisfaction with welfare benefits</th> </tr> <tr> <td>4.45 points</td> <td>4.50 points</td> </tr> <tr> <td>2021</td> <td>2022</td> </tr> </table>	Satisfaction with welfare benefits		4.45 points	4.50 points	2021	2022	<table border="1"> <tr> <th colspan="2">Satisfaction with familyfriendly system</th> </tr> <tr> <td>85%</td> <td>87%</td> </tr> <tr> <td>2021</td> <td>2022</td> </tr> </table>	Satisfaction with familyfriendly system		85%	87%	2021	2022
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Major achievement	<ul style="list-style-type: none"> 34 consecutive years of labor dispute-free operation since the inception of the labor union as a result of ongoing efforts to foster rational labor-management relations Pioneering the implementation of the labor director system among 13 public institutions under the government-wide export support agency council Amending employee observation system regulations and expanding union leader participation in board of directors meetings (2021) 27.8% → (2022) 37.5% 																											



4th Labor-Management Council in 2022 (December 2022)



Joint labor-management Boom-Up Day in celebration of the 60th Anniversary Celebration (June 2022)

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Encouraging communication to build consensus between labor and management

In addition to formal communication between labor and management taking place on a regular basis, KOTRA has been working consistently to build a shared understanding through operation of various channels, thereby breaking away from the top-down decision-making system and making a strong effort to resolve the problem of blind spots in communication.

Securing a shared understanding between generations through cross-generational opportunities

Activity	Major achievement
Encouraging club activities by running a club introduction week at the end of the year	• Increasing company clubs: (2021) 17 → (2022) 21 clubs
designating a team spirit day to boost social activities within the department	• Supporting the activities of 500 employees of 33 departments in total
Operating the month of club association in connection with the KOTRA's 61st anniversary (June 2023)	• Joined by more than 300 executives and employees from 8 clubs

Key activities to secure a shared understanding

Activity	Major achievement
Experience Sharing Stage Executives and employees (returnee, Rank S) Stage for experience sharing New	• 12 sessions in total, 274 participants, sharing recordings
Corporate Culture Discussion Stage A stage for everyone who is concerned about corporate culture New	• Organizing 2 sessions between executives and the MZ generation and 3 sessions between the middle generation and the MZ generation
Conducting a job stress test (MMS) for all employees to support employee mental well-being	• Participation of 529 executives and employees, organizational diagnosis (March 2023)



Awards ceremony in Club Association Month (June 2023)



The soccer team won the championship held by the Ministry of Trade, Industry and Energy (August 2022)



Internal communication event "Time to change KOTRA, Kobashi" (April 2022)



1st anniversary celebration event for new hires (December 2022)



Experience Sharing Stage



Corporate Culture Discussion Stage

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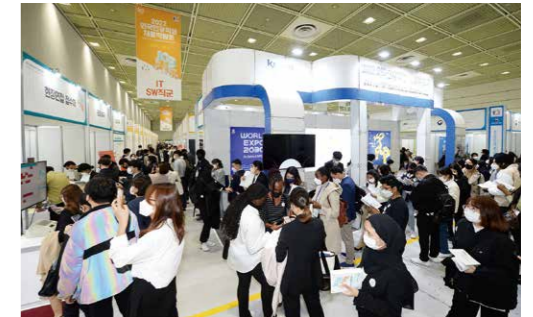
Organizational Culture of Pursuing Diversity and Equity

Socially equitable recruitment through appropriate job development and personnel allocation strategies

KOTRA enhances social equity in its recruitment practices by welcoming local talent, individuals with disabilities, high school graduates, and those from low-income backgrounds, in addition to individuals with specialized job expertise. Through such efforts, KOTRA upholds its social responsibilities as a public institution and is working to enhance diversity within the organization.

Goal	To increase recruitment of socially underprivileged people, such as local talent, the disabled, high school graduates, and people from low-income families			
Strategic tasks	A. Local talents	B. Persons with disability	C. High school graduates	D. Recommended areas for recruitment
	<ul style="list-style-type: none"> Diversifying local organizational functions and creating new related jobs Strengthening promotional activities targeting local regions Enhancing cooperation with local governments 	<ul style="list-style-type: none"> Assigning jobs appropriate to the type of disability Improving physical accessibility, such as renovating entrance facilities Facilitating organizational adaptation via expanded rewards, training, etc. 	<ul style="list-style-type: none"> Identifying suitable jobs for high school graduates and designing appropriate recruitment types Boosting promotions for specialized high schools and meister high schools collaborating with the central employment 	<ul style="list-style-type: none"> Increasing additional hiring preference points for those from low-income families, North Korean defectors, and those from multicultural families Collaborating with external initiatives such as the National Employment Support System (Ministry)
Target*	35% of new hires	3.6% of full-time workers	7% of new hires	Institution's own target (7 individuals)
Achievement	45.5% of new hires	4.37% of full-time workers	3.1% of new hires	10 individuals
Significance	<p>Largest recruitment ever</p>	<p>Largest recruitment ever</p> <ul style="list-style-type: none"> Exempt from employment burden for the disabled and receiving employment incentives* for the first time *KRW 7 million (employment promotion subsidy) 	<p>New recruitment in 5 years (General full-time employee)</p> <ul style="list-style-type: none"> Recruitment of 2 general full-time employees and 11 permanent contract employees* *2.2 times increase compared to the previous year(5 individuals) 	<p>First recruitment of employment-vulnerable groups</p> <ul style="list-style-type: none"> New participants in the work experience program organized by the Ministry of Employment and Labor, with 10 people hired

*Objectives set pursuant to related laws and government guidelines



2022 Global Talent Fair for international students (September 2022)





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Organizational Culture of Pursuing Diversity and Equity

Achieving balanced personnel management by increasing the number of females in manager positions

KOTRA is striving to strengthen the capabilities of female employees by expanding training based on their life cycle. Furthermore, KOTRA is making efforts to prevent the career disruption of female employees and operating a family-friendly system including the provision of training for those returning from parental leave to adapt to the organization upon their arrival, and counseling support to improve the employees' mental health.

Category	Expanding recruitment	Expanding promotion	Expanding positions	Increasing career development opportunities									
Activity	<ul style="list-style-type: none"> Maintaining competency-based recruitment without gender bias Enhancing gender equality by making the gender ratio of internal and external interviewers 50% 	<ul style="list-style-type: none"> Implementing performance-based evaluation that excludes customary practices Achieving mid- to long-term expansion goals for 	<ul style="list-style-type: none"> Expanding the assignment of females to manager positions in major departments such as personnel, safety, etc. Addressing the discrepancy between manager gender and position ratios 	<ul style="list-style-type: none"> Maintaining preferential treatment for female applicants in domestic professional training programs Increasing the provision of opportunities to develop expertise for prospective managers 									
Achievement	<p>Percentage of females among employees</p>	<p>Percentage of females among managers</p>	<p>Percentage of females among position holders</p>	<ul style="list-style-type: none"> Subject-matter expert Academic training Maintaining female approval rate <table border="1"> <thead> <tr> <th>Category</th> <th>2021</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>①</td> <td>4/4 individuals</td> <td>3/3 individuals</td> </tr> <tr> <td>②</td> <td>5/6 individuals</td> <td>4/5 individuals</td> </tr> </tbody> </table>	Category	2021	2022	①	4/4 individuals	3/3 individuals	②	5/6 individuals	4/5 individuals
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[Female executive] Building a 'leadership pipeline' to address structural constraints

Target setting	(2024) Achieving the female manager rate of 25% (2025) Achieving the female executive rate of 25%		
Strategic tasks	Presenting career vision	Expanding training and developing capacity	Increasing the utilization of the system.
Major achievement	Head of Overseas Africa Division (first case, September 2022)	50% female pass rate in executive director competency evaluation (41% in overall)	Decrease in the number of early retirees after parental leave (4 individuals → 1 individual)





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GOVERNANCE

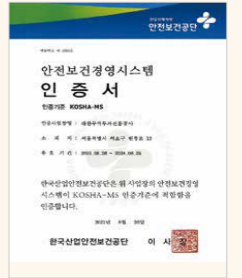
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Internalization of Safety Management

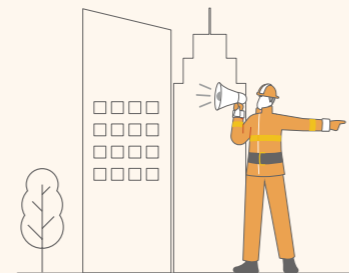
The safety of our citizens and stakeholders is the top priority for KOTRA. To this end, we are putting in place our unique disaster and safety management system and also actively addressing safety risks at domestic and overseas workplaces.

KOSHA-MS post-certification (November 2022)
0 serious accidents and safety accidents for 3 consecutive years



Establishing Safety Management Implementation Strategies

KOTRA has established a domestic and international integrated disaster safety management system to create a safe working environment, and the corporation's safety capabilities have been improved to ensure that disaster safety incidents do not occur across the corporation. In particular, we have examined safety risk factors for each nation and area where our overseas networks are situated and developed a tailored response mechanism accordingly. In acknowledgment of our efforts, we received KOSHA-MS accreditation in 2021 and have remained a certified institution for two years in a row.



Goal			
To evolve into a 'leading global safety management organization' that pioneers the protection of the safety of citizens and workers both domestically and internationally			
Direction	Prevention Enhancing the disaster and safety management system <ul style="list-style-type: none"> Integrating domestic and international disaster response management systems Restructuring the safety organization and eliminating risk factors 	Preparation Internalizing and advancing disaster response capabilities <ul style="list-style-type: none"> Raising and sharing the organization's safety awareness Strengthening the disaster re 	Response-Recovery Contributing to the preservation of public safety <ul style="list-style-type: none"> Enhancing the efforts for the personal safety of our citizens Fulfilling our responsibility to safeguard our nationals residing overseas
Task	Mechanism Unifying the safety department System Mandating safety management planning Certification Improving KOSHA-MS	Mechanism Expanding CEO-led campaigns System Introducing practical, experiential training Certification Expanding employee participation in safety management	Emergencies/disasters Leading public evacuation and relief activities COVID-19 Assisting citizens in blind spots of the quarantine Corporate distress ESupport for identifying and resolving difficulties
Improvement	Control tower Safety Management Department Restructuring Management system Safety and health management system Reinforcing Response to accidents Safety Management Department Restructuring	[Previous] Differentiating between domestic and international safety departments [Improvement] Unifying a specialized safety management department [Previous] Unclear safety management roles [Improvement] Clarifying the responsibility and role of each manager [Previous] Differentiating between domestic and international safety departments [Improvement] Unifying a specialized safety management department	
KPI	<ul style="list-style-type: none"> Assessment of public institution safety activity levels KOSHA-MS post-certification 	<ul style="list-style-type: none"> Achievement levels of safety management capabilities Completion rates of safety education and training 	<ul style="list-style-type: none"> Number of industrial accidents Number of damages caused by overseas disasters
Monitoring	<ul style="list-style-type: none"> Internal inspection Management review, internal review, and safety and health performance assessment by the safety and health management manager, etc. External inspection KOSHA-MS post-certification assessment, public institution safety activity level assessment, and specialized safety institutions' consulting 		



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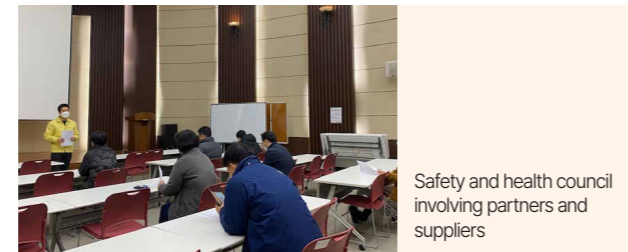
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Establishment of the Safety Management System

Gradually expanding the safety management system

KOTRA is gradually expanding its safety management system to build and enhance an organization-specific disaster and safety management system. In 2022, we increased the dedicated safety staff and the safety management budget while standardizing the safety and health management system through the acquisition of KOSHA-MS certification, thereby enhancing our external credibility.



2020	2021	2022
<ul style="list-style-type: none"> Assigning a new dedicated PM for safety management Enacting safety and health management regulations 	<ul style="list-style-type: none"> Establishing a special department for safety management Acquiring the KOSHA-MS certification for the first time 	<ul style="list-style-type: none"> Strengthening safety management capabilities at home and abroad Upgrading and validating the safety and health management system

Category	Major improvement	Expected effect
Organization and personnel	<ul style="list-style-type: none"> Increasing dedicated safety staff: (2021) 4 employees → (2022) 6 employees (2 recruited) New Introducing a specialized safety and health job system → Work continuity and professionalism New 	<ul style="list-style-type: none"> Eliminating safety blind spots through thorough on-site safety management
Budget	<ul style="list-style-type: none"> Increasing the safety management budget: (2021) KRW 2,864 million → (2022) KRW 3,106 million Improvement Expanding the budget for facility maintenance and management, safety diagnosis and inspection, and safety education and training 	<ul style="list-style-type: none"> Gaining momentum in implementation by increasing resources for safety management
Norms and implementation	<ul style="list-style-type: none"> Preparing integrated major disaster response manuals for domestic and international sites New Amending 4 manuals* on worker participation and consultation, etc. Improvement * KOSHA-MS manual, disaster management manual, on-duty manual, and customer-facing worker protection manual Amending procedural documents involving risk assessment, certification standards, safety and health education and training, etc. Improvement 	<ul style="list-style-type: none"> Internalizing the safety management proficiency among all employees and revising overall safety-related standards
Certification	<ul style="list-style-type: none"> Acquiring the KOSHA-MS post certification (November 2022) Improvement Successfully addressing the 10 improvement requests issued during the acquisition of KOSHA-MS certification Improvement 	<ul style="list-style-type: none"> Standardizing the institution's safety and health management system and obtaining validation from external certifying bodies



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Protection of Overseas Residents and Companies' Safety

In relation to the Russia-U.S. crisis, climate crisis, natural disasters, and conflicts that affect over 128 countries, KOTRA guides and supports emergency evacuations in the affected regions, supports recovery from natural disasters, collaborates with embassies and Korean associations to establish a safety management channel, operates an emergency contact network, and provides relief supplies. Through these diverse activities, KOTRA is playing a pivotal role in keeping overseas Korean residents safe.

