

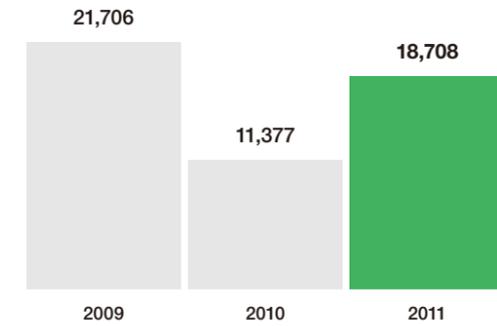
Environmental Management

Climate change and environmental destruction are issues that require a global response. At KKPC, our environmental vision is to be a company that partners with humanity and the environment to create tomorrow. Through rigorous environmental management and ongoing environmental preservation initiatives, we aim to do our part for the sustainable growth of the planet and leave a cleaner world for the next generation.

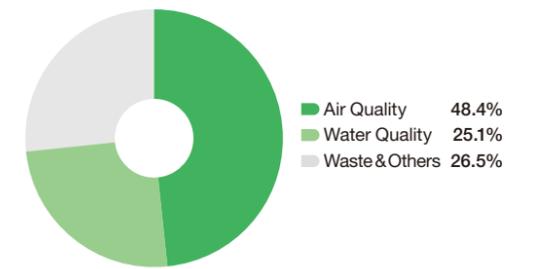


Environmental Investment

In KRW Millions



Environmental Investment by Area



EHS Initiatives

We have put in place a comprehensive environmental, health, and safety system that is designed to ensure a safer and healthier environment for our customers, employees, and communities. We meet and exceed both domestic and international environmental regulations as we continue to enhance our competitiveness in the global marketplace. We are now establishing greenhouse gas inventory systems at each of our plants to systematically manage emissions. We are also building a chemical material management system to manage hazardous materials at each step of the product development process.

We make the basic materials used by countless downstream industries to create many of the products consumers depend on in their daily lives. We are using life cycle assessment to determine the true environmental impact of our products as we steadily upgrade the eco-friendliness of our portfolio. In addition to actively complying with international environmental directives and regulations such as REACH and RoHS, we actively participate in Responsible Care, the global chemical industry's sustainability initiative.

Climate Change Mitigation

Climate change has become the world's most talked about environmental issue in recent years. Efforts to address this issue such as the greenhouse gas energy target setting program launched in Korea in 2011 are steadily becoming obligations rather than options for both governments and corporations around the world. We are now putting in place an enterprise-wide response framework as we push forward with energy management system, clean development mechanism (CDM), emissions reduction incentive, and other projects.

We have set up a taskforce team to oversee our energy target setting program, setting medium and long-term reduction strategies. We are now moving forward with emissions reduction projects, bringing our technology planning and production technology teams together with outside consultants to calculate present emissions volumes, analyze potential reductions, and determine the marginal cost of potential projects. To date, we have completed greenhouse gas inventories for each of our business locations and set reduction targets, putting in place an integrated management system that will enable us to analyze emissions by type and volume.