A Global Leader for Sustainable Environment



Korea Environment Corporation

WE SUPPORT UN GLOBAL COMPACT

About This Report

Report Overview

Korea Environment Corporation (K-eco*) is a public environmental institution that leads efforts to address the climate crisis by preventing environmental pollution, improving environmental quality, advancing resource circulation, and reducing greenhouse gas (GHG) emissions, thereby advancing the transition to a carbon-neutral society. The 2026 Sustainability Report has been published to transparently disclose K-eco's sustainability management initiatives and performance and to strengthen communication with stakeholders. Based on ESG disclosure standards, the report systematically compiles financial and non-financial performance, while the management approaches for key issues identified through the materiality assessment are presented in the Double Materiality Assessment section. K-eco publishes a sustainability report every year, and this 11th report since the inaugural edition in 2011 shares the corporation's firm commitment to sustainability and concrete actions across the environmental, social, and governance dimensions. K-eco will continue to listen closely to the valuable opinions of its stakeholders and actively reflect them in its management activities to further advance sustainability management.

* K-eco: English abbreviation for Korea Environment Corporation

Reporting Period & Scope

This report covers K-eco's sustainability management activities and performance from January 1 to December 31, 2025. Some qualitative achievements through May 31, 2026 are also included. For quantitative performance, five years of data from 2021 to 2025 are provided to enable trend analysis. The reporting scope covers all operations at K-eco's nationwide workplaces, including the head office, eight regional environmental headquarters, and project groups.

Inquiries

This Sustainability Report is available for viewing and download in PDF format on the K-eco website, where additional information on K-eco's ESG management can also be found. For further details or inquiries, please contact us using the information below. K-eco welcomes diverse opinions from its stakeholders.

Reporting Criteria

This report was prepared with reference to the following major domestic and international sustainability management standards and frameworks.

Non-financial Information
- GRI (Global Reporting Initiative) Standards 2021
- UN Global Compact Ten Principles
- IFRS Sustainability Disclosure Standards S1·S2
- TCFD (Task Force on Climate-related Financial Disclosures)
- UN SDGs (United Nations Sustainable Development Goals)
- Ministry of Trade, Industry and Energy K-ESG Guidelines
- Ministry of Finance and Economy Public Institution ESG Guidelines

Financial Information
- K-IFRS (Korean International Financial Reporting Standards)

Third-Party Assurance

To enhance the reliability and quality of this report, K-eco obtained independent assurance from the Korean Foundation for Quality, an external professional institution, in accordance with the AA1000AS v3 assurance standard.

Publication Date: August 2026

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Website
www.keco.or.kr

Interactive PDF User Guide

The K-eco Sustainability Report is published as an interactive PDF. To improve the reader experience, it provides links to related pages within the report and relevant webpages, as well as a search function.

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K-eco Sustainability Reporting Journey

Publication of the 11th Sustainability Report

2011



Happy Realization

- Publication of K-eco's first sustainability report
- Application of GRI G3.1
- ISO 26000, AA1000AS (2008)

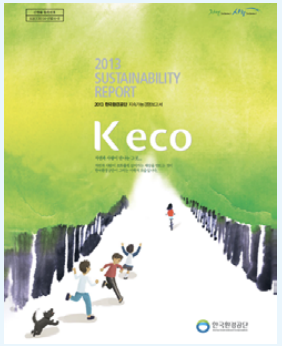
2012



Special Thinking Box

- GRI G3.1
- ISO 26000, AA1000AS (2008)

2013



Journey Toward Sustainable Environment

- GRI G4
- ISO 26000

2014



Closer to People & Nature

- GRI G4
- ISO 26000, AA1000AS(2008)

2016



Publication of K-eco's First UN Global Compact Communication on Engagement (COE)

- Reporting performance on the Ten Principles across the four areas of the UN Global Compact

2018



Laying the Foundation for Sustainability Management

- GRI Standards
- Establishment of K-eco's SDG strategy
- UN SDGs, ISO 26000

2021



Achieving a Carbon-Neutral Society by 2050

- GRI Standards
- UN SDGs, TCFD

2022



Leading the Way to Carbon Neutrality

- GRI Standards
- ISO 26000, TCFD, UNGC, UN SDGs, AA1000AP(2018)

2023-2024



K-eco, Protecting a Sustainable Future

- GRI Standards 2021
- UN SDGs, TCFD, K-IFRS, AA1000AP(2018)

2025



Korea Environment Corporation, a Global Leader for Sustainable Environment

- GRI Standards 2021
- UN SDGs, IFRS S2, K-IFRS, AA1000AP(2018)

2026



Korea Environment Corporation, a Global Leader for Sustainable Environment

- GRI Standards 2021
- UN SDGs, IFRS S1 · S2, K-IFRS, AA1000AS v3
- ESG Guidelines for Public Institutions

Leadership Letter

K-eco will lead the journey toward a cleaner planet, a happy society, and a sustainable future.

Dear Stakeholders,

Demands for action on the climate crisis, resource scarcity, environmental safety, and social responsibility are higher than ever. Sustainability is no longer a choice for the future, but a necessity today. Public institutions have entered an era in which they must drive new change on the basis of environmental value, social responsibility, and transparent governance.
K-eco has played a leading role in implementing Korea's environmental policies, guided by our institutional purpose, "A sustainable future, an environment shared by all." We now seek to create greater social value through ESG management.

We will build a sustainable future by leading carbon neutrality and the circular economy.

K-eco is actively pursuing its 2040 organizational carbon-neutrality target and supporting national carbon-neutrality policies. We are driving national GHG reductions by advancing the operation of the Emissions Trading Scheme and administering climate finance and budgeting systems. We are also working to prevent environmental pollution by expanding eco-friendly mobility and establishing advanced environmental monitoring systems. In addition, we are accelerating the transition to a circular economy through the higher-value use of waste resources and digital innovation in waste management. Going forward, K-eco will continue to position carbon neutrality and the circular economy as core values for future growth, support the successful implementation of national environmental policies, and expand its capabilities and leadership in global environmental business, thereby fulfilling its responsibilities and role as a world-class environmental institution.

We will realize social value by respecting people and growing together.

K-eco places people first and is creating a safe and fulfilling workplace based on an organizational culture that respects human rights and diversity. We are also advancing mutual growth through collaboration with a wide range of stakeholders, including the public and private sectors, SMEs, and local communities. Above all, we provide diverse public environmental and safety services— such as creating a healthy water environment and responding to water-related disasters, managing chemical safety, and reducing hazards in the living environment— so that people can enjoy healthy and comfortable living conditions. K-eco will continue to build a sustainable society shared by all by supporting the growth of its employees, pursuing mutual growth with external stakeholders, and delivering environmental welfare that people can experience in their daily lives.

We will lead ESG management based on trust and transparency.

Sustainable institutions grow on the trust of their stakeholders. K-eco will strengthen board-centered responsible management and advance its ethics and compliance systems to firmly establish a culture of integrity and transparency. We will also set a new standard for ESG management in the public sector through AI- and digitally driven management innovation, data-based decision-making, proactive information disclosure, and broader communication with the public.
K-eco will continue to move unwaveringly toward its vision of becoming "a global environmental institution leading the carbon-neutral era." At the heart of the journey to create a cleaner planet, a happy society, and a sustainable future, we will lead change together with the public and fully honor our responsibility to pass on a better environment to future generations.

Thank you.



Acting Chairman of K-eco
Executive Director of Management & Planning Division
Kwang Myoung Cha

K-eco's Contribution to the International Community for a Sustainable Future

The climate crisis and environmental pollution are global challenges that require a coordinated response from the international community.
K-eco shares its expertise in environmental policy, institutional frameworks, and technology accumulated through implementing Korea's environmental policies on the ground, supports partner countries in addressing environmental issues and achieving sustainable development, and contributes to the attainment of the UN Sustainable Development Goals (SDGs).

Participating in Global Climate Action

K-eco participates in international climate action by joining Korea's government delegation to UN climate change negotiations and supporting the development of Korea's Nationally Determined Contribution (NDC) for greenhouse gas reduction. Through international reduction projects, K-eco also supports greenhouse gas reduction and sustainable development in developing countries.

Sharing Korea's Environmental Policies and Technologies with the International Community

K-eco shares Korea's environmental management experience and technologies—in fields such as air quality and resource circulation—tailored to the conditions of partner countries. Through ICT-based environmental management, the use of environmental satellites, and the dissemination K-EPR (Korea Extended Producer Responsibility), K-eco supports the development of environmental management capacity and institutional systems in partner countries.

Building the Capacity of People and Institutions Together

Beyond the transfer of facilities and technologies, K-eco shares its policy experience and expertise in ESG, the circular economy, and waste management to help partner countries independently implement sustainable environmental policies, and expands knowledge cooperation to strengthen the capacity of government officials and related institutions.

Expanding Connections to Solve Environmental Problems through Global Partnerships

K-eco collaborates with international organizations such as UNESCO, OECD, the World Bank, and UNDP on expert dispatch, joint project development, and digital and AI-based environmental cooperation. Going forward, K-eco will continue to expand its global environmental cooperation platform connecting governments, international organizations, development cooperation agencies, and the private sector.

UN SDGs

UN SDGs	Goal	Key Activities
	Goal 1 No Poverty	• Recognized institution under the Rural Community ESG Practice System • Highest-rated institution under the Local Community Contribution Recognition Program • Provided goods to special disaster areas
	Goal 2 Zero Hunger	• Shared food with elderly people living alone in local communities • Implemented the Busukuma Environmental Improvement Project in Uganda and provided food and goods • Improved living conditions in ger districts of Mongolia
	Goal 3 Good Health and Well-being	• Strengthened the asbestos safety management system for products purchased directly from overseas • Improved indoor air quality and conducted water quality inspections at facilities used by sensitive and vulnerable groups • Advanced noise management and expanded services to mitigate inter-floor noise disputes
	Goal 4 Quality Education	• Established 'Pine Tree Home' study rooms for children from vulnerable groups • Operated an environmental job knowledge-sharing program • Certified as an 'Excellent Education Donation Institution' by the Ministry of Education
	Goal 5 Gender Equality	• Established five-year targets and KPIs to expand the number of women managers • Developed a pool of female executive candidates • Strengthened work-family balance through pregnancy and childcare support
	Goal 6 Clean Water and Sanitation	• Operated the Water Tele-Monitoring System (TMS) control center • Expanded and advanced Total Water Pollution Load Management System • Implemented projects to supply safe groundwater and strengthen drinking-water welfare
	Goal 7 Affordable and Clean Energy	• Became the first public institution to pursue a Power Purchase Agreement (PPA) • Expanded solar power generation facilities at air quality monitoring stations • Participated in the K-RE100 Green Premium program

K-eco's Contribution to the International Community for a Sustainable Future

UN SDGs	Goal	Key Activities
	Goal 8 Decent Work and Economic Growth	• Enhanced internship programs and supported linkage to regular employment • Supported youth startups in the environmental sector • Operated the K-eco Win-Win Cooperation System and supported sales channels for SMEs
	Goal 9 Industry, Innovation and Infrastructure	• Supported sales channels for companies with certified innovative products • Identified new businesses to create a sustainable zero-emission vehicle ecosystem • Improved, reviewed, and integrated the operation of environmental facilities and infrastructure
	Goal 10 Reduced Inequalities	• Established and implemented socially equitable hiring targets • Expanded rural community ESG practices and win-win efforts • Supported social entry and career development for youth preparing for independent living
	Goal 11 Sustainable Cities and Communities	• Strengthened safety nets against droughts, sinkholes, urban flooding, and other risks • Led carbon neutrality in the public sector and expanded it to local governments • Strengthened aquatic ecosystem infrastructure through river and reservoir improvements
	Goal 12 Responsible Consumption and Production	• Advanced the waste appliance collection system through institutional improvements • Expanded waste resource recycling by strengthening the management of regional collection centers • Fostered a public-participation resource circulation culture in daily life through 'Green Return' and other initiatives
	Goal 13 Climate Action	• Expanded Scope 3 disclosure and calculated and managed Scope 3 emissions • Achieved GHG reduction targets by strengthening national carbon neutrality implementation • Expanded reduction activities through the Emissions Trading Scheme
	Goal 14 Life Below Water	• Remotely monitored wastewater discharges by operating the water tele-monitoring system (TMS) control center • Strengthened technical support for nonpoint source pollution management • Began construction of an Integrated Water Pollution Response Center
	Goal 15 Life on Land	• Advanced the 'Allbaro' workplace waste platform • Systematically managed groundwater and soil contamination • Advanced reservoir restoration projects and the recovery of aquatic ecosystem infrastructure
	Goal 16 Peace, Justice and Strong Institutions	• Attended the Conference of the Parties (COP30) as part of the government delegation • Strengthened communication and cooperation on global environmental issues • Operated an internal control system and fostered an organizational culture of integrity and anti-corruption
	Goal 17 Partnerships for the Goals	• Expanded global presence through water industry cooperation in Kazakhstan, Vietnam, and other countries • Advanced public-private overseas environmental projects by expanding Green ODA • Strengthened communication and cooperation with international organizations (UNESCO, OECD, World Bank, UNDP, etc.)

K-eco's Compliance with the Ten Principles of the UN Global Compact

The Ten Principles of the UN Global Compact

Since joining the United Nations Global Compact in 2010, K-eco has complied with the Ten Principles concerning human rights, labor, the environment, and anti-corruption.



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

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



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

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.

Principle 5: Businesses should uphold the effective abolition of child labor.

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



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

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

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



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

K-eco OVERVIEW

For a sustainable environment and a better quality of life for the people, K-eco fulfills its role as the specialized environmental institution responsible for implementing Korea's environmental policies.

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About K-eco

Korea Environment Corporation Overview

K-eco is a public institution under the Ministry of Climate, Energy and Environment, established in January 2010 through the integration of the Korea Environment & Resources Corporation and the Environmental Management Corporation. In accordance with the Korea Environment Corporation Act, K-eco strives to contribute to national development by facilitating the transition to a carbon-neutral society through projects focused on preventing environmental pollution, improving the environment, advancing resource circulation, and reducing GHG emissions projects in response to the climate crisis.

General Status
(As of March 2026)

Institution Name	Korea Environment Corporation (K-eco)	**Institution Type**	Quasi-governmental institution (commissioned-service type)
Date of Establishment	January 1, 2010	**Legal Basis**	Article 1 of the Korea Environment Corporation Act (Act No. 21065)
Competent Authority	Ministry of Climate, Energy and Environment	**Head Office Location**	Comprehensive Environmental Research Complex, 42, Hwangyeong-ro, Seohae-gu, Incheon Metropolitan City
Head of Institution	Lim Sang-jun	**Employees**	3,271 (executive officers + regular employees)

Financial Status
(Based on the 2025 Closing Accounts)

Total Assets

KRW **231,170** million

Revenue

KRW **1,939,164** million

Total Liabilities

KRW **70,564** million

Net Income

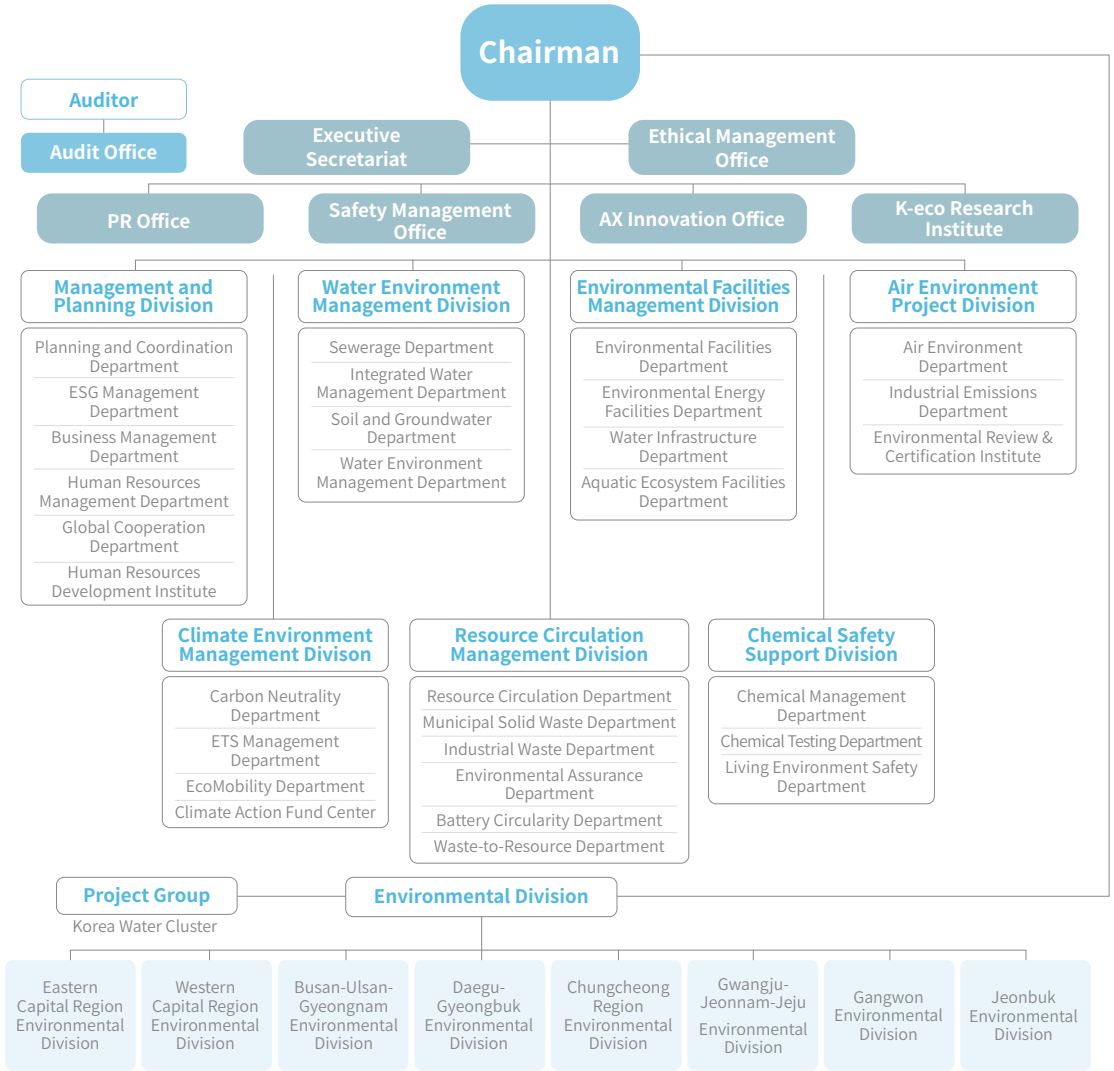
KRW **68,994** million



About K-eco

Organizational Status

K-eco consists of the head office, eight regional environmental headquarters, and one project group.



Corporate History

1980

September Establishment of the Korea Resource Regeneration Corporation

1987

March Establishment of the Korea Pollution Control Corporation

November Renaming of the Korea Pollution Control Corporation as the Environmental Management Corporation (enactment of the Environmental Management Corporation Act)

2004

July Renaming of the Korea Resource Regeneration Corporation as the Korea Environment & Resources Corporation (enactment of the Korea Environment & Resources Corporation Act)

2008

August Decision to integrate and reorganize the Korea Environment & Resources Corporation and the Environmental Management Corporation (Second Public Institution Advancement Plan)

2009

February Enactment and promulgation of the Korea Environment Corporation Act

2010

January Establishment of Korea Environment Corporation (integration of the Korea Environment & Resources Corporation and the Environmental Management Corporation)

2012

May Amendment and promulgation of the Korea Environment Corporation Act (redefinition of the corporation's purpose to include climate change response)

2019

July Commencement of operations by the Korea Water Cluster Project Group

2021

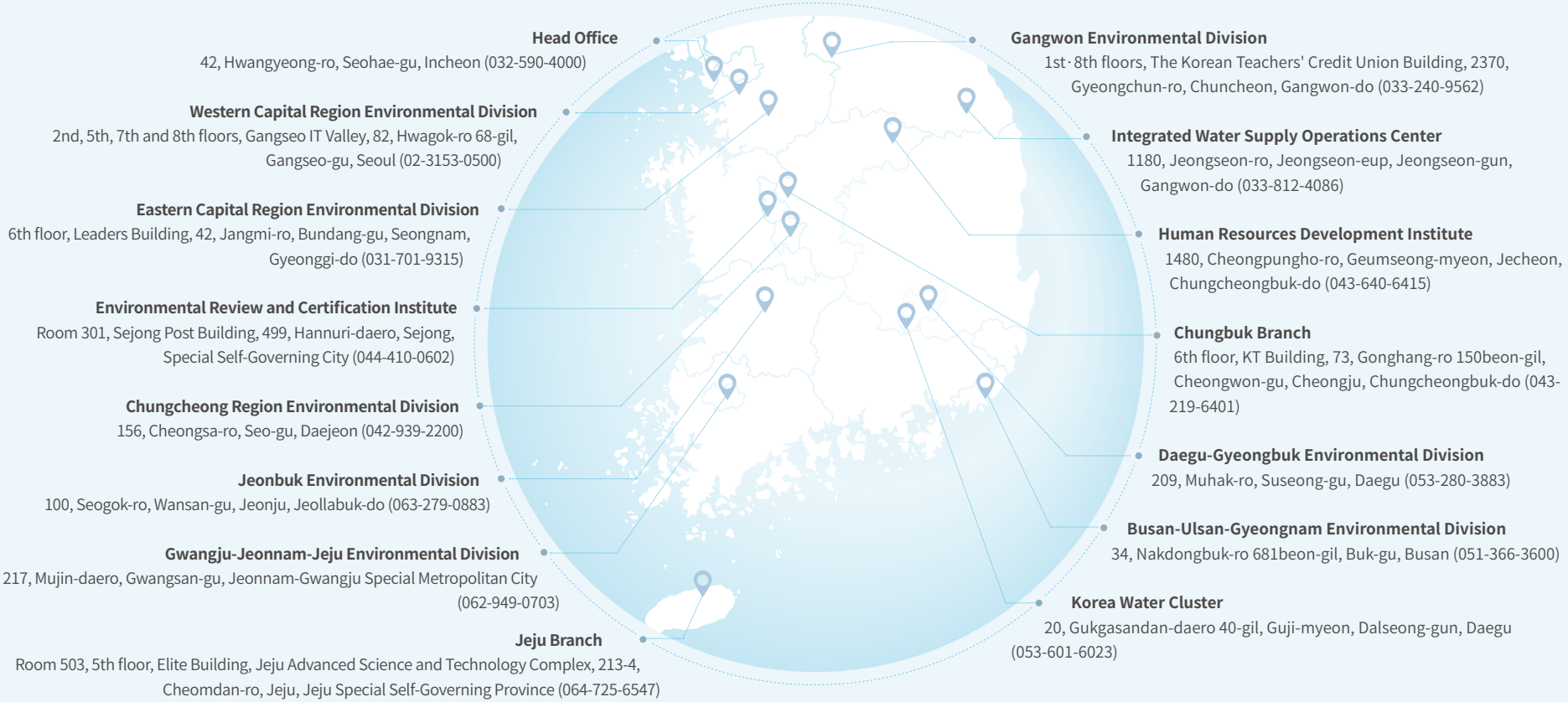
December Opening of the K-eco Human Resources Development Institute

2022

December Amendment and promulgation of the Korea Environment Corporation Act (redefinition of the corporation's purpose to include advancing carbon-neutrality implementation, etc.)

About K-eco

K-eco Head Office and Regional Offices



Head Office
42, Hwangyeong-ro, Seohae-gu, Incheon (032-590-4000)

Western Capital Region Environmental Division
2nd, 5th, 7th and 8th floors, Gangseo IT Valley, 82, Hwagok-ro 68-gil, Gangseo-gu, Seoul (02-3153-0500)

Eastern Capital Region Environmental Division
6th floor, Leaders Building, 42, Jangmi-ro, Bundang-gu, Seongnam, Gyeonggi-do (031-701-9315)

Environmental Review and Certification Institute
Room 301, Sejong Post Building, 499, Hannuri-daero, Sejong, Special Self-Governing City (044-410-0602)

Chungcheong Region Environmental Division
156, Cheongsa-ro, Seo-gu, Daejeon (042-939-2200)

Jeonbuk Environmental Division
100, Seogok-ro, Wansan-gu, Jeonju, Jeollabuk-do (063-279-0883)

Gwangju-Jeonnam-Jeju Environmental Division
217, Mujin-daero, Gwangsan-gu, Jeonnam-Gwangju Special Metropolitan City (062-949-0703)

Jeju Branch
Room 503, 5th floor, Elite Building, Jeju Advanced Science and Technology Complex, 213-4, Cheomdan-ro, Jeju, Jeju Special Self-Governing Province (064-725-6547)

Gangwon Environmental Division
1st·8th floors, The Korean Teachers' Credit Union Building, 2370, Gyeongchun-ro, Chuncheon, Gangwon-do (033-240-9562)

Integrated Water Supply Operations Center
1180, Jeongseon-ro, Jeongseon-eup, Jeongseon-gun, Gangwon-do (033-812-4086)

Human Resources Development Institute
1480, Cheongpungho-ro, Geumseong-myeon, Jecheon, Chungcheongbuk-do (043-640-6415)

Chungbuk Branch
6th floor, KT Building, 73, Gonghang-ro 150beon-gil, Cheongwon-gu, Cheongju, Chungcheongbuk-do (043-219-6401)

Daegu-Gyeongbuk Environmental Division
209, Muhak-ro, Suseong-gu, Daegu (053-280-3883)

Busan-Ulsan-Gyeongnam Environmental Division
34, Nakdongbuk-ro 681beon-gil, Buk-gu, Busan (051-366-3600)

Korea Water Cluster
20, Gukgasandan-daero 40-gil, Guji-myeon, Dalseong-gun, Daegu (053-601-6023)

K-eco Management Strategy

Guided by the mission of achieving "a sustainable future, an environment shared by all" and the vision of becoming a "global environmental institution leading the carbon-neutral era," K-eco has established a management framework for sustainable development based on the core values of trust, expertise, safety, and innovation. The corporation advances key initiatives across five strategic objectives: reducing GHG emissions and achieving cleaner air; creating a healthy water environment; transitioning to a circular economy and society; creating a safe environment with tangible benefits for the public; and advancing management innovation and ESG Practices. Specifically, K-eco seeks to strengthen the Emissions Trading Scheme and advanced air quality monitoring, enhance water pollution management and water disaster response capabilities, and improve resource circulation management systems across multiple areas. K-eco will also protect the public from chemical hazards and occupational accident risks, while continuing to lead institutional innovation and ESG management through emerging technologies such as AI. By strengthening public trust, K-eco will build a sustainable future together with the people.

Mid-to-Long-Term Management Goals and Strategies

Mission
A sustainable future, an environment shared by all

Vision
A global environmental institution leading the carbon-neutral era

Core Values
Trust / Expertise / Safety / Innovation

Management Policies
Future-oriented Management / Communication-oriented Management / Safety Management / Innovation Management

	Reducing GHG Emissions and Achieving Cleaner Air	Creating a Healthy Water Environment	Transitioning to a Circular Economy	Creating a Safe Environment with Tangible Benefits for the Public	Advancing Management Innovation and ESG Practices
Strategic Objective					
Basis for Derivation	**Reflecting GHG reduction initiatives and air quality improvements in accordance with the corporation's founding purpose** Strengthen support for government policies for the transition to a carbon-neutral society, including GHG reduction projects in response to the climate crisis, and achieve cleaner air.	**Creating a healthy and safe water environment in response to the climate crisis and fostering related industries** Create a climate-resilient and safe water environment through integrated watershed and water management, and strengthen industry development and support to enhance the competitiveness of domestic water companies.	**Advancing the transition to a circular economy and society and establishing safeguards against the illegal handling of hazardous waste** Lead the transition to a circular economy by reducing waste and expanding resource circulation throughout production, distribution, and consumption; establishing an appropriate and safe waste management system; and operating an eco-friendly battery cluster to create a resource circulation ecosystem for end-of-life batteries.	**Establishing a public safety net and reducing industrial accidents** Create a safe and fulfilling workplace for the public and workers, strengthen preventive monitoring and management systems for environmental hazards, and provide environmental services with tangible benefits to the public.	**Creating public value by strengthening institutional innovation and leading and expanding ESG management** Become a trusted public institution by expanding K-eco's global presence, accelerating AI transformation and institutional innovation, and leading and expanding ESG management.
Management Goal	**Management Goal** Limit GHG emission allowances under the ETS at or below **436** million tons.	**Management Goal** Achieve **85%** compliance with target river BOD water quality levels.	**Management Goal** Achieve a circular utilization rate of **84.9%**	**Management Goal** Accidents Due to Chemical Facility Failures and Zero Occupational Fatalities **Zero**	**Management Goal** Achieve the **highest rating** in the Public Trust Index (comprehensive integrity, customer satisfaction survey, and shared growth evaluation)

K-eco Management Strategy

Strategic Tasks and Implementation Tasks by Strategic Objective

	Reducing GHG Emissions and Achieving Cleaner Air	Creating a Healthy Water Environment	Transitioning to a Circular Economy	Creating a Safe Environment with Tangible Benefits for the Public	Advancing Management Innovation and ESG Practices
Strategic Objectives					
Strategic Tasks	1. Strengthen the operation of the Emissions Trading Scheme 2. Strengthen GHG reductions efforts 3. Strengthen advanced air environment monitoring	4. Strengthen water pollution management 5. Strengthen water disaster response capabilities 6. Foster the water industry and provide technical support to sewage and wastewater-discharging facilities	7. Create added value by rediscovering waste resources 8. Strengthen life-cycle resource circulation management 9. Ensure effective waste management	10. Strengthen chemical hazard management 11. Reduce living-environment hazards and support vulnerable groups 12. Create a safety-first workplace	13. Expand global market entry 14. Strengthen AI transformation and institutional innovation 15. Lead and expand ESG management
Implementation Tasks	1. Advance the operation of the Emissions Trading Scheme 2. Revitalize the emissions trading market and respond to global carbon regulations 3. Operate carbon-neutrality finance and budgeting systems 4. Strengthen implementation of GHG reduction programs 5. Expand eco-friendly mobility 6. Expand the surveillance system for workplaces emitting air pollutants 7. Strengthen air quality management with tangible benefits for the public	8. Strengthen watershed-based water management 9. Improve the health of aquatic ecosystems, soil, and groundwater 10. Protect public safety from water disasters 11. Operate a year-round response system for water pollution incidents 12. Foster the water industry 13. Provide technical support to sewage and wastewater-discharging facilities	14. Establish infrastructure for utilizing end-of-life EV batteries 15. Expand high-value utilization of waste resources 16. Reduce waste and strengthen resource circularity 17. Transition to a comprehensive recycling system 18. Advance digital waste management 19. Ensure appropriate and safe waste treatment	20. Strengthen management of chemical hazard information 21. Strengthen chemical toxicity testing 22. Strengthen asbestos safety management 23. Provide services to resolve disputes over neighborhood noise 24. Strengthen indoor air quality management 25. Strengthen worker safety management 26. Strengthen safety at workplaces handling chemical substances	27. Develop global projects 28. Strengthen global environmental cooperation 29. Accelerate AI transformation 30. Enhance data usability 31. Ensure robust information security 32. Operate the institution based on job roles 33. Expand renewable energy and spread low-carbon practices 34. Revitalize private-sector cooperation and a mutually beneficial economy 35. Strengthen transparent management and public communication

K-eco Core Operations

Achieving GHG Reduction and Clean Air

GHG Reduction Policy Support

- Operation of the Emissions Trading Scheme and revitalization of the trading market
- Support for companies responding to the EU Carbon Border Adjustment Mechanism (CBAM)
- Operation of the GHG Target Management System
- Operation of the Climate Response Fund and the GHG Reduction-Conscious Budgeting System
- Identification and dissemination of best carbon-neutrality policies
- Management of refrigerants and fluorinated greenhouse gases

Advanced Air Environment Monitoring

- Operation of the national air quality monitoring network
  * Nationwide real-time air quality information and forecasts (PM2.5, PM10, and ozone)
- Operation of the Stack Tele-Monitoring System
- Technical diagnostics for odor at public environmental facilities
- Technical support for odor-emitting workplaces
- Operation of the Vehicle Emissions Integrated Information System
- Implementation of driving restrictions and low-emission measures for old diesel vehicles

Deployment and Expansion of Eco-Friendly Mobility

- Construction and management of charging infrastructure for electric and hydrogen vehicles
- Operation of the integrated zero-emission vehicle website
- Programs to expand adoption of eco-friendly vehicles, including subsidy support

Creating a Healthy Water Environment

Strengthening Water Pollution Management

- Policy support for basin-centered integrated water management
- Operation of the Total Water Pollution Load Management System
- Integrated management of agricultural and livestock pollution sources and contaminated soil remediation projects
- Water pollution monitoring (automatic water quality monitoring networks for the four major rivers and the groundwater quality monitoring network)
- Groundwater environmental surveys and pollution prevention and technical support for livestock burial sites and other locations
- Management of effluent water quality from sewage and wastewater and compliance with ecotoxicity standards for industrial wastewater
- Management of non-point pollution sources and operation of the performance inspection system for non-point pollution reduction facilities
- Operation of the Wastewater Tele-Monitoring System

Strengthening Water Disaster Response Capabilities

- Operation of the Basin Sewerage Support Center and the Sewerage Information System
- Policy support for sewerage, water reuse, and water demand management
- Provision of safe groundwater support for areas vulnerable to water supply shortages
- Response to pollution incidents through operation of the Water Pollution Control Center

Fostering the Water Industry and Providing Technical Support to Business Sites

- Support for the development and advancement of the water industry
- Development of future core water management technologies
- Support for water companies' demonstrations using test-bed facilities

Creating a Safe Environment with Tangible Benefits for the Public

Chemical Substances Management

- Chemical toxicity testing (GLP)
- Support for chemical substance reporting, confirmation, and registration
- Measurement and analysis of persistent organic pollutants (POPs)
- Support for SMEs' compliance with the Chemical Substances Control Act and the Act on the Registration and Evaluation of Chemical Substances, etc
- Reporting of new chemical substances and confirmation and provision of hazard information

Creating a Safe Environment

- Inspection and diagnostics of hazardous chemical handling facilities
- Support for corporate chemical safety management and prevention of defect-related accidents at chemical facilities

Reducing Living-Environment Hazards and Supporting Vulnerable Groups

- Asbestos safety management, measurement, and analysis
- Free radon measurement and reduction consulting
- Operation of the Among Neighbors for Floor Noise
- Operation and management of noise and vibration monitoring networks and automatic indoor air quality monitoring networks
- Indoor air quality diagnostics and improvements for facilities used by vulnerable groups

Global Environmental Projects and International Cooperation

- Operation of the International Environmental Cooperation Center
- Support for the global expansion of domestic mid-sized companies and SMEs
- Training of global environmental professionals

Transitioning to a Circular Economy

Creating Added Value from Waste Resources

- Operation of the National Battery Circularity Cluster
- Certification, testing, analysis, and training related to used batteries
- Waste-to-energy conversion, establishment of integrated biogas production and utilization infrastructure, and support for the deployment of waste-to-energy
- Operation of the Biogas Center
- Operation of the Solid Refuse Fuel (SRF) reporting and inspection system
- Operation of the Integrated Waste-to-Energy Resource Information Management System
- Collection and treatment of agricultural waste

Operation of Waste Management Platforms

- Operation of the Allbaro System
- Operation of RFID-based medical and food waste management systems
- Operation of the Electronic transfer management system for livestock manure and consigned wastewater
- Operation of Proper Waste Treatment Center
- Operation of the Circular Resource Information Center

Operation and Management of Resource Circulation Systems

- Operation of the Extended Producer Responsibility (EPR) system and Waste Charge System
- Operation of the Eco-Assurance System and Packaging Material and Structure Evaluation System
- Operation of the mandatory recycled material use system and management of the recycling market

Environmental Facilities

- Support for the installation of aquatic ecosystem restoration and water treatment facilities
- Support for the installation of environmental energy facilities
- Value Engineering (VE) review of environmental facility designs
- Review of environmental impact assessment reports and post-environmental impact surveys

ESG MANAGEMENT

K-eco integrates environmental, social, and governance considerations throughout its management to achieve sustainable growth and is strengthening a responsible management system.

017 ESG Management Strategy
018 ESG Performance Measurement & Management
019 ESG Management System
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022 K-eco ESG Impact Highlights
024 Stakeholder Communication
028 Double Materiality Assessment



ESG Management Strategy

K-eco has established a mid-to-long-term ESG management strategy for 2026–2030 to build a foundation for sustainable growth. In the environmental (E) sector, the corporation is advancing carbon neutrality and the circular economy to achieve institutional carbon neutrality by 2040 and attain the national resource circulation target of 84%. In the social (S) sector, K-eco aims to earn the highest rating in the Shared Growth Evaluation and Grade 1 in the Safety Management Rating, while fulfilling its social responsibilities in human rights, labor, customers, and mutual growth with local communities. In the governance (G) sector, the corporation seeks to build a transparent and accountable management system by securing Grade 1 in the Comprehensive Integrity Assessment and the highest rating in the Comprehensive Information Disclosure Evaluation. Accordingly, K-eco has established 12 strategic tasks and will contribute to creating sustainable environmental value for the future by leading carbon neutrality efforts, providing professional environmental services, and strengthening trust-based and transparent management.

2026–2030 K-eco Mid-to-Long-Term ESG Management Strategy

Vision

A Clean Planet, Happy Society, and Sustainable Future Created by K-eco

Slogan

The Green Future Envisioned by K-eco

Key Goals

Environmental	Social	Governance
Institutional Carbon Neutrality by 2040 National Resource Circulation Target: 84%	Highest Rating in the Shared Growth Evaluation Grade 1 in the Safety Management Rating	Grade 1 in the Comprehensive Integrity Assessment Highest Rating in the Comprehensive Information Disclosure Evaluation

Strategic Direction

Lead the Realization of Carbon Neutrality	Fulfill Social Responsibility through Professional Environmental Services	Strengthen Trustworthy and Transparent Management

10 Key Issues

3 Key Issues	4 Key Issues	3 Key Issues
Carbon Neutrality (RE100), Circular Economy, Environmental Management	Human Rights, Labor (Jobs), Customers, Mutual Growth with Local Communities	Board of Directors, Anti-Corruption and Ethical Management, Stakeholder Communication

Strategic Tasks (12)

1. Achieve institutional carbon neutrality by 2040 2. Support national carbon neutrality implementation 3. Advance the circular economy and waste-to-energy conversion 4. Lead environmental services responding to the climate crisis	5. Strengthen the human rights management system 6. Ensure fair recruitment and create a happy workplace 7. Advance safety management and information security 8. Enhance customer satisfaction management and support SMEs and local communities	9. Strengthen Board of Directors governance 10. Strengthen ethical and compliance management and the anti-corruption system 11. Activate information disclosure and communication 12. Improve management efficiency and sustainability

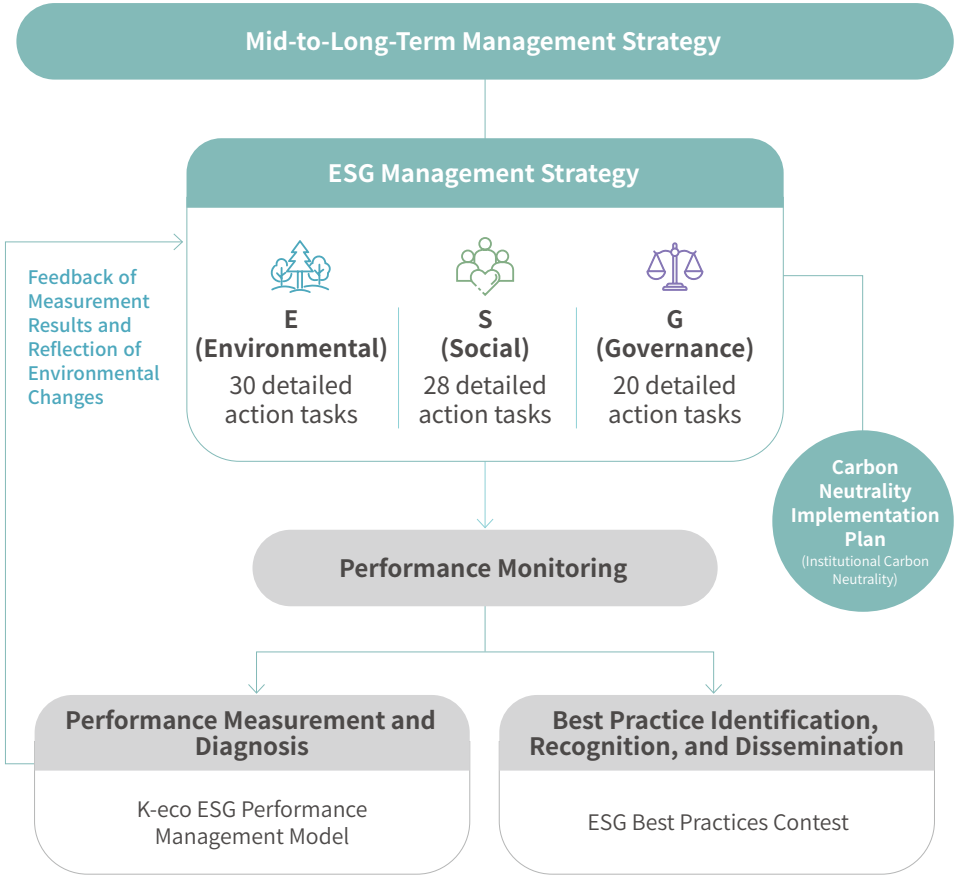
Implementation Tasks (35)
Detailed Action Tasks (77)

13, including achieving institutional carbon neutrality by 2040 30, including implementation of the carbon neutrality scenario roadmap	13, including strengthening the human rights management system 28, including human rights risk management and internalization of human rights values among employees	9, including strengthening the functions of the Board of Directors 19, including strengthening board participation in ESG management

ESG Performance Measurement & Management

Based on its mid-to-long-term management strategy, K-eco has developed its own performance management model tailored to the institution's characteristics, strengthening ESG implementation through the systematic diagnosis, measurement, and management of ESG performance. The corporation continuously monitors performance on detailed action tasks across the environmental (E), social (S), and governance (G) sectors, as well as progress on its institutional carbon neutrality plan. K-eco conducts precise performance diagnosis and measurement and identifies, recognizes, and disseminates best practices in ESG management. K-eco also continues to lead the way toward a sustainable future by incorporating measurement results and changes in the operating environment into its management practices.

2025 ESG Strategy Implementation and Performance Management Process



K-eco ESG Management: Key Performance Measurement and Management Status

Environment

Achieve Institutional Carbon Neutrality by 2040
across buildings, transportation, and daily practices
Carbon reduction of 1,817 tons (113% of the target achieved)

Support National Carbon Neutrality Implementation
GHG Reduction-Conscious Budgeting System
347 projects across 17 ministries (KRW 16.8 trillion), with an estimated reduction of 5 million tons

Expand the Circular Economy and Waste-to-Energy Conversion
waste batteries
565 waste batteries supplied to the private sector (up 203% year on year)

Social

Strengthen the Human Rights Management System
The only public institution 2025 Korea Human Rights Award
Commendation from the Chairperson of the National Human Rights Commission of Korea

Ensure Fair Recruitment and Create a Happy Workplace
Ministry of Gender Equality and Family Family-Friendly Certified Company (2013–2025)
Recertified for 13 consecutive years

Advance Safety Management and Information Security
Distinguished Service in National Disaster Management Prime Minister's
Institutional Commendation

Governance

Strengthen Board of Directors Governance
Expansion of on-site Board meetings **(2 in 2024 → 3 in 2025)**
Enhanced non-executive directors' understanding of K-eco's operations

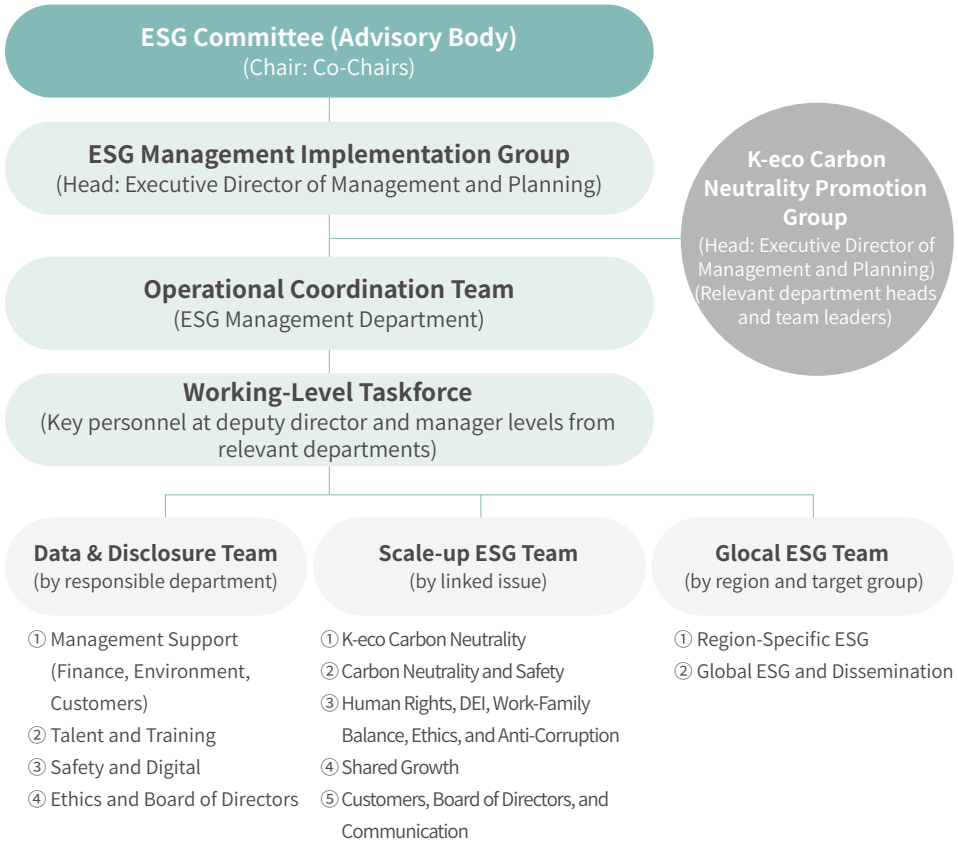
Strengthen Ethical and Compliance Management and the Anti-Corruption System
Assessment of Self-Audit Activities by Public Institutions
Grade A in the internal control category **for three consecutive years**

Activate Information Disclosure and Communication
Ministry of the Interior and Safety Assessment of Public Data Provision and Operation
Achieved an "Excellent" level

ESG Management System

K-eco has established and operates an organization-wide governance structure to systematically advance ESG management and strengthen implementation. Centered on the ESG Committee, which advises on major ESG-related agenda items, K-eco has formed an ESG Management Implementation Group that integrates and manages ESG tasks aligned with institutional strategies. Under the Promotion Group, an Operational Coordination Team and a Working-Level Taskforce work organically to plan, coordinate, and implement ESG tasks. K-eco also operates a separate Carbon Neutrality Promotion Group to coordinate and manage carbon-neutrality strategies and action tasks across the organization.
K-eco also operates the "Data & Disclosure Team," which manages data and performance by responsible department, to systematically manage ESG results in each sector. In addition, K-eco operates a "Scale-up ESG Team" focused on major interconnected issues such as carbon neutrality, safety, and stakeholder communication, enabling concentrated management of the corporation's key ESG tasks. K-eco also operates a "Glocal ESG Team" that considers regions and target groups, implementing region-specific ESG activities and disseminating ESG values.

K-eco ESG Management Organizational Structure



Key Operations of the ESG Management Implementation Group

ESG Strategy and Performance Management

Identify ESG strategic tasks and manage implementation performance

- Implement ESG strategies and action tasks
- Manage ESG performance and review implementation status
- Support review and recommendations on ESG Committee agenda items

ESG Disclosure and Data Management

Advance the disclosure system and manage data quality

- Monitor strategic tasks and identify new ESG tasks
- Implement improvement tasks by sector
- Maintain a subcommittee collaboration system

ESG Task Identification and Improvement

Implement action tasks based on interdepartmental collaboration

- Expand and improve ESG disclosure items
- Collect, verify, and manage ESG data
- Support the preparation of the Sustainability Report

Regional and Global ESG Dissemination

Disseminate ESG values and establish a cooperation system

- Implement regional ESG dissemination projects
- Expand global ESG cooperation
- Share regional and global best practices

ESG Strategy Aligned with Government Policy Tasks

National Policy Goal: Politics that Unites the People

Implementation Strategy	Government Policy Task	K-eco Detailed Action Task	K-eco Implementation Strategy
3. A Competent Government that Solves Problems	[13] Realizing a Vibrant Public Service Based on Loyalty, Competence, and Integrity	Achieve Grade 1 in the Comprehensive Integrity Assessment (G)	Expand ethical management based on the standard ethical management model
		Generate best practices in proactive administration (G)	Foster a culture of proactive administration by strengthening the Proactive Administration Committee, pre-consultation, and immunity mechanisms
	[18] Management Innovation in Public Institutions that Contributes to Growth and People's Livelihoods	Implement the employee-elected director system (G)	Strengthen the role of the employee-elected director and firmly establish the system
		Achieve the highest rating in the Comprehensive Information Disclosure Evaluation (G)	Improve the information disclosure rate through digitalization
		Strengthen ESG and management disclosure (G)	Expand ESG disclosure in accordance with the Public Institution ESG Guidelines
	[19] Rationalizing Regulations for Livelihoods, Safety, Fairness, and Mutual Growth	Achieve an excellent rating in the Board of Audit and Inspection evaluation (G)	Enhance future-ready audit expertise by strengthening specialized capabilities in internal control, AI, and related areas

National Policy Goal: An Innovation Economy Leading the World

Implementation Strategy	Government Policy Task	K-eco Detailed Action Task	K-eco Implementation Strategy
1. Becoming the World's Top Three AI Powers	[24] Achieving the World's No. 1 AI Government	Achieve the highest rating in the assessment of public data provision and operation (G)	Expand full access to public data
3. An Industrial Renaissance Driven by Innovation	[30] Becoming One of the World's Top Four Manufacturing Powers through Innovation in Key Industries	Achieve the highest rating in the Shared Growth Evaluation (S)	Expand support for the purchase of innovative and mutually beneficial cooperation products and increase contributions to the Shared Growth Fund
4. Responding to the Climate Crisis and Achieving a Sustainable Energy Transition	[40] Achieving Carbon Neutrality for a Sustainable Future	Implement the carbon neutrality scenario roadmap (E)	Establish and implement reduction plans by emission source to meet reduction targets
		Administer the Climate Response Fund under entrustment (E)	Support fund management and execution
		Build and operate EV charging infrastructure (E)	Expand EV charging infrastructure and enhance related systems
	[41] Reforming the Economic Structure for Carbon Neutrality	Implement the carbon neutrality scenario roadmap (E)	Implement carbon neutrality measures in the building sector (wall greening, introduction of BEMS, etc.)
		Operate the CBAM Response Capacity Help Desk (E)	Publish item-specific guidebooks and provide consulting and other support
		Enhance the operation of the Future Waste Resource Regional Collection Center (E)	Expand the collection and circular use of waste batteries and electrical and electronic products
		Operate the Eco-Assurance System for Electrical and Electronic Products (E)	
	[42] Creating a Circular Economy Ecosystem	Contribute to achieving national circular economy targets (E)	Monitor implementation progress among large-volume waste generators
		Enhance the operation of the Future Waste Resource Regional Collection Centers (E)	Improve related systems and expand the range of items managed
		Strengthen waste collection and recycling management (E)	Expand the incentive program for the collection of high-quality recyclables
		Operate the Packaging EPR System for Electrical and Electronic Products (E)	Expand covered items to include toys and other products (from 2026)
	[43] Strengthening National Climate Adaptation Capabilities	Establish a foundation for a regional reclaimed wastewater supply network (E)	Support the nationwide expansion of reclaimed water supply infrastructure tailored to demand
	[44] Creating a Pleasant Environment for All	Manage total air pollutant emissions from workplaces (E)	Gradually reduce permitted total emissions for high-emitting workplaces
		Establish a foundation for a regional reclaimed wastewater supply network (E)	Provide policy support for the nationwide expansion of reclaimed water supply infrastructure tailored to demand
		Expand inspections of hazardous chemical handling facilities (E)	Expand inspections and diagnostics of hazardous chemical handling facilities
		Provide technical support for chemical safety management and improve handling facilities (E)	Expand technical support projects for chemical safety management based on performance evaluations

ESG Strategy Aligned with Government Policy Tasks

National Policy Goal Balanced Growth Where Everyone Prospers

Implementation Strategy	Government Policy Task	K-eco Strategy: K-eco Detailed Action Task	K-eco Strategy: K-eco Implementation Strategy
2 . A Vibrant Economy for People's Livelihoods	[61] Revitalizing Small Businesses and Local Commercial Districts	Revitalize local commercial districts and enhance mutually beneficial development S	Implement projects to revitalize local traditional markets, including encouraging the use of traditional market gift certificates

National Policy Goal A Society with Strong Foundations

Implementation Strategy	Government Policy Task	K-eco Strategy: K-eco Detailed Action Task	K-eco Strategy: K-eco Implementation Strategy
1 . A Society that Prioritizes Life and Safety	[72] Establishing a Disaster and Safety Management System to Protect Public Safety	Achieve Grade 1 in the Safety Management Rating S	Establish a self-regulatory accident prevention system to prevent serious accidents and address challenges in reducing occupational accidents
4 . A Great Transformation to Overcome the Demographic Crisis	[95] A Happy Workplace Where Work, Family, and Life Coexist	Increase the use of flexible work arrangements and annual leave S	Revise and implement work regulations in response to policy changes, including a pilot four-day workweek
5 . A Workplace Where Everyone Is Respected	[89] Building the Future Together by Expanding Youth Participation in Policy and Supporting Basic Living	Develop future-ready professionals in the environmental sector S	Foster future environmental talent by strengthening professional training programs in the environmental sector
		Expand youth entrepreneurship support programs S	Expand programs, including increased funding for youth entrepreneurship in the environmental sector

Priority Strategic Task 2 Advancing toward a KOSPI 5,000 Era by Realizing the Korea Premium

Government Policy Task	K-eco Strategy: K-eco Detailed Action Task	K-eco Strategy: K-eco Implementation Strategy
Action Strategy 2. Establishing a Fair and Transparent Market Order	Strengthen ESG and management disclosure G	Expand ESG disclosure in accordance with the Public Institution ESG Guidelines

Priority Strategic Task 9 A Life-Respecting Society Safe from Disasters and Accidents

Government Policy Task	K-eco Strategy: K-eco Detailed Action Task	K-eco Strategy: K-eco Implementation Strategy
Action Strategy 4. Strengthening Measures to Prevent Major Disasters	Establish and operate the Basin Sewerage Support Center E	Ensure stable operation of the Basin Sewerage Support Center and establish an integrated information system

Priority Strategic Task 12 Realizing Politics of National Unity through Participatory and Communicative Governance

Government Policy Task	K-eco Strategy: K-eco Detailed Action Task	K-eco Strategy: K-eco Implementation Strategy
Action Strategy 2. Making Participation and Communication Routine and Institutionalized	Operate the Civic Participation Innovation Group G	Create innovation outcomes with tangible benefits for the public by collecting citizen input throughout all stages of project implementation

K-eco ESG Impact Highlights

Environmental
Achievement of the 2025 Institutional Carbon Neutrality Roadmap Target
- Reduction target: 1,608 tons, reduction achieved: 1,817 tons (113%)

Environmental
Presidential Commendation for Operation of the GHG Reduction-Conscious Budgeting System on World Environment Day

Environmental
First Certification of the Environmental Management System (ISO 14001)

Environmental
Expanded Scope 3 Emissions Accounting Categories and Developed AI-Based Automated Calculation Technology

Social
Selected as a Certified Institution under the Outstanding Educational Donation Institution Certification Program

Social
First Certification of the Occupational Health and Safety Management System (ISO 45001)



Social
Achieved the Highest "Outstanding" Rating in the Public-Service Customer Satisfaction Index (PCSI)

Social
The Only Public Institution to Receive the Korea Human Rights Award from the National Human Rights Commission of Korea

Governance
100% Implementation Rate for Management Recommendations from Non-Executive Directors (All 30 recommendations reflected)

Governance
Organization-Wide Internal Communication Council for Innovation
Launch of "Green Reboot TF 1.0" and advancement to 2.0

Governance
Achieved a 91% Implementation Rate on the Ministry of Economy and Finance 「Public Institution Ethical Management Standard Model」 Checklist

Governance
Achieved a Grade 2 rating in the Comprehensive Integrity Assessment, marking a two-year consecutive improvement

Environmental
Prime Minister's Award at the 14th Korea Knowledge Awards
- VOC-based knowledge service for the Integrated Environmental Permitting System

Environmental
Grand Prize in the Environmental Data Analysis and Application Contest
- Development of an AI-based waste recognition and classification application

Environmental
Minister of Personnel Management Award at the Proactive Administration Best Practices Contest
- Zero disposal fees by abolishing stickers for waste home appliances

Environmental
Established the K-eco RE100 Implementation Model
- 2035 RE100 implementation strategy and introduction of a Power Purchase Agreement (PPA)



Social
First Institutional Recognition Designated as a Recognized Institution for ESG Practices in Rural and Fishing Communities

Social
Ministry of SMEs and Startups Shared Growth Evaluation
Achieved the highest rating

Social
Prime Minister's Commendation for Contributions to National Disaster Management

Social
Pilot Four- to Four-and-a-Half-Day Attendance System to Support Work-Family Balance

Governance
Integrated Launch of the Integrity and Internal Control Committee as K-eco's Ethical Management Control Tower

Governance
Established AI Ethics Governance
- Enacted ethical guidelines and formed an Ethics Subcommittee

Governance
Top Excellence Award in the Public Services Category at the AX Innovation Awards

Governance
Highest Ratings in the Public Data Provision and Data-Based Administration Assessments

Stakeholder Communication

Stakeholder Identification and Communication Strategy

K-eco operates separate communication systems tailored to the characteristics and roles of its stakeholders. For the public, customers, and environmentally vulnerable groups, the corporation strengthens participatory communication and works to ensure the right to know and accessibility. K-eco cooperates with the National Assembly, government ministries, and local governments with a focus on disseminating policy outcomes and strengthening implementation of national policy tasks. K-eco advances mutually beneficial cooperation with partner companies and local communities through technical support and regulatory innovation, while concentrating on creating shared outcomes with international organizations and experts through collaborative networks. K-eco also fosters a horizontal organizational culture and stronger internal communication with employees and labor unions through open, intergenerational conversation.