<p>1</p> <p>Support for evacuation following Russia's invasion of Ukraine</p> <ul style="list-style-type: none"> • Immediately releasing action guidelines to companies operating overseas when detecting signs of crisis • Supporting the rapid evacuation of invaded third countries 	<p>2</p> <p>Travel restrictions between nations as a result of Western sanctions against Russia</p> <ul style="list-style-type: none"> • Closure of direct flights to Korea due to Western sanctions against Russia • Allocating a special passenger ship to support the return of 70 Korean residents 	<p>3</p> <p>Massive anti-government protests in Kazakhstan</p> <ul style="list-style-type: none"> • Disseminating safety tips and checking personal safety to Korean residents and companies operating overseas • Establishing a satellite phone supply system in overseas areas affected by disasters 	<p>4</p> <p>National emergency declaration in Sri Lanka due to the impeachment of President</p> <ul style="list-style-type: none"> • Immediately operating an emergency contact network in case of any accident • Identifying damage to Korean residents and sharing action guidelines 	<p>5</p> <p>Implementation of activities to prevent typhoons in Hong Kong</p> <ul style="list-style-type: none"> • Implementing pre-emptive measures (coast cleanup activities) in collaboration with major Korean resident organizations to minimize damage caused by frequent typhoons
<p>6</p> <p>China's blockade measures due to the spread of coronavirus (March 2022, Shanghai)</p> <ul style="list-style-type: none"> • Depletion of daily necessities due to prolonged lockdown • Consulting with local city governments and distributing emergency relief supplies to Korean residents 	<p>7</p> <p>Massive spread of COVID-19 due to the mitigation policy in China (December 2022)</p> <ul style="list-style-type: none"> • Donating safety supplies to Korean students studying abroad (Beijing) • Providing diagnostic kit supply lines and medicines due to medicine shortages (Zhengzhou) 	<p>8</p> <p>Provision of goods to the Korean community in response to the spread of COVID-19</p> <ul style="list-style-type: none"> • Donating coronavirus quarantine supplies (diagnostic kits, etc.) to the Korean community (Mumbai, Dar es Salaam, Colombo, etc.) 	<p>9</p> <p>Operation of a safety council for the safety of overseas citizens</p> <ul style="list-style-type: none"> • Collaborating with embassies and Korean associations to establish a hotline and disseminate safety information e.g. regularly disseminating civil war situations (Addis Ababa) e.g. identifying and responding to the safety of remote on-site workers in the event of an emergency (Lima) 	<p>10</p> <p>Provision of safety education and training for overseas Korean citizens</p> <ul style="list-style-type: none"> • Implementing simulation training and safety education tailored to each region e.g. firearm accident response simulation training (Copenhagen) e.g. earthquake preparation simulation training (Chengdu)

CASE

Russia-Ukraine war

The disaster response system enabling the accident-free evacuation of overseas employees and residents



KOTRA played a critical role in ensuring the accident-free evacuation of employees and Korean residents by developing a constant communication system for Korean citizens living in Ukraine and assisting with evacuation amid the escalating war crisis. Notably, through our hotline channel, we were the first to disseminate trends in troop concentrations near the Russian-Ukrainian border (December 2021), and we also compiled a list of Korean residents and delivered it to the embassy. Furthermore, we contributed to ensuring a quick and safe stay environment for expatriates by sharing our self-prepared emergency evacuation tips for wartime and information on staying in Poland with companies operating overseas.



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Protecting the Properties of Companies Operating Overseas or Those Participating in Overseas Business

KOTRA monitors the challenges faced by domestic and foreign companies as a result of the Russia-Ukraine crisis, COVID-19 logistics disruption, global supply chain crisis, climate crisis, and natural disasters and is fully committed to addressing them using digital technology, including data and direct infrastructure.

Corporate difficulties	Major support	Achievement
Project halted due to Russo-Ukrainian War (Russia and Ukraine)	<ul style="list-style-type: none"> Collaborating with local embassies and providing reliable information on stays in evacuation areas Conducting an urgent survey on the difficulties of Russian-Ukrainian export companies Resolving corporate difficulties through the crisis response teams of KOTRA and the Korean Embassy 	<ul style="list-style-type: none"> Supporting the accident-free evacuation of 45 people working at companies operating overseas Contributing to creating a safe living environment for evacuated companies Resolving 489 export difficulties Discovering 558 alternative supply lines, etc.
Supply chain disruptions due to COVID-19 and logistics difficulties due to regional lockdown (China)	<ul style="list-style-type: none"> Supporting the issuance of passes for logistics vehicles through coordination with the municipal government (Tianjin) Forming the KOTRA-Embassy-Korea Chamber of Commerce joint emergency response team to monitor and discover alternative supply lines (Shanghai) 	<ul style="list-style-type: none"> Supporting the acquisition of emergency distribution permits (9 companies) Supporting inclusion in the white list for resumption of operations, etc.
Living in seismically active regions (Indonesia)	<ul style="list-style-type: none"> Operating a safety information communication channel for companies operating overseas and Korean residents (1,500 residents) Participating in flood and earthquake emergency response training hosted by the embassy Investing the damage in conjunction with the embassy in the event of a strong earthquake in western Indonesia 	<ul style="list-style-type: none"> Operating an emergency communication system to completely prevent casualties among Korean residents in the western region of Indonesia
Shortage of daily necessities for local residents during regions (China)	<ul style="list-style-type: none"> Due to the prolonged blockade, the majority of local Korean residents suffered from insufficient food supplies and were unable to procure daily supplies independently. Obtaining a permit to transport emergency relief materials through comprehensive consultation with the Shanghai Business Center and the local city government and supporting direct delivery of essential daily necessities through collaboration with E-Mart, C.J, etc. (CSR) 	<ul style="list-style-type: none"> Expected to improve the image of KOTRA by providing daily necessities to a total of 2,700 local Korean students studying abroad



Providing daily necessities to local residents during the lockdown in Shanghai, China due to COVID-19 (April 2022)



Information on supporting difficulties faced by companies in Russia and Ukraine



Briefing on responses to export-related difficulties of SMEs: Providing video consultations on support for entering third-country markets to companies affected by the Russia-Ukraine situation (March 2022)



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Expanded Mutual Growth and Contribution to the Local Community

KOTRA fully understands the value of cooperation and coexistence in fulfilling its social responsibilities as a public institution. This includes identifying and enhancing support for endeavors related to establishing a fair trade order, assisting small business owners, and providing export support to social economy enterprises.

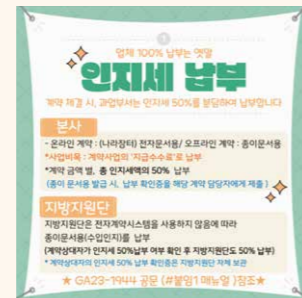
Grand Prize in the 2022 Public Institution Mutual Growth Assessment for 2 consecutive years



Mutual Growth with Partners

KOTRA recognizes that partner companies are also major stakeholders and is contributing to the establishment of a fair economic order by enhancing the payment environment and avoiding unfair practices as part of sustainable management.

To establish a fair trade culture, we extensively revised the contract guidelines and launched a cultural campaign targeting executives, employees, and partners.



Company training material on equal payment of stamp duty



Promotional poster for Tech Escrow System

Support for resolving partners' distress by improving the payment system

<p>Compliance with government policies</p>	<p>Immediately applying the extension of temporary favors due to COVID-19 (December 2022)</p> <ul style="list-style-type: none"> • (Reduction in bid deposit) 5/100 or more of the bid amount → 25/1,000 or more • (Reduction in contract deposit) 10/100 or more of the contract amount → More than 5/100 • (Raised the advance payment limit) 70/100 of advance payment limit → 80/100 • (Exemption from delivery liability) In the case of unavoidable contract delay, the company in default is exempted from delivery responsibility, and no liquidated penalties will be levied if the delay is directly caused by COVID-19.
<p>Equal payment for stamp duty</p>	<p>First introduction of 'joint stamp duty payment' between KOTRA and partner companies</p> <ul style="list-style-type: none"> • (Previous) Sole payment of stamp duty by partners → (2022) Share payment for 50% of stamp duty by KOTRA and partners • Completely amending contract work processing guidelines to create a foundation for KOTRA to share stamp duty
<p>Timely payment</p>	<p>Streamlining internal payment processes for faster payments</p> <ul style="list-style-type: none"> • (Previous) 2-step process (Project Team → General Affairs Team → Finance Team) → (2022) 1st-step process (Project Team + General Affairs Team → Finance Team) • Completely amending contract work processing guidelines to create a foundation for KOTRA to share stamp duty • Successfully shortening the payment period for three consecutive years (2020: 4 days → 2021: 2 days → 2022: 1.6 days)
<p>Introduction of bailment system</p>	<p>Adopting a new deposit system to protect the technology of entrusted companies and export companies, such as IT/SW development partners, startups, and venture companies, and supporting companies in verifying their technology development</p> <ul style="list-style-type: none"> • (Entrusted company) Signing three bailment contracts in relation to KOTRA's informatization business, including TriBIG* analysis coding data (Mobizen) • (Startups, etc.) Planning to execute a support program for technical data bailment costs in the second half of 2023 (KRW 300 thousand per company)

* TriBIG : KOTRA's online platform that analyzes AI-based trade and investment data to provide information on promising markets and potential partners



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Creating and spreading a fair trade culture

KOTRA has heightened the reflection rate of supply price increases and streamlined the payment process, alleviating the burden on partners during contractual procedures. Moreover, through preemptive measures to forestall unfair practices, including guideline revisions and awareness campaigns targeting executives and employees, we have achieved an impressive score of 98.7 points in the external integrity assessment(contract sector) for the year 2022.

Efforts to reflect increase in supply price

- Establishing the basis for the increase in supply price through the amendment of contract work processing guidelines (November 2022)
- Implementing personalized fair trade training for each rank(60 new hires, 153 workers with 2-5 years of service, 26 local support group employees, and occasional training for all contract personnel with more than 5 years of service)
- Full assumption of the increase in supply price: The highest number of price increase requests ever accepted(9 cases) (3 more requests accepted compared to the previous year; the total amount increased by 109% after accounting for the increase in requests)

Prevention of unfair trade practices

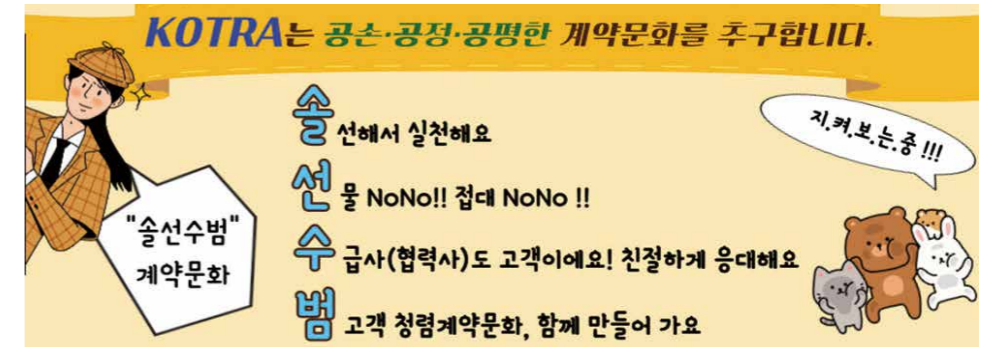
- Running the 'Take the Initiative and Set an Example' campaign targeting employees and partners to prevent unfair work instructions
- Supplementing and strengthening Article 7 (Duty of Integrity) of the Contract Work Processing Guidelines (Article 7(2)) Strengthening the obligation to request documents related to contracts for executives and employees (Additional request to prepare the 'Self-diagnosis checklist for preventing gapjil') (Article 7(4)) Acts in violation of the duty of integrity are not listed, but more specifying the provision

Expanding the use of win-win payment

KOTRA is actively using the win-win payment system by integrating it into our processes to make timely payments in the face of various internal and external environmental changes, such as the need to secure liquidity for partners due to the prolonged COVID-19 pandemic and the 110 major national tasks announced by the new government(expanding the use of win-win payments). We have broadened the scope of the win-win payment system and increased the bond issuance limit. As a result, we have achieved a win-win payment amount of KRW 23.4 billion(198 cases), marking a remarkable 2.78-fold increase compared to the previous year and renewing our record for the second consecutive year.

Win-win payment system

- Expanding the scope of win-win payments (mandating the use of win-win payment systems) (Previous) Bidding contracts worth more than KRW 100 million → (2022) Bidding contracts worth more than KRW 50 million
- Raising the limit on the issuance of bonds for win-win payments (Previous) KRW 3 billion → (Improved) Up to KRW 5 billion
- Win-win payment performance (178.5% increase compared to the previous year) Cases: (2020) 3 → (2021) 79 → (2022) 198 Payment : (2020) KRW 300 million → (2021) KRW 8.4 billion → (2022) 23.4 billion



Internal promotional poster for the 'Take the Initiative and Set an Example' campaign targeting employees and partners



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Participating through local problem-solving platforms

To foster coexistence with the local community, KOTRA actively engages in local problem-solving platform channels, where collaboration occurs among the government, public institutions, and local communities. We have contributed to 28 agenda items across 12 local support centers, actively gathering and incorporating local opinions.

Region	Local problem-solving platform	Partner institution	Project
Gangwon	Gangwon local problem-solving platforms	<ul style="list-style-type: none"> • Gangwon provincial government • Public institutions (KTO, NHIS, Gangwon Development Corporation, etc.) • Local universities (Kangwon National University, Sangji University) 	<ul style="list-style-type: none"> • Participation in regional open tables in Gangwon-do • Participation in the declaration ceremony for agenda implementation
Incheon	International committee on Urbanization	<ul style="list-style-type: none"> • Incheon city government • 12 institutions in Incheon 	<ul style="list-style-type: none"> • Participation in the APEC Summit Hosting Committee • Support for region-specific projects • Participation in the collaborative project with the Incheon Port Authority • Participation in the Incheon Information Protection Advisory Committee
Gyeongnam	Gyeongnam local problem-solving platform (Preserve 1 million population in Changwon TF)	<ul style="list-style-type: none"> • Changwon Industrial Promotion Agency • Gyeongnam Techno Park • Changwon National University • BNK Kyongnam Bank 	<ul style="list-style-type: none"> • Support for the promotion of moving in report • Export support projects such as Brisbane/Changwon consumer goods promotion exhibition • Start-up employment support(Global Marketers Business) • Two training sessions for FTA utilization
Gwangju/Jeonnam	Gwangju local problem-solving platforms	<ul style="list-style-type: none"> • Gwangju City Government • 35 institutions including KEPCO 	<ul style="list-style-type: none"> • Open table • Afghanistan refugee mask assistance
	Jeonnam social innovation platforms	<ul style="list-style-type: none"> • Jeonnam Provincial Government • 50 institutions in Jeonnam province 	<ul style="list-style-type: none"> • Open table • Program for fostering multicultural trade experts
Daegu/Gyeongbuk	Daegu local problem-solving platforms	<ul style="list-style-type: none"> • Korea Industrial Complex Corporation • Korea Real Estate Board 	<ul style="list-style-type: none"> • Fostering youth creators for the coexistence of local businesses and the creation of jobs for youth • Support for the production of promotional content for local companies • Continuous support for youth employment • Support for corporate field trips to motivate young participants
Busan	Busan local problem-solving platform	<ul style="list-style-type: none"> • Local government (Busan Metropolitan City) • Public institutions (Busan Port Authority, Korea Southern Power Company, etc.) • Quasi-governmental organizations (Busan Infrastructure Corporation, Busan Environment Corporation, etc.) 	<ul style="list-style-type: none"> • Plastic mill campaign



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Social contribution activities at home and abroad

KOTRA aspires to foster a culture of sharing for all neighbors in need, both at home and abroad. Our employees are actively engaged in different volunteer initiatives to support disadvantaged groups in the community, such as a campaign to enhance housing for children who have aged out of institutional care and assistance for low-income elderly to face the cold winter months. KOTRA, which has 128 abroad chapters in 83 countries as of 2022, assists not only Korean people but also worldwide neighbors in need by assisting with the settling of Korean returnees in Ukraine and fundraising to overcome the Turkiye earthquake.

