

2024 / ISSUE.02

# Impact in Place 2024



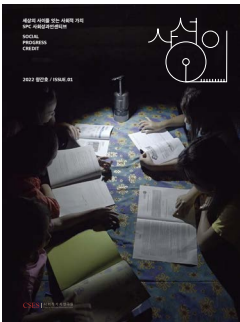
**CSES**

Center for  
Social Value  
Enhancement  
Studies

# Impact in Place 2024

# Greetings from President of Center for Social Value Enhancement Studies (CSES)

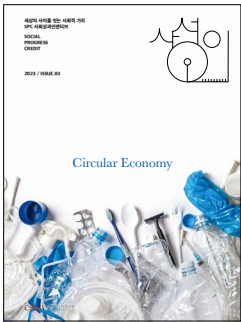
*Impact in Place Korea* is covering the social performance and growth stories of SPC participating companies. This issue features 12 companies out of over 400.



**Issue 1**  
Lumir, Todac Todac  
Cooperative Association,  
4EN, Dongbu Care



**Issue 2**  
Tuat, Mandro,  
Cizion, TestWorks



**Issue 3**  
Gaon IPM, Superbin,  
Trash Busters, Comwin

*Impact in Place Korea* is a magazine published every six months, and this is the integrated version of the magazine published three times from August 2022 to December 2023, titled *Impact in Place 2024*. Please note that the timing of participation in the projects covered may vary.

Greetings from CSES.

CSES is a research institute specializing in measuring social value, researching solutions to social problems.

We have been conducting a social experiment called ‘Social Progress Credit (SPC)’ project. For this project, we recruit and select social enterprises in Korea, measure their social performance, and grant financial (cash) incentives proportional to the social value they create. Over the past 9 years, we have measured 400 companies through this process, which accounts for 15% of the certified/preliminary social enterprises in Korea.

This magazine is unique in that, rather than abstractly discussing cases of social enterprises, it covers them based on social value measurement. The 12 companies featured in the magazine belong to the categories of social service, environment, and technology. Similar businesses likely exist in your country as well. However, there probably haven’t been unique articles written based on the context of measurement for the value of social enterprises. We hope that entrepreneurs in each country will be able to see how measurement can be a tool to bring about positive changes in social enterprises, based on the case studies covered in this magazine.

We plan to continue covering the cases of companies participating in the SPC project. We believe that applying the changes and management improvements observed among the social entrepreneurs participating in the SPC program to your domain will greatly benefit not only the local industry but also policymakers and research institutions. If there are those who wish to expand the ecosystem of social enterprises together, please feel free to contact us at any time.

Best regards,  
Suk-kwon Na  
President of CSES

# Social Progress Credit

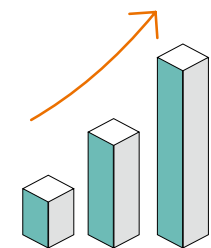
## Background of SPC

### SPC: A Catalyst for a Better Society

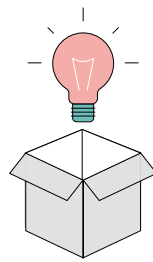
Social Progress Credit (SPC) is a project that measures the amount of social problems solved by companies (social progress) in monetary units and provides post-cash incentives accordingly. The social progress credit, which rewards companies that create social value, serves as a new starting point for forming our social (enterprise) ecosystem more sustainable. It is an innovative approach that can create much more social value than conventional social enterprise support systems, even with the same amount of resources invested. Through SPC's measurement and incentive effects, social enterprises(SE) can achieve their original goals, and struggling companies can find opportunities to turn their losses into profits.

### Can we increase the number of "good companies" that solve social problems?

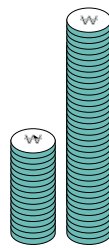
Existing problem-solvers alone are not enough to solve the amplifying social problems. SPC aims to involve more companies in solving social problems through monetary rewards based on social outcomes(performance).



Rapidly growing social problems



Innovative solutions that go beyond existing problem-solving methods is needed.



Encourage more participation in solving social problems through outcome-based incentives (funding).

### Social Progress Measurement/Reward Experiment, Start of SPC

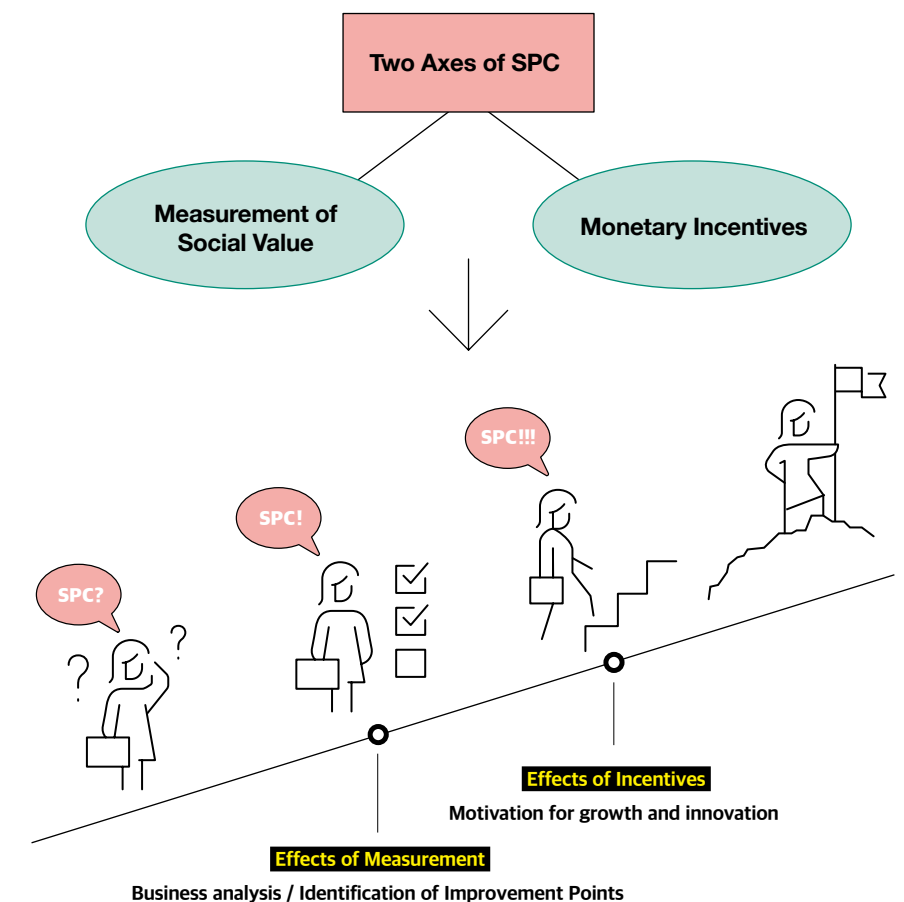
Not only social enterprises but all businesses should pursue social impact in the future. However, it is not easy to successfully run a business while pursuing social impact. There are limitations in attracting impact funds or more human resources to solve social problems. This is a major reason why young people hesitate to start a business that aims for social impact, such as social enterprises.

To solve this market failure, SK Group's Chairman, Chey proposed a policy experiment, Social Progress Credit (SPC) at the Davos Forum in 2013. "SPC provides outcome-based funding to companies that have created social value to improve social problems". In order to validate this policy experiment and to initiate policy diffusion, the Social Progress Credit Project was launched in 2015.

### Two Axes of SPC

SPC can be divided into two main axes: "Measurement of Social Value (outcome/performance)" and "Monetary Incentives (outcome-based funding)"

Through Social Progress Credit incentives, companies participating in solving social problems, can identify areas for business improvement and gain the power for growth and innovation.





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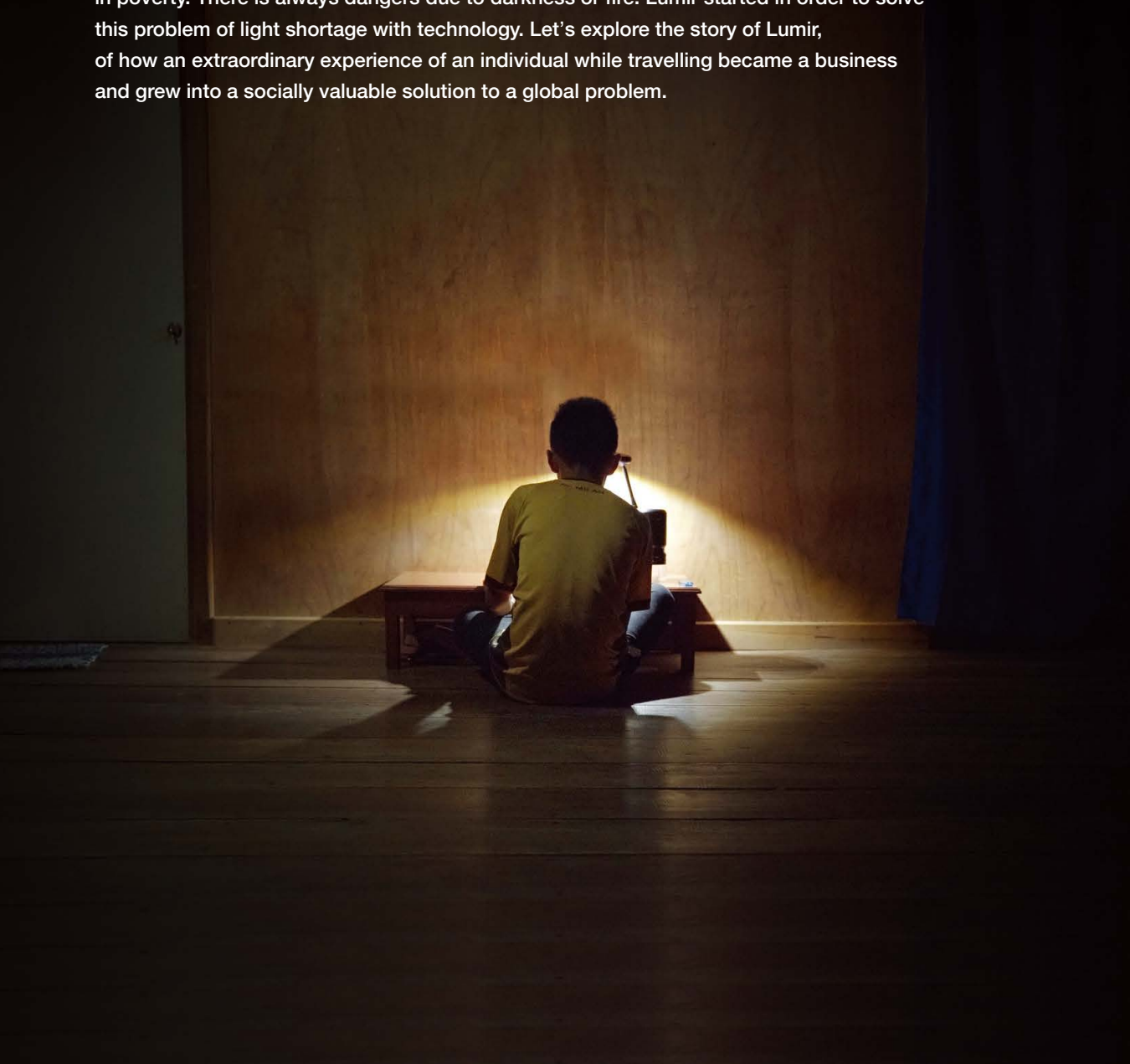
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Lumir, Contemplates on the Issue of Light Shortage in Indonesia

# A Warm Light Created through Observation and Empathy

Did you know that one billion people in the world live in a dark environment because they don't have access to electricity? They still use candles and kerosene lamps for source of light in their daily lives, but even that is a burdensome expense for the those in poverty. There is always dangers due to darkness or fire. Lumir started in order to solve this problem of light shortage with technology. Let's explore the story of Lumir, of how an extraordinary experience of an individual while travelling became a business and grew into a socially valuable solution to a global problem.