Stakeholder Communication Channels

Through customized communication with internal and external stakeholders, K-eco shares and disseminates its value system. The corporation regularly shares its management activities and related issues with stakeholders through diverse channels for each group and actively gathers stakeholder feedback through multiple forms of communication to incorporate it into management activities. To communicate with internal stakeholders, K-eco conducts workshops and events to disseminate key institutional values, while continuing to engage with external stakeholders through social media and other channels. K-eco will continue to listen to a broad range of stakeholder voices and actively communicate its values through channels and methods tailored to the characteristics of each stakeholder group.

K-eco Communication Strategies and Channels by Stakeholder Type

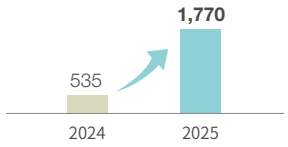
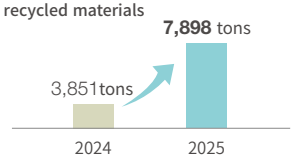
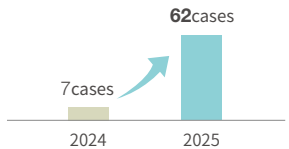
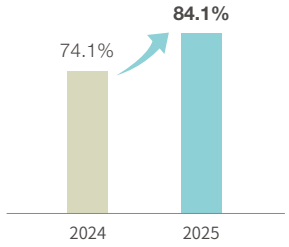
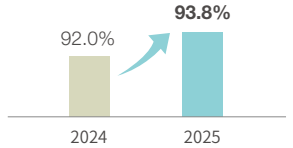
Stakeholders	Value Sharing & Enjoyment Type	Value Impact & Dissemination Type	Value Sharing & Mutual Growth Type	Value Collaboration & Contribution Type	Value Generation & Creation Type
	External Stakeholders	External Stakeholders	External Stakeholders	External Stakeholders	Internal Stakeholders
	General Public, Customers, and Environmentally Vulnerable Groups	Government, National Assembly, and Media	Partner Companies, Affiliated Organizations, and Local Communities	International Organizations and Experts	Employees and Labor Unions
Communication Strategy	**Participatory Public Communication** Ensuring the right to know and Creating an Accessible User Environment	**Strengthening the Implementation of National Policy Tasks** Generating and Sharing Policy Outcomes	**Mutual-Growth Cooperation through Technical Support** Mutual Growth and Technology Sharing through Regulatory Reform	**Creating Shared Outcomes** Building Collaborative Networks and Creating Outcomes	**Open Communication across Generations** Establishing a Horizontal Organizational Culture through Stronger Internal Communication
Communication Channels	• Open access to environmental data • Civic Participation Innovation Group • Social media (new media)	• Media coverage • Joint briefings and public-private consultative bodies • Policy roundtables	• Customized consulting • Surveys • Technical support	• International conferences • Future Innovation Council • Expert forums	• Labor-management councils • Work-Family Balance Promotion Group • Integrity and Internal Control Committee

Stakeholder Communication

Creating Tangible Outcomes through Stronger Stakeholder Communication

K-eco continues to strengthen the feedback mechanism of its communication channels so that stakeholder opinions lead to tangible improvements in policies and services. Rather than merely receiving suggestions and opinions from a wide range of internal and external stakeholders, including the public, businesses, and employees, K-eco reviews and analyzes them, identifies improvement tasks, and then measures the implementation results and outcomes of those tasks, thereby establishing a virtuous cycle. K-eco also works to ensure that stakeholder voices are reflected throughout institutional operations through direct public participation and business feedback. K-eco will continue to enhance the effectiveness of stakeholder communication and strengthen a participatory communication system that engages stakeholders in solving problems together.

Examples of Tangible Stakeholder Outcomes

	Public Participation-Based Communication	Implementation of National Policy Tasks	Mutual-Growth Cooperation through Technical Support	Creating Shared Outcomes	Intergenerational Integration & Open Communication
Communication Strategies & Channels	Portal Platform	Public-Private-Industry Consultative Body	Pre-Consulting	Future Innovation Council	Work-Family Balance Promotion Group
Results of Strengthening the Feedback Function	**Public access to and awareness of the collection and reward program remained low due to its administrative program name (High-Quality Recyclables Collection and Reward Program).** • Launched "Green Return," a relatable brand created with direct public participation • 9,785 citizens voted on the brand name through Naver public-interest banners and other channels	**Need to mandate the use of recycled materials to create a circular economy ecosystem (National Policy Task 42)** • Expanded the working-level consultative body to support recycled-material use management and certification • [Existing] Private sector (Distribution Support Center) + Public sector (K-eco) + [New] industry sector (Producer Cooperative)	**Need to reduce the burden on SMEs and mid-sized manufacturers in pursuing eco-friendly management and carbon neutrality** • Expanded pre-consulting for eco-friendly management, including the introduction of innovative carbon-reduction technologies to companies seeking to participate in the Smart Eco-Factory Development Project	**Need to strengthen coordination of agenda items across the ESG, AX, and Global Committees** • Established meetings among private-sector chairs and co-chairs, creating a framework for organic collaboration and integrated decision-making among the three committees	**Need to expand channels for gathering feedback to strengthen implementation of work-family balance measures** • Added internal and external advisory groups, including the labor union and a labor attorney, to the existing task force centered on the Executive Director of Management and Planning, expanding opportunities to gather feedback on institutional improvements
Outcomes	• Greater public convenience through expanded collection points  • Increased collection of high-quality recycled materials 	• Global certification of products using recycled materials through consultative-body collaboration (GRS and ISCC) 38 certifications obtained	• Expanded consulting  • Supported 94 companies in transitioning to eco-friendly factories KRW 784billion in support 98tons of GHG reductions	• Increased the rate at which recommendations were reflected in operations through a communication- and execution-centered platform 	• Piloted a 4- to 4.5 day workweek system 4~4.5 day in-office workweek • Improved employee satisfaction with work-family balance 

Stakeholder Communication

Stakeholder Interviews



ESG Committee

Chair of the ESG Committee,
K-eco Future Innovation Council
Professor, Department of Public Administration,
Myongji University
Choi Hyun-sun

What areas should K-eco strengthen in particular to ensure that ESG management in public institutions moves beyond simple information disclosure and leads to tangible outcomes?

ESG management at public institutions should not remain at the level of simply compiling and disclosing performance. In particular, ESG management at an environmental public institution such as K-eco should lead to higher-quality environmental services, stronger on-the-ground execution of carbon-neutrality policies, and tangible outcomes in resource circulation and pollutant management. The most important task is therefore to further strengthen the connection between ESG objectives and the institution's core operations.

K-eco has already systematized its ESG strategies around key issues such as carbon neutrality, the circular economy, public environmental services, and AI and digital transformation. Going forward, these strategies need to be connected more closely with the performance indicators, budgets, organizational operations, and stakeholder communication of individual projects.

The outcomes of ESG management must also be tangible to the public and stakeholders. K-eco should further strengthen the feedback mechanism through which opinions collected through diverse communication channels—including open environmental data, the Civic Participation Innovation Group, expert advice, and cooperation with businesses and local governments—are incorporated into policy and service improvements. Beyond listening to opinions, it is important to transparently show what feedback was received, how it was reviewed, and what improvements resulted. As these efforts build over time, the ESG report can become not merely a disclosure document, but a communication tool that demonstrates K-eco's accountability and implementation capabilities.

K-eco is on the front line of responding to the climate crisis and providing environmental services. If it continues to create environmental outcomes that the public can tangibly experience, based on its expertise and public-service mission, and consistently shares those outcomes with stakeholders, it can establish itself as a model of ESG management among public institutions.



Government

Director of Environmental Policy and Technology,
Ministry of Climate, Energy and Environment
Sim Gwang-hyeon

From the perspective of a government ministry, what role do you expect K-eco to play in developing into an environmental institution that earns even greater public trust?

For government policies to lead to tangible outcomes, field-level implementation capabilities and expertise are just as important as institutional design. In this regard, K-eco plays a vital role as a policy implementation institution connecting the government and the public across a wide range of areas, including support for carbon-neutrality policies, operation of the Emissions Trading Scheme, management of the Climate Response Fund, and air quality monitoring.

For K-eco to develop into an environmental institution that earns even greater public trust, it should further strengthen its expertise in supporting climate crisis response and carbon-neutrality implementation. Achieving the national greenhouse gas reduction target is a task that requires the government, public institutions, industry, and local governments to move together. If K-eco uses its environmental data and experience in technical support to provide practical assistance to businesses and local communities in reducing emissions, the effectiveness of national carbon-neutrality policy implementation will be further enhanced.

It is also important to expand environmental services that deliver tangible benefits to the public. If K-eco uses AI and digital technologies to improve the accuracy and accessibility of environmental information and advances pollutant management and services that reduce hazards in the living environment, the quality of environmental administration experienced by the public will also improve.

Finally, K-eco should move beyond being a simple implementing agency for government policies and strengthen its role as a platform leading environmental technology innovation and a collaborative ecosystem. The effectiveness of environmental policies can be further increased when the results of environmental R&D and new technology development are applied in the field and disseminated through cooperation with businesses, local governments, and research institutions. I look forward to K-eco continuing to grow into a trusted environmental institution based on expertise, transparency, and field-oriented implementation capabilities.

Stakeholder Communication



Youth

Intern at United Nations Headquarters in New York (Graduate of the 2025 Global Environmental Expert Training Program)
Yoo Seong-gyeong

What directions should K-eco consider most important as it expands cooperation with international organizations and overseas institutions?

To expand cooperation with international organizations and overseas institutions, K-eco should closely examine how each institution operates and what it actually needs, and then propose cooperation models tailored to those needs. International organizations differ in their project structures, financing methods, and required expertise. Rather than taking a uniform approach, K-eco should therefore develop customized cooperation measures based on its environmental expertise and project implementation experience.

For example, UNDP carries out a wide range of project-based development cooperation initiatives, making expertise and partnerships for planning and implementing new environmental projects particularly important. K-eco has accumulated experience and technologies in carbon neutrality, resource circulation, environmental management, and many other areas. Connecting these capabilities with the field-level needs of international organizations could create tangible cooperative outcomes. In particular, the UNDP Regional Bureau for Arab States, with which K-eco has established a cooperative relationship, has demanded for cooperation in climate and environmental fields. It is therefore important to strengthen the foundation for project implementation through close communication with local hubs and the dispatch of expert personnel.

International cooperation can expand not only through short-term project outcomes but also through the formation of lasting human networks. K-eco's Global Environmental Expert Training Program can serve as an important channel connecting young talent with international organizations and environmental work in the field. If professionals engaged through these initiatives go on to pursue international careers, I believe it would greatly enhance K-eco's global environmental standing and strengthen the platform for cross-border cooperation.



Citizen

K-eco Civic Participation Innovation Group
Kim Su-jin

As a member of K-eco's Civic Participation Innovation Group, what impressed you most about the corporation's major projects and ESG management activities from a citizen's perspective?

In my work evaluating companies' technological capabilities and ESG management, I often viewed carbon neutrality and ESG mainly in terms of corporate regulatory compliance or national-level policy indicators. However, as I encountered K-eco's major projects and ESG management activities from a citizen's perspective, what impressed me most was how the corporation connects broad environmental issues to tangible actions in people's daily lives.

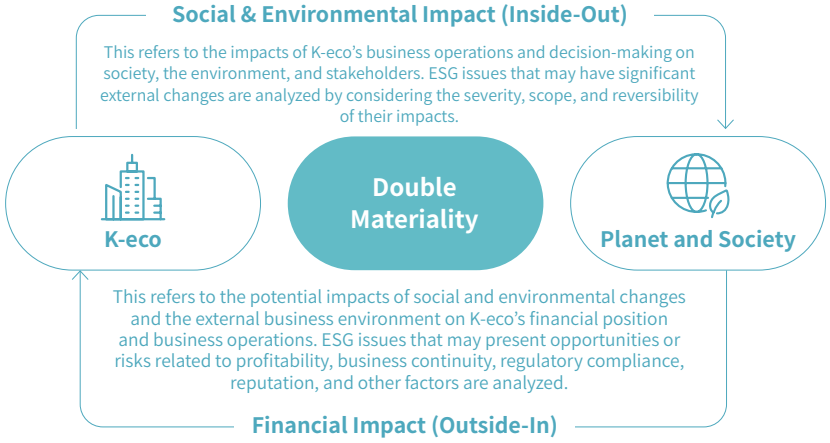
In particular, while reviewing its diverse achievements and awards, including those related to government innovation, I was able to see that K-eco is working to make practical improvements to environmental issues that directly affect citizens' lives. Even when implementing a single project, K-eco carefully establishes the foundations needed for policies to function properly in the field, including regulatory innovation, legal and institutional frameworks, and public-private cooperation. I felt that these processes were leading to better-quality environmental services in people's daily lives.

Environmental policies can sometimes feel distant from the public, but I believe their significance becomes even greater when they lead to changes people can experience in daily life, such as cleaner air, safer water, and more pleasant living environments. In this sense, K-eco can be seen as an institution that puts national environmental policies into practice close to people's lives. I hope K-eco will continue to identify innovative environmental policies and services that directly touch citizens' lives. As a member of the Civic Participation Innovation Group, I will also continue to contribute meaningful feedback from a citizen's perspective.

Double Materiality Assessment

Double Materiality Assessment Overview

Each year, K-eco conducts a double materiality assessment that reflects the opinions of diverse stakeholders, taking into account trends among comparable institutions in the sector and recent global ESG trends related to sustainability management issues. A double materiality assessment simultaneously analyzes the environmental and social impacts of an institution's management activities on the outside world and the financial impacts of external factors on the organization. It is a materiality assessment approach required under the EU Corporate Sustainability Reporting Directive (CSRD) for sustainability reporting. Through the double materiality assessment, K-eco gathers opinions from internal and external stakeholders, establishes strategies and objectives that reflect the latest sustainability management issues, and prepares to meet domestic and international non-financial disclosure standards.



Double Materiality Assessment Process

Step 1

Issue Screening

- **Conduct internal and external environmental analyses to screen sustainability topics**

Media analysis
Analyze approximately 1,917 relevant articles published from January to December 2025

Industry trend analysis
Benchmark institutions in the same sector and of similar types and analyze material topics

Review domestic and international frameworks and assessment
GRI, SASB, MSCI, ESRS, the K-ESG Guidelines, and the Public Institution ESG Guidelines

Analyze K-eco's internal management materials
Mid- to long-term management objectives, mid- to longterm ESG management strategies, and the previous year's material topics

- **Establish an issue pool comprising eight environmental, six social, and two governance issues**

Step 2

IRO Assessment

- **Conduct an online survey of employees and focus group interviews (FGIs) with external experts**
- **Comprehensively assess the materiality and associated impacts, risks, and opportunities (IROs) of identified issues**

Environmental and social impacts
likelihood, scale, scope, and reversibility

Financial impacts
likelihood and financial magnitude



Step 3

Selection of Material Topics

- **Finalize material topics through review by K-eco management and the responsible department**
- **Final material topics for 2026**

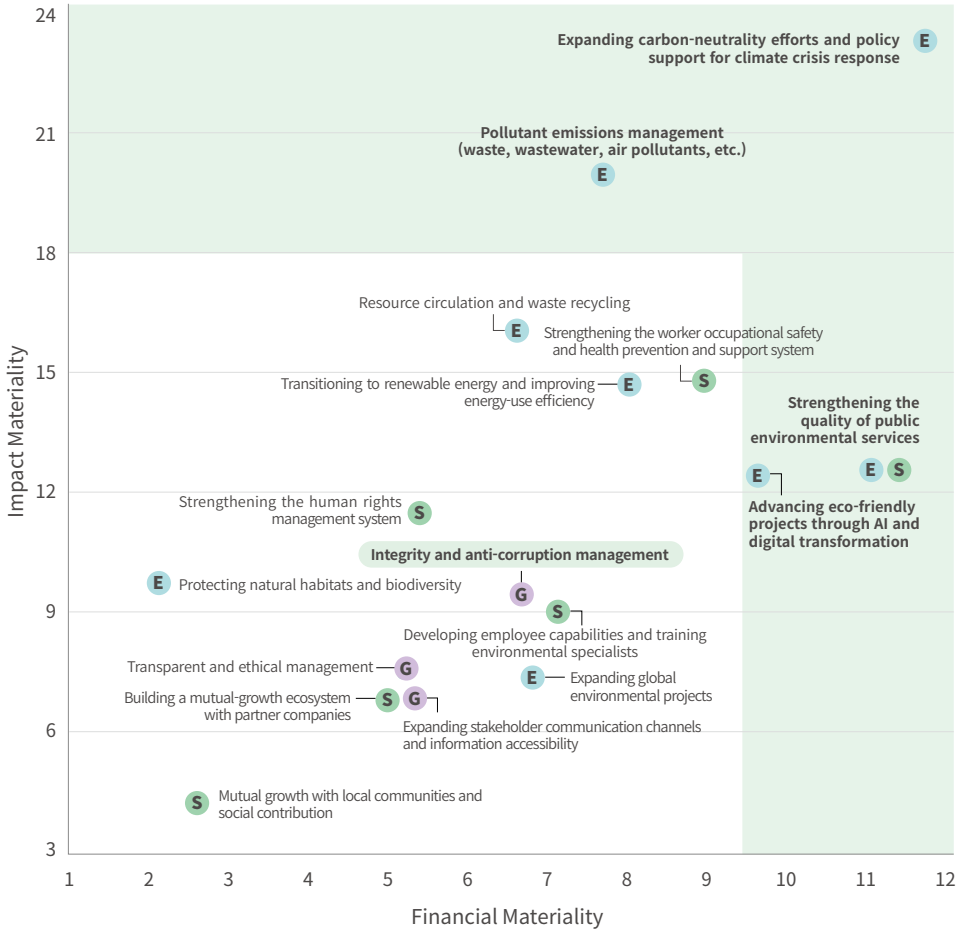
- Expand carbon-neutrality efforts and policy support for climate crisis response
- Manage pollutant emissions (waste, wastewater, and air pollutants)
- Strengthen the quality of public environmental services
- Advance eco-friendly projects through AI and digital transformation
- Ensure integrity and anti-corruption management



Double Materiality Assessment

Double Materiality Assessment Results

Through the double materiality assessment, K-eco comprehensively reviewed financial impacts and social and environmental impacts and identified a list of issues requiring priority attention to support the transition to a sustainable carbon-neutral society. In addition to the top four issues with high financial or environmental and social impacts, K-eco added one governance issue to ensure that these issues are managed responsibly and transparently, selecting a total of five material topics. For the identified material topics, we analyze the materiality of each issue and its associated risks and opportunities and systematically manage related response activities and performance, thereby strengthening its ESG management implementation capabilities.



Issue Lists and Material Topics		Impact materiality	Financial materiality	YoY Rank Change
E	Expanding carbon-neutrality efforts and policy support for climate crisis response	●	●	-
E	Pollutant emissions management (waste, wastewater, air pollutants, etc.)	●	◕	▲3
E S	Strengthening the quality of public environmental services	◑	●	New
E	Advancing eco-friendly projects through AI and digital transformation	◑	◕	New
G	Integrity and anti-corruption management	◔	◑	▲6
S	Strengthening the worker occupational safety and health prevention and support system	◕	◕	-
E	Transitioning to renewable energy and improving energy-use efficiency	◕	◕	▲2
E	Resource circulation and waste recycling	◕	◑	▼3
S	Strengthening the human rights management system	◑	◑	New
E	Protecting natural habitats and biodiversity	◔	○	▲5
S	Developing employee capabilities and training environmental specialists	◔	◑	▼4
E	Expanding global environmental projects	◔	◑	▼4
G	Transparent and ethical management	◔	◑	▼10
G	Expanding stakeholder communication channels and information accessibility	◔	◔	▼2
S	Building a mutual-growth ecosystem with partner companies	◔	◔	▼5
S	Mutual growth with local communities and social contribution	○	◔	▲1

● Critical ◕ Significant ◑ Important ◔ Informative ○ Minimal

Double Materiality Assessment

Management Approach for Material Topics

K-eco comprehensively analyzes changes in the internal and external operating environment and the risks and opportunities associated with each material topic and systematically implements response strategies based on this analysis. K-eco will continue to create sustainable value with stakeholders through ongoing management of material topics and achieving tangible results.

Context | Risk & Opportunity | Our Approach

Material Issues	Context	Risk & Opportunity	Our Approach	UN SDGs	GRI	Public Institution ESG Guidelines
Expanding Carbon-Neutrality Efforts and Policy Support for Climate Crisis Response	• Importance of the public sector's leading role and policy implementation capabilities in addressing carbon neutrality as a major national policy task • Need to respond to changes in domestic and international environmental regulations, including more stringent GHG reduction targets • Expansion of related roles and growing demands	Risk • Increased operational and project investment burdens due to stricter compliance requirements • Increased disaster risks and response costs due to environmental and climate changes Opportunity • Expanded participation in related infrastructure development and policy support projects • Strengthened role and standing as a leading climate policy institution	Continuously enhance carbon-neutrality support programs and systems Strengthen the foundation for implementing national climate policies through climate-budget operations, expanded eco-friendly mobility, and related measures	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	GRI 201-2 GRI 302 GRI 305	E-2 E-3 E-4 E-11
Managing Pollutant Emissions (Waste, Wastewater, Air Pollutants, etc.)	• Growing public concern over environmental pollution and increasingly stringent regulatory standards • Increasing demand for management of waste, air pollutants, and other pollutants • Need to establish a management system in response to greater public awareness of pollutants	Risk • Potential harm to public health and erosion of public trust due to inadequate pollutant management • Increased social costs due to water, air, soil, and other forms of pollution Opportunity • Enhanced environmental safety and public trust through systematic, prevention-focused management • Creation of added value through an expanded circular economy	Monitor and diagnose air, water, waste, soil, and groundwater pollutants Operate total pollutant load management systems and strengthen waste collection and resource circulation to reduce pollution and advance the circular economy	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 15 LIFE ON LAND	GRI 306	E-5 E-6 E-11
Strengthening the Quality of Public Environmental Services	• Rising public expectations for environmental services • Growing demand for prompt environmental administrative services • Growing importance of improving service quality as demand for environmental information and its usability increases	Risk • Reduced public trust and institutional standing due to lower service quality • Weakened institutional credibility and public acceptance of policies due to unreliable environmental information Opportunity • Increased public satisfaction through high-quality services • Expansion of the social value of public services through improved service quality	Measure environmental hazards affecting daily life, including noise, light pollution, and chemical substances, and operate related services Strengthen access to environmental information through public environmental service platforms, applications, and other services	3 GOOD HEALTH AND WELL-BEING 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 413	S-10
Advancing Eco-Friendly Projects through AI and Digital Transformation	• Expanded use of new technologies such as AI, big data, and digital platforms in business operations • Growing importance of AI-based pollutant-emission monitoring and prediction and data-driven environmental policy implementation • Increasing demand to advance environmental projects using AI and digital technologies	Risk • Reduced policy response capabilities due to delays in digital and AI transformation • Reduced service stability and stakeholder trust due to security incidents Opportunity • Improved accuracy and efficiency of environmental management through AI and digital technologies • Enhanced policy and project decision-making through environmental information monitoring, forecasting, and analysis	Introduce AI- and digitally enabled monitoring and forecasting systems to advance environmental management Support innovation in environmental administration and expand private-sector projects and research by opening environmental data	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES	-	-
Realizing Integrity and Anti-Corruption Management	• Growing public expectations and demands for transparency and ethical management at public institutions • Increasing institutional requirements for fair performance of duties, including prevention of conflicts of interest • Growing importance of enhancing the ethical management framework to strengthen trust in public services	Risk • Damage to institutional reputation and reduced public trust due to corruption or unethical conduct • Increased legal and financial risks Opportunity • Strengthened public trust through fair and transparent performance of duties • Enhanced management stability through a transparent and ethical organizational culture	Implement integrity and ethics programs based on the Standard Ethical Management Model and continuously enhance the internal control system Strengthen the foundation for ethical management in response to changes in the operating environment, including the establishment of AI ethics governance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	GRI 205	G-6 G-7 G-8 G-9 G-10

ENVIRONMENT

Standing at the forefront of climate crisis response and environmental conservation, K-eco is driving change for a sustainable future.

033 Environmental Management System
036 Carbon Neutrality
047 Integrated Water Management
053 Circular Economy
060 Biodiversity
061 Eco-Friendly Projects Based on Digital and AI Technologies
066 Public Environmental Services and Public Safety
071 Special Section Strengthening Global Environmental Leadership



Environmental Management System

Environmental Management Policy

Approach

K-eco embeds environmental management throughout its operations and manages it as a core management system for realizing a sustainable future. Based on technical advice on environmental management through the ESG Committee within the Future Innovation Council, and the systematic implementation carried out by the ESG Committee under the Board of Directors together with the Carbon Neutrality and ESG Management Implementation Groups, K-eco continues to advance organization-wide environmental management governance from strategy formulation through execution and performance management.

Key Performance

30 KPIs for environmental management detailed implementation tasks

Target
119.6% Achieved

K-eco Materiality Assessment

-

Public Institution ESG Guidelines

E-1

GRI Standards

302 305

UN SDGs

Environmental Management Policy

K-eco is a public institution leading the transition to a carbon-neutral society through the prevention of environmental pollution, advancement of resource circulation, response to the climate crisis, and reduction of greenhouse gas emissions. K-eco strives to contribute to environmentally friendly national development and practice sustainable environmental management. Since first obtaining ISO 14001 certification in March 2025, K-eco has continuously improved its environmental management system to enhance environmental performance and fulfill its responsibility for environmentally friendly organizational operations. Going forward, K-eco will continue to lead a sustainable future from the center of carbon neutrality and environmental conservation and advance as a global environmental institution.

K-eco Environmental Management Vision and Strategies

Vision

"Building a Sustainable Future as a Leading Environmental Management Institution"

Goal

Achieve carbon neutrality by 2040 and establish a sustainable environmental management system

Strategy

Environmental Regulatory Compliance and Risk Management	Eco-Friendly Technology and Low-Carbon Operations	Strengthening Stakeholder Collaboration	Continuous Monitoring of Improvement Performance
1 Audit and evaluate statutory environmental regulations and compliance requirements (once a year)	1 Assess and pilot emerging eco-friendly products and technologies (once a year)	1 Establish environmental management standards for partner companies and provide training (semiannually)	1 Track and review environmental management objectives and performance (semiannually)
2 Strengthen monitoring of legal compliance and internal audits (once a year)	2 Develop and maintain an integrated monitoring system for energy use and carbon emissions	2 Implement eco-friendly projects in cooperation with local communities and government agencies	2 Perform internal and external environmental management audits and incorporate feedback (once a year)
3 Perform environmental impact assessments and risk evaluations (at least once a year)	3 Introduce energy-saving equipment and expand on-site renewable energy (solar panels and conversion to LED lighting)	3 Conduct environmental awareness training and campaigns for employees (on an ongoing basis)	3 Establish environmental management indicators (KPIs) and evaluate target achievement rates (e.g., a 10% reduction in energy use)
4 Conduct emergency response drills in preparation for accidents (linked to K-eco's occupational health and safety management system)	4 Incentivize corporate electric vehicle fleet adoption and low-carbon commuter transit	4 Publish environmental management performance and the Sustainability Report (once a year)	4 Operate an employee environmental improvement suggestion program and reward outstanding ideas
5 Enforce strict protocols for hazardous substance handling and waste management	5 Operate programs to advance resource circulation and recycling	5 Strengthen ESG (environmental, social, and governance) management and maintain sustainability management certifications	5 Benchmark emerging global environmental trends and evaluate advanced green technologies

Environmental Management System

Environmental Management Implementation System

K-eco steers long-term sustainable growth and proactively responds to evolving environmental imperatives through its ESG Committee, which consists of internal and external experts. The committee monitors the implementation and performance of eco-friendly objectives and reviews and advises on related strategic tasks. By linking the expertise of the committee with the implementation frameworks of the Carbon Neutrality Promotion Group and the ESG Management Implementation Group, K-eco has established technology-management convergence governance. Matters discussed by the committee are reported to the Board of Directors and reflected in management decision-making.

Role and Oversight of the Implementation Organizations in Advancing Environmental Management



Environmental Management System

Performance and Targets by Environmental Management Task

* As it is linked to the integrated information platform, annual quantitative targets cannot be set.

Strategic Task	Detailed Task	KPI (Unit)	2025 Target	2025 Performance	2025 Achievement Rate (%)	Targets 2026	2027	2028	2029	2030
Achieving Organizational Carbon Neutrality by 2040	Implement the carbon-neutrality scenario roadmap	Annual reduction target (%)	17.8	17.8	100	28.5	37.7	47.1	49.1	71.7
	Achieve the Public Institution GHG Target Management System target	GHG reduction rate (%)	15.2	22.1	145	17.4	20.1	23.7	28.1	37.4
	Expand disclosure of Scope 3 carbon emissions	Expand disclosure of Scope 3 categories (No.)	7	7	100	9	9	9	9	9
	Certify and improve the Environmental Management System (ISO 14001)	Certification and maintenance (head office)	Certification	Certified	100	← Maintain →				
	Foster employee engagement in ESG practices	Department-level Participation Rate (%)	48	41	86	50	55	60	65	70
Supporting National Carbon Neutrality Implementation	Entrusted operation of the Climate Response Fund	Stabilization of fund management (non-quantitative)	Fund expansion	Fund expansion	100	Linked to NDC	← Strengthen NDC alignment →			
	Advance the GHG Reduction-Conscious Budgeting System	Carbon Reduction Achieved by Target Projects (thousand tCO_2eq)	3,661	5,002	137	3,771	3,883	3,999	4,119	4,243
	Reduce GHG emissions through refrigerant recovery	Amount of Refrigerant Recovered (thousand tCO_2eq)	592	911	154	606	620	634	648	662
	Advance operation of the Emissions Trading Scheme	Allowance allocation (million tCO_2eq)	567	560	101	509	491	472	454	435
	Expand support for local government carbon-neutrality master plans	Consulting support(cases)	243	243	100	248	253	258	263	270
	Conduct technical reviews of hydrogen charging station installation plans	Technical reviews of installation plans (stations)(cumulative)	273	273	100	319	365	411	457	503
	Construct and operate EV charging infrastructure	GHG reduction performance (tons)	119,434	326,628	273	131,378	144,516	158,967	174,867	209,840
Expanding the Circular Economy and Waste-to-Energy	Contribute to achievement of national circular economy targets	Circular utilization rate (%)	80.5	80.7	100	82.1	83.1	← Government plan →		
	Advance operation of future waste resource collection centers	Waste Battery Recycling supply volume (units)	413	565	137	700	1,050	1,680	2,856	5,140
	(Green Return)Strengthen waste collection and recycling management	High-quality recycling volume (tons)	3,823	7,898	207	4,205	4,626	5,089	5,598	6,773
	Operate the Packaging Extended Producer Responsibility (EPR) System	Recycling volume of Packaging Material Items (tons)	1,574	1,630	104	1,598	1,621	1,644	1,667	1,691
	Operate the Eco-Assurance System for electrical and electronic products	Recycling volume (kg/person)	9.23	9.98	108	9.65	10.08	10.51	← Government target →	
	Operate the recyclability assessment system	Incineration and landfill reduction rate (%)	9.57	9.73	102	9.77	10.38	10.1	10.31	10.53
	Integrated biogasification of organic waste resources and green hydrogen production	Production and utilization facilities installed (sites)	5	8	160	6	7	7	8	8
	(New) Convert waste resources to energy in eco-friendly energy towns	Energy conversion performance (Gcal/year)	12,171	12,557	103	12,780	13,419	14,089	14,794	15,534
Leading Environmental Services for Climate Crisis Response	Sewerage technical support by basin	Technical support (case)	115	161	140	New indicators to be applied starting in 2026				
	Establish the foundation for a regional reclaimed wastewater supply network	Water reuse technical support (cases)	98	98	100	102	106	110	114	118
	Develop flood risk maps and provide information	Development of Flood Risk Maps (cases) (cumulative)	20	20	100	25	30	35	Linkage with the integrated watershed sewerage information platform*	
	Conduct soil and groundwater environmental surveys and contaminated soil remediation	Pollution investigation and remediation performance (%)	90	90.2	100	90.0	94.3	98.5	102.9	107.5
	Manage total air pollutant emissions from business sites	Emissions reduction performance (%)	100	100	100	100	100	100	100	100
	Establish an IoT-based real-time monitoring system for small business sites	Remotely monitored business sites (sites)	30,000	34,849	116	40,000	40,000	40,000	40,000	40,000
	Implement driving restrictions for old vehicles	Vehicle operation restriction performance (lowered 10,000 vehicles)	147	134	110	121	109	97	85	77
	Expand inspections of hazardous chemical handling facilities	Safety accident reduction performance (points)	100	94	94	100	100	100	100	100
	Improve facilities at odor-emitting business sites	Facility improvement rate (%)	67	68.5	102	67.5	68	68.5	69	69.5
	Strengthen asbestos safety management in buildings	Safety diagnosis support (cases)	370	400	108	370	370	380	380	380

Carbon Neutrality K-eco 2040 Carbon Neutrality

Approach

K-eco manages institutional carbon neutrality not merely as an operational efficiency measure, but as a core management task for leading the public sector's response to climate change. Based on an organization-wide implementation system, K-eco has systematized its reduction efforts by developing reduction scenarios by emission source and implementation tasks for each business unit, and is strengthening its data-driven carbon management capabilities by advancing Scope 3 accounting and establishing an AI-based management system.
K-eco has also established a mid- to long-term implementation strategy for achieving RE100 and is progressively expanding renewable energy use to ensure the achievement of its 2040 carbon-neutrality target.

Key Performance

Reduction in institutional carbon emissions

1,817 ton reduction
(Achieved 113% of the target)

K-eco Materiality Assessment
Impact Materiality ● Financial Materiality ●

Public Institution ESG Guidelines
E-2 E-3 E-4 E-11

GRI Standards
201-2 302 305

UN SDGs

2040 Carbon Neutrality Strategy

Strategic Framework and Roadmap

K-eco has established and is implementing a structured carbon-neutrality roadmap to achieve a 100% reduction in greenhouse gas emissions by 2040. K-eco assigns GHG reduction targets to each department, pilots renewable energy projects to improve the energy self-sufficiency of K-eco facilities, and continuously broadens the accounting boundaries and monitoring infrastructure for Scope 3 emissions, thereby strengthening its implementation capacity through these concrete measures. Guided by this roadmap, K-eco is committed to driving coordinated decarbonization across all sectors and operational units to deliver on its Net-Zero target on schedule.

K-eco 2040 Carbon Neutrality Strategies and Tasks

Vision
An environmental institution leading a sustainable future

Goal
Achieving institutional GHG reduction targets by 2040

4 Strategic Directions and 8 Key Tasks

Carbon Neutrality in Buildings	Accelerated Transition to Low-Carbon Transportation	Improvement of Work Practices	Expanded Disclosure of Carbon Emissions
• Improve energy efficiency in existing and newly constructed buildings • Improve energy self-sufficiency through renewable energy facility projects	• Accelerate the transition to electric and hydrogen vehicles • Pilot introduction of eco-driving practices	• Foster a culture of carbon neutrality across workplace and homes • Expand carbon-neutral activities	• Develop methods to calculate and manage Scope 3 GHG emissions across an expanded scope

Selection of Carbon-Neutrality Implementation Tasks and Performance Management by Department

Phased Roadmap

~2029	2029~2034	2034~2040
• Responsible implementation of carbon neutrality • Internalization of carbon-neutral practices	• Advancement of the reduction implementation system • Acceleration of the energy transition	• Achievement of institutional carbon neutrality • External expansion of carbon-neutral capabilities

Annual Targets
2029[38%] → 2034[72%] → 2037[90%] → 2040[100%]

Implementation Measures

Buildings
- Green remodeling
- Installation of renewable energy
- Zero-carbon buildings

Transportation
- Transition to eco-friendly vehicles
(100% transition to eco-friendly vehicles: small vehicles by 2030 and trucks by 2035)

Daily Practices
- Energy conservation
- Transformation of work practices
- Vehicle sharing, etc.

Other
- Supply of eco-friendly electricity
- Renewable Energy Certificates

Carbon Neutrality K-eco 2040 Carbon Neutrality

Reduction Scenarios by Emission Source

K-eco analyzed the characteristics of GHG emissions by source and established optimal reduction scenarios for achieving carbon neutrality. Major emission sources consist of electricity (90%), corporate fleet (6%), LNG (4%), and LPG (0.2%), for which customized mitigation strategies were formulated based on their respective emissions shares. To this end, K-eco identified a total of 21 reduction technologies and tasks in the areas of buildings, daily practices, facilities, and renewable energy, and PPAs, and also reviewed the application of off-grid PPAs. K-eco plans to continuously expand carbon-neutrality action tasks reflecting the characteristics of each facility and business unit and systematically manage their GHG reduction effects.

Carbon Emission Reduction Measures by Area

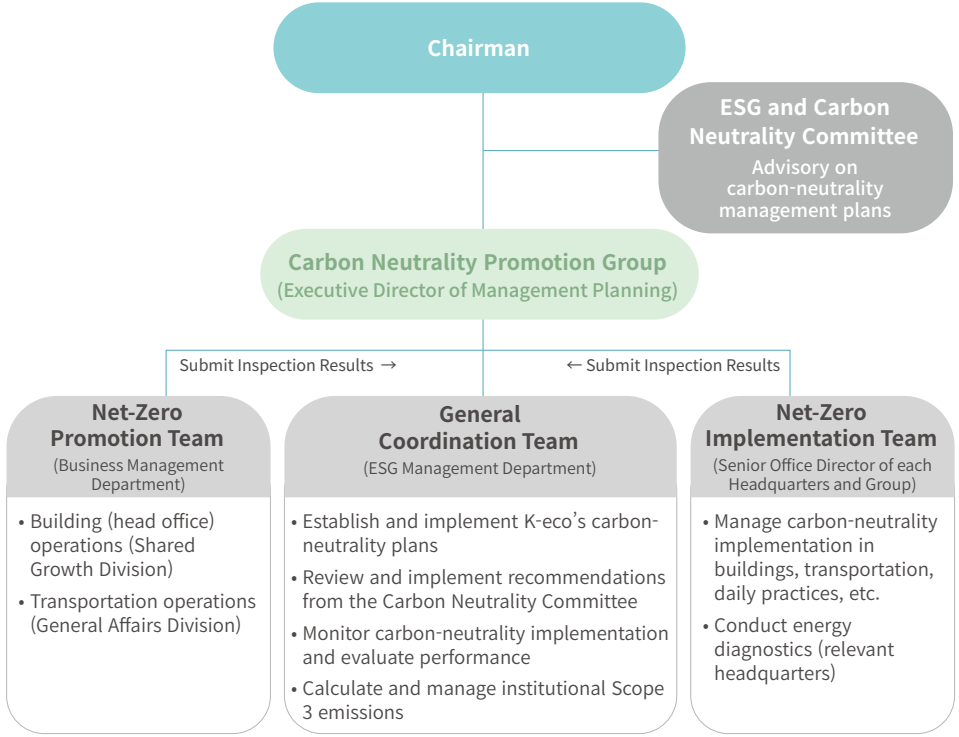
Buildings (6)	Daily Practices(4)	Facilities and Renewable Energy (10)
Introduction and advancement of BEMS	Turn off lights during lunch	Optimize air-handling unit operation
Insulation through wall greening	Suspend heating and cooling for one hour	Replace thermo-hygrostats
Green remodeling	Power-saving function (water purifiers)	High-efficiency motors and inverters
Cloud outsourcing	Power-saving function (PCs)	Air-handling unit efficiency control system
Introduction of zero-energy buildings		Occupancy sensors
Space zoning and cool roofs		Solar power generation facilities
		Inverter-controlled air compressors
		Building-integrated photovoltaics (BIPV)
		High-efficiency appliances (monitors)
		High-efficiency appliances (refrigerators)

Climate Change Response Implementation System

Organization-Wide Climate Change Response Implementation System

K-eco operates the K-eco Carbon Neutrality Promotion Group to achieve carbon neutrality. Led by the Executive Director of Management Planning, the group consists of the General Coordination Team, Net-Zero Promotion Team, and Net-Zero Implementation Team, and systematically carries out activities ranging from GHG reductions in the building and transportation sectors to management of key business targets. K-eco has also established an implementation system for effectively achieving its carbon-neutrality goals and is translating its commitment into action through a structured process from planning to evaluation of implementation performance.

K-eco Carbon Neutrality Promotion Group

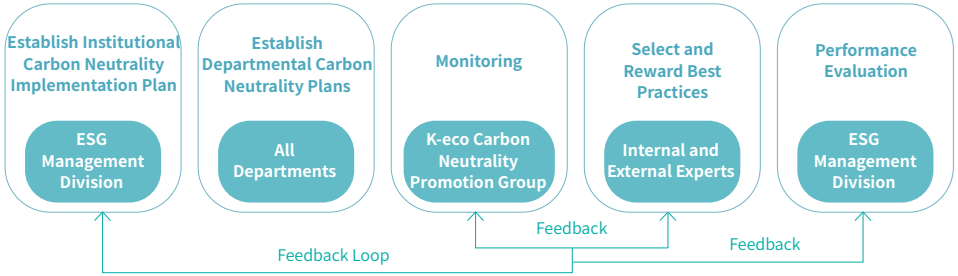


Carbon Neutrality K-eco 2040 Carbon Neutrality

Implementation System Based on Voluntary Departmental Participation

K-eco has established an implementation system based on the characteristics and voluntary participation of each headquarters and department to effectively achieve its carbon-neutrality goals. Each organization carries out reduction activities in line with reduction targets and action tasks by emission source and identifies optimal, site-focused approaches to reducing carbon emissions. K-eco maintains carbon-neutrality implementation managers by department and encourages active participation by awarding mileage linked to internal evaluations based on the establishment of carbon-neutrality plans and the results of implementation reviews. Through these efforts, K-eco achieved 113% of its 2025 emissions reduction roadmap target, delivering an additional reduction of 1,817 tons compared to 2024 (1,817 tons reduced). K-eco also regularly shares BPs and reduction results and honors top-performing units to strengthen organization-wide execution momentum, continually fostering a carbon-neutral culture based on participation and collaboration.

K-eco Carbon Neutrality Implementation and Feedback Process



Carbon Reduction Implementation Efforts and Performance by Sector

Buildings

1,166 tons from solar power, etc.

- Newly installed 859 kW of renewable energy facilities
- Replaced old windows and high-efficiency equipment

Transportation

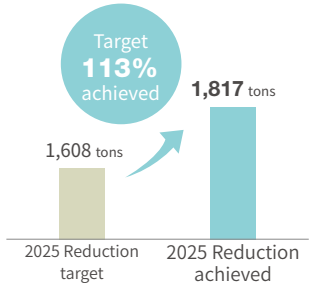
146 tons from eco-driving, etc.

- Reduced fuel use by 51,000 liters from 2024
- Reduced internal-combustion and eco-friendly vehicles by 20

Daily Practices

505 tons

- Electricity conservation, lights-off practices, and water conservation
- Tree planting (kenaf)



Climate Change Risk Management

Identification of and Response to Climate-Related Risks and Opportunities

K-eco identifies physical risks, transition risks, and climate-related opportunities to systematically manage the impacts of climate change on institutional operations and business activities. K-eco comprehensively reviews the effects of climate hazards, such as torrential rain, heat waves, and drought, on environmental infrastructure operations, as well as changes arising from carbon-neutrality policies and strengthened environmental regulations. K-eco also analyzes climate-related opportunities, including the growing demand for climate response solutions, the advancement of digital environmental management, and the expansion of green industries, to establish its response direction. Through these efforts, K-eco seeks to strengthen its climate resilience and solidifies the foundation for providing sustainable environmental services.

Category	K-eco Response Activities
Physical Risks	
- Disruptions to the operation of basic environmental facilities due to extreme weather, including torrential rain, floods, and droughts - Increased response costs due to more water pollution incidents and urban flooding - Increased burden of environmental monitoring and facility maintenance due to climate change	- Expand water management infrastructure and optimize the water supply system to proactively respond to disasters such as floods and droughts - Eliminate flood risks across 69.8 km² through the development of flood risk maps (20 sites) and an urban flooding prevention system - Establish a disaster and safety management system and conduct joint pollution incident response drills with relevant agencies
Transition Risks	
- Increased need for projects and investment due to stronger regulations on carbon neutrality, the circular economy, and climate disclosure - Need to transition systems and secure specialized personnel as environmental technologies advance - Increased demand for reliability in environmental data and policy implementation	- Support 347 projects across 17 ministries (KRW 16.8 trillion) and calculate 5 million tons of reductions by advancing the GHG Reduction-Conscious Budgeting System - Implement a global environmental professional training program - Enhance data reliability and quality by advancing environmental data measurement methods
Opportunities	
- Improve operational efficiency by establishing an AI- and digital-based environmental management system - Expand business areas and increase operating budgets as the green industry, water industry, and circular economy grow - Strengthen K-eco's role as a specialized institution and its standing as a national climate crisis response platform amid the expansion of carbon neutrality, the Emissions Trading Scheme, and climate disclosure	- Enhance capabilities for implementing AI- and digital-based environmental projects - Expand support areas, including the private-sector supply of 565 waste batteries, integrated biogasification facilities, and electric and hydrogen vehicle charging infrastructure projects - Continuously accumulate and advance environmental project implementation capabilities

Carbon Neutrality K-eco 2040 Carbon Neutrality

Advancing Scope 3 Emissions Management

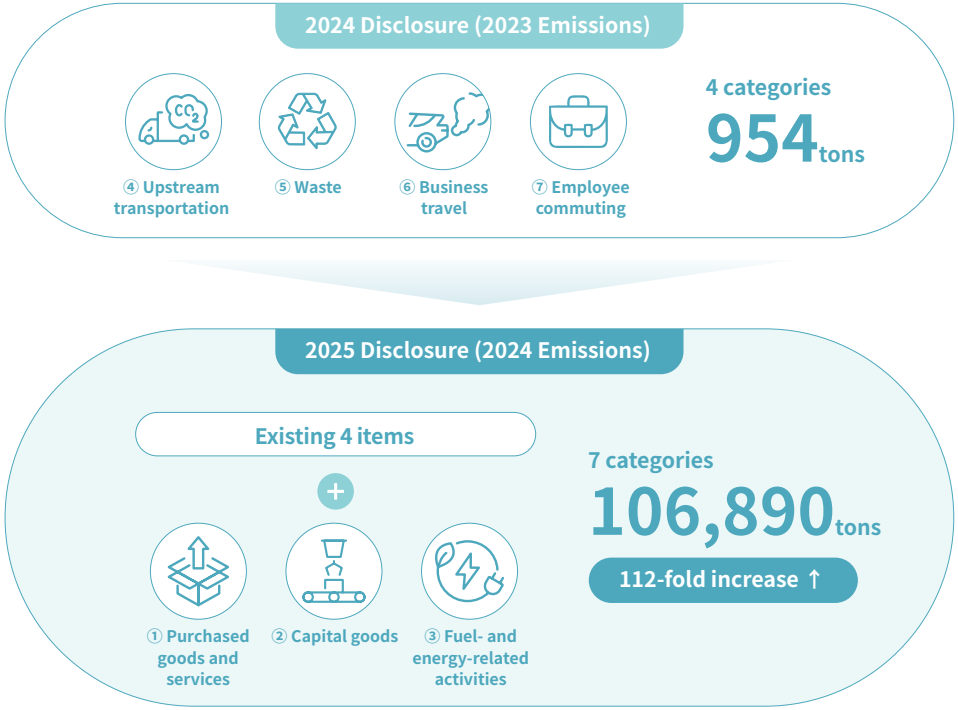
Expansion of Scope 3 Emissions Accounting Categories

K-eco continues to expand the scope of Scope 3 emissions accounting to systematically manage GHG impacts across the value chain. We have refined our management system by expanding from two categories in 2023 to four in 2024 and seven in 2025. As a result of these efforts, Scope 3 emissions increased from approximately 954 tons in 2023 to 106,890 tons in 2024. K-eco also applies more reliable emission factors through continuous data collection and verification and is steadily improving the accuracy and transparency of emissions accounting.

Development of a Scope 3 Accounting Manual and Application of AI Technology

K-eco has established an AI-driven automated carbon accounting platform to improve the efficiency and accuracy of Scope 3 emissions management. To overcome limitations such as insufficient domestic standards and emission factors and the time required to collect activity data and enter it manually, K-eco reviewed and applied domestic and international standards and literature from sources including the US EPA and Europe to develop an internal Scope 3 accounting manual. This standardized management by establishing unified accounting criteria for data collection and processing by category, emission factors, and calculation formulas. K-eco also automatically collects and calculates various data, including business travel distance, transportation distance, and aviation carbon emissions, using AI Vision-based automated data extraction, web crawling, and API integration. It has improved calculation accuracy and work efficiency by introducing LLM-based automatic application of emission factors and automatic matching of emission factors to purchased items. These measures enable K-eco to rapidly and systematically manage large volumes of activity data and continuously strengthen its Scope 3 emissions management capabilities.

Expansion of Scope 3 Emissions Accounting Coverage



Outcomes of Advancing Scope 3 Management Using AI

	AI Model Training and Development	Automated Web Data Collection	Automatic Application of AI Emission Factors
AI Technology Development and Application	• [Internal data] Train an AI Vision model → Develop an automated extraction program (business travel distance) • [Supporting documents] Manual verification → Automated extraction	• [Web data] Develop an automated web data collection program based on APIs and web crawling • Automated collection of ICAO aviation emissions, etc.	• [Emission factors] Develop a program for automatic application of EPA emission factors (USEEIO) using an LLM • Automatically match emission factors to purchased items
Calculation Results	•Domestic and overseas business travel (distance) 22,000 cases (manual verification would take three months)	•Upstream transportation (distance) 50,000 cases •ICAO aviation carbon emissions 2,000 cases	•Purchased goods and services 260,000 cases •Capital goods (tools and equipment) 50,000 cases

Carbon Neutrality K-eco 2040 Carbon Neutrality

Energy Reduction and Expansion of Renewable Energy

Power Purchase Agreement (PPA) Implementation Best Practice

K-eco introduced power purchase agreements (PPAs) to achieve institutional carbon neutrality by 2040 and RE100 by 2035 and to overcome limitations on expanding self-owned solar facilities due to site constraints and reliance on commissioned facilities. The Korea Water Cluster established a renewable energy procurement structure utilizing public land and commissioned facilities and developed a public-sector collaborative PPA model in cooperation with Korea Hydro & Nuclear Power. This laid the foundation for transitioning to renewable energy without upfront investment costs and saving approximately KRW 2 billion in expansion costs. K-eco also installed a 1 MW-class solar power generation facility at large facilities such as the Korea Water Cluster, securing approximately 1,300 MWh of renewable energy annually and increasing the Korea Water Cluster renewable energy substitution rate from 11.5% to 29.9%.

Development of an RE100 Implementation Strategy and Model Best Practice

To achieve carbon neutrality ahead of the 2040 target, K-eco established a detailed RE100 implementation strategy linked to its mid- to long-term management goals and is progressively increasing the share of renewable energy used at the head office and major business sites. It is pursuing tailored procurement measures based on facility characteristics, including expanded self-generation, PPAs, green premiums, and the acquisition of RECs. K-eco also developed a specialized RE100 implementation model for small facilities such as water and air quality monitoring stations, which account for a high share of electricity use but face restrictions on equipment installation because they are leased. The corporation advanced the transition at the site level by introducing a low-carbon monitoring station model with energy-efficient design and expanding solar and wind power facilities. As a result, the water quality monitoring network reduced energy use by approximately 27% through Passive House design, while the air quality monitoring network achieved RE100 through renewable energy generation and certification.

Korea Water Cluster PPA Implementation Details and Outcomes

Establishment of a renewable energy transition structure without upfront investment costs

Securing approximately 1,300 MWh of renewable energy annually through installation of a 1 MW-class solar power generation facility

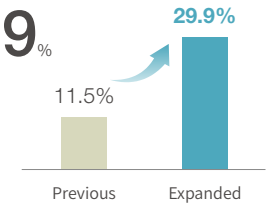
Expansion Budget Savings

Budget
2 KRW billion



Renewable Energy Substitution Rate

Expanded
29.9%



Development and Outcomes of an RE100 Implementation Model for Small Facilities

Low-Carbon Monitoring Station Design	Expansion of Renewable Energy Installations	Recognition of Renewable Energy Use
- Install monitoring stations based on low-carbon design using Passive House-certified materials - Improve energy efficiency by applying insulating and heat-blocking paint and installing partition walls for heating and cooling zones	- Install solar power generation facilities at six additional air quality monitoring stations - Introduce a new wind power generation facility by selecting an optimal site based on the surrounding environment (one site)	- Recognition of 1,275 MWh of eco-friendly electricity use through participation in the K-RE100 Green Premium*

Installation of Passive Houses at water quality monitoring network stations (27% energy savings) and acquisition of preliminary certification (2025)

Achievement of RE100 for the air quality monitoring network through renewable energy generation (114 MWh) and renewable energy use certification (1,275 MWh)

* Monitoring networks use low-voltage electricity, which limits renewable energy supply contracts such as PPAs; therefore, RE100 renewable energy use recognition programs such as the Green Premium must be utilized.

Carbon Neutrality Supporting National Carbon Neutrality Implementation

Approach

As a policy implementation agency for national carbon neutrality, K-eco supports the low-carbon transition across industry and society. It strengthens the national GHG reduction foundation through climate finance and budget operations while supporting industrial carbon neutrality by administering the Emissions Trading Scheme and scaling the biogas industry. K-eco also advances diverse transition policies, including the deployment of eco-friendly mobility and expansion of zero-emission vehicle infrastructure, thereby enhancing the effectiveness of national carbon-neutrality policies.

Key Performance

Support for emissions reduction facilities at allowance allocation entities

GHG reduction performance
291,018 tons
(Achieved 189% of the target)

K-eco Materiality Assessment
Impact Materiality ● Financial Materiality ●

Public Institution ESG Guidelines
E-2 E-3 E-12

GRI Standards
302 305

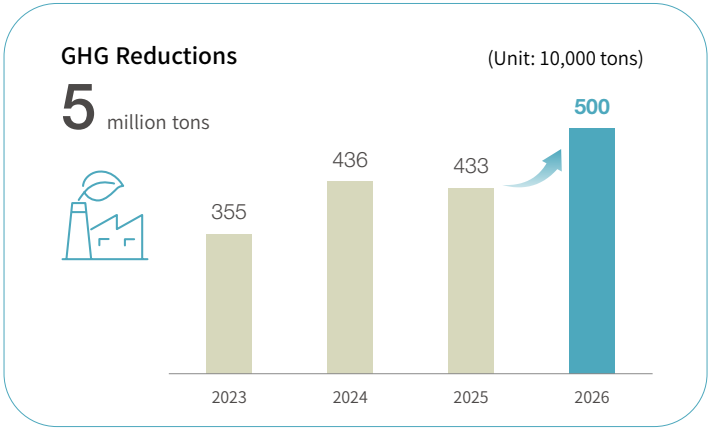
UN SDGs

Leading a Carbon-Neutral Society

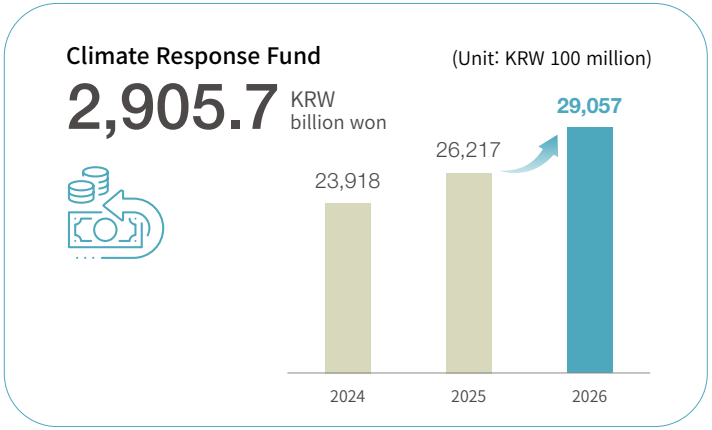
Strengthening National GHG Reduction Capacity by Advancing Climate Finance and Budget Operations Best Practice

K-eco is strengthening the foundation for carbon-neutrality implementation by advancing the national GHG reduction finance system, centered on the operation of the GHG Reduction-Conscious Budgeting System and the Climate Response Fund. Under the budgeting system, K-eco expanded the concept and scope of reduction projects and incorporated new types of projects— including nuclear power-related R&D, safety, and informatization projects— as reduction projects, thereby broadening the role of national finance in GHG reduction. It also strengthened the linkage between carbon reductions and the national budget by recommending the preparation of GHG reduction-conscious budget statements for 95 new projects. In particular, K-eco introduced a budget statement review system using generative AI, standardizing error types and review criteria and improving the accuracy of GHG reduction estimates and work efficiency. As a result, the GHG reduction project budget for fiscal year 2026 increased by 16.5% from 2025 to KRW 12 trillion (KRW 16.8 trillion based on detailed projects), while the estimated reductions increased by 15.5% year on year to 5 million tons. K-eco also achieved 103% of the carbon-neutrality fiscal investment target, further strengthening the role of national finance in GHG reduction.
Meanwhile, the Climate Response Fund is operated with a focus on establishing a stable financial foundation for achieving carbon neutrality by 2050 and fostering new climate industries. K-eco is increasing GHG reduction effects through the expansion of the fund and strategic investment allocation, while also working to secure fiscal soundness by increasing self-generated revenue. It also prioritized investment in R&D areas that serve as key growth engines for climate crisis response, including CCU, hydrogen reduction ironmaking, and data centers, to secure core technologies and increase reduction potential. The 2026 R&D budget of the Climate Response Fund increased by 28% to KRW 818.2 billion from KRW 639.2 billion in 2025, strengthening the research foundation and future technology competitiveness for climate crisis response.