 <p>Helping local neighbors</p>	<ul style="list-style-type: none"> • Donating rehabilitation and treatment costs for people with developmental disabilities and autism • Making and donating upcycled denim bags for single mothers for childcare • Producing summer and winter kits for low-income seniors • Joint labor-management briquette delivery volunteer work • Coat sharing campaign for foreigner neighbors
 <p>Improving local environment</p>	<ul style="list-style-type: none"> • Beach clean-up(plogging) volunteer work • Labor-management joint mural painting volunteer work • Marking yellow footprints in safety-vulnerable areas in traditional markets (Daejeon) • Opening institutional facilities such as the trade data room and 12 local support group video counseling centers to local residents
 <p>Helping disaster victims at home and abroad</p>	<ul style="list-style-type: none"> • Providing relief goods to Korean compatriots who returned from Ukraine • Regularly sponsoring overseas children in need through World Vision • Donating funds and relief goods for the Turkiye earthquake recovery • Labor and management joint fund donation for restoration of forest fire damage in Gangwon-do
 <p>Employees' regular donations</p>	<ul style="list-style-type: none"> • Operating the 'Usuri Fund,' an internal social contribution activity fund • Employees' donation based on step count using 'Walk-On' • Employees' regular collective blood donation



Donating winter kits for low-income seniors



Briquette delivery volunteer work



Marking yellow footprints



Mural painting volunteer work



Fundraising event for Turkiye earthquake relief



Support for returning Koreans from Ukraine

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Creation of Decent Jobs

Job creation strategies and tasks

As a public institution, KOTRA has established job creation strategies that encompass two key dimensions: fulfilling social responsibility and enhancing employment quality in alignment with the organization's business goals, and is proactively seeking to realize of these aims.

Job creation goal	To take the initiative in creating sustainable jobs through trade and investment							
Job creation strategy	Public jobs				Private jobs			
	Efficiently creating internal jobs		Proactively securing decent global jobs		Expanding job creation by leveraging core projects			
Quantitative expansion Qualitative improvement	<ul style="list-style-type: none"> Expanding internal recruitment to reflect new functions Seeking to secure an employment safety net in the public sector 		<ul style="list-style-type: none"> Targeting regions and industries where overseas employment has normalized Finding quality sources for jobs and strengthening follow-up management 		<ul style="list-style-type: none"> Expanding jobs in high-value, new industries Working to ensure job sustainability 			
HRD strategy and action plans	<ul style="list-style-type: none"> Quickly recruiting people for new businesses, such as supply chains Discovering suitable jobs and designing suitable screening models Strengthening promotion of various types of work 		<ul style="list-style-type: none"> Conducting boom-up projects for global employment Supporting the global scale-up of startups entering overseas 		<ul style="list-style-type: none"> Facilitating employment for hidden job openings at export companies Attracting strategic foreign investment and companies returning to the country Seeking to improve job sustainability 			
Performance indicators	Quantitative New public job creation performance Qualitative Social job creation performance		Quantitative Number of youth employed overseas and starting Qualitative Employment rate in developed countries and residence rate in employment area		Quantitative Number of jobs linked to trade and investment attraction Qualitative Number of directly created jobs			
Job creation target*	Category (Individuals)	'21 performance	'22 performance	Note	Category(Individuals)	'21 performance	'22 target	Note
	Public jobs	68	65	direct	Overseas employment	921	950	direct
	Private jobs	18,119	19,055	direct/indirect	Startup	894	668**	indirect
					Export support	475	499	direct
					Foreign investment company	15,305	16,500	direct/indirect
				Companies returning to Korea	524	438**	direct	
				Total	18,119	19,055	-	

* Quantitative target for job creation: 5% increase compared to the previous year, reflecting mid- to long-term management goals

** Indicator with a goal achievement rate of 150% or more: Setting a challenging goal by applying a 10% increase rate to the weighted average of the performance values of the past three years



2022 Second Half Global Job Fair



2022 Foreign Student Recruitment Fair (September 2022)

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Creation of Decent Jobs

Achieving the highest job creation performance ever

Despite the prolonged economic downturn due to COVID-19, KOTRA achieved its highest ever job creation performance in 2022 through support for overseas employment, startups, and exports, as well as the expansion of jobs in non-metropolitan areas.

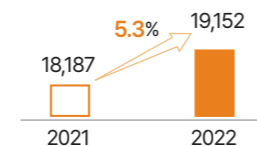
Major achievement in job creation



Highest job creation performance ever

(Unit: individuals)

Category	2021 performance	2022 goals	2022 performance	Significance (increase rate)
Public	68	65	65	Maximized resolution of the difference between the allocated number of employees and that of current employees
Private	18,119	19,055	19,087	5.3%
Total	18,187	19,120	19,152	5.3%



Private jobs Job creation by leveraging core projects

(Unit: individuals)

Category	Overseas employment	Startup	Export support	Foreign investment company	Companies returning to Korea
2020	795	366	507	13,973	263
2021	921	894	475	15,305	524
2022	1,054	425	516	16,521	571

Efforts for global job creation

Taking into account the resurgence in demand for overseas employment consequent to the relaxation of entry restrictions and the inclination of global job seekers towards developed nations, KOTRA is amplifying job creation efforts by enhancing support for overseas employment. In 2022, we attained the highest-ever performance in overseas employment by aiding job seekers in discovering opportunities aligned with the demand from developed countries and global corporations, implementing Boom-Up projects for global employment, and reinforcing on-site support.

Major achievement in global job creation

Quantitative growth	<p>Overseas employment exceeded 1,000 for the first time, contributing 21% to the national goal: (2021)921 individuals → (2022)1,054 individuals</p> <ul style="list-style-type: none"> Significantly increasing the identification of employment vacancies in advanced countries based on the preferences of job seekers: (2021) 1,603 cases → (2022) 1,974 cases
Qualitative improvement	<p>Seeking stabilization through high-quality employment and improving the overseas stay rate: (2021)74% → (2022)77%</p> <ul style="list-style-type: none"> Employment rate in developed countries: (2021) 45.7% → (2022) 52.3%, Employment in global companies: (2021)21 companies → (2022) 25 companies
Major achievement	<ul style="list-style-type: none"> Startup job creation: 425 individuals, Investment attraction: 11 cases (USD 274 million) CES Innovation Award-winning: 38 companies (31%), Technology demonstration (PoC): 13 cases (63% ↑)

"KOTRA Hosts the First Overseas Job Fair in 3 Years Following the Outbreak of COVID-19"

CASE



In November 2022, KOTRA held the '2022 Second Half Global Job Fair' at the aT Center in Seocho-gu, Seoul, in collaboration with the Ministry of Employment and Labor and the Human Resources Development Service of Korea. The Global Job Fair is the largest overseas job fair in Korea and has been held for 20 years. 48 out of 126 overseas recruiting companies visited Korea, and many more companies engaged online and performed video interviews with Korean job seekers.

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 - Invigoration of Board of Directors
 - Reinforcing Transparency and Expertise of the Board of Directors
- G02 Establishment of an Ethical Management System
 - Bolstering compliance and Ethical Management
 - Consolidating the Culture of Compliance and Ethical Management
 - Risk Management
 - Strengthening the Internal Control System
 - Evaluation and Compensation
- G03 Sharing Data and Enhancing Public Communication
 - Protecting the Public's Right-to-know
 - Information Security

APPENDIX

05

GOVERNANCE

KOTRA is building a transparent governance structure that incorporates the needs of diverse stakeholders to foster sustainable growth. To accomplish these goals, KOTRA is striving to enhance ESG management by invigorating the Board of Directors, reinforcing compliance and ethical management, and improving public engagement through a variety of communication channels.

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G01 Invigoration of the Board of Directors and Enhancing Transparency

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- Reinforcing Transparency and Expertise of the Board of Directors

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G01

Invigoration of the Board of Directors and Increasing Transparency

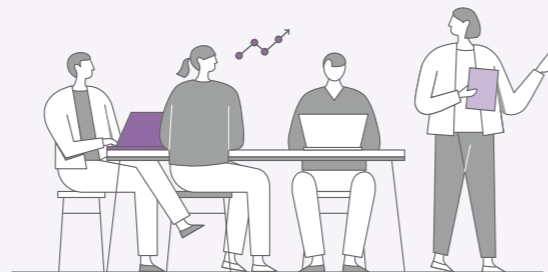
In pursuit of improved decision-making, KOTRA is dedicated to enhancing the diversity, expertise, and transparency of its Board of Directors. In particular, on significant ESG matters within the Sustainability Management Committee, the ethics director from the Board of Directors actively participates in the Human Rights and Ethics Management Committee, contributing to a systematic approach to managing KOTRA's major concerns that have huge impact.

2022 Korea CEO
Hall of Fame
Awards
(Sustainability category
in the ESG field/2022)



Increasing Diversity in Board Composition

KOTRA's Board of Directors is composed of a diverse group of professionals, aiming to bolster the quality of decision-making. To be specific, the BOD has 5 executive board members, 7 non-executive directors, and 1 audit executive. KOTRA's Board of Directors is comprised of experts with managerial and practical on-site experiences in various fields including corporate business, law, and trade. Moreover, KOTRA has elected 1 female non-executive director to enhance the diversity of the board.



Establishing an ESG strategy management and decision-making system through the operation of ESG-focused subcommittees

Setting strategies	ESG	Business management	Project and budget
Advisory on the establishment of a management strategy 5 items, including a safety management plan, etc	Deliberation on ESG, integrity, and ethics 7 items, including annual audit results	Deliberation on organizational reorganization and personnel systems 10 items, including domestic organizational reorganization(draft)	Advice on project budget allocation 7 items, including a mid- to long-term financial management plan

KOTRA BOD Members

Category	Name	Position and expertise
President & CEO	Yoo Jeong-yeol	President & CEO of KOTRA
Audit executive	Kim Jun-hwan	Auditor
Executive board members	Kim Yoon-tae	Senior Executive Vice President for Management Support
	Jeon Chun-woo	Executive Vice President for SMEs and Trade and Investment Data
	Jeong Oe-young	Executive Vice President for Innovative Growth
Non-executive directors	Kim Tae-ho	Executive Vice President for Economic and Trade Cooperation
	Chang In-chul	Expert in audit and risk management
	Lee Sung-ho	Business Administration professor
	Cho Tae-yoon	Expert in audit and management
	Nam Myeong-woo	Expert in trade and management
	Lee Sang-hyeon	Expert in economics and security
	Lee Eun-jung	Female CEO
Park Jae-young	Trade Policy Director of the Ministry of Trade, Industry, and Energy (Ex officio Non-Executive Director)	



GOVERNANCE

G01 Invigoration of the Board of Directors and Enhancing Transparency

Increasing Diversity in Board Composition

Invigoration of Board of Directors

Reinforcing Transparency and Expertise of the Board of Directors

G02 Establishment of an Ethical Management System

Bolstering compliance and Ethical Management

Consolidating the Culture of Compliance and Ethical Management

Risk Management

Strengthening the Internal Control System

Evaluation and Compensation

G03 Sharing Data and Enhancing Public Communication

Protecting the Public's Right-to-know

Information Security

APPENDIX

Invigoration of Board of Directors

KOTRA is actively working to rejuvenate board operations through several measures. These include refining the business reporting method for non-executive directors, enhancing comprehension of institutional management and business affairs, extending the preliminary inquiry system, and increasing the frequency of face-to-face board meetings. Furthermore, we are broadening employee participation to bolster the transparency of board operations and making board meeting minutes accessible to the public through Alio, an integrated system for public institutions.



Establishing an effective BOD operation strategy

Strategy for a transparent BOD

Operational goal	<ul style="list-style-type: none"> To create a transparent and professional decision-making body
Operational strategies	<ul style="list-style-type: none"> Enhancing the transparency and fairness of the BOD Invigorating the BOD operation
Action plans	<ul style="list-style-type: none"> Establishing an ESG-focused decision-making system Successfully solidifying the labor director system Promoting information exchange among BOD members Strengthening the management activity support system
Achievement	<ul style="list-style-type: none"> Becoming the first among 13 public institutions within the government-wide export support agency council to introduce a labor director system

Major achievement in BOD operation

Major achievement	Unit	2020	2021	2022	Compared to the previous year
Number of face-to-face board meetings held	Times	10	10	11	1↑
Number of the representative employee's participation	Times	1	5	6	1↑
Pre-deliberation rate	%	100	100	100	-
Items resolved or reported	Items	29	26	29	3↑
Ratio of non-executive directors providing comments	%	94	80	84	4%p↑
Identifying suggestions for management (reflected)	Items	29(27)	36(29)	38(30)	2↑(1↑)

Major achievement	<p>Major achievement Increase in the number of board agendas (3 items), non-executive directors' comment ratio (4%p), and the number of management suggestions (2 items)</p>
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Reinforcing Transparency and Expertise of the Board of Directors

Transparency and expertise of the BOD

KOTRA operates subcommittees separated into four sections: Strategy, ESG, Business Management, and Project and Budget to improve the rationale of decision-making for each major task, aiming to operate the board of directors transparently and actively employ the knowledge of non-executive directors.

Furthermore, we are dedicated to transparency by successfully introducing the labor director system, extending the employee participation system, and making board meeting minutes available to the public.



Board of Directors meeting

Enhancing the board of directors' professionalism by utilizing expertise in each field



Leveraging the expertise of non-executive directors

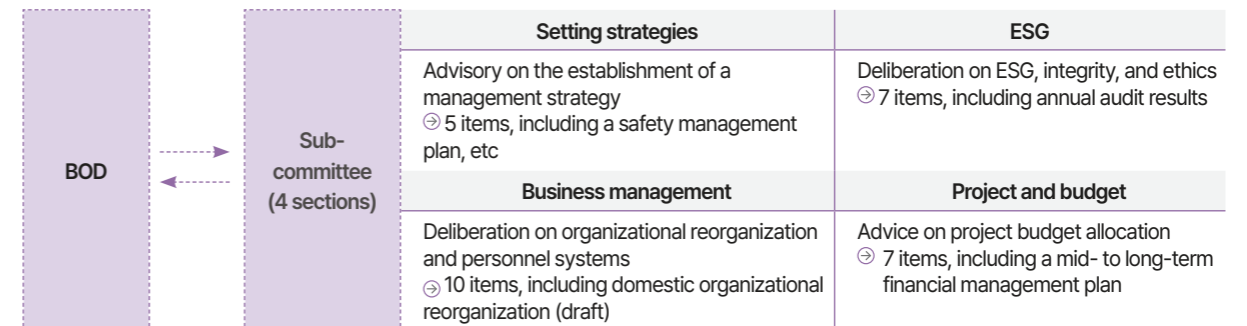
Management innovation	• "Creating synergy effect through cooperation between agile and head office organizations" (Lee, Business Administration Professor, Briefing on Agile Innovation)
Supply chain stabilization	• "Delivering an in-house lecture on the subject of 'Recent International Developments and KOTRA's Role' (Lee, expert in economics and security, in-house lecture)
Digital transformation	• "Need to strengthen our ability to respond to changes in the trade environment by digitizing our work processes." (Nam, expert in trade and competition, 1st board meeting)

Enhancing business risk management through the identification and implementation of management recommendations

Finance	• "We must take every precaution to manage the risk of increased dollar spending due to the rise in exchange rates." (Lee, female CEO, 6th board meeting)
Ethics	• "As the number of exceptional audit cases has risen compared to the previous year, it is imperative to intensify efforts to identify and reward outstanding cases" (Chang, expert in audit and risk management, 3rd board meeting)
Personnel and welfare	• "We need to contribute to the successful establishment of a work-family balance support system by identifying the difficulties of our employees." (Cho, expert in auditing and management, 4th board meeting)

Board of Directors Resolution Process

In accordance with the Board of Directors regulations (as of December 2022), the Board of Directors may form a Board of Directors subcommittee and delegate the deliberation and resolution of matters **on which the Board of Directors has not reached a conclusion or matters deemed especially necessary by the Board of Directors.**





- INTRO
- KOTRA ESG
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Establishment of an Ethical Management System