## The Scene of Lumir

It was when Lumir ambitiously developed 'Lumire K' to solve the problem of light shortage in many parts of the world. It was a lamp based on the principle of lighting a fire with kerosene, generating electricity with the heat, and producing LED light. Hence, the K in the name came from 'Kerosene'. But when The founder of Lumir, Jehwan Park took the product to a local village in Indonesia for a field testing, Jehwan Park discovered an unexpected problem. The local kerosene was mixed with impurities and of inconsistent quality, leading to excessive soot, causing the product to break down.

CEO Jehwan Park studied various ways to solve this problem upon returning to Korea, but there was nothing he could do as it was the problem of the quality of local fuel. But when he revisited the village after a while, the locals were using Lumir K. Instead of using kerosene (which makes soot), they had substituted it with cooking oil. Cooking oil is relatively cheap and common, with consistent quality in the tropical regions. It's easy to find, and it works fine even with used oil. The local residents who had been using Lumir K, which was distributed for testing, had found the best alternative themselves. Could it be that Lumir's dedication to solving the issue of light shortage had resonated with them? This lamp, brighter and more convenient than any candle, was literally perfected through localization. And that's how Lumir K was reborn as a cooking oil lamp.

### A Life-Changing Journey: Becomes the Seed of Business

Indonesia is made up of over 17,000 islands. Most of them still have difficulties getting electricity supply. Especially for the poor, blackouts are a part of everyday life. They are suddenly faced with total darkness while eating, reading a book, or sitting in the bathroom in the middle of the night. As individuals accustomed to living with constant bright lighting night or day, it is difficult for us to imagine such a scene.

Jehwan Park, CEO of Lumir, first experienced this light shortage problem during his trip to India. It wasn't a grand field experience through organizations like NGOs. Instead, it was a simple backpacking trip where cities would plunge into complete darkness during a glass of beer in the evening. Locals would not panic and go to turn on the generator, or light a candle and wait for the electricity to come back on. As someone from a generation that had rarely experienced power outages, CEO Park found it unfamiliar yet incomprehensible that such frequent blackouts



1

**1, 2** Children in Indonesia go to school at 6 am, return home at 11 am, take a nap during lunchtime. Due to the scorching weather, they can study only after sundown.  
**3** Living in floating houses is very common in Indonesia as it is made up of over 17,000 islands. Thus, many areas outside big cities suffer from difficulty in decent electricity supply.  
**4** The design of Lumir C has a resemblance of a lighthouse. Lighting the tealight candle inside, lights up the LED.



2



3

occurred even in a country like India with relatively developed infrastructure, compared to its neighbouring countries. This led him to discover that many people in developing countries with even worse conditions are still living through dark nights. 'What if I could create a product that could light up these people's dark nights?' he wondered. Looking back, it was a trip he went on with his friends without much purpose. However, the life of this young man who had no dreams changed dramatically from that point on. CEO Jehwan Park transferred to the school of Engineering after returning to Korea. As a statistics major, he had a fascination with engineering; thinking that by learning the various techniques, he could bring his ideas to life. After all, he wanted to create a product that could solve the issue of light shortage he encountered on his trip. Engineering courses were not easy. He had little background knowledge and hadn't taken any introductory classes, so keeping up with the third-year engineering curriculum was challenging. The knowledge required to come up with a lighting device without electricity had to be sought out from scratch. Despite the difficulties, he managed to develop a product and achieved favorable results in an on-campus startup competition. The product was a kind of battery device that could be plugged into a light bulb, charging during regular times and automatically turning on during power outages. However, after winning the competition, CEO Park participated in various domestic fairs and realized that it would be difficult to commercialize his product. Perhaps the limitation of the product

was due to making the product without better knowledge of the local situation. It became clear that a deeper understanding of the culture was necessary.

### The Light of the Two Worlds is Different for Developed and Developing Countries

In 2015, CEO Jehwan Park headed to the slums of the Philippines. There, he witnessed and personally experienced the severity of the light shortage issue. The children in that area would go to school at 6 am and return home at 11 am, taking a nap during lunchtime due to the scorching weather. And when the sun goes down, and it gets a little cool, they would help out with housework and study in the evening. However, in situations where the electricity was cut off, they couldn't study at all. The situation where electricity supply is scarce and uncertain is not much different in most developing countries in tropical Asia.

After visiting the Philippines, CEO Jehwan Park is dedicated himself to the development of a prototype. That's how Lumir C was introduced to the world. This product, which kind of looks like a lighthouse, was inspired by candles and is an LED lighting that is 60 times brighter than a candle. When you light the tealight (a flat-shaped candle) located at the bottom of the product, the LED gradually starts to light up. Since it is operated by candlelight, it can be used semi-permanently without external electricity or batteries. However, Lumir also faced difficulty with its pricing policy. At that time, the selling price of Lumir C was about 100,000 KRW, but with logistics and distribution costs to the islands of Indonesia, the price would more than double. Although it was developed for the residents in remote areas suffering light shortage, it was too expensive to sell there. Furthermore, even the supplies for the product, the candle, were not easy for the locals to get. However, Lumir couldn't simply give up on a product that they had spent so much time and effort creating.

In order to ensure the continuous management of Lumir, CEO Jehwan Park comes up with a Two-Track strategy. The plan was to first sell Lumir C in developed countries and then use the profits to redevelop lighting solutions for developing countries. In fact, Lumir C was an item that would



4



be attractive to Westerners who owned gardens and enjoyed camping. There was even advice to target the United States, a country with a culture familiar with having a terrace and using a significant amount of candles. Thus, in 2016, Lumir first conducted funding as a trial, through Kickstarter, a US crowdfunding platform. The results were astonishing. It was sponsored by 1,000 people and succeeded in funding 160 million KRW, more than 200% of its target amount, in just a month. The following year, Lumir C achieved its funding target of 500,000 JPY on Makuake, Japan's largest crowdfunding platform, within a day, ultimately reaching a total funding amount of 30 million KRW. Living in advanced countries with abundant infrastructure, we often complain about 'light pollution' and how tiring it can be. The bright lights on the street make dark nights as bright as day, so you can lead a daily life that is no different from the daytime at night. That is why we feel a sense

of nostalgia and romance when encountering the flickering of a faint candlelight. This world, where it is difficult to perceive darkness until the lights are turned off, is clearly different from somewhere on the other side of the world where you have no choice but to put down the book you were reading every time the lights go out. By understanding this discrepancy and transferring the wisdom gained from it into the realm of business, Lumir finally laid the foundation for a leap forward.

#### Finding Solutions from Locals to Local Problems

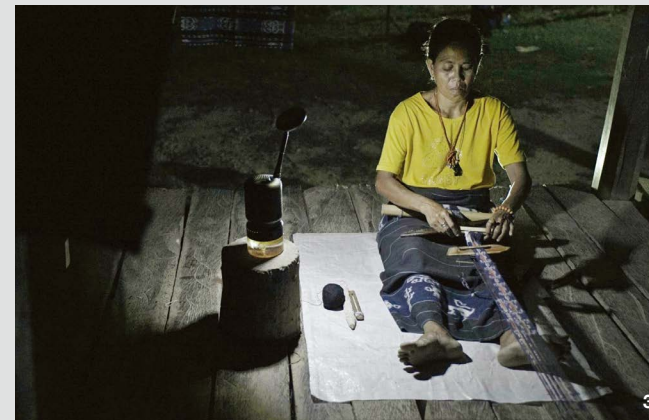
Although Lumir C was a success, Jehwan Park couldn't just be happy. His original goal, to create a product for developing countries, occupied his mind. In the second half of 2016, CEO Jehwan Park started the development of 'Lumir K', which used kerosene as fuel. The principle of generating electricity through heat conversion is the same as that of Lumir C, but it is improved by lighting it



1



2



3

1, 2 Jehwan Park, CEO of Lumir and his colleagues introduced Lumir K to the locals of Indonesia. The fact that cheaper and more readily available cooking oil can be used for the lamp made a deep impression to the locals.

3 Lumir K is very useful not only for students when they are studying but also for a variety of household chores. It also prevents possible accidents due to darkness in times of power outages.

4 Lumir K has undergone multiple stages of improvement to be what it is today.



4

#### Talk about SPC

Jehwan Park, CEO of Lumir

**Lumir was selected as the 2nd year participant of SPC in 2016, and now it has become a graduating company. How do you feel?** I feel grateful and a bit sad. I have a strong attachment to this program since we went through the process of creating something out of nothing at the beginning of our business with SPC.

**How were the SPC incentives used, and what impact did it have on the company?** Social Progress Credit incentive was effectively used for various purposes, such as business trips to developing countries and the production of prototypes for impact projects. Especially for prototype production, it is difficult to produce prototypes with government project subsidies. The Social Progress Credit incentive was of great help because there were no such restrictions. Additionally, SPC's social value measurements were also valuable as an opportunity to quantify and organize our business internally.

**What improvements would you suggest to the existing SPC program?** I felt that three years was a bit too short. For companies in early stages, three years may include a period when they focus on development and may not achieve significant results. So by the time the company shows a significant growth in social value creation, SPC's social value measurement period may already be over. It would be nice if companies could apply for a period of temporary suspension of measurement and resumption and adjust it flexibly.

with kerosene, which is commonly used instead of candles which are expensive and hard to find locally. Furthermore, Lumir K was selected for the Creative Technology Solution (CTS) program, run by the Korea International Cooperation Agency (KOICA). The CTS program aimed to support early startups and social ventures that sought to solve social issues in developing countries through innovative technologies. Lumir K underwent field testing in Indonesia for a year from 2017 as part of the program.