Expansion of GHG Reductions through the GHG Reduction-Conscious Budget



Expansion of the Climate Response Fund



Carbon Neutrality Supporting National Carbon Neutrality Implementation

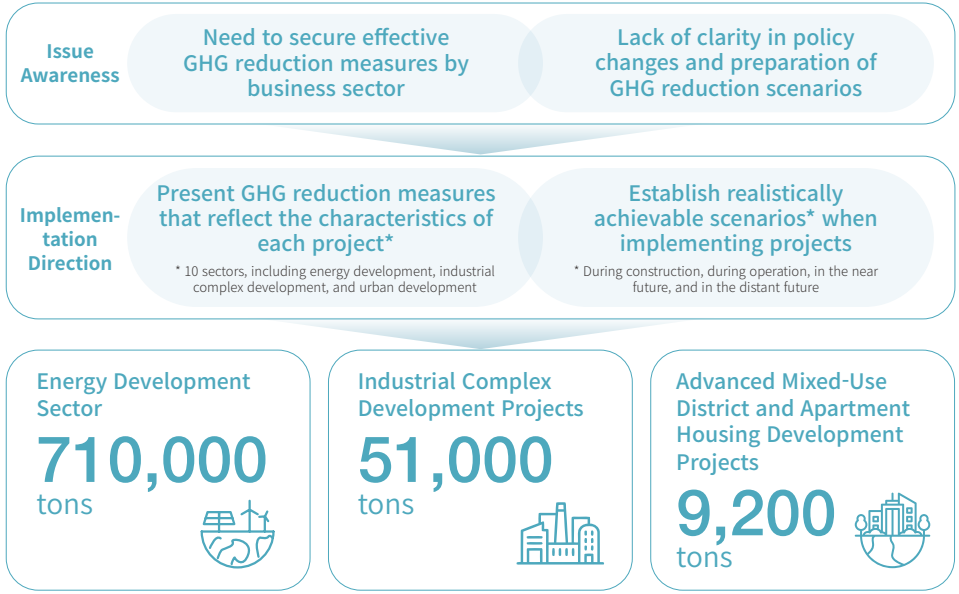
Contributing to GHG Reductions through Climate Change Impact Assessment Reviews

K-eco contributes to achieving the national greenhouse gas reduction target (NDC) by reviewing climate change impact assessment reports. Since the Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis took effect in 2022, K-eco has established an institutional foundation for the advance review of GHG reduction measures for large-scale development projects and supports the development of effective reduction scenarios tailored to project characteristics. In particular, it enhances reduction effects by reviewing climate change impact assessments for high-emission projects, including energy development, industrial complex development, and urban development. K-eco reviewed 75 assessment reports for projects such as LNG power generation facilities and industrial complexes, contributing to the completion of consultations for 18 projects as of the reporting date. It proposed specific reduction alternatives, including expanded energy self-sufficiency through the introduction of CCUS and zero-energy buildings, deployment of renewable energy, increased hydrogen co-firing in LNG power generation, and the creation of parks and green spaces. These efforts contributed to tangible GHG reductions of 710,000 tons in the energy development sector, 51,000 tons in industrial complex development projects, and 9,200 tons in advanced mixed-use district and apartment housing development projects. During project implementation, K-eco also established reduction scenarios for the construction and operation stages and strengthened the mid- to long-term reduction framework by reviewing alignment with the 2035 national GHG reduction target and the 2050 carbon-neutrality scenario. For 140 development plans, it reviewed consistency with GHG reduction-related policies and plans and the appropriateness of reduction strategies, ensuring alignment between higher-level and individual plans. K-eco will continue to deliver tangible GHG reduction effects across all sectors of society by operating the climate change impact assessment system based on its climate and environmental expertise.

Climate Change Impact Assessment Framework



GHG Reduction Performance through Review of Climate Change Impact Assessment Reports



Carbon Neutrality Supporting National Carbon Neutrality Implementation

Expansion of Eco-Friendly Mobility Infrastructure

Expanding EV Deployment by Improving the EV Subsidy Support System

K-eco contributes to achieving the national GHG reduction target (NDC) by expanding the transition to electric vehicles beyond passenger cars and trucks to include construction machinery. In line with the government's policy to expand zero-emission vehicle deployment, K-eco continuously improves the EV subsidy support system to help achieve deployment targets of 4.5 million vehicles by 2030 and 8.4 million by 2035. In particular, K-eco introduced AI OCR technology to improve administrative efficiency in response to the growing volume of subsidy processing work across local governments. It established systems for automated document verification and data extraction, reducing document review time, minimizing human error, and improving processing accuracy. As a result of these operational advancements, subsidies were provided for 33,530 electric vehicles, up 43% year on year. K-eco will continue to strengthen the foundation for eco-friendly mobility deployment and contribute to GHG reductions and improved air quality through the transition to zero-emission vehicles.

Improving the Convenience of Future Mobility Use

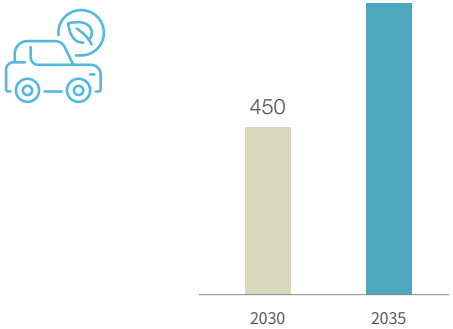
K-eco improved full-cycle EV infrastructure services to reduce user inconvenience throughout the process from EV purchase to use. For charging infrastructure, it used a location selection program to identify optimal installation sites in areas underserved by charging infrastructure and deployed multi-standard chargers compatible with both older and newer EVs, improving accessibility for underserved areas and expressway users.

At the purchase stage, K-eco established a system that automatically confirms whether a subsidy has been approved when an EV shipment is requested and introduced a Fast Track service for the expedited processing of subsidies for domestically produced EVs. At the use stage, it standardized the screens and text systems of public fast chargers by manufacturer to improve charging convenience.

Zero-Emission Vehicle Deployment Target (Through 2035)

(Unit: 10,000 vehicles)

8.4 million vehicles



Number of Electric Vehicle Purchase Subsidies Provided

33,530 vehicles
(Up 43% year on year ↑)

Full-Cycle Service Improvements for EV Use

	Previous	Innovation Efforts
Infrastructure	Charging blind spots: Outlying areas and older EVs	Used a location selection program to identify optimal sites and deploy multi-standard chargers compatible with both older and newer EVs
Purchase	Noncompliance with subsidy payment procedures: Vehicles shipped before subsidy eligibility is confirmed	Established a collaborative system with EV manufacturers to automatically verify subsidy confirmation when a shipment is requested
Use	Different charger interfaces: User inconvenience due to different operating methods	Standardized different screen layouts and text systems across manufacturers of public fast chargers in a user-centered manner

Selected by the Anti-Corruption and Civil Rights Commission as a Best Practice in Public Complaint Services

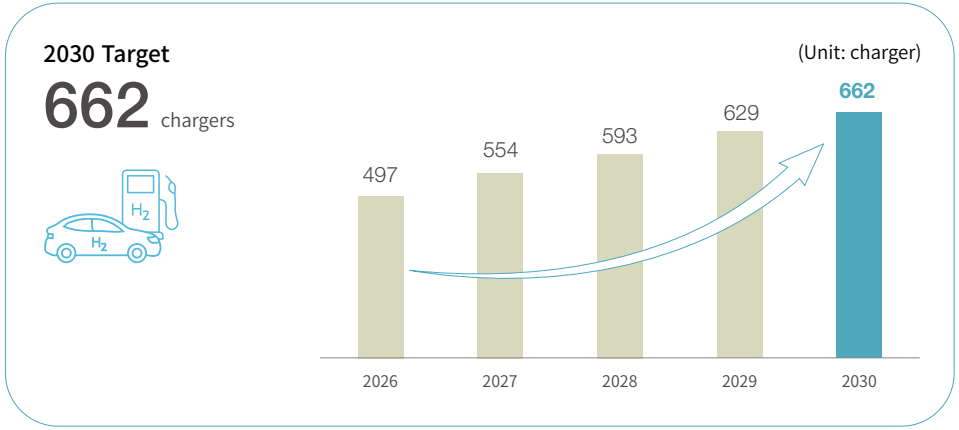
Carbon Neutrality Supporting National Carbon Neutrality Implementation

Identifying New Projects to Create a Sustainable Zero-Emission Vehicle Ecosystem

K-eco is expanding hydrogen charging infrastructure by establishing a financial support system to create a sustainable zero-emission vehicle ecosystem. As the need for financial support to ease initial investment burdens grows alongside the expanding deployment of electric and hydrogen vehicles, K-eco developed a demand-tailored financial support model. It established an effective support system through surveys of eligible projects, stakeholder consultation meetings, and surveys of financial institutions and industry participants regarding their willingness to participate, while also reviewing support measures for small and medium-sized financially vulnerable companies. Through these efforts, K-eco established a support framework comprising KRW 73.5 billion in zero-emission vehicle transition loans and a KRW 74 billion zero-emission vehicle infrastructure fund and creating a system to support up to 50% of project costs for initiatives including the introduction of electric and hydrogen buses and the construction of mobile charging stations.

K-eco also established the Second Strategic Deployment Plan (2026-2030) to continuously expand hydrogen charging stations. By analyzing progress under the previous plan and reviewing ways to improve accessibility, K-eco is expanding charging infrastructure and systematically establishing annual hydrogen charger installation targets. It will continue to contribute to a carbon-neutral society by creating a zero-emission vehicle ecosystem that links financial support with infrastructure development.

Annual Hydrogen Charger Installation Targets Plan under the Hydrogen Charging Station Deployment Plan

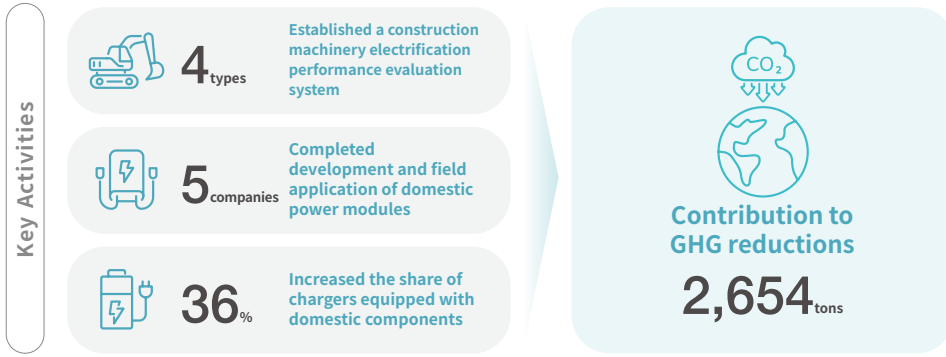


Supporting the Zero-Emission Vehicle Transition Based on Domestic Batteries and Charging Technologies

K-eco is working to ensure the stable expansion of the zero-emission vehicle ecosystem and strengthen the foundation for GHG reductions through the electrification of construction machinery and localization of key charging infrastructure components. K-eco conducted performance evaluations for a construction machinery electrification capacity-building project and established an electrification performance evaluation system for four types of construction machinery. It also developed draft performance-based subsidy payment criteria reflecting battery energy density, service life, safety, recyclability, and hazardous substance content, laying the foundation for strengthening the competitiveness of the domestic battery industry. These efforts contributed to a reduction of 2,654 tons of GHG emissions from construction machinery, an equipment category previously outside the scope of the management system.

K-eco is also improving the quality and reliability of charging infrastructure supply by localizing power modules, a core electrical component. To reduce dependence on imports of key components, K-eco supported the development of technical standards for performance evaluation, certification, and durability and enhanced the performance testing and evaluation system for domestic products. As a result, five domestic companies have completed power module development, and successful field application and stable operation have been verified. K-eco also increased the share of chargers equipped with domestic components to 36% as of 2025, strengthening the competitiveness of charging infrastructure and supporting growth in the domestic industrial ecosystem.

Outcomes of the Zero-Emission Vehicle Transition Based on Domestic Batteries and Charging Technologies



Carbon Neutrality Supporting National Carbon Neutrality Implementation

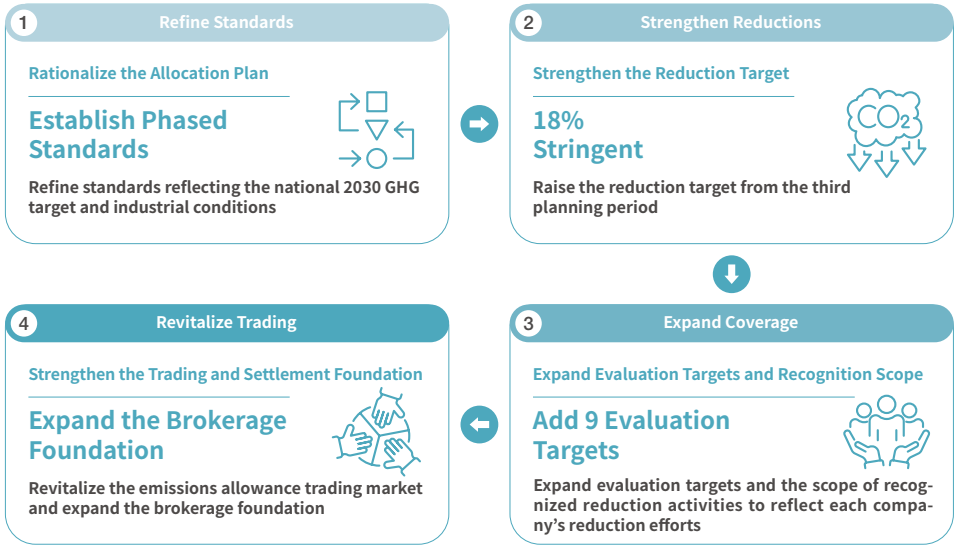
Supporting GHG Reduction Implementation

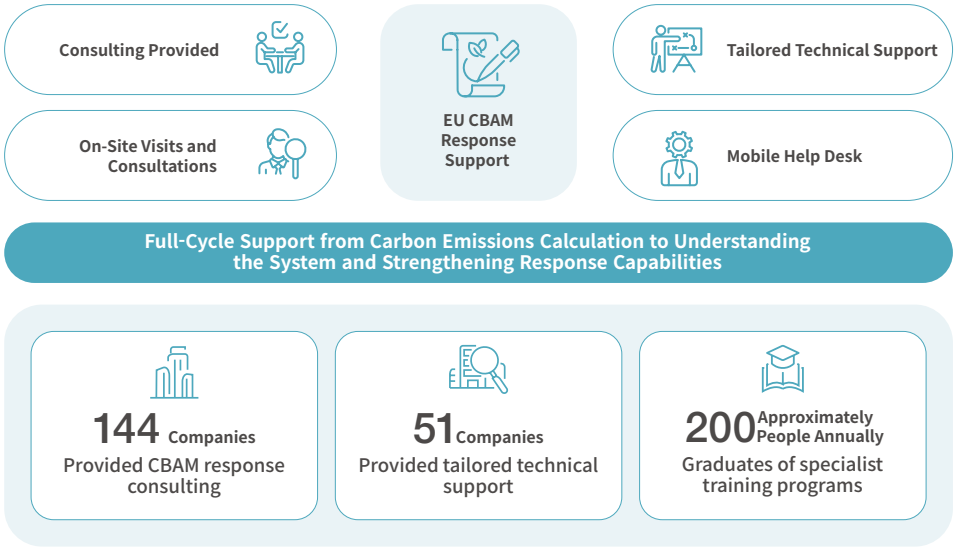
Supporting the Allocation Plan for the Fourth Emissions Trading Scheme Planning Period (2026-2030)

K-eco supported the establishment of a rational allocation plan that considers the achievement of Korea's 2030 mid- to long-term GHG reduction target and corporate operating conditions. It analyzed ten years of Emissions Trading Scheme implementation and incorporated industry-specific challenges identified through 12 consultation meetings into the allocation plan. As a result, the total emissions cap was reduced by 500 million tons, resulting in an 18% more stringent reduction target compared with the third planning period. In addition, nine evaluation criteria were added to enable differentiated allocation based on companies' reduction efforts. K-eco also expanded the scope of recognized reduction projects and allocated an additional 3 million tons of allowances to companies that implemented reduction efforts. In addition, as brokering emissions trading was allowed to revitalize the emissions trading market, K-eco established detailed standards and procedures for broker registration. This resulted in the designation of the first emissions allowance brokerage company (NH Investment & Securities), enabling not only covered entities but also financial institutions such as securities firms to trade allowances through brokers.

Supporting Responses to Expanding Global Carbon Regulations

K-eco accelerates the low-carbon transition across industries and strengthens corporate competitiveness to respond to rapidly evolving global climate trade regimes, notably the implementation of the EU Carbon Border Adjustment Mechanism (CBAM) and tightening international carbon regulations. As the expansion of carbon regulations in major economies such as the United States, the EU, and the United Kingdom makes it increasingly important to strengthen supply chain carbon management capabilities to maintain the export competitiveness of Korean companies, K-eco continues to provide proactive corporate support. It provided EU CBAM response consulting to 144 SMEs and mid-sized enterprises and tailored technical support reflecting corporate characteristics and needs to 51 companies, thereby improving their capabilities to calculate carbon emissions and establish reporting systems. K-eco has also expanded practical support, including briefings, on-site consultations, and mobile help desks, to help companies meet carbon emissions management requirements throughout their supply chains. It operates tiered training courses to cultivate specialists, training approximately 200 graduates annually and contributing to the creation of a sustainable industrial ecosystem and the achievement of carbon neutrality.





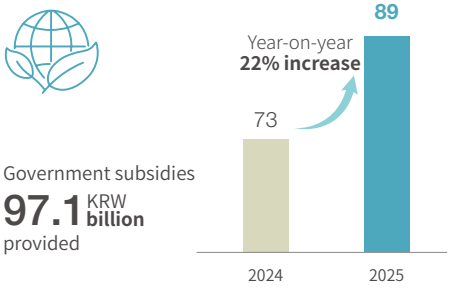
Carbon Neutrality Supporting National Carbon Neutrality Implementation

Support for the installation of GHG reduction facilities by companies subject to allowance allocation under the Emissions Trading Scheme

As implementation of the national greenhouse gas reduction target has increased demand for GHG reduction activities, including investments in reduction facilities by entities covered by the Emissions Trading Scheme, K-eco is strengthening a support framework that links financial and technical assistance to ease the burden on companies and help them achieve tangible GHG reductions. K-eco expanded opportunities for corporate participation by increasing project briefings and public calls and improved program awareness and accessibility among new participants by producing and distributing a collection of best practices. It also provided company-specific carbon-neutrality consulting to analyze emission sources and identify reduction measures, and operated expert forums to share the latest policy and technology trends, thereby strengthening corporate reduction capabilities. In addition, K-eco revised the project operating guidelines to reflect feedback from companies and improved the program to include large companies receiving free allocations beginning in 2026. Through these efforts, K-eco provided KRW 97.1 billion in government subsidies to 89 companies, expanded the installation of GHG reduction facilities, and strengthened the foundation for corporate low-carbon transition. The installed facilities reduced GHG emissions by 291,018 tons, 3.3 times the previous year's reduction.

Companies Supported with Reduction Facilities (Unit: companies)

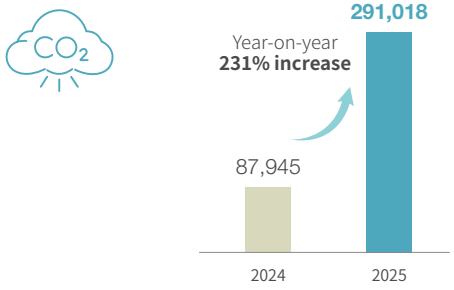
89 companies



Government subsidies
97.1 KRW **billion** provided

GHG Reduction Performance of Supported Companies (Unit: tons)

291,018 tons

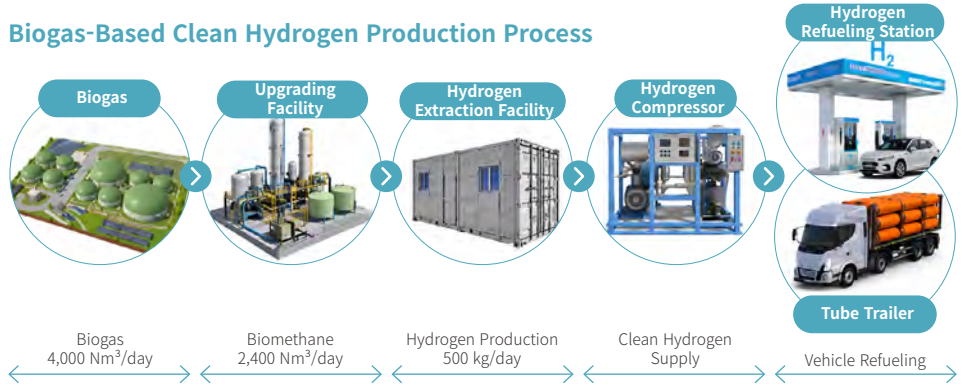


Strengthening the foundation for corporate low-carbon transition by expanding support for GHG reduction facility installation

Implementing Biogas-Based Clean Hydrogen Production Projects

K-eco is leading the development of a biogas industry ecosystem that utilizes organic waste resources such as livestock manure and food waste. Designated as the sole institution responsible for operating and managing the biogas production target scheme, K-eco established a Biogas Center and is building a framework for achieving biogas production targets. To expand biogas production and use, K-eco is expanding integrated biogasification facilities and conducting public solicitations for hydrogen production projects. Through biogas-based clean hydrogen production projects, it is also improving access to eco-friendly mobility. In particular, by establishing a locally self-sufficient clean hydrogen production foundation that converts biogas generated from organic waste resources into hydrogen for transportation, K-eco is helping improve access to hydrogen vehicle charging, expand the use of waste resources, and achieve carbon neutrality in the transportation sector.

Biogas-Based Clean Hydrogen Production Process



Biogas Production Target Implementation System

1. Establish an Operating Framework
2. Expand Production and Use
3. Establish a Locally Self-Sufficient Foundation

- Contribute to Carbon Neutrality in the Transportation Sector
- Expand the Use of Organic Waste Resources
- Improve Access to Hydrogen Vehicle Charging

Integrated Water Management

Approach

K-eco recognizes a healthy water cycle and a sustainable water environment as key priorities of national water management. To this end, K-eco supports the implementation of the National Water Management Master Plan and operates the Total Water Pollution Load Management System and the Sewerage Water Quality Management System to create a safe water environment. K-eco also operates the Korea Water Cluster to support the growth and overseas expansion of Korean water companies and help build a sustainable water industry ecosystem.

Key Performance

Strengthened Water Disaster Response Capacity

Areas Where Urban Flood Prevention Projects Were Completed (58 locations)



Flood Damage **Zero** Achieved

K-eco Materiality Assessment

Impact Materiality ● Financial Materiality ◕

Public Institution ESG Guidelines

E-6 E-11

GRI Standards

303

UN SDGs

Integrated Water Management

Integrated Water Management Goals and Strategies

K-eco is strengthening its integrated water management system with a focus on the public value and sustainability of water, in line with the unification of national water management functions and the enactment of the Framework Act on Water Management. Guided by the vision of "realizing a water cycle enjoyed by both nature and people" K-eco has established four key goals: basin-based integrated water management, creation of a healthy water environment, climate-resilient water management, and science-based water management trusted by the public, and is implementing them in phases. K-eco will continue to enhance connectivity across the entire water cycle and leverage scientific data and technologies to effectively respond to the climate crisis and water-related disasters. At the same time, K-eco will continue to advance a smart, integrated water management system to ensure reliable access to water for the public and preserve a healthy water environment for future generations.

Integrated Water Management System: Goals and Strategies

Vision

Realizing a Water Cycle Beneficial to Both Nature and People

Public Interest + Sustainability

Goals	Strategies	Key Initiatives	Detailed Tasks
Strengthen Integrated Water Management Centered on River Basins	Strengthen Basin-Level Management Across the Entire Water Cycle	① Strengthen basin-based water cycle management ② Advance data-based integrated water management policies ③ Support basin-based water cycle technologies and operations ④ Operate communication-based basin governance	To realize customized, basin-centered integrated water management, K-eco is strengthening the functions of basin sewerage support centers and providing tailored technical support for each basin. In 2025, K-eco established Phase 1 of the integrated basin sewerage information platform and developed governance systems for small and medium-sized basins. By 2030, K-eco will advance basin communication platforms and the policy support frameworks to establish integrated water management across the entire water cycle.
Create a "Healthy Water Environment" for All	Enhance the Sustainability of Basin Water Environments	① Improve tailored basin water cycle management ② Advance water pollution management systems ③ Enhance aquatic ecosystem sustainability	K-eco is addressing water pollution caused by climate change and urban development and restoring the health of aquatic ecosystems by improving water cycles in urban, rural, and industrial complex areas while enhancing the management system of the Total Water Pollution Load Management System. It will also strengthen the management of wastewater from the secondary battery industry and groundwater used for drinking and establish basin-specific, customized water quality management systems by 2030 to enhance the sustainability of the water environment.
Ensure "Safe Water Management" in Response to the Climate Crisis	Improve the Climate Resilience of Water Infrastructure	① Enhance the urban flood prevention functions of sewerage systems ② Achieve carbon neutrality and energy self-sufficiency in water infrastructure ③ Establish reclaimed water supply systems to address water shortages	To achieve carbon neutrality and respond to the climate crisis, K-eco is transforming water infrastructure by driving energy self-sufficiency at sewage treatment facilities and expanding integrated biogas facilities. A roadmap is being implemented to achieve 50% energy self-sufficiency at sewage treatment facilities by 2030. At the same time, K-eco plans to strengthen climate resilience by establishing smart urban flood response systems and laying the foundation for a regional reclaimed water supply network.
Establish "Science-Based Water Management" Trusted by the Public	Support the Digital Transformation of Water Management	① Establish smart sewerage maintenance and management systems ② Support the digital transformation of the water industry ③ Advance investigation, analysis, and informatization systems	K-eco is strengthening the foundation for the digital transformation of water management by establishing smart sewerage systems and developing an asset management database. It will upgrade demonstration plants for the development of Korean digital water technologies and support entry into the global water market. In line with the introduction of the total organic carbon (TOC) load management system in 2031, K-eco also plans to build ICT-based automated flow measurement and integrated industrial wastewater management systems, establishing a science-based and precise digital water management framework.

Integrated Water Management

K-eco Water Use Reduction and Water Pollutant Discharge Management

Strengthening Resource Efficiency by Reducing Institutional Water Use

K-eco continuously reduces water use at its business sites to minimize the environmental impacts of water consumption and strengthen the foundation for resource circulation. At the Comprehensive Environmental Research Complex, the head office is increasing the use of reclaimed water systems and water-saving fixtures to improve the efficiency of domestic water use. In particular, K-eco installed reclaimed water systems for restroom flushing across the Green Building, Water Environment Building, and Climate and Air Building, reducing municipal tap water consumption and advancing water reuse. Water-saving faucets and toilet fixtures have also been introduced in the Environmental Technology Building, Chemical Safety Building, National Battery Cluster, and Korea Water Cluster to reduce unnecessary water consumption in daily use. K-eco will continue to expand eco-friendly facilities and operate efficient water management systems to reduce water use at its business sites and strengthen sustainable resource management practices.



Grade 1 (Toilets) | Grade 1 (Faucets) | Excellent Grade (Shower Faucets)

Water-Saving Certification Marks for Institutional Facilities

Strengthening Water Management Implementation

Revising the National Water Management Master Plan and Strengthening Policy Consistency

In response to changes in socioeconomic conditions, including the inauguration of the new administration and climate change, K-eco prepared amendments to the National Water Management Master Plan and redefined the direction of water management policy. Through collaboration with experts, public consultation, and consultative bodies involving relevant institutions, K-eco improved the balance and feasibility of the national strategy development process and incorporated national policy tasks and climate crisis response measures into water management policy.K-eco also strengthened the consistency review system for national and local government water management plans, enhancing policy linkages and administrative consistency. It included newly established water management plans in the review process and improved understanding at the local level by providing tailored consulting and distributing guidelines to local governments. These efforts help ensure consistency among water management plans by sector and enhance the integration and implementation of national water management policy.

Strengthening the Public Nature of Private Investment Projects for Sewerage Infrastructure

Best Practice

K-eco is working to establish a stable foundation for water environment management by strengthening the public interest of private investment projects for sewerage infrastructure, which are expanding in response to urban growth and increasing demand for facility improvements. By placing sewage treatment facilities underground and using the above-ground space for community use, K-eco improved daily convenience and site utilization, while creating community value through multi-purpose cultural and sports facilities. It also applied effluent water quality standards stricter than statutory requirements, expanding improvements in river water quality through more rigorous management. Fiscal efficiency was enhanced by adjusting project costs to reflect construction cost escalation risks and reviewing appropriate project costs. Through these efforts, K-eco is expanding private investment in sewerage infrastructure and strengthening the foundation for sustainable water environment management.

Strengthening Operation of the Sewerage Water Quality Management System in the Hangang River Basin

K-eco is fully operating the Sewerage Water Quality Management System to improve effluent quality and ensure the stable operation of sewerage facilities in the Hangang River basin. It refined evaluation criteria and the operating framework based on pilot operation results and expert feedback, selected public sewage treatment facilities for inclusion in the management system, and developed tailored improvement measures by analyzing facility-specific operating data and technical support needs. K-eco also established new management functions within the sewerage information system, creating a framework for continuously monitoring improvement progress and operating status. Through these efforts, K-eco contributes to maintaining a clean water environment by ensuring compliance with water quality standards and enhancing operational stability at sewage treatment facilities.



Integrated Water Management Consultative Body Agreement Ceremony



Expert Forum for Preparing the Proposed Revision to the National Water Management Master Plan

Integrated Water Management

Establishing a State-Led Framework for Sewage Reuse and Securing Alternative Water Resources

K-eco is establishing a state-led treated sewage effluent reuse and supply system to respond to extreme droughts caused by climate change and increasing water demand from industrial complexes. As prolonged drought and growing regional imbalances in water resources have increased the need to secure stable alternative water resources, K-eco identified the reuse of treated sewage effluent as a key response measure. Through consultations with relevant institutions, we established the basis for the government-led installation of sewage reuse facilities. K-eco also strengthened project execution by reviewing the status of treated sewage effluent reuse and supply projects and operating consultative bodies for large industrial complexes, including semiconductor clusters. In addition, it conducted eligibility reviews for privately financed treated sewage effluent reuse and supply projects, reinforcing the foundation for stable implementation. These efforts proactively address water shortages caused by the climate crisis and changing industrial conditions and contribute to establishing a sustainable alternative water supply system. K-eco is also addressing institutional constraints on large-scale treated sewage effluent reuse projects and helping lay the groundwork for the growth of the next-generation water industry.

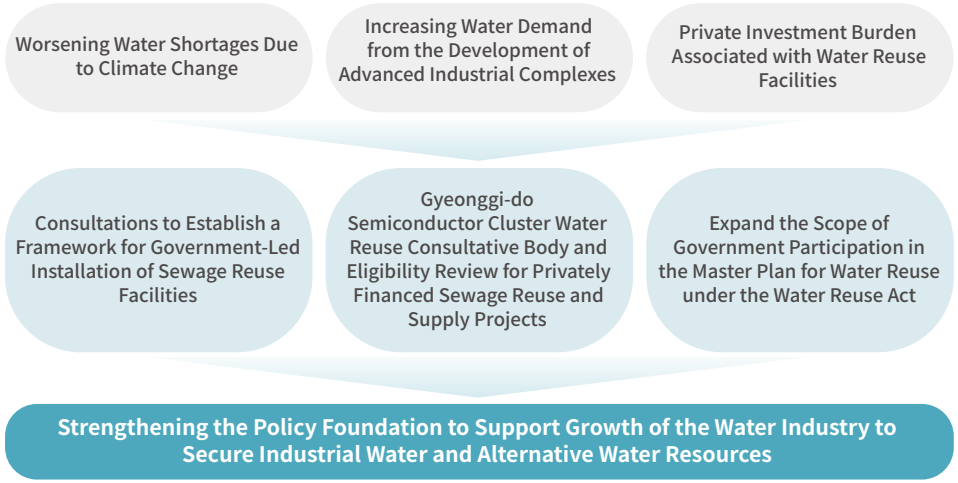
Supporting the Total Water Pollution Load Management System and Operating the Korea Water Cluster

Expanding and Enhancing Total Water Pollution Load Management System

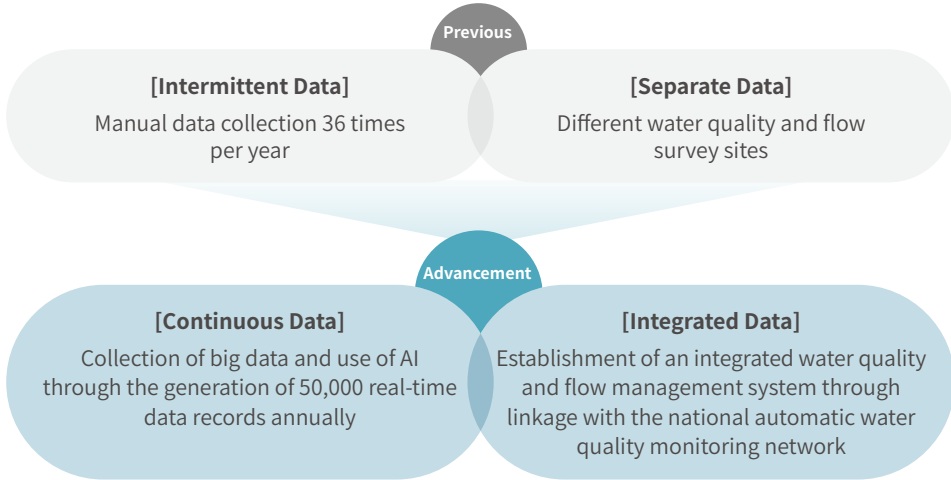
K-eco is fully implementing the Total Water Pollution Load Management System and continuously strengthening its operational capacity and management framework. In particular, it is developing a phased roadmap and technical implementation measures to expand the scope of management from biochemical oxygen demand (BOD) to total organic carbon (TOC).

K-eco is also transitioning to a data-driven Total Water Pollution Load Management System, improving operational accuracy and institutional reliability. Previously, intermittent manual measurements of river flow were measured 36 times per year at each site. K-eco has now established a real-time data-driven management system that utilizes approximately 50,000 data points annually. Previously, water quality and flow survey sites were operated separately, limiting data integration. K-eco laid the foundation for integrated water quality and flow management by jointly installing permanent flow monitoring stations linked with the National Automatic Water Quality Monitoring Network, improving survey efficiency. These efforts improve data usability and strengthen the effectiveness of basin-level water quality management.

Establishing a Foundation for Sewage Reuse



Advancing the Total Water Pollution Load Data Management Framework



Integrated Water Management

Supporting Operation of the Korea Water Cluster

Through operation of the Korea Water Cluster, K-eco provides full-cycle support for technology development, demonstration testing, commercialization, and overseas expansion by Korean water companies, contributing to a sustainable water industry ecosystem. Since opening in 2019, the cluster has served as Korea's largest water industry promotion institution, strengthening the R&D capabilities of resident companies and supporting market expansion. It continues to broaden the foundation for water industry growth through tailored corporate support. In 2025, sales of companies supported by the Korea Water Cluster totaled approximately KRW 578 billion. K-eco supported exports by 52 companies, which achieved USD 39.81 million in export sales.

To strengthen the technological competitiveness of resident companies, K-eco supports R&D outcomes such as product, corporate, and overseas testing and certification, as well as domestic and international patent applications and registrations. In 2025, it supported 103 technology demonstrations and 12,937 laboratory analyses, while participating companies obtained 28 intellectual property rights. Through these efforts, the cluster enhances the technological credibility of water companies and strengthens the foundation for entry into domestic and overseas markets.

K-eco plans to expand demonstration support for smart water technology companies by advancing digital demonstration infrastructure based on artificial intelligence and sensors.

K-eco will also develop the Korea Water Cluster into a global water industry growth platform by strengthening overseas cooperation frameworks, expanding support for startups and materials, parts, and equipment companies, and fostering collaborative business ecosystems.



The Korea Water Cluster



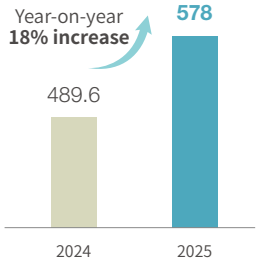
Water Industry Large-Small Business Shared Growth Partners Day

Korea Water Cluster Operational Support Performance

Sales of Supported Companies (Unit: KRW 100 billion)

578 KRW billion

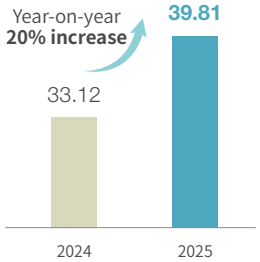




Exports of Supported Companies (Unit: USD million)

39.81 USD million

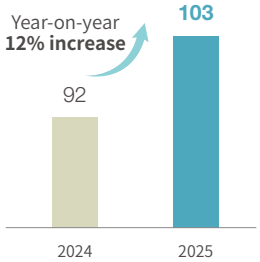




Technology Demonstrations (Unit: cases)

103 cases

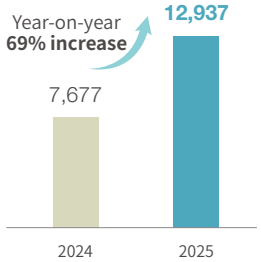




Laboratory Analyses Provided to Companies (Unit: cases)

12,937 cases





Integrated Water Management

Groundwater and Soil Contamination Management

Strengthening Safe Groundwater Supply and Drinking Water Welfare

K-eco is working to establish a safe groundwater supply system in response to concerns about contamination by radioactive materials and extreme drought. It implemented projects to improve the quality of drinking groundwater in areas without public water supply and at vulnerable facilities nationwide, supporting access to safe drinking water for the public. In particular, K-eco installed tailored radon mitigation systems in response to radon detection in groundwater and improved compliance with drinking water quality monitoring standards, helping ease public concern. It also installed communal groundwater drinking stations in villages vulnerable to water supply disruptions, strengthening access to a stable drinking water supply.

Meanwhile, for disaster-affected villages in the Gangneung area experiencing drinking water shortages due to extreme drought, K-eco rapidly developed groundwater sources and established supply networks. This enabled a stable, uninterrupted drinking water supply system and the provision of large volumes of groundwater annually, helping address local water shortages. K-eco plans to continue to respond proactively to the climate crisis and water quality safety issues and strengthen a water management system that the public can trust.

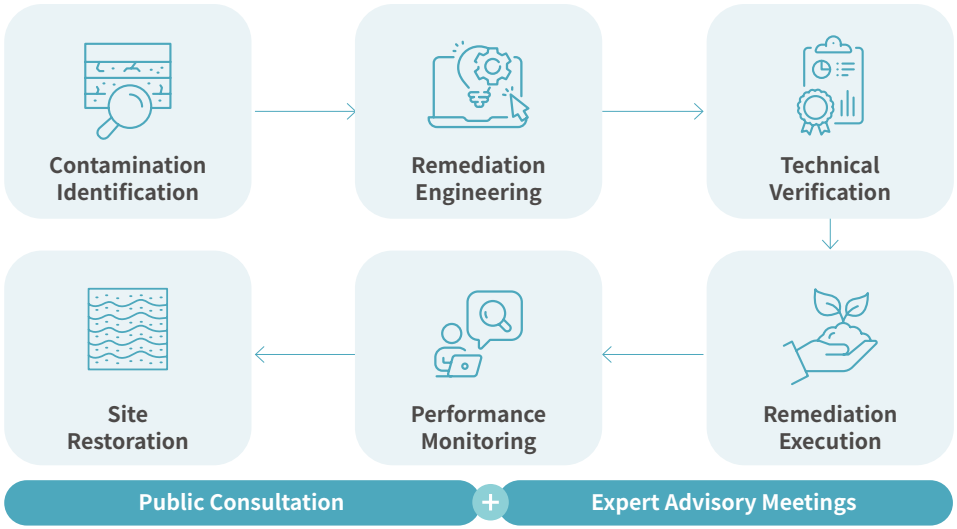


Communal Groundwater Drinking Station Installation Project for Villages Vulnerable to Water Supply Disruptions

Rapid Remediation of Contaminated Urban Soil and Protection of Public Safety

K-eco is protecting public safety by rapidly and safely remediating dioxin-contaminated soil identified at the returned Yongsan U.S. military base. To address concerns regarding the secondary dispersion and risks to human health, K-eco engineered specialized remediation methods and strengthened remediation reliability through technical verification and demonstration testing. In particular, high-temperature thermal desorption and thermal oxidation were applied to substantially reduce dioxin concentrations in the contaminated soil, while enclosed, negative-pressure control systems were implemented to prevent secondary dispersion. K-eco also convened advisory committees with industry, academic, and research experts while establishing formal public consultation channels to ensure transparency and stakeholder trust throughout project execution. During remediation, K-eco optimized processes based on analytical results to improve technical stability and remediation efficiency. By prioritizing remediation, K-eco completed the work ahead of schedule with zero public grievances while expediting administrative processes. These efforts restored the contaminated urban site into a safe space that citizens can use with confidence and strengthened K-eco's soil environment safety management capabilities for the public.

Soil Remediation Process at the Returned Yongsan U.S. Military Base



Integrated Water Management

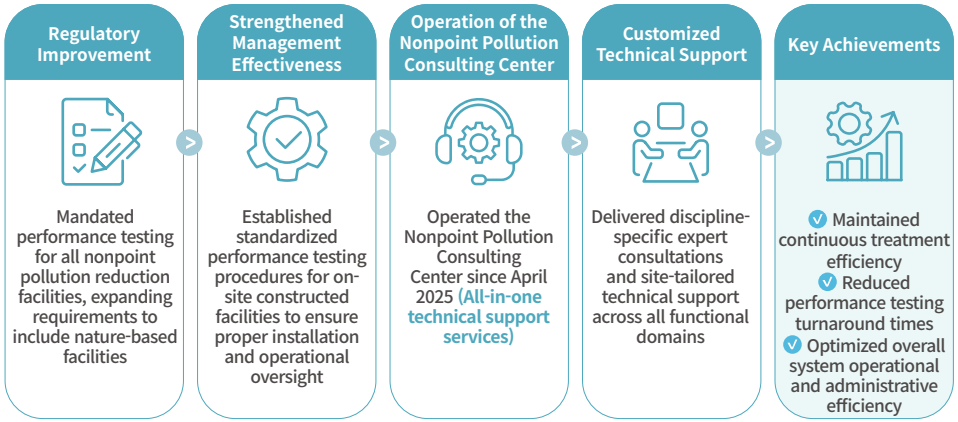
Water Pollution Management and Response

Strengthening Technical Support for Non-Point Source Pollution Management and Improving Water Quality

K-eco is advancing regulatory improvements and upgrading its technical support system for the systematic management of nonpoint source pollution, a major source of water pollution accounting for approximately 70% of the pollution load in river basins. The organization expanded the system by mandating performance testing for nature-based facilities—which previously operated outside testing scopes—ensuring that all nonpoint pollution reduction installations undergo rigorous pre-deployment verification. K-eco also established dedicated performance testing procedures for on-site constructed facilities, strengthening proper installation and management of nonpoint pollution reduction facilities. In addition, K-eco has operated the Nonpoint Pollution Consulting Center since April 2025 to provide tailored expert consultations by field and site-specific technical support for areas such as nonpoint pollution source management and the installation and operation of reduction facilities. These services provide integrated, user-centered technical support and improve operational efficiency by helping maintain treatment performance at nonpoint pollution reduction facilities and reducing performance testing time.

K-eco will continue to expand its field-oriented technical support system and contribute to improving water quality in public water bodies and strengthening the management of nonpoint pollution sources through efficient system operation.

Strengthening Nonpoint Source Pollution Management and Upgrading the Technical Support System



Establishment of the Integrated Water Pollution Response Center

K-eco is constructing an Integrated Water Pollution Response Center in the Daegu National Industrial Complex to rapidly respond to water pollution accidents in inland water bodies such as streams, rivers, and dams. The center will serve as an integrated response hub equipped with a comprehensive situation room that monitors water pollution conditions around the clock, response training and education facilities, and laboratories. The center plans to strengthen the national response framework by functioning as a control tower that provides integrated management and direction for water pollution incidents across the Hangang, Nakdonggang, Geumgang, and Yeongsangang river basins. Specifically, K-eco is integrating and analyzing river and dam water quality data in cooperation with relevant agencies to deploy a data-driven, smart response system. Through these efforts, K-eco will strengthen national water environment safety management preparedness against climate risks and escalating pollution events, ensuring a robust, reliable water quality framework for the public.



Bird's-Eye View of the Integrated Water Pollution Response Center

Circular Economy

Approach

K-eco drives the transition to a sustainable circular economy by using resources efficiently and expanding the circular use of waste. It advances resource circulation policies centered on circular use throughout the product life cycle and high-value utilization of waste resources, while establishing an AI- and digitally enabled waste management system to improve management efficiency and transparency. K-eco is expanding the recycling foundation through cooperation with industry and related institutions and contributing to a circular economy ecosystem.

Key Performance

Office Building Waste Generation
Reduced by 32% year on year

Recycling performance for waste electrical and electronic equipment through the establishment of a free waste home appliance collection system
Achieved 113% of the national target
(National target: 8.805 kg/person → Performance achieved: 9.978 kg/person)

K-eco Materiality Assessment
Impact Materiality ◕ Financial Materiality ◑

Public Institution ESG Guidelines
E-5

GRI Standards
306

UN SDGs

K-eco Waste Generation Reduction Activities

Zero Single-Use Products: Expanding Waste Reduction Practices at K-eco Facilities

As a global environmental institution, K-eco drives waste minimization and carbon reduction by phasing out single-use products across its facilities and fostering a culture of resource sharing and reuse. It requires all employees to use tumblers, provides tumblers in welcome kits for new employees, and installs tumbler washers at all business sites, embedding sustainable habits into everyday operations. K-eco also encourages employees to bring personal tumblers to meetings and events, reducing single-use cup consumption throughout its facilities. K-eco implemented a reusable cup circulation system at the in-house café to phase out single-use cups, actively embedding a resource circulation culture by deploying 1,200 reusable cups and achieving approximately 43,000 wash-and-reuse cycles.

K-eco also restricts the entry and use of single-use products at its facilities and encourages voluntary participation by employees and visitors through announcements and promotional materials. Paper towels were removed from all business sites in favor of personal handkerchiefs, establishing a zero-single-use standard across all restrooms. These efforts generate resource savings equivalent to planting approximately 214 pine trees each year. Following the pandemic, K-eco phased out individual office waste bins in favor of centralized corridor waste collection stations, reducing total waste generation in 2025 by approximately 32% relative to 2022 levels. K-eco will continue to lead resource circulation practices and expand sustainable facility operations.


Separate Waste Collection Bins for Operating a corridor-based separate waste collection system



Tumbler Washer and Reusable Cup Return Box

Performance in Reducing Waste at K-eco Facilities

Reusable Cup Support for the Café

Supported the Purchase of 1,200 Reusable Cups
43,000 Uses (Washes)

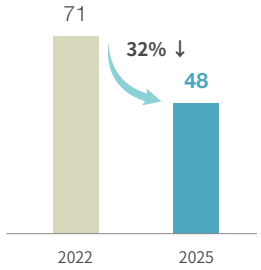
Paper-Towel-Free Restrooms

Equivalent Pine Tree Planting Effect
214 trees annually
(Based on 10 gCO2e emitted per sheet)

Waste Generation

(Unit: tons)

2025
48 tons



Circular Economy

Resource Circulation Management System and Strategy

Resource Circulation Management Goals and Strategies

K-eco is accelerating its transition to a sustainable circular economy in line with public expectations and national policy shifts, focusing on climate action and circular ecosystem development. Based on the strategies of strengthening the resource circulation management system and ensuring thorough waste management, K-eco established three performance goals: effective circular utilization across the full product lifecycle, high-value valorization of waste resources, and AI- and digital-driven comprehensive waste management. It is implementing diverse and specific action tasks centered on these goals. K-eco will continue to contribute to a sustainable circular economy through a systematic management system that links strategy and performance.

Resource Circulation Management System

Vision

Transition to a Circular Economy

Tasks (National Policy Tasks)

- **Strengthen Life-Cycle Resource Circulation Management (Create a Circular Economy Ecosystem)**
- **Ensure Thorough Waste Management (Strengthen Carbon Neutrality for a Sustainable Future)**

Performance Goals

Strengthen the Circular Economy through the Internalization of Effective Circular Use throughout the Product Life Cycle	Revitalize Green Markets and Expand Clean Energy through High-Value Utilization of Waste Resources	Establish an AI- and Digital-Based System for Thorough Waste Management

Target Projects

Recycled Material Usage Ratio Labeling System, Packaging Material and Structure Evaluation System, etc.	Waste EV Battery Recycling Projects, Household and Business Waste Recycling Projects, etc.	Establishment and Operation of Waste Management Systems, Operation of the Proper Waste Treatment Center, etc.

Implementation Tasks

• Strengthen resource circularity and minimize waste generation at the design and production stages • Establish a high-quality recycling system based on public and corporate participation and stabilize the market • Advance data- and platform-based circular economy information provision	• Revitalize the critical mineral resource recovery industry to secure national resource security • Diversify recycling methodologies to expand circular utilization • Expand waste-to-energy recovery to support clean energy transition	• Implement smart waste management powered by digital platforms • Deliver responsive public services by accelerating public-sector AI integration • Build public confidence by mitigating risks associated with mismanaged waste

Circular Economy

Strengthening Collection and Recovery Capacity

Expanding "Green Return" to Support Participatory Resource Circulation Practices Best Practice

Best Practice

K-eco launched the "Green Return" brand to raise public awareness of and participation in the high-quality recyclable collection and reward program. By expanding the program, K-eco is working to spread a resource circulation culture while stimulating local economies. Green Return operates as a community-driven resource circulation model where residents separate and discharge high-quality recyclables and receive rewards, such as local currency, tailored to the operational frameworks of each local government. K-eco renewed the program's existing administration-centered name as "Green Return" through a public naming contest, enhancing public understanding and information accessibility. K-eco strengthened resource circulation practices by supporting diverse operating methods, including the expansion of local government collection points and the operation of unmanned collection machines at local festivals, enabling more people to participate easily in recyclable collection and reward activities. K-eco will continue expanding public-participatory resource circulation culture by improving access to Green Return and strengthening outreach through cooperation with local governments and related organizations.

Achieving Zero Disposal Fees for Waste Home Appliances

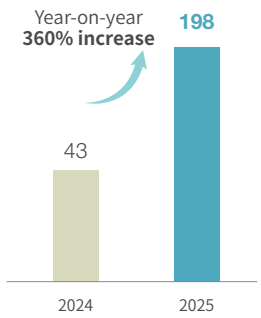
Best Practice

K-eco is reducing the public burden of disposing of waste home appliances and strengthening the recycling system for electrical and electronic products by eliminating disposal fees. Previously, only certain items could be collected free of charge, and disposal differed by region and item, causing inconvenience. K-eco improved the system by expanding free collection to all electrical and electronic products and establishing a standardized nationwide free disposal framework. In recognition of these improvements, the initiative received the Minister of Personnel Management Award and the Popularity Award at the 2025 Proactive Administration Best Practice Competition.
Residents access free collection services through dedicated call centers and apartment management platforms, locating neighborhood e-waste drop-off bins via spatial data integrated into Naver Map, the Resource Circulation Information Center, and other channels. These efforts saved the public KRW 120.6 billion in fees and increased the recycling volume of waste home appliances from 494,000 tons in 2024 to 515,000 tons in 2025. K-eco will continue expanding collection infrastructure and accelerating the recovery of critical ferrous and non-ferrous metals to advance the circular economy while delivering tangible public benefits.

Performance from Expanding Green Return Operations

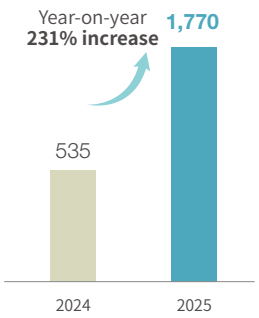
Expansion of Participating Local Governments (Unit: local governments)

2025
198
local governments



Expansion of Collection Points (Unit: locations)

2025
1,770
locations

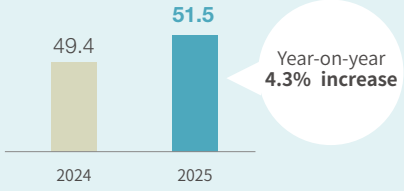


Expansion of Free Collection to All Items

Disposal Fee
Free Collection of All Electrical and Electronic Products
0 KRW

Reduction in Disposal Costs for the Public
120.6 KRW billion

Waste Home Appliance Recycling Volume (Unit: 10,000 tons)



Hosted by the Ministry of Personnel Management

2025 Proactive Administration Best Practice Competition Minister of Personnel Management Award and Popularity Award

Eliminating Waste Appliance Stickers, Zero Disposal Fees 30 Years after the Introduction of the Volume-Based Waste Fee System

Circular Economy

Agreement with Naver Map to Provide Information on Collection Hubs Best Practice

K-eco is enhancing the convenience of public participation in recycling by strengthening cooperation with private-sector platforms so that citizens can easily find and use collection hubs in their daily lives. To improve access to the "Green Return" program, K-eco signed an agreement with Naver to enhance public information access for the High-Quality Recyclables Collection and Reward Program. Citizens can now search keywords such as "recyclables collection hub," "recycling center," and "Green Return" on Naver Map to instantly view locations, facility details, and operating hours for hubs accepting high-grade recyclables, including PET bottles and cans. Through this initiative, K-eco aims to increase the recovery rate of high-quality recyclables, expand the foundation for their stable circular use, and contribute to a sustainable circular economy.





Operating the Recyclables Collection Hub



Signing Ceremony for the Agreement to Improve Access to Hub Information for the High-Quality Recyclables Collection and Reward Program

Strengthening the Operation of and Cooperation on Resource Circulation Systems

Implementing the Recycled Material Usage Ratio Labeling System and Mandatory Recycled Material Use

K-eco operates the Recycled Material Usage Ratio Labeling System to expand the production and use of high-quality recycled materials and respond to the global trend toward mandatory recycled material use. Focusing on products with high plastic consumption, such as PET bottles for bottled water and beverages, K-eco manages and supports recycled material use and expands corporate participation by reviewing application documents, conducting on-site inspections, issuing confirmation certificates, and providing consultations. K-eco actively pursues external cooperation to support the use of recycled materials by industry. It supports recycled material use certification, item-specific certification for collection and recycling businesses, the development of certification systems, and the sharing of overseas regulatory trends. K-eco facilitated the launch of Korea's first PET bottle made with 100% recycled material, marking a turning point in the commercialization of recycled plastic products.



Recycled Material Usage Ratio Labeling System Logos



Products Bearing the Recycled Material Usage Ratio Label

Support System for Expanding Recycled Material Use

Institutional Foundation

Operation of the Recycled Material Usage Ratio Labeling System

- Review application documents and conduct on-site inspections
- Issue confirmation certificates and provide consultation support
- Enforce mandatory recycled content requirements for high-volume PET bottle consumers (5,000+ tons/year)

Corporate Participation and Verification 16 products from 9 companies

Safety Verification of Products Using Recycled Materials

- Consulting for manufacturers
- Item-specific certification support

Market Expansion

Support for the Launch of PET Bottles Made with 100% Recycled Material

- Establish a foundation for the commercialization of recycled plastic products

Circular Economy

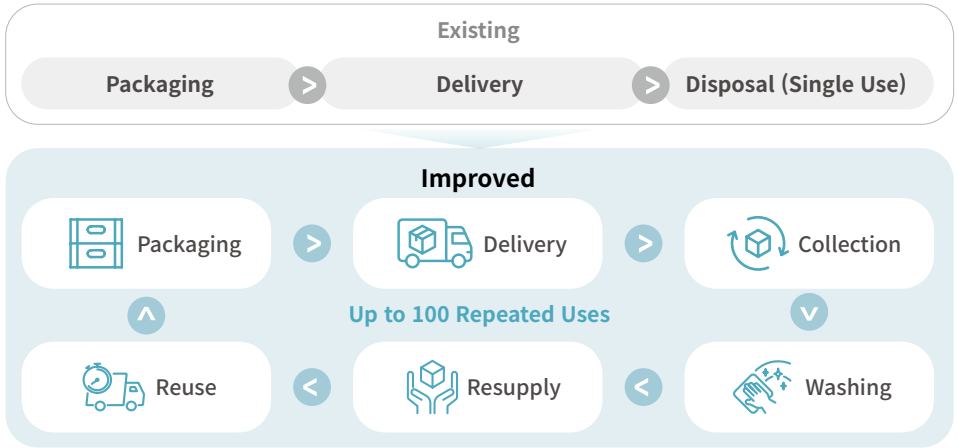
Establishing a Distribution System for Transitioning to Reusable Delivery Boxes

K-eco is strengthening the foundation for resource circulation by working with the distribution industry on a pilot project to convert delivery systems centered on single-use packaging into reusable circulation systems. K-eco established a model for producing and supplying reusable delivery boxes targeting major distributors including E-Land Farm & Food Co., Ltd., Kurly Inc., CJ Logistics Corporation, and AJ Networks, while creating a circular delivery system connecting distribution, collection, washing, and resupply. The repeated use of reusable delivery boxes is expected to reduce municipal waste generation and the burden of treating packaging waste. K-eco plans to expand reusable packaging distribution systems and support the establishment of a private-sector-led resource-circulating logistics system.

Reusable Container Operating Models



Circular Delivery System



Developing and Distributing Safety Materials Made from Waste PET Bottles

K-eco signed an agreement with partner institutions, including the Korea Textile Development Institute, to “Develop and Distribute Safety Materials Made from PET Bottles,” to enhance the high-value recycling of waste PET bottles and improve workplace safety. Under the agreement, K-eco collects 45,000 waste PET bottles annually in the Daegu and Gyeongbuk region, while the Korea Textile Development Institute uses them to produce recycled yarn and manufacture safety products, such as vests and gloves used at industrial sites. Rather than merely collecting and treating waste PET bottles, K-eco converts recycled materials into industrial safety gear, advancing both resource circularity and worker safety. Through these efforts, K-eco is expanding the circular use of waste plastics, identifying practical demand for recycled products, and contributing to a sustainable resource circulation ecosystem.