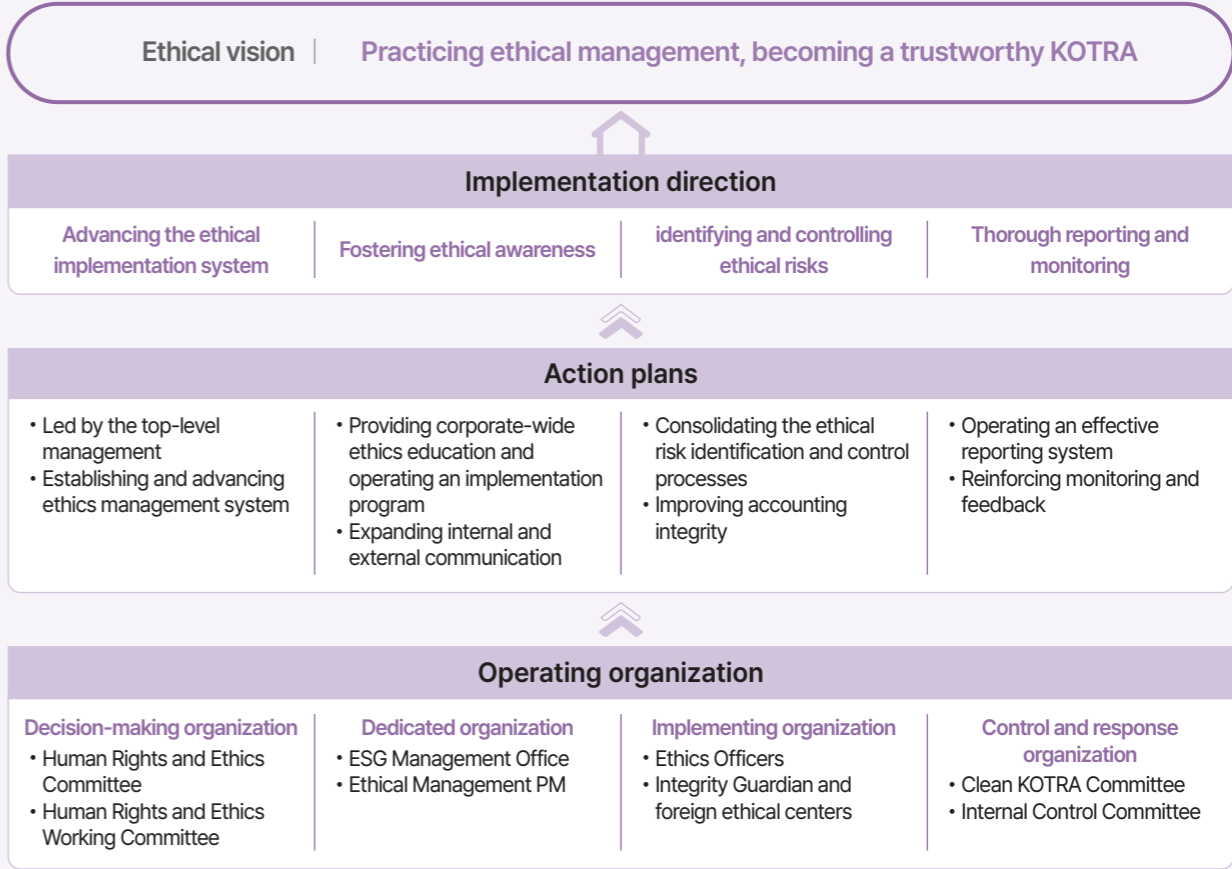
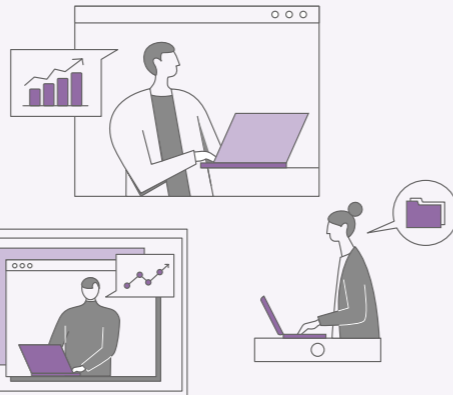
Under the leadership of its top management, KOTRA has developed a rational ethical management system to address societal needs. We prioritize compliance and ethical standards in all stages, from strategy establishment to management support and business operations, and continue to pursue 'public integrity' as a core value of our organizational culture.

Sustainability Management Committee's meeting (Held 3 times in 2022)



Bolstering compliance and Ethical Management

KOTRA acknowledges that compliance and ethical management form the fundamental and top-priority components of sustainable business operations. To fortify these pillars, we are enhancing our promotional system, fostering ethical awareness, and building a management framework through the identification and mitigation of ethical risks.





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Consolidating the Culture of Compliance and Ethical Management

Propagating an ethical culture at the corporate-wide level

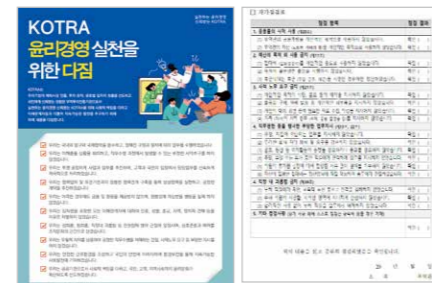
Through comprehensive ethics and integrity internalization efforts, KOTRA is raising the ethical consciousness of its members. Various in-house activities, such as pledges for implementation, self-inspection checklists, case-based concert-type education, and relay discussions, are increasing chances for employees to engage in person.



Audit newsletter



related to national integrity activities published in IK Magazine



Ethical management practice poster

Self-inspection checklist from the Code of Conduct

Education and practice campaign to enhance ethics awareness and integrity

Education	Implementation
Anti-corruption education <ul style="list-style-type: none"> Online training for all employees (May and December, completion rate 92%) Integrity training for high-ranking executives (June) Offline lecture by the Head of the Anti-Corruption Bureau of the Anti-Corruption and Civil Rights Commission (July) 	Participatory campaign <ul style="list-style-type: none"> 'Week of Instilling Ethics and Integrity,' operated in the first and second half of the year (May and December) Regular operation of the pledge to prevent conflicts of interest, horizontal and vertical word quizzes, and ethics and integrity system true or false quizzes



Theater-form training based on case studies (September 2022)

Contributing to the spread of a culture of integrity by sharing the will to practice with customers

Digital transformation	Overseas buyer	Foreign investment company	Public institution
<ul style="list-style-type: none"> Sending integrity letters to major customers, such as branch office organizations and IT support centers Sharing integrity declarations and providing guidance on reporting corruption 	<ul style="list-style-type: none"> Using buyKOREA (B2B e-market place operated by KOTRA) Disseminating integrity messages (270,000 companies) 	<ul style="list-style-type: none"> Posting on website: 1,400 views Newsletters: sent to 200 companies IK Magazine: publishing special articles (May) 	<ul style="list-style-type: none"> Presenting cases at the Citizen Integrity Auditor Workshop hosted by the Anti-Corruption and Civil Rights Commission (June) Sharing with 379 people from 160 institutions

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Consolidating the Culture of Compliance and Ethical Management

Invigorating communication channels for a culture of integrity and ethics

Based on the understanding that enhancing mutual understanding through expanded exchange and communication among employees is a prerequisite for establishing a culture of integrity and ethics to prevent bullying and gapjil in the workplace, KOTRA fully expanded its communication channels in 2022. In particular, as part of efforts to increase the effectiveness of communication, the 'Organizational Culture Improvement Guild' was launched to ensure that employees' opinions are reflected in the system for a desirable organizational culture.



Promotional materials for employees in relation to system improvement



Need to promote exchange and communication among employees

- Gathering employees' opinions
"In the post-COVID-19 era, there is a notable scarcity of in-person communication opportunities"
"What matters most is the effectiveness of these interactions, including whether they result in meaningful communication or lead to tangible improvements"



Major achievements of integrity communication

- Relay communication meetings by headquarters and overseas departments(in the 3rd quarter, 20 times)
- Brown bag communication meeting hosted by the Audit Office(6 times)
- Anonymous communication in KakaoTalk

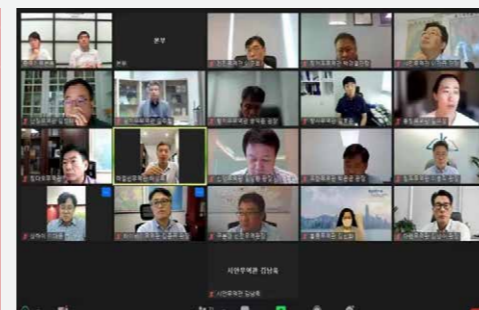
Major achievement

Satisfaction with internal communication
(2021) 83.7 points → (2022) **85.3** points

Perceived integrity level(internal) **63.4** points
(0.8 higher compared to the average scores of public institutions)



Anonymous communication room, 'voice of KOTRA'



Relay workshop to spread integrity and ethical culture (held online overseas, offline in Korea) (August 2022)



Junior Clean KOTRA Committee



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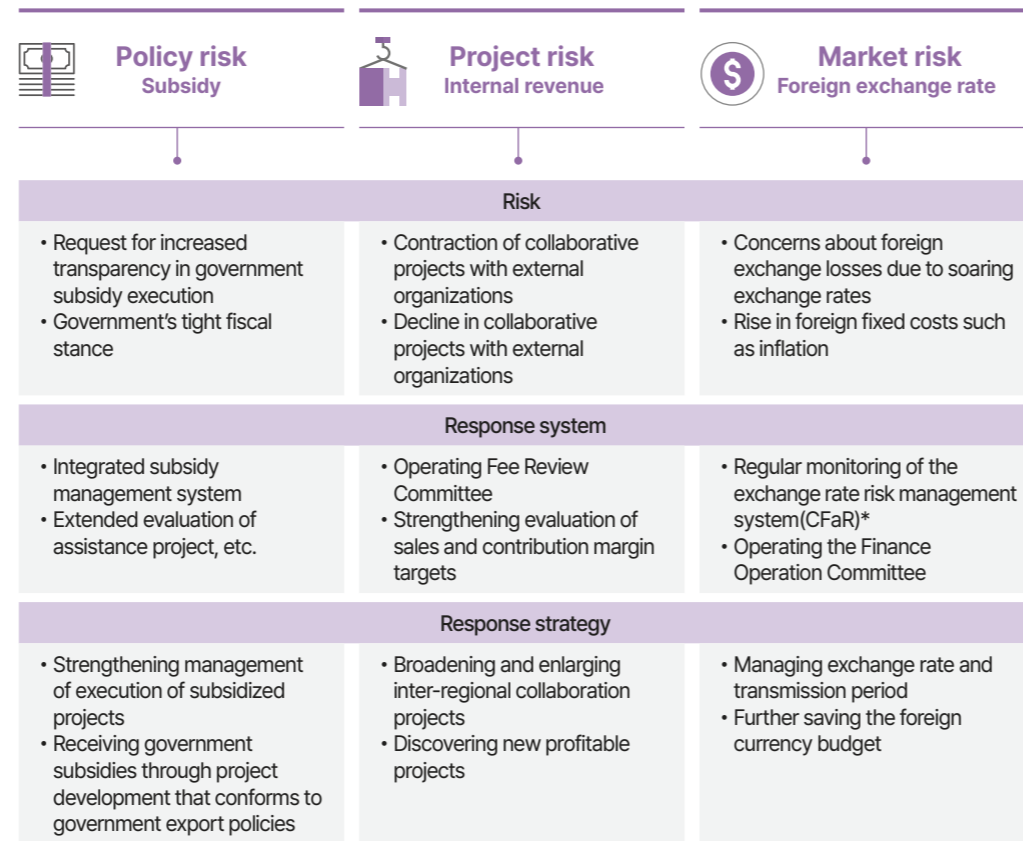
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Risk Management

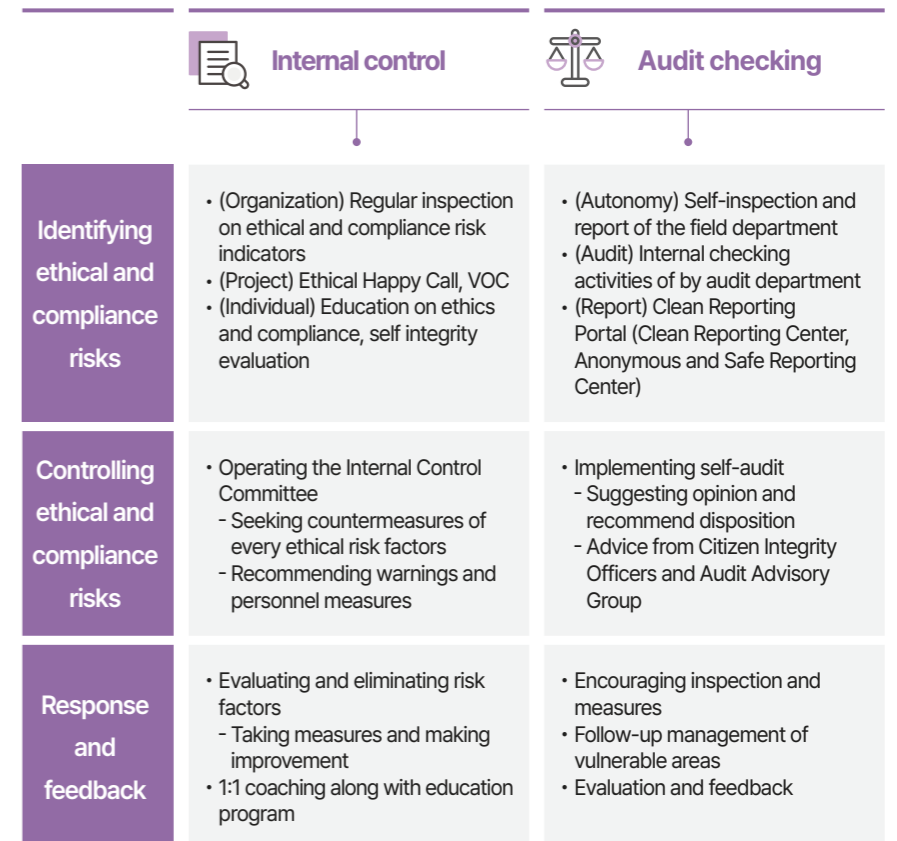
KOTRA has constantly developed its internal control and risk management system in response to the rapidly-changing business environment and potential threats. In terms of financial risks, KOTRA sets and manages the risk level using core risk indicators such as the government subsidy, average foreign exchange rate, rate of own-source income increase, and rate of budget execution. In terms of non-financial risks such as organizational operation and compliance, KOTRA has controlled them through continuous internal control and audit checking.

Financial Risk Management System



* Estimated maximum loss compared to surplus funds (Cash Flow at Risk)

Ethical Risks Monitoring and Internal Control System



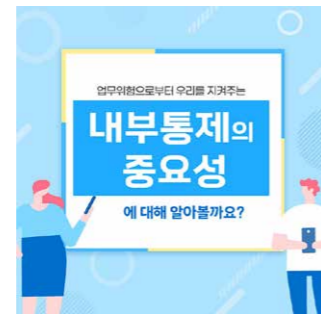
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Strengthening the Internal Control System

KOTRA has established and operated an internal check system for ethical management. The 3+1 control system (3-line internal control system and advice from external experts) ensures that corruption is effectively prevented and ethical risks are minimized.