However, an unexpected problem arose during the verification process of distributing prototypes to 250 households for direct use. A phenomenon occurred in which the products did not work in the remote villages far from the city. It turned out to be an issue with the fuel. While there were no problems when using high-quality lamp oil, the

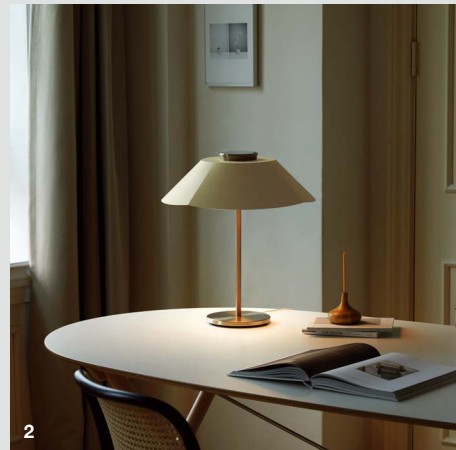


product was affected by the low-quality fake kerosene of poor quality that was distributed in remote areas. An alternative to the unstable quality kerosene was needed. The use of solar power was not suitable in the tropical rainforest region, with more than 60 days of rain and shade. But the answer was not far away. The locals used the product with cooking oil instead of soot-forming kerosene. Indonesia is the world's largest producer of palm oil, and cooking oil is one of the seven essentials along with water and rice. Unlike kerosene, cooking oil is a regulated item controlled by the government, so it is cheap and there is no difference in quality. Afterward, Lumir redesigned the fuel cans to fit cooking oil and introduced Lumir K, which uses cooking oil as fuel. With just 800 KRW per liter of cooking oil, Lumir K provides bright light for over 200 hours. It produces 2.5 times more light with only 20% of the fuel of regular lamps that use kerosene, and the lamp itself can be used for over 10 years. Even used cooking oil can be used, making it a more eco-friendly product than kerosene lamps. It's a gem-like discovery, made by long years of effort and accumulated knowledge.

#### Striving for Sustainability as a Social Enterprise

Lumir is a social enterprise. It started with a mission to solve the lack of light in developing countries and has come a long way. As a social enterprise, it is really challenging to pursue proper social value and make a profit through good business management. The journey of Lumir has been a quest to find a common ground between social value and sustainable management. Lumir has been producing and distributing design lighting for the domestic market since 2018. Lumir's design lighting is loved by many for its youthful and modern taste. However, there was a significant internal conflict in deciding to expand to the design lighting business. The ideal direction as a social enterprise would have been to continue developing products to solve the lighting shortage in developing countries and distribute them locally, as originally intended. However, capital is needed to sustain the business, so it was decided that establishing a self-sustaining system to generate an income stream was necessary. While receiving grants for doing good work is truly appreciated,

they are temporary and have limitations. There were also attempts to register Lumir C for the carbon emission business, but international organizations responded that it was difficult because the concept of an oil lamp itself was not registered. It takes a lot of time and money to register as new categories like 'stove' and 'solar lamps'. That's why Lumir started the lighting business in a slightly larger category. Lumir plans to expand the design-centered and beautiful lighting business sought by developed countries, and continue impact business for developing countries



1, 2 Design lamps of Lumir. Lumir pursues a mission of solving the light shortage problem in developing countries. At the same time, it has also been generating income by producing & distributing design lamps to the domestic market, carrying out a sustainable business.

#### Interview with Members

##### Director of Marketing at Lumir Kkotnim Lee



#### Please introduce yourself.

Hello, I'm Kkotnim Lee, in charge of marketing at Lumir. My job is communicating with people and promoting the brand.

#### What kind of a brand is Lumir?

"Lumir is a lighting brand, resolving light poverty and imparting beauty of light", is how we usually introduce ourselves. This one sentence represents the one thing we try to never

lose: balance. At the same time as doing the social impact business, we are running a design lighting business so that beautiful light can be used in the right place to suit the environment in places where the electricity supply is stable such as in Korea. We are striving to become a well-balanced brand without leaning heavily toward one of these two areas.

#### Has your perception and attitude toward social problems changed while working at Lumir?

Since I work for a company that makes lighting, I think that the feeling emitted by lamps and the influence of light within their range is significant. As we introduce design lighting in Korea and engage

in impact projects in Indonesia, I began to think about the great power of light(lighting) in that light creates cozy atmospheres in certain environments and it also enables everyday activities like studying or doing household chores after sun down. I started to recognize important values in things that I had always taken for granted or thought were trivial. As a result, my attitude towards

life has changed; I pay more attention to my surroundings and try to look deeper into the value of seemingly small things.

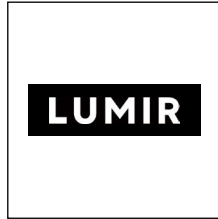
#### Have there been any touching moments at Lumir?

Even in Korea, there are some people who live in the mountains without access to electricity. There was a time we got to know about them through TV, contacted them, and sent them our products to try out. After that, I kind of forgot about it. But one day, we received a package containing a handwritten letter expressing gratitude for the lamp. We have received feedback in foreign languages from overseas, but reading a letter in Korean, that memory has stayed with me.

with the profits. Although this expansion has led to an increase in the number of designers who are not significantly related to the impact business, CEO Jehwan Park encourages designers to visit Indonesia, the local area, at least once. Although their main task is domestic and international design lighting-related, he still wants to share the values that Lumir essentially pursues. Since the COVID-19 pandemic in 2019, business in Indonesia has become almost impossible to carry out. The already slow progress of business had been blocked. However, collaborating with

various domestic companies in the meantime and promoting the social value pursued by Lumir to many people has been a special experience and has presented new possibilities. Lumir realized that even within the design lighting business, they could do fun things that could have a positive social impact. With the prospect of the pandemic coming to an end, Lumir is also slowly getting ready to make new moves. In the future, the beautiful light of Lumir will continue to brighten up our daily lives and the darkness in various parts of the world where light is scarce.

# Impact of Lumir at a glance



**Company Name** Lumir Inc.  
**CEO** Jehwan Park  
**SPC Entry Year** 2016 (as 2nd year SPC participant)  
**Website** www.lumir.co.kr  
**Mission of the company** As a lighting brand that solves the problem of lighting shortage and spreads the beauty of light, it aims to address the challenges faced by countless people living without light through technology. And delivers the value wonder of light.

## Problem

### Social issue to be solved

- Light shortage in underdeveloped countries
- Emissions of environmental pollutants from burning raw materials for lighting in underdeveloped countries

A company that contributes to the world by adding value to the warm technology that solves the lack of light and conveys the beauty of light

## Stakeholders

### Stakeholders who gain from social benefits

Number of households using Lumir K  
 Alternative energy lighting B2C seller  
 Neighbors of Lumir K Users

## Solution

### Comparison with solutions in the market

Reducing the environmental costs associated with kerosene lamps, by replacing existing kerosene lamps with cooking oil lamps (Reduced emissions of environmental pollutants through the use of more eco-friendly fuel)

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Environmental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Product&Service  
Performance

- Performance measurement of providing Lumir K products for free or at a discounted price
- Estimation of willingness-to-pay to measure differences from existing solutions



Environmental  
Performance

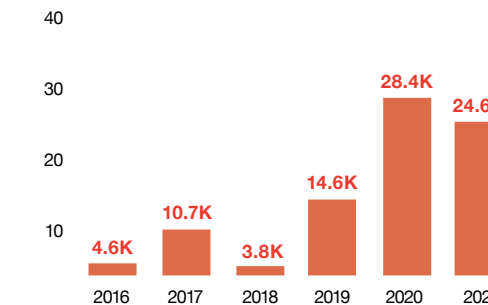
- Replacing conventional materials with eco-friendly resources
- Reduction of resource consumption by replacing kerosene with cooking oil
- Reduction of pollution from replacement of cooking oil, reduction of exhaust gas

\* market prices are estimated and converted to monetary value.