MOU Signing Ceremony for Mutual Cooperation on Circular Economy in the Textile and Fashion Industry

Circular Economy

Strengthening the Waste Battery Recycling System

Establishing the World's First Rapid Performance Evaluation System for Used EV Batteries

K-eco established the world's first rapid performance evaluation system to drive the recycling and reuse of used EV batteries. The conventional full charge-discharge method took approximately eight hours per battery, but K-eco reduced the state-of-health (SOH) evaluation time to under one hour by applying battery management system (BMS) data analysis and software-based evaluation technology. With an error rate of approximately 2% compared with the full charge-discharge method, the technology meets the permissible error threshold under the Electrical Appliances Safety Standards, ensuring accuracy and reliability. Leveraging its Future Waste Resource Collection Hub Centers to collect, evaluate, and supply used batteries, K-eco plans to advance the performance evaluation and private-sector supply system, expand equipment for evaluating low-capacity and imported-vehicle batteries, and strengthen the foundation for a battery circular economy.

Operating the National Battery Circularity Cluster

K-eco operates the National Battery Circularity Cluster to foster the recycling and reuse industry for used EV batteries and strengthen the national circular economy foundation. Located in the Pohang Blue Valley National Industrial Complex, the cluster serves as critical national infrastructure performing battery recycling research and support functions and is Korea's first integrated resource circulation industry hub connecting the collection, evaluation, recycling, and reuse of used batteries. Through the cluster, K-eco comprehensively develops core battery recycling technologies, operates demonstration testbeds, supports history management and standardization, and assists companies with commercialization, thereby supporting the creation of a battery circular economy ecosystem.



Opening Ceremony for the Korea Battery Circulation Cluster

Implementing the Battery Support Program

K-eco is implementing a demand-driven waste battery support program to accelerate the circular use of waste EV batteries. K-eco recovers used batteries at Future Waste Resource Collection Hub Centers, conducts performance evaluations, and supplies them to the private sector. To support companies facing difficulties in securing waste batteries, it provides waste battery packs free of charge to companies using them for public-interest purposes such as research, demonstration, and education.

In particular, the program allows startups and SMEs otherwise ineligible for sales bids to participate, lowering barriers to entry into the recycling market and broadening the base of the battery circular-use industry. By providing waste batteries free of charge for public-interest purposes, K-eco aims to diversify applications and expand circular use, contributing to a circular economy.

Signing an Agreement for a Specialized Graduate School in Waste Battery Recycling

K-eco signed an "Agreement for a Specialized Graduate School in Waste Battery Recycling" with Pukyong National University and is supporting the development of industry-tailored professionals in the recycling of used EV batteries. The agreement was pursued to respond to growing demand for experts driven by the need for a stable battery raw material supply chain, responses to international environmental regulations, and stronger circularity. Pukyong National University will establish a joint program with Pusan National University and train approximately 50 core master's- and doctoral-level technical professionals over the next five years, while K-eco will support education, research, and industry-academia cooperation projects. By operating the specialized graduate school in connection with the Korea Battery Circulation Cluster, K-eco will strengthen technological competitiveness in waste battery recycling and the industrial foundation of the circular economy.



Agreement Ceremony for the Specialized Graduate School in Waste Battery Recycling

Circular Economy

Expanding a Resource Circulation Culture in Daily Life through Public Participation

Nationwide Food Waste Reduction Challenge

K-eco operates public participation challenges timed to seasons and holidays when food waste generation increases, enabling citizens to practice food waste reduction in daily life. During the summer vacation season, the “Clean Plate Challenge for All” encouraged people to reduce leftovers caused by increased dining out and fruit consumption at vacation destinations and share waste-free eating habits on social media.

K-eco actively drives food waste reduction by integrating its RFID-based waste tracking system with citizen-led participation campaigns. During the 2025 Lunar New Year and Chuseok holidays, it conducted the “Wipe It Clean Food Waste Reduction Challenge” for households using the RFID volume-based fee system, analyzing household discharge volumes and providing incentives to households that reduced food waste compared with normal periods. Approximately 3,200 households participated, reducing food waste by 2,362 kg. K-eco will continue to expand a public participation-based resource circulation culture, reduce food waste generation, and help establish sustainable lifestyles.



Poster for the Clean Plate Challenge for All



Poster for the Wipe It Clean Food Waste Reduction Challenge

Reusable Container Use Challenge

K-eco is conducting a reusable container use challenge to reduce single-use products and encourage resource circulation practices in daily life. Using the Resource Circulation Practice Platform, K-eco created a channel for citizens to document and share reusable container use and is conducting consumer-participation eco-friendly campaigns in cooperation with private companies. In particular, the reusable container use challenge conducted with Dongdaemun Yupdduk used the platform’s “Certify Your Practice” function, through which participants uploaded photos of food in reusable containers. This encourages the use of reusable containers for delivery and takeout food and expands a daily carbon-neutrality practice model jointly implemented by companies and public institutions.

The Resource Circulation Practice Platform also operates pledge and certification events for diverse practices such as using tumblers and reducing unnecessary plastic bags, encouraging voluntary behavioral change and expanding public participation in resource circulation.



Join the Reusable Container Use Challenge

Biodiversity

Approach

K-eco regards the conservation of healthy aquatic ecosystems and biodiversity recovery as key priorities of sustainable environmental management. It advances restoration projects to recover the natural characteristics of rivers and secure aquatic ecosystem continuity, while providing technical support and monitoring from the planning through post-management stages of ecological river restoration projects. Through these efforts, K-eco improves the effectiveness of ecosystem recovery and contributes to healthy ecological environments.

Key Performance

Improved Water Quality by Reducing T-P by 20.8% at Yedang Reservoir

22.7 tons of carbon reduced
(Equivalent to planting 163 pine trees)

K-eco Materiality Assessment

Impact Materiality ◔ Financial Materiality ○

Public Institution ESG Guidelines

E-13

GRI Standards

101

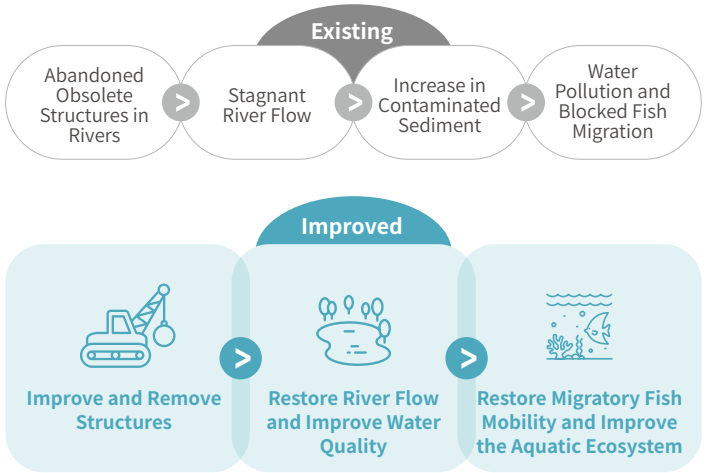
UN SDGs

Restoring Biodiversity through Aquatic Ecosystem Restoration

Securing River Ecosystem Continuity and Restoring Aquatic Biodiversity

K-eco restores the continuity and health of aquatic ecosystems by improving or removing abandoned or obsolete river-crossing structures (weirs) in rivers. From 2021 to 2023, pilot projects covered site selection, baseline surveys, monitoring, design, and pilot construction, laying the groundwork to address deteriorating water quality, restricted fish movement, and the accumulation of contaminated sediment. Based on the results of continuity surveys and assessments for 60 rivers nationwide, K-eco plans to support site selection and restoration planning and strengthen a one-stop policy support system that integrates local government briefings, guideline revisions, and technical reviews. Through public-private cooperation, K-eco will improve two weirs in the lower reaches of Yangyang Namdaecheon to restore migration routes for salmon, sweetfish, and dace, while expanding the foundations for sustainable ecological restoration and community participation.

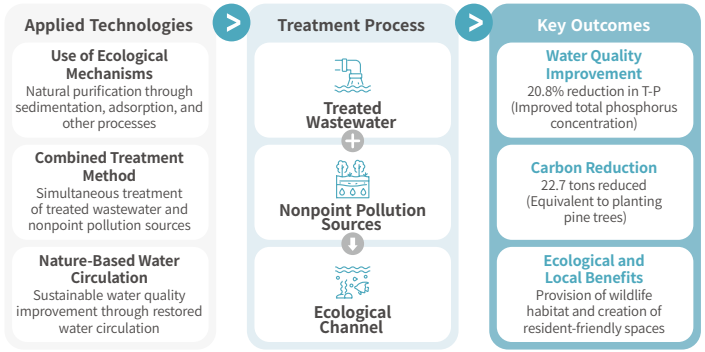
Flow of the River Aquatic Ecosystem Continuity Project



Creating Ecological Channels that Strengthen Water Circulation in Polluted Reservoirs

K-eco is expanding basin diagnostics and reservoir restoration projects to create healthy aquatic ecosystems that support biodiversity. In particular, for polluted reservoirs rated Grade 4 or lower that fall outside existing water pollution management coverage, K-eco creates tailored ecological channels using eco-friendly water circulation based on ecological mechanisms. The Yedang Reservoir pilot project created 1,447 m of ecological channels and reduced total phosphorus (T-P) by 20.8%. It reduced carbon emissions by 22.7 tons annually, supporting both ecological restoration and climate change response. Through basin diagnostics that comprehensively analyze pollution sources, flow rates, and aquatic ecosystems, K-eco supports the establishment of water environment improvement measures and restoration plans tailored to local characteristics. For vulnerable basins, it establishes phased implementation plans and priorities and conducts technical reviews and monitoring throughout the planning, design, and post-management processes of ecological river restoration projects, strengthening project expertise and sustainability. K-eco will continue to expand basin-based integrated water management and nature-friendly restoration projects to create healthy aquatic ecosystems and conserve biodiversity.

Customized Ecological Channel-Based Aquatic Ecosystem Restoration System



Eco-Friendly Projects Based on Digital and AI Technologies

Approach

K-eco uses digital and AI technologies as key tools for innovation in environmental management, advancing more science-based and efficient environmental administration. By establishing AI-based monitoring and data management systems in major environmental fields including air, water quality, and waste, K-eco improves the accuracy and reliability of environmental information. It supports data-driven decision-making and strengthens the quality of environmental services and the effectiveness of policy implementation.

Key Performance

2025 AX Innovation Awards Top Excellence Award (Public Services Category)

First Processing and Disclosure of Environmental Data Containing Sensitive Information as Synthetic Data

6 types, approximately 44 million records

K-eco Materiality Assessment

Impact Materiality ◑ Financial Materiality ◕

Public Institution ESG Guidelines

-

GRI Standards

-

UN SDGs

Advancing Air Pollution Management

Establishing an AI-Based Odor Information Management and Response System

K-eco is establishing a science-based, data-driven response system to systematically manage odor issues that threaten public health and living environments. Odor sensors that mimic the human sense of smell learn and train odor response patterns, which are used to build a database of unique odor fingerprints for each business site. AI analysis then identifies suspected sites matching the fingerprints, enabling odor emission management.
K-eco has also established a standardized database of odor-emitting facility information through the Integrated Odor Source Management System and built a smart system for integrated odor management and monitoring, including the visualization of priority odor management areas on pollution maps. This supports early prediction of odor impacts and more efficient response. As a result of these efforts, significant reductions in odor emissions and complaints were recorded in Seo-gu, Daegu, the pilot application area.



Smart Odor Management System (SOMsys)

Outcomes of AI-Based Odor Source Identification and Management

Database Development and AI Analysis of Field Information Using Odor Sensors

Customized AI Analysis for Each Business Site

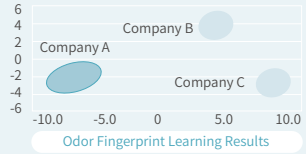
Odor Sensor	Odor sensor that mimics the human sense of smell
Pattern Collection	Learn and train odor response patterns with sensors → build a database of unique odor fingerprints by business site
AI Analysis	Analyze similarities in fingerprint patterns in polluted areas → identify suspected sites with matching fingerprints

Identify Odor Sources Using AI Analysis Results

Use of Administrative Data

Established odor fingerprints for five major facility sectors

Used for data-based inspections (pilot application in Seo-gu, Daegu)



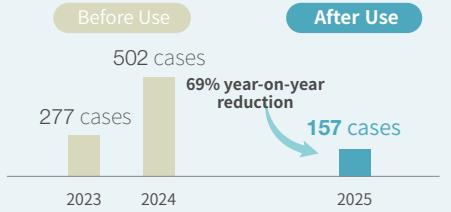
Identify sources by comparing and analyzing field measurement results

Performance

Scientific Cause Identification, Emission Reduction, and Conflict Mitigation

Implementation of facility improvements at business sites → **33% reduction in odor emissions**

Reduction in Odor Complaints

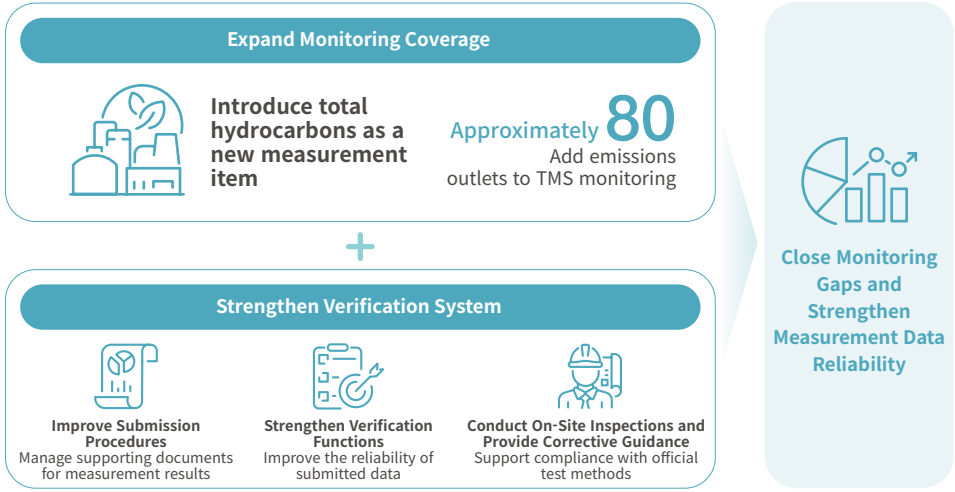


Eco-Friendly Projects Based on Digital and AI Technologies

Expanding Installation of Stack Tele-Monitoring System (TMS) and Strengthening Verification

As a quality control verification institution in the field of stack TMS, K-eco works to strengthen the reliability of air pollutant emissions management at business sites and close monitoring gaps. Based on analyses of pollution contributions and the economic effects of emission reductions, K-eco established the basis for introducing new TMS-based monitoring systems and expanding the scope of management. Total hydrocarbons were introduced as a new measurement item, and approximately 80 emissions outlets, including cement kilns, were newly brought under TMS monitoring. K-eco strengthened the verification system to address deficiencies in measurement data, such as missing supporting documentation, arising from reliance on self-measurement. It improved procedures for submitting supporting documents for measurement results within the system and strengthened verification functions, increasing data transparency and management reliability. On-site inspections and improvement guidance were also conducted for cases of noncompliance with official test methods, supporting stronger measurement management capabilities at business sites. K-eco will continue to expand data-driven air pollution monitoring and support accurate and reliable management of air pollutant emissions at business sites.

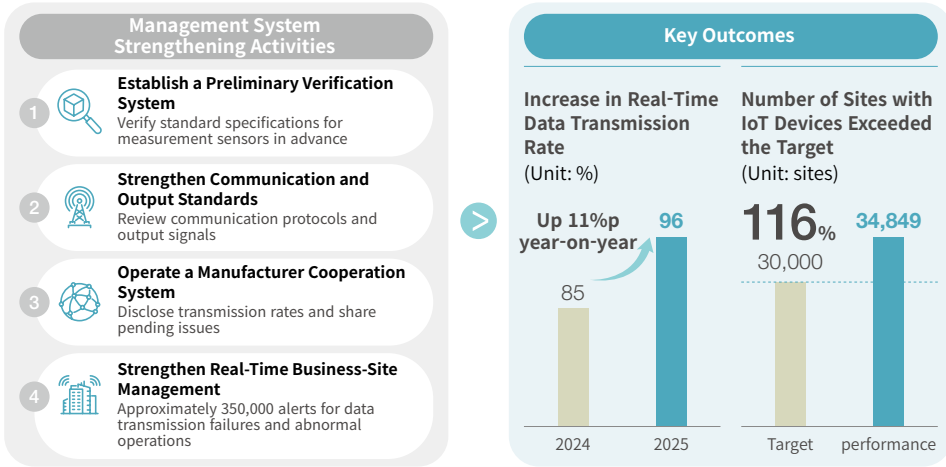
Strengthening the Reliability of Stack Tele-Monitoring System (TMS) Measurement Data



Strengthening Air Pollution Management for Small Businesses through IoT-Based Measurement

K-eco is systematically working to ensure the reliability of measurement data and support small-scale business sites by expanding IoT-based management of small-scale air emission facilities. To prevent the use of low-quality measurement sensors and data errors or omissions, K-eco established a preliminary verification system for the standard specifications of measurement sensors and strengthened compliance checks for communication standards and output signals. It publishes data transmission rates by manufacturer and regularly holds meetings to share current issues and identify improvements, encouraging higher measurement device quality and better service. K-eco also provides real-time alert services for business sites with data transmission failures or abnormal operations to minimize monitoring gaps. In addition, K-eco refined regulations based on field feedback and rationalized operating standards to reduce unnecessary data transmission and power consumption when emission facilities and prevention facilities are not in operation. As a result of these efforts, the data transmission rate of business sites improved significantly, and the number of business sites with IoT devices installed and transmitting data also exceeded the target. K-eco will continue to advance its data-driven smart air management system, strengthen the environmental management capabilities of small-scale business sites, and contribute to improving air quality.

Outcomes of Advancing the Management System for Small-Scale Air Emission Facilities



Eco-Friendly Projects Based on Digital and AI Technologies

Advancing Water Quality Management

Expanding the Automatic Water Quality Monitoring Network to Secure High-Quality Water Data

K-eco installs and operates automatic water quality monitoring networks in major rivers and lakes of Korea's four major river systems to monitor real-time changes in river water quality. In addition to the existing 147 stations (77 national network stations and 70 small-scale stations), K-eco established three national network stations on main streams and ten small-scale stations on tributaries in 2025, continuously strengthening water pollution monitoring and accident prevention. As part of efforts to optimize the operation of the automatic water quality monitoring network and establish standard operating procedures, K-eco developed operating manuals for the automatic water quality monitoring network and small-scale monitoring network, standardizing regional personnel's work systems and securing consistent and efficient operations.

K-eco developed a visualization module covering 30 years of water quality data by river system and monitoring network, transforming accumulated data into a tool for field response and analysis. This strengthened response capabilities for alerts such as abnormal water quality indications. The automatic water quality monitoring stations achieved the highest rating in internationally accredited proficiency testing for 17 consecutive years, strengthening the reliability of automatic water quality data used to establish water pollution alert criteria and inform environmental policy.

Water Quality Management Advancement Outcomes

Key Results

- Strengthened response capabilities for alerts such as abnormal water quality readings
- Automatic water quality monitoring stations achieved the highest rating in internationally accredited proficiency testing for 17 consecutive years
- Improved the reliability of automatic water quality monitoring data

Key Outcome

River monitoring sections expanded by **8.8%**
147 → 160 stations

Implementation Foundation

- Three new national network stations **80 in total**
- Ten new small-scale stations **80 in total**
- automatic water quality monitoring network **Standardized the work system**

Operating the Water Tele-Monitoring System (TMS) Control Center

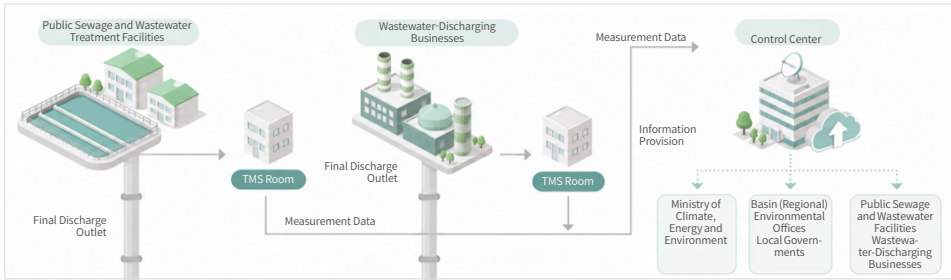
By operating the Water Tele-Monitoring System (TMS) Control Center, K-eco remotely monitors wastewater discharged into rivers around the clock and prevents water pollution accidents. It collects approximately 59 million sewage and wastewater effluent measurement records annually and monitors improper business-site operations and strengthens the measurement data verification system. Official approval of Water TMS data as national statistics has strengthened its reliability and usability. Because Water TMS data are used as a basis for administrative action, quality management is essential. K-eco therefore operates a real-time access information monitoring system for 1,109 sites nationwide and manages approximately 120,000 access records annually. Individual business sites creatively use real-time measurement data, water quality exceedance trends, and abnormal reading data provided by K-eco in various areas to improve and optimize process operations. K-eco has also identified 58 exemplary data utilization cases through competitions and disseminates them through the Water TMS website and stakeholder workshops, fostering broader data use.

Official Approval as National Statistics

Approval No. 392006

Affiliated Title	National Statistics on Water TMS Data
Statistics Title	Discharge Status of Business Sites Equipped with Water TMS
Items/Frequency	pH, TOC, SS, T-N, T-P / Quarterly
Publication Channels	Korean Statistical Information Service (KOSIS), Water TMS Emissions Disclosure System

SOOSIRO **24-Hour Real-Time Remote Monitoring System for Water Pollutants Discharged from Water TMS Business-Site Discharge Facilities**



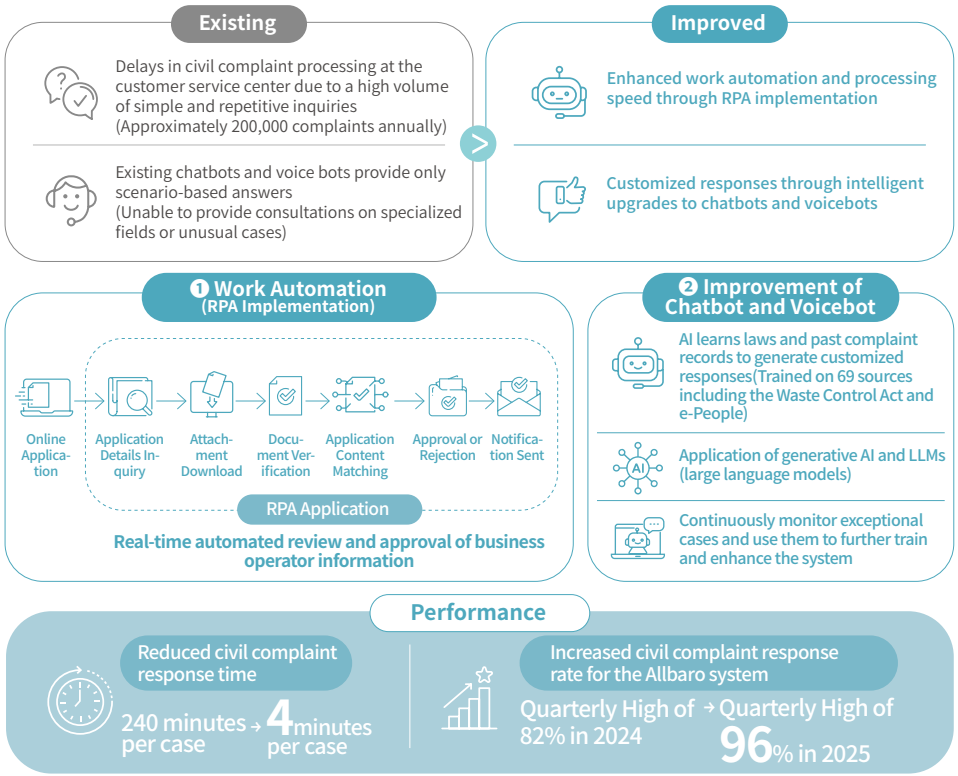
Eco-Friendly Projects Based on Digital and AI Technologies

Advancing Waste Management

Upgrading the Allbaro System through New IT Technologies

As the average daily number of visitors to the Allbaro digital waste platform continues to increase, K-eco upgraded the system using advanced technologies including AI to improve operational efficiency and service quality. The introduction of ChatGPT specialized in resource circulation, voice bots, and robotic process automation (RPA) shortened civil complaint response and administrative processing times while increasing the customer response rate.

IT-Based Upgrades to the Allbaro System



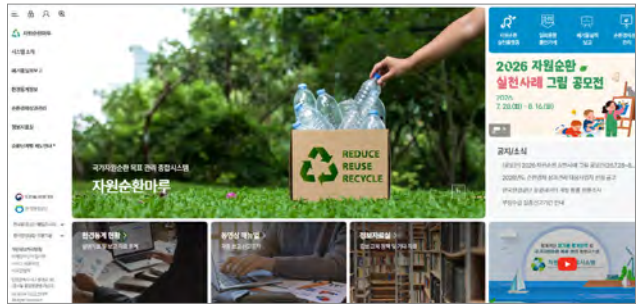
Reducing Food Waste through Digital Platforms

K-eco is implementing a delivery platform-based last-minute discount program to reduce the disposal of unsold edible food and minimize overall food waste generation. The program operates through a cooperative system involving donation recipients, K-eco, sellers, platform operators, and consumers, and aims to reduce food waste and encourage responsible consumption. Sellers register last-minute discount products on delivery applications to reduce the disposal of unsold food, while platform operators support discount food sales functions and services. Consumers can purchase food at more reasonable prices, reducing food expenses and supporting eco-friendly consumption. To expand participation in the program, K-eco holds briefings and provides consulting for the distribution and food service industries, expands nationwide recruitment of participating businesses, and establishes cooperation agreements. In particular, we created a public-private cooperation model involving major franchises and platform companies, strengthening the foundation for implementation.

Establishing an AI-Based Environmental Information Platform

K-eco introduced a generative AI-based environmental statistics search service to Resource Circulation Maru, the comprehensive national circular economy target management system. Users can now easily and quickly find desired environmental statistical information through conversational searches without complex search procedures. K-eco also converted existing databases into structures suitable for AI use and established graph- and mapping-based visualization functions and mobile compatibility.

In preparation for introducing AI-based automatic error detection, K-eco standardized data and systematized items within EcoAS, the system supporting compliance with electrical and electronic product recycling obligations. It conducted a proof of concept (PoC) for a machine-learning-based data analysis model, establishing a foundation for advanced data utilization and transition to an intelligent system. K-eco is also building linkages with external data including import customs clearance, public portals, and procurement information, gradually realizing digital administration.



Main Screen of Resource Circulation Maru

Eco-Friendly Projects Based on Digital and AI Technologies

Everyday AI Solutions

Development of the AI Waste Disposal Assistant App

Best Practice

K-eco developed and is piloting the location-based "AI Waste Disposal Assistant" app to address difficulties citizens face when searching for waste disposal and treatment information. The app was trained on 290,000 waste-item images and 70,000 local government ordinances, inquiries, and complaint cases. When a user photographs waste, the app provides location-specific disposal methods and treatment procedures.

K-eco is verifying the effectiveness of the service by piloting bulky waste disposal guidance in Eunpyeong-gu and Nowon-gu. By allowing users to check complex waste treatment methods within five seconds with a single photo, the AI Waste Disposal Assistant app is expected to reduce information access gaps. The project was selected as the sole resource circulation initiative with tangible benefits for the public under the Ministry of Science and ICT's "Public AX Project," establishing a foundation for expanding AI-based resource circulation services.



AI Waste Disposal Assistant App

How to Use the AI Waste Disposal Assistant App

- **Public** Photo Capture
- **AI** Object Recognition
- **AI** Waste Classification — Bulky Waste → Furniture → Chair
- **AI** Location Information Recognition — Incheon Metropolitan City → Seohae-gu → Geomam-dong
- **AI** Treatment Guidance — Separation Method / Day / Cost / Required Documents / Precautions / Local Government Disposal Reporting Link

Hosted by the Ministry of Science and ICT

Selected for the Public AX Project

AI-Based Automatic Analysis and Evaluation of Inter-Floor Noise

K-eco developed AI-based automatic analysis and evaluation technology for inter-floor noise to ease disputes and improve the efficiency of living environment services. Previously, personnel listened to noise directly and manually prepared result reports. Based on its accumulated data, K-eco jointly developed specialized inter-floor noise analysis software that automates noise-type classification and report generation. This achieved 98% analytical accuracy and shortened the delivery time for noise analysis results from an average of five hours per case to one hour, improving service efficiency by a factor of five. The AI-based analysis system will enable K-eco to respond to inter-floor noise complaints more quickly and objectively and deliver tangible improvements in living environments.

Recognition and Awards for AI- and Digital-Based Environmental Management Outcomes

K-eco has received external recognition for innovations in AI- and data-based environmental management, strengthening its status as a leading institution in digital environmental services. K-eco converted environmental data containing sensitive information, which had been difficult to disclose, into synthetic data and safely made it available for use. For building an environmental data foundation for AI training and service development, K-eco received the Top Excellence Award in the Public Service category at the Public Sector AX Innovation Awards. K-eco also received the Prime Minister's Award at the Korea Knowledge Awards in recognition of its achievements in integrating digital technology and knowledge management, including RPA-based automation of permit reviews and the provision of customized on-site solutions, under the case titled "Digital Technology That Reads the Field: Your Environmental Manager." K-eco will continue to advance AI- and data-based environmental management, expand access to public data and field-based AI services, and deliver continued innovation in environmental services with tangible benefits for the public.



Top Excellence Award in the Public Sector at the AX Innovation Awards



Prime Minister's Award at the Korea Knowledge Awards

Public Environmental Services and Public Safety

Approach

K-eco places the creation of an environment in which people can live with confidence at the heart of its public environmental services. It systematically manages a wide range of environmental risk factors closely connected to daily life, including air quality, noise, light pollution and chemical substances, and protects the public's environmental rights by providing reliable environmental information. K-eco helps improve quality of life and advance environmental welfare by improving living environments and providing safe environmental services.

Key Achievement

2025 Korea Safety Technology Awards

Minister of the Interior and Safety Award

Development of an Underground Pipeline Protection Block to Prevent Urban Sinkholes

K-eco Materiality Assessment

Impact Materiality ◑ Financial Materiality ●

Public Institution ESG Guidelines

S-10

GRI Standards

413

UN SDGs

Reducing Environmental Risk Factors in Daily Life

Creating a Safe Living Environment by Strengthening Asbestos Management in Daily Life

Best Practice

K-eco is strengthening asbestos safety management for community child centers and products purchased directly from overseas to reduce the risk of asbestos exposure in public living spaces and create a safe living environment. In particular, it established a collaborative system with relevant organizations for asbestos surveys, removal, and mandatory management of community child centers, which had previously fallen outside the scope of statutory management. K-eco conducted free asbestos surveys using its technical expertise and carried out removal work at high-risk facilities, helping to create safer childcare environments. It also worked with the Ministry of Climate, Energy and Environment to revise relevant laws, include community child centers in the mandatory asbestos management system, and establish management manuals and an information-system foundation. These efforts created a phased nationwide asbestos safety management system for community child centers and helped close gaps in asbestos exposure management. Meanwhile, K-eco expanded the scope of its pilot asbestos safety verification program for products purchased directly from overseas and strengthened distribution monitoring. It increased both the product categories and quantities inspected, including children's cosmetics, toys and hair dryers that are closely connected to daily life. When asbestos was detected, K-eco worked with the Korea Customs Service to request a ban on domestic import and distribution, and reinforced monitoring by rechecking whether sales had been suspended. These measures produced both institutional and field-based outcomes by expanding asbestos safety management at community child centers and strengthening safety verification of products purchased directly from overseas. K-eco will continue to reinforce asbestos safety management across public living spaces and consumer goods to create a safe and secure living environment.

Asbestos Management System for Community Child Centers through Collaboration

Asbestos Survey

Use of K-eco's Technical Expertise Assessing Current Conditions through Free Asbestos Surveys

Completed at **400** Facilities
(Cumulative: 2,074 Facilities)

Asbestos Removal

Asbestos Removal Using Lottery Funds under an MOU between K-eco and the Community Chest of Korea

Removal Work at **75** Facilities
KRW **2.9** Billion
(Cumulative Support: KRW 12.3 Billion for 332 Facilities)

Institutionalizing Mandatory Asbestos Management

Advancing Statutory Amendments with the Ministry of Climate, Energy and Environment

Enacting Mandatory Oversight for All Community Child Care Centers
(Effective December 2025)

Education through the Korea association of Community Child Center and Establishment of K-eco's Operating System

Education and Public Awareness Activities for Community Child Centers Nationwide (3 Sessions)

Information-System Improvements and Production and Distribution of a Guidebook

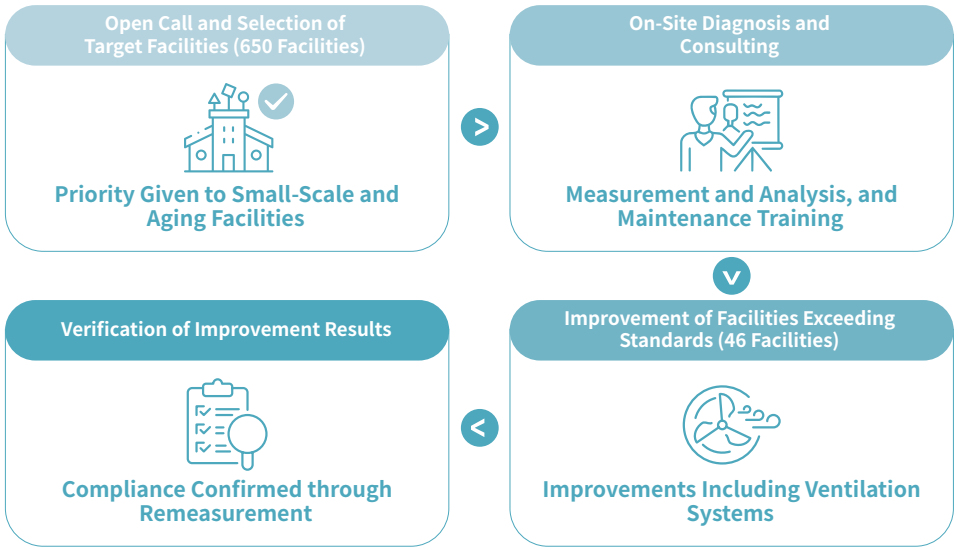
Public Environmental Services and Public Safety

Improving Indoor Air Quality and Testing Water Quality at Facilities Used by Sensitive and Vulnerable Groups

K-eco continues to expand services by establishing a collaborative framework with Indoor Environment Management Center (the Korea Institute of Civil Engineering and Building Technology and Konkuk University), as well as private companies, to diagnose and improve indoor air quality at facilities primarily used by vulnerable groups such as children. K-eco measured and analyzed indoor air quality at 650 childcare centers. Following tailored improvements, including the installation of ventilation systems at 46 facilities that exceeded legal standards, remeasurement showed an average 84% reduction in pollutants such as formaldehyde, helping create safer childcare environments.

K-eco conducted free water quality testing to protect vulnerable groups in local communities from water-related health risks. As a designated drinking-water quality testing institution, K-eco tested 50 water-safety parameters at four facilities in Ongjin-gun, including a waterscape facility on an island and food-service facilities at nursing homes, thereby supporting safe water welfare for the public.

Operating System for Indoor Air Quality Diagnosis and Improvement at Facilities Used by Sensitive and Vulnerable Groups



Advancing Noise Management and Expanding Services to Ease Inter-Floor Noise Conflicts

K-eco is taking the lead in creating a peaceful living environment by responding effectively to various forms of everyday noise, including inter-floor and aircraft noise. Through an MOU with the Korean Counseling Psychology Association, the Inter-Floor Noise Neighbor Center Service expanded its services to include joint in-home counseling by professional counselors, a Self-Relief page, and free rentals of noise measurement devices, supporting the early resolution of inter-floor noise conflicts. In addition, the online reservation system for inter-floor noise measurement, previously operated in Seoul, Incheon, Daegu, Ulsan and Busan, was expanded nationwide in July 2025 to improve public convenience. K-eco also extended service coverage to non-apartment housing in the Seoul metropolitan area, such as multi-family houses and residential officetels, which are excluded from statutory management, helping to close service gaps.

K-eco established the foundation for faster, more accurate, and systematic noise analysis by developing AI-based inter-floor noise analysis and evaluation software. Through these efforts, K-eco will continue to facilitate the mitigation and mediation of residential noise disputes among neighbors.





Apply for an In-Home Consultation



Inter-Floor Noise Neighbor Center Website



Noise Meter Rental

Public Environmental Services and Public Safety

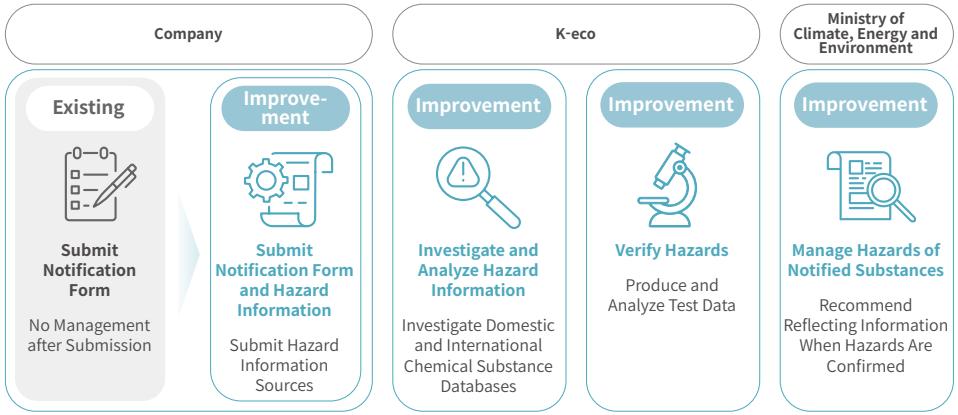
Establishing a Chemical Substance Management System

Operating a Proactive Hazard Management System for Chemical Substances

In response to the expanded notification requirements for new chemical substances, K-eco established a new hazard management system for low-volume new substances, strengthening chemical safety in daily life. As the notification threshold for new chemical substances was relaxed in January 2025 to align with international standards, the need for proactive management of hazard information and alleviation of public concern increased. Based on notification data submitted by companies, K-eco investigates and analyzes hazard information and has established a phased hazard management system linked with the Ministry of Climate, Energy and Environment. In particular, it expanded free consulting and professional personnel support for SMEs to help them adapt to the system. K-eco also linked previously secured hazard information with the notification system, making it easier for companies to submit information.

K-eco is also strengthening its capabilities to investigate hazards and produce test data, thereby advancing the foundation for preventing chemical accidents in daily life. A representative example was the first case of proactively managing the hazards of chemical substances that had previously been distributed through simple notification. K-eco conducted hazard testing and analysis of nicotine-like substances, identified their potential risks to human health, and laid the groundwork for their designation as managed substances by the National Institute of Chemical Safety, thereby contributing to strengthening the chemical safety management system. These efforts increased the submission rate of chemical hazard information, closed gaps in chemical safety management, and improved operational effectiveness.

Advancements in the Chemical Substance Management System



Strengthening Safety Management for Chemical-Handling Businesses

K-eco conducts handling-facility inspections and safety diagnostics, provides technical and financial support, and offers consultations on regulatory compliance to prevent chemical accidents and strengthen the safety-management capabilities of businesses handling hazardous chemicals. It supports improvements to aging storage facilities and piping, leak detectors, and ventilation and exhaust equipment at small and medium-sized workplaces, while strengthening companies' regulatory compliance capabilities through briefings and one-on-one on-site consultations in cooperation with related organizations. In 2025, K-eco carried out 8,081 inspections and diagnostics at chemical-handling workplaces, provided KRW 5.5 billion in national subsidies to improve aging chemical facilities at 195 sites, and delivered 1,603 pre-consulting and technical support services, achieving zero accidents caused by chemical facility defects. K-eco will continue to expand tailored support for businesses and strengthen the foundation for chemical accident prevention.

Key Safety Management Efforts and Performance for Chemical-Handling Businesses

8,081 Cases of Inspections and Diagnostics at Chemical-Handling Workplaces

195 Sites KRW **5.5** Billion National Subsidies for Improvements to Aging Chemical Facilities

1,603 Cases of Pre-Consulting and Technical Support

Zero Accidents Caused by Chemical-Facility Defects

Providing Chemical Hazard Test Data

Based on advanced inhalation toxicity testing facilities that meet international standards, K-eco generates and provides the hazard test data required by industry for chemical registration, helping to reduce the regulatory compliance burden. In 2025, K-eco expanded international certification(GLP)* to cover all inhalation toxicity test items, securing the highest level of domestic expertise and creating a foundation for Korean chemical companies to obtain reliable test data on a stable basis. In response to changes in the international paradigm, K-eco is also establishing alternative testing facilities to minimize the sacrifice of laboratory animals and expanding technical and financial support for private testing institutions. K-eco will continue to integrate support for inhalation toxicity testing, alternative testing, and environmental hazard data generation to strengthen companies' regulatory compliance capabilities and protect public safety from chemical hazards.

* GLP (Good Laboratory Practice): OECD standards governing personnel, laboratory facilities, and the processes for planning, conducting, monitoring, recording, and reporting tests.

Public Environmental Services and Public Safety

Establishing Disaster Prevention and Response Systems

Advancing the Disaster and Safety Management System

K-eco is advancing its environmental disaster and safety management system to protect lives and property. It expanded and systematized disaster and safety management plans across five areas—air, water, chemical substances, soil, and waste—and strengthened implementation by increasing personnel in the dedicated department and expanding safety investment. K-eco also enhanced response capabilities through expanded field exercises and training for major disaster scenarios and strengthened the practical effectiveness of its business continuity plans. These efforts resulted in zero environmental disasters and serious civil accidents, and K-eco received the Minister of the Interior and Safety Award at the 2025 Korea Safety Technology Awards in recognition of its advanced disaster and safety management system.

Joint Pollution-Accident Response Drills with Related Organizations

K-eco conducts joint response drills with basin environmental offices, local governments, fire stations, military units and private companies to strengthen its capacity to respond to water pollution accidents. Simulating complex incidents such as oil or chemical spills entering rivers, the drills cover the entire response process, from situation notification and initial action to containment, response and post-incident recovery. K-eco uses specialized and advanced equipment, including mobile response vehicles, oil recovery devices, oil fences, drones and boats, and trains personnel from related organizations in equipment use and response procedures by accident type. Drill results are incorporated into crisis-response manuals and field response system improvements, helping to prevent the spread of pollution and minimize damage to aquatic ecosystems.



Inspection of Firefighting Response Systems for EV Fires and Hazardous Chemicals



Joint Public-Private Drill for Hazardous Chemical Response

Efforts to Safeguard Daily Public Safety from Droughts, Sinkholes and Flooding

K-eco proactively responds to disaster and safety risks closely connected to daily life, including droughts, sinkholes and urban flooding. To prevent the recurrence of drought in Gangneung, it developed a plan to utilize water resources from Lake Doam and, following consultations with related organizations, launched initial water-quality improvement projects that include reducing nonpoint-source pollution. K-eco also strengthened standards for replacing aging sewer pipes and expanded surveys of vulnerable areas to establish a foundation for sinkhole prevention. Through public-private cooperation, it developed an "underground pipeline protection block" designed to prevent ground subsidence and pipeline damage. To prevent urban flooding, K-eco also expanded the designation of priority sewerage maintenance areas, requirements for anti-fall devices in manholes, and related budget allocations. K-eco will continue to reinforce a living-environment safety net that the public can trust and feel safe with through field-oriented technical support and institutional improvements.

Flood Recovery Support for Special Disaster Areas

For rapid recovery and the prevention of secondary environmental damage in special disaster areas affected by torrential rain, K-eco deployed recovery vehicles to affected areas, including Sancheong-gun and Hapcheon-gun and worked with local governments to collect, transport and treat flood waste and discarded home appliances. We dispatched personnel to the waste-treatment support team to estimate the volume of disaster waste, manage treatment status, conduct field inspections and provide technical support, while establishing a response system capable of immediately deploying approximately 109 units of recovery equipment. More than 400 employees also took part in field recovery activities such as collecting waste and debris and removing sediment. In addition, K-eco prevented secondary water pollution in rivers by installing containment barriers and conducting rapid response operations, and supported the rapid restoration of environmental infrastructure through technical diagnostics of flooded public sewage treatment plants and the provision of disaster-response supplies. In recognition of these achievements, K-eco received the Prime Minister's Commendation for Contributions to National Disaster Management in 2025.

Hosted by the Ministry of the Interior and Safety

2025 Contributions to National Disaster Management Prime Minister's Commendation

Supporting Rapid Restoration through Prompt Response to and Treatment of Disaster Waste from Wildfires, Floods and Other Disasters

Hosted by the Ministry of the Interior and Safety

2025 Korea Safety Technology Awards

Minister of the Interior and Safety Award

Public Environmental Services and Public Safety

Providing Customer-Centered Environmental Services

AirKorea Recognized for User-Centered Environmental Information Services

K-eco is strengthening user-centered environmental information services so that people can easily and quickly access the information they need. Through AirKorea, its public air quality information service, K-eco provides location-based real-time air quality concentrations, air quality forecasts and alerts, and air-environment statistics, helping the public respond quickly to health-risk situations such as high concentrations of fine dust and yellow dust. To improve information accessibility for information- and health-vulnerable groups, including older adults, children and foreign residents, K-eco introduced a simplified mode and widget service in the AirKorea app, offering practical daily-life information through large text, an intuitive screen layout and recommended actions by fine-dust concentration. K-eco also launched an English-language service for foreign users and plans to expand support to Chinese, Japanese, and other languages, closing gaps in access to environmental information.

As a result of user-centered service improvements, AirKorea's customer satisfaction score rose by 0.9 points year-on-year to 90.4. The service received grand prizes for four consecutive years in the public service category of the Mobile Award Korea and Smart App Award, as well as an Energy Globe National Award.

90.4 Points
AirKorea Customer Satisfaction
Up 0.9 Points Year-on-Year

Grand Prize for Four Consecutive Years
Mobile Award Korea and Smart App Award
Public Service Category



2025 Smart App Award Grand Prize in the Public Service Category



Energy Globe National Award Winner

Achieving the Highest Rating in the Public Institution Customer Satisfaction Survey

As a result of company-wide efforts to provide customer-centered environmental services, K-eco received the highest rating, "Very Excellent," in the 2025 Public Institution Customer Satisfaction Survey conducted by the Ministry of Economy and Finance. The survey evaluates five areas—overall customer satisfaction, service quality, social responsibility, performance and discrepancy—among customers who have used services provided by 186 public institutions. K-eco recorded its highest-ever score of 97.6, 6.2 points above the quasi-governmental institution average of 91.4. In particular, K-eco received its highest score of 98.1 in the performance category and achieved above-average results in all evaluation areas, demonstrating high levels of customer satisfaction with its environmental services. K-eco has continuously strengthened its customer-centered management system by operating a customer satisfaction management task force, embedding a customer-service mindset among all employees and improving services based on customer feedback. It will continue to improve services based on feedback from the public and customers and provide environmental services that satisfy the public as a trusted environmental institution.

Public Institution Customer Satisfaction Survey Results

Highest-Ever Score

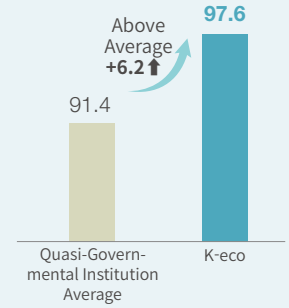
97.6 Points

Very Excellent
(Highest Rating)

Compared with the Quasi-Governmental Institution Average

(Unit: Points)

6.2 Points Higher ↑



Special Section

Strengthening Global Environmental Leadership

Strengthening Global Environmental Leadership and Cooperation

Roadmap for Expanding K-eco's Global Presence

K-eco established a mid- to long-term overseas expansion strategy to strengthen its global competitiveness and address the limitations of its existing overseas portfolio, which had mainly focused on small-scale ODA and included limited experience in large investment-type environmental projects. Under the vision of becoming "a global environmental professional institution leading the carbon-neutral era," K-eco set the provision of global environmental solutions, expansion of international cooperation and strengthening of expertise as its core implementation goals. It established strategic tasks in each area, including improving overseas project implementation methods and project development capabilities, strengthening support for green exports, establishing a global cooperation platform and expanding secondments to international organizations. K-eco is also strengthening its support system for overseas expansion of the environmental industry by expanding cooperation with international organizations and multilateral development banks (MDBs), strengthening partnerships with private companies, and operating the K-eco Overseas Market Development Team. By refining its strategic framework and identifying new projects, K-eco plans to continuously reinforce its status as a global environmental professional institution and gradually expand its fields of overseas engagement through 2035.

K-eco's Roadmap for Expanding Global Presence

Vision

A Global Environmental Professional Institution Leading the Carbon-Neutral Era

Implementation Goals

- Support the Overseas Expansion of the Environmental Industry by Providing Global Environmental Solutions
- Participate in Discussing and Resolving Global Environmental Issues by Expanding Global Partnerships
- Enhance Global Capabilities by Strengthening Expertise and Accumulating Know-How

Strategic Framework and Detailed Tasks

Strategic Framework	Detailed Tasks	Implementation Measures		
Overseas Projects	1 Improve Overseas Project Implementation Methods and Expand Project Development Capabilities 2 Strengthen Networks and Implementation Systems for Project Activation	• Diversifying overseas business by participating in projects in cooperation with international organizations, MDBs (Multilateral Development Banks), concessional loan ODA, and the private sector	• Conclude and Strengthen MOUs with Related Organizations and Establish a Cooperation System with the Private Sector	• Link and Expand International GHG Reduction Support Projects with Other Projects
Green Exports	1 Revitalize the Cooperation Ecosystem among Public Institutions 2 Support the Overseas Expansion of the Environmental Industry	• Operate the K-eco Overseas Market Development Team and Expand and Strengthen K-PPEP • Advance and Revitalize the Overseas Expansion of the Water Industry	• Operate Corporate Support Programs by Field and Project Type	• Provide a Guide to Overseas Expansion of the Environmental Industry
International Cooperation	1 Establish an Integrated Global Cooperation Platform 2 Strengthen International Cooperation through the Expansion of Cooperation Partners, Platforms, and Publicity	• Establish a Flexible and Efficient Global Cooperation Platform	• Operate Outreach Programs for Partner Countries and International Organizations	• Discover Platforms for Expanding Exchange and Business, and Advancing Cooperative Exchange
Talent Development	1 Revitalize Exchanges with International Organizations to Expand Overseas Environmental Business 2 Establish Performance Management and Feedback Systems for International Organization Secondments	• Systematically Develop Experts for International Organization Secondments and Expand Assignments	• Systematically Manage and Effectively Utilize Secondment Outcomes	

Implementation Roadmap

Phase 1 (2025–2026)	Phase 2 (2027–2029)	Phase 3 (2030–2035)
Establish the Strategic Framework, Expand Cooperation with Related Organizations, and Identify and Implement New Projects	Fully Implement Global Expansion and Diversify Projects	Strengthen and Expand K-eco's Status and Fields of Engagement as a Global Environmental Professional Institution

Special Section

Strengthening Global Environmental Leadership

Participation in the COP30 Government Delegation

K-eco participated in the government delegation to the 30th Conference of the Parties to the UN Framework Convention on Climate Change (COP30), contributing to Korea's NDC development and stronger international climate cooperation. K-eco experts took part in the process of establishing the 2035 national GHG reduction target, supporting the evaluation of 2030 NDC implementation and the review of new target-setting. As members of the COP30 government delegation, they participated in negotiations on key Paris Agreement agenda items and global negotiations, contributing to the advancement of national proposals and negotiating discussions. K-eco also joined joint negotiations of the Environmental Integrity Group (EIG) with Switzerland, Mexico and other countries, broadening the foundation for international cooperation. It is also working to build public consensus by holding a public forum to share key COP30 outcomes and international climate trends.

Key COP30 Activities

Preparing NDC 3.0

Participation of K-eco Experts in Developing Korea's 2035 National Reduction Target (NDC)
- Advised on reviewing progress toward the 2030 NDC and setting the new 2035 NDC target
- Participated in a preliminary expert consultative body for the G20 Environment Ministers' Meeting on a more ambitious 2035 NDC (September 2025)

COP30 Government Delegation Activities

Four Employees from the Global Cooperation Department Served as Members of the COP30 Government Delegation for Three Weeks
- Led responses to six agenda items, including Article 6 of the Paris Agreement
- Participated in joint negotiations within the EIG, comprising six countries including Switzerland, the Republic of Korea and Mexico
- Held side events in collaboration with the International Energy Agency and the International Carbon Action Partnership

Public Forum

Held a Public Forum to Share Key COP30 Developments (November 2025, Seoul)
- Shared major decisions and international climate trends with the public
- Expanded opportunities to gather public input through participation by diverse stakeholders



COP30 Side Event



COP30 Public Forum

Strengthening Communication and Cooperation on Global Environmental Issues

K-eco is expanding cooperation with major international organizations and contributing to the resolution of global environmental issues and implementation of the Sustainable Development Goals (SDGs). Through expert secondments tailored to the characteristics of each international organization, cooperation on digital- and AI-based environmental management, and global social contribution activities, K-eco shares Korea's environmental management experience and technologies with the international community and continues to expand its global environmental cooperation network.

Major Areas and Details of Cooperation with International Organizations

Area of Cooperation	Major International Organizations	Key Details
International Cooperation Network	UNESCO (WWAP · IHP) OECD	• Held cooperation meetings • Discussed the sustainable operation of the international environmental expert secondment program • Identified new cooperation projects
International Environmental Expert Secondment Program	UNESCO OECD World Bank	• Operated UNESCO environmental expert secondments since 2017 • Expanded cooperation to OECD chemical safety management in 2025 • Expanded cooperation to World Bank resource circulation activities in 2026 • Seconded K-eco experts to eight international organizations and institutions across the United States, Europe and other regions
Digital and AI Environmental Cooperation	UNDP	• Participated in the D4SD* High-Level Dialogue • Shared experience in digital environmental monitoring • Co-hosted a side event at the UN General Assembly
Global Social Contribution	UNDP UNICEF	• Accelerated implementation of the SDGs using digital and AI technologies • Introduced environmental management solutions in the Arab region and North Africa • Protected children in South Pacific countries from environmental risks

* D4SD: Digital for Sustainable Development initiative



UNDP D4SD High-Level Dialogue in Barcelona, Spain



UNDP D4SD High-Level Dialogue at the 80th UN General Assembly

Special Section

Strengthening Global Environmental Leadership

Leading Global Carbon Neutrality

Supporting Open Calls for International GHG Reduction Projects

K-eco conducts open calls and provides project funding for international GHG reduction projects to support the achievement of Korea's nationally determined contribution (NDC) and overseas market expansion by Korean environmental companies. In 2025, K-eco selected six projects involving 13 companies through an open call and evaluation process and provided a total of KRW 5.7 billion in support. K-eco is implementing a variety of initiatives, including investment support projects and feasibility studies in Cambodia, Vietnam, Malaysia, and Uzbekistan. Based on MOUs with participating companies, K-eco supports project implementation, risk management, the application of internationally standardized methodologies, acquisition of reduction outcomes and procedures for transferring those outcomes to Korea. In doing so, it will contribute to sustainable development in developing countries and greater participation by Korean companies in global carbon-neutrality projects.



2025 MOU Ceremony to Support International GHG Reduction Projects

Support for International GHG Reduction Projects

Needs	Collection of Corporate Feedback	Improvements
Support for Rapid Implementation	- Waiting period after the feasibility study due to a fixed annual open call - Insufficient opportunities for contact between companies and governments, making consultations difficult	- Flexible open calls shortened the process by six months - A Korea-Kazakhstan joint committee involving the Ministry of Climate, Energy and Environment and participating companies was held in September 2025, and officials from project countries were invited in February 2025 to expand direct engagement with implementing companies
Sharing International Information	Procedures were difficult to understand because detailed rules on approvals and issuance of outcomes are agreed and established through negotiations between countries	- Public forum on the latest trends in Paris Agreement implementation (December 2025) - Training on World Bank and UNDP climate finance and on verification and methodologies by the Korean Standards Association (June 2025)

Advancing Global Environmental Projects and Support

Continuously Identifying Overseas Environmental Investment and Development Projects

K-eco signed an MOU with the Korea Overseas Infrastructure & Urban Development Corporation (KIND) to develop overseas environmental markets and expand international GHG reduction projects. The two organizations are working together in various areas, including identifying overseas environmental investment and development projects based on public-private partnerships, cooperating on international GHG reduction projects, developing overseas environmental infrastructure and supporting joint public-private project development. By combining K-eco's environmental technology expertise with KIND's overseas investment and development capabilities, K-eco plans to strengthen opportunities for Korean companies to enter overseas environmental markets.

Air Pollution Management Support Projects in Mongolia and ASEAN

K-eco implements Green ODA and environmental projects based on international cooperation to strengthen air pollution management capabilities in Mongolia and other Asian countries. Through the Mongolia ICT-Based Integrated Air Quality Management System Project, K-eco is establishing air quality monitoring stations and an integrated air quality management system in Ulaanbaatar and 21 aimags, enabling real-time collection and analysis of air pollution data. K-eco also participates in the Asian Environmental Satellite Joint Utilization Platform Project, strengthening air quality observation capabilities in Thailand, Cambodia, Laos, Vietnam, Indonesia, the Philippines, Mongolia and other Asian countries. K-eco is responsible for installing and piloting Pandora ground-based observation equipment, improving the reliability of observation data from the GEO-KOMPSAT-2B satellite and helping each country develop science-based air quality policies.