Card news on internal control risks



Internal control consulting audit (December 2022)

	1st line control	2nd line control	3rd line control
Category	Department in charge (Business Execution Department)	Risk Management Department (Committee)	Audit Office
Control activities	<ul style="list-style-type: none"> • Training and understanding regulations, guidelines, and manuals • Self-control through logs and checklists, etc. • Daily audits and the signing of a written pledge for ethics, etc. 	<ul style="list-style-type: none"> • Continuously reviewing the control activities of 1st-line departments • External members' participation in the section-specific committees 	<ul style="list-style-type: none"> • Reviewing and improving the control activities of 1st and 2nd line departments - Operating the daily audit and prior consulting system - Comprehensive, specific, service audit, etc
External expert participation system	<ul style="list-style-type: none"> • Constant monitoring by the compliance officer • Seeking advice from in-house lawyers and labor attorneys 	<ul style="list-style-type: none"> • Citizen Integrity Auditor's participation in the committee • External members' participation in the section-specific committees 	<ul style="list-style-type: none"> • Regular and occasional advice from audit advisory committee members • Participation in audits by external experts as quasi-auditors
Strengthening systemic control through 3 lines	Digital transformation of management systems <ul style="list-style-type: none"> • ERP and settlement evidence management system • Contract management system • Personnel management system • Customer business management system • IT-SR system • e-audit system (ERP SAP-linked) • e-audit administrative system 	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <p>Request for approval</p> <p>Request for approval and supplementation</p> <p>Monitoring</p> </div> <div style="text-align: center;"> <p>1st line: Department in charge Implementing a project (autonomous control)</p> <p>2nd line Management Department Regular control activities Operation of the committee</p> <p>3rd line Audit Office Reviewing and improving the control activities of 1st and 2nd line departments</p> </div> <div style="text-align: center;"> <p>Agenda proposal</p> <p>Request for approval and supplementation</p> <p>Monitoring</p> </div> </div>	Committee operating system segmented by key risks <ul style="list-style-type: none"> • Internal Control Committee • Human Rights and Ethical • Clean KOTRA Committee • Finance Operation Committee • Informatization Promotion Committee • Service Review Committee • Contract Review Committee • Occupational Safety and Health Committee

	Compliance officer	Citizen integrity auditor	Audit advisory group
External expert	<ul style="list-style-type: none"> • Observed 47 bids and 37 recruitments • Securing compliance monitoring functions on contracts and recruitment, etc. 	<ul style="list-style-type: none"> • Comprehensive Audit Assessment Committee, enhancing advice on bidding contracts, etc. • Collecting opinions for improvement in areas vulnerable to corruption 	<ul style="list-style-type: none"> • Enacting operating guidelines, adding advisory scope, and increasing advisory group members • Reflecting suggestions for improving internal audit quality

Major achievement	<ul style="list-style-type: none"> • Achieving 2nd grade in the Anti-Corruption and Civil Rights Commission's Comprehensive Integrity Assessment (1 grade higher compared to the previous year) • Number of cases of corruption by 2022: ZERO, Number of external criticisms related to budget negligence and accounting fraud: ZERO 		
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Evaluation and Compensation

Fair compensation based on objective criteria

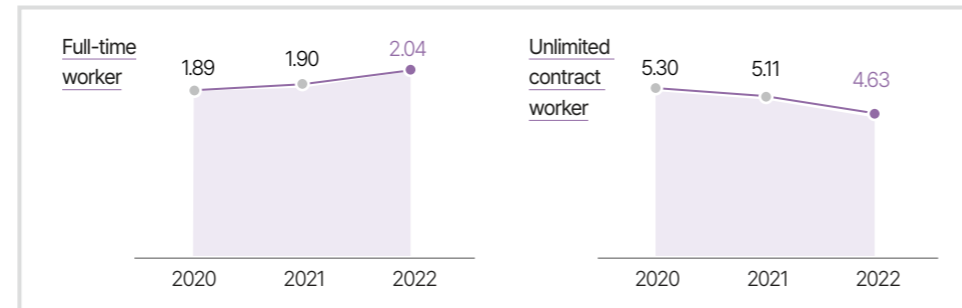
KOTRA is committed to fairly assessing and recognizing the contributions of its executives and staff. We have set clear and objective performance evaluation criteria, implement performance-based compensation differentials, and maintain transparent disclosure of compensation levels.

Evaluation and compensation system for executives and employees

Category		Unit	2020	2021	2022
Highest compensation for executives		KRW 1,000	197,289	202,253	187,748
Full-time worker	Average compensation per employee	KRW 1,000	97,584	98,117	99,753
	Ratio of highest compensation to average compensation per employee	Folds	1.89	1.90	2.04
Unlimited contract worker	Average compensation per employee	KRW 1,000	39,764	41,212	41,589
	Ratio of highest compensation to average compensation per employee	Folds	5.30	5.11	4.63

Ratio of highest compensation to average compensation per employee

unit: folds



Assessment aligned with ESG management

To facilitate both internal and external ESG management within the organization, KOTRA incorporates an 'ESG and Management Support' segment into its evaluation criteria for the headquarters, overseas regional headquarters, and overseas business centers. For internal ESG support, quantitative performance is assessed with regard to the promotion of ethical management, safety and disaster management, the implementation of government-recommended policies, information security management, personal information protection, and further advancement of ethical management. Furthermore, for external ESG support, the evaluation encompasses ESG-related initiatives tailored to the unique attributes of each department.

Headquarters' ESG and management support evaluation indicators

ESG Management support (10)	Points	Indicators
Efforts to implement ethical management	3	Implementing departmental ethics and enhancing integrity activities
Efforts to manage safety and disasters	2	Conducting a risk assessment and replying with results
Efforts to implement the government's recommended policies	2	The proportion of purchases from social enterprises, social cooperatives, green products, and veteran enterprise products among departmental contracts
Efforts to manage information security	2	Executing Cyber Security Diagnosis Day and ensuring all department members complete information security training
Efforts to protect personal information	1	Monitoring personal information diagnosis results and ensuring department members complete personal information protection training

Key examples of ESG-related evaluations in consideration of department characteristics

Department	Evaluation item	unit
Export Company Office	ESG consulting for medium-sized companies	Companies
Export Capability Enhancement Office	ESG consulting for voucher companies	Cases
Exhibition Convention Room	ESG spread facilitation project in the exhibition industry	Cases



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G03

Sharing Data and Enhancing Public Communication

KOTRA is committed to pre-emptively disclosing information to ensure the public's right to know and is reinforcing the transparency and accessibility of the organization's operations and services by extending stakeholder involvement and communication through company-wide digital transformation.

Achieving an 'Excellent' grade in the 2022 comprehensive assessment of public data provision and operation led by the Ministry of Public Administration and Security (2 years in a row)

공공데이터 제공 운영실태 평가 결과

평가년도	기관명	평가대상
2022	한국투자진흥공사(KOTRA)	공공데이터 제공 운영실태
81.68 점		
평가 일자: 2022.11.15 평가 부서: 기획관리부		

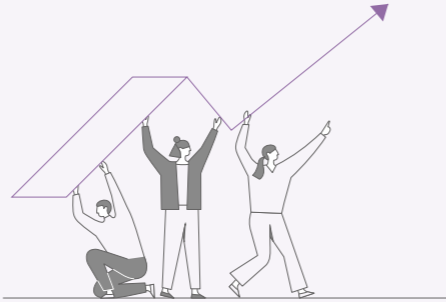
영역별 점수

영역(세부)	점수(점)	비고
공공데이터 제공 운영실태	81.68	공공데이터 제공 운영실태 평가 결과 우수 등급인 'Excellent' 등급을 달성함. 이는 공공데이터 제공 운영실태 평가 결과 우수 등급인 'Excellent' 등급을 달성함. 이는 공공데이터 제공 운영실태 평가 결과 우수 등급인 'Excellent' 등급을 달성함.
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Protecting the Public's Right-to-know

Transparently disclosing information to enhance the public's right to know

To ensure transparent management and safeguard the public's right to information, KOTRA has developed a comprehensive management disclosure plan and extended information disclosure. These initiatives resulted in a 9.93-point increase in the 2022 information disclosure comprehensive assessment compared to the previous year, leading to an 'Excellent' grade. Furthermore, KOTRA also achieved the highest 'Excellent' grade in the data-based administrative status inspection conducted by the Ministry of Public Administration and Security.



Information disclosure

- 100% processing rate within the deadline by immediately responding to requests for information disclosure
- Amending detailed standards for non-disclosure for better accessibility
- Earning 24/25 points in the original text disclosure category(3.16 points higher than the average)

↓

✓ Receiving an 'Excellent' grade in comprehensive information disclosure assessment

Institution grade	2022		2021	YoY
	Total	Average of the same type		
Excellent	96.15 points	92.47 points	86.22 points	9.93 points ↑

Management disclosure

- Disclosing based on the triple inspection system within the department(department head, primary/deputy manager)
- Increasing disclosure training(3 times a year → 6 times a year) and opening new training for department heads
- Conducting monthly regular inspections by preparing the list of inspection items

↓

✓ Attaining flawless management disclosure

Category	2022	2021	YoY
Institutional penalty points	0 points	3.05 points	3.05 points ↓

✓ Zero error due to strengthened website inspection

Efforts and achievements to expand results

Category	Efforts to expand learning sharing	Feedback performance
Creating and operating communication channels	<ul style="list-style-type: none"> Encouraging internal information sharing through collaboration guilds Enhancing public communication through SNS-specific operation 	<ul style="list-style-type: none"> Creating a culture of constant communication and collaboration Obtaining four awards of the year in the SNS sector
Disclosing and providing information	<ul style="list-style-type: none"> Enhancing data linkage with other organizations and conducting in-depth analysis Sharing data in a user-friendly format 	<ul style="list-style-type: none"> Expanding data disclosure and improving services through the platform Receiving an 'Excellent' grade in the Public Data Provision and Operation Status Assessment



Protection of the Right-to-know

Striving for pre-emptive information disclosure

KOTRA is working to expand the openness of public data needed by the public and protect the public's right to know through pre-emptive information disclosure and management disclosures. We not only furnish the public with vital data on international markets, including details on promising markets and potential partners, but also prioritize transparent information disclosure for internal control purposes. Thanks to these initiatives, KOTRA has attained noteworthy accomplishments in the realm of information disclosure, including receiving an 'excellent' grade for two consecutive years in the Public Data Provision and Operation Status Assessment and consistently avoiding point deductions in 20 accounting-related management disclosure categories for five successive years.

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	Facilitating public data sharing	Pre-emptive information disclosure	Flawless management disclosure
	Facilitating public data sharing	Pre-emptive information disclosure	Flawless management disclosure
	Activity		
	<ul style="list-style-type: none"> Accepting data requests from the public through VOC Expanding disclosure of internal and external buyer information through big data platforms Providing integrated overseas information in collaboration with 68 related organizations 	<ul style="list-style-type: none"> Operating the bulletin board by category Achieving a 100% processing rate within the deadline by immediately responding to information disclosure requests Inspecting all documents subject to original text disclosure and disclosing them 	<ul style="list-style-type: none"> Developing a triple inspection system based on responsible department - general department - audit department and expanding evaluation targets (Previous) Department in charge of -> (Improved) All departments Disclosure of sustainability management report
	Major achievement		
	<ul style="list-style-type: none"> Public Data Provision and Operation Status Assessment Excellent grade in 2 consecutive years 	<ul style="list-style-type: none"> Significant improvement in comprehensive information disclosure assessment (2021) 86.2 points (Fair) -> (2022) 96.15 points (Excellent) 	<ul style="list-style-type: none"> No deduction points in the integrated disclosure inspection Attaining zero penalty points for the first time since the beginning of the integrated disclosure inspection
Best practice	<ul style="list-style-type: none"> Information provision platform(TriBIG) Winning the 'Excellent Award' in the 2022 Public Institution Innovation Best Practice Award (in the working process sector) Improving the scores of internal control operation performance indices No deduction points for management disclosure accounting-related items(20 items) for 5 consecutive years through transparent information disclosure 		

CASE

Annual disclosure of KOTRA sustainability reports



INVESTMENT AGENCY



KOTRA publishes the 2022 Sustainability Management Report as its 11th report since its first publication in 2011. In addition to disclosing information through ALIO and the website, we also transparently disclose various non-financial information, such as environmental, safety, and sustainability management performance.



G01 Invigoration of the Board of Directors and Enhancing Transparency

Increasing Diversity in Board Composition

Invigoration of Board of Directors

Reinforcing Transparency and Expertise of the Board of Directors

G02 Establishment of an Ethical Management System

Bolstering compliance and Ethical Management

Consolidating the Culture of Compliance and Ethical Management

Risk Management

Strengthening the Internal Control System

Evaluation and Compensation

G03 Sharing Data and Enhancing Public Communication

Protecting the Public's Right-to-know

Information Security

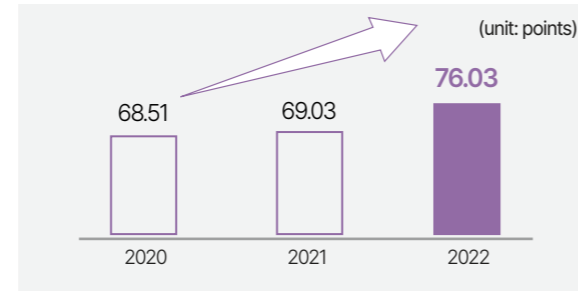
Information Security

Information security strategic system

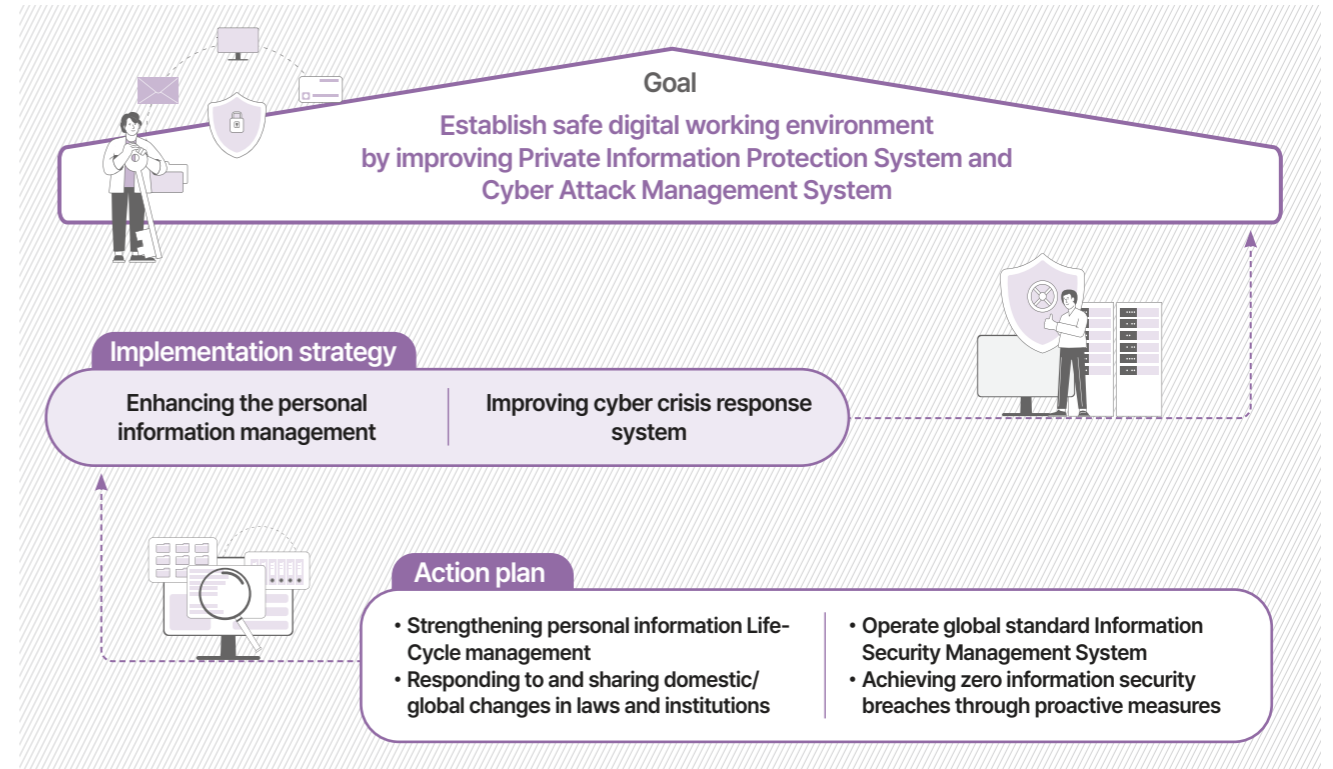
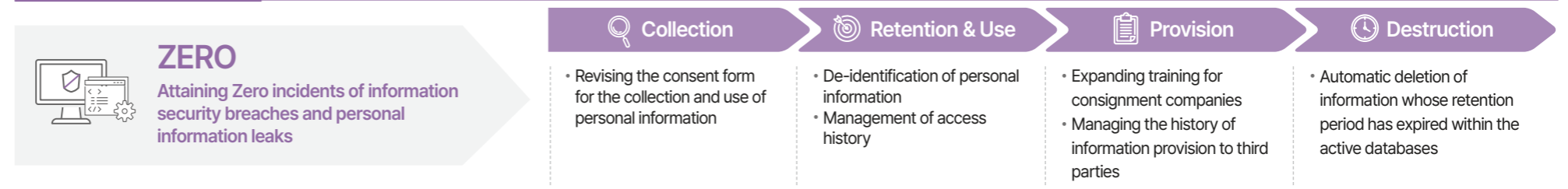
KOTRA is making every effort to manage personal information and respond to cyberattacks by building an information security strategy framework.