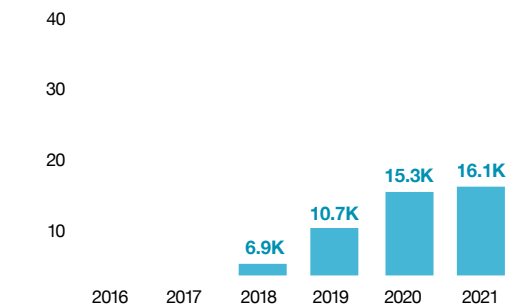
## Social Performance

in thousands of dollars

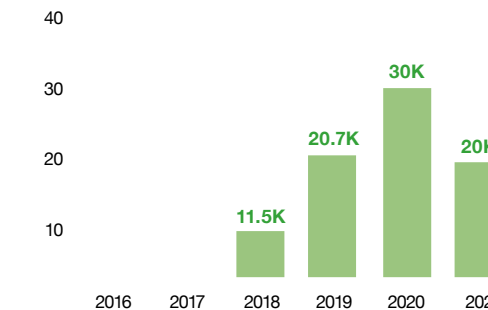
### Product&Service Performance



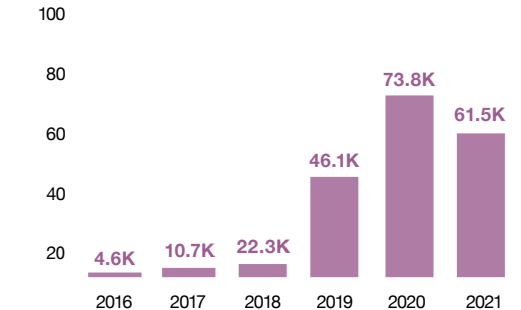
### Internal Process Performance



### Environmental Performance



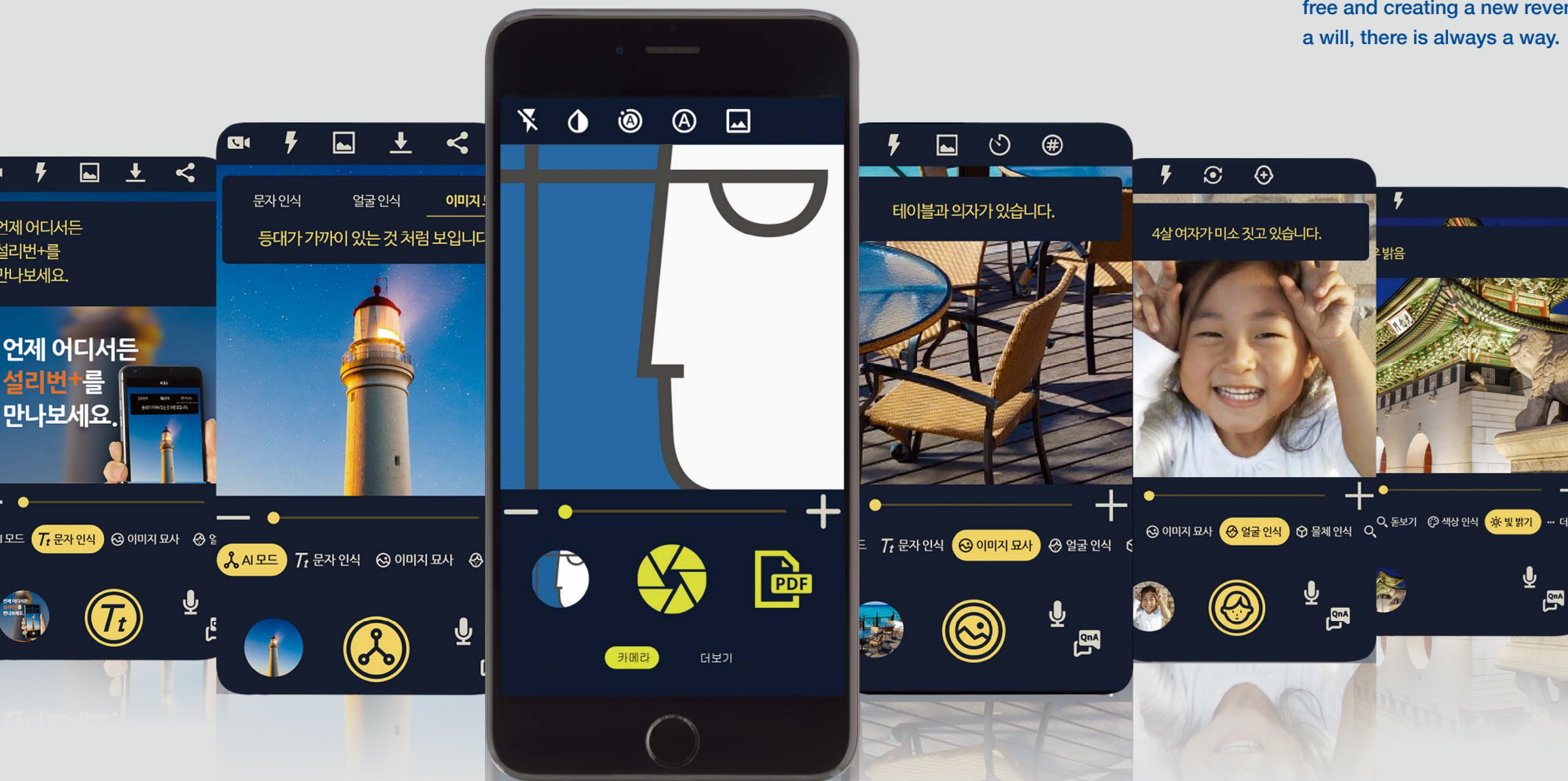
### Total Performance



Tuat's application that reads all the scenery in the world

# AI Becomes the Eyes for the Visually Impaired

The daily life of modern people begins with a smartphone and ends with a smartphone. But did you know that smartphones play a very important role in the lives of the visually impaired? The application "Sullivan Plus", which is provided by Tuat for the visually impaired, acts as their eyes to see and hear the world for them. Through Sullivan Plus, visually impaired individuals can "hear" street signs, text on instant noodle packaging, and images in magazines if they set their minds to it.

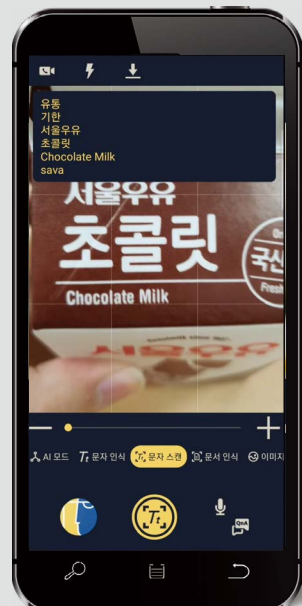
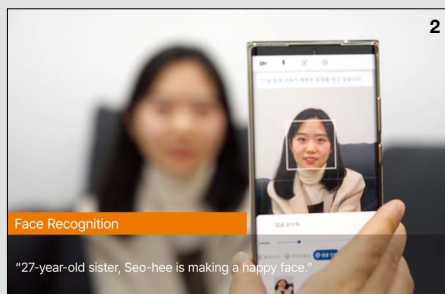


## The Scene of Tuat

In July 2018, Tuat introduced Sullivan Plus to the world. This AI-based visual aid & voice guidance application was an innovation that made the lives of the visually impaired more comfortable. In October 2019, global services were also launched. Winning the APEA Best Award at a startup pitching competition was a great help. With this opportunity, Tuat was able to gradually introduce Sullivan Plus to the world, and it naturally spread through word of mouth among visually impaired individuals worldwide. YouTube reviews and video content introducing Sullivan Plus were produced in various languages by users of Sullivan Plus. Messages of gratitude also arrived from all over the world. In particular, a student in India wrote us an e-mail saying that he was able to pursue his studies with Sullivan Plus, which greatly moved us and gave us a new mission. This single message made the monetization issue clear, which had been a concern until then. For visually impaired individuals in economically disadvantaged environments, Sullivan Plus became their eyes, showing them a new world. If the service were to be monetized, it would be like taking away their eyes and opportunities for growth. Even if we were facing the task of maintaining the existing service for free and creating a new revenue stream, Tuat did not lose faith in the belief that where there is a will, there is always a way.

From the perspective of non-disabled individuals, the first question that comes to mind is, "How can visually impaired individuals use smartphones when they can't see?" The advantage of a smartphone is that you can operate all functions by touching the large screen, but it is meaningless if you cannot see it. However, iPhone and Android-based smartphones are equipped with accessibility features such as 'Voice Over' and 'Talk Back' for the visually impaired. For example, if Voice Over is activated when you touch a specific application on the screen, the app does not immediately run but reads out what the object is. Therefore, even if you can't see the screen, you can use your smartphone through sound. In this way, even visually impaired people can connect with the world and access a lot of information through their smartphones. Various applications for the visually impaired are being developed based on these functions. Tuat, too, has developed and provided an application that reads out text and colors from photographs taken by visually impaired individuals, called "Sullivan Plus". We met Soowon Cho, CEO of Tuat, and heard her story from the beginning of the startup to the present global service expansion.





1 Soowon Cho, CEO of Tuat, says that as she gains more and more business experience after starting her business, she is becoming more aware of the meaning of social value.  
2, 4 The screen of Sullivan Plus, the application produced and serviced by Tuat. The image of the object perceived by the camera is read out loud.  
3 An actual visually impaired person is demonstrating the use of Sullivan Plus.

### Vision and Value of 'Our Work'

Soowon Cho, the CEO of Tuat was originally an ordinary office worker. Born and raised in Daegu, after seeing her friends and other people leaving for the metropolitan area after graduating from college, she wondered, 'How can talented people from Daegu no longer move out of the city and stay in the region?' The most effective way would have been to attract large corporations to the region, but this is not easy in reality, so instead, she thought that if there were many solid small and medium-sized enterprises (SMEs), young people from her hometown would be able to work without leaving the region. She talked about this idea a lot, and someone who did listen to her introduced a young software development team to CEO Soowon Cho, which led to the start-up. CEO Soowon Cho describes this process as 'starting a business by chance'. However, on second thought, the motivation behind the startup itself was embracing the social value of creating local job opportunities. That's how Tuat started. At first, the main focus was on software services. More than two years have passed without a clear purpose or goal. "Outsourcing is basically making something for someone else. When a startup founder wants to do something, we make it happen for them. As I continued doing that kind of work, I felt drained. I was only making other people's dreams come true. Employees there including myself were starting to think that we want to do 'our own work'."

CEO Soowon Cho didn't know exactly what to do, but set a goal of doing something essential, something like providing food rather than just vitamins. CEO Cho began searching for a service that was truly necessary, not something that could be taken or left.

"In the meantime, I heard that one of our team member's friends had unfortunately become visually impaired due to an illness. I created Sullivan Plus in the process of thinking about how to help that friend, which naturally led to doing 'our work'."

### World where our small adventures meet

Sullivan Plus was a project that started with a light heart at first. Frankly, from the company's point of view, outsourcing projects are like sweet honey. All you need to do is work and you can secure basic operating funds. However, at the same time,

### Talk about SPC

#### Soowon Cho, CEO of Tuat

**What are your expectations for SPC in the future?** I'm grateful to have been selected as an SPC participant and consider ourselves very lucky. Ultimately, small companies like ours need time to grow properly and establish a foundation, so I believe it will be of great help in securing that precious time.  
**You have participated in various overseas exhibitions such as CES and MCW. If you could share your expertise with other tech-related SPC companies, what would you do?** In the case of Tuat, we launched the domestic service and started the global service just one year later. We boldly pursued global expansion, thinking that it was essential, but on the other hand, I felt very helpless. I guess I was less afraid because I didn't know much. I even participated in an overseas pitching competition without fear, even though I couldn't speak English well. Then, as I tried to do things that I could do right away, stepping stones appeared before my eyes, and a path began to form. All CEOs are busy. It's an insanely busy schedule, but no matter how bothersome and difficult it is, you have to try something. Even in difficult situations, if you face them head-on, unexpected opportunities will surely come. CES, for example, offers more awards and is better known domestically than MWC. It becomes an indicator that can objectively show the value of a company. While having that kind of experience doesn't necessarily make us anything, but having that experience when we have become something, can make us shine even more.

there were limitations to the work as most of it was carried out on a one-time basis and lacked stability. When the work piled up, it would come all at once, and when there was none, there was nothing at all, so developers have no choice but to work overtime all night.

CEO Soowon Cho realized that if this situation continued, employees would not be able to find vision in the company. That's when CEO Soowon Cho decided to break away from the operating method that relied on outsourcing services and started Sullivan Plus, his own service.

Tuat started global service one year after the launch of its service. Participating in the APEA Best Award to find a way to publicize Tuat's technology to the world, and winning the award was an unforgettable experience for CEO Soowon Cho and a great opportunity for the company. After winning the award,



The signboard at Tuat office. TUAT means 'the realm of death' in ancient Egyptian mythology. However, it also symbolizes 'a new beginning, not the end' and 'light and regeneration'.

Sullivan Plus experienced a significant increase in global users as they began advertising through Google's advertising platform. This continued even after the ads ended. It was literally a 'global word-of-mouth'. While conducting market research, Tuat also discovered that there were around 150 review videos of Sullivan Plus on YouTube.

"Promoting applications for the visually impaired is challenging. Even if you do a visual advertisement, the likelihood of exposure to the target audience is low. Usually, their family or friends would see the advertisements and let them know. However, it was truly touching when I saw the users themselves experiencing our service and recommending it to other visually impaired individuals."

#### Gathering good intentions, approaching perfection in service

Tuat continued to face new challenges while carrying out the global service for Sullivan Plus. Initially, it was only available in Korean and English, but we had to meet the needs of disabled individuals in various language groups. Since then, the number of service languages has increased to 6, including Japanese, Spanish, Russian, Chinese, and even Arabic, which is a language prone to exclusion in this type of service due to its reversed writing direction. The UI and UX were also refined and provided accordingly. As a free application, all of these choices and efforts come at the expense and burden of the company. However, it was not easy to turn away those in need. Could it be that the sincerity of Tuat came through? Letters started pouring in from all over the world.