MOU Signing Ceremony for Global Environmental Market Expansion



Completion Ceremony for the Mongolia ICT-Based Integrated Air Quality Management System Project

Special Section

Strengthening Global Environmental Leadership

Disseminating Knowledge and Capabilities for Global Environmental Projects

K-eco Global ESG Delegation and Knowledge-Sharing Training

K-eco sends Global ESG Delegations abroad and provides knowledge-sharing training for ASEAN countries to share environmental knowledge and strengthen ESG management capabilities. At the Korea-Malaysia ESG Forum, K-eco shared best practices in ESG management and discussed cooperation with local governments, public institutions and financial institutions on ESG implementation measures, including climate change response, emissions trading and the use of climate finance. K-eco also held a Korea-Mongolia ESG capacity-building seminar, contributing to the launch of a new ESG working group in Mongolia. It provided knowledge-sharing training to strengthen waste management capabilities among public officials from ten ASEAN countries, sharing Korea's waste-management technologies and circular-economy policy experience. K-eco will continue to expand ESG cooperation networks and knowledge-sharing programs, spearhead the international dissemination of Korean environmental policies and technologies, and support the global expansion of Korea's environmental industry.



Korea-Mongolia Partnership Seminar for Strengthening ESG Capabilities

Performance in Supporting Environmental Knowledge Sharing through Global Cooperation Networks

Category	Country	Key Details
ESG Forum	Malaysia	• Sharing ESG best practices • Discussion of cooperation with local governments, public institutions and financial institutions on climate change, emissions trading, climate finance and related areas
ESG Seminar	Mongolia	• Korea-Mongolia ESG capacity-building seminar held • Contribution to the launch of Mongolia's new ESG working group
Knowledge-Sharing Training	Ten ASEAN Countries	• Knowledge-sharing training on waste-management capacity building for public officials from ten ASEAN countries • Support for stronger policy capabilities through practical training and discussions on the circular economy, extended producer responsibility (EPR), integrated municipal solid waste management and related topics

Expanding the K-EPR Model

K-eco is expanding cooperation with international organizations to support the global dissemination of Korea's extended producer responsibility system (K-EPR) and the transition to a global circular economy. In cooperation with the United Nations Environment Programme (UNEP), the World Bank and other organizations, K-eco supports the development of waste management capabilities and the establishment of EPR systems in developing countries. It continues to expand the foundation for overseas application of the K-EPR model through country-specific system development and international training programs. With UNEP, K-eco is discussing participation in an EPR project for waste electrical and electronic equipment in Mexico, supporting the international expansion of the K-EPR model through institutional improvements, technology adoption, and capacity building. This project is K-eco's first ODA cooperation initiative implemented with an international organization and is strengthening the foundation for overseas dissemination of Korea's circular-economy systems and recycling technologies. With the World Bank, K-eco operated an international K-EPR training course and shared system-design know-how and operational best practices with government officials from five countries: Uganda, Uzbekistan, Lebanon, Indonesia and Panama.

Global Cooperation Performance for Expanding the K-EPR Model

	UNEP	World Bank
Partner Organization	UNEP	World Bank
Key Activities	Cooperation on an EPR Project for Waste Electrical and Electronic Equipment in Mexico	International K-EPR Training Program (Five Countries)
Outcomes	• K-eco's first ODA project linked with an international organization • Foundation established for overseas expansion of K-EPR	• Sharing know-how on system design and operation • Providing learning across the full resource-circulation process through field visits

SOCIAL

K-eco fulfills its social responsibility and creates public value, supporting shared growth among the public, local communities, employees, and partner companies.

076 Safety Management
082 Talent Development and Recruitment
086 Organizational Culture and Labor-Management Relations
090 Human Rights Management
093 Shared Growth
096 Mutual Growth with Local Communities
101 Cybersecurity
106 Special Section Supporting the Global Expansion of Mid-Sized Enterprises and SMEs

Safety Management

Occupational Health and Safety Management Policy

Approach

K-eco considers safety the highest priority in all business operations and decision-making and works to create a safe operating environment for employees, partner companies, and the public. Based on occupational health and safety governance in which labor and management participate together, K-eco proactively manages risk factors and strengthens its prevention-focused safety management system by adopting smart safety technologies. It also strengthens its capabilities to respond to disasters and environmental accidents, faithfully fulfilling its safety management responsibilities as a public institution.

Key Achievement

Ministry of Land, Infrastructure and Transport Safety Management Level Assessment

Rated Excellent or Higher for Three Consecutive Years and Ranked No. 1 among Quasi-Governmental Institutions

K-eco Materiality Assessment

Impact Materiality ◕ Financial Materiality ◕

Public Institution ESG Guidelines

S-5

GRI Standards

403

UN SDGs

Establishing a Safety Management System

Declaration of K-eco's New Occupational Health and Safety Management Policy

In March 2025, K-eco announced the Chairman's occupational health and safety management philosophy of placing safety first and held a joint labor-management ceremony to declare its new Occupational Health and Safety Management Policy and affirm a shared commitment to implementation. Finalized after gathering input from employees and external experts and receiving approval from the Occupational Safety and Health Committee, the policy focuses on eliminating serious accidents, improving risk factors, labor-management communication and prioritizing safety. Based on labor-management cooperation, K-eco seeks to spread a safety culture across all workplaces through the united efforts of all employees and partner companies and to implement management centered on occupational health and safety. Through this policy, K-eco plans to establish a foundation for sustainable development, including the creation of a safe working environment.



2025 K-eco New Occupational Health and Safety Management Policy Declaration Ceremony

K-eco's New Occupational Health and Safety Management Policy

Recognizing the safety of all workers, and ultimately the public, as the highest responsibility and value

Creating a safe and pleasant working environment for all

01 Formulate and implement collaborative labor-management occupational health and safety management goals, continuously refine the occupational health and safety management system, and work to eliminate serious accidents

02 Comply with occupational health and safety legislations and safety standards, proactively identify and mitigate workplace hazards, and establish a self-regulatory prevention framework through routine risk assessments

03 Strengthen a mutually beneficial ecosystem and occupational health and safety capabilities by advancing open communication, shared understanding, and active participation among labor, management and partner companies

04 Work collaboratively across labor, management, and partner companies to embed safety consciousness and cultivate an institutional safety culture that upholds OHS as the paramount corporate value.

Safety Management

Establishing the K-eco Safety Master Plan 3.0

K-eco is developing the Safety Master Plan 3.0, an upgraded version of the existing Safety Master Plan 2.0 designed to maximize field-level execution and fortify a prevention-centered safety management system. The new plan sets the advancement of an on-site prevention system as its core direction. To increase on-site acceptance of the incentive system, K-eco is improving the system based on consultations with the labor union and relevant departments. In addition, we plan to strengthen technical expertise and systematic oversight by expanding our internal safety expert pool to the level of certified international auditors and progressively integrating our occupational health management system. K-eco will continue to reinforce its prevention-centered safety management system and work to foster the establishment of a safety culture at worksites and accident prevention capabilities.

K-eco Safety Master Plan 3.0 Framework

Vision

Creating a Workplace Where Safety Comes First

Goal

Achieving Zero Fatal Workplace Accidents by Advancing a Field-Centric Prevention System

Implementation Strategies

01

Advancing Safety Capabilities and Embedding Safety Culture

1. Strengthen division-tailored safety capabilities across the organization
2. Extend the impact of safety assessments across the organization
3. Establish a lifecycle safety training system from onboarding to retirement
4. Institutionalize employee-participatory risk assessments into daily practice
5. Expand tangible safety culture internally and externally

02

Streamlining Administration for Field-Centric Safety Management

1. Enhance the field-level execution and applicability of the occupational health and safety management system
2. Upgrade and expand the enterprise computerized safety management system
3. Streamline health screening workflows and elevate personalized follow-up care
4. Enhance the practical usability of emergency response and crisis management manuals

03

Targeted Oversight of High-Risk Sites & Vulnerable Sectors

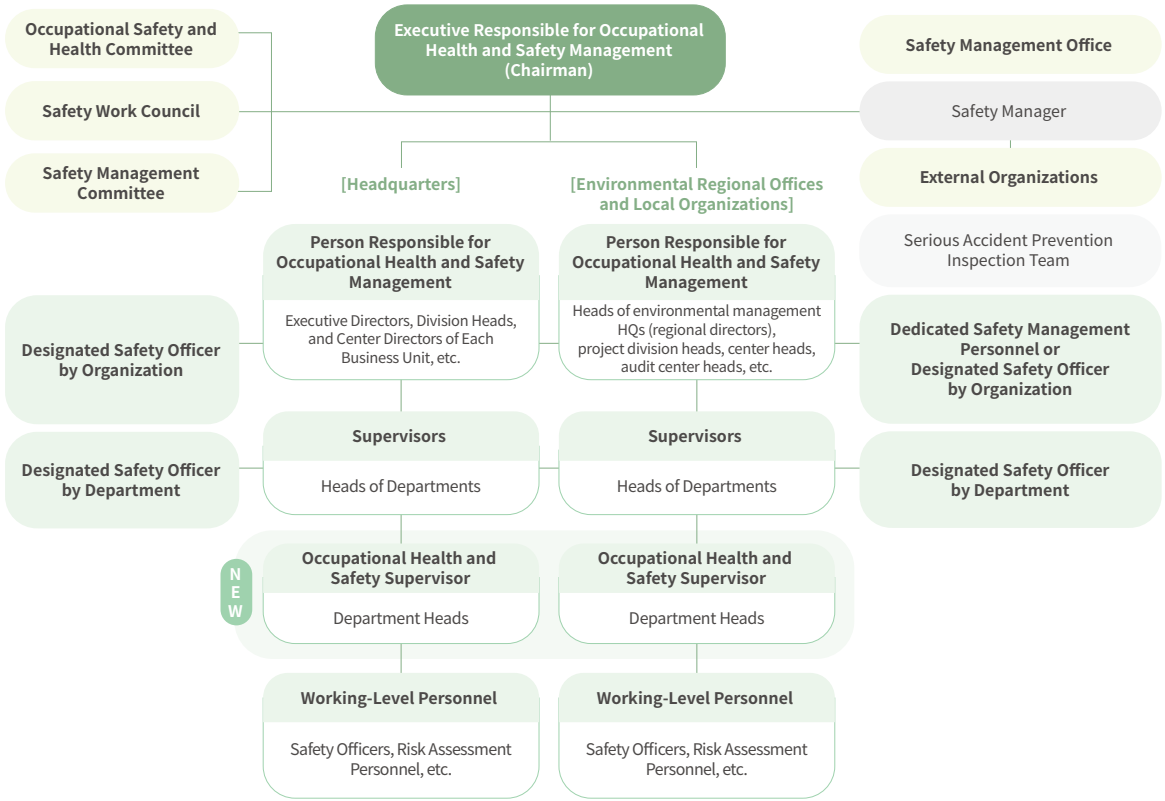
1. Strengthen monitoring of safety management for hazardous work
2. Move beyond smart technologies to pursue AX
3. Establish standard safety models by construction project participant and establish management measures
4. Fortify on-site safety management centered on protecting workers of partner companies

Safety Management

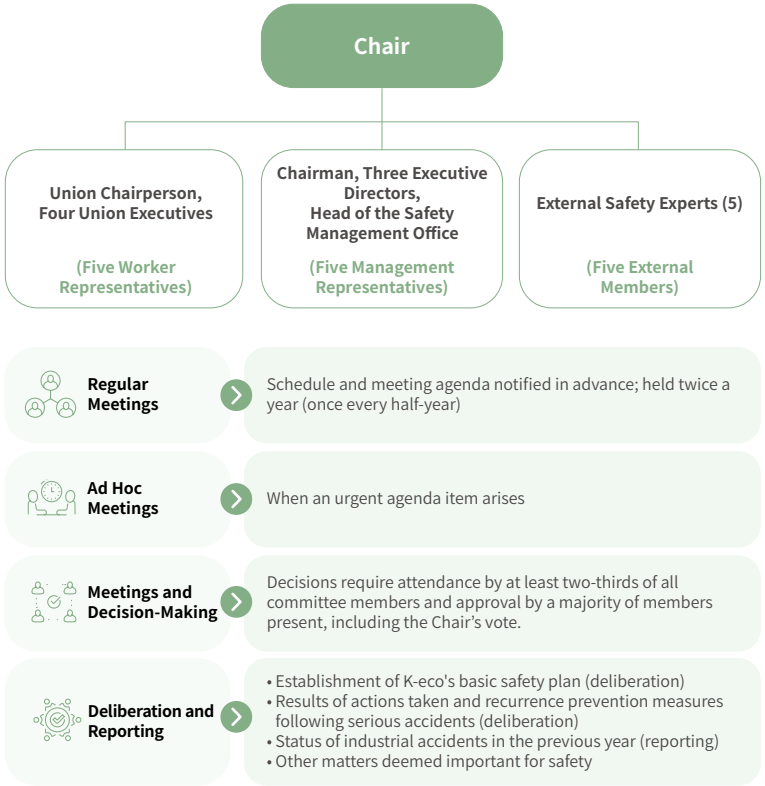
Safety Management Implementation System

K-eco has established occupational health and safety governance, with the Chairman serving as the executive responsible for occupational health and safety management and the Safety Management Office acting as the dedicated safety organization At headquarters, K-eco has appointed executive directors, division heads, institute directors, etc. for each project as safety and health management officers responsible for workplace safety. In the Environment Division and regional organizations, the Heads of environmental management HQs (regional directors), project division heads, center heads, audit center heads are appointed as safety and health management officers. In addition, each department head serves as a supervisor responsible for on-site safety management, and K-eco has further strengthened its safety management system by creating the new position of safety and health supervisor. In accordance with the Guidelines on Safety Management for Public Institutions, K-eco operates the Safety Management Committee chaired by the Chairman. The committee consists of 15 members—five internal members, five union members and five external experts—and deliberates and resolves major safety-related matters of the organization. K-eco plans to continue strengthening the committee's role in proactive risk management and fostering a safety culture.

Company-Wide Occupational Health and Safety Management System



Safety Management Committee Operating System



Safety Management

Transition to and Certification of the Occupational Health and Safety Management System (ISO 45001)

K-eco has strengthened its company-wide occupational health and safety management system to make safety its highest priority and create healthy workplace environments. By obtaining ISO 45001 certification, the international standard for preventing industrial accidents and managing occupational health and safety risks, K-eco demonstrated that its occupational health and safety management system conforms to international standards and is effectively implemented. The certification audit comprehensively assessed the conformity of the system, compliance with relevant laws and regulatory requirements, and system effectiveness. K-eco received particularly high marks for its efforts to ensure occupational health and safety for workers and the public and for its systematic management of occupational health and safety activities and performance across the organization. ISO 45001 certification represents the systematization of K-eco's occupational health and safety management system in line with international standards, and K-eco will use it as a foundation to prevent industrial accidents and create healthy workplaces.

Certification Standard

KS Q ISO 45001 : 2018
ISO 45001: 2018

Scope of Certification

The entire scope of business under Article 1 (Purpose) of the K-eco Act, including environmental pollution prevention, environmental improvement, resource circulation, and greenhouse gas reduction projects in response to climate change

Validity Period

December 5, 2025 – December 4, 2028
- Unification of the Occupational Health and Safety Management System Operation Unit into Headquarters

Overview of ISO 45001 Occupational Health and Safety Management System Certification


안전보건경영시스템인증서
한국환경공단

Occupational Health and Safety Management Systems (ISO 45001) Certificate

Improving Safety Implementation through a Stronger Safety Management System

Best Practice

K-eco is advancing on-site safety management capabilities by expanding its safety organization and strengthening management of the entire safety budget process. The Safety Budget Committee, which manages the process from budget formulation through execution, has strengthened the framework for systematic safety management. K-eco also formed a management-led safety task force and allocated an emergency safety budget,identifying and improving 1,065 safety facility issues and hazards at directly operated and contracted workplaces. To prevent serious accidents, K-eco has also strengthened a self-regulatory prevention system for high-risk work centered on TBM (Tool Box Meeting) activities. By implementing TBM guidelines, linking TBMs with risk assessments, reviewing work permits, and monitoring implementation, K-eco is working to establish an on-site preventive safety culture.

Activities to Strengthen the Safety Management System

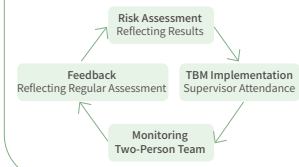
Strengthening the Safety Budget Management System	Formation of a Management-Participated Safety Task Force and Investment of an Emergency Safety Budget	Strengthening the TBM-Based Prevention System for High-Risk Work
• Management of the entire safety budget formulation and execution process • Operation of the Safety Budget Committee	• Formation of a Chairman-led safety task force • Identification of harmful and hazardous factors at worksites	• Improvement of high-risk work procedures • Strengthening of TBM activities • Feedback of risk assessment results

Key Achievements

Safety Budget
KRW
126
Billion Allocated

Risk Factors Identified at 33 Workplaces
1,065 Cases

Strengthening TBM Implementation
Establishing a Virtuous Cycle System



Safety Management

Strengthening Safety Management Implementation

Safety Training and the Spread of a Safety Culture

K-eco strengthens employees' safety capabilities through systematic and comprehensive safety training programs that go beyond legal compliance requirements. It provides safety training for internal employees and partner companies across three areas of safety and disaster management: industrial safety, construction safety and disaster safety. K-eco has also designated the 27th of every month as Safety Sohwakhaeng Day and conducts on-site safety inspections and communication activities with direct participation by the Chairman. Focusing on worksites where employees perform their duties, the Chairman inspects hazards, directly hears about challenges and areas for improvement, and reinforces practical safety management. K-eco also shares major safety matters and conducts training and hands-on activities, encouraging employees to actively foster a safety culture and strengthen on-site safety awareness.

* Safety Sohwakhaeng: Continuous safety communication, hazard identification, and safety management actions to create a safe workplace—a small but certain happiness

K-eco 2025 Safety Training Performance

Area	Training Program	Training Dates	Completion Hours
Industrial Safety	Regular Occupational Safety and Health Training	First and Second Half	6 Hours (Office Workers) 12 Hours (On-Site Workers)

Participants

First Half 3,257 Second Half 3,561

Completion Rate

100%

Introduction of a Smart Construction Safety System

K-eco is strategically advancing an automation- and AI-based smart safety management system to realize healthy, safe and happy workplaces at construction sites. Through AI analysis of CCTV footage, K-eco generates and shares safety reports and provides accident-prevention measures and risk-factor alert services, establishing a foundation for real-time response to on-site risks. It also uses bodycams to analyze movement routes and provides real-time interpretation in 14 languages, addressing safety blind spots and improving access to safety management for groups vulnerable to safety communication, including foreign workers. These efforts lowered the AI-predicted risk level from 56% to 18%, contributing to a safe working environment for construction workers. K-eco also established an automation plan for river flow measurements, laying the foundation for a transition to ICT-based automated measurement to reduce accident risks associated with manual measurements. By incorporating on-site feedback and smart safety technologies into its safety management system, K-eco achieved zero serious accidents at its commissioned construction sites in 2025 and received the highest rating, Grade A (Excellent), among 44 entrusted-execution-type quasi-governmental institutions in the Public Institution Safety Activities Level Assessment conducted by the Ministry of Employment and Labor.

AI-Based Smart Construction Safety System

[AI CCTV Accident Prediction System]



[Bodycam and AI Real-Time Interpretation]



Safety Management

Strengthening Safety Management for Partner Companies

Best Practice

In 2025, K-eco supported safety qualification acquisition, provided safety management manuals, delivered specialized training and offered on-site safety consulting to strengthen the safety management capabilities of partner companies engaged in contracted projects. These activities produced tangible results, including safety qualifications acquired by three partner-company workers, training completed by 71 employees from 24 partner companies, and the identification and improvement of 194 hazards across 13 worksites, contributing to the creation of safe workplaces together with partner companies. K-eco also expanded partner-company participation in the Safety Technology Best Practice Competition compared with the previous year and identified best practices in safety technologies for laboratories, construction sites, workplaces, and urban environments, further strengthening site-centered safety management.

Key Performance in Partner Company Safety Management

Key Results

Partner Company Workers Safety Qualifications Acquired	Contracted Project Safety Management Guides Distributed	Partner Company Occupational Health and Safety Training Completed	Workplaces Receiving Safety Consulting	Risk Factors Identified and Improved
3 persons	200 Copies	24 Partner Companies, 71 Employees	13 worksites	194 Cases

Representative Best Practices from the Safety Technology Competition with Partner Company Participation

Laboratory Safety

Development of a Real-Time Hazardous Chemical Management System

Systematization of Safety Document Forms, Real-Time Monitoring with VOC Sensors and Hazard Alerts

Construction Site Safety

Development of an AI-Based App Supporting TBM Activities

Creation of an AI Model Providing Safety Regulations, Production of Safety Training in 14 Languages

Workplace Safety

Improvement of Stack Sampling Work at Worksites

Prevention of Falling Accidents with a Ground-Controlled Remote Safety Ascender, Equipment Improvement through ICT Application and Weight Reduction

Urban Safety

Development of an Underground Pipeline Protection Block to Prevent Sinkholes at Source

Development of a Pipeline Protection Block that Fundamentally Prevents Ground Subsidence, Ensuring Safety by Protecting Underground Pipelines

Development of Preventive Technologies to Strengthen On-Site Safety

Best Practice

K-eco develops safety-centered technologies to prevent disasters and environmental accidents and strengthen on-site response capabilities. The Underground Pipeline Settlement Prevention Protection Block is a technology product jointly developed with an SME to address the structural vulnerabilities of conventional cast-in-place concrete methods and prevent sinkhole accidents. Factory-manufactured protection blocks integrate product joints and improve crack resistance while minimizing the number of workers required on-site, thereby improving work safety. In recognition of its contribution to establishing a foundation for sinkhole prevention, the technology received the Minister of the Interior and Safety Award at the 2025 Korea Safety Technology Awards. K-eco also developed lightweight pollution-response supplies for rapid initial response to water pollution accidents. By shortening the time required to install response equipment when an accident occurs, the technology helps secure the golden time for responding to water pollution accidents.

Safety Technology Development Cases

Development of Underground Pipeline Protection Blocks

Background

Sinkholes Continued to Occur Despite the Application of Protection Methods

Technology Overview

Strengthening Structural Stability with Underground Pipeline Protection Blocks

Outcome

Preventing Sinkholes through a Ground-Subsidence Mitigation Method



Development of Lightweight Pollution-Response Supplies

Background

Response Delays Due to Oversized Oil Booms during Pollution Accidents

Technology Overview

Minimizing Weight through Alternative Material Development (73% Reduction)

Outcome

Strengthening Initial Response Capabilities for Water Pollution Accidents by Securing the Golden Time



Hosted by the Ministry of the Interior and Safety

2025 Korea Safety Technology Awards Minister of the Interior and Safety Award

Development of Underground Pipeline Protection Blocks to Prevent Urban Sinkholes

Talent Development and Recruitment

Approach

K-eco recognizes that securing and fostering talent with expertise and diversity is a core competitive advantage in providing sustainable environmental services. While systematically developing employees' job competencies, K-eco realizes social value through the development of environmental professionals and fair recruitment. It also expands equitable employment opportunities for youth aging out of care and other vulnerable groups, consistently strengthening the talent foundation that will lead the future environmental industry.

Key Achievement

Recognition of the Establishment of a Global-Level Environmental Expert Development System

ISO 21001
First Certification

K-eco Materiality Assessment
Impact Materiality ◔ Financial Materiality ◑

Public Institution ESG Guidelines
S-3

GRI Standards
401 404

UN SDGs

Establishing a K-Environmental Expert Development System

Advancing the Environmental Expert Development System

K-eco is strengthening the linkage between human resource management (personnel) and human resource development (training) to enable 20 distinct career development tracks through a job competency-centered talent development system. K-eco is also advancing its environmental expert development system by subdividing the existing common, basic and professional job competency training framework into a five-stage growth system of AI, common, essential, professional and advanced competencies and reestablishing its mid- to long-term talent development vision and strategy for 2026–2030.

K-eco Environmental Expert Development System

Strengthened — Job Competency Design and Feedback

Strengthening Training Design and Feedback Systems so Job Competencies Can Grow Intensively through Diverse Channels

[Domestic and Overseas] Environmental Analysis	[Experts] External Advisory	[Internal Communication] Opinion Collection	[Collaboration] Linkage with HRM	[International Standard] ISO Certification
• Changes in HRD Strategies • Mid- to Long-Term Management and ESG	• Public-Private-Academia (3 Persons, 7 Sessions) • Consulting Firm (Improvement Priorities)	• Meetings (37 Departments) • Survey (795 Employees)	• Job Analysis • Analysis of Transfers, Careers, etc.	• Manual Preparation (10 Items) • Procedures (23 Items)

Strengthening Job Skills and Accelerating AI Utilization
Advancing Mid- to Long-Term Training Linked to Job Competency Development and Career Development
Systematizing the Entire Training Program

Improved — Job Copetency Growth System

Reorganizing and Expanding Curricula by Subdividing Job Competency into a Five-Stage Growth System (110 → 119 Courses)

Existing 110 Job Courses (Common ▶ Basic ▶ Professional)

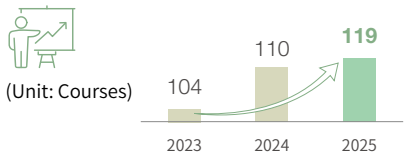
Job Basic Competencies		Job Applied Competencies		Job Advanced Competencies
❶ AI Competencies (13)	❷ Common Competencies (10)	❸ Essential Competencies (12)	❹ Professional Competencies (79)	❺ Advanced Competencies (5)

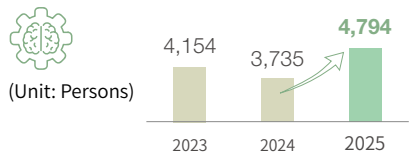
Basic Competencies ❶❷
Applied Competencies ❸❹
Advanced Competencies ❺

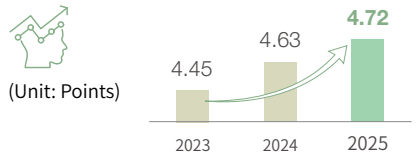
[Strengthening AI Applicability] Integrating AI into Job-Common and Always-On (Online) Learning Courses to Develop Basic Competencies
[Strengthening Job Essentials] Strengthening Course Organization by Six Major Job Categories to Enhance Early-Career Growth Competencies
[Reorganizing Job Expertise] Department Surveys, Job Analysis, Course Integration and Discontinuation, New Courses, and Policy-, Practice- and Field-Centered Training
[Establishing Advanced Job Courses] AI and Global Competencies, Technical Qualification Courses, and Outsourced Degree Programs (ICT, Environment and Safety; 20 Participants)

Performance — Job Competency On-the-Job Application

Strengthened Job-Centered Training | **Increase in Job Competency Course Completers** | **Continuous Increase in On-the-Job Applicability**







Talent Development and Recruitment

Educational Organizations Management Systems (ISO 21001) Certification

K-eco obtained ISO 21001 certification, the international standard for educational organizations management systems, in 2025, earning recognition for its learner-centered curriculum management and continuous quality improvement system. The K-eco Human Resources Development Institute operates approximately 150 training courses annually, graduating around 7,000 professionals each year. As an environmental professional institution, we also received certification as an Excellent Education Donation Institution from the Ministry of Education in recognition of the excellence of its environmental education donation activities for local communities. K-eco will continue to contribute to cultivating global environmental professionals and improving the quality of internal and external environmental education.



Educational Organizations Management Systems (ISO 21001) Certification Ceremony



Educational Organizations Management Systems (ISO 21001) Certificate

Implementation of Environmental Professional Training Programs

K-eco operates the Greenhouse Gas Management Professional Training Program, which provides learning achievement management, employment support, corporate mentoring, and practical training for up to 16 weeks. K-eco also operates the Global Environmental Leadership Program, which supports young people in pursuing careers on the international stage through fair blind-based selection, global environmental leadership training, and internships with international organizations. In particular, it strengthens the foundation for placements at international organizations and employment opportunities while providing field-oriented mentoring. Through these efforts, completion rates, employment rates, and international organization placement outcomes have improved, contributing to the development of environmental professionals who can respond to the climate crisis and expanded employment opportunities for young people.

Key Performance of Environmental Professional Training Programs

Greenhouse Gas Management Professional Training Program

- **Increase in Training Completion Rate**: 2024: 85% → 2025: 97%
- **Overall Training Satisfaction** (Out of 5): 4.8
- **Employment Rate of Program Completers**: 72.5%

Global Environmental Leaders Program (GELP)

- **Expanded Number of Participants Selected**: 2024: 40 → 2025: 50
- **Expanded Number of International Organizations Receiving Interns**: 2024: 14 → 2025: 15
- **Support for Outstanding Young People to Enter International Organizations**: 25 Persons

Global Environmental Leaders Program (GELP) Overview

2009~2026

- **79 persons** — Partner International Organizations
- **795 persons** — International Environmental Professionals Trained
- **450 persons** — Linked to Internships at International Organizations

Major Partner Organizations and Dispatched Interns

UNDP	UNESCO	UNEP	UNESCAP	OECD	FAO
34 persons	52 persons	32 persons	33 persons	15 persons	16 persons

01. Participant Selection	Document Screening → Interview
02. Training	4 Weeks, 100 Hours
03. Internship	3–6 Months
04. Follow-Up Management	Mentoring and Networking Events



2026 GELP Environmental Professionals' Night

Talent Development and Recruitment

Implementing Fair Recruitment and Expanding Recruitment Scale

Expanding Public Jobs and Strengthening Fair and Empathetic Recruitment

K-eco is expanding public sector employment and strengthening fair and empathetic recruitment in response to shifting internal and external labor market dynamics and the growing youth employment challenge. Based on prior-year hiring achievements and higher placement rates for environmental professionals, K-eco established a new strategy addressing the need to improve process integrity and advance a tangible, youth-centric support system. In particular, K-eco is strengthening its job-centered recruitment system to enhance business expertise and organizational stability and expanding the foundation for developing sustainable environmental talent. In 2025, K-eco set the stable expansion of public jobs, careful support for youth employment and strengthening the capabilities of environmental professionals as its core strategic directions. To reinforce equitable hiring practices and boost candidate satisfaction, K-eco aligned headcount expansion with authorized quotas while streamlining screening and evaluation procedures.

K-eco operates multichannel communication networks across all hiring stages to foster an empathetic recruitment framework that actively reflects applicants' opinions and concerns. By providing strengths and weaknesses reports for document screening, written tests and interviews, and extending the period for appeals, K-eco reinforces feedback and support for unsuccessful applicants to reapply, operating a careful recruitment system that enables applicants to continuously strengthen their recruitment capabilities. K-eco also continues to improve the recruitment environment from the applicant's perspective, including accommodations for persons with disabilities, improved regional accessibility and enhanced job descriptions, expanding the foundation for fair recruitment that everyone can support. K-eco will continue advancing public-interest objectives and cultivating future-ready professionals through fair, transparent public-sector job creation.

K-eco Job Creation Goals and Strategies

Job Creation Goal

Creating Public Jobs in Which Anyone Can Participate Fairly and Everyone Can Agree

Strategic Goals

Stable Expansion of Public Jobs	Careful Support for Youth Employment	Strengthening the Capabilities of Environmental Professionals

Strategic Tasks

Stable Expansion of Public Jobs	Careful Support for Youth Employment	Strengthening the Capabilities of Environmental Professionals
• Maximize Employment Based on the Gap between Authorized and Actual Staffing • Improve the Reliability of the Recruitment Selection Process	• Strengthen Internship Program Operations • Establish Direct Pathways from Internships to Permanent Placement	• Deliver Integrated Support across Every Stage of Professional Training • Facilitate Entry into International Organizations through Fair Selection

2025 Performance Targets

Stable Expansion of Public Jobs	Careful Support for Youth Employment	Strengthening the Capabilities of Environmental Professionals
• Achieve an Authorized-to-Actual Staffing Ratio of at Least 97% • Improve Recruitment Satisfaction	• Fulfill the Statutory Youth Employment Quota • Meet Youth Internship Recruitment Targets	• Maintain a Minimum 90% Training Completion Rate • Exceed the National Average Employment Rate

K-eco Empathetic Recruitment Communication System

Before Recruitment

	New Employees	Middle Managers
Communication Method	Empathetic Recruitment Promotion Group	SME Interviews
Details	Recent New Hires Freely Provide Suggestions about the Recruitment Process	Analysis of Job Descriptions and the Recruitment Process with Internal Experts (SMEs)

After Recruitment

	Applicants
Communication Method	Recruitment Satisfaction Survey
Details	Collect and Reflect Improvement Suggestions after Document Screening → Written Test → Interview

Talent Development and Recruitment

Expanding Inclusive and Equitable Recruitment

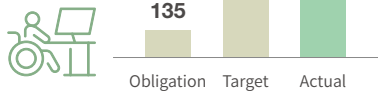
Expanding Socially Equitable Recruitment

K-eco advances socially equitable recruitment by expanding preferential recruitment policies for vulnerable groups, including persons with disabilities, persons eligible for veterans' benefits and high school graduates. It operates targeted competitive hiring for persons with disabilities and maintains an organization-level employment performance management system. K-eco broadens public-sector access for early-career applicants by developing job descriptions for high school graduates and operating consultation booths at recruitment fairs. K-eco reinforces its inclusive hiring framework through weighted scoring, recruitment quotas, and dedicated hiring tracks for low-income households, career-interrupted individuals, and youth aging out of care. As a result, K-eco exceeded both statutory obligations and internal targets in the recruitment of persons with disabilities, persons of national merit and high school graduates, while regional talent hiring substantially outperformed projections.

Performance against Socially Equitable Recruitment Targets

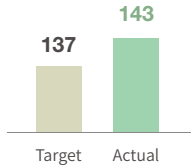
Exceeded the Employment Target for Persons with Disabilities (Unit: Persons)
Based on Regular Workforce

4.64%
Two Persons with Severe Disabilities Hired



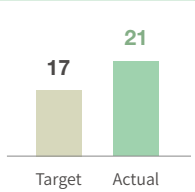
Exceeded the Employment Target for Persons of National Merit (Unit: Persons)
Based on Regular Workforce

4.17%



Exceeded the Target for New Hires of High School Graduates (Unit: Persons)
Based on Regular Employee Recruitment

11.3%



Active Employment Support for Youth Preparing for Independence

Best Practice

K-eco operates a step-by-step integrated support program to help youth aging out of care achieve stable societal transition and long-term career growth. In cooperation with the Gyeonggi Province Self-Reliance Support Agency, K-eco operated work-experience programs based on participants' preferred jobs and helped young people strengthen their employability through field visits to environmental facilities, customized job training and mentoring. In particular, K-eco provided substantive job experience and facilitated organizational adaptation by placing participants into departments aligned with their career tracks while offering structured onboarding support. K-eco strengthened preferential recruitment policies for youth aging out of care by implementing targeted recruitment pathways, expanding bonus-point incentives, and broadening public-sector employment access through relaxed eligibility requirements. Through these efforts, K-eco seeks to establish a stable foundation for independence and support sustainable entry into society for youth preparing for independence.

Preferential Recruitment Policies for Youth Preparing for Independence

Existing

Preferential Measures	Eligibility
Operation of a Recruitment Target System, 5% Additional Points in Document Screening	Persons within Five Years of Leaving a Care Facility - Age 29 or Younger When the Period after Leaving the Facility Is Extended (up to Five Years)

Improved

Preferential Measures	Eligibility
Introduction of Limited-Competition Recruitment, Additional 5% Points in the Written Test	Young People (Age 34 or Younger) Who Have Left a Care Facility [Increase in Regular Recruitment Applicants] (First Half of 2025) 2 persons → (Second Half of 2025) 36 persons

Organizational Culture and Labor-Management Relations

Approach

K-eco fosters a culture of gender equality within the organization by strengthening the development and advancement of its female talent while expanding the participation and leadership roles of female employees in key decision-making bodies and future innovation sectors. In addition, K-eco operates a joint labor-management Work–Life Balance Task Force to support work-life balance and improve employee welfare. Furthermore, K-eco is striving to foster a healthy organizational culture and build a stable working environment based on labor-management cooperation and communication.

Key Achievements

Building Labor-Management Relations Based on Dialogue and Participation

Labor-Management Agreement Implementation Rate
83% Achieved
(Up 6.5%p Year on Year)

Organizational Culture Diagnostic Score
89 Points
(Up 1.4 Points Year on Year)

K-eco Materiality Assessment

-

Public Institution ESG Guidelines

S-1 S-2 S-4

GRI Standards

405 407

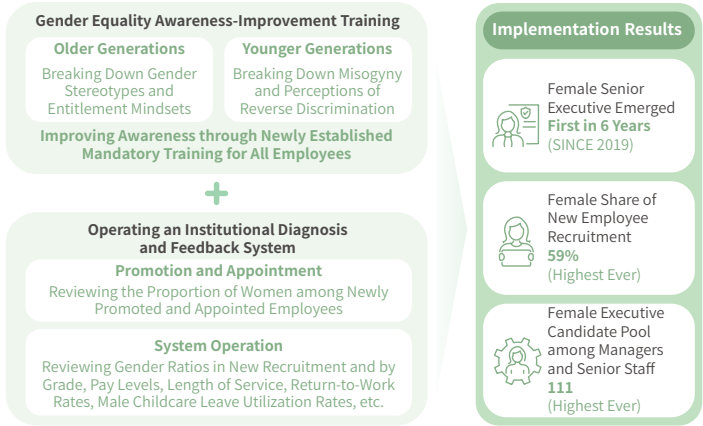
UN SDGs

Establishing an Equal and Inclusive Organizational Culture

Strengthening the Development of Female Talent and Raising Awareness of Gender Equality

Best Practice

K-eco is establishing a culture of gender equality by securing and developing female talent. Each year, it sets mid- to long-term goals and KPIs for expanding female managers over the next five years, gradually increasing the proportion of female executives and managers, while cultivating an internal executive talent pipeline through the expanded appointment of women to senior leadership roles. K-eco also actively promotes gender equality across the organization to enhance female representation. It has expanded women's participation in key decision-making areas, including grievance committees and recruitment committees, and strengthened the roles of female employees in future innovation fields such as ESG, AX(AI Transformation) and global. K-eco also supports female employees' domestic and international networking activities, assignments to international organizations and participation in consultative bodies for science and technology professionals, thereby expanding the foundation for strengthening leadership capabilities. Through these efforts, K-eco has achieved measurable gains, including higher proportions of female managers, senior leaders, and new hires, fostering a fair and inclusive organizational culture.



Strengthening the Foundation for Work–Life Balance through Employee Communication and Institutional Innovation

K-eco operates the joint labor-management K-eco Work–Life Balance Task Force, a dedicated organization for work–life balance, and works to establish a family-friendly organizational culture and a foundation for workplace innovation. The task force collects on-site opinions on institutional improvements, expanded welfare benefits and organizational culture innovation, identifying viable, high-impact policies. To expand flexible work arrangements, K-eco piloted a 4- to 4.5-day workweek across all departments, laying the foundation for workplace innovation. By operating Core Time and expanding employees' choice of working hours, K-eco improved work efficiency and employee satisfaction while supporting work–family balance. We also continue to expand tangible programs that employees directly benefit from, including newly introduced long-service leave, broader adoption of flexible work options, and strengthened pregnancy, maternity, and childcare support.

Effective Work–Family Balance Support Programs

Improved Employee Convenience

- **Improved Convenience in Using Childcare Time Leave** (Approval in Weekly Batches instead of Daily)
- **Provided a Flexible Working Environment by Expanding Smart Work Centers**

Pregnancy and Childcare Support

- **Introduced Leave to Accompany a Spouse to Prenatal Checkups (10 Days)**
- **Increased Family Allowances**
  (First Child: KRW 30,000→50,000;
  Second: KRW 70,000→80,000;
  Third and subsequent: KRW 110,000→120,000)

Organizational Culture and Labor-Management Relations

Spreading a Healthy Organizational Culture through Self-Care and Work–Family Balance Training Support

K-eco continues to expand customized training that reflects employees' life cycles and characteristics in order to support work–life balance and spread a family-friendly organizational culture. While supporting healthy organizational adjustment through stress recovery and self-management training, K-eco enhanced program effectiveness by operating a diverse range of courses, including joint employee-family initiatives, workshops for engaged couples and expectant or new parents, and on-demand e-learning. K-eco will continue to advance its training content so that a culture of work–family balance becomes naturally embedded throughout the organization and will create a healthy organizational culture in which employees and their families grow together.

Performance in Self-Management and Work–Family Balance Training

Strengthening Self-Care Capabilities and Organizational Adaptability

Existing
- Stress Management Training
- Return-to-Work Training

Expanded
- Expanded the Target Audience for Training
  2024: 124 persons → 2025: 207 persons

Creating Time for Communication and Harmony through Family-Accompanied Training

Existing
- Employee-and-Family Training
  - Ecological and Cultural Tours for Families of Participating Employees

Expanded
- Program Enhancements Driven by Employee Feedback
  - Added a Separate Course for Employees Living Apart from Their Families
  - Strengthened Programs such as the Children's Global Camp (256 Families, 821 Participants)

Fostering a Family-Friendly Culture through Life-Cycle-Customized Training

Existing
- Working Parent Support Programs
  - Parental Emotion Coaching and Age-Appropriate Communication with Children

Expanded
- Expanded Training Opportunities and Diversified Topics
  - Revised Home-Based Training Regulations and Expanded Online Special Lectures and Courses (23 Courses)
  - Introduced Newly Established Training for Engaged Couples and Expectant Parents

Implementation Results

- **Diversification of Work–Family Balance Training Content Renewal Rate: 55%** (11 Courses)
- **Expanded Training Participation 1,640 Participants** (Up 8.6% Year on Year)
- **Improved Training Satisfaction 4.85 Points** (Up 0.05 Points Year on Year)

Top Excellence Award — Verbal Abuse-Free Workplace Certificate

In 2025, K-eco won the Top Excellence Award in the Verbal Abuse-Free Workplace Certificate Program—the only newly certified public institution to achieve this honor— gaining external recognition for its efforts to build an organizational culture based on mutual respect. To prevent verbal abuse and human rights violations, K-eco operates the BLUE Team*, an organizational culture improvement body bridging executive leadership and early-career employees, while actively communicating the Chairman's pledge to eliminate verbal abuse across various institutional media channels. K-eco also raises awareness of its manual on remedy procedures for human rights violations, including verbal abuse, helping create an environment where employees can raise grievances with confidence. K-eco will continue to lead the creation of a healthy organizational culture where all employees are respected, driven by executive-led ethical and human rights management that proactively eliminates verbal abuse and workplace misconduct.

* A Special Organizational Culture Improvement Group Composed of Employees with High Sensitivity to Organizational Culture (Employees in Their 30s and Grade 5 or Below)

Efforts to Eliminate Verbal Abuse and Improve Organizational Culture

- **Operating the BLUE Team, an Organizational Culture Improvement Group Created with Future Generations**
- **Communicating the Commitment to Eliminate Verbal Abuse through Diverse Media**
- **Strengthening Awareness of Human Rights Violation Remediation Procedures, including Verbal Abuse**



2025 2nd Verbal Abuse-Free Workplace Certificate (Left) and Certification Ceremony (Right)

Organizational Culture and Labor-Management Relations

Building a Mutually Beneficial Labor-Management Partnership

Establishing a Labor-Management Relations Strategy Based on Dialogue and Participation

Best Practice

K-eco is establishing a collaborative labor-management strategy to adapt to evolving labor dynamics and address diverse employee needs. K-eco has set the establishment of labor-management relations based on dialogue and participation as a core direction and has collected on-site opinions actively through diverse communication channels, including employee surveys, site visits by the head of the organization and working-level consultative bodies. In 2025, K-eco is working to build a sustainable cooperation system under three strategic directions: dialogue and participation, stronger communication and labor relations capabilities, and improvement of the working environment. K-eco is also establishing a mutually beneficial organizational culture by encouraging empathetic communication, providing customized labor relations training and strengthening the system for preventing labor relations risks. In addition, it works to achieve work–family balance and create a safe working environment by introducing a 4.5-day workweek, improving the collective agreement and strengthening occupational safety. K-eco has also expanded the foundation for workers' substantive participation in management through diverse labor-management consultative bodies. K-eco will continue to strengthen participatory labor-management relations based on mutual respect and trust and pursue a healthy organizational culture and sustainable management.

K-eco Labor-Management Relations Strategy Framework

Labor-Management Vision	**Building Labor-Management Relations Based on Dialogue and Participation through Mutual Growth and Cooperation**		
2025 Strategic Directions	**Building a Sustainable Cooperation System through Dialogue and Participation**	**Managing Labor Relations Risks by Strengthening Communication and Labor-Management Relations Capabilities**	**Creating Work–Family Balance and a Safe Workplace by Improving the Working Environment**
Strategic Tasks	• Expand Substantive Labor-Management Participation in Management • Establish Fair and Lawful Labor-Management Relations • Identify and Implement Labor-Management Cooperation Tasks	• Facilitate Open Communication to Build Consensus • Manage Labor Relations Risks through a Standing Advisory System • Provide Customized Labor Relations Training	• Enhance Work–Life Balance through the Implementation of a 4.5-Day Workweek • Improve Working Conditions, including Conclusion of a Collective Agreement • Create a Safe Workplace by Strengthening Occupational Safety
Labor-Management Consultative Bodies	• **Labor-Management Working-Level Consultative Body (Ongoing)** • **Work–Life Balance Task Force (Quarterly)** • **Labor-Management Meetings (As Needed)**	• **Green Reboot (Quarterly)** • **BLUE Team Responding to Organizational Culture Issues (Year-Round)** • **Education and Training Deliberation Committee (Year-Round)**	• **Grievance Committee (As Needed)** • **Collective Bargaining (Year-Round)** • **Occupational Safety and Health Committee (Quarterly)**

Labor-Management Relations Communication Strategy

On-Site Communication by Labor and Management Representatives

- **Communication Goals:** **Expanded Participation in Management**, **Field-Centered**
- **Communication Channels:**
  - Green Reboot (Quarterly)
  - Joint Labor-Management Outreach Briefing Sessions
  - Labor-Management Council and Occupational Safety and Health Committee (Quarterly)

Mutual Respect and Empathetic Communication

- **Communication Goals:** **A Better Workplace**, **Mutual Respect**
- **Communication Channels:**
  - Labor-Management Meetings
  - Bubu (部部) Day
  - Intergenerational Empathy and Communication Training

Conflict Prevention and Open Communication

- **Communication Goals:** **Organizational Culture Improvement**, **Conflict Prevention**
- **Communication Channels:**
  - BLUE Team Responding to Organizational Culture Issues
  - HR Grievance Hotline (Ongoing)
  - Organizational Culture Super Team

Organizational Culture and Labor-Management Relations

Conclusion of a Collective Agreement Based on Labor-Management Trust

Best Practice

The K-eco Labor Union serves as the certified collective bargaining representative for K-eco. Guided by its slogan, "Closer to our members! Stronger for members! Better union operations!" the union is working to improve working conditions through negotiations with K-eco. Through continuous dialogue and consultation between labor and management, K-eco concluded a collective agreement in October 2025 after approximately two years and six months of negotiations, and the agreement was applied to all workers in accordance with the Trade Union and Labor Relations Adjustment Act. While differences emerged during negotiations across personnel policies, employee welfare, and union activities, labor and management jointly sought reasonable solutions based on mutual respect and trust. In particular, working-level bargaining and intensive negotiations built consensus on key issues and produced customized alternatives, driving progress in the negotiations. K-eco also operated joint labor-management briefing sessions and on-site communication activities to improve employees' understanding and acceptance of the revisions. The agreement included diverse improvements reflecting on-site opinions, including organizational and personnel operations, improved working conditions and the maintenance of welfare benefits. The parties reached agreement on revisions to 45 provisions, and the collective agreement achieved an approval rate of 97.4%, securing broad consensus and trust. K-eco will continue to create a healthy organizational culture and a stable working environment based on mutual growth and cooperation between labor and management.

General Status of Labor Union Operations

Labor Union Name

Korea Environment Corporation Labor Union
(Single Union)

Number of Labor Union Members

2,971 persons

Frequency of Labor-Management Council Meetings

Quarterly

Whether a Grievance Handling Body Has Been Established

Established

Time-Off System for Union Activities

12,000
Hours in Operation

Whether a Collective Agreement Has Been Concluded

Concluded

Collective Agreement Process and Bargaining Results

Progress

- **Bargaining Request (Apr. 2023)**: Revision Requested (34 Provisions)
- **Opening Meeting (Sep. 2023)**: Shared Reasons for Revision and Bargaining Direction
- **Working-Level Bargaining (2023–2025)**: Internal and External Expert Review and Working-Level Consultations
- **Main Bargaining (2025)**: Intensive Negotiation of Key Issues
- **Briefing Sessions (Sep.–Oct. 2025)**: Joint Labor-Management Outreach Briefing Sessions (16 sessions)
- **Conclusion (Oct. 2025)**: Improved Treatment and Welfare Benefits

Bargaining Results

Agreement Reached on 45 Labor-Management Revision Provisions
(Including Provisions Requested for Revision by the New Executive Body)

Collective Agreement Revision Approval Rate: 97.4%
(Up 9.9%p from the Previous Agreement)

Human Rights Management

Human Rights Management Charter

Approach

K-eco regards respect for human rights as a core principle across all business operations and continues to establish an effective human rights management system aligned with evolving social expectations. While strengthening the independence and expertise of human rights governance, K-eco continuously advances its human rights impact assessments and remedy procedures to prevent potential human rights risks. In particular, as new technologies spread, K-eco practices responsible human rights management as a public institution by establishing a human rights impact assessment framework specifically tailored for AI-driven initiatives.

Key Achievements

2025 Korea Human Rights Award Winner
from the National Human Rights Commission of Korea
Only Public Institution Recipient

Newly Certified as a Verbal Abuse-Free Workplace
(The Institute for Industrial Policy Studies)

K-eco Materiality Assessment
Impact Materiality ◑ Financial Materiality ◑

Public Institution ESG Guidelines
S-6

GRI Standards
406

UN SDGs
10 16

Human Rights Management Strategy and Implementation System

K-eco Human Rights Management Strategy

In response to changes in the internal and external human rights environment, K-eco is advancing its human rights management strategy with the goal of "Leaping forward as a leading human rights management institution through proactive protection and value dissemination." Specifically, K-eco has set three strategic directions—advancing the human rights management system, human rights diagnosis and implementation, and spreading human rights values internally and externally—and is strengthening the foundation for implementation. In particular, K-eco is working to strengthen human rights leadership and accountability and improve implementation by expanding top management participation and operating a Chairman-led Human Rights Management Committee. By advancing the K-eco human rights management diagnostic system and establishing a foundation for human rights management among partner companies, K-eco spreads a culture of respect for human rights throughout the organization. It also continuously strengthens employees' human rights sensitivity and improves organizational culture through human rights impact assessments, human rights training, sexual harassment awareness surveys and other activities. Based on these efforts, K-eco was the sole public institution to be honored with the prestigious 2025 Korea Human Rights Award by the National Human Rights Commission of Korea (NHRCK), securing prominent external validation for its human rights management excellence.

Human Rights Management Goals and Strategies

Implementation Goal	Leaping Forward as a Leading Human Rights Management Institution through Proactive Protection and Value Dissemination		
Implementation Strategies	Advancing the Human Rights Management System	Human Rights Diagnosis and Implementation	Spreading Human Rights Values Internally and Externally
Action Tasks	• Expand Top Management Participation in Human Rights Management • Improve the Perceived Accessibility of Human Rights Violation Remedy Procedures	• Advance the K-eco Human Rights Management Diagnostic System • Strengthen the Practice of an Organizational Culture of Mutual Respect	• Internalize Awareness of Respect for Human Rights Internally and Externally • Establish a Foundation for Human Rights Management Implementation among Partner Companies
Performance Indicators	Human Rights Management Awareness Internal Perception Score	Human Rights Management Index Sexual Harassment Awareness	Organizational Culture Diagnostic Index Human Rights Training Completion Rate
Implementation Frameworks	Highest Decision-Making Body Human Rights Management Committee (Chaired by the Chairman)	Human Rights Violation Remedy Body Three Major Reporting Centers, including the Human Rights Violation Reporting Center	Dedicated Human Rights Management Organization Ethical Management Office (Reporting Directly to the Chairman)
Monitoring	Human Rights Impact Assessment, Human Rights Violation Reporting Center, Anonymous Bulletin Board, Integrity and Ethics Forecast System		

First within the Organization and the Only Public Institution to Receive the 2025 Korea Human Rights Award

Human Rights Management

Human Rights Management Implementation System Based on Human Rights Leadership

Best Practice

To implement effective human rights management, K-eco is advancing its human rights management governance with a focus on expanding top management participation and strengthening expertise. In particular, K-eco appointed a labor director as a non-executive director dedicated to human rights oversight, thereby enhancing the diversity and independence of the Human Rights Management Committee, while designating 35 internal Human Rights Leaders who underwent specialized professional training . K-eco conducted an executive-led mock human rights remedy hearing. By establishing a simulated rights-violation scenario, executive leadership directly reviewed and validated each step of the formal grievance deliberation and determination process under real-world conditions. The process confirmed the need for a professional and independent body dedicated to human rights violations, leading to the establishment of a new subcommittee dedicated to deliberating human rights violations. The new subcommittee will be responsible for decisions and improvement measures in human rights violation cases and will support a faster and more objective remedy system. K-eco will continue to strengthen human rights management governance with independence and expertise, and contribute to building a trusted human rights management system.

Establishment of a Deliberation Subcommittee under the Human Rights Management Committee

Existing

Human Rights Management Committee

① Resolve Major Human Rights Management Policies
② Determine Human Rights Violations and Take Improvement Measures

Chair	Chairman
Internal Members	Executive Directors, Labor Director and Union-Recommended Member
External Members	Experts with Knowledge of Human Rights

Up to 14 Members

Changes

Human Rights Management Committee
Resolve Major Human Rights Management Policies

Subcommittee Deliberation on Potential Human Rights Violations
Determine Human Rights Violations and Take Improvement Measures

Chair	Executive Director for Management Planning
Internal Members	Labor Director (Ex Officio) and Up to Two Department-Head-Level Appointees
External Members	Experts with Knowledge of Human Rights

5 to 7 Members

Human Rights Diagnosis and Remedy Procedures

Advancing Human Rights Diagnosis

To realize comprehensive human rights management, K-eco has established the proprietary K-eco Human Rights Diagnostic Framework and steadily enhanced its human rights impact assessment methodology. Specifically, K-eco introduced a dedicated Human Rights Management Index comprising ten key indicators across four core pillars—Human Rights Management System, Grievance Handling, Internalization, and Dissemination Activities—establishing a foundation for structured, data-driven diagnostics. Through the index, K-eco quantitatively manages the level of its human rights management activities and exceeded its target in the first diagnosis. In response to the expanded use of artificial intelligence, K-eco also established a basis for conducting human rights impact assessments of AI-based projects and advanced the related evaluation system. K-eco will continue to expand its proactive diagnostic and impact assessment frameworks in step with digital transformations, embedding trusted, human rights management across all operations.

Human Rights Management Index and AI Human Rights Impact Assessment Initiatives

Newly Introduced Human Rights Management Index

Human Rights Management System
① Top Management Participation
② Operation of the Human Rights Committee

Grievance Handling
③ Enhance Awareness of Remedy Procedures
④ Response to Human Rights Violation Reports

Internalization
⑤ Conduct Human Rights Impact Assessments
⑥ Respond to Human Rights Issues
⑦ Human Rights Training by Person in Charge

Dissemination Activities
⑧ Stakeholder Communication
⑨ Responsible Supply Chain Management
⑩ Disclosure of the Human Rights Management System

Advancing Human Rights Impact Assessments

Basic Assessment Scope
Management Activities + Core Operations

Newly Expanded

AI-Related Human Rights Violations
Projects Using Artificial Intelligence

High-Risk Human Rights Violation Group
Regulations with Potential Human Rights Concerns

Human Rights Management

Efforts to Spread Human Rights Values Internally and Externally

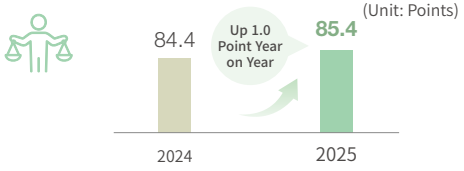
Best Practice

K-eco operates comprehensive educational and participatory programs to elevate employee human rights awareness and cultivate an organizational culture of respect for human rights. Case-based human rights management training and a special lecture by a former UN ambassador improved understanding of international human rights issues. K-eco also spread a culture of respect for human rights in daily life through a best-practice contest for human rights advancement and a labor rights writing contest. K-eco expanded the scope of human rights management to partner companies and the supply chain. It mandated the submission of a Human Rights Respect Pledge for all contracting parties and instituted a Pledge to Prevent Excessive Workload specifically for engineering and design partners, reinforcing supply-chain accountability. K-eco also conducted on-site due diligence and training for 13 major partner companies and designated workplaces with potential human rights concerns, recommending improvements such as establishing grievance channels. Through these efforts, K-eco improved its human rights maturity and Korea Culture Index and became the first public institution to receive the Korea Human Rights Award presented by the National Human Rights Commission of Korea.

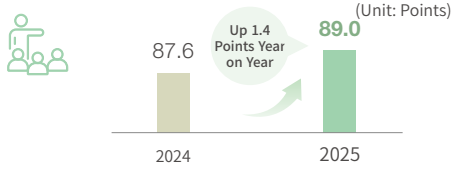
Activities to Raise Human Rights Awareness

Employees	Human Rights Training	• Conducted Case-Based Human Rights Management Training • Held a Global Human Rights Special Lecture for All Employees with a Former UN Ambassador
	Awareness Raising	• Expanded Categories and Participation in the Human Rights Advancement Best-Practice Contest • Held the First Labor Rights Writing Contest to Improve Labor Rights
Partner Companies	Institutionalization	• Increased Human Rights Management Accountability by Requiring Contracting Parties to Submit a Human Rights Respect Pledge • Collected Pledge to Prevent Excessive Workload to Ensure Compliance with Working Conditions among Design-Sector Partner Companies
	On-Site Due Diligence	• Directly Visited Major Partner Companies (13), Conducted Human Rights Management Due Diligence and Human Rights Training • Designated Workplaces with Potential Human Rights Concerns for the First Time and Recommended Improvements, including Establishment of Grievance Channels

Human Rights Maturity



Korea Culture Index



Strengthening Capabilities to Implement Human Rights Violation Reporting and Remedy Procedures

K-eco continues to strengthen a substantive human rights management system within the organization. To reinforce informal consultation prior to filing formal grievance reports, K-eco established the K-eco Human Rights Lounge and appointed three certified human rights counselors who completed specialized professional training. By operating the Human Rights Lounge as a channel where employees can discuss potential human rights concerns in daily life without undue burden, K-eco supports voluntary improvement and early resolution before a formal report is made. K-eco also operated a step-by-step learning system to improve understanding and use of human rights violation remedy procedures. It converted the existing text-based reporting procedure manual into case-based card news and conducted mock reporting drills that included human rights violation scenarios and practice using the reporting center. Through these practical efforts to strengthen remedy capabilities, K-eco recorded 90.6 points in the human rights area of the 2025 Korea Culture Index (KCI), up 2.9 points from 2024, and 68.5 points in the internal perception component of the Comprehensive Integrity Assessment, up 1.1 points from 2024, strengthening the foundation for spreading an organizational culture of respect for human rights.