Furthermore, we are continuously enhancing the level of security, including the efficiency of security control and operation work, through the phased introduction of KOTRA's own Cyber Security Control Center, to ensure the 'stability of digital trade services for the public.'

Result of the NIS information security assessment



Strengthening management of personal information life cycle



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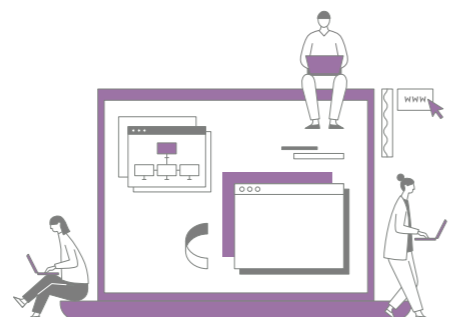
Protecting the Public's Right-to-know

Information Security

Information Security

Activities for Information Security

KOTRA reinforced its information security system and conducted comprehensive training for all employees to prevent damage from potential risks such as cyberattacks associated with weak information security. Through proactive and vigilant information security initiatives, we have successfully achieved zero incidents of cyber hacking, information security mishaps, and personal information leaks.



Information security training for all employees

Achieving zero information security breach and personal information leakage by establishing a stable system operation system

<ul style="list-style-type: none"> • Completing network separation of local support centers for stronger security(information security) • Introducing and upgrading a new information protection system • Strengthening inspection activities and security external cooperation, including expanding cyber crisis response training 	<ul style="list-style-type: none"> • Blocking malicious code • Introducing and operating a new internal security control that immediately detects and responds to cyber attacks and threats(preparation in 2022, starting in March 2023) • Introducing access control and account management solutions • Upgrading wireless eavesdropping detection solutions • Blocking harmful IPs in conjunction with the Cyber Safety Center under the Ministry of Trade, Industry, and Energy and the National Intelligence Service Responding to external attack attempts
<ul style="list-style-type: none"> • No breach(personal information) Enhancing the operation and technical aspects of the personal information protection system to align with global standards through system enhancements and management practices that comply with both domestic and international regulations and amendments 	<ul style="list-style-type: none"> • Establishing internal guidelines and manuals in response to China's Personal Information Protection Act, which took effect in April 2022 • Monitoring EU GDPR compliance • Applying OTP when logging in as an administrator • Upgrading DB encryption solutions • Developing a personal information inbound blocking function
<ul style="list-style-type: none"> • Securing redundant data linking service(ESB) • Establishing the internal backup and recovery system within Daejeon Seosan Center • Responding to IE EOS 	<ul style="list-style-type: none"> • Ensuring data linkage without system interruption • Upgrading old backup software and improving the data recovery system • Recovering at an early stage and service normalizing through the emergency response system in relation to the unprecedented server room power outage caused by an accident in electrical facilities • Ensuring compatibility with Edge, Chrome, etc. by optimizing websites for IE browsers, including CRM

Major activities related to information security



Enhanced security

- Cyber threat response training
- DDoS response training
- Hacking simulation on internal and external web services
- Examining IT infrastructure security vulnerabilities
- Email training



Training and audit

- Information security training
 - Online and offline training for all employees (2 times)
 - Semi-annual training for newly appointed employees(twice)
 - Training for new employees(1 time)
 - Conducting cyber-crisis response training (3 times)
- Information security audit



System adoption

- Introducing the OTP authentication method for external service super administrators
- Pilot introduction of a remote work security management system
- Malicious code detection and blocking system
- Replacing call center firewalls
- Integrated access control account management system



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A hand is shown interacting with a futuristic digital interface. The interface includes various icons such as a key, a plus sign, a speech bubble, a gear, and a bar chart. There are also several circular progress indicators and data points scattered throughout the scene, suggesting a high-tech or data-driven environment.



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Data Center

Economic Performance

Financial Performance (Summarized Financial Position)

		Unit: KRW million		
Classification		2020	2021	2022
Assets	Current assets	51,010	58,323	55,723
	Cash assets and cashable equivalents	39,288	47,428	46,094
	Current financial assets	1,148	1,155	929
	Trade and other receivables	1,068	846	1,331
	Current income tax assets	12	2	116
	Current non-financial assets	9,494	8,892	7,252
	Non-current assets	163,414	175,460	181,460
	Non-current financial assets	5,517	5,179	4,246
	Long-term trade and other receivables	44,983	49,629	48,403
	Tangible assets	85,405	90,825	86,289
	Real estate investments	2,200	2,145	2,042
	Intangible assets other than goodwill	7,340	9,378	13,312
	Investments in associates and joint ventures	17,953	18,303	27,167
Non-current, non-financial assets	16	0	0	
Total assets	214,425	233,784	237,182	
Liabilities	Current liabilities	82,943	87,835	82,373
	Trade and other payables	35,540	40,810	39,757
	Current non-financial liabilities	27,719	26,707	22,515
	Liquidity provisions	19,685	20,319	20,102
	Non-current liabilities	53,965	62,521	52,810
	Long-term trade and other payables	35,416	41,271	36,948
	Non-current, non-financial liabilities	697	720	765
	Provisions for employee benefits	17,852	20,529	15,097
Total liabilities	136,908	150,355	135,183	
Equity	Paid-in capital	55,000	55,000	55,000
	Retained earnings	20,562	26,388	45,014
	Other components of equity	1,955	2,040	1,985
	Total capital	77,517	83,428	101,999
Total liabilities and equity	214,425	233,784	237,182	

Financial Performance (Summarized Financial Position)

		Unit: KRW million		
Classification		2020	2021	2022
Sales		464,448	513,151	534,284
Revenue from rendering of services		73,643	82,584	90,154
Transfer earnings (sales)		387,791	428,028	441,290
Other revenue (sales)		3,014	2,540	2,841
Cost of sales		(312,806)	(347,901)	(365,005)
Cost of sales on revenue from rendering of services		310,494	346,355	363,258
Cost of sales on other revenue		2,311	1,546	1,748
Gross profit		151,643	165,250	169,279
Selling and administrative expenses		(151,631)	(165,102)	(169,182)
Labor cost		132,070	138,132	142,042
Other expenses		19,560	26,970	27,140
Operating income (loss)		12	148	97
Other expenses		(35)	(34)	(34)
Depreciation expense on Investment property		35	34	34
Other profit (loss)		5,354	4,244	2,266
Gains on the disposal of tangible assets		1,546	57	237
Gains on the disposal of intangible assets		52	0	0
Gains on foreign currency conversions		2,718	3,630	603
Gains on foreign exchange transactions		657	1,026	838
Other gains		1,959	2,408	2,340
Losses on the disposal of tangible assets		(16)	(5)	(4)
Losses on foreign currency conversions		(696)	(2,399)	(1,425)
Losses on foreign exchange transactions		(866)	(474)	(322)
Financial income		398	206	981
Interest income		323	206	981
Derivative transaction profit		75	0	0
Financial costs		(3,138)	(845)	(1,268)
Interest expenses		980	845	1268
Derivative transaction loss		2,158	0	0
Gains on associates and joint ventures		3,728	0	8,194
Gains on the evaluation of associates and joint ventures		3,728	0	1509
Investment shares in associate and joint ventures		0	0	6685
Net income before income tax (loss)		6,319	3,718	10,236
Profit from continuing operations (loss)		6,319	3,718	10,236
Current profit (loss)		6,319	3,718	10,236
Other comprehensive income (after tax)		3,343	4,720	9,802
Total comprehensive income		9,661	8,439	20,038



Data Center

Environmental Performance

Energy Emissions / Waste Discharge

Classification		Unit	2020	2021	2022
Energy Consumption		TJ	44.59	46.45	45.29
Renewable Energy Consumption ¹⁾		kW	3,703	3,624	2,406
Waste Emission	General Waste(reclamation)	ton	45	45	45
	Recycling ²⁾	ton	1	1	20

1) Solar facilities

2) Recycled waste amount in 2022: Occurrence of a large amount of recycled waste following the reconstruction of inundated IKP building due to heavy rainfall

GHG Emissions

Classification		Unit	2020	2021	2022
Scope1	Total	tCO ₂ eq	395.86	396.05	323.17
	Direct GHG emissions (stationary combustion- city gas)	tCO ₂ eq	343.09	347.59	283.29
	Direct GHG emissions (mobile combustion- gasoline)	tCO ₂ eq	41.83	36.55	29.87
	Direct GHG emissions (mobile combustion- diesel)	tCO ₂ eq	10.94	11.91	10.01
Scope2	Total	tCO ₂ eq	2515.83	2553.69	2401.86
	Indirect GHG emissions (electricity)	tCO ₂ eq	2515.83	2553.69	2401.86

Nationally Determined Contributions

Classification	Unit	2020	2021	2022
Reduction target	tCO ₂ eq	1,308	1,439	1,482
Contribution	tCO ₂ eq	1,448	1,459	1,634

*Environmental performances are based on the Head Office of KOTRA, which manages its environmental indicators including GHG emissions according to government

Water Use and Reuse Rate

Classification	Unit	2020	2021	2022
Water usage (underground water)	ton	23,517	7,683	5,328
Water usage (water supply system)	ton	16,080	14,056	13,016
Total annual water usage	ton	39,597	21,739	18,344
Reused water	ton	1,427	1,116	1,152
Water reuse rate ³⁾	%	6.07	14.53	21.62

3) Water use can be monitored through water meters, while the water reuse rate is calculated by using ground water as the denominator.

Expenses and Investment for Environmental

Classification	Unit	2020	2021	2022
Sewage treatment costs*	KRW million	8.01	8.01	8.01
Sewage disposal costs* (water purification and general waste disposal)	KRW million	13.55	13.63	10.96
Green Purchasing	KRW million	641	465	507
Low Emission Vehicles	Vehicle	5	4	7
Ratio of eco-friendly products purchased	%	85.9	91.7	81.3

*Rounded off to the second decimal place

Non-compliance with Environmental Laws and Regulations

Classification	Unit	2020	2021	2022
Non-compliance of environmental laws	Cases	0	0	0
Penalty and fine	KRW million	0	0	0



Data Center

Social Performance

Employment and Turnover Status

Classification		Unit	2020	2021	2022
New employment	Male	Persons	34	39	20
	Female	Persons	42	56	45
	Local recruitment	Persons	20	24	30
Employee turnover	Male	Persons	38	35	65
	Female	Persons	17	23	30

Employee Composition

Classification		Unit	2020	2021	2022	
Position (permanent)	Executive	Total	Persons	7	7	6
		Male	Persons	7	7	6
		Female	Persons	0	0	0
	Level 1	Total	Persons	56	55	59
		Male	Persons	52	49	53
		Female	Persons	4	6	6
	Level 2	Total	Persons	168	167	170
		Male	Persons	143	139	137
		Female	Persons	25	28	33
	Level 3	Total	Persons	187	186	176
		Male	Persons	137	137	127
		Female	Persons	50	49	49
	Levels 4, 5, 6	Total	Persons	564	580	607
		Male	Persons	272	273	266
		Female	Persons	292	307	341
	Level S	Total	Persons	39	48	37
		Male	Persons	38	45	33
		Female	Persons	1	3	4
Total	Total	Persons	1,021	1,043	1,055	
	Male	Persons	649	650	623	
Gender (permanent)	Female	Persons	372	393	433	
	Domestic	Persons	629	654	669	
Workplace	Overseas	Persons	392	389	387	
	35 and younger	Persons	383	395	391	
Age	35-44	Persons	259	258	280	
	45-54	Persons	264	269	270	
	55 and older	Persons	115	121	114	
Occupational group	Executive tasks	Total	Persons	7	7	6

Employee Composition

Classification		Unit	2020	2021	2022	
Occupational duties (permanent & non-permanent)	Executive tasks	Male	Persons	7	7	6
		Female	Persons	0	0	0
	Trade and expert services	Total	Persons	939	964	972
		Male	Persons	627	628	603
		Female	Persons	312	336	369
	Special services	Total	Persons	198	202	186
		Male	Persons	87	87	78
		Female	Persons	111	115	108
		Total	Persons	75	72	77
	Administrative tasks	Male	Persons	15	15	13
		Female	Persons	60	57	64
	Permanent position	Total	Persons	1,021	1,043	1,055
Male		Persons	649	650	622	
	Female	Persons	372	393	433	
	Total	Persons	198	202	186	
Indefinite term contract position	Male	Persons	87	87	78	
	Female	Persons	111	115	108	
Contract position	Total	Persons	2	2	1	
	Male	Persons	2	2	0	
	Female	Persons	0	0	0	
	Total	Persons	0	0	0	
Other	Male	Persons	0	0	0	
	Female	Persons	0	0	0	
Global staff	Total	Persons	506	511	503	
Members of socially disadvantaged classes	Employees with disabilities	Persons	48	44	50	
	Female employees	Persons	483	508	541	
	National veterans	Persons	47	52	52	
Childbirth and childcare leave	Employees who have taken leave	Total	Persons	55	71	95
		Male	Persons	11	14	22
	Female	Persons	44	57	73	
	Returned employees	Total	Persons	53	70	92
		Male	Persons	10	14	20
	Female	Persons	43	56	72	
Employees that worked 12 months or longer after returning	Total	Persons	47	67	88	
	Male	Persons	9	13	18	
Female	Persons	38	54	70		
Rate of employees working 12 months or longer	Total	Persons	85.5	94.4	92.6	
	Male	Persons	81.8	92.9	81.8	
	Female	Persons	86.4	94.7	95.9	