"I received an email from Italy. He asked for

Italian to be added to the application as well and even offered to do the translations himself. So many people like him from all over the world were donating their talents in translation. The awkward expressions of automatic translators have become much more natural. That's how Sullivan Plus now supports 22 languages."

Thanks to volunteers, Sullivan Plus has been translated into 22 languages, enabling visually impaired individuals from most parts of the world to hear and experience the world's scenery in their language. In the Sullivan Plus app, there is a section called 'Thanks' where the names of volunteer translators from around the world are listed to express gratitude.

#### Persistence to challenge the limit

It has been 5 years since Sullivan Plus was introduced to the world in 2018. Tuat, which had been providing free services, released its first paid service, 'Sullivan A'. It is a business-specific service that not only assists visually impaired individuals in their daily lives but also helps them perform their work more perfectly.

The existing Sullivan Plus has helped the visually impaired to become independent by converting various writings and images they encounter in their daily lives into speech. However, there were problems such as the fact that it was somewhat inefficient and time-consuming to use the service for work, as it read long amounts of text from beginning to end. The AI on Sullivan A quickly identifies the document type and summarizes the key contents of each document. You can also search for specific words in the text, and the ability to recognize information on business cards or receipts has been greatly improved. It is a two-track strategy where Sullivan Plus, which is essential for daily life, is kept free of charge, while Sullivan A, which is useful for work (ie, for users with economic means), is a paid service. Tuat is a new member of the 8th participant of the Social Progress Credit Project. CEO Soowon Cho says that she hopes a social atmosphere will be created where many companies that are working hard to practice social value can be encouraged. We look forward to the future performance of Tuat, which will steadily realize social values, and believe in goodwill.

#### Interview with Members

#### Team Leader at Tuat Chanyong Park



**Please introduce yourself.** My name Chanyong Park, and I am in charge of backhand, web development, and AI-related work at Tuat. I have been working here for about 7 years since the start of the business.

**As a founding member, it must be a unique experience to witness the growth of the company these days.** This is also the first company I joined as soon as I graduated from university. The company has improved a lot since I joined, and I hope it grows even more in the future. After coming in as a developer, we focused on outsourcing work, and one day, the CEO suggested 'Let's find our own service'. Coincidentally, a junior colleague of mine suddenly lost his eyesight, so the thought of wanting to help him led to the development of our company's service. It is part of my job, but I am very happy when many people respond positively, especially when visually impaired individuals give good feedback.

**Has anything changed while working to share social value, like Sullivan Plus?** If you look at the application feedback, you can see that not only the service itself but also the developers get support from users. I think it's because there is a perception that Sullivan Plus provides a good

service to the world. My thoughts have started to change, and I also think about what kind of service would be helpful for these individuals, not just as a workable concept. I didn't pay much attention when I saw visually impaired individuals on the street

before, but I feel that my mindset has changed since the launch of our service. I have started observing how visually impaired people behave and naturally developed an interest in where they may face difficulties in their daily lives.

**Is the junior colleague also using Sullivan Plus?** He is helping us test the service while also handling simple tasks. Our service is certainly not perfect for the visually impaired, and I personally feel that there is a lot of room for improvement. To meet those needs, we are putting effort into developing AI models that can be used in specific situations and working together to make it easier to use the mobile app.

**What kind of world would you like to live in, in the future? (Social issues you want to see resolved)** What I feel the most about is the environmental issue. Many people check the fine dust levels when they wake up in the morning to decide whether to wear a mask, right? Social inequality also seems to be getting worse. Those problems that have been somewhat neglected.

# Impact of Tuat at a glance



**Company Name** Tuat  
**CEO** Soowon Cho  
**SPC Entry Year** 2022 (SPC 8th round)  
**Website** <http://tuat.kr>  
**Mission of the company** To create a world where visually impaired and low-vision individuals do not face barriers in accessing information in their daily lives through AI technology.

## Problem

### Social issue to be solved

In 2018, Tuat Inc. launched the AI-based visual assistance voice guidance app 'Sullivan Plus & Sullivan Light' aimed at visually impaired and low-vision individuals. This app includes features such as text recognition, face recognition, color recognition, object finding, and currency recognition, helping to alleviate daily inconveniences and enhance information accessibility for visually impaired individuals. The goal is to promote social inclusion and reduce information accessibility barriers.

## Stakeholders

### Stakeholders who gain from social benefits

Visually impaired and low-vision individuals

## Solution

### Comparison with solutions in the market

- **Product & Service Performance**  
Provision of the AI-based visual assistance voice guidance app free of charge for visually impaired and low-vision individuals
- **Internal Process Performance:**  
Employment of vulnerable populations

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Enviromental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Product&Service  
Performance

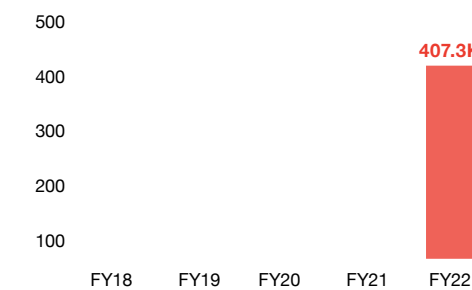
- **Product & Service Performance:**  
Compared against the average price of similar AI services

\* market prices are estimated and converted to monetary value.

## Social Performance

in thousands of dollars

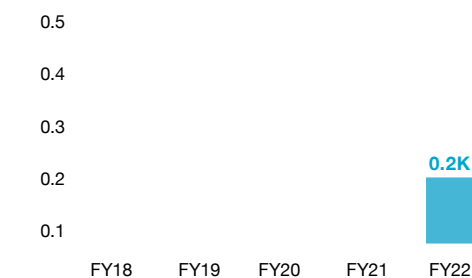
### Product&Service Performance



### Total Performance



### Internal Process Performance





Mandro's affordable 3D prosthetic hand

# Revolutionary Cost Reduction, Hope for Everyone

People who have lost their hands due to accidents or illnesses face many inconveniences and limitations in their daily lives. A prosthetic hand provides stability to users, and if they have electric functionality, it can be used more conveniently by performing actions such as picking up or placing objects. However, electronic prosthetic hands are still too expensive for ordinary people to afford. Mandro's CEO, Sangho Yi, offers electronic prosthetic hands of similar quality to overseas products costing tens of millions of won at a fraction of the price, thanks to the use of 3D printing technology.



## The Scene of Mandro

A high school student reached out to Sangho Yi, CEO of Mandro. His dream is to become a singer in the future, but he could not play the guitar due to a congenital disability. He asked for a prosthetic hand so that he could hold a guitar pick. The student's arm had only developed about half of its length, as his hand was entangled in the umbilical cord when he was a fetus. This request for a guitar-specific prosthetic hand was the first for Mandro. Since he was very busy at the time, CEO Yi pondered over this request several times.

Seeing the student's passion and hard effort, he felt that Mandro's technology could provide him with an opportunity.

Eventually, Mandro made a prosthetic hand that could hold a guitar pick and gave it to the student as a gift. He struggled to hold the guitar properly at first, but with constant practice, he is now able to play beautiful melodies using his prosthetic hand. Later, he went to university, completed a practical music course, performed concerts with his songs, and even released his album.

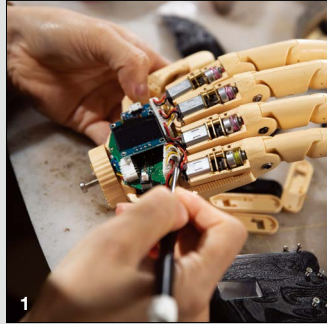
CEO Yi was greatly inspired by the fact that such a small technological solution can bring about a big change to help someone achieve their dreams. With the realization that solving the problems of people in need with appropriate technology is both necessary and truly valuable.

Mandro? It's an interesting name. You can tell that it is a company that 'makes' something, just by hearing the name (in Korean). Mandro uses 3D printing to make prosthetic hands. 3D printing is a technology that uses computers to create three-dimensional objects. This technology creates a 3D model by layering materials one on top of another. It allows for faster small-scale production, and objects can be made using various materials such as plastic, metal, and ceramic, so they are widely used in various industries. The idea of using 3D printing technology to create prosthetic hands is what made Mandro it is today.

### Doing what I love the most led me to starting a social enterprise

Sangho Yi, CEO of Mandro, decided to quit working for a large corporation after 3 years. "When I was young, I loved computer games, but I fell in love with programming. I started AI programming, and surprisingly, people reacted positively. It was something I enjoyed, and I even won awards in competitions. I realized that I can excel at something I love. I was interested in 3D printing, around the time I started my business. I engaged in various





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activities related to it and participated in networking events. Also, since my major was software engineering, I decided to develop software that would make 3D printers easier to use.”

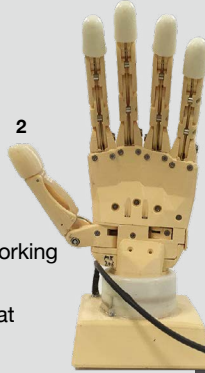
#### From talent donation to a full-fledged business

Mandro started with the vision that even an entry-level 3D printer can produce results comparable to industrial ones if good software is used. However, it was a post on the 3D printing community that suddenly led Mandro to change the direction to making prosthetic hands. The post was about a person in their 30s who had lost both hands in an accident, inquiring whether it would be possible to use a 3D printer to create prosthetic hands since imported prosthetics were too expensive. CEO Yi felt a deep sense of empathy for this man, similar in his age, had experienced such misfortune, and he wanted to help in any way possible. So, despite negative responses, he left a comment saying that he would at least try to create a prototype. That’s how Mandro’s research into prosthetic hand production began.

#### The result of countless help and trial & error

During the initial research and production of electronic prosthetics, Mandro received help from numerous people. They received usable printers, as well as assistance from patent application experts. The encouragement and support from those who recognized the value of business came together, providing the foundation for producing affordable and high-quality electronic prosthetics. The domestic electronic prosthetic hand market

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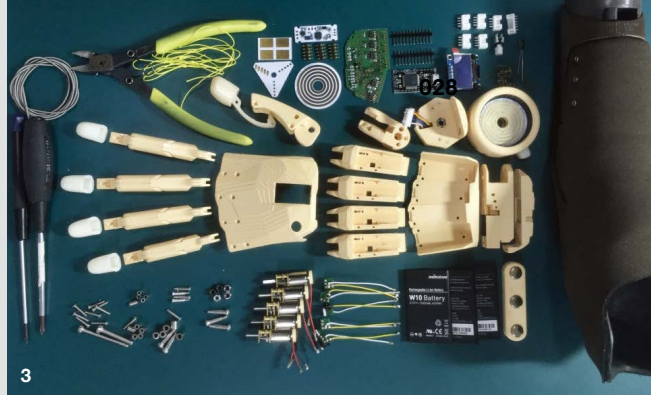


1, 2 Mandro’s mission and strategy is to use 3D printing technology to drastically lower prices while maintaining good quality.  
3 Mandro’s prosthetic hand does not use existing technology or parts, but newly develops and manufactures all the components.  
4 An electronic prosthetic hand for individuals with palm amputations, made in February 2020.  
5 CEO Sangho Yi, at Mandro’s office, reminiscent of a skilled craftsman’s workshop.