Human Rights Violation Reporting Center Case Handling Process

Report
Human Rights Violation Reporting Center

Counseling
K-eco Human Rights Lounge

→ **Fact-Finding**
(Ethical Management Office → Responsible Department)

→ **Human Rights Violation Deliberation Subcommittee Deliberation**

→ **If a Human Rights Violation Is Determined Recommend Improvements to the Relevant Department**

K-eco Human Rights Lounge

- Designated Human Rights Counselors Who Completed Specialized Training for the First Time (Three, including the Labor Director)
- Created a Space for Easy Consultation on Human Rights Concerns in Daily Life and Supported Voluntary Improvement before Formal Reporting

Step-by-Step Learning on Remedy Procedures

- (Pre-Learning) Distributed Card News on the Human Rights Violation Reporting Procedure Manual
- (Reporting Practice) Provided Human Rights Violation Scenarios and Conducted Mock Training on How to Use the Human Rights Violation Reporting Center

Shared Growth

Approach

K-eco recognizes mutually beneficial cooperation with partner companies as a core element in creating a sustainable environmental industry ecosystem. K-eco strengthens the foundation for technological innovation and growth among SMEs, establishes fair cooperative relationships, and supports sustainable corporate growth by expanding sales channels and supporting commercialization. K-eco drives shared growth and enhances the overall competitiveness of the environmental sector through AI-powered smart manufacturing innovation and the wider adoption of certified green products.

Key Achievement

Expanded SME Participation in the K-eco Shared Growth Festa

Expanded 3.8 Times Year on Year

2024: 25 companies → 2025: 95 companies

Ministry of SMEs and Startups Shared Growth Evaluation

Achieve the highest rating

K-eco Materiality Assessment

Impact Materiality ◔ Financial Materiality ◔

Public Institution ESG Guidelines

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GRI Standards

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UN SDGs

Establishing a Shared Growth System

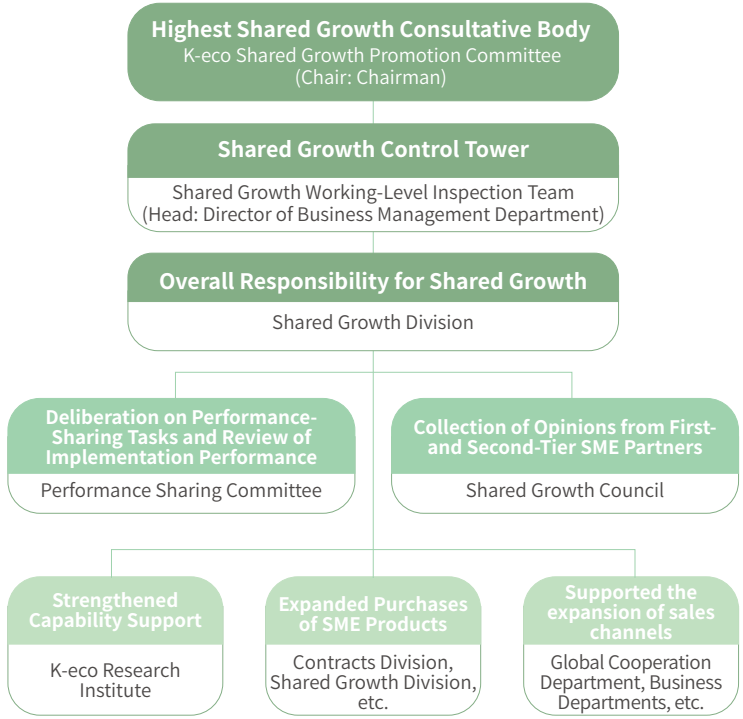
K-eco Shared Growth Strategy and System

Based on its vision of becoming a leading institution in the environmental industry ecosystem together with SMEs, K-eco aims to identify promising SMEs in the environmental sector and establish a foundation for sustainable growth. To achieve this, K-eco has established strategic priorities centered on nurturing high-potential SMEs through end-to-end (one-stop) support and reinforcing collaborative frameworks for mutual growth. Key operational focus areas include enhancing SME competitiveness, expanding market access, and cultivating equitable commercial partnerships. K-eco also fosters SME growth through diverse programs, including expanding performance-sharing schemes and joint technology development, supporting smart eco-factory construction and establishing systems to support innovative technologies. These efforts were recognized with the highest rating in the Shared Growth Evaluation by the Ministry of SMEs and Startups. K-eco will lead improvements in the competitiveness of SME partners and spread a healthy culture of shared growth by eliminating unfair trade practices and complying with laws and ethical standards.

K-eco Shared Growth Strategy

Vision	Leading Institution in the Environmental Industry Ecosystem Together with SMEs			
Goal	Securing a Foundation for Sustainable Growth by Identifying Promising SME Partners			
Strategic Directions	**Identifying and Nurturing Promising SME Partners through One-Stop Support**		**Establishing Cooperative Institutions for Shared Growth**	
Implementation Strategies	Strengthening the Competitiveness of SMEs in the Environmental Sector	Supporting Expanded Sales Channels for SME Partners	Establishing Fair Cooperative Relationships	Strengthening SME Support through Shared-Growth Cooperation
Key Implementation Tasks	Improve Productivity Based on Performance-Sharing and Joint Technology Development	Support Smart Eco-Factory Construction and Overseas Sales Channels for SMEs	Establish a Support System for SMEs with Innovative Technologies (SOC Market)	Support Sales Channels by Using and Expanding Purchases through the Shared Growth Mall
Implementation Foundation	**Establishing Shared Growth Partnerships**		**Establishing a One-Stop Support System for the Environmental Sector**	

K-eco Shared Growth Implementation System



Shared Growth

SME Support Systems and Programs

Strengthening SME Competitiveness through AI-Based Manufacturing Innovation Support

K-eco enhances SME productivity and market competitiveness by supporting the digital transformation and manufacturing innovation of SMEs. In particular, through support for win-win smart factories, K-eco introduces AI-based electricity management systems and intelligent equipment into manufacturing sites, strengthening manufacturing competitiveness. These initiatives jointly improved operating efficiency and energy savings at manufacturing sites by increasing equipment utilization and reducing electricity use. Through the Innovation Partnership Support Program, K-eco delivers comprehensive assistance to SMEs, spanning technical consulting, equipment upgrades, and production process diagnostics and optimization. As a result, participating SMEs reduced process defect rates and manufacturing lead times and achieved tangible management improvements, including stronger financial performance. K-eco will continue to expand mutual growth initiatives anchored in AI and green technologies, reinforcing the long-term sustainability of SMEs and the broader competitiveness of the environmental industry.

Performance in AI-Based Manufacturing Innovation Support

Win-Win Smart Factory

- **[Scale of Support]** 2 Companies, Total KRW 50 Million
- **[Support Details]** Improved Manufacturing Competitiveness through Smart Factory Advancement
  - Deployed AI-Based Real-Time Electricity Management Systems and Equipment
- **[Support Performance]** Increased Equipment Utilization (11.1%) and Reduced Electricity Use (28.5%) through AI Electricity Management

Innovation Partnership Support Program

- **[Scale of Support]** 8 Companies, Total KRW 80 Million
- **[Support Details]** Provided Productivity Improvement Consulting and Equipment Support
  - Development of New Products and Technologies, and Diagnosis and Improvement of Production Processes
- **[Support Performance]** Improved Process Defect Rate by 39.5% and Manufacturing Lead Time by 26.7%, with Financial Performance of KRW 228.8 Million

Expanding Market Access and Driving the Adoption of Eco-Friendly Technology Products

Best Practice

K-eco operates the K-eco Shared Growth Festa to help regional SMEs secure new market channels and expand procurement linkages with public institutions. Through preliminary demand surveys, K-eco identified purchasing demand among public institutions and local companies and supported practical purchase linkages through buyer–seller matching between participating companies and demand organizations. K-eco also conducted on-site one-on-one purchase consultations and showcased pilot products developed through technology development, establishing a foundation for participating SMEs to secure new customers and expand sales. These initiatives yielded a substantial increase in participating SME numbers and delivered tangible outcomes, including immediate on-site sales and dedicated distribution channels across regional public bodies. K-eco advances eco-friendly consumption and expands the foundation for mutually beneficial cooperation by building a Green–Shared Growth Convergence Model linked to green companies and social economy enterprises. A dedicated department for green and innovative products operates a purchase performance monitoring system and provides incentives to high-performing departments based on target-linked evaluations, strengthening the foundation for active purchases of eco-friendly products. K-eco also supports the market expansion and distribution of green and innovative products through environmental exhibitions and purchase consultations, helping expand green consumption and create social value. In recognition of these contributions to green technology advancement and sustainable consumption, K-eco was honored with the Prime Minister's Commendation.

Performance in SME Sales Channel Support and the Spread of Green and Innovative Product Consumption

K-eco Shared Growth Festa

- Expanded Participating SMEs (25→95, 3.8 Times)
  - Achieved On-Site Sales of KRW 830 Million (Up 18.6%)
- Secured New Sales Channels Linked to Local Public Institutions
  - 5 Institutions in Naju Innovation City + 8 Institutions in the Chungcheong Region

Spreading the Consumption of Green and Innovative Products

- Awarded for Contributions to Eco-Friendly Technology Promotion and Consumption (Prime Minister's Award in the Green Product Consumption Category)
  - Achieved KRW 31.7 Billion in Purchases of Green and Innovative Products
- Created Five Youth Jobs and Operated a Green Product Demonstration Store

Shared Growth

Operating the K-eco Win-Win Cooperation Program

K-eco operates the K-eco Win-Win Cooperation Program and has established a one-stop support system covering everything from joint technology development to market expansion, helping outstanding SME technologies translate into actual sales and commercialization. The program provides support at each stage, with K-eco and companies jointly developing technologies and then linking them to technology market certification and commercialization. K-eco first identifies outstanding technologies through the review and certification of jointly developed technologies and technology competitions. It then supports their commercialization and entry into the public market through SME Technology Market success story competitions and recommendations for innovative product designation. K-eco further strengthened support for SME market expansion by showcasing technological excellence, organizing buyer consultations, and supporting participation in domestic and international invention exhibitions. Specifically, it expanded opportunities for outstanding technologies to enter domestic and overseas markets by supporting participation in the International Exhibition on Environmental Industry Technology & Green Energy and an invention exhibition in Indonesia. These efforts generated tangible shared growth results, including awards at international invention exhibitions, increased corporate sales and new job creation. K-eco will continue to expand joint technology development and commercialization support with SMEs and contribute to creating a sustainable ecosystem of mutually beneficial cooperation.

K-eco Win-Win Cooperation Program Support System and Performance

Operation of the K-eco Win-Win Cooperation All-in-One System

1st Joint R&D	Joint Technology Development Deliberation and Certification → Hold Competitions and Generate Results
2nd Technology Market Certification	Participate in SME Technology Market Success-Story Contests
3rd Innovative Product Recommendation	Link to Recommendation and Registration as Innovative Products by the Ministry of Land, Infrastructure and Transport

Showcasing Outstanding Technologies and Strengthening Sales Channel Support

K-eco Win-Win Cooperation Competition Awards for Best Practices in Developed Technologies (5 Companies)	Multi-Channel Promotion (8 Card News Items, 3 Briefing and Training Sessions per Year, Technology Market Consulting)	Support for Outstanding Technologies to Participate in the Seoul International Invention Fair and an Invention Exhibition in Indonesia
Participation in the International Exhibition on Environmental Industry Technology & Green Energy (2 Companies)	Technology Market Purchase Consultations (2 Sessions) (One-on-One Matching for 38 Companies, Up 19%)	Produced and Distributed a Best-Practice Casebook (Introduction to the Program and Outstanding Tasks)

Four Awards at International Invention Exhibitions
- Seoul: Gold Prize and Special Prize
- Indonesia: Gold Prize and Special Prize

Increase in Corporate Sales
KRW 2.807 Billion (Up 37%)

New Jobs Created
40 (Up 25%) (13 Direct, 27 Indirect)

Advancing the SME Technology Market Operating System

K-eco continues to operate the SME Technology Market system to facilitate market entry for outstanding SME technologies and create a mutually beneficial ecosystem. K-eco established a dedicated organization and work system and developed an integrated process covering the identification, validation, and commercialization of outstanding technologies. In 2025, K-eco identified the simplification of Technology Market registration procedures and expanded linkage with K-eco infrastructure as key improvement tasks to reduce the burden on companies. Accordingly, it streamlined the existing six-stage Technology Market certification and registration process by eliminating the preliminary review stage and integrating registration application and technical deliberation, significantly shortening the time required to complete Technology Market registration. K-eco plans to support demonstration testing using its infrastructure and expand demand matching and market access support for technologies registered on the Technology Market, further strengthening its commercialization support system. K-eco will continue to advance the SME Technology Market system, improve convenience for participating companies and accelerate entry into technology markets, while laying the foundation for the sustainable growth and successful commercialization of outstanding SME technologies.

SME Technology Market Strategies and Tasks

Implementation Direction
Creating a K-eco Style Mutually Beneficial Ecosystem Using the SME Technology Market

Strategies and Detailed Implementation Tasks

Lowering Barriers to Entry into the SME Technology Market
- Simplify Certification and Registration Procedures for Outstanding Technology Development Products
- Provide Demonstration Testing Using K-eco Infrastructure

Strengthening Growth Support Based on the SME Technology Market
- Expand the Identification and Registration of Outstanding Innovative Technology Products
- Match Demand and Support Sales Channels for Technology Market-Certified Technologies

Simplifying SME Technology Market Registration Procedures

Win-Win Cooperation Task Application → Application and Completion Deliberation → Technology Market Registration Application → **<Abolished> Preliminary Review (30 Days)** → Technical Deliberation → Technology Registration

Integrated

Mutual Growth with Local Communities

Approach

K-eco recognizes shared growth with local communities as an important social responsibility of a public institution. It builds collaborative frameworks to revitalize local economies and address community challenges, while supporting sustainable community development through social contribution initiatives aligned with its environmental projects. K-eco further extends its social contribution initiatives beyond Korea through global environmental improvement projects, helping advance environmental values and contribute to sustainable development in the international community.

Key Achievements

Recognized institution for Community Contribution
Designated for 4 Consecutive Years

Rural ESG Practice Recognition Program
First Recognition for K-eco

K-eco Materiality Assessment

Impact Materiality ○ Financial Materiality ◔

Public Institution ESG Guidelines

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GRI Standards

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UN SDGs

Social Contribution Goals and Implementation Strategy

K-eco Social Contribution Goals and Strategy

K-eco operates a shared growth framework for local communities centered on three implementation directions: addressing community challenges, revitalizing local economies, and strengthening community solidarity. To address community challenges that directly affect residents, K-eco formed a regional development council task force and established a system to identify and support environmental initiatives tailored to each region. It also revitalizes local economies through mutually beneficial cooperation with SMEs and small business owners, revitalization of the social solidarity economy, and support for startups and social economy enterprises. In addition, K-eco strengthens engagement with local communities by providing access to its facilities and equipment, while working to advance social value. K-eco will continue to strengthen a mutual-growth system that enables it to grow together with local communities.

K-eco Local Mutual-Growth and Development Goals and Tasks

Implementation Goal

Address Local Issues and Enhance the Vitality of Local Economies through K-eco's Distinctive Capabilities

Implementation Directions and Tasks

Implementation Direction 1: Address Community Challenges for Residents

① Identify and Expand Region-Specific Collaborative Tasks through the Operation of the Regional Development Council and Task Force

Implementation Direction 2: Revitalize Local Economies

② Expand Mutually Beneficial Cooperation with SMEs and Small Business Owners and Increase Purchases of Locally Produced Goods

③ Support the Development and Revitalization of the Social and Solidarity Economy

④ Provide Multifaceted, Life-Cycle-Based Support for Start-Ups and Social Economy Enterprises

⑤ Develop Local Talent and Create Local Jobs

Implementation Direction 3: Strengthen Community Solidarity Social Contribution

⑥ Strengthen Community-Tailored Social Contribution Activities Specialized in K-eco's Core Operations

⑦ Open K-eco Facilities and Equipment to Local Communities and Support Community Activities

Implementation System

Regional Development Council and Task Force + Civic Participation Innovation Group (Communication and Advisory)

Key Achievements

- Commendation for Contributions to Revitalizing the Social Economy and Supporting Venture Start-Ups
- Received recognition under the Rural ESG Practice Recognition Program
- Community Contribution Recognition

K-eco Virtuous Cycle for Creating Local Mutual-Growth Value

Step 1
Identify Community Challenges
- Operate the Regional Development Council and Task Force
- Operate the Civic Participation Innovation Group

Step 2
Implement Collaborative Tasks
- Implement Resident-Focused Environmental Tasks
- Carry Out Shared Growth Projects

Step 3
Leverage K-eco Capabilities
- Provide Access to Facilities and Equipment
- Provide Expertise, Personnel and Resources

Step 4
Spread Social Value
- Revitalize Local Economies
- Strengthen Community Solidarity

Mutual Growth with Local Communities

K-eco Volunteer Corps Operating Structure and Performance

Centered on the K-eco Volunteer Corps, K-eco coordinates social contribution efforts across its head office (five divisions, two task forces, one center, three institutes, 27 departments and five offices) and regional operations (one task force and eight regional environmental headquarters) to carry out diverse and structured social contribution initiatives in communities across the country. Through customized volunteer activities reflecting the characteristics of each organization and region, K-eco fulfills its social responsibility as an institution specializing in environmental services.

K-eco Volunteer Corps Performance and Operating Structure

Volunteer Corps Members	Volunteer Service Hours	"Cheonmimanmi"* Participants
3,718 Members	21,820 Hours	2,636 Persons

"Cheonmimanmi" Donations	Individual Donations
KRW 49 Million	KRW 223 Million

* "Cheonmimanmi" (千未萬未): A social contribution initiative in which employees voluntarily donate the portion of their monthly salaries below KRW 1,000 or KRW 10,000 to a shared fund



Contributing to Shared Growth with Rural Communities through Expanded ESG Practices

K-eco carries out diverse ESG activities to support the sustainable development of agriculture, fisheries and rural communities and to strengthen shared growth with local communities. In recognition of these efforts, K-eco was selected as an organization recognized under the Rural ESG Practice Recognition Program, jointly administered by the Ministry of Agriculture, Food and Rural Affairs and other organizations. K-eco has established a systematic collection and treatment system for agricultural waste, helping prevent illegal incineration in rural areas and create cleaner rural environments. It supports river water quality improvements in rural communities through watershed assessments and provides specialized technical assistance to address community environmental challenges. When national disasters occur, K-eco responds promptly by supporting flood recovery and waste treatment, demonstrating its social responsibility as a public institution. In addition, K-eco continues to strengthen mutually beneficial cooperation with rural communities through on-site ESG activities that leverage its environmental expertise and resources. K-eco will continue to strengthen ESG initiatives in partnership with local communities and contribute to the sustainable development of rural communities and the advancement of environmental values.



Rural ESG Practice Recognition Program Awards Ceremony



Rural ESG Practice Recognition Plaque

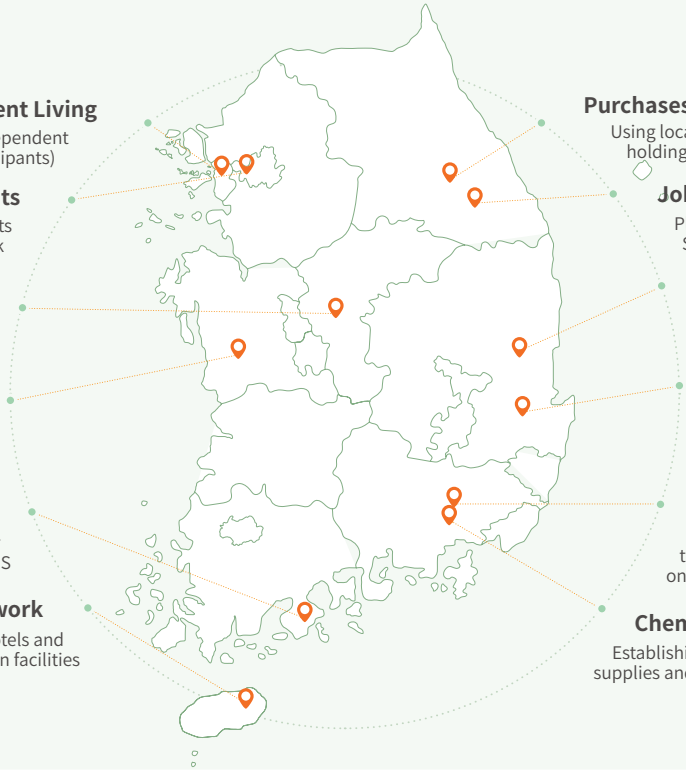
Mutual Growth with Local Communities

Partnering with Local Communities to Solve Environmental Challenges and Energize the Economy

Launch of the K-eco Council for Shared Growth and Regional Development

K-eco operates the K-eco Council for Shared Growth and Regional Development to address community environmental challenges and revitalize local economies, while strengthening community-based partnerships. The council brings together the head office and eight Regional Environmental Headquarters nationwide, focusing on identifying environmental challenges and delivering solutions that directly benefit residents. In 2025, K-eco set three key directions: providing practical solutions to environmental challenges affecting residents, revitalizing local economies by supporting regional growth, and sharing the benefits of growth with local communities. A total of 54 departments carried out 53 collaborative initiatives, strengthening efforts to address community challenges and revitalize local economies. K-eco will continue to deliver tangible benefits to local communities through sustained and structured shared-growth initiatives.

Community Participation and Support Performance



Support for Local Youth Preparing for Independent Living
Supporting employment preparation support for youth preparing for independent living in Incheon (job-related certification and interview support, 15 participants)

Linking Start-Ups with Local Events
Supporting start-ups, small business owners and local commercial districts through the Heo Jun Festival in Gangseo, Seoul, the Incheon Dream Park Cherry Blossom Festival and other events

Jecheon Local Culture Camp
Planning and operation of programs linked to major festivals and ecological and cultural tours (23 sessions, 1,271 participants)

Blue Store Supporting the Social Economy
Collaborating with public institutions in the Chungcheong region to increase sales of social economy enterprises, small enterprises and small business owners

Gwangyang Steelworks Partnership
Operating cooperation and support programs, including reducing air pollutants and strengthening the reliability of stack TMS

Jeju Waste Linen Rework
Establishing an upcycling model for waste linen generated by hotels and other tourist accommodation facilities

Purchases of Local Products
Using local traditional markets, including Jeongseon Arirang Market, when holding sporting and social contribution events

Job Creation for Vulnerable Groups
Planning a mobile car-wash service with the Gangwon Hongcheon Regional Self-Sufficiency Center and providing unused space at a K-eco office

Free On-Site Sewer Pipe Inspection Service
Inspecting aging sewer pipes and providing free repairs for drainage problems in rural areas (Andong, Yeongyang and Bonghwa)

Youth Mentoring: As You Dream
Addressing disparities in employment information concentrated in the Seoul metropolitan area and identifying local talent in the environmental sector (283 mentees)

Paper Carton Resource Circulation Practice Model
Collaborating with local companies, including Nexen Tire Corporation, through a public-private-civic partnership, with local implementation centered on social economy enterprises

Chemical Safety ON Campaign
Establishing a safety council with local companies and universities, donating safety supplies and providing consulting services

Mutual Growth with Local Communities

Implementing Global Community Contribution Activities

K-eco carries out global social contribution activities linked to overseas environmental improvement projects to protect the health of communities worldwide. In Busukuma, Uganda, K-eco implemented an environmental improvement project to address sanitation issues caused by untreated human waste and drinking water contamination. Approximately 77,000 local residents benefited, and K-eco received a Permanent Secretary's Award from the Ugandan government in recognition of its contribution. K-eco also carried out global social contribution activities by providing K-food, facilities and various supplies in Uganda and produced documentary content about the activities. The documentary was broadcast four times in Korea and made available on Netflix, contributing to improved environmental awareness among people around the world. In Mongolia's ger districts, K-eco installed 746 toilets and fecal sludge treatment facilities, helping improve poor living conditions and protect residents' right to health. Approximately 170,000 residents of Ulaanbaatar benefited from the project, contributing to the expansion of global environmental welfare. K-eco will continue to expand global social contribution activities linked to its core operations and contribute to sustainable development in the international community and the advancement of environmental values.





Busukuma Fecal Sludge Treatment Facility, Uganda





Documentary Content on Global Social Contribution Activities in Busukuma, Uganda



Global Social Contribution in Busukuma, Uganda



Groundbreaking Ceremony for the Busukuma Environmental Improvement Project, Uganda

Mutual Growth with Local Communities

Employee Donations and Sharing

Recovery Support for Wildfire- and Flood-Affected Areas

To accelerate recovery in areas affected by wildfires, floods and other disasters, K-eco carried out both general recovery activities and specialized technical support. General recovery activities included wildfire recovery work in Yeongdeok, Gyeongsangbuk-do with the participation of the Chairman, KRW 70 million in donations and relief supplies for displaced residents, and nationwide flood recovery volunteer activities involving employees. Specialized technical support included expert field surveys to ensure proper management of debris at wildfire-damaged sites and establish recovery plans, emergency deployment of flood recovery vehicles, support for the collection, transportation and treatment of flood waste and a recovery equipment and specialized personnel that provided equipment such as grapple crane vehicles. K-eco also supported the prevention of secondary environmental damage and the restoration of living conditions in affected areas through emergency sewer pipeline repairs, water quality testing, and on-site equipment support.



Flood Recovery Volunteer Activities

Sharing Activities for Older Adults Living Alone in the Community

K-eco partnered with Seo-gu Office in Incheon and the Incheon Headquarters of NH NongHyup Bank to hold a Spring Happiness Sharing Event for older adults living alone in the community. K-eco prepared KRW 25 million in donations and daily necessities for older adults living alone in Seo-gu, Incheon, and approximately 100 employees personally visited around 200 households of older adults with limited mobility to deliver food items including rice and kimchi. This customized sharing activity took into account a time when winter support supplies may be depleted and feelings of isolation may increase in spring, contributing to greater stability in daily life and emotional support for vulnerable groups. K-eco will continue to cooperate with relevant local organizations, expand sharing activities for vulnerable groups in local communities and faithfully fulfill its social responsibility as a public institution.



2025 Spring Happiness Sharing Event

Job Knowledge Sharing and Mentoring Programs

K-eco operates the Environmental Job Knowledge Sharing Program to develop local talent and strengthen young people's employability, supporting the training of environmental professionals in the water quality and air sectors. Through site-visits, on-site special lectures and conversations with current employees, K-eco helped young people improve their understanding of careers in the environmental sector and their employability. K-eco also operated employment mentoring programs for students at Suwon Hi-Tech High School and Gachon University to support local adolescents and young adults preparing for employment at public institutions. K-eco employees who had graduated from these schools participated directly, sharing their job search experiences and professional experience and providing practical advice for prospective applicants, contributing to improved employability.



Employment Mentoring Program

Providing Cultural and Educational Spaces through Public Access

K-eco opens facilities it owns, including the Korea Water Cluster and Environmental Love Experience Centers, to local communities for use as cultural and educational experience spaces. By providing exhibition spaces and experiential facilities free of charge and operating performance and exhibition programs linked to local events, K-eco expanded residents' opportunities to enjoy cultural activities. It also strengthened local economic revitalization and mutually beneficial cooperation by operating promotional booths for small business owners and supporting sales of local specialty products. In addition, to raise environmental awareness among future generations, K-eco provides environmental education programs for preschool and elementary school students and offers AR-based experiential content, improving children's access to environmental education in local communities.



Anseong Environmental Love Experience Center

Cybersecurity

Approach

K-eco manages information security as a core foundation of institutional operations in response to changes in the digital environment and increasing cyber threats. Centered on information security governance, K-eco continuously strengthens a prevention- and response-oriented information security system and advances disaster response and service recovery capabilities to build a stable digital environment. It also proactively develops personal data protection and cyber risk response systems using AI-based security technologies, providing environmental services that the public can trust.

Key Achievement

National Intelligence Service Cybersecurity Assessment

4 Consecutive Years

Highest Rating and Award from the Director of the National Intelligence Service(Individual)

K-eco Materiality Assessment

-

Public Institution ESG Guidelines

S-12 S-13

GRI Standards

418

UN SDGs -

Establishing a Flawless K-eco Security System

K-eco Information Security Management System

Centered on its dedicated information security organization, K-eco continuously operates an information security management system and works to establish a secure digital work environment. In particular, K-eco systematically establishes and implements information security and personal data protection policies, strengthening security management across all information systems. It has also advanced its physical and logical security systems and strengthened its capacity to respond to external threats through network separation, VPN management and media control. K-eco continuously carries out security activities for electronic information and information systems and operates an inspection system to prevent personal information leaks and cyber threats. K-eco will continue to advance its information security management system and contribute to creating a secure digital environment that the public can trust.

Major Activities of the Dedicated Information Security Department

- Establish and Implement Information Security Policies
- Conduct Information Security Activities for Information Assets, Electronic Information, Information Systems, etc.
- Establish and Operate Network Separation (Physical and Logical)
- Manage and Operate VPNs and Media Controls
- Respond to the NIS Cybersecurity Assessment and Personal Data Protection Level Assessment
- Conduct Internal Information Security Audits
- Manage and Supervise Personal Data Files and Personal Data Processing Systems
- Establish and Implement Personal Information Protection Policies

Cybersecurity

Information Security Implementation System

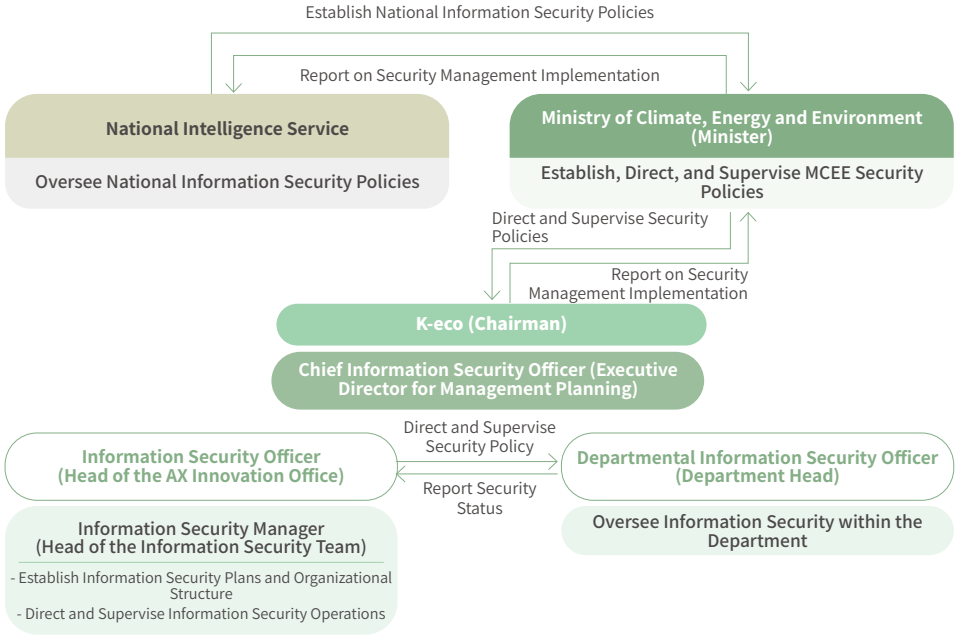
K-eco has established information security governance linked to the national information security system and operates a systematic enterprise-wide security management framework. Centered on the Chief Information Security Officer (CISO), K-eco has established a structure of Information Security Officers and Departmental Information Security Officers to centrally manage security operations across headquarters and individual departments. In particular, K-eco clearly defines processes for developing information security plans, implementing policies, directing and supervising security operations, and status reporting, strengthening accountability and effectiveness in security management. It has also established a foundation for rapid crisis response by activating immediate reporting and response systems when security incidents such as malware infections or data breaches occur. K-eco will continue to strengthen enterprise-wide security governance and work to build a stable and trusted information security management system.

Cloud-Native Transformation for Service Stability

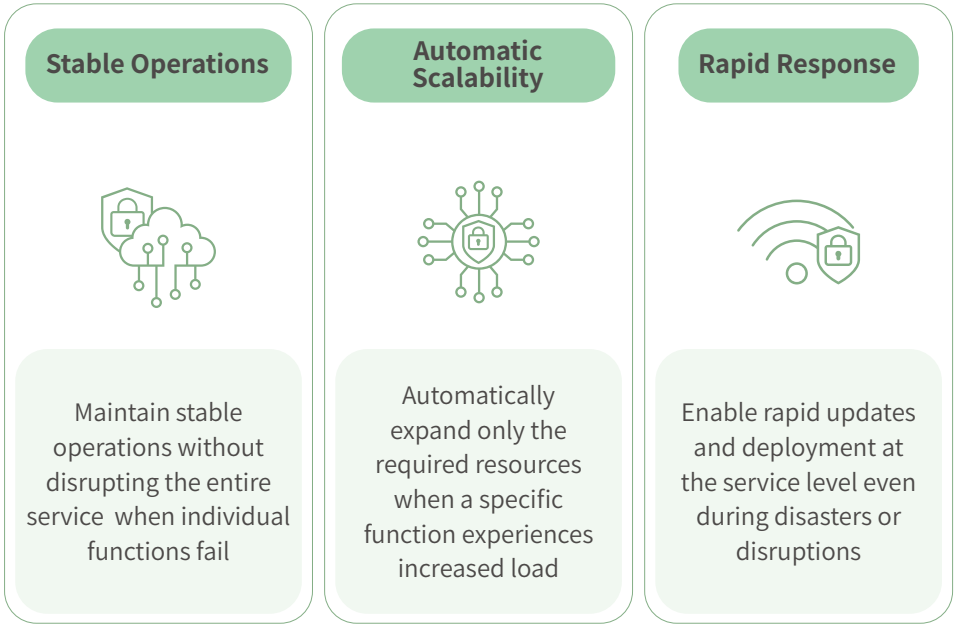
K-eco is advancing cloud-native* transformation to strengthen the stability of digital services and its capacity to respond to disruptions. In February 2025, K-eco conducted a proof of concept (PoC) to validate technical performance and effectiveness in advance. In August 2025, it developed an Information Strategy Planning (ISP), establishing a five-year transformation roadmap from 2026 to 2030 and a mid- to long-term implementation framework. K-eco is also strengthening the cloud-native capabilities of relevant personnel through internal practical training and external specialized training. By establishing a foundation for phased transformation and developing specialized personnel, K-eco will improve the operational stability of information systems and continue to strengthen its capacity to provide reliable digital environmental services to the public.

* Cloud-Native: An application development and operation approach optimized for cloud environments to enhance scalability, flexibility, rapid deployment, and operational efficiency

Information Security Implementation System



Benefits of Cloud-Native Transformation



Cybersecurity

Strengthening Prevention and Response Systems to Provide Secure Digital Services

K-eco is strengthening prevention and response systems to provide stable digital services even during disasters and emergencies. We improve the continuity and security of information services by refining disaster response procedures, replacing aging infrastructure and applying protective measures to core systems. In particular, K-eco has revised business continuity guidelines and on-site action manuals to enable a rapid and systematic response during disasters and improved the infrastructure and backup equipment of our integrated data center to reduce the risk of service interruptions. We also conduct recovery exercises for core and critical systems and implement ransomware response policies, strengthening the foundation for stable digital service provision during disasters and system disruptions.

Activities to Strengthen Digital Service Stability in Preparation for Disasters and Emergencies

Procedure Improvement	Risk Reduction	Stability Enhancement
Establish disaster response procedures based on system criticality and enact or revise on-site disaster response manuals and business continuity guidelines	Replace five aging emergency power and temperature/humidity control units at the integrated data center, replace one backup unit with reduced reliability, and increase its capacity by 96 TB	Conduct service recovery exercises for core and critical systems and apply a tamper-proof policy to integrated backup data in preparation for ransomware and other cyberattacks
Strengthen digital disaster response capabilities for three Grade 1 information system	**Replace five aging units out of 26 in total, reduce the risk of power and cooling failures**	**Improve system stability and security and strengthen disaster recovery capabilities**

Establishing a Proactive Information Security Response System

K-eco is strengthening a proactive information security and prevention and response system in response to the expanded use of emerging technologies and increasing cyber threats. It has established a pilot system to detect data breaches associated with the use of generative AI, conducted joint security activities and cyberattack exercises with relevant organizations including the National Intelligence Service, and built an information security portal for all employees, strengthening information security management across multiple areas. Through these efforts, K-eco prevents the leakage of critical work materials and data and strengthens its capacity to respond to cyber incidents. In recognition of these efforts, K-eco was the only affiliated institution to receive an “Excellent” rating in the 2025 information security audit of institutions affiliated with the Ministry of Climate, Energy and Environment and achieved the highest “Excellent” rating in the National Intelligence Service Cybersecurity Assessment for four consecutive years from 2022 to 2025.

Establishing an Information Security Response System

Proactively Detect Information Leaks and Risky Behavior When Using Emerging Technologies

- Establish a pilot personal information leak detection system for the use of generative AI
- Establish a pilot AI-based proactive detection and verification system for abnormal processing of personal data in K-eco’s major systems

Strengthen Joint Cybersecurity Activities with the National Intelligence Service

- Conduct a joint comprehensive malware scan of K-eco’s three Grade 1 information systems
- Host the Incheon Regional Cybersecurity Council
- Hold public information protection campaigns jointly with the NIS (twice)

Diversify K-eco-Led Cyberattack Response Exercises

- Conduct tabletop exercises (3 times) and phishing email drills (3 times)
- Expand the use of generative AI to create cyberattack training scenarios
- Strengthen the expertise of personnel responsible for tabletop, phishing email and live defense exercises

Establish an Information Security Portal for All Employees

- Establish a work management system and standard operating procedures for each stage of all K-eco IT service projects
- Provide a unified channel for IT service requests and responses

Cybersecurity

Hosting the Cybersecurity Council

K-eco jointly hosted the 2025 Cybersecurity Council with a regional office of the National Intelligence Service and strengthened the cybersecurity cooperation framework among public institutions in the Incheon region. Thirty-five cybersecurity personnel from 13 public institutions, including the Incheon Port Authority and Incheon International Airport Corporation, attended the council and discussed coordinated responses to cybersecurity issues across institutions. Under the theme "A Clean Cyber Environment, Building Incheon Together," an external expert delivered a special lecture covering trends in cyber incidents, cases of data breaches, and vulnerability assessment activities at public institutions, followed by a national security experience program. K-eco will continue to strengthen the cybersecurity response capabilities and cooperation framework among local public institutions.



Incheon Regional Cybersecurity Council, First Half of 2025

Personal Information Protection Activities

Strengthening Life-Cycle Management of Personal Data

In response to the comprehensive amendment of the 「Personal Information Protection Act」 and increasing risks of personal data breaches and exposure, K-eco has established a management system based on the personal data life cycle. It strengthens management activities at each stage from collection to disposal, detects and responds to personal data breaches and exposure incidents, and has established a system for monitoring abnormal behavior and managing records. K-eco also leads personal data protection activities through a Personal Data Protection Council chaired by the Chairman, newly establishes and expands management guidelines including enterprise-wide crisis response procedures and encryption key management procedures, and provides case-based online and offline training. In addition, to detect data breach risks in advance as the use of generative AI expands, K-eco has established an AI-based monitoring system for abnormal personal data processing activities, proactively and systematically addressing personal information leakage risks.

Personal Data Life-Cycle Management System

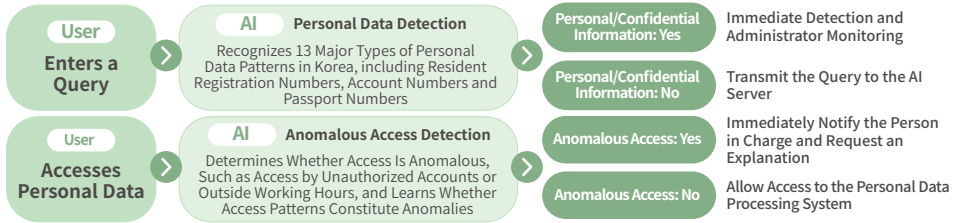
At Initial Collection
- Update the Status of Personal Data Files in Systems (81 files)
- Improve System UI/UX

During Regular Operations (Management Measures)
- Revise the Internal Management Plan (September 2025)
- Conduct Continuous Monitoring of Personal Data Protection

When Providing Information Internally or Externally
- Conduct a Comprehensive Inspection of Personal Data Management by Entrusted and Contracted Service Providers
- Encrypt Databases Transmitted to and Received from External Parties

At Disposal
- Conduct Comprehensive File Maintenance and Inspection (May and September 2025)
- Dispose of Personal Data Once Its Purpose Has Been Fulfilled or Retention Period Has Expired (2.4 Million Records)

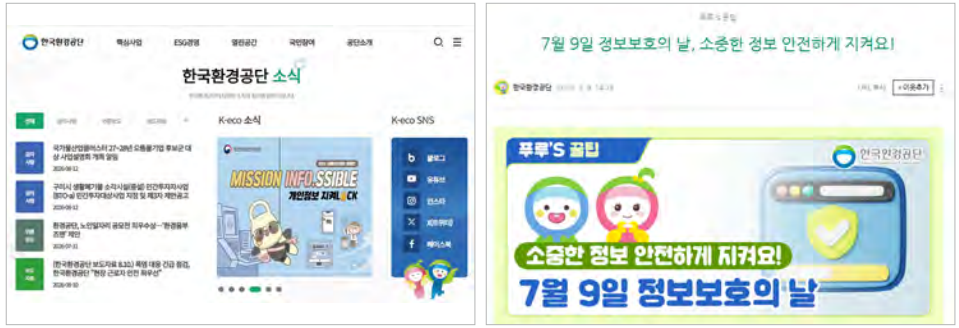
System for Detecting Personal Data Input and Anomalous Access



Cybersecurity

Implementing an Inter-Agency Personal Data Protection Campaign

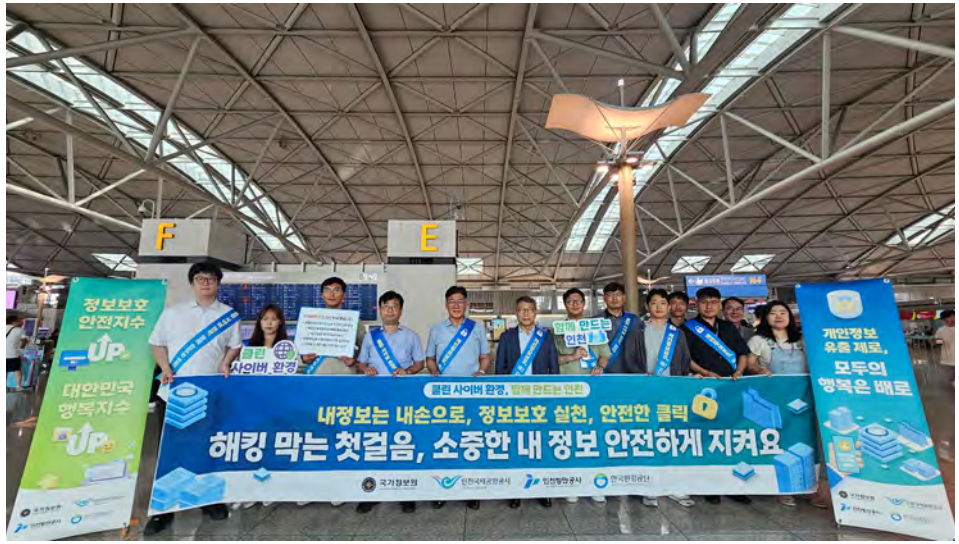
In August 2025, K-eco carried out a joint campaign with public institutions in the Incheon region to foster a culture of cybersecurity among the public and raise awareness of personal data protection. Together with Incheon International Airport Corporation and the Incheon Port Authority, K-eco conducted an information security and personal data protection campaign, strengthening the social responsibility of public institutions and the regional information security cooperation framework. The campaign was held at Incheon International Airport and the Incheon Port Coastal Passenger Terminal, where visitor traffic is concentrated during the summer vacation season, and provided users with guidance on personal data protection rules and cybersecurity practices. K-eco also conducts diverse activities to raise awareness of information security, including awareness campaigns through its website and social media, guidance on information security rules for K-eco visitors, and phishing email response exercise for employees. Through these efforts, K-eco will proactively respond to information security risks arising from the growing use of generative AI and cloud technologies and continue to contribute to creating a secure and reliable digital service environment for the public.



Information Security Awareness Campaign



Public Awareness Campaign on Information Security and Personal Data Protection (Incheon Port Coastal Passenger Terminal)



Public Awareness Campaign on Information Security and Personal Data Protection (Incheon International Airport)

Special Section

Supporting the Global Expansion of Mid-Sized Enterprises and SMEs

Systematizing Support for Companies' Overseas Expansion

Establishing a Roadmap to Support Private Companies' Overseas Expansion

K-eco established the Chairman-led Green Reboot TF and reorganized its global expansion support system to systematically assist private companies, which are key partners of K-Environment, in entering overseas markets. This transformed the previously dispersed structure, in which individual business departments independently supported corporate overseas expansion, into an enterprise-wide global expansion support system. K-eco designated the Global Cooperation Department as the control tower and established a global expansion roadmap involving all departments. It plans to provide related support so that its overseas networks, the Korea Water Cluster, and other resources and technologies can be systematically linked and utilized.

Strategy and Roadmap for Private Companies' Overseas Expansion

Implementation Goal

A Reliable Partner for Korean Environmental Companies Expanding into Overseas Markets by Leveraging K-eco's Global Infrastructure

Implementation Strategies / Action Tasks

Strengthen the Foundation through Domestic and International Cooperation	Support Exports through Technology, Financing, etc.	Expand Joint Participation in Overseas Projects
· Expand Cooperation with Relevant Domestic Organizations · Strengthen Networks with International Organizations, etc.	· Support Overseas Certification of Environmental Technologies · Support Exports through Financing and Market Development	· Jointly Participate in Projects such as Green ODA · Expand the Use of Korean-Made Equipment and Materials

Roadmap

2025~2026	2027~2029	2030~2035
Establish a Strategic Framework, Expand Cooperation, and Identify New Projects for Joint Overseas Expansion	Fully Implement Cooperative Projects with MDBs and Other International Organizations and Diversify Projects	Achieve KRW 200 Billion in Green Exports Strengthen the Global Standing of K-Environment

Operating Framework

Operating Organization	Communication Channels	Monitoring and Feedback	Capacity Building
· (Overall Coordination) Green Reboot TF · Relevant Departments including the Global Cooperation Department and Korea Water Cluster	· (Regular) Corporate Roundtables, Corporate Briefings, etc. · (As Needed) Voice of the Customer	· Future Innovation Council (Chairman and Internal/External Members) · Weekly and Monthly Work Reports	· Dispatch Personnel to International Organizations · Train Global Experts - All Departments (Once a Year)

Special Section

Supporting the Global Expansion of Mid-Sized Enterprises and SMEs

Expanding Green ODA to Advance Public-Private Overseas Environmental Projects

K-eco is expanding Green ODA projects to address global environmental challenges and support outstanding Korean environmental companies in entering overseas markets. As the share of the environmental sector in national ODA projects continues to grow, there is an increasing need for public-private partnership projects that link environmental improvements in recipient countries with the overseas expansion of Korea's environmental industry. Accordingly, K-eco is implementing tailored infrastructure development and technical support projects that reflect country-specific environmental issues in areas such as air quality, waste, water management, and chemical safety. In particular, it is working to strengthen sustainable environmental management through ICT-based air quality management systems, sanitation and waste treatment facilities, biomethane supply systems, and chemical safety education and training centers. In cooperation with Korean companies, K-eco also supports the overseas deployment of outstanding technologies in materials, parts, and equipment and expands export channels. These efforts contribute not only to environmental improvements and better quality of life in recipient countries, but also to the advancement of global environmental values through greenhouse gas reductions and the development of eco-friendly energy infrastructure. K-eco will continue to expand Green ODA projects, strengthen international environmental cooperation, and enhance the global competitiveness of Korea's environmental industry.

Status of Green ODA Projects



Uzbekistan — KRW 8.5 Billion (2023-2026)

- **Project Details**
  - Install a 300 kW LFG Power Generation Facility
  - Improve the Landfill Site
- **Expected Effects**
  - Secure 300 kW of Sustainable Energy
  - Reduce Annual Greenhouse Gas Emissions by 1,200 Tons

Egypt — KRW 10.1 Billion (2023-2027)

- **Project Details**
  - Construct an Education and Training Center (265 m^3)
  - Build a Waste-to-Resource Facility (150 Tons/Day)
- **Expected Effects**
  - Strengthen the Capabilities of Facility Operators
  - Build the Capacity of 10 Participants, including Policymakers

Uganda — KRW 8.1 Billion (2023-2026)

- **Project Details**
  - Install a Fecal Sludge Pretreatment Facility (60 m^3)
  - Provide Equipment and Build Capacity (13 Persons)
- **Expected Effects**
  - Benefit Approximately 80,000 Local Residents
  - Create Jobs by Fostering the Compost Industry

Mozambique — New — KRW 16.5 Billion (2026-2028)

- **Project Details**
  - Install 60 Landfill Gas Collection Systems
  - Install a Leachate Treatment System (62,200 m^3)
- **Expected Effects**
  - Improve Public Health and the Living Environment
  - Reduce Greenhouse Gas Emissions

Mongolia — KRW 11.5 Billion (2023-2026)

- **Project Details**
  - Establish 21 Automated Air Quality Monitoring Stations
  - Establish an ICT-Based Air Quality Management System
- **Expected Effects**
  - Build an Air Quality Database to Support the Recipient Country's Policymaking
  - Ensure Public Access to Air Quality Information

Mongolia — KRW 7.3 Billion (2023-2026)

- **Project Details**
  - Install 746 Sanitation Toilets
  - Install a Fecal Sludge Pretreatment Facility (250 m^3)
- **Expected Effects**
  - Prevent Leachate and Improve Sewage Treatment Efficiency
  - Benefit Approximately 170,000 Local Residents

Laos — New — KRW 10.4 Billion (2026-2030)

- **Project Details**
  - Establish a Chemical Safety Education and Training Center
  - Establish an Accident Response System
- **Expected Effects**
  - Train 500 Hazardous Materials Specialists
  - Reduce Chemical Accidents

Indonesia — New — KRW 10 Billion (2026-2029)

- **Project Details**
  - Establish a Biomethane Supply System
  - Introduce and Operate 13 Hydrogen Vehicles
- **Expected Effects**
  - Establish a Foundation for Expanding the Hydrogen Economy
  - Support the Overseas Expansion of Korea's Automotive Industry

Special Section

Supporting the Global Expansion of Mid-Sized Enterprises and SMEs

Expanding Global Market Entry through Water Industry Cooperation

Through the Korea Water Cluster, K-eco supports Korean water companies in entering overseas markets and strengthening their global competitiveness. It dispatched water industry cooperation delegations to Kazakhstan and Turkmenistan, built cooperative networks, and supported the identification of new collaborative projects through technical seminars and business consultations. K-eco also implemented demonstration projects for outstanding Korean water technologies in Kazakhstan and Vietnam, strengthening the foundation for overseas market entry and generating exports worth KRW 440 million in 2025. In addition, it supported 34 Korean water-sector SMEs in jointly participating in Korean pavilions at major water and environmental exhibitions in the United States, the UAE, and other countries, expanding opportunities for overseas marketing and market development.

Activities to Expand Overseas Marketing and Market Development Opportunities for Korean Water Companies

Market Development

- Operate Public-Private Joint Business Delegations to Identify Buyers and Expand Market Entry Opportunities
- Joint Participation by the Ministry of Foreign Affairs, Ministry of Climate, Energy and Environment, the Cluster, and 49 Water Companies

Exhibition Participation

- Support Participation in Global Exhibitions through Advance Buyer Identification and Matching
- Joint Participation by 34 Companies and 642 Export Consultations with Overseas Buyers (USD 1.15764 Billion)

Project Identification and Matching

- **Qatar** Support Local Demonstration Testing and Contract Acquisition for a Resource Recovery System in Cooperation with Qatar University
- **Dominican Republic** Support Korean Companies in Securing a World Bank Loan-Financed Non-Revenue Water Reduction Project

Performance

- Effects of Advance Buyer Matching: 63% Increase in Participating Companies (Compared with 2024)
- On-Site Contracts Signed: USD 200,000
- MOUs with Local Organizations: 3 MOUs Signed



Agreement between the Korea Water Cluster and Public/Private Companies in Kazakhstan



Agreement between the Korea Water Cluster and Vietnam's Minh Tan Group

Expanding Pre-Compliance Testing for Overseas Certifications

Best Practice

K-eco supports SMEs in the early stages of overseas expansion in obtaining global certifications, strengthening their readiness to enter global markets. In particular, it enhanced testing infrastructure and technical support systems to provide pre-compliance testing for NSF* certification, a key requirement for exports to the North American market. To respond proactively to global environmental regulations, K-eco provided analysis of per- and polyfluoroalkyl substances (PFAS), which are subject to proposed regulations, for eight water technology products and offered customized technical consulting for overseas certifications from the product development stage. It also introduced pre-testing services for WRAS** certification for the first time, expanding companies' opportunities to enter the United Kingdom and other European markets. Participating companies reduced the cost and time required for certification through pre-testing and obtained seven NSF certifications and two WRAS certifications. In recognition of these efforts to support water technology exports through overseas certification, the initiative was selected as an outstanding case in the 2025 Proactive Administration Competition of the Ministry of Personnel Management and received the Minister of Personnel Management Award. K-eco will continue to strengthen its support system linking testing and analysis, consulting, certification, and exports, supporting the global growth and overseas market competitiveness of Korean environmental companies.

* NSF: A key international certification for exports to North America (particularly the United States) that verifies the hygienic safety of materials used in drinking-water systems

** WRAS: A key certification for exports to the United Kingdom that verifies the water quality and non-toxicity of water supply equipment

NSF — 7 Certifications Obtained

Advanced Support for Obtaining Overseas Certifications

Infrastructure

Expand NSF Pre-Testing Analysis Items and Product Groups

Provide Testing Infrastructure for Eight Products, Including PFAS Testing in Response to Proposed Regulations

Technology and Information

Provide Tailored NSF Technical Consulting from the Product Development Stage

Previously Non-Compliant Products Successfully Obtained Certification

WRAS — 2 Certifications Obtained

Introduce Pre-Testing for a New Overseas Certification

Infrastructure

Establish a WRAS Testing Environment and Introduce Pre-Testing for the First Time

Nine Products, including Pipes and Fittings (Three Companies)

Technology and Information

Connect Companies with the Overseas Certification Support Program of the Korea Water Technology Certification Institute

Reduce Companies' Cost Burden and Improve Participation and Certification Success Rates

Governance

K-eco is building trusted governance based on transparency and accountability, strengthening the foundation for sustainable management.

110 Responsible Board Operations
118 Ethical and Anti-Corruption Management
125 Risk Management
127 Special Section Building Governance Driven by AI Innovation





Responsible Board Operations

Approach

K-eco regards strengthening the role and accountability of the Board of Directors as the starting point for responsible decision-making and sustainable institutional operations. With a professional and independent board, K-eco advances strategic decision-making and management oversight while strengthening innovation and communication across the organization through the Future Innovation Council, a collaborative governance body integrating ESG, AX, and global initiatives, and the Green Reboot TF, an enterprise-wide innovation council.

Key Achievement

Enhanced Support for Non-Executive Directors

Effective Management Recommendations and Recommendation Implementation Rate

100% Achieved

(30 Recommendations)

K-eco Materiality Assessment

Impact Materiality ◔ Financial Materiality ◑

Public Institution ESG Guidelines

G-1 G-2 G-3 G-4 G-5

GRI Standards

2(General Disclosures)

UN SDGs -

Responsible Board Operations

Direction of Board Operations

Under the Act on the Management of Public Institutions, the Chairman of K-eco serves as Chair of the Board. K-eco has established institutional safeguards to prevent conflicts of interest within the Board under Article 9-2 (Exclusion and Recusal) of the Board Operation Regulations. To strengthen the functions of the Board as the highest decision-making body, K-eco is advancing Chairman-led operational strategies and strengthening support systems for non-executive directors. It has established three operational strategies – strengthening Board functions, utilizing the expertise of non-executive directors, and operating a responsible Board – and is working to reinforce the Board's effective role, expand its strategic management advisory function, and advance its responsible management system.

Board Operations and Performance

K-eco's Board of Directors convened 13 times in 2025 and deliberated on 32 agenda items, including 21 resolution items and 11 reporting items. In particular, all 30 management recommendations made by non-executive directors during the period were implemented, achieving a 100% implementation rate and further strengthening the Board's oversight function. Agenda items are approved by a majority of all incumbent directors. K-eco also held three on-site Board meetings in 2025 to enhance non-executive directors' understanding of its operations. Board meeting minutes are transparently disclosed through the K-eco website and ALIO (Public Institution Management Information Disclosure System), enhancing management credibility and transparency.