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Employee Education

Classification		Unit	2020	2021	2022
Total number of employees who have received education		Persons	982	995	1009
Total education cost		KRW thousand	2,041,228	2,155,467	2,383,599
Total number of education sessions		Sessions	18,585	27,647	35,367
Total hours of education		Hours	164,194	190,679	194,687.6
Cost of education per employee		KRW	2,078,643	2,166,298	2,362,338
Education hours per person		Hours	167.2	191.6	192.9
Foreign language education hours per person		Hours	50.8	49.9	38.9
Education on ethics management	Executives	Persons	7	5	7
	Employees	Persons	1,158	1,182	1,116
Education on human rights	Sexual harassment prevention education	Sessions	7	8	6
	Employees who have received the education	Persons	1,238	1,272	1,228

Injuries and Illnesses

Classification		Unit	2020	2021	2022	
Accident Rate ⁴⁾	Total	%	0	0.23	0.08	
	Gender	Male	%	0	0.08	0
		Female	%	0	0.15	0.08
	Position/rank	Executives	%	0	0	0
		Levels 1 & 2	%	0	0	0
		Level 3 or below	%	0	0.23	0.08
	Region	Domestic	%	0	0.23	0.08
		Overseas	%	0	0	0
	Incidence rate of occupational diseases ⁵⁾	Total	%	0	0	0
		Gender	Male	%	0	0
Female			%	0	0	0
Position/rank		Executives	%	0	0	0
		Levels 1 & 2	%	0	0	0
		Level 3 or below	%	0	0	0
Region		Domestic	%	0	0	0
		Overseas	%	0	0	0
Number of sick leave days		Total	Days	1,073	1,293	1,593
		Gender	Male	Days	151	427
	Female		Days	922	866	861
	Position/rank	Executives	Days	0	0	0
		Levels 1 & 2	Days	0	92	131
		Level 3 or below	Days	1,073	1,201	1,462
	Region	Domestic	Days	1,073	1,275	1,474
		Overseas	Days	0	18	119

Classification		Unit	2020	2021	2022	
Number of work-related fatalities	Total	Persons	0	0	0	
	Gender	Male	Persons	0	0	0
		Female	Persons	0	0	0
	Position/rank	Executives	Persons	0	0	0
		Levels 1 & 2	Persons	0	0	0
		Level 3 or below	Persons	0	0	0
	Region	Domestic	Persons	0	0	0
		Overseas	Persons	0	0	0

4) Number of industrial accidents ÷ Total number of employees

5) OIFR(Occupational Illness Frequency Rate)

Labor Union Membership

Classification		Unit	2020	2021	2022
Number of employees eligible to join labor union		Persons	787	751	749
Number of employees with labor union membership		Persons	1,099	1,144	1,092
Labor union membership percentage		%	100	100	100

Retirement Pension

Classification		Unit	2020	2021	2022
Retirement pension asset		KRW billion	48.7	48.2	45.5
Defined Benefit Retirement Pension(DB)		Persons	803	835	852
Defined Contribution Retirement Pension(DC)		Persons	378	369	351

Violation of laws in social and economic areas⁶⁾

Classification		Unit	2020	2021	2022
Labor Standards Act		case	0	0	0
Occupational Safety and Health Act		case	0	0	0
Improper Solicitation and Graft Act		case	0	0	0
Personal Information Protection Act		case	0	0	0

6) Major laws and regulations in the social and economic areas (labor, human rights, fair trade, information protection, etc.)

Violation of Anti-Corruption Act

Classification		Unit	2020	2021	2022
The number of legal actions resulting from allegations of corruption or bribery		case	0	1	0
Number of ongoing investigations into allegations of corruption or bribery		case	0	1	0



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GRI 400 : Social Performance		
GRI 401 : Employment	401-1 New employee hires and employee turnover	68-69, 87
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	52-57, 88
	401-3 Parental leave	53, 87
GRI 403 : Occupational Health and Safety	403-1 Occupational health and safety management system	60-63
	403-2 Hazard identification, risk assessment, and incident investigation	62-63
	403-3 Occupational health services	62-63
	403-4 Worker participation, consultation, and communication on occupational health and safety	61

GRI Index	Indicators	Page
GRI 403 : Occupational Health and Safety	403-5 Worker training on occupational health and safety	60-61
	403-6 Promotion of worker health	50, 53
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	60-61
	403-8 Workers covered by an occupational health and safety management system	60-63
	403-9 Work-related injuries	88
GRI 404 : Training and Education	403-10 Work-related ill health	88
	404-1 Average hours of training per year per employee	88
	404-2 Programs for upgrading employee skills and transition assistance programs	55
GRI 405 : Diversity and Equal Opportunity	404-3 Percentage of employees receiving regular performance and career development reviews	55, 79, 88
	405-1 Diversity of governance bodies and employees	57, 91
GRI 406 : Non-discrimination	405-2 Ratio of basic salary and remuneration of women to men	59, 87
	406-1 Incidents of discrimination and corrective actions taken	-
GRI 413 : Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	64-67
	413-2 Operations with significant actual and potential negative impacts on local communities	64-67
GRI 414 : Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	29-33
	414-2 Negative social impacts in the supply chain and actions taken	-
GRI 416 : Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	60-61
GRI 418 : Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	82-83




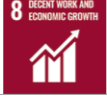






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UN SDGs(UN Sustainable Development Goals)

In September 2015, 193 UN member states and heads of state collectively established 17 goals and 169 targets encompassing various aspects of the economy, environment, and society to promote the sustainable development of humanity. KOTRA wholeheartedly supports the United Nations' Sustainable Development Goals (SDGs) and, as a public institution, is committed to integrating these SDGs into its business operations. KOTRA aims to generate sustainable value by taking into account not only the business-related impacts but also the broader social impacts in pursuing and implementing its goals.

UN SDGs	Activity Classification	Activities	Page	
 3 GOOD HEALTH AND WELL-BEING	Public health and well-being	Human Right Management	Strengthening family-friendly systems and finding a shared understanding among employees	53, 57
			Recruiting based on diversity and fairness, including local talent, the disabled, high school graduates, and people from low-income families	58-59
 4 QUALITY EDUCATION	Quality education	Talents Management	Fostering Korean trade and investment promotion experts	54-55
			Expanding internal and external collaborations to operate field-specific curricula	55
 5 GENDER EQUALITY	Gender equality and women's rights	Human Right Management	Expanding internal and external collaborations to operate field-specific curricula	59
 8 DECENT WORK AND ECONOMIC GROWTH	Quality jobs	Decent jobs	Creating decent jobs through shared growth projects for SMEs	37-40, 66, 68-69
 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Resilient infrastructure, inclusive and sustainable industrialization	Coexistence Management	Supporting the growth and export of SMEs and startups across the entire cycle	36-40
			Seeking innovation by assisting companies in new growth fields to enter the global supply chain	31-33
 13 CLIMATE ACTION	Response to climate change	Environmental Management	Pursuing the 2050 carbon-neutral goal by building an eco-friendly management system	43-44
			Implementing eco-friendly management activities such as purchasing green products or green cars and diagnosing building energy	45-47
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Establish effective and responsible systems	Coexistence Management	Guaranteeing the public's right to know through management disclosure and sharing of data related to overseas markets	80-81
			Introducing a system for win-win cooperation with partners and suppliers and creating a fair trade culture	64-65
 17 PARTNERSHIPS FOR THE GOALS	Global partnerships	Global Cooperation	Expanding advanced development cooperation through the KSP private business proposal system and global ESG+ projects, akin to developed countries	34-35



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UNGC(UN Global Compact)



The United Nations Global Compact (UNGC) is a voluntary corporate initiative dedicated to integrating fundamental values in the areas of human rights, labor, the environment, and anti-corruption into corporate operations and management strategies. Its aim is to promote corporate social responsibility. KOTRA became a member of the UNGC in August 2017 and declared its adherence to the 10 principles in four major areas spanning human rights, labor, the environment, and anti-corruption. We diligently fulfill our global sustainability responsibilities by incorporating human rights elements into KOTRA's overarching policies and projects, along with the annual disclosure of pertinent information to the UNGC. KOTRA will continue to engage in diverse activities to address both domestic and international social issues while promoting global ESG trends through our commitment to and support of UNGC principles.

UNGC Topic	10 Principles	Page
Human Rights	(1) Businesses should support and respect the protection of internationally proclaimed human rights; and	49
	(2) make sure that they are not complicit in human rights abuses.	49-51
Labour	(3) Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	56
	(4) the elimination of all forms of forced and compulsory labour;	49-51
	(5) the effective abolition of child labour; and	
Environment	(6) the elimination of discrimination in respect of employment and occupation.	58-59
	(7) Businesses should support a precautionary approach to environmental challenges;	43
	(8) undertake initiatives to promote greater environmental responsibility; and	43-44
Anti-Corruption	(9) encourage the development and diffusion of environmentally friendly technologies.	28-33, 43-47
	(10) Businesses should work against corruption in all its forms, including extortion and bribery.	75-78



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TCFD

Area	TCFD recommendations	KOTRA Responses
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	To address the challenges posed by climate change, KOTRA has formulated environmental management policies and implemented them through the Joint Labor-Management Energy Saving Committee and the Eco-Friendly Management Task Force (TF). Moreover, significant plans, activities, and accomplishments related to environmental management are communicated to the Board of Directors, the highest decision-making body, through the presentation of mid- to long-term goals and management evaluation agenda items.
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	KOTRA assesses and manages climate change risks and opportunities in line with the Green New Deal policy promoted by the Korean government. For enterprise-wide responses to climate change risks, we operate the Joint Labor-Management Energy Saving Committee and Eco-Friendly Management TF, which are comprised of employees from related departments. Our management has continuously carried out eco-friendly policies involving greenhouse gas reduction, etc., with the aim of fully cooperating with the government to help achieve its environmental policies, such as the 2030 National Greenhouse Gas Reduction Target (NDC). Our efforts in pursuit of this transition have been incorporated into the mid- to long-term strategies and core values, and our will and commitment are being broadcasted both internally and externally.
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Increasingly strengthened regulations at home and abroad to address climate change are expected to raise the costs of responding to carbon emissions permit regulations and purchasing renewable energy, as well as deepen the fluctuations in raw materials prices, which are all predicted to have a direct or indirect impact on the export activities of SMEs, our main customers. KOTRA intends to actively support industries that accelerate global innovative growth, such as the eco-friendly mobility sector, and to seize the rise in global policies promoting eco-friendly industries, as well as climate regulations, as an opportunity for Korean SMEs to realize green transformation.
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	As a public institution, KOTRA is actively implementing the greenhouse gas reduction plans in compliance with the government's 2050 carbon neutrality goal. Furthermore, we have built an environmental management system to prepare for climate change-related risks beforehand, and hold the Energy-Saving Promotion Committee biannually to manage our office buildings in an eco-friendly manner in terms of energy and greenhouse gas emissions. Since our designation as a dedicated organization for international greenhouse gas reduction projects in 2022, we have discovered overseas greenhouse gas reduction projects and actively encouraged the participation of domestic companies through personnel and financial support, with the goal of achieving the National Greenhouse Gas Reduction Target (NDC) in 2030.
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	TRA acknowledges that climate change-related risks and opportunities may have an immediate and potential impact on our entire business, with consequences that extend beyond financial consequences. Therefore, we plan to fully leverage our overseas network, which includes not just Korea but also 129 countries across the world, to expand research on the trends in climate change at home and abroad and review response measures for various climate change scenarios.

Area	TCFD recommendations	KOTRA Responses
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	TRA acknowledges that climate change can pose risks across multiple dimensions, encompassing policy, legislation, technology, market dynamics, and reputation. In addition, we acquired ISO 14001 in June 2022 as part of our efforts to consolidate an eco-friendly management system and fulfill our eco-friendly management goals in accordance with government policies. To address the hazards of climate change, we comply with the current legislations while managing domestic and foreign greenhouse gas emissions, etc. through establishing our own systematic processes and standards, etc.
	b) Describe the organization's processes for managing climate-related risks.	KOTRA is making various efforts to mitigate climate change-related risks, including curbing energy consumption and greenhouse gas emissions and increasing the use of renewable energy. As environmental management organizations, we operate the Sustainability Management Committee, Energy-Saving Promotion Committee, etc. and ensure that the related strategies and implementation status, etc. comply with the ISO 14001 process.
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	We reflect and manage our initiatives to respond to climate change risks, which have been formed based on ISO 14001, etc., in our corporate-wide strategy by incorporating them into our crisis response system and reporting them to the highest decision-making body (BOD), etc.
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	KOTRA manages metrics such as greenhouse gas emissions, energy usage, renewable energy usage, and water usage in relation to business site operations with the aim of evaluating and managing risks and opportunities resulting from climate change. Furthermore, we plan to officially declare our support for TCFD in November 2023 and further expand the disclosure of climate change-related data in the future.
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	KOTRA computes greenhouse gas emissions by categorizing them into Scope 1 and Scope 2 and publishes the data in sustainability reports. In 2022, our direct (Scope 1) emissions totaled 323,272 tCO2eq, while our indirect (Scope 2) emissions, adjusted for renewable energy use, amounted to 2,401.86 tCO2eq. In addition, we have developed a plan to manage the Scope 3 emissions for our headquarters and subsidiaries to control greenhouse gas emissions in an all-encompassing manner, which arise from direct and indirect activities. Moreover, we plan to launch a pilot project in the second half of 2023 to encourage voluntary disclosure of related data.
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Every year, KOTRA sets greenhouse gas reduction goals to reduce greenhouse gas emissions and implements various programs to increase carbon reductions. Consequently, the greenhouse gas reduction goal for 2022 has been exceeded (goal: 30.4%, performance: 37.5%), and the amount of greenhouse gas reduction has continuously increased over the last three years. Over the last three years, we have recycled 1,427 tons of water in 2020, 1,116 tons in 2021, and 1,152 tons in 2022.



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SASB

SASB (Sustainability Accounting Standard Board), a non-profit organization establishing the reporting standard for non-financial information, presents sustainability risk topics tailored to each industry, encouraging companies to provide continuous reports on those topics to engage with investors and stakeholders. KOTRA has identified a strong relevance to the professional and commercial service industry; therefore, it adheres to its industry-specific standards in reporting while excluding non-applicable items, aligning with its business nature.

1. Sustainability Disclosure Topics & Accounting Metrics

CODE	Metric	Unit of Measure	Page
Data Security			
SV-PS-230a.1	Description of approach to identifying and addressing data security risks		80-83
SV-PS-230a.2	Description of policies and practices relating to collection, usage, and retention of customer information	N/A	80-81
SV-PS-230a.3	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	Number, Percentage (%)	80-83
Workforce Diversity & Engagement			
SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	%	58-59, 71
SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees	%	87
SV-PS-330a.3	Employee engagement as a percentage	%	67
Professional Integrity			
SV-PS-510a.1	Description of approach to ensuring professional integrity	-	74-76
SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	-	88

2. Activity Metrics

CODE	ACTIVITY METRIC	Unit of Measure	Page
SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Number	9, 87
SV-PS-000.B	Employee hours worked, percentage billable	Hours, Percentage (%)	-



K-ESG Guidelines

KOTRA recognizes that expanding ESG management is a process for diagnosis, execution, and improvement, and annually diagnoses ESG performance through the K-ESG Guidelines (Ministry of Trade, Industry and Energy 2021.12) and publishes it in the Sustainable Management Report. The 61 items of the K-ESG guidelines, which were discovered by analyzing 13 major domestic and foreign evaluation agencies and more than 3,000 indicators and measurement items, meet global standards by reflecting the opinions of experts, relevant ministries, and stakeholders in each field, and are used as guidelines that Korean companies and public institutions can easily use.