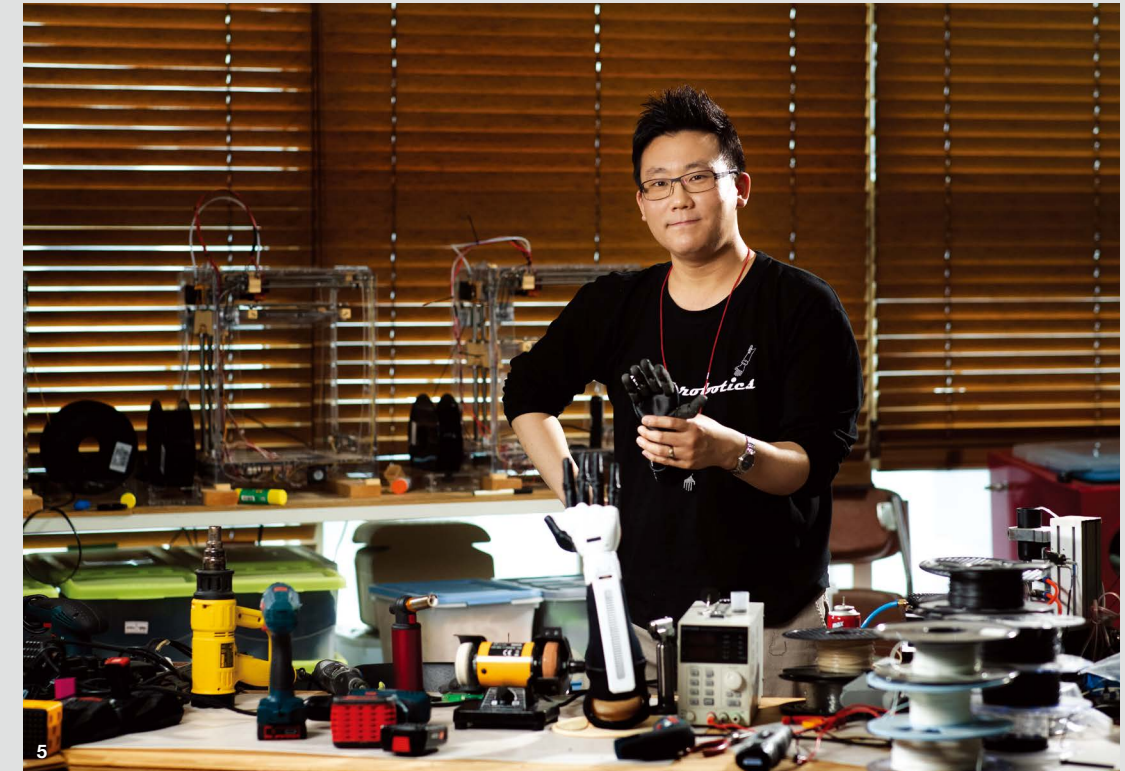


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is small, and most of the production is custom-made, leading to high prices. Traditional electric prosthetic hands were expensive, heavy, and required significant maintenance costs. For example, if you lost one hand and got an electronic prosthetic hand, the initial cost alone exceeds 40 million KRW (approximately \$35,000), and even if you buy it at a high cost, it can only be used for a maximum of five years due to durability limitations. As a result, although there is demand, the number of people actually using them is less than 0.1%. So Mandro developed and built everything from scratch, without relying on existing technology or parts, to reduce costs. They maximized the use of 3D printers and significantly reduced production costs. It is also much lighter since it is made of plastic. In July 2016, Mandro’s first electronic prosthetic hand,



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#### Talk about SPC Sangho Yi, CEO of Mandro

**What challenges did you face during the SPC’s social value measurement?** The social value created by Mandro addresses the problem of no one using the existing electronic prosthetic hands for amputees due to their high price. Therefore, the SPC’s social value measurement had to be carried out by comparing the price of existing electronic prosthetic hands, and when comparing the price of existing electronic prosthetic hands with our product, there is a difference of about 20 times. However, since the companies selling existing products are all competitors, it was not possible to obtain direct quotations. As an example, a five-finger electronic prosthetic limb from a company in Europe is delivered to a national hospital in Korea at a price ranging from 42 to 57 million KRW, but obtaining an official estimate for this was problematic because there was a conflict of interest. Additionally, since our product and technology are specific to a certain minority, the measurement itself may be easy, but there were difficulties in the measurement process, as mentioned above.

**Have there been any changes to Mandro after SPC participation?** The first change was meeting the CEOs of various companies who are interested in social impact through SPC, and receiving social progress credit to give employees more incentives to motivate them. Additionally, it wasn’t much but we were able to utilize it for the development of our new products.

**As an SPC graduate company, do you have any advice for junior companies or SPC?** I don’t think there are seniors or juniors in business, but if someone considers starting a social enterprise, I would like to tell them one thing. Achieving social impact requires significant effort, and it is important not to lose the members who make up the company during the journey to the final destination. Along with social performance, what is more, important is the relationships with the people you work with. It would be great if you could share values and vision sufficiently with those you work with so that you can overcome difficulties together.



A student of Jordan received a donation of a prosthetic hand made by students from Boseong High School during a Mandro prosthetic hand production workshop. The student shared a photo of himself wearing the hand as a way of expressing thanks.

called “Mark Series”, was released. After going through numerous trials and errors, it has been upgraded through repeated modifications and supplements until recently. Such efforts and social values of Mandro have been recognized both domestically and internationally. They have also carried out projects to produce and distribute electronic prosthetic limbs for Syrian refugees in Jordan. Before the COVID-19 pandemic, they had active sales in the Middle East and Africa. Exploring overseas markets is seen as the best alternative to overcome the limitations of the small domestic market.

#### **So that poverty is not a reason for a disability**

“There shouldn’t be anyone who cannot afford a prosthetic limb because of money.” This is the first phrase that pops up when you open Mandro’s website.

“That message is the philosophy and vision of our company. We aim to create a world where everyone can afford an electronic prosthetic limb. That’s the only purpose, so we just have to achieve it. By doing so, we naturally generate social value. However, it is also important to address the issue of whether we can earn money and sustain the company while doing this. The company needs to survive in order to continue this work. It is a problem that our company is destined to face. To solve this problem, we need to tackle challenges in a more innovative way than others do and focus as much as possible on technological development. That’s why we don’t do any marketing. We solely focus on technology. We need to create our products better and cheaper than anyone else, in an innovative way, using our own technology. We

face trial and error every day, but we believe that’s our homework, and it is necessary to solve this problem. While one might think that “selling more expensive products for profit” is a valid perspective, that would be the perspective of a businessman. Our mission, however, is to challenge the limits of costs that people have and provide our products at a price that both the company can sustain and customers can afford. That’s the challenge we are currently facing. If we can solve that, success will naturally follow.”

People who were suddenly put into a situation where they could no longer use their hands. Simple everyday tasks like holding objects, playing a musical instrument, or brushing their teeth may become tearfully desired moments for them. Mandro faces each and every customer individually and is opening up new possibilities for their daily lives that best suit each individual. With 9 years of accumulated know-how and technology, Mandro takes pride in understanding the hearts of amputees better than anyone else and being able to solve their problems. So, what are Mandro’s plans for the future ahead?

“In the long term, we want to create products and services that help people with hand disabilities live their daily lives without any inconvenience. We want to make these products accessible worldwide. If that becomes a reality, the company will become more established and stable, don’t you think? In the short term, we want to work hard this year to secure funds and expand the size of the company.” In the dedicated pursuit of Mandro’s beliefs, we can depict an image of the future when their mission is fulfilled, which is a world where poverty is no longer an “obvious reason” for disability.

## Interview with Members

### Assistive Prosthetic Device Technician of Mandro

## Hayeon Jo



**Please introduce yourself.** Hello, I’m Hayeon Jo, an assistive device technician at Mandro. I mainly work on overall prosthetic limb manufacturing and research, as well as designing sockets for prosthetic hand attachments.

**Did you major in a related field?** Yes, there is a major called Assistive Device Engineering (Prosthetics). We learn how to manufacture assistive devices such as prosthetic limbs and various medical knowledge.

**Have there been any changes in your perspective or attitude towards society while working at Mandro.** Our CEO believes that even people with disabilities who do not have money should be able to benefit from technology. However, when I was studying, I thought it was better to pursue good, high-end products, even if they were a bit expensive. But after directly meeting and interacting with individuals with disabilities at Mandro, I realized that it’s not just about expensive and high-quality products. It’s about providing products that are comfortable for everyday use. I now hope to offer more affordable

products to those individuals.

**You have been working at Mandro for the longest time among the employees. Are there any memorable customers, in particular?** As CEO Yi mentioned, making a guitar prosthetic limb for an aspiring singer was memorable. I’m very proud to see that he is one of the most satisfied users of our product. Also, there was an elderly lady who had an amputated wrist due to necrosis. Her spouse would always call us to check if there were any updates or better products available. I could feel their love because he was always concerned about the discomfort she experienced and tried to make her life a little more comfortable.

**How do you envision Mandro’s growth in the future?** Currently, we are conducting research at a rigorous pace, almost upgrading our products every month. There are many areas of conflict around the world these days. We hope to expand our market to these regions where assistance is needed, so that more people can use our high-quality electronic prosthetic limbs at an affordable price, just like the mission of our company.



# Impact of Mandro at a glance



**Company Name** Mandro  
**CEO** Sangho Yi  
**SPC Entry Year** 2019 (as 5th year SPC participant)  
**Website** <http://mand.ro>  
**Mission of the company** Mandro develops and sells affordable, lightweight electronic prosthetic hands with the fundamental principle that “There shouldn’t be anyone who cannot afford a prosthetic limb because of money”. These prosthetic hands are priced at 1/30th of the cost of conventional options.

## Problem

### Social issue to be solved

Mandro aims to create a world for upper limb amputees, who have been excluded from the conventional market, to lead better lives.