Board Operation Strategies and Tasks

Three Operational Strategies

Activation	Expertise	Accountability
Strengthen Board Functions	**Utilize the Expertise of Non-Executive Directors**	**Operate a Responsible Board**

Key Tasks

Strengthen Board Functions	Utilize the Expertise of Non-Executive Directors	Operate a Responsible Board
· Strengthen the Board's Effective Role · Address Information Asymmetry for Non-Executive Directors	· Provide Strategic Management Advice · Manage and Oversee Institutional Risks	· Enhance the Accountability of Non-Executive Directors · Strengthen the Board Feedback System

Performance Indicators

Strengthen Board Functions	Utilize the Expertise of Non-Executive Directors	Operate a Responsible Board
· Implementation Rate of Management Recommendations from Non-Executive Directors (%) · Number of On-Site Board Meetings (Sessions)	· Number of Management Recommendations from Non-Executive Directors (Recommendations) · Number of Institutional Risks Mitigated (Cases)	· Number of Board Agenda Items Adopted with Amendments (Items) · Board Attendance Rate of Non-Executive Directors (%)

Board Performance in 2025

Category		Unit	2021	2022	2023	2024	2025
Board Meetings Held		Sessions	15	14	17	15	13
Number of Agenda Items		Items	33	27	29	34	32
Resolution Items			29	24	26	29	21
Reporting Items			4	3	3	5	11
Attendance Rate	Executive Directors	%	94.4	91.5	92	87.8	93.6
	Non-Executive Directors		94.7	95.7	95.3	94.1	84.6

Responsible Board Operations

Supporting Non-Executive Directors' Board Activities

Supporting Non-Executive Directors in Performing Their Roles to Strengthen Board Effectiveness

To increase management recommendations and Board participation by non-executive directors, K-eco is working to address information asymmetry by strengthening its system for sharing current issues. K-eco holds roundtables between the Chairman and non-executive directors to share major management issues and operational priorities. It has expanded advance briefings before agenda items are submitted, enhancing the effectiveness and professionalism of Board deliberations and strengthening information sharing on major issues. K-eco has also expanded on-site Board meetings so that non-executive directors can directly inspect operating sites and review the implementation of national policy tasks, improving their understanding of major projects and current issues. In addition, the Board effectiveness enhancement plan, which reflects suggestions for improving Board operations, includes support systems that enable non-executive directors to perform their duties independently, reinforcing K-eco's support for their Board activities.

Enhancing the Expertise of Non-Executive Directors and the Effectiveness of Management Recommendations

K-eco is enhancing the Board's expertise by appointing non-executive directors with specialized knowledge in various fields. By appointing experts in climate, resource circulation, and public finance as well as directors with experience in government and committees, K-eco has strengthened its capacity to advance projects in each field and implement national policy tasks. K-eco has also expanded reporting on major management issues outside formal agenda items, improving non-executive directors' understanding of the institution and participation in management. In particular, it strengthened information sharing on key issues such as operational priorities, business strategies, global expansion strategies, and safety management to support high-quality management recommendations. As a result, non-executive directors provided a range of recommendations, with a total of 30 incorporated into institutional operations and project implementation during 2025.

Support Activities for Non-Executive Directors

Strengthen Orientation for Newly Appointed Non-Executive Directors to Ensure Continuity in Board Operations

- **Roundtables**: Share Major Management Issues through Chairman-Non-Executive Director Roundtables
- **Work Reports**: Enhance Management Accountability by Reporting Current Issues and Major Work Plans in Addition to General Operational Information

Strengthen Reporting on Major Management Matters to Address Information Asymmetry

- **Agenda Items**: Provide Advance Agenda Briefings and Decision-Making Support to All Board Members
- **Non-Agenda Matters**: Address Information Asymmetry through Reports on Overseas Expansion Strategies and Safety Accidents

Expand On-Site Board Meetings to Improve Understanding of K-eco and Its Operations

- **Improve Understanding**: Hold Three On-Site Board Meetings to Improve Understanding of Major Projects and Current Issues
- **On-Site Inspections**: Visit Operating Sites to Review the Implementation of National Policy Tasks and Safety Conditions

Implementation of Major Management Recommendations from Non-Executive Directors in 2025

Recommendation to Establish a Foundation for Sustainable Global Expansion by Advancing Overseas Projects in Cooperation with International Organizations and Expanding Global Talent Development

KRW 111 Billion in Green Exports and Experts Dispatched to the OECD and World Bank

Recommendation to Enhance Safety Management Measures for Sites Requiring Improvement, Incorporate Them into Management Goals, and Strengthen Safety Management for High-Risk Work

Revise Mid- to Long-Term Management Goals Accordingly and Strengthen the Self-Regulatory Accident Prevention System for High-Risk Work

Recommendation to Establish a Long-Term Plan for Ownership Disputes and Deposit Returns through a Comprehensive Survey of K-eco-Leased Housing

Identified Three Cases Requiring Special Attention after Reviewing All 123 Cases and Developed Response Measures, Including Litigation to Recover Deposits

Responsible Board Operations

Board Composition

Executive Composition and Board Skills Matrix

K-eco's Board of Directors comprises the Chairman, five executive directors, and eight non-executive directors. K-eco operates a transparent executive selection process through open recruitment without discrimination based on gender, religion, or other factors. Executive directors are appointed by the Chairman based on recommendations from the Executive Recommendation Committee, while non-executive directors are appointed by the Minister of Climate, Energy and Environment based on recommendations from the Committee.



Board Composition Overview

	Position	Name	Term	Area of Expertise	Key Experience
Executive Directors (5)	Chairman	Lim Sang-jun	Jan. 31, 2025-Jan. 30, 2028		- Vice Minister of Environment - Secretary for National Policy Tasks, Office of the President - Director General for Planning and Coordination Policy, Office for Government Policy Coordination
	Executive Director for Management Planning	Cha Gwang-myeong	Aug. 1, 2023-Jul. 31, 2026		- Advisory Member, 20th Presidential Transition Committee - Advisor, United Nations World Food Programme - Secretary General, Korean Parliamentary League on Children, Population and Environment
	Executive Director for Climate and Environment	Yoon Yong-hee	Sep. 2, 2024-Sep. 1, 2026		- Director, Environmental Impact Assessment Division, Ministry of Environment - Director General, Wonju and Han River Basin Environmental Offices, Ministry of Environment - Director, Minister's Office, National Institute of Biological Resources, and Metropolitan Air Quality Management Office, Ministry of Environment
	Executive Director for Water Environment	Ahn Byeong-yong	Mar. 4, 2025-Mar. 3, 2027		- Head, Busan-Ulsan-Gyeongnam Environmental Division K-eco - Head, Jeonbuk Environmental Division, K-eco - Director, Planning and Coordination Department, K-eco
	Executive Director for Resource Circulation	Moon Gap-saeng	Apr. 21, 2026-Apr. 20, 2028		- Director, Municipal Solid Waste Department and Resource Circulation Department, K-eco - Head, Resource Circulation Policy Support Division, K-eco - Head, Resource Policy and Statistics Division, K-eco
	Executive Director for Environmental Facilities	Lee Jun-seok	Apr. 7, 2025-Apr. 6, 2027		- Director, Water Infrastructure Department, Environmental Facilities Management Division, K-eco - Director, Chungcheong Environmental Facilities Management Department, K-eco - Head, Chungcheong Construction Management Division, K-eco

	Position	Name	Term	Area of Expertise	Key Experience
Ex Officio Directors(2)	Director General for Planning and Coordination, Ministry of Climate, Energy and Environment	Ahn Se-chang	Term in Office (from Jul. 2, 2026)		- 32nd Technical Civil Service Examination - Director General for Climate and Energy Policy, Ministry of Climate, Energy and Environment - Director General for National Land Policy, Ministry of Land, Infrastructure and Transport - Director General for Climate Change Policy, Ministry of Environment
	Director General for Social Budget Review, Ministry of Planning and Budget	Jeong Hyang-woo	Term in Office (from Sep. 8, 2025)		- 40th Higher Civil Service Examination - Director General for Policy Planning, Ministry of Economy and Finance - Director General for Planning and Coordination, Statistics Korea - Director, Public Policy Coordination Division, Ministry of Economy and Finance
Appointed Directors (6)	Policy Committee Chair, GyeongGi Korea Federation for Environmental Movements	Jang Dong-bin	Aug. 26, 2026-Aug. 25, 2028		- Policy Director, Korea Citizen Power Cooperatives Federation - Policy Committee Chair, Gyeonggi Environmental Movement Solidarity - Special Advisor for Climate and Energy, Hwaseong Special City - Secretary General, GyeongGi Korea Federation for Environmental Movements
	Employee-Elected Director, K-eco	Ryu Hyeong-seok	Jul. 15, 2024-Jul. 14, 2027		- Director of Policy, Federation of Korean Public Trade Unions, FKTU - Secretary General and Vice Chair, K-eco Labor Union - Executive Secretariat and Korea Water Cluster, K-eco
	Advisor, National Management Research Institute	Kim Hwa-dong	May 30, 2025-May 29, 2027		- President, Korea Minting and Security Printing Corporation - Standing Commissioner, National Science and Technology Commission - Head, Domestic Countermeasure Headquarters for Trade Agreements, Ministry of Economy and Finance
	Vice President, Korea Residential Environment and Asbestos Association	Park Eung-ryeol	May 30, 2025-May 29, 2027		- President, Jeonnam Environmental Industry Promotion Institute - Head, Resource Circulation Management Division, K-eco - Director General, Yeongsangang River Basin Environmental Office, Ministry of Environment
	Professor, Kyung Hee University	Yu Ga-young	May 30, 2025-May 29, 2027		- Professor and Department Chair, Environmental Science and Environmental Engineering, Kyung Hee University - Senior Research Fellow, Korea Environment Institute
	President, Institute for Climate and Life Policy	Jang Jeong-gu	Apr. 6, 2026-Apr. 5, 2028		- Co-President, I-Rang Ecological Education Center - Head, Incheon Environmental Special City Promotion Group - Secretary General and Chair of the Policy Committee, Incheon Green Korea United

Responsible Board Operations

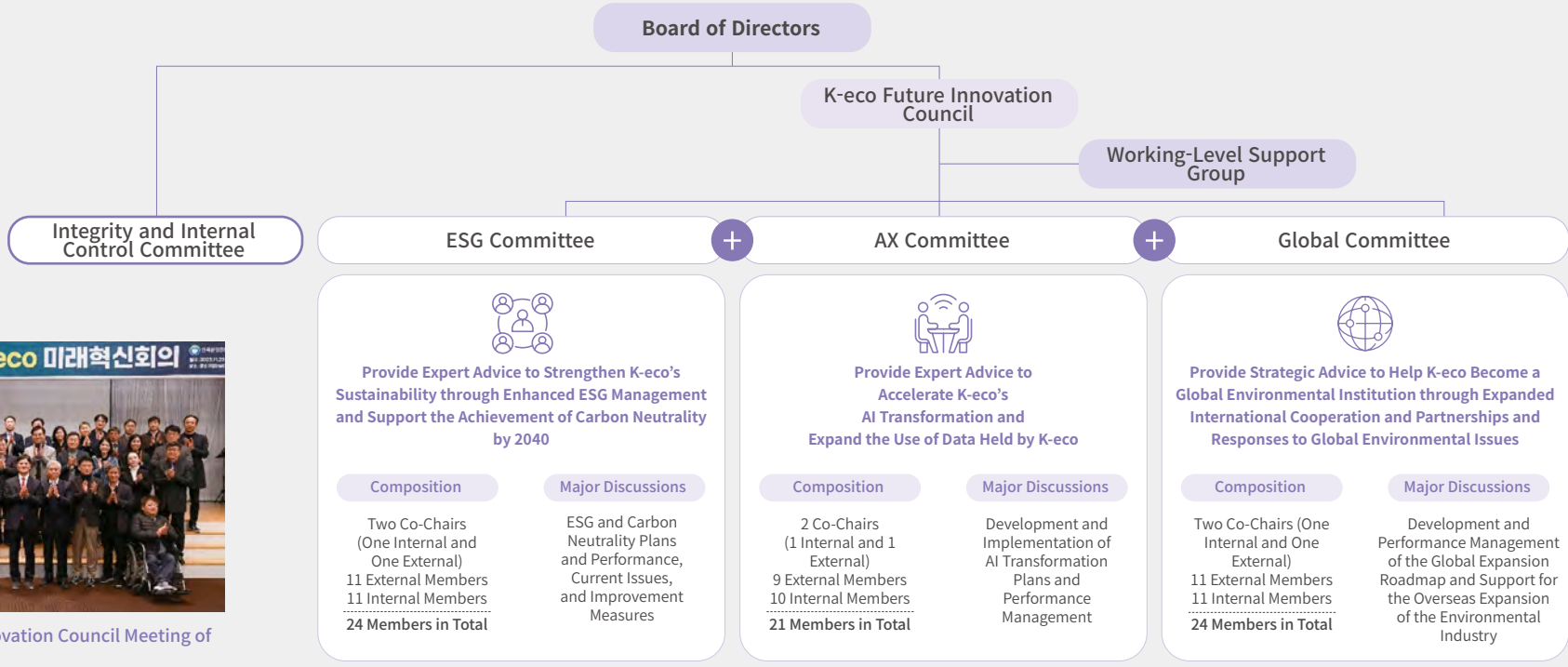
Board Committees

Future Innovation Council Operating System and Performance

K-eco operates the K-eco Future Innovation Council, linking the ESG, AX (AI Transformation), and Global Committees under the Board of Directors. Going beyond separate committee structures, the Future Innovation Council is an open consultative body where cross-functional issues can be jointly discussed. Through 14 regular meetings— two plenary meetings and four meetings for each of the three committees— K-eco is expanding collaborative networks with external experts in each field. The Council addresses key future-oriented issues, including accelerating institutional carbon neutrality, transforming work through AI, and expanding global market entry strategies. Advice from internal directors, department heads, and external experts is incorporated into relevant operations. Through collaborative governance that connects the expertise of diverse stakeholders, K-eco will continue to strengthen its future innovation capabilities and sustainable management framework.

K-eco Board Committees and Future Innovation Council Governance Framework

(As of July 2026))



Second K-eco Future Innovation Council Meeting of 2025

Responsible Board Operations

ESG Committee

K-eco operates the ESG Committee to lead ESG management by strengthening sustainable and transparent management and advancing social value, while establishing a carbon-neutral management system responsive to domestic and international environmental changes. As an advisory body for strengthening K-eco's sustainability and achieving institutional carbon neutrality, the Committee consists of 24 experts – 12 external members from diverse fields and 12 K-eco directors and department heads – and meets quarterly. In 2025, the Committee systematized ESG implementation by establishing the ESG Management Strategy for 2025-2029 to reflect national policy tasks and obtaining K-eco's first integrated Environmental Management System (ISO 14001) certification. We also strengthened ESG execution by reviewing major tasks such as institutional carbon neutrality, RE100 implementation, and CBAM response support for SMEs.

ESG Committee Agenda Items and Implementation in 2025

Round	Recommendations	Implementation Rate	Major Agenda Items
1	5	80%	- Direction of the New Administration's Climate and Energy Policy and Climate and Energy Governance Reorganization
2	4	75%	- Overview of Korea Battery Circulation Cluster Operations - Measures to Improve Shared-Growth Performance and Manage the Supply Chain
3	5	100%	- Progress in Publishing the Sustainability Report - Trends and Legal Issues in the New Administration's Renewable Energy Policies - Measures to Introduce a Renewable Energy PPA to Achieve Carbon Neutrality
4	3	100%	- ESG Policy Direction under the Government's National Policy Tasks and K-eco's Response Strategy - Measures to Strengthen Implementation of ESG Management - Progress and Tasks for Carbon Neutrality Led by Local Governments

15 of 17 Recommendations Implemented **(88.2%)**

Recommendation	Enhance ESG Management Execution and Strengthen Interdepartmental Cooperation by Providing Incentives to Responsible Personnel and Reflecting Performance in Department Evaluations	K-eco Needs to Consider Its Strategic Direction in Response to Government Renewable Energy Policies	Propose Measures to Address Greenwashing Concerns in the Sustainability Report
Implementation	**Reorganize the Implementation System to Strengthen ESG Management Execution** - Establish Working Groups for Disclosure and Strategic Tasks, Increase Participation in the ESG Committee, and Strengthen Interdepartmental Cooperation	**Expand Renewable Energy Adoption in Public Institutions through Korean Technologies and Cooperation with Energy Public Corporations such as Korea Hydro & Nuclear Power**	**Conduct Third-Party Assurance for the Annual ESG Report and Strengthen Legal Review and Assurance Processes**

AX Committee

K-eco operates the AX Committee to strengthen competitiveness and transform work processes through the digital and AI transformation of management and project administration. The Committee is a group of 21 experts— 10 external members from diverse fields and 11 K-eco directors and department heads— that discusses digital·AI innovation measures through regular meetings. In 2025, the Committee discussed K-eco's digital·AI innovation initiatives centered on strengthening AI security and establishing a responsible AI transformation system. K-eco created a secure environment for AI use by establishing a generative AI monitoring system and an AI-based personal information management system, and operating its proprietary AI platform, K-eco GPT. We also advanced our performance management system based on flagship AI initiatives and AI/DX indices and expanded the application of AI outcomes through participatory AI programs and broader access to synthetic data.

AX Committee Agenda Items and Implementation in 2025

Round	Recommendations	Implementation Rate	Major Agenda Items
1	8	100%	- 2025 AI Trends - K-eco Artificial Intelligence Implementation Plan for 2025
2	4	100%	- AI Security Threats and Security Technology Trends - Results of the K-eco AI GreenUP Quest
3	5	100%	- Data Strategy for Public-Sector AX - Direction for K-eco's Data-Driven Administrative Innovation in the AI Data Era
4	4	100%	- Best Practices in K-eco's DX and AI Use in 2025

All 21 Recommendations Implemented **(100%)**

Recommendation	Expand Access to K-eco's Data in AI-Friendly Formats	Establish AI Strategies and Ethics Linked to Organizational Strategy	Conduct Preliminary Reviews such as PoCs (Proofs of Concept) before Introducing AI within K-eco
Implementation	**Revise Data Collaboration Items in the Internal Evaluation Manual to Encourage Data Sharing and the Identification of Data Release**	**Strengthen Alignment with Organizational Strategy when Revising the AI Strategy and Reinforce AI Ethics, including Regular AI Ethics Pledges (Dec. 2025)**	**Conduct a Generative AI PoC (through Nov. 2025) to Assess the Suitability AI for K-eco**

Responsible Board Operations

Global Committee

K-eco operates the Global Committee to strengthen its global capabilities for addressing environmental issues in Korea and abroad. The Committee is a group of 24 experts— 12 external members from diverse fields and 12 K-eco directors and department heads. In 2025, the Committee focused on establishing a strategic framework to expand K-eco's global presence and diversify overseas projects. It strengthened global environmental networks by establishing the 2035 Global Expansion Roadmap and key implementation tasks and expanding cooperation with overseas institutions and international organizations. The Committee also discussed measures to support private companies' overseas expansion by expanding by developing and diversifying overseas projects and to respond proactively to global environmental issues, including participation in the COP30 government delegation.

Global Committee Agenda Items and Implementation in 2025

Round	Recommendations	Implementation Rate	Major Agenda Items
1	5	100%	- Establish the K-eco Global Expansion Roadmap - Strategy for Advancing the Water Industry and Overseas Expansion through the Korea Water Cluster
2	9	77.8%	- Measures to Establish a Global Cooperation Platform - Cases and Direction for Operating the EPR Capacity-Building Program
3	8	62.5%	- Expand the Scope of Cooperation with International Organizations - Measures to Strengthen Global Talent Development
4	9	55.5%	- Key Elements of the Draft Global Expansion Roadmap

22 of 31 Recommendations Implemented **(70.9%)**

Recommendation	Review Overseas Assignment Periods to Ensure Sufficient Practical Experience during Assignments to International Organizations	Establish a Platform for Global Operations, including Systematic Procedures for Obtaining Information on New Overseas Projects	Establish a Structured Cooperation Framework Linking the Distinctive Capabilities of Organizations Supporting the Water Industry's Overseas Expansion and Expand Support beyond Demonstration Projects
Implementation	Extend Assignment Periods (1+1) to Enhance Outcomes through Local Adaptation, Practical Experience, and Networking	Incorporate into the Global Expansion Strategy a Platform for Collecting Procurement Information from International Organizations and MDBs and Linking It with Opportunities for Joint Participation and Collaboration with the Private Sector (Dec. 2025)	Establish a Water Industry Promotion Council with Relevant Organizations to Build a Collaborative System that Leverages Each Organization's Strengths (from 2025) and Review Support for Developing Integrated Programs through Inter-Organizational Cooperation

Board Performance Evaluation and Remuneration

Board Evaluation System and Results

K-eco undertakes various initiatives to strengthen transparency and accountability in Board operations. We have introduced an individual director evaluation system that comprehensively assesses attendance, participation, and engagement in management, and provides the results to external organizations to enhance accountability. Director remuneration follows an annual salary system that complies with relevant regulations and consists of position-based and performance-based components. Remuneration details are publicly disclosed through management disclosures and ALIO. Through these institutional mechanisms, K-eco continuously improves the efficiency and transparency of Board operations.

Remuneration Items and Calculation Methods

Remuneration for K-eco's Board of Directors is calculated in accordance with the Act on the Management of Public Institutions and relevant guidelines of the Ministry of Economy and Finance and is paid according to the remuneration items and calculation standards below.

Remuneration Items and Calculation Methods

Category	Item	Calculation Standard	Remarks
Executive Directors	Base Annual Salary	Calculated according to the Remuneration Standards by Position	Management Evaluation Results May Be Reflected
	Management Evaluation Performance Bonus	Differential Payment Based on the Previous Year's Management Performance	Subject to the Ministry of Economy and Finance Performance Bonus Guidelines
Non-Executive Directors	Meeting Allowance	A Prescribed Allowance Paid per Meeting	Based on the Number of Meetings Attended Annually
	Reimbursement of Other Actual Expenses	Reimbursement for Transportation, Meals, etc. at Actual Cost	Paid Based on Actual Expenses Incurred

* The remuneration levels of executive officers are disclosed annually through ALIO.

Responsible Board Operations

Labor Director System Operation

Support for Labor Director Expertise and Strengthening Operational Foundation of the Labor Director System

Since introducing K-eco's first labor director system in 2024, K-eco has continued to strengthen the system's operational foundation through a consultative body involving the labor director, the labor union and the Board operations department. Specifically, the consultative body identified institutional improvements during agenda discussions, and K-eco revised regulations to reflect the Ministry of Finance and Economy manual, expanding the support system for the labor director's participation in Board meetings and review of agenda items. K-eco also supports Labor Director Academy training and overseas benchmarking of advanced practices to strengthen the labor director's expertise and professional capabilities. These efforts produced tangible results, including a 100% Board attendance rate by the labor director and the implementation of eight management recommendations from the employee perspective. K-eco will continue to strengthen labor-management communication and support to establish an effective employee participatory management system.

Performance in Strengthening Implementation of the Labor Director System

- Discussed agenda items and identified improvements to the labor director system through participation by the labor director, labor union and Board operations department
- Expanded financial support for Board attendance and agenda review through regulatory amendments reflecting the Ministry of Finance and Economy manual

→ **100%** Board Attendance Rate by the Labor Director

Strengthened Support for the Labor Director System

+

Strengthened Labor Director Expertise

- Supported participation in the Korea University Labor Director Academy to strengthen the labor director's expertise and professional capabilities
- Supported overseas business travel to explore cooperative labor-management relations and benchmark advanced labor director practices

→ **8** Management Recommendations Implemented

Key Results from Implementing the Labor Director's Management Recommendations

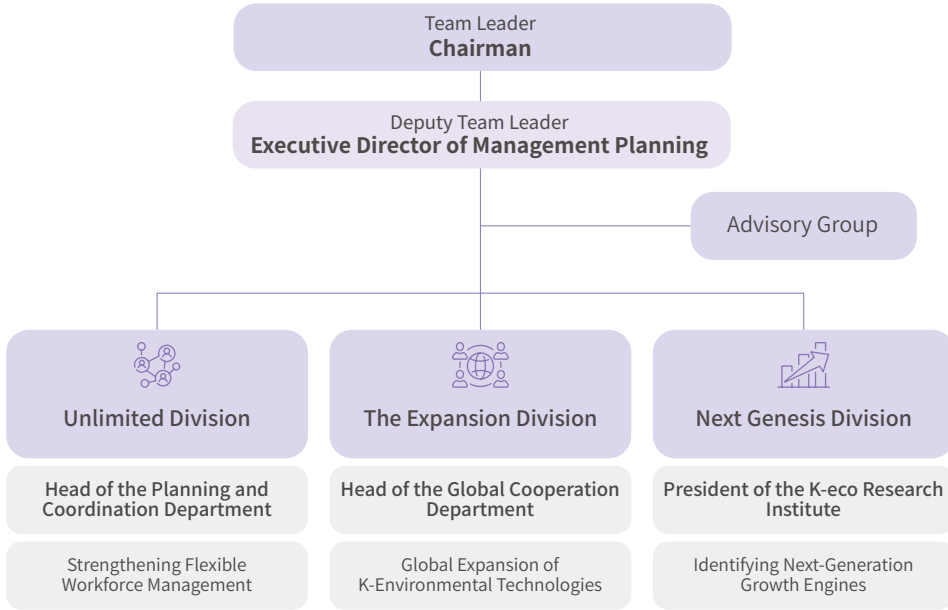
Sector	Recommendation	Implementation
Employee Welfare	"Additional staff housing is needed to improve the living conditions of lower-grade employees."	• Requested the establishment of a long-term plan and budget for securing employee housing • Secured single-occupancy housing in replace existing shared rooms, reflecting lower-grade employees' housing preferences (10 additional units in 2025)
Organizational Culture	"Building a healthy workplace culture requires proactively raising awareness about harmful behaviors rather than simply punishing them after they occur."	• Highlighted everyday behaviors that inconvenience colleagues to foster a healthier, more respectful workplace environment. • Conducted communication campaigns for organizational culture improvement involving next-generation employees as members.

K-eco Green Reboot TF

Advancement of Green Reboot TF 2.0

To become a specialized global environmental institution and strengthen the support system for private companies' overseas expansion, K-eco launched Green Reboot TF 1.0 in March 2025 as an internal consultative body for organization-wide innovation. Green Reboot TF 1.0 laid the foundation for transformative change across K-eco's operations, including proactive global expansion, future businesses such as a hydrogen Special Purpose Company(SPC), and organizational efficiency through the consolidation and elimination of departments. In 2026, K-eco established Green Reboot TF 2.0, building on the existing framework. Through this initiative, K-eco is expanding organization-wide innovation in flexible workforce management, global business expansion and the identification of new growth engines, while proactively responding to changes in the future environmental landscape.

Green Reboot TF 2.0 Implementation System



Responsible Board Operations

Key Directions by Green Reboot TF 2.0 Division

Green Reboot Unlimited
Workforce Reallocation

Strengthen institutional competitiveness by flexibly deploying the right talent, where needed and for as long as needed



Not confined by predetermined organizational silos

Flexible operations

- Agile, organization-wide talent allocation
- Workforce operations that respond rapidly to change
- Maximize workforce utilization in core businesses

Green Reboot The Expansion
Global Expansion of K-Environment (eco)

Lead a sustainable future created together by expanding K-environmental technologies and expertise worldwide



By expanding beyond Korea to the world

Strengthen global environmental leadership

- Expand entry into overseas markets
- Strengthen global partnerships
- Build overseas business networks
- Enhance global competitiveness and brand value

Green Reboot Next Genesis
Growth Engine

Create new value for tomorrow through today's innovation



To drive K-eco's growth over the next decade

Develop new businesses

- Continuously identify future markets and technologies
- Develop innovative eco-friendly businesses
- Secure sustainable growth drivers

Ethical and Anti-Corruption Management

Approach

K-eco recognizes integrity and ethics as core values for the sustainable management of a public institution and has established systematic internal control and ethical management systems to prevent corruption. It operates an ethical management governance framework centered on the Integrity and Internal Control Committee, its highest decision-making body, while proactively managing and reviewing areas vulnerable to corruption through the RED Team, a specialized institutional risk management body, to foster a culture of integrity throughout the organization.

Key Performance

Implementation Rate for the K-eco Ethical Management Standard Model
91% Achieved

Corruption Cases or Findings Identified by External Organizations
Zero

K-eco Materiality Assessment
Impact Materiality ◔ Financial Materiality ◑

Public Institution ESG Guidelines
G-6 G-7 G-8 G-9 G-10

GRI Standards
205 206

UN SDGs

Ethical Management Strategy and Implementation System

Ethical Management Strategy Framework

Charter of Ethics

K-eco has established an ethical management system that meets public expectations and earns public trust, based on upright management that protects integrity, ethics and human rights. To achieve fair and transparent ethical management, K-eco established the Integrity and Ethical Management 2.0 Comprehensive Plan and is pursuing three strategies: strengthening the ethical management system, tailored management of ethical risks, and embedding and fostering an ethical culture. In particular, K-eco systematically manages corruption and misconduct risks through the identification of ethical risks based on institutional characteristics and social changes and control activities based on the standard model. We are also strengthening ethical practices throughout the organization by fostering an ESG-based ethical culture, improving standard work processes and strengthening integrity and ethical leadership among senior executives. K-eco uses the K-eco Reporting Center, anonymous bulletin board and organizational culture assessments to strengthen internal reporting and feedback, and continuously incorporates external evaluations and internal review results while operating public reporting channels on its website, including the public reporting center and illegal subcontracting reporting board. K-eco will continue to increase the implementation rate of the ethical management standard model in stages to realize Clean K-eco, trusted by the public, and improve its comprehensive integrity assessment.

K-eco Ethical Management Strategy Framework

Strategies
- Improve the Ethical Management System
- Comprehensive Ethical Risk Management
- Embed and Foster an Ethical Culture

Key Tasks

Improve the Ethical Management System	Comprehensive Ethical Risk Management	Embed and Foster an Ethical Culture
Strengthen Chairman-Led Ethical Management Governance	Strengthen the Year-Round Cyclical Ethical Risk Management System	Embed an Ethical Culture through Training and Improvement Activities
Establish and Operate the K-eco Ethical Management Standard Model	Establish a Chairman-Led Response System for Top-Priority Risks	Enhance Internal Ethical Culture Assessment and Review Tools
Foster Integrity and Ethical Leadership Led by Management	Implement Thorough Control Activities Covering High-Priority and Everyday Risks	Foster a Culture of Voluntary and Simulation-Based Reporting

Implementation Foundation

Decision-Making Body	Organization-Wide Implementation Bodies	Lead Working-Level Organization	Ethical Standards
Integrity and Internal Control Committee (chaired by the Chairman)	17 Integrity Implementation Committees nationwide (chaired by heads of headquarters and project groups)	Ethical Management Office and Risk Management Working-Level Council	Charter of Ethics and Ethical Management Practice Regulations

Review and Feedback

Monitoring:	Internal Assessment	External Evaluation	Feedback
Integrity and Ethics Forecast System and K-eco Reporting Center	Ethical Management Standard Model Implementation Rate and K-eco Culture Index (KCI)	ACRC Comprehensive Integrity Assessment and Review and Evaluation of Internal Audit Activities	Awards for Outstanding Ethical Activities and Establishment of the 2026 Ethical Management Plan

Roadmap

2025~2026	2027~2028	From 2029
Establish the Ethical Management Standard Model (implementation rate of at least 90%)	Enhance the Ethical Management Standard Model (implementation rate of at least 93%)	Expand the Ethical Management Standard Model (implementation rate of at least 95%)

Key Performance

2025~2026	2027~2028	From 2029
Achieved Grade 2 in the Comprehensive Integrity Assessment (marking the first time in K-eco's history that its grade improved for 2 consecutive years)	Achieved a 91% implementation rate for the standard model (up 5.7%p year on year)	Received the Korea Human Rights Award from the National Human Rights Commission of Korea (the only public institution recipient in 2025)

Ethical and Anti-Corruption Management

Ethical Management Implementation System

To enhance the effectiveness of integrity and ethical management, K-eco operates an integrated implementation system centered on the Integrity and Internal Control Committee, its highest decision-making body. Led by executive management, the Committee sets strategic policy directions and key initiatives for anti-corruption, integrity and ethical management while overseeing the organization-wide ethical management system. On the operational level, the Ethical Management Office and the Audit Office work in close coordination, managing ethical practices and anti-corruption measures, respectively. K-eco also operates diverse internal and external advisory bodies, including the Integrity and Internal Control Implementation Committee, Human Rights Management Committee, Audit Advisory Committee and Citizen Integrity Auditors, to ensure expertise and objectivity. Through organizational culture consulting and advice from external experts, K-eco identifies ethical risks proactively and continuously identifies areas for improvement to internal control and ethical management systems. Based on this mutually reinforcing implementation system, K-eco will continue to manage and implement initiatives to embed integrity and ethics throughout its organizational culture.

Integrated Launch of the Integrity and Internal Control Committee

Chairman	Chairman	Standing Auditor
Integrity and Ethics Committee	**Internal Control Committee**	**Anti-Corruption Measures Implementation Committee**
Makes Decisions on Major Integrity and Ethical Management Policies	Makes Decisions onMajor Internal Control Policies (Board of Audit and Inspection)	Decides Anti-Corruption Systems and Measures

Integrated Launch of the Integrity and Internal Control Committee as K-eco's Central Ethical Management Governance Body
(Joint participation by the Chairman, Standing Auditor and labor union)

Improvement Directions for the Integrated Organization

	Strategic Focus	Strengthened Functions	Proactive Response
Achievements			
Key Initiatives	• Enable prompt decision-making and build momentum for implementation through joint participation by the Chairman, auditor and labor union • Consolidate four separate plans into the Integrity and Ethics 2.0 Comprehensive Plan and approve the integrated plan	• Management directly participates in assessments of ethical risk materiality and residual risk • Conduct year-round risk identification and recommend on-site inspections for high-risk areas → Take immediate corrective action	• Establish an AI Ethics Subcommittee to prevent ethical and human rights violations during AI development and use • Form a Chairman-led specialized body for top-priority risks and develop proactive response measures

Ethical Management Organizational Structure

Ethical Management Advisory
- Integrity and Internal Control Implementation Committee
- Human Rights Management Committee
- Organizational Culture Consulting
- External Ethical Management Experts

K-eco Integrity and Ethical Management
Highest Decision-Making Body for Ethical Management
Chairman-Led Integrity
Internal Control Committee

Anti-Corruption Advisory
- Audit Advisory Committee
- Senior Auditors
- Citizen Integrity Auditors
- Cross-Audits

Department Responsible for Integrity and Ethical Management
Ethical Management Office

Anti-Corruption
Integrity and Ethical Management 2.0 Comprehensive Plan

Department Responsible for Anti-Corruption
Audit Office

Ethical and Anti-Corruption Management

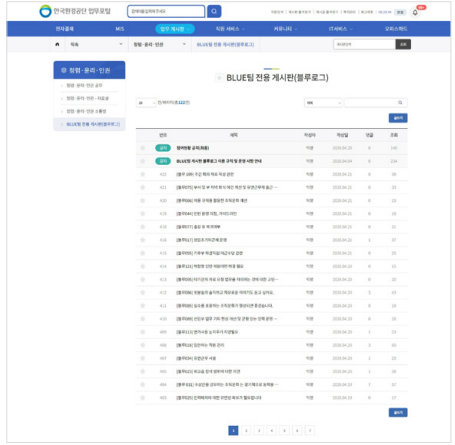
Establishing Specialized Internal Units for Proactive Ethical Management

Best Practice

Based on an in-depth workplace culture diagnostic and an analysis of K-eco's operational characteristics, practices and audit cases, K-eco identified core internal and external areas vulnerable to corruption in 2025 and formed the RED Team—a specialized risk-management task force led directly by the Chairman. Serving as an adversarial red team that uncovers and stress-tests vulnerabilities in the Corporation's subsidy projects, the RED Team proactively identifies risks of improper receipt through reviews of hypothetical scenarios for each program, thereby strengthening subsidy program management. We also conducted internal reviews of past cases by program and took substantive actions, including clawing back misappropriated funds where improper payments were identified. In the area of organizational culture, K-eco formed a cross-departmental Response Consultative Body comprising the ethics, audit, HR, and legal teams to curb culture-eroding behaviors, including disruptive workplace conduct ("office villains"). The BLUE Team gathered field feedback through CEO meetings and an anonymous bulletin board, mitigating cultural risks through targeted investigations of key issues alongside policy reforms. In particular, K-eco became the first public institution to establish a structured response framework against workplace misconduct, including "office villain" behavior, fostering a prevention-centric ethical management culture. Through these proactive risk management activities, K-eco achieved zero external audit findings regarding its state-subsidized programs.

RED & BLUE Team Performance in Addressing Corruption-Prone Areas

	Operations	Workplace Culture
Risk	**Concerns Over Improper Claims for State Subsidies**	**Erosion of Ethical Culture by Workplace Misconduct**
Background to Risk Identification	• Repeated audit findings of subsidy irregularities, notably in EV charger installation projects. ※ Managed 11 state-subsidized programs totaling KRW 545.0 billion in 2025. • Mobilized the Chairman-led RED Team dedicated to subsidy oversight, backed by the Chairman's commitment to eradication (full participation by 11 departments)	• Emerging workplace misconduct identified as a primary driver of declining integrity and early-career turnover. ※ "Office villain" conduct ranked lowest in the 2025 Culture Diagnostic Survey. • Established a joint Response Council comprising Ethics, Audit, HR, and Legal departments. • Formed the BLUE Team with the Chairman and 125 next-generation employees
Specialized Organizations		
Activities	**Proactive Reviews** Identified potential fraud vulnerabilities by testing 44 hypothetical abuse scenarios across programs. **Effective Improvements** Revised 38 items in 11 program guidelines to eliminate identified risks. **Thorough Investigations** Conducted internal audits of cases over the past 4 years, detecting 31 improper receipt cases.	**Active Communication** Identified 263 organizational culture risk factors, including abuses of authority, through CEO meetings and the BLUE Team anonymous bulletin board **Targeted Reviews** Conducted focused inspections on recurring abuses (improper sick leave and travel expenses), resulting in 33 disciplinary actions. **Institutional Implementation** Established and enacted public-sector-first countermeasure guidelines against culture-eroding conduct.
Results	**Zero External Audit Findings for National Treasury Subsidy Programs Implemented in 2025** **Ordered the Recovery of KRW 16 million in improperly claimed funds and referred 1 case for criminal investigation**	**16.5% Year-on-Year Reduction in Employee Sick Leave Days in 2025** **Achieved 88% Employee Approval Rating for the Newly Implemented Cultural Standards**



BLUE Team Anonymous Board for Organizational Culture Improvement

Ethical and Anti-Corruption Management

Advancement of the K-eco Ethical Management Standard Model

K-eco is enhancing its Ethical Management Standard Model to reflect its institutional characteristics. In the fourth year of implementation since the model was introduced in 2022, K-eco conducted an objective assessment and comprehensive review by an external organization and identified K-eco-specific risks that were difficult to manage using the existing general indicators. In particular, K-eco established its own indicators focused on "risk management and strengthened accountability," reflecting the characteristics of K-eco-specific operations such as subsidies and facility installation, thereby strengthening the ethical risk management system. We also strengthened risk management accountability under the leadership of executive management, shifting from ongoing risk management led by working-level departments to integrated organization-wide management. In addition, K-eco established specific implementation tasks and annual targets for unimplemented indicators to enhance ethical management execution. As a result, we implemented 29 tasks, including expanding the lead department's access to information, and achieved a 91% implementation rate for the ethical management standard model.

Key Measures to Advance the K-eco Ethical Management Standard Model

Status Review

- **Objective Assessment by an External Organization**: Review of 300 indicators → identified 52 unimplemented and 4 not-applicable indicators
- **Identification of Blind Spots**: Confirmed limitations of applying general indicators across all institutions and the need for specialized management indicators for K-eco's distinct operations

Introduction of the K-eco Standard Model

- **Design of K-eco-Specific Indicators**: Address the limitations of general standard-model indicators and develop K-eco's own independent indicators

New Indicators	Existing	Improvement
Expanded Definition of Risk Groups	General management of standard-model indicators (including indicators not applicable to K-eco such as subsidiary operations)	Established specialized indicators, including K-eco's own Top-Priority Risk concept, reflecting the characteristics of high-risk operations such as subsidies and facility installation
Strengthened Accountability	Routine risk management centered on working-level departments	Assigned the Chairman overall management responsibility for Top-Priority Risks

- **Establishment of a Mid-to-Long-Term Roadmap**: Developed specific tasks for unimplemented indicators and assigned annual targets

Improvement of Implementation Rate

- **Task Implementation**: Achieved a **91%** implementation rate through **29** tasks, including expanded access to information for the lead department (up 5.7%p year on year)

Ethical Leadership Engagement Activities

K-eco carried out diverse activities with direct participation by top management to build organization-wide consensus on a culture of ethical management through strong integrity and ethical leadership. Along with the new Chairman's declaration of his ethical management philosophy, K-eco strengthened organization-wide consensus through various communication activities, including brown-bag meetings between the CEO and next-generation employees and on-site engagement. It also produced and shared the integrity and ethics content Integrity U-Quiz, featuring the Chairman, and operated ethics and anti-corruption training for employees to internalize ethical awareness. In addition, K-eco established performance-linked incentives, including awards for employees demonstrating outstanding integrity and additional points toward promotion, to encourage ethical practices. K-eco will build an organizational culture in which integrity and ethics are embedded in everyday work and pursue ethical management with the participation of all employees, further establishing itself as a public institution trusted by the public.

Activities to Foster Ethical Leadership and Strengthen Organization-Wide Ethical Awareness

Management Takes the Lead, GO!

Philosophy	Declare and disseminate the new Chairman's ethical management philosophy
Practice	Relay challenge in which top management and the labor union pledge their commitment to
Consensus	Chairman-led talk concert, Integrity Asks, Leaders Answer

All Employees Build Consensus, GO!

Communication	Brown-bag meetings between the CEO and next-generation employees and 18 organization-wide on-site engagement sessions
Training	Organization-wide sharing of Integrity U-Quiz content featuring the Chairman
Experience	Expanded simulated reporting (3,033 participants) and published webtoons on the three anti-corruption laws for 29 consecutive weeks

Rewards Are Certain, GO!

HR	Introduced additional points toward promotion for internal integrity instructors
Awards	Chairman's commendations and prize money for outstanding employees of the Integrity Implementation Committee
Bold Incentive	Granted the top-performing department in internal control an exemption from the next comprehensive audit



Ethics and Anti-Corruption Training Webtoon

Ethical and Anti-Corruption Management

Internal Control and Anti-Corruption

Internal Control Strategy Framework

K-eco is strengthening the foundation for trusted institutional operations by establishing an internal control system to identify, prevent and improve risks across its operations in advance. With the goal of embedding internal controls into day-to-day operations, K-eco has developed a phased roadmap spanning adoption, Implementation, and maturity to institutionalize the system across the organization. In particular, K-eco has strengthened organization-wide awareness of responsible management by spreading internal control leadership among top managers and establishing a sustainable operating foundation. K-eco has also enhanced the credibility and effectiveness of risk management by implementing an objective risk-identification mechanism and conducting risk assessments involving external experts. In addition, K-eco has established data-driven digital internal controls and a continuous monitoring and review system and continues to address deficiencies through coordinated reviews across the first, second and third lines. K-eco will continue to establish a highly effective internal control culture that operates in everyday work.

K-eco Internal Control Strategy Framework

Internal Control Objective

Establish Internal Control Embedded in Daily Work and Build a Trusted K-eco

Roadmap

Adoption Phase (2023–2024)	Implementation Phase (2025–2026)	Maturity Phase (2027–2028)
• Establish governance infrastructure and enact key internal control regulations • Establish a risk management system	• Strengthen integration of the implementation system • Improve awareness of internal control	• Establish K-eco as a public-sector benchmark institution for internal controls • Institutionalize continuous, day-to-day risk management across all operations

Strategies and Tasks

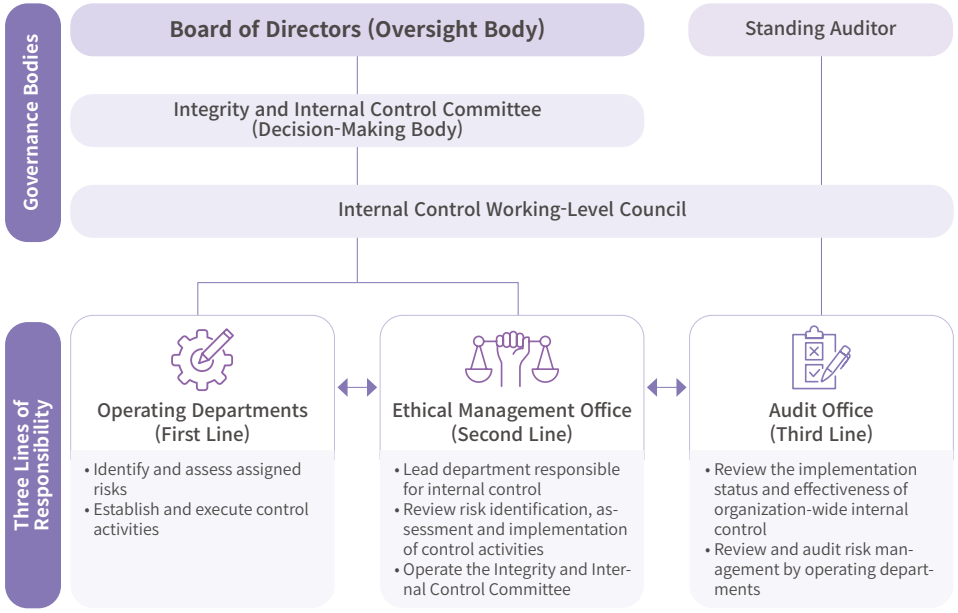
Everyday Internal Control Environment Led by Executive Leadership	1 Disseminate leadership commitment to internal control and responsible management 2 Establish a sustainable foundation for internal control operations
Risk Identification and Objective Risk Assessment	3 Build a multidimensional risk identification system to ensure objectivity 4 Enhance the reliability of risk assessments through participation by external members
Risk-Based Control Activities and Execution	5 Establish tailored risk-based control activities 6 Strengthen internal control execution through implementation and review of control activities
Data-Driven Digital Internal Control and Communication Systems	7 Establish a full-cycle risk management system and strengthen data integrity 8 Expand communication
Coordinated Three-Lines Monitoring and Defect Remediation	9 Improve internal control effectiveness through continuous monitoring and linked reviews 10 Identify and resolve control deficiencies through structured engagement with oversight bodies

Ethical and Anti-Corruption Management

Internal Control Operating System

K-eco has established an internal control governance framework centered on the Integrity and Internal Control Committee to systematically manage risks across institutional operations. The Board of Directors serves as the oversight body, while the Chairman-led Integrity and Internal Control Committee oversees internal control policies and major decisions. K-eco also operates an Internal Control Working-Level Council to strengthen interdepartmental cooperation and implementation across the organization. Through two revisions to the Internal Control Regulations, K-eco codified the roles and responsibilities of the first-, second- and third lines of internal control and formally established the Chairman's ultimate management responsibility. Based on this three-line system with clearly defined roles and responsibilities, K-eco will continue to strengthen the effectiveness of internal control and accountability in management.

Internal Control Organizational Structure



Establishment of a Full-Cycle Risk Management System and Strengthening of Data Quality

To manage organization-wide risk information in an integrated, data-based manner, K-eco is establishing a Full-Cycle Risk Management System and enhancing its data quality management system. Previously, risk information was managed separately in Excel, limiting history tracking and integrated analysis. K-eco is now pursuing digital transformation by establishing a digital risk management system linked to the e-Audit System. In particular, K-eco introduced a system that assigns responsible personnel within each department, establishes an organization-wide risk pool and includes risk assessment and statistical management functions, creating a full-cycle management system from risk identification to assessment, management and feedback. K-eco also strengthens data reliability by providing technical support for data quality management and operating self-assessment processes for approximately 70 API systems linked to the Public Data Portal. K-eco concurrently provides data quality training for information-system and database personnel to continuously enhance data management capabilities and quality. In addition, K-eco established K-eco Smart Green View, which supports data-based decision-making by providing executives with integrated, high-quality management information and environmental information by medium, and is developing a digital analysis system that integrates management and environmental information. In 2026, K-eco plans to implement Phase 3 of Smart Green View, adding integrated search capabilities for structured and unstructured data to further improve usability and accessibility. K-eco is also advancing the Integrity and Ethics Forecast System, an organizational culture risk diagnostic tool, to strengthen detailed assessments of organizational culture risks and provide tailored feedback, supporting a more effective internal control system.

Key Measures for the Full-Cycle Risk Management System

- Introduce a Full-Cycle Risk Management System Linked to the e-Audit System
- Manage Data Quality to Enhance the Reliability of K-eco-Generated Information
- Establish K-eco Smart Green View as a Data-Based Decision-Support Tool
- Enhance an Organizational Culture Risk Assessment Tool

Ethical and Anti-Corruption Management

Anti-Corruption Training and Ethical Organizational Culture

K-eco is expanding in-person training and participatory programs for all employees to embed anti-corruption and ethical values throughout the organizational culture. In particular, in-person training attended by 96.7% of employees improved employees' understanding of ethical standards and integrity practices. Moving away from one-way instruction, K-eco introduced learning programs centered on real-time communication and participation, encouraging employees' active participation and recording a high satisfaction score of 4.77 out of 5. K-eco also introduced an internal integrity instructor program to develop qualified instructors and continued to provide tailored integrity training reflecting organizational characteristics. For 29 weeks, it regularly published four-panel webtoons on employee conduct standards tailored to the organization, centered on the three anti-corruption laws: the Improper Solicitation and Graft Act, the Conflict of Interest Prevention Act and the Anti-Corruption and Civil Rights Commission Act, raising employee awareness. These efforts resulted in a score of 68.5 for employees' perceived integrity in the comprehensive integrity assessment of public institutions (up 1.1 points from 2024) and a K-eco Culture Index (KCI) score of 89 (up 1.4 points from 2024).

Four-Panel Webtoon on the Three Anti-Corruption Laws

Case of Violation of Conduct Standards for Public Officials [Conflict of Interest Prevention Act]

▣ **Violation Overview [Private Use of Public Property]**

Employee A of a public institution used a small work truck for personal purposes at a weekend farm, and Employee B repeatedly used an official vehicle to go to restaurants during lunch breaks.

→ Employees A and B received reprimands and administrative fines for violating Article 13 of the Conflict of Interest Prevention Act for Public Officials (ACRC Handbook on the Conflict of Interest Prevention Act for Public Officials)



Article 13 (Prohibition on Private Use of or Benefit from Property of Public Institutions)

No public official shall use or benefit from, for private purposes, goods, vehicles, vessels, aircraft, buildings, land, facilities or other property owned or leased by a public institution, or allow a third party to use or benefit from such property. This shall not apply where permitted under other laws, standards or generally accepted social norms.



2025 ACRC Comprehensive Integrity Assessment

Achieved Grade 2
(up one grade from 2024 and 2.2 points above the peer group average)

Employees' Perceived Integrity
68.5 Points
(up 1.1 points from 2024 and 2.4 points above the peer group average)

Risk Management

Approach

K-eco operates an organization-wide risk management system to ensure organizational sustainability and the stability of public services in a changing business environment. Based on risk management governance involving both top management and working-level councils, K-eco systematically identifies, assesses and manages major risks and continuously strengthens financial stability and organizational resilience through a management system linked to financial performance.

Key Performance

ACRC Comprehensive Integrity Assessment

Achieved
K-eco's highest-ever rating
Grade 2
(ranked first among quasi-governmental institutions under the Ministry of Climate, Energy and Environment)

K-eco Materiality Assessment

-

Public Institution ESG Guidelines

-

GRI Standards

2(General Disclosures)

UN SDGs -

Management of Major Institutional Risks

Annual Major Risk Management System

Based on the Public-Sector Internal Control Guidelines, K-eco operates a Major Risk Management System that proactively manages potential risks across institutional operations. In 2025, K-eco added two new risks to the existing 17, selecting a total of 19 major risks and implementing systematic management activities. In particular, K-eco strengthened organization-wide risk management execution by establishing a risk identification, assessment, control and monitoring system involving both top management and working-level councils. K-eco designated the Ethical Management Office as the lead department and operated divisions by risk management stage, establishing a thorough, accountability-based internal control system. As a result, 15 of the 19 major risks achieved their annual management targets, enabling K-eco to effectively manage business risks and enhance the effectiveness of internal control.

2025 Major Risk Management Results

Category		Risk	Annual Management Target	Achievement
Existing Risks	Ethics and Integrity	Improper Receipt of Government Subsidies	Reduce the Number and Amount of Improper Receipt Cases Year on Year	Achieved
		Conduct Undermining an Ethical Organizational Culture	Improve the K-eco Culture Index	Achieved
		Violation of the Conflict of Interest Prevention Act	Zero Conflict-of-Interest Violations by Employees	Achieved
		Risk of Corruption at Construction Sites	Zero Corruption Cases	Achieved
		Accounting Fraud, including Embezzlement	Zero Accounting Fraud	Achieved
	Human Resources and Organization	Unfair Recruitment	Zero Recruitment Irregularities	Achieved
		Risk of Drunk Driving	Zero Drunk-Driving Incidents	Not Achieved
		Inappropriate Management of Quasi-Taxes	Zero Human Error in Waste Charges	Achieved
		Insufficient Attendance and Employee Conduct Management	Zero Disciplinary Cases	Not Achieved
	Human Rights	Workplace Harassment and Sexual Harassment	Reduce Disciplinary Cases Year on Year	Achieved
		Various Human Rights Violations	Zero Human Rights Violation Cases	Achieved
		Abuse of Authority toward External Parties	Zero Cases of Employee Abuse of Authority	Achieved
	Safety	Insufficient Safety Management	Zero Serious Accidents	Not Achieved
	Data and Security	Insufficient Information Security	Zero Information Security Incidents	Achieved
		Deterioration in Environmental Data Quality	Public Data Value Error Rate of 1% or Less	Achieved
		Risk of Missing Measurement Data	Minimize Missing Measurement Data and Produce Reliable Statistics	Achieved
		Insufficient Records Management	Zero Violations of the Public Records Management Act	Achieved
Additional Risks	Resource Circulation	Backlog in Waste Battery Storage	Increase the Distribution of Waste Batteries (Target: 377 Units)	Achieved
	Environment and Services	Risk of Providing Inaccurate Charging Station Information	Keep 100% of Charging Station Information Up to Date	Not Achieved

Risk Management

Managing Financial Risk through Business Planning Strategies

Best Practice

K-eco is advancing a financial management system that links KPIs and KRIs to proactively manage financial risks and strengthen financial soundness. Previously, KRIs were used mainly as basic performance indicators, limiting the effectiveness of risk identification. K-eco therefore established a new KPI-KRI linkage system reflecting the financial risk factors of each business. In particular, K-eco linked KRIs (risk/process indicators) with KPIs (efficiency/result indicators) to create an integrated financial management system extending from risk identification to performance management. K-eco also systematically manages key financial risks through debt management, tax risk management, revenue management by business, fund management and budget execution management, strengthening its financial risk response capabilities. K-eco will continue to pursue stable and sustainable financial operations based on a financial management system that integrates financial strategy, risk management and performance indicators.

Advancing the Management System through Financial KPI-KRI Linkage

Advancement Process

Assessment of Existing KRIs	KPI-KRI Linkage	Advancement of the Financial Management System
• KRIs were used as performance indicators, limiting the effectiveness of risk identification • Financial risk factors differ by business	• Select KPIs reflecting the financial characteristics of each business → Set KRIs as leading indicators for KPIs • Improve risk identification by linking KRIs (leading indicators) with KPIs (lagging/outcome indicators)	• Integrate financial strategies for risk and performance management and enhance the financial management system by linking implementation tasks with indicators

Strategic Objectives (2025-2029)

- Achieve Carbon Neutrality and Clean Air
- Create a Healthy Water Environment
- Transition to a Circular Economy Society
- Create a Safe and Sustainable Living Environment
- Practice Management Innovation and ESG Management

Financial Management Plan

[Stability] Strengthen Financial Soundness		[Profitability] Improve Financial Performance		[Efficiency] Manage the Budget Rationally	
Implementation Tasks	Financial KPIs	Implementation Tasks	Financial KPIs	Implementation Tasks	Financial KPIs
• Stabilize the financial structure • Maintain adequate liquidity at all times	• Debt ratio (65.6%) • Current ratio (175.6%)	• Increase operating profit • Increase non-operating profit	• Operating profit margin on sales (0.1%) • Interest income (KRW 33.5 billion)	• Execute the budget efficiently • Reduce wasteful and customary expenditures	• Project budget execution rate (95.3%) • General and administrative expense reduction rate (2.42%)

Risk Management Plan

Implementation Tasks	Financial KPIs	Implementation Tasks	Financial KPIs	Implementation Tasks	Financial KPIs
• Debt management • Tax risk management	• Debt ratio • Additional tax assessments	• Manage revenue by business • Manage funds efficiently	• Revenue target achievement rate • Return on managed funds	• Manage project implementation performance • Manage general and administrative expenses	• Project implementation performance rate • General and administrative expense execution rate

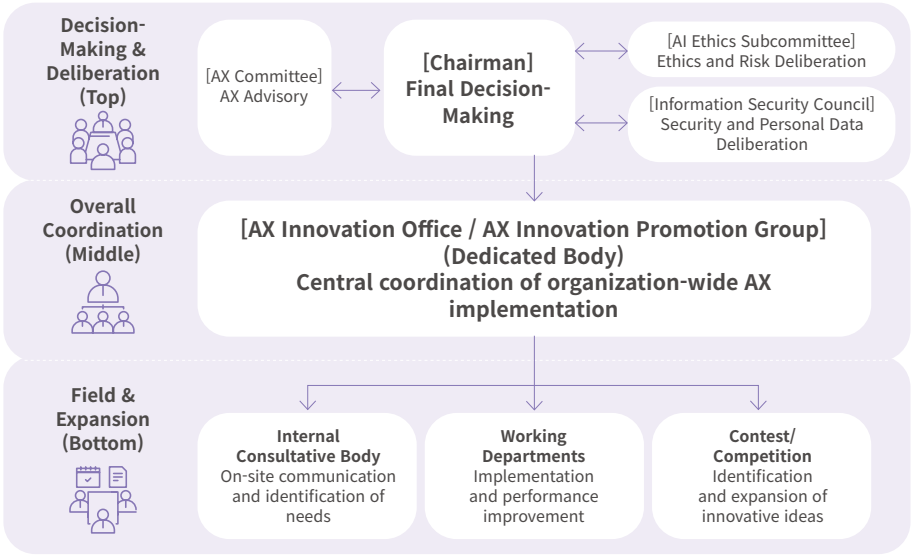
Special Section

Building Governance Driven by AI Innovation

AI Transformation Governance

To strengthen the practical application and implementation of AI technologies, K-eco launched the AX Innovation Task Force and established an organization-wide AI transformation governance framework. By connecting the AX Innovation Office, a dedicated AI transformation department directly under the Chairman, with internal and external expert councils and an internal working-level council, K-eco strengthened the expertise and implementation framework for AI projects. The AX Innovation Task Force provides preliminary consultations for AI projects to minimize risks and improve efficiency when implementing AI-based projects. It supports projects from the planning and review stages through technical advice and service development, thereby enhancing project quality. K-eco also developed a practical checklist-style guide containing standards and procedures for the entire AI service lifecycle, streamlining project implementation and management and ensuring consistent service quality.