The level assessment based on the K-ESG guidelines was conducted by a professional consultant, and KOTRA is well-received for its environmental management goals, energy use, waste disposal, human rights, and industrial safety compared to related agencies, but it is pointed out that the use of renewable energy and renewable water and ESG management support of its partners are insufficient. KOTRA is committed to improving the sustainability of the institution by reviewing diagnostic results through guidelines, checking the direction and challenges for ESG improvement, and establishing improvement plans.

Classification	Section		Subsection	Evaluation	Page	
Public	Information Disclosure Type	1	ESG Information Disclosure Method	Qualitative	4	
		2	ESG Information Disclosure Interval	Qualitative	4	
		3	ESG Information Disclosure Scope	Qualitative	4	
	Information Disclosure Content	4	ESG core issues and KPI	Qualitative	21-22	
	Information Disclosure Verification	5	ESG Information Disclosure Verification	Qualitative	99-100	
Environment	Environmental Management Objective	6	Establishment of environmental management objectives	Qualitative	43	
		7	Environmental management system	Qualitative	43-44	
	Raw and Subsidiary Materials	8	Raw and subsidiary material consumption	Quantitative	-	
		9	Ratio of recycled raw materials	Quantitative	-	
	GHG	10	Greenhouse gas (GHG) emissions (Scope 1, 2)	Quantitative	86, 93	
		11	Greenhouse gas (GHG) emissions (Scope 3)	Quantitative	-	
		12	Greenhouse gas (GHG) emissions verification	Quantitative	86, 93	
		Energy Management	13	Energy consumption	Quantitative	47, 86
			14	Ratio of renewable energy use	Quantitative	86
	Water	15	Amount of water used	Quantitative	86	
		16	Ratio of re-used water	Quantitative	86	
	Waste	17	Waste generated	Quantitative	86	
		18	Waste recycling rate	Quantitative	86	
	Pollutants	19	Air pollutant emissions	Quantitative	86	
		20	Water pollutant emissions	Quantitative	86	
	Violation of environmental laws/regulations	21	Violation of environmental laws/regulations	Qualitative	86	
	Environmental Labeling	22	Ratio of environment-friendly eco-certified products and services	Quantitative	46, 86	



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Classification	Section		Subsection	Evaluation	Page
Social	Targets	23	Target setting and disclosure	Qualitative	49, 60, 68
	Labor	24	New employee hiring and employment retention	Quantitative	58, 87
		25	Ratio of permanent employees	Quantitative	87
		26	Voluntary turnover rate	Quantitative	87
		27	Training expense	Quantitative	88
		28	Fringe benefits	Quantitative	87-88
		29	Guarantee of freedom of association	Qualitative	56
		30	Ratio of female employees	Quantitative	59, 87
	Diversity and Gender Equality	31	Ratio of female employees' wages (compared to average wage)	Quantitative	59, 87
		32	Employment rate for persons with disabilities	Quantitative	58, 87
	Industrial Safety	33	Safety and health management system	Qualitative	60-61
		34	Rate of occupational accidents	Quantitative	88
	Human Rights	35	Human rights policy	Qualitative	49-51
		36	Human rights risk assessment	Qualitative	49-51
	Win-Win growth	37	ESG management of suppliers	Qualitative	28-33, 64-65
		38	ESG support for suppliers	Qualitative	28-33, 64-65
		39	ESG agreements with suppliers	Qualitative	28-33, 64-65
	Local Communities	40	Strategic social contribution	Qualitative	66-67
		41	Employees' participation in volunteer work	Qualitative	66-67
	Information protection	42	Establishment of information protection system	Qualitative	80-83
		43	Infringement and recovery of personal information	Qualitative	80-83

Classification	Section		Subsection	Evaluation	Page	
Social	Violation of Social Laws/Regulations	44	Violation of social laws/regulations	Qualitative	88	
Governance	Composition of the BOD	45	Presenting ESG issues within the BOD	Qualitative	71-73	
		46	Ratio of independent directors	Quantitative	71-72	
		47	Separation of the CEO and the chairman of Board of Directors	Qualitative	71-73	
		48	Gender diversity in the BOD	Qualitative	71-73	
		49	Expertise of independent directors	Qualitative	71-73	
		BOD Activities	50	Attendance rate of all directors	Quantitative	72
			51	Attendance rate of executive directors	Quantitative	72
	52		BOD Committees	Qualitative	72	
	53		Handling of issues within the BOD	Qualitative	72	
	Shareholder Rights		54	Announcement of general shareholder meetings	Qualitative	-
			55	General shareholder meeting held on an ordinary day not coinciding with other companies' AGMs	Qualitative	-
		56	Concentrated/Electronic/Written voting system	Qualitative	-	
		57	Dividend policy and implementation	Qualitative	-	
	Ethical Management	58	Disclosure of violations of the Code of Ethics	Qualitative	88	
		Audit Organization	59	Internal audit department	Qualitative	78
	60		Expertise in audit organization	Qualitative	78	
	Violation of Governance	61	Violation of governance-related laws/regulations	Qualitative	88	



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Awards and Memberships

Major Awards

Year of Award	Award Name	Agency
2016-2021	Certified as family-friendly institution	Ministry of Gender Equality and Family
2019	Ministerial Award on response to overseas disasters	Ministry of Foreign Affairs
	Top prize on Social Value category at 2019 Korea Management Award	Korea Management Association
	Ministerial Award on job creation	Ministry of Trade, Industry and Energy
	Award for outstanding performance on "Blind Employment"	Ministry of Employment and Labor
	2019 Award for Personnel Management	Ministry of Personnel Management
	Special Award for family-friendly institution	Korea Workers' Compensation & Welfare Service
	Ministerial Award for Cooperation in Policy Information Services	National Policy Information Council
	2019 Top prize for Institution with best Social Value realization	Korea Auditing Association
	Gold Award for Human Rights & Sustainable management	League of American Communications Professionals
	Ministerial Award for special contribution on shared growth through Free Trade Agreement	Ministry of Trade, Industry and Energy
2020	Ministerial Award for Overseas Volunteer Activity at 2019 Korea Social Contribution Award	Korea CSR Foundation
	ISO 27001 (International Information Protection Management System) Certification	International Organization for Standardization (ISO)
	Korea SNS Awards 2020 (6th) for public institution in YouTube, Instagram, Blog category	Korea Association for Social Contents' Development
	Top prize in Korea Business Communication SNS Award	Korea Business Communicators Association
	Award for public institution with best response to COVID-19	Ministry of the Interior and Safety
	Ministerial Award on Korea Big Data Award	Ministry of Science and ICT
	Certified as the Best HRD organization	Ministry of Education, Ministry of Personnel Management
	Best prize for Public institution at 2020 Outstanding Administration and Policy cases Awards	Korea Association for Public Sector Affairs Analysis & Evaluation
	Best Practices for Regulatory Innovation in Public Institutions	Ministry of SMEs and Startups
	The Most Innovative Investment Promotion Agency Awards	UK International Finance
2021	Best Collaboration Practices for Innovation in Public Institutions	Ministry of Trade, Industry and Energy
	Ministerial Award for Public Safety Service at National Quality Management Conference	Ministry of the Interior and Safety
	Ministerial Award for contribution in Open and Utilization of Public data	Ministry of the Interior and Safety
	2020 Red Cross Award	Korean Red Cross
	Korea SNS Awards 2021 (7th)	Korea Association for Social Contents' Development
	Prime Ministerial Award for Coexistence/cooperation among Large Enterprises and SMEs	Ministry of SMEs and Startups
	2021 IDC Future Enterprise Award Future of Intelligence category	International Data Corporation Korea Ltd (IDC)
	Ministerial Award for 2021 Korea Digital Management Innovation	Ministry of Science and ICT
	UN Investment Promotion Agency Award	The United Nations Conference on Trade and Development (UNCTAD)

Year of Award	Award Name	Agency
2021	2021 Self-Audit Activities and Evaluation Award	Board of Audit and Inspection of Korea
	Award for Excellence in Public sector CEO service	Korea Service Management Society
	2021 Outstanding Institution for Balanced Personnel	Ministry of Personnel Management
	Governor's Commendation for Supporting Reshoring companies	Gyeongsangnam-do
	ISO 9001(Quality Management System) Certification	International Organization for Standardization (ISO)
	ISO10002(Customer Satisfaction and Complaints Handling) Certification	International Organization for Standardization (ISO)
	Occupational Safety and Health Management System Certification	Korea Occupational Safety & Health Agency
	Certified as Excellent Labor-management relations Institution	Korea Management Registrar
	ISO 14001 (Environmental Management System) Certification	International Organization for Standardization (ISO)
	Award for Excellent Collaboration Diplomatic Organization	Chairperson of the People's Committee in Da Nang City
2022	International Design Excellence Awards	Industrial Designers Society of America (USA)
	Plaque of Appreciation from KTR (Director of Shenzhen Trade Center Koo Bon-kyung)	Korea Testing & Research Institute(KTR)
	Certified as Excellent Labor-management relations Institution	Korea Management Registrar
	ISO 14001 Management system certificate	Korean Standards Association
	2022 Marketing Frontier Grand Prize awarded by the Korea Marketing Association	Korean Marketing Association
	Grand Prize in the 2022 Korea Digital Advertising Awards	Korea Digital Advertising Association
	Appreciation plaque for contribution to the development of the mid-sized business community	Federation of Middle Market Enterprises of Korea
	TO OUR HONORABLE PARTNER	Busan Indie Connect Festival Organizing Committee
	Korean Wave Awards 2022	Newsis
	Korea Master Brand Award	Maeil Business Newspaper Media Group



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Memberships of Associations

Korean Red Cross	Korea International Trade Association	Korean Library Association	Korea Auto Industries Coop. Association	Korea Automobile Manufacturers Association	The Institute of Internal Auditors Korea
Association of Korean Exhibition Industry	Korea Exhibition Organizers Association	UN Global Compact Network Korea	Korean Society of Public Enterprise	Korea HR Leaders' Club	Korean Marketing Association
Korea Special Library Association	European Chamber of Commerce in Korea	Korean-German Chamber of Commerce and Industry	British Chamber of Commerce in Korea	American Chamber of Commerce in Korea	French-Korean Chamber of Commerce and Industry
Australian Chamber of Commerce in Korea	Canadian Chamber of Commerce in Korea	World Association of Investment Promotion Agencies	Seoul Association for Public Administration	The Korean Association for Policy Studies	The Korean Association for Policy Analysis and Evaluation
Association of Public Institution Auditors of Korea	The Korean Association of Small Business Studies	Korea Automobile Importers & Distributors Association	Public Sector Social Responsibility Institute	International Contractors Association of Korea	Korea Association of International Development and Cooperation
Korean Venture Capital Association	Korea Big Data Society	Korea Technology Innovation Society	Challenge and Sharing	AsianVenture Philanthropy Network	Korea Association of Fiscal Administration
World Economic Forum for Koreans	Korean Academy of International Business	Korea Academy of International Business Management	Korea Association of Trade & Industry Studies	Seoul Foreign Correspondents' Club	Korean Accounting Association



Third-Party Assurance Statement

To readers of 2022 KOTRA Sustainability Report

Korea Management Association(KMA) conducted the independent assurance of 2022 KOTRA Sustainability Report(hereinafter referred to as the "Report").

The responsibility for the preparation of the Report lies with the management of KOTRA, and the responsibility of KMA is to issue a verification statement on specific data and information within the scope specified below.

KOTRA is responsible for the information and data contained in this report, and KMA's responsibility is to provide a verification statement to the management of KOTRA based on the application of the assurance methodology to the specified scope. KMA is not responsible to anyone other than the KOTRA for the results of our assurance and for the conclusions drawn from the report. The report is approved by and is the responsibility of the KOTRA.

Standards

KMA applied the AA1000 Assurance Standard(AS) V3 and confirmed that this report has been prepared in accordance with the GRI Standards 2021, the international standard guidelines for sustainability reporting. KMA has verified compliance with the four principles of the AA1000 AP (2018) and have performed Type 2 and moderate assurance engagement. The detailed indicators of the material topics derived from the materiality assessment procedure are as follows.

- Standards 2021 Foundation
- Universal Standards
- Materiality Topic
- Topic Standards

GRI 201 : Economic Performance, GRI 205 : Anti-corruption, GRI 302 : Energy, GRI 305 : Emissions , GRI 306 : Effluents and Waste, GRI 401 : Employment, GRI 403 : Occupational Health and Safety, GRI 404 : Training and Education, GRI 405 : Diversity and Equal Opportunity, GRI 406 : Non-discrimination, GRI 413 : Local Communities, GRI 414 : Supplier Social Assessment, GRI 416 : Customer Health and Safety, GRI 418 : Customer Privacy

Scope

The scope of this assurance is the information from January 1, 2022 to December 31, 2022, and key matters up to the first half of 2023 as follows. KMA does not provide an assurance on the future objectives or realizability of KOTRA.

- Information from January 1, 2022 through December 31, 2022, and some key matters in the first half of 2023.
- Sustainability policies and strategies and business-related performance
- Matters included in the material issues as a result of the materiality assessment related to the company and its stakeholders
- The reasonableness and appropriateness of the process and system for preparing the Sustainability Report
- Assessment of the reliability and quality of data and information on GRI indicators in the report

The following were not included in the validation scope.

- Financial information presented in the Appendix
- Index entries related to international standards, norms and initiatives other than GRI and SASB presented in the Appendix.
- Other linked information from homepage, business report, etc.



Process

KMA conducted assurance engagement in accordance with the assurance standard and by gathering and verifying relevant evidence about the information presented.

- Reviewed and confirmed the appropriateness of the materiality issue analysis process to determine assurance priorities
- Reviewed the sustainability strategy implementation process and system for execution
- Reviewed the adequacy of the evidence supporting the issues discussed by interviewing senior managers of departments with management responsibility for the material issues.
- Assessed the reliability of the report performance information, data sampling
- Verified the process for generating, collecting, and reporting data for each performance area

Conclusion and Opinion

KMA held several discussions to revise the report and reviewed the finalized data to ensure that the recommendations for revision and improvement were addressed. As a result of our review, KMA did not identify any material misstatements of the information and data in the KOTRA's report. The report has been prepared appropriately in accordance with the GRI Standards 2021, and KMA's assurance opinion on the four principles set out in the AA1000AP (2018) is as follows.

1) Inclusiveness: Participation and Communication with Stakeholders

KOTRA operates group-specific communication channels for stakeholder engagement with key stakeholders, including employees, customers and local communities, business partners and government and related organizations. Through these channels, KOTRA collects opinions on the concerns of key stakeholders, derive key issues, and reflect them in decision-making.

2) Materiality: Identification and reporting of material sustainability topics

To identify material reporting issues, KOTRA identified 31 issue pools by examining government policies, global information disclosure standards, peer industry cases, and internal and external press releases. KOTRA also conducted interviews with relevant departments across the company and evaluated the social/environmental and financial materiality of each issue through a final review process by management, and finally selected a total of 10 material issues. KMA did not find any material factors missing from the process.

3) Responsiveness: Response to Sustainability Reporting Issues

In order to improve the efficiency of company-wide sustainability management, KOTRA has assigned working groups and personnel directly related to relevant issues to clarify responsibilities and roles, and monitors the current status and improvement needs.

4) Impact: The impact of material sustainability topics on the organization and its stakeholders.

KOTRA has identified direct and indirect impacts for the major topics identified through the materiality assessment, and KMA identified that KOTRA presents monitoring methods for impact through context and approach for each section.

Competence and Independence

KMA, an agency with expertise on sustainability assurance, has documented policy and quality assurance system, and maintains independence by not having any interest in the business activities of KOTRA for profit other than providing third-party assurance services.



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Korea Trade-Investment
Promotion Agency



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