## Stakeholders

### Stakeholders who gain from social benefits

Upper limb amputees in need of electronic prosthetic hands (Sold at a lower price than the existing electronic prosthetic arms, reducing the economic burden of the upper limb amputees)

## Solution

### Comparison with solutions in the market



Product&Service  
Performance

- Development of 3D-printed electronic prosthetic hands for upper limb amputees
- Selling and distributing at a lower price than the existing expensive high-cost options

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Enviromental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices

Comparison of prices among existing 3D-printed electronic prosthetic hand products

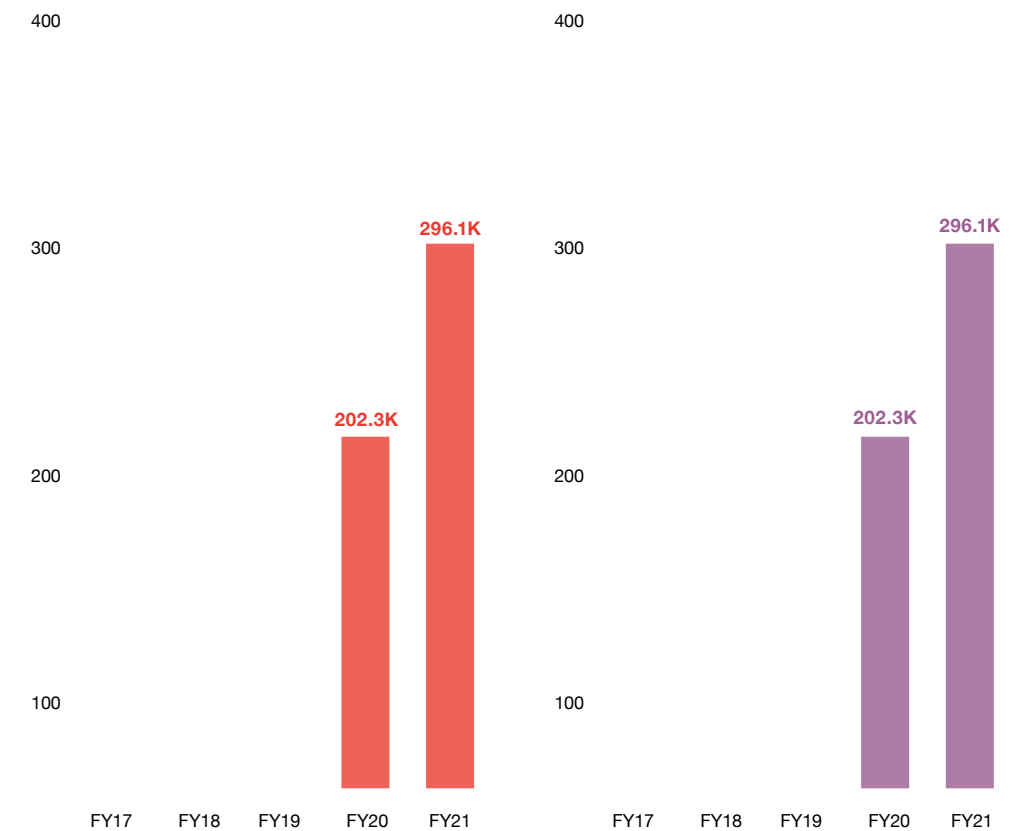
\* market prices are estimated and converted to monetary value.

## Social Performance

in thousands of dollars

### Product&Service Performance

### Total Performance





## Cizion's Solution for a Healthy Online Environment

# Vivid Online Communication without Hate Comments

Hate comments (malicious comments) refer to comments that slander or use abusive language at a specific target on the internet. Since anyone can easily post them anonymously, hate comments often contain extremely aggressive and violent content. From newspaper articles to personal posts on social media, being the target of hate comments can cause severe mental and physical damage. Cizion is a comment platform that significantly reduces the possibility of such hate comments, and is striving to create a cleaner online communication environment.

Cizion is an IT company founded in 2009 with a mission derived from 'Civilization'. It aims to contribute to the civilization of the internet world by leading proper communication through innovative technology and ideas. 'LiveRe' is the first social comment service in Korea that made Cizion what it is today. You can easily log on to it through your social media account and leave comments. When you write comments, your social media profile, photo, and name are displayed along with the comment, increasing the reliability and quality of the content. As a result, the percentage of hate comments decreases.

## The answer to solving the problem: 'start-up'

Mikyun Kim, the CEO of Cizion, recognized the seriousness of the problem of hate comments, which was a big social issue during her university years. Her thinking about solutions to this problem led to her starting a business.

Determined to solve the problem of hate comments, Mikyun Kim even took a semester off and continued to brainstorm and develop ideas together with co-founder Beomjin Kim. They also planned and conducted campaigns to reduce hate comments. Then, based on the idea that "people's behavior could be changed by one small tool", they created a widget-type comment system.

"An NGO hosting World Malaria Day contacted us, expressing their interest in using our program. We gave it away for free as we never expect to make money from it, and it was for a meaningful cause. However, after seeing it being used there, other NGOs started reaching out to us saying that they wanted to use it on their website as well. Initially, we continued to offer it for free, but the NGO, Good Neighbors asked us if we were okay with 7 million won, as that was their budget.

7 million won was a huge amount of money for us at the time. With a pounding heart(!), we developed and carried out the project with that money. That set a good example and gave us confidence. It was the first time we fully embraced the concept of getting paid for solving problems. Before, I had always had doubts and kept asking myself 'whether it is right to get paid for doing good deeds'"

## Posted comments within social relationships, the magic of hate comments disappearing

Cizion's LiveRe service is currently being used in almost all news comment sections of various media outlets. It's no exaggeration to say that almost every comment section you see below news articles is powered by LiveRe. In the past, users had to log in to each media outlet or portal to post comments. But now you can use your own



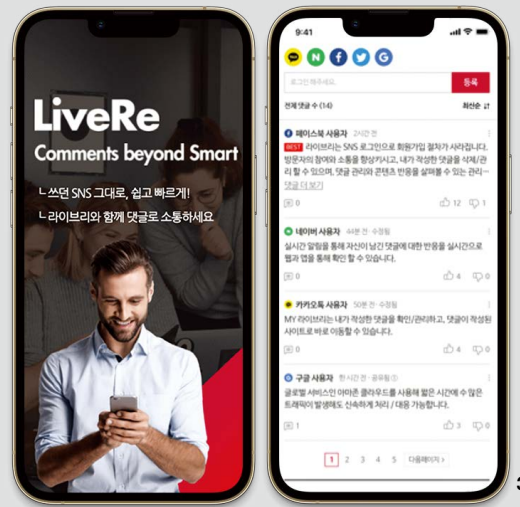
## The Scene of Cizion

Is there any way to fix hate comments? The moment that gave CEO Mikyun Kim, who was a college student, a bright inspiration, occurred during a lecture she attended after a long break from school. During a cyber communication class, it was said that there are four ways to solve problems that occur online: law, market, norms, and structure. Among them, CEO Mikyun Kim paid attention to the "structure" approach. For example, if sensors were placed on trash cans in a park, and they made an interesting sound when people threw trash in, it would naturally encourage people to use the trash cans because they find the sound fun.

Interestingly, CEO Kim learned coding instead of piano or taekwondo when she was young. Co-founder and CEO Beomjin Kim, also briefly majored in computer engineering. So the two were able to make a basic form of Live Re by putting their heads together and creating a script. It seems like a miracle where many coincidences fell into perfect harmony, but beneath it, there were countless trials and errors and worries that flowed like a river. Perhaps the trajectory of that river is what made Cizion today.



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social media accounts such as Facebook, Kakao, or Naver of your choosing to comment, enabling more convenient communication. This feature is called social commenting. Furthermore, the comments written are also shared on the user's social network, leaving a record. Since not only you but also others with social connections can see the comments, more caution is required when writing comments, which reduces the possibility of hate comments. Additionally, the ability to like or dislike comments helps filter out malicious comments more easily.

"Currently, almost 100% of media comment sections are using our platform called LiveRe. Comments written through this platform are collected on our company server, where we monitor and filter out hate comments. We used to have a monitoring team comprised of disabled

people to monitor and identify comments that are difficult for machines to judge. Nowadays, with remarkable developments in technology, most of these tasks are performed by AI. We started applying the ChatGPT technology, which resulted in the detection of hate comments has risen to 99.5%. It has become incredibly intelligent. While the development of technology is beneficial, there is also regret that we can no longer employ people with disabilities due to company management." Did you know that there are patterns in hate comments? Cizion has an algorithm that detects these patterns. First of all, spam (promotional) messages are also a type of malicious comment and have their own distinctive patterns. Additionally if offensive words appear repeatedly or if words constituting personal attacks are continuously used, the comment is identified as malicious



- 1 The majority of Korean media outlets are using Cizion's 'Live Re'.
- 2 Mikyun Kim, CEO of Cizion
- 3 Live Re, is also known as a social comment feature. It connects to social networks without membership registration, and has a great effect on reducing malicious comments through Cizion's own screening program using artificial intelligence.

and filtered out. However, just because there are profanities, it doesn't categorize a comment as malicious. Judgment may vary depending on the nature of the site or platform on which the article is posted, and context should also be identified. Through such meticulous work in filtering out comments, the number of malicious comments has significantly decreased. "When we initially introduced Cizion, around 350 media outlets were using LiveRe. Now, that number has increased to 650. The total number of clients has exceeded 1,024, up from 500. It has more than doubled. Malicious comments have also decreased significantly. In the beginning, when the service was first launched, there were hardly any normal comments. The comment sections were filled with spam and profanities, as if it was a battlefield, making it an environment unsuitable for meaningful communication. Currently, LiveRe maintains a malicious comment ratio of less than 5%, indicating a significant difference."

#### For Healthy Online Communication

Cizion is a company created to solve social problems caused by malicious comments. That mission is still at the heart of the company. "I believe that online space is a very important environment for human beings. When glaciers melt due to climate change, the oceans are filled with plastic, and animals die, we start to worry that "the Earth is sick". However, the online world is even more desolate than the offline world. Moreover, we spend much more mental energy in the online environment than in the offline one. Children make friends in the metaverse and learn about the world in it. If online communication is not healthy, our mental well-being is also at stake. Cizion is currently in charge of a very small part of the online environment, the comment section, but if the business expands further in the future, we want to develop various tools that make online communication healthy."

It has already been 14 years since Mikyun Kim founded the company with a strong Aspiration to solve social problems as a student. "It was not easy to bear the weight of being a CEO at a young age. I think it was good that I failed a lot at a young and reckless age, when I had a little more stamina. Now, at my age, I'm already shy and hesitant.

However, due to my lack of experience, I made a lot of trial and error. If I had some work experience, I would have learned how to communicate without letting my emotions interfere, with the process of dividing tasks and producing results. I started as the CEO, so I had no knowledge about HR. I think I was a really terrible CEO (laughs). I also had a sense of inferiority due to my young age. Even now, I often think that I want to work at another company and experience office life, preferably in a rapidly growing company. I want to become an entrepreneur who does not stop at being a founder and continues to pursue new values." CEO Mikyun Kim argues that social entrepreneurs should engage in chain entrepreneurship, creating businesses that continuously create new social values. We are curious and look forward to her next start-up and the social problem she will solve.

#### Talk about SPC

Mikyun Kim, CEO of Cizion

#### How were social progress credit used in Cizion?

The SPC incentive was quite large in the beginning. So, we were able to use some of the incentives we received to research and develop what the NGOs we are collaborating with needed. It was something we had always needed, but it was not possible because it was a development project that required significant manpower for at least a month or two. However, it became possible with the incentives. I think most of the funds we received were used for labor costs and research & development.

**As an SPC senior company, what advice would you like to give to junior companies?** I think all the procedures were relatively easier in our time than now (laughs). Personally, I consider "social" in "social enterprise" as an adjective. In other words, we must not lose our identity as a business. So, it doesn't mean you have to make less money to do good work. Pursuing profitability is connected to sustainability, and if you don't solve the problem sustainably, it's akin to giving false hope or torment to those affected by the problem. Then you have to come up with a sustainable model, which is really difficult. You must solve it, even if it is difficult. It will require a lot of focus and effort. You can overcome the ups and downs of reality only when you sincerely feel and sympathize with the social problems that need to be solved.

# Impact of Cizion at a glance



**Company Name** Cizion  
**CEO** Mikyun Kim, Beomjin Kim  
**SPC Entry Year** 2015 (as 1st year SPC participant)  
**Website** <http://corp.cizion.com>  
**Mission of the company** Asia's first and largest social comment solution 'LiveRe' and SNS contents. Cizion is developing and operating the review curation solution 'Attractt'.

## Problem

### Social issue to be solved

Creating a Balanced Online Culture with Freedom of Expression

## Stakeholders

### Stakeholders who gain from social benefits

General public  
 (Creating a sustainable and healthy internet culture, beyond simple web user, management of malicious comments)

## Solution

### Comparison with solutions in the market



Product&Service  
Performance

- Strengthening the effectiveness of preventing malicious comments through 'LiveRe'

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Enviromental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices

Comparing the reduction rate of malicious comments after implementing 'LiveRe' with existing solutions, such as limited user verification systems

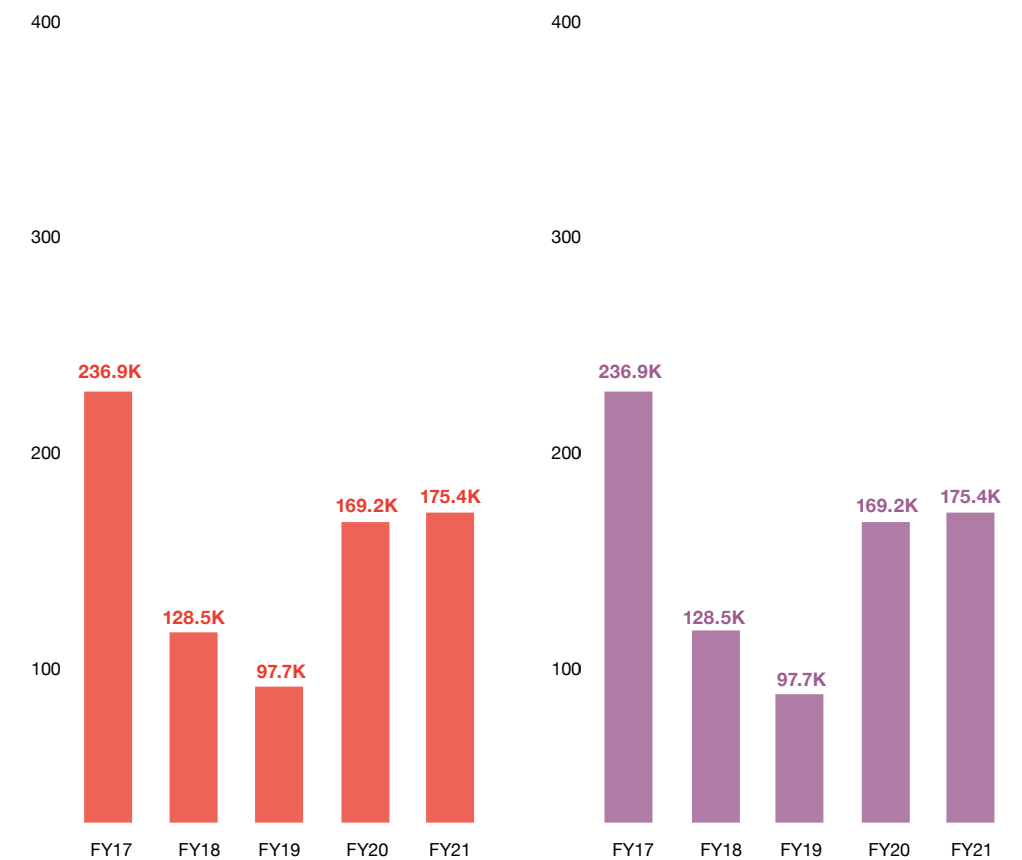
\* market prices are estimated and converted to monetary value.

## Social Performance

in thousands of dollars

### Product&Service Performance

### Total Performance





TestWorks, Non-discriminatory employment that embraces disabilities

# Difference and Diversity, Our Competitive Edge

For people with disabilities, jobs are an important issue that guarantees economic independence and social participation. However, compared to non-disabled people, there are many cases in which people with disabilities are discriminated against or restricted, making it difficult to get a job. This is caused by social prejudice and lack of information that people with disabilities are less productive than non-disabled people and will not be able to adapt to the workplace. TestWorks is a social enterprise and an AI-specialized company that goes against these prejudices and limitations and realizes social values by discovering and employing the unique abilities of the socially vulnerable groups.



## The Scene of TestWorks

This is a story from the early days of TestWorks. CEO Sukwon Yoon selected three individuals with autism as trainees and attempted to train them as software testers. People with autism have a tendency of showing extreme focus and interest in specific objects or subjects. This could be interpreted as 'having a special talent for objects and analytical skills', and CEO Sukwon Yoon also paid attention to this point.

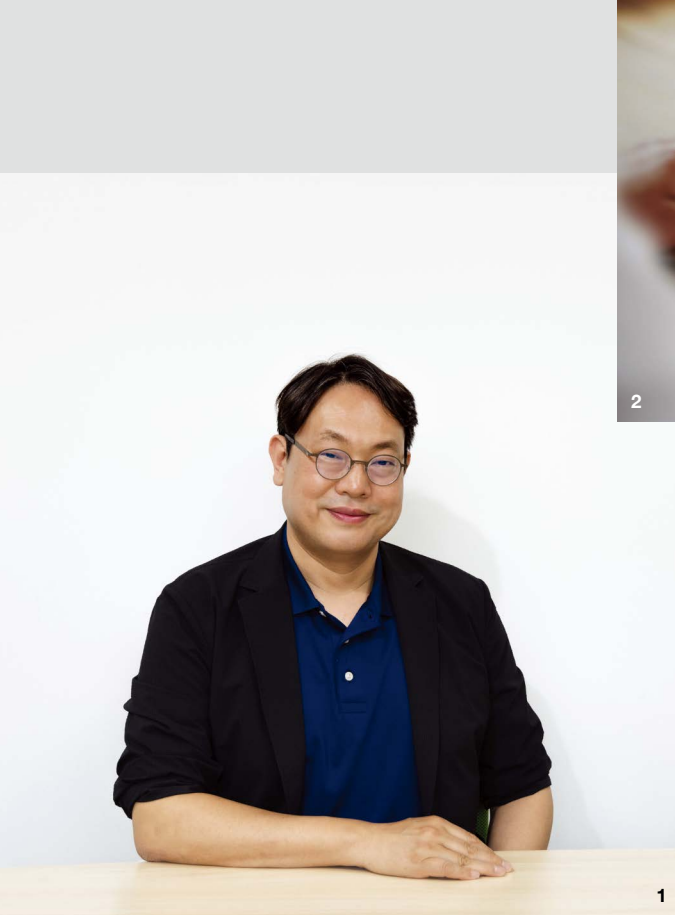
However, the education process was not always smooth. There were times when the class itself could not take place. Sometimes CEO Sukwon Yoon felt skeptical about the feasibility of the project when they would suddenly start screaming in the middle of the class, go to the bathroom freely, and not pay attention to the class at all. The classes went on, nonetheless. He also created a 20-minute class with a 10-minute break format and provided 1:1 tutor session with college students. They diversified the program by incorporating games to develop social skills and completed 200 hours of education. After that, all three of them took the international certification exam.

The results were amazing. All three of them passed the exams with outstanding scores. Having gone through a difficult process, CEO Yoon thought it would be a relief even if only one of them passed. In reality, they were all focused on the lectures and had even greater potential and possibilities than expected. CEO Yoon still can't forget how he felt then. The feeling of fulfillment when reaping unexpected results on a path that is not easy - but has to be taken. He thinks about it every day, reminding himself not to give up.

Founded in 2015, TestWorks provides a one-stop solution for the entire development process, from AI data collection to data labelling and data quality inspection for its clients. It is also well-known as a social enterprise that leads the creation of jobs for socially vulnerable groups by providing employment regardless of gender, origin, age, or disability. TestWorks has achieved both professionalism and social value realization by winning the 'Baby Unicorn 200' selected by the Ministry of SMEs and Startups in 2022 and winning the Changemaker Award in Korea in 2023. We had the opportunity to meet with CEO Sukwon Yoon and heard the many stories behind their achievements.

### Creating a Company Where the Socially Vulnerable Groups Can Work

Sukwon Yoon, CEO of TestWorks, decided to start his own business after working as a software expert at large global companies such as Microsoft and



1 Sukwon Yoon, CEO of TestWorks  
 2, 3 TestWorks provides services for the entire development process of artificial intelligence data, from data collection, data labelling, quality inspection, including data expert service.  
 4, 5 TestWorks actively employs the socially underprivileged. Also, have a variety of educational programs for these individuals.



Samsung Electronics. What prompted him to leave a stable life and venture into the uncertain path of entrepreneurship?  
 “While working at a company for a long time, I began to feel a significant lack of meaning and value in my work. The success seen within the company, such as promotion to executives, didn’t resonate with me. I wanted to do something meaningful that aligns with my values and ignites my passion. Then, I had a chance to briefly help a social enterprise that creates employment opportunities for young North Korean defectors. From that experience, I realized how important the role of a leader is. I thought I could do something if I combined my aspirations with the expertise I gained as a software engineer for 20 years, so I left the company and started TestWorks.”

#### A Tough Journey of Killing Two Birds with One Stone

TestWorks placed a mission of employing vulnerable populations at the core of its entrepreneurship, since the beginning. However, it is very difficult to achieve

both social value and corporate profit. So, there were many trials and errors in the early days of the business. As a result of delivering data processed by employees with disabilities directly to clients without inspection, contracts were terminated. One of the reasons was the difficulty in communication with individuals with autism. It was a precarious episode that emerged from solely emphasizing social value and authenticity. However, that incident served as an opportunity to establish the quality management process. The team gathered and discussed all night, cross-validated the data, and created