A three-tier AX governance structure connecting strategy formulation to field-level deployment across the organization



Establishing AI Ethics Governance

K-eco has established a proactive risk management framework to prevent security and ethical risks that may arise from the use of AI technologies. K-eco first revised the Ethical Management Practice Regulations and AI operation-related regulations to provide a formal basis for AI ethics governance and review. K-eco also established an AI Ethics Subcommittee responsible for AI ethics review and advisory activities, creating a system to examine risk factors in advance when operating AI services. In addition, K-eco established detailed AI ethics guidelines covering accountability, transparency and support measures, and regularly conducts organization-wide AI ethics pledges and training. Based on AI ethics governance integrating regulations, review and practice, K-eco will continue to strengthen its system for the responsible use of AI.

AI Transformation Governance and Support Activities of the Dedicated Department

① Establish a Formal Basis for AI Ethics Governance

- Revise the Ethical Management Practice Regulations
  - Specify the basis for establishing and operating the AI Ethics Subcommittee (including Article 20)

② Establish Operational Framework for AI Ethics Review and Advisory Activities

- Hold AI Ethics Subcommittee meetings
  - Review guidelines, monitor and inspect issues, and recommend improvements

③ Establish Detailed Organization-Wide Guidelines for Practical Application

- Establish new AI Ethics Guidelines (AI Ethics Subcommittee)
  - Establish Responsible AI Use Standards (16 articles in total)

④ Strengthen Organization-Wide Commitment to Practicing and Complying with AI Ethics

- Conduct the AI Ethics Pledge Regularly (AI Ethics Guidelines)
  - Foster a culture of responsible AI use through regular pledges (3,607 participants)

Special Section

Building Governance Driven by AI Innovation

Innovating Environmental Services through Public-Private Data Collaboration

K-eco advances data-driven environmental service innovation and enhances public convenience by establishing a public-private data collaboration system and integrating public data. In particular, K-eco established the Data Safe Zone, providing a foundation for the secure use of non-public data containing sensitive information, and has supported the development of various private-sector business models and innovative environmental services. K-eco also continues to identify best practices in public data use and data-driven environmental policymaking, strengthening evidence-based administration and environmental service innovation. K-eco has expanded data linkages among administrative and public institutions and established practical data utilization systems, including electronic transmission of national fiscal information, waste battery recovery monitoring and digital sewer pipeline systems. Through these efforts, K-eco has achieved the highest rating for six consecutive years in the Public Data Provision Evaluation and for four consecutive years in the Data-Based Administration Evaluation, establishing itself as a leading institution in data utilization.

Results in Environmental Service Innovation and Private Sector Business Model Creation

	Application to and Improvement of Environmental Services	Public Data Utilization Contest
Utilization Method		
Details	• Strengthen incentives to encourage data-driven, scientific administration - Introduce bonus points in internal management evaluations and expand awards in the internal contest (4 points) • Hold a performance-sharing conference to share outstanding analysis and utilization practices • Increase the number of cases applied to environmental policymaking by 130% (10 → 23)	• Expand outreach for the data utilization and analysis contest targeting citizens, companies and entrepreneurs, and university students • Expand participating institutions to increase contest participation (9 institutions) • Operate a real-time YouTube public evaluation panel to increase public participation
Performance	**Two Outstanding Environmental Policy Achievements** **[Climate and Air]** Odor pollution forecasting service integrating meteorological and environmental data **[Chemical Safety]** Risk-based selection of monitoring sites for persistent organic pollutants (POPs)	**Five Products and Services Developed** **[Grand Prize]** Separate collection platform based on environmental data analysis **[Top Excellence Award]** Shipping carbon emissions optimization model

Results of Data Sharing and Utilization among Administrative and Public Institutions

Utilization Method	Details	Performance
[Korea Fiscal Information Service] Electronic Delivery of Waste Disposal Charges	• Establish an electronic delivery system by linking national fiscal information data **dBrain System** (Integrated National Fiscal Information) **Integrated Collection System** (Assessment and Collection Information) **[Expanded Data Linkage]** Establish an Electronic Delivery System for Disposal Charges • Existing Postal delivery → Improved Transition to electronic delivery	• Establish K-eco's first electronic delivery system • Save approximately KRW **200** million and reduce work hours by **40,000** hours
[Local Governments] Waste Battery Recovery Monitoring	• Verify quarterly vehicle scrappage monitoring data from local governments - Address omissions in data linkage between K-eco and the Ministry of Land, Infrastructure and Transport by additionally linking quarterly local-government vehicle scrappage data • Existing K-eco ↔ Ministry of Land, Infrastructure and Transport Improved K-eco ↔ Ministry of Land, Infrastructure and Transport · Local Governments	• Waste battery recovery rate increased by **6 percentage points** (86% in 2024 → 92% in 2025)
[Ministry of Land, Infrastructure and Transport] Digital Sewer Pipeline System	• Establish a sewer pipeline management system by linking to the Ministry's nationwide pipeline network map database - Enable analysis of sewage conveyance processes by identifying pipe locations, flow directions and other information • Existing Drawings and files Improved Digitized data	• Establish a nationwide digital sewer pipeline system • Use sewer pipeline deterioration analysis to identify defective sections and select emergency maintenance projects

Special Section

Building Governance Driven by AI Innovation

Advancing the K-eco DX 2.1 Implementation Plan

K-eco has established the K-eco DX 2.1 Implementation Plan, which integrates AI technology into the existing digital transformation (DX) framework, to strengthen the execution and sustainability of digital innovation. Building on DX 2.0, K-eco added an AI- and data-centered work innovation system and advanced its strategic framework to respond to a rapidly changing digital environment. K-eco structured its implementation framework around four strategic areas and detailed implementation tasks. To address the limitations of DX 2.0, K-eco established a separate AI plan and strengthened performance management using quantitative KPIs. K-eco will accelerate its transition to a future-oriented environmental service institution by innovating work processes based on AI and data and embedding a digital organizational culture.

K-eco DX 2.1 Implementation Framework

Vision

K-eco, Shaping the Future Environment through Digital Innovation

Implementation Strategies and Tasks

Strategy I. Establish Digital Governance and a Culture of Innovation

1. Strengthen DX Implementation to Make AI Part of Everyday Work		2. Make Work and the Organization Smarter through AI	
1-① Secure Organization-Wide DX Implementation Capabilities	1-② Strengthen Organizational DX Capabilities	2-① Establish a Smart Work Environment for All Employees	2-② Identify and Systematically Expand AI-Based Innovation Models

Strategy II. Operate an Environmental Data Management System that Creates New Value

3. Advance and Enhance Data Quality through AI Services		4. Support Environmental Administration Based on Data and AI	
3-① Build and Enhance AI-Friendly Data	3-② Standardize Data and Manage Quality	4-① Expand Data Access and Use	4-② Share and Analyze Environmental Data

Strategy III. Implement a Safe and Flexible Digital Environment

5. Manage Information Security in the Digital Environment		6. Expand Cloud Adoption and Enhance Infrastructure Flexibility	
5-① Establish an Information Security Risk Management System	5-② Strengthen Personal Data Protection Management	6-① Transition to and Embed Cloud Services in Phases	6-② Enhance Digital Infrastructure

Strategy IV. Advance ESG through Digital Innovation

7. Innovate Administrative Services through New Digital Technologies		8. Implement DX and AI in Public Environmental Services	
7-① Innovate Administration and Work Processes through DX Technologies	7-② Apply Digital Twins to Environmental Infrastructure	8-① Integrate and Standardize Environmental Services	8-② Provide Public-Centered DX and AI Services

2027 Targets

- Embed and Foster a DX-Based Organization and Culture
- Innovate Work Processes Centered on AI and Data
- Advance DX and Complete the Core Operating System

Special Section

Building Governance Driven by AI Innovation

K-eco AI Implementation Plan

Implementation Strategies and Tasks	Implementation Plan	Action Tasks
Strategy 1 Strengthen the Institutional Foundation for Responsible AI		
1-① Establish an AI Project Implementation Framework	Establish Organizational Procedures and Roles	Establish the AI CoE and define its roles
	Design an AI Project Management Framework	• Establish AI project execution methods and a monitoring system • Establish regulations and guidelines for AI quality management and security
1-② Strengthen Security and Ethical Standards for AI Use	Strengthen Information Security	• Apply classification levels to internal documents and data
	Ethics and Personal Data Protection	• Establish an AI Ethics Committee • Establish AI ethics impact assessment procedures and ethical guidelines
1-③ Build Sustainable AI Infrastructure	Build AI Infrastructure in Phases	• Assess the current status of AI service infrastructure • Conduct an in-house AI PoC and derive BMT results
Strategy 2 Create an Environment for Everyday AI Use		
2-① Strengthen AI Capabilities	Tailored AI Training	• Design and implement an AI training framework for employees and decision-makers • Develop and distribute AI training materials
	Operate AI Learning Communities	• Establish and support learning communities, including service support and CoP approval
	AI Competition	• Hold the AI GreenUP Quest and share materials • Identify AI experts and develop internal instructors
2-② Create an Organizational Culture that Uses AI	Operate AI Information-Sharing Channels	• Launch a bulletin board and post materials • Publish an AI webzine quarterly
	Support AI Utilization Programs	• Support AI service fees and examination fees
2-③ Build and Manage AI-Friendly Data	Establish AI Data Governance	• Establish a data governance framework for quality and security management • Identify data subject to pseudonymization and establish guidelines for its use and management • Review AI utilization checklist items
	Build AI-Friendly Data	Convert data, including water management plans and VE designs, into reusable data assets
Strategy 3 Accelerate Innovation in Environmental Administration through AI Services		
3-① Establish a Smart Work Environment for All Employees	Build Internal Administrative AI Services	• Conduct two AI PoCs using RAG-based sLLMs
3-② Identify and Systematically Expand AI-Based Innovation Models	Expand AI-Based Environmental Administration Services	• Establish a foundation for identifying and designing AI projects and provide consultations
3-③ Provide Citizen-Centered Environmental Services Using AI	Support the Application and Expansion of AI-Based Public Services	• Manage and support K-eco services and best practices using AI

Expanding K-eco Data Opening and Utilization

Expanding Data Access Based on Private-Sector Demand

Best Practice

K-eco is establishing a user-centered data access framework so that citizens and companies can use the data they need more effectively. In response to widespread adoption of AI and growing demand for data use, K-eco identified high-demand data in the climate, air and environmental health fields and prioritized data for release through surveys of citizens and companies and consultations among the public, private, industrial and academic sectors. In particular, K-eco expanded the scope of data available for use by applying personal data de-identification and synthetic data generation technologies to build safe and usable AI training data. K-eco also improved database processing speed and data management efficiency by developing standardized programs and establishing a data standardization framework, while strengthening an AI-friendly data processing environment. K-eco expanded access to Open APIs and AI-friendly data, improving data utilization and accessibility for the private sector. In addition, K-eco continues to strengthen data reliability and ease of use by improving data quality and establishing automated collection and processing systems. K-eco is expanding a data ecosystem for AI use that enhances public convenience and supports corporate innovation, while contributing to improved digital public service quality and growth in the private-sector AI industry.

Ministry of the Interior and Safety Evaluation of Public Data Provision and Operations

Highest Grade for 6 Consecutive Years

(Top 5%)

Ministry of the Interior and Safety Data-Based Administration Inspection and Evaluation

Highest Grade for 4 Consecutive Years

(Top 5%)

- **COE (Center of Excellence)**: A dedicated body that brings together expertise in a specific field to drive initiatives across the organization
- **PoC (Proof of Concept)**: A small-scale pilot conducted to verify effectiveness and feasibility before full-scale adoption
- **BMT (Benchmark Test)**: A test that compares and evaluates the performance and functionality of multiple products or solutions before full-scale adoption
- **RAG (Retrieval-Augmented Generation)**: A technology that enables AI to generate responses by retrieving relevant information from internal documents and data in addition to using its pre-trained knowledge
- **sLLM (small Large Language Model)**: A smaller-scale language model tailored to a specific organization or task, with advantages in security and cost efficiency

Appendix

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ESG Data Book

Financial Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Summary Consolidated Statement of Financial Position (K-IFRS)	Assets	Current Assets	KRW million	100,323	112,340	123,074	138,047	176,513
		Non-current Assets		62,131	55,257	53,068	55,117	54,657
		Total Assets		162,454	167,597	176,142	193,164	231,170
	Liabilities	Current Liabilities	KRW million	187,488	151,574	146,201	82,508	56,059
		Non-current Liabilities		53,446	23,119	20,096	15,234	14,505
		Total Liabilities		240,934	174,693	166,297	97,742	70,564
	Equity	Capital Stock	KRW million	78,719	78,719	78,719	78,719	78,719
		Retained Earnings (Accumulated Deficit)		△157,198	△85,814	△68,875	16,703	81,887
		Total Equity		△78,479	△7,095	9,844	95,422	160,606
		Debt Ratio	%	N/A	N/A	1,689.32	102.43	43.94
Summary Consolidated Statement of Comprehensive Income (K-IFRS)	Revenue (Sales)		KRW million	1,335,535	1,612,598	1,973,078	1,833,216	1,939,164
	Net Sales			1,335,535	1,612,598	1,973,078	1,833,216	1,939,164
	Cost of Sales			1,305,375	1,587,972	1,941,606	1,804,514	1,917,795
	Selling, General and Administrative Expenses			17,932	16,337	18,726	21,531	18,652
	Operating Profit			12,228	8,289	12,746	7,171	2,717
	Other Income			3,498	21,814	1,289	105,652	69,590
	Other Expenses			11,885	28,836	38,678	48,266	33,174
	Other Gains			315	1,001	79	174	△267
	Finance Income			8,455	30,627	46,629	45,024	36,222
	Finance Costs			899	1,577	2,853	2,126	347
	Profit Before Income Tax			11,712	31,318	19,212	107,629	74,741
	Income Tax Expense			4,000	△17,171	△5,192	12,933	5,747
	Net Income			7,712	48,489	24,404	94,696	68,994
	Other Comprehensive Income			9,838	22,895	△7,465	△9,118	△3,810
	Total Comprehensive Income			17,550	71,384	16,939	85,578	65,184
	Net Profit Margin		%	0.58	3.01	1.24	5.17	3.56
	Equity Turnover Ratio		%	N/A	N/A	20,043.46	1,921.17	1,207.40

ESG Data Book

Environmental Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
GHG Management	GHG Emissions	Total GHG Emissions (Scope 1 + Scope 2)	tCO_2eq	13,178	13,795	13,719	13,207	13,383
		Scope 1 Emissions		2,243	2,256	2,008	1,863	1,763
		Scope 2 Emissions		10,935	11,539	11,711	11,344	11,619
		Scope 3 Emissions[2]		200	492	954	106,890	Under Calculation[1]
		Waste-Related GHG Emissions	tCO_2eq	171	127	135	5,434	
		Upstream Transportation and Distribution		-	-	63	5,965	
		Employee Commuting		-	-	147	103	
		Business Travel		29	365	609	482	
		Purchased Goods and Services		-	-	-	91,653	
		Capital Goods		-	-	-	1,372	
		Fuel- and Energy-Related Activities		-	-	-	1,882	
		GHG Emissions Intensity[3]	tCO_2eq/KRW 100 million	0.987	0.855	0.695	0.72	
Energy Management	Energy Consumption[5]	Total Energy Consumption	TJ	264.7	277.80	275.40	265.20[4]	270.50[4]
		Electricity Consumption		228.5	241.1	244.7	237.1[4]	242.8[4]
		City Gas (LNG)		13.6	14.6	13.6	12.8[4]	14.3[4]
		CNG (Vehicles)		0.1	0.1	0.1	0.0[4]	0.0[4]
		LPG (Vehicles)		0.1	0.2	0.2	0.2[4,6]	0.3[4]
		Gasoline		12.1	11.5	10.1	9.2[4]	8.0[4]
		Diesel		10.3	10.3	6.7	5.9[4]	5.1[4]
		Energy Intensity[7]	TJ/KRW 100 million	0.020	0.01723	0.01396	0.01447[4]	0.01395[4]
	Renewable Energy[8]	Renewable Energy Generation	kWh	Not Compiled	625,880	586,166	691,830	757,282
		Renewable Energy Usage Ratio[9]	%	Not Compiled	8.2	7.4	8.5	8.3
Water Consumption	Water Use	Water Consumption[10]	ton	41,055	59,745	67,418[6]	72,828[6]	71,543
		Base Unit Consumption[7]	ton/KRW 100 million	3.1	3.70	3.42	3.97	3.69

1) Scheduled for disclosure in September
2) Scope 3 emissions increased in 2024 as the number of categories included in the calculation increased from four to seven. The four categories calculated in 2023 were Category 4, Upstream Transportation and Distribution; Category 5, Waste Generated in Operations; Category 6, Business Travel; and Category 7, Employee Commuting. Three new categories were added in 2024: Category 1, Purchased Goods and Services; Category 2, Capital Goods; and Category 3, Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2.

ESG Data Book

Environmental Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Waste Generation	Waste Discharge	Total Waste Generated	ton	128.81	362.73	357.83	344.89[4) 6)]	350.35[4)]
		General Waste[11)]		97.74	70.63	47.50	36.63[4)]	36.53[4)]
		Designated Waste[12)]		31.07	292.10	310.33	308.26[4)]	313.82[4)]
		Base Unit Generation[7)]	ton/KRW 100 million	0.01	0.02	0.02	0.02[4)]	0.02[4)]
Low-Emission Vehicle Status	Low-Emission Vehicle Inventory	(Type 1) Electric/Hydrogen	units	205	239	238	231	229
		(Type 2) Hybrid		124	32	3	15	15
		(Type 3) LPG · Gasoline Vehicles and Other Vehicles Meeting Low-Emission Vehicle Standards		-	-	-	-	-
		Total		329	271	241	246	244
	Low-Emission Vehicle Purchase/ Lease Status	(Type 1) Electric/Hydrogen	units	92	70	85	84	62
		(Type 2) Hybrid		-	-	-	12	1
		(Type 3) LPG · Gasoline Vehicles and Other Vehicles Meeting Low-Emission Vehicle Standards		-	-	-	-	-
		Total		92	70	85	96	63
	Proportion of Eco-Friendly (Zero-Emission) Vehicles		%	144.30	159.9	155.5	132.5	100.8
	Compliance with Mandatory Purchase Ratio		Achieved/Not Achieved	Achieved	Achieved	Achieved	Achieved	Achieved
Green Product Purchase Performance	Green Product Purchase Plan		KRW million	36,703	23,610	24,661	28,051	29,507
	Green Product Purchase Amount			31,226	30,906	26,980	28,917	25,111
	Green Product Purchasing Ratio		%	85.1	131	109	103	85
Status of Environmental Law/Regulation Violations	No. of Sanctions for Environmental Law Violations		cases	0	0	0	1	0
	Monetary Sanctions for Environmental Law Violations		KRW million	-	-	-	-	-
	Non-Monetary Sanctions		cases	0	0	0	0	0

3) (Scope 1 + 2 emissions) / sales
4) Includes consumption at the Korea Water Cluster from 2024
5) Covers all K-eco buildings
6) Corrected errors in the previous year's reported data
7) Calculated based on sales
8) Based on Head Office data
9) Renewable energy generation / (building electricity consumption + renewable energy generation)
10) Limited to the Head Office (Research Complex) / Water withdrawal and consumption are identical
11) Includes municipal waste
12) Includes construction waste

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Employee Status[1] (Employment Type)	Total No. of Employees[2](A+B+C)		persons	2,530.38	3,178.65	3,087.46	3,054.25	3,130.78
	Executive Officers	Total (A)	persons	7	7	7	7	7
		Male		6	7	7	7	7
		Female		1	0	0	0	0
	Regular Employees	Regular Full-Time Employees (B)[3]	persons	2,523.38	2,595	2,558.13	2,583.75	2,666.63
		Male		1,760.00	1,762	1,720.75	1,698.00	1,691.38
		Female		763.38	833	837.38	885.75	975.25
		Indefinite Contract Employees (C)	persons	587.85	576.65	522.33	463.5	457.15
		Male		342.25	311.50	282.50	252.30	235.50
		Female		245.60	265.15	239.83	211.20	221.65
	No. of Non-Regular Employees	Fixed-Term Workers	persons	304	306.75	341	313	347.75
		Male		133	133.00	159	154	169
		Female		171	173.75	182	159	178.75
		Professional Staff	persons	48	40	53	47	44
		Male		48	39	51	47	43
		Female		0	1	2	0	1
		Professional Staff (Separate Quota)	persons	37	44	32	50	67
		Male		36	44	32	49	66
		Female		1	0	0	1	1
	External Personnel	Outsourced Personnel (Private Sector)	persons	89	94	99	98	103
	Proportion of Regular Employees[4]		%	88.89	89.03	87.85	88.14	87.19

1) As the ALIO disclosure criteria for calculating current headcount changed in 2026, employee headcount data for all reporting years from 2021 to 2025 were corrected in line with the ALIO disclosure criteria for the first quarter of 2026.
2) Total based on the headcount of executive officers and regular employees
3) Regular employees excluding employees on indefinite-term contracts
4) Excludes executive officers; (regular employees / regular employees + non-regular employees) × 100

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Employee Status[1](Diversity)	Employee Diversity	Male[5]	persons	2,108.25	2,080.50	2,040.25	1,957.30	1,933.88
		Female[5]		1,009.98	1,098.15	1,077.20	1,096.95	1,196.90
		Proportion of Women among Total Employees[6]	%	39.91	34.55	34.89	35.92	38.23
		National Merit Recipients	persons	150	151	148	144	143
		Persons with Disabilities[7]	persons	144	165	161	172	165
	Age Group	Under 30	persons	783	789	663	598	737
		30 to 49		1,937	2,013	2,067	2,306	2,068
		50 and Above		711	696	716	768	685
Employee Status[1] (By Grade)[8]	Grade 1	Total	persons	45	40	39	36	42
		Male		45	40	38	34	38
		Female		0	0	1	2	4
	Grade 2	Total	persons	160	160	155	147	145
		Male		155	153	147	138	137
		Female		5	7	8	9	8
	Grade 3	Total	persons	375	397	391	396	401.38
		Male		332	345	335	332	326.38
		Female		43	52	56	64	75
	Grade 4	Total	persons	559.75	585	583.75	581.75	590.5
		Male		429	431	423.75	421	395
		Female		130.75	154	160	160.75	195.5
	Grade 5	Total	persons	740.5	772.75	787	899.5	922.5
		Male		418	434	446	475	483
		Female		322.5	338.75	341	424.5	439.5

5) Executive officers + regular employees
6) (Female employees / Total employees) × 100
7) Annual average headcount calculated in accordance with the Act on the Employment Promotion and Vocational Rehabilitation of Persons with Disabilities
8) Figures exclude professional staff (subject to a separate headcount allocation) and may differ from the total number of employees
9) Equal pay applies to employees within the same grade
10) Figures corrected due to errors in the previous year's reported data

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Employee Status[1] (By Grade)[8]	Grade 6	Total	persons	462.75	449.75	418.13	324.5	332.75
		Male		236	212	188	141	141
		Female		226.75	237.75	230.13	183.5	191.75
	Grade 7	Total	persons	43.38	43.5	47.5	46	44.5
		Male		29	28	30	28	29
		Female		14.38	15.5	17.5	18	15.5
	Grade 8	Total	persons	52	63	51.75	56	77
		Male		32	36	30	33	33
		Female		20	27	21.75	23	44
	Public Service Workers (Indefinite Contract Employees)	Total	persons	587.85	576.65	522.33	463.5	457.15
		Male		342.25	311.5	282.5	252.3	235.5
		Female		245.60	265.15	239.83	211.2	221.65
Gender Pay Status	Average Salary per Employee	Male	KRW thousand	64,231	65,753	67,602	69,430	71,040
		Female		48,009	49,404	51,351	53,799	55,460
	Average Salary Ratio of Women Compared with Men[9]		%	74.75	75.14	75.96	77.49	78.07
Employee Tenure[10]	Average Tenure of All Employees		years	12.25	12.08	12.42	12.50	12.58
	Average Tenure of Male Employees			14.08	13.92	14.25	14.25	14.33
	Average Tenure of Female Employees			7.67	8.08	8.75	9.08	9.17

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Employment of Persons with Disabilities	No. of Employees with Disabilities[1)]		persons	144	165	161	172	165
	Mandatory Employment Quota			117	128	128	134	135
	Employment Rate of Persons with Disabilities[1)] (Mandatory Employment Rate: 3.8%)		%	4.14	4.60	4.50	4.86	4.64
	Compliance with Mandatory Employment of Persons with Disabilities		Compliant/ Non-Compliant	Compliant	Compliant	Compliant	Compliant	Compliant
New Hires	Total New Hires (D+E+F)		persons	284	266	102	178	244
	New Executive Officer Hires (D)		persons	5	2	1	2	3
	New Regular (Regular Full-Time) Employee Hires (E)		persons	223	185	94	164	186
	New Hires by Gender	Male	persons	112	104	53	82	84
		Female		111	81	41	82	102
	Socially Equitable Hires	Youth	persons	208	156	81	158	170
		Women		111	81	41	82	102
		Persons with Disabilities		11	24	5	9	11
		Local Talent from Non-Capital Regions		124	115	65	96	112
		High School Graduates		16	22	23	19	21
	New Regular (Indefinite Contract) Employee Hires (F)		persons	56	79	7	12	55
Youth Internship Program Status	Total Interns Hired	Experience Track	persons	139	147	115	157	149
		Recruitment Track		0	0	0	0	0
	Female	Experience Track	persons	69	71	55	83	74
		Recruitment Track		0	0	0	0	0
	Persons with Disabilities	Experience Track	persons	64	69	75	63	56
		Recruitment Track		0	0	0	0	0
Turnover Status	Employee Turnover by Gender	Total	persons	144	217	145	145	148
		Male		106	164	102	86	108
		Female		38	53	43	59	40

1) Annual average headcount calculated in accordance with the Act on the Employment Promotion and Vocational Rehabilitation of Persons with Disabilities

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Turnover Status	No. of Employee Turnover by Age	Under 30	persons	48	52	30	44	19
		30 to 49		41	76	49	61	61
		50 and Above		55	89	66	40	68
	No. of Retirees	Mandatory Retirement	persons	37	53	45	21	50
		Voluntary Early Retirement		6	10	14	5	11
	Turnover Rate	Turnover Rate	%	4.7	7	4.6	4.7	4.9
		Male Turnover Rate		5.1	7.8	4.9	4.3	5.5
		Female Turnover Rate		4.2	5.2	3.9	5.5	3.6
No. of Employees That Took Parental and Maternity Leave	Employees That Took Parental Leave	Total	persons	221	229	225	259	287
		Male		76	83	71	89	114
		Female		145	146	154	170	173
	Percentage of Male Employees That Took Parental Leave		%	34.4	36.2	31.6	34.4	39.7
	Percentage of Female Employees That Took Parental Leave			65.6	63.8	68.4	65.6	60.3
	Employees Due to Return from Parental Leave	Total	persons	110	104	101	121	115
		Male		46	47	41	51	46
		Female		64	57	60	70	69
	Employees That Returned from Parental Leave	Total	persons	108	102	96	119	114
		Male		46	46	40	50	45
		Female		62	56	56	69	69
	Employees Retained for at Least One Year after Returning from Parental Leave	Total	persons	106	98	93	113	107
		Male		44	44	39	48	43
		Female		62	54	54	65	64
	Parental Leave Return Rate		%	98.2	98.1	92.0	98.3	99.1
	Retention Rate for at Least One Year after Returning from Parental Leave			96.4	96.1	96.9	95	93
	Number of Employees That Took Maternity Leave		persons	44	49	67	51	64
	Number of Employees That Took Paternity Leave		persons	73	59	66	64	66

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
No. of Employees Who Utilized Reduced Working Hours During Pregnancy and Childcare	Reduced Working Hours during Pregnancy		persons	45	57	69	59	77
	Reduced Working Hours during Childcare			4	4	6	7	2
	No. of Employees Who Had Already Used Parental Leave			0	0	0	1	1
	No. of Employees Who Utilized Reduced Working Hours During Pregnancy and Childcare			49	61	75	66	79
Flexible Work Arrangements	Part-Time Work System	Recruitment Type	persons	0	1	0	2	0
		Conversion		2	4	0	5	3
	Flexitime System	Staggered Working Hours	persons	463	526	486	486	502
		Selective Working Hours		63	73	95	103	232
		Compressed Workweek		0	0	0	0	0
	Discretionary Work System	Discretionary Work System	persons	0	0	0	0	0
	Remote Work System	Work-from-Home	persons	1,857	2,207	82	188	342
		Smart Work		60	103	137	122	156
No. of Employees Who Used Family Care Leave and Family Care Extended Leave	Family Care Leave	Total	persons	58	535	675	714	760
		Male		37	296	396	433	455
		Female		21	239	279	281	305
	Family Care Extended Leave	Total	persons	7	7	3	7	10
		Male		3	3	1	5	6
		Female		4	4	2	2	4
Family-Friendly Certification Status	Family-Friendly Certification		Certified/Not Certified	Certified	Certified	Certified	Certified	Certified
Welfare Expenses	Welfare Expenses per Employee		KRW thousand	260	395	490	305	440

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Employee Education Performance	Total Training Participants		persons	100,290	102,547	98,339	105,619	120,924
	Total Training Hours		hours	311,572	305,537	334,599	371,767	423,246
	Average Training Hours per Employee[1]		hours/person	91	86	98	110	103
	Total Training Budget		KRW thousand	1,346,362	2,191,388	2,810,082	2,907,660	3,611,864
	Training Expense per Employee[2]		KRW thousand/ person	415.67	451.14	523.04	627.87	798.27
Labor Union Status[3]	No. of Eligible Employees		persons	2,985	3,031	2,960	2,938	2,994
	No. of Labor Union Members		persons	2,923	2,967	2,928	2,912	2,971
	Labor Union Membership Rate		%	97.90	97.9	98.9	99.1	99.2
Occupational Health and Safety	Occupational Health and Safety Training	No. of Employees Who Completed Training	persons	3,519	3,319	3,469	3,385	3,561
		Training Hours per Person[4]	hours	18	18	18	18	18
Industrial Accidents	Accident Fatalities	Subtotal	persons	2	0	1	0	1
		Direct Operations		0	0	0	0	1
		Contracted Operations		1	0	0	0	0
		Construction Projects Ordered		1	0	1	0	0
	Safety Accidents	No. of Fatalities	persons	0	0	0	0	0
	Industrial Accident Rate (Excluding Commuting Accidents, such as Off-Site Traffic Accidents)		%	0.11	0.13	0.11	0.05	0.10
Safety Management	Safety Activity Level Assessment (Ministry of Employment and Labor)		grade	B	B	B	A	A[5]
	Public Institution Safety Management Grade (Ministry of Finance and Economy)		grade	Grade 3	Grade 3	Grade 3	Grade 2	Grade 3
	Safety Management Level Assessment (Ministry of Land, Infrastructure and Transport)		points	80.5	83	95	96	93.5
Information Security	Information Security Management Status Assessment (National Intelligence Service)		score	82.18	84.48	91.99	87.26	80.78
Personal Information Protection	Personal Information Protection Level Assessment		grade	Good	A	S	A	S
Operation of the Customer Satisfaction Response System	No. of Complaints Processed		cases	2,081	1,718	1,834	1,606	1,903
	Compliance Rate with Complaint Processing Periods		%	99.71	99.88	99.78	98.82	97.37
Customer Satisfaction Survey Results	Public Institution Customer Satisfaction Index (PCSI)[6]		grade	Excellent	Average	Average	Excellent	Outstanding

1) Calculated based on the number of unique participants, excluding duplicates from the total training headcount
2) Since the figure is calculated based on the total number of employees, including those who retired or were newly hired during the year, it may exceed the current headcount; interns, fixed-term workers (commissioned grades A-D), daily workers and others are excluded
3) Prepared as of the end of each year
4) Based on the combined figures for the first and second halves of the year; as training hours differ by job type (12 hours for office workers and 24 hours for non-office workers), the average value is 18 hours
5) Relative grade (A), absolute grade (B)

ESG Data Book

Social Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Volunteer Activities	Total No. of Participants		persons	2,614	2,785	2,946	3,206	3,323
	Total Hours of Participation		hours	15,496	16,036	16,638	20,531	21,820
	Volunteer Hours per Person		hours/person	6	4	4	6	6
Social Contribution Employee Participation Rate			%	100	100	100	100	100
Social Contribution Donations	No. of Donation Activities		times	54	68	60	75	67
	Donation Amount		KRW million	119	156	148	120	177
Shared Growth	Innovative Procurement Purchases	Innovative Procurement Amount	KRW million	25	5,821	13,162	7,477[7]	6,623
		Proportion	%	0.02	3.0	6.4	4.19	3.05
		Total Purchase Amount	KRW million	165,512	195,708	206,736	178,426	216,804
	Purchases of Products Made by SMEs	Purchase Amount	KRW million	816,104	876,754	859,314	718,680	742,043
		Proportion	%	80	76.7	75.8	71.2	67.98
		Total Purchase Amount	KRW million	1,019,950	1,142,409	1,133,137	1,008,924	1,091,630
		Mandatory Purchase Ratio Achievement	Achieved/Not Achieved	Achieved	Achieved	Achieved	Achieved	Achieved
	Purchases from Social Enterprises	Purchase Amount	KRW million	7,810	15,406	22,153	16,174	17,459
		Proportion	%	3.05	3.23	4.25	3.45	3.34
		Total Purchase Amount	KRW million	255,692	477,032	520,664	468,228	522,786
	Purchases of Products Made by Persons with Severe Disabilities	Purchase Amount	KRW million	5,776	9,131	11,065	12,529	12,288
		Proportion	%	1.38	1.9	2.1	2.7	2.35
		Total Purchase Amount[8]	KRW million	419,496	477,032	520,664	468,228	522,786
	Shared Growth Evaluation (Ministry of SMEs and Startups)		Grade	Excellent	Satisfactory	Outstanding	Excellent	Outstanding
	Win-Win Cooperation Payment Amount		KRW million	3,561	2,944	18,229	34,428	39,111
SME Technology Cooperation Performance	Performance Sharing System	Registered	cases	15	13	18	36	14
		Completed		12	8	11	9[7]	13
	Cooperative Profit Sharing System	Registered		10	6	11	0	0
		Completed		2	0	2	4[7]	0
	Joint Technology Development	Registered		8	4	5	5	3
		Completed		0	5	1	2	3
	No. of SME Technology Cooperation Cases[9]			0	36	48	56[7]	33

6) The rating system changed in 2025 from a three-grade system (Excellent, Average and Very Poor) to a five-grade system (Outstanding, Excellent, Average, Poor and Very Poor)
7) Figure corrected due to an error in the previous year's reported data
8) Products made by persons with severe disabilities are included in purchases from social enterprises
9) No. of SME Technology Market registrations

ESG Data Book

Governance Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Board of Directors Performance	Board Operations	Total No. of Directors	persons	13	13	13	14	14
		No. of Male Directors		10	11	12	13	13
		No. of Female Directors		3	2	1	1	1
		No. of Board Meetings Held	sessions	15	14	17	15	13
		No. of Agenda Items	items	33	27	29	34	32
		Resolution Items		29	24	26	29	21
		Reporting Items		4	3	3	5	11
	Board Attendance Rate	Executive Directors	%	94.4	91.5	92	87.8	93.6
		Non-Executive Directors		94.7	95.7	95.3	94.1	84.6
	Total Board Remuneration (Average per Person)	Non-Executive Directors	KRW thousand	20,360	21,100[1)]	22,500[1)]	21,400[1)]	19,700
		Executive Directors	KRW thousand	145,100	160,637[1)]	171,251[1)]	173,764[1)]	171,375
	Annual Total Compensation Ratio[2)]		times	3.04	3.30	3.42	3.37	3.26
Ethical Management Education	Ethics Education	Total No. of Participants	persons	3,128	4,016	3,927	3,391	3,987
		Total Education Time	hours	65,876	62,594	92,723	50,062	33,424
		Education Time per Person	hours/person	21	16	24	15	8
Disciplinary Actions for Ethics Code Violations	Disciplinary Actions	Reprimand	cases	2	-	2	2	2
		Salary Reduction		2	4	4	6	-
		Suspension		3	1	5	6	4
		Demotion		-	-	-	1	1
		Dismissal		3	-	-	1	-
		Removal from Office		-	-	-	1	-
		Total		10	5	11	17	7
Integrity Index	Overall Integrity Index Assessment Results[3)]		grade	4	2	4	3	2
	Perceived Integrity[4)]			4	2	4	2	2
	Integrity Effort[5)]			3	3	3	3	3

1) Figures corrected due to errors in the previous year's reported data
2) Total annual salary of the chief executive divided by the average remuneration per regular full-time employee

ESG Data Book

Governance Performance

Item	Category	Classification	Unit	2021	2022	2023	2024	2025
Committee Operation	No. of Committee Meetings Held	Integrity and Internal Control Committee[6]	sessions	1	2	2	3	3
		Future Innovation Council[7]		-	-	(Established) 2	2	2
		ESG Committee		-	(Established) 7	6	4	4
		AX Committee[8]		-	(Established) 8	6	4	4
		Global Committee		-	-	-	(Established) 4	4

3) 87.3 points (2.2 points above the peer-type average)
4) 87.4 points (3 points above the peer-type average)
5) 87.1 points (0.5 points above the peer-type average)
6) Operated as the Ethics and Human Rights Committee in 2021-2022 and the Integrity and Ethics Committee in 2023-2024; renamed the Integrity and Internal Control Committee in 2025, with its composition and operating procedures revised
7) Renamed the Future Innovation Council in 2025, with its composition and operating method revised
8) Renamed the AX Committee in 2026, with its composition and operating method revised

GRI Index

Statement of Use	K-eco has reported its sustainability management performance and data for the period from January 1, 2025 to December 31, 2025 in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	As of the reporting date (August 2026), no applicable GRI Sector Standards had been issued.

GRI 2: General Disclosures 2021

GRI Standard		Disclosure	Location
GRI 2: General Disclosures 2021			
The Organization and Its Reporting Practices	2-1	Organizational details	9-11
	2-2	Entities included in the organization's sustainability reporting	2, 9-10
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	132-144(corrected data separately indicated)
	2-5	External assurance	152-153
Activities and Workers	2-6	Activities, value chain and other business relationships	14-15
	2-7	Employees	9, 135-137
	2-8	Workers who are not employees	135
Governance	2-9	Governance structure and composition	112-113
	2-10	Nomination and selection of the highest governance body	112
	2-11	Chair of the highest governance body	110
	2-12	Role of the highest governance body in overseeing the management of impacts	19, 110
	2-13	Delegation of responsibility for managing impacts	19, 34, 113
	2-14	Role of the highest governance body in sustainability reporting	19, 113
	2-15	Conflicts of interest	110, 123
	2-16	Communication of critical concerns	19, 114, 125
	2-17	Collective knowledge of the highest governance body	110-111, 116
	2-18	Evaluation of the performance of the highest governance body	115
	2-19	Remuneration policies	115
	2-20	Process to determine remuneration	115
	2-21	Annual total compensation ratio	143
Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	5
	2-23	Policy commitments	33, 76, 90, 118
	2-24	Embedding policy commitments	33-40, 47, 53, 76-81, 90-92, 118-121
	2-25	Processes to remediate negative impacts	92
	2-26	Mechanisms for seeking advice and raising concerns	118
	2-27	Compliance with laws and regulations	134
	2-28	Membership associations	155
Stakeholder Engagement	2-29	Approach to stakeholder engagement	24-25
	2-30	Collective bargaining agreements	89

GRI Index

GRI 3: Material Topics 2021

GRI Standard		Disclosure	Location
GRI 3: Material Topics 2021			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	28
	3-2	List of material topics	29-31
Material Topic 1. Carbon Neutrality Efforts and Expanded Policy Support for the Climate Crisis			
GRI 3: Material Topics 2021	3-3	Management of material topics	30-31, 36-46
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	38
GRI 302: Energy 2016	302-1	Energy consumption within the organization	133
	302-3	Energy intensity	133
	302-4	Reduction of energy consumption	37, 40
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	133
	305-2	Energy indirect (Scope 2) GHG emissions	133
	305-3	Other indirect (Scope 3) GHG emissions	39, 133
	305-4	GHG emissions intensity	133
	305-5	Reduction of GHG emissions	38
Material Topic 2. Management of Pollutant Emissions (Waste, Wastewater, Air Pollutants, etc.)			
GRI 3: Material Topics 2021	3-3	Management of material topics	30-31, 47-59, 61-65
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	53-59
	306-3	Waste generated	53-59, 64-65, 134
	306-4	Waste diverted from disposal	53-59, 64-65
Material Topic 3. Enhancing the Quality of Public Environmental Services			
GRI 3: Material Topics 2021	3-3	Management of material topics	30-31, 66-70
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	66-70, 96-100
Organization-Specific Indicator	-	Customer Satisfaction Survey Results (PCSI)	141
Material Topic 4. Advancing Eco-Friendly Operations through AI and Digital Transformation			
GRI 3: Material Topics 2021	3-3	Management of material topics	30-31, 61-65
Organization-Specific Indicator	-	Operation of Eco-Friendly Projects Based on Digital and AI Technologies	61-65

GRI Index

GRI Standard		Disclosure	Location
Material Topic 5. Integrity and Anti-Corruption Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	30-31, 118-124
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	118-124
	205-2	Communication and training about anti-corruption policies and procedures	121, 124
	205-3	Confirmed incidents of corruption and actions taken	143

Topic Standards

GRI Standard		Disclosure	Location
Topic Standards			
GRI 101: Biodiversity 2024	101-2	Management of biodiversity impacts	60
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	9, 132
GRI 303: Water and Effluents 2018	303-5	Water consumption	133
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	138-139
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	ALIO Itemized Report 14. Operation of Other Employee Welfare Programs
	401-3	Parental leave	139-140
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	76-79
	403-2	Hazard identification, risk assessment, and incident investigation	78-79
	403-4	Worker participation, consultation, and communication on occupational health and safety	78, 80
	403-5	Worker training on occupational health and safety	80
	403-9	Work-related injuries	141
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	141
	404-2	Programs for upgrading employee skills and transition assistance programs	82
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	112-113
	405-2	Ratio of basic salary and remuneration of women to men	137

TCFD Index

Category	Recommendation	Location
Governance	a) Describe the board's oversight of climate-related risks and opportunities	37
	b) Describe management's role in assessing and managing climate-related risks and opportunities	37
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	38
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	38
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	37
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks	37-38
	b) Describe the organization's processes for managing climate-related risks	37-38
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	35-38
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	37-38
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	38-39, 133
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	36

Opinion Statement on the Assessment of Compliance with the Public Institution ESG Guidelines

To the Management and Stakeholders of K-eco

Introduction

The Korean Standards Association (KSA) was requested by K-eco (Korea Environment Corporation) to conduct a third-party review of the "K-eco 2026 Sustainability Management Report" (hereinafter the "Report"). Accordingly, KSA has reviewed the validity of the data used in the Report prepared by K-eco and provides an independent review opinion.

Independence

KSA has no vested interest related to K-eco's Report and maintains no relationship, whether for-profit or otherwise, that could compromise its independence.

Assessment Criteria

This assessment evaluated the appropriateness and consistency of 37 indicators and 81 detailed indicators across three areas based on the Public Institution ESG Guidelines.

Assessment Methodology

The following methods were used to collect information, data, and evidence related to the scope of the assessment:

Verification of the stakeholder engagement and materiality assessment process by sustainability management experts
Verification of environmental information disclosure data by environmental experts
Review of other relevant performance disclosure materials (e.g., ALIO), internal documents, and supporting data

Limitations of the Assessment

This assessment was conducted within a limited scope, based on the assumption that the data and information provided by K-eco were complete and sufficient, using data inquiries and analysis and limited sampling.

Assessment Results

KSA assessed K-eco's Sustainability Management Report for compliance with the 37 indicators of the Public Institution ESG Guidelines. The assessment confirmed that the key information required by the Guidelines was, overall, faithfully reflected in the Report and its supplementary materials, and determined that K-eco's level of compliance with the Public Institution ESG Guidelines is generally excellent.

Environment (E)
Based on its environmental management goals and implementation framework, K-eco quantitatively manages and discloses key environmental performance data—including verified greenhouse gas emissions, waste, and water use—and actively implements environmental management activities such as green product procurement.

Social (S)
Based on its safety and human rights management framework, K-eco is evaluated as having an excellent level of social responsibility performance, including support for work-life balance and the broad implementation of shared growth procurement and community environmental conservation activities.

Governance (G)
K-eco operates an independent internal audit department and conducts regular internal control inspections and discloses ethics-related information, establishing a foundation for ensuring transparency and accountability in institutional operations.

General (Overall)
Based on its ESG goals, strategy, and implementation framework, K-eco systematically operates key processes—including stakeholder engagement, materiality assessment, and information disclosure—and its overall ESG management framework is determined to be at an excellent level.

Opinion Statement on the Assessment of Compliance with the Public Institution ESG Guidelines

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E-4	Renewable Energy Usage Ratio	133
E-5	Waste Generation	53, 133
E-6	Water Usage	133
E-7	Environmental Law Violations	134
E-8	Green Product Purchasing Performance	134
E-9	Air Pollutant Emissions / Not Applicable	N/A
E-10	Chemical Substance Emissions / Not Applicable	N/A
E-11	Water Pollutant Emissions / Not Applicable	N/A
E-12	Climate Risk	38
E-13	Biodiversity	60
S-1	Guarantee of Freedom of Association	89
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2026.08.07

Chair, Korea Standards Association



Independent Assurance Statement

Sustainability Report Verification

Dear Stakeholders

Korean Foundation for Quality (hereinafter 'KFQ') has been engaged to independently verify the 2026 Sustainability Report (hereinafter 'the Report')2) of Korea Environment Corporation1) (hereinafter 'the Company'). KFQ is responsible for providing an independent third-party verification opinion on the report based on the verification criteria and scope specified below. The responsibility for the preparation of this report lies with the Company's management.

1) Organization Address (based on headquarters) : 42 Hwangyeong-ro, Seo-gu, Incheon, Republic of Korea.
2) Data Collection Period : From January 1 to December 31, 2025. Where relevant, select achievements through May 2026 have also been included. For quantitative achievements, data from the last five years (2021–2025) is reported to enable trend analysis.

Verification Purpose

The purpose of this verification is to ensure the reliability of the data and information stated in the Company's report.

Verification Scope

1. Verification Boundary : Head office, eight local environmental headquarters, and business units.
2. Verification Items (Based on the GRI Standards 2021)

Category	GRI Standards	
Universal Standards	· 2-1 to 2-5 (The organization and its reporting practices) · 2-6 to 2-8 (Activities and workers) · 2-9 to 2-21 (Governance)	· 2-22 to 2-28 (Strategy, policies, and practices) · 2-29 to 2-30 (Stakeholder engagement) · 3-1 to 3-3 (Material Topics Disclosures)
Topic Standards	· GRI 201 (Economic Performance) · GRI 205 (Anti-corruption) · GRI 302 (Energy)	· GRI 305 (Emissions) · GRI 306 (Waste) · GRI 413 (Local Communities)

* Topic Standards : Provisions Criteria for Material Issues

3. Excluded Items from Verification: The following items are not included within the scope of verification
1) Performance and reporting practices of subsidiaries, affiliates, partners, and third parties
2) Items related to other sustainability initiatives not based on the GRI Standards 2021 presented in the report
3) Other related information such as periodic disclosure reports and financial statements

Verification Criteria

This verification has been conducted based on [AA1000AS (v3)], [AA1000AP (2018)], and [Type 2 – Moderate].

Verification Method

The audit team reviewed relevant procedures, systems, and control mechanisms, along with available performance data, to assess the reliability of the information disclosed in the Report based on the aforementioned criteria. The documents reviewed during the verification process are as follows:

- **Non-financial Information :** Data provided by the company, disclosed Business Reports, and information obtained from media and/or the internet.
- **Financial Information :** Data disclosed in the All Public Information In-One (alio.go.kr) and data posted on the homepage.

(However, the contents of the above data are not included in the verification scope.)
The verification was conducted through document review, on-site visits, and interviews with the responsible personnel. The validity of the materiality assessment procedure in the Report, the selection of material issues considering stakeholders, the data collection, management, and report preparation procedures, as well as the appropriateness of narrative disclosures, were evaluated through interviews with the responsible personnel. However, interviews with internal/external stakeholders were not conducted. Subsequently, it was confirmed that any errors, inappropriate information, or unclear expressions identified in the above steps were appropriately corrected before the publication of the Report.

Independent Assurance Statement

Verification Limitations

This verification inherently contains limitations that may arise in the process of applying the criteria and methodology.

Competency and Independence

The audit team for this verification was duly composed in accordance with KFQ's internal regulations. KFQ has no conflicts of interest that could compromise the independence and impartiality of the verification, apart from providing third-party verification services.

Verification Opinion

As a result of the verification, it is the opinion of KFQ that:
1) It has been confirmed that the Report was prepared in compliance with the four principles of AA1000AP (2018)

- **Inclusivity**
  The company has appropriately defined stakeholder groups and communicates with them through tailored communication channels that consider the characteristics of each group. The audit team did not identify any missing key stakeholders in this process and confirmed that the company is making efforts to incorporate stakeholder feedback into its management strategy.

- **Materiality**
  The company has identified material issues through an appropriate process and has thoroughly reviewed the relevant impacts to enhance the validity of its materiality assessment. The audit team confirmed that the identified material issues were given due emphasis in this report and that all material issues recognized during the materiality assessment process were reported without omission.

- **Responsiveness**
  The company strives to respond promptly to stakeholders' requirements and key concerns. The audit team did not find any evidence indicating that the organization's response activities and performance regarding material issues were inappropriately reported.

- **Impact**
  The company identifies and monitors the impact of stakeholder-related material issues across its business activities and reports the findings to the extent possible. The audit team did not find any evidence indicating that the impact of material issues was inappropriately measured or reported.

2) The report has been appropriately prepared in accordance with the applicable reporting standards, such as (GRI Standards (2021) - Accordance)
3) The data and information used for verification were limited to the provided materials and were found to be appropriate, with no significant errors or omissions that could affect the verification opinion.

kfq Korean Foundation for Quality

AA1000 Licensed Report 000-80/V3-T0B0Y

2026.08.10
Seoul, Korea
Ji Young Song, Chairman
Korean Foundation for Quality (KFQ)

Ji Young Song

Awards and Certification

Awards

Category	Area	Organizer	Award and Level	Award Details and Project Title
ESG	ESG Management	Korea Public ESG Management Awards	Korea Public ESG Management Awards (Quasi-Governmental, Commissioned Execution Type)	Recognized for leadership in public-sector ESG management and the outstanding quality of its sustainability report
E	GHG Reduction	Ministry of Climate, Energy and Environment	Presidential Commendation on Environment Day 2025	Contributed to national fiscal policy by operating a greenhouse gas reduction-conscious budgeting system
E	Resource Circulation	Ministry of the Interior and Safety	Prime Minister's Commendation for Merit in Government Innovation, 2025	Implemented a digital one-click free collection service to reduce the burden on the public when disposing of waste appliances
E	Green Consumption	Ministry of Climate, Energy and Environment	Prime Minister's Commendation for Contributions to Eco-Friendly Technology Promotion and Green Consumption, 2025	Outstanding performance in advancing green consumption
E	Water Management	Ministry of Climate, Energy and Environment	Prime Minister's Commendation on World Water Day	Contributed to national and social development through water resource conservation and management
E	Resource Circulation	Ministry of Climate, Energy and Environment	Minister of Climate, Energy and Environment Award (Grand Prize), 2025 Environmental Data Analysis and Utilization Competition	AI assistant for bulky waste disposal in local communities
E	Water Industry	Ministry of Personnel Management, Ministry of the Interior and Safety, Office for Government Policy Coordination	Minister of Personnel Management Award, 2025 Best Proactive Administration Case Competition	Comprehensive support for the growth of water companies, including water technology development and overseas certification
E	Resource Circulation	Korean Association for Policy Studies	Top Excellence Award, Korea ESG Innovative Policy Awards 2025	Converted biogas generated from waste resources into renewable energy
S	Safety	Ministry of the Interior and Safety	Prime Minister's Commendation for Merit in National Disaster Management, 2025	Contributed to protecting lives and property through national disaster management
S	Safety	Ministry of the Interior and Safety	Minister of the Interior and Safety Award, 2025 Korea Safety Technology Awards	Joint development of the 'Sewer Pipe Protector,' a Sinkhole Zero item (with Dongyang Special Concrete Co., Ltd.)
S	Conflict Management	Ministry of Land, Infrastructure and Transport	Minister of Land, Infrastructure and Transport Award (Grand Prize), 7th Spatial Information Utilization Competition	Contributed to mitigating social conflicts over waste-to-energy facilities through location analysis using the MELT Spatial Information platform
S	Human Rights	National Human Rights Commission of Korea	Chairperson's Commendation, National Human Rights Commission of Korea, in Commemoration of Human Rights Day	Efforts to strengthen organizational human rights management
S	Occupational Safety	Korean Association for Policy Studies	Excellence in Policy Award, 14th Korea Policy Awards, 2025	Provided safety support for foreign workers to prevent industrial accidents
S	Public Services	Korean Association for Policy Studies	Top Excellence Award, Public Service Category, AX Innovation Awards	Efforts to adopt AX to enhance public services
S	Public Services	Korea Internet Professionals Association	Grand Prize, Public Service Category, Smart App Award 2025	AirKorea mobile app
S	Public Services	Digital Chosun Ilbo	Grand Prize, Mobile Award Korea 2025	AirKorea mobile app (Public Service Category)
G	Digital	Ministry of the Interior and Safety	Prime Minister's Award, 14th Korea Knowledge Awards	Improved operational efficiency through the proactive adoption of digital technologies
G	Public Services	Ministry of Science and ICT	President of The Dong-A Ilbo Award (Special Award), 2025 Korea Digital Innovation Award	Contribution to technological innovation in IT services
G	Public Services	Korea Society of IT Services	President of Electronic Times Award (Special Award), 2025 Korea IT Service Innovation Awards	Contribution to technological innovation in IT services

Awards and Certification

Certifications

Category	Area	Certifying Body	Certification	Details
ESG	ESG Management	Korean Association for Policy Studies	Certified as an Institution with Outstanding ESG Policy	Certified as an institution with outstanding ESG policy at the Korea ESG Innovative Policy Awards
E	Environment	Korea SMEs and Startups Certification Institute	ISO 14001 (Environmental Management Systems) Certification	Strengthened the ESG management system in line with global standards and managed environmental management risks
S	Education	Korea Productivity Center Certification	ISO 21001 (Educational Organizations Management Systems) Certification	Continuous curriculum development and delivery by the Human Resources Development Institute
S	Safety	System Korea Certification Institute	ISO 45001 (Occupational Health and Safety Management Systems) Certification	Established a system to plan, implement, maintain, and improve occupational health and safety
S	Human Rights	Korea Management Registrar	Human Rights Management System Certification	Strengthened human rights protection in areas vulnerable to environmental rights risks through the organization's core operations
S	Mutual Growth	Ministry of Agriculture, Food and Rural Affairs; Ministry of Oceans and Fisheries; Korea Foundation for Cooperation of Large & Small Business, Rural Affairs	Recognized Institution under the Rural Community ESG Practice System	Strengthened partnerships with rural communities through ESG initiatives
S	Education	Ministry of Education	Excellent Education Donation Institution Certification	Provided access to high-quality educational infrastructure and collaborated with local communities to support education
S	Social Contribution	Ministry of Health and Welfare	Recognition under the Community Contribution Recognition Program	Recognized for contributions to local communities
S	Safety	Ministry of Climate, Energy and Environment	Certification for All OECD GLP Inhalation Toxicity Test Items	GLP designation for all inhalation toxicity test methods
G	Ethics	Anti-Corruption and Civil Rights Commission	Grade 2 in the 2025 Comprehensive Integrity Assessment	Achieved zero external corruption experiences, improved internally perceived integrity, and received full marks in the quantitative assessment
G	Information Security	National Intelligence Service	Grade A in the 2025 Cyberattack Response Exercise	Recognized for efforts to strengthen cybersecurity, including phishing email drills and practical defense exercises

Member Organizations & Associations

(As of 2026)

Environmental			
Korean Society of Climate Change Research	Climate Change Center	National Assembly Water Forum	Korea Water and Wastewater Works Association
Korean Society on Water Environment	Korean Society of Soil and Groundwater Environment	Korea Water Forum	Korean Society of Water and Wastewater
Geological Society of Korea	Korea Conservation Association of Soil and Groundwater	Korea Waste Association	Korea Society of Waste Management
Korea Environmental Policy and Administration Society	Korean Society of Environmental Engineers	Korean Society of Environmental Impact Assessment	Korea CRO Association

Social			
Korean Society of Serious Accidents	Korea Emergency Planning Officers Association	Korean Reliability Society (Korea Reliability Certification Center)	Climate and Labor Emergency Planning Officers Association
Korea Water Cluster Tenant Companies Council	Korea Business Incubation Association	Korea Plastic Pipe Research Association	Council for the Development of the Hygiene and Safety Standards Certification System

Governance			
United Nations Global Compact (UNGC)	Korea Business Council for Sustainable Development	Korean Environmental Law Association	Korean Society of Public Enterprises
Korean Association for Public Administration	Korean Association for Policy Studies	Seoul Association for Public Administration	Korean Association for Governance Studies
Korea Association for Public Sector Management	Korean Association for Conflict Studies	Korean Chamber of Commerce Malaysia	Korean Society for Environmental Management

Korea Environment Corporation

WE SUPPORT UN GLOBAL COMPACT

The United Nations Global Compact (UNGC) is the world's largest corporate sustainability initiative, launched in New York, USA, in 2000, with over 25,000 participating companies and organizations across more than 160 countries worldwide. K-eco has been a member of the UNGC since 2010 and implements its principles in the areas of human rights, labor, environment, and anti-corruption.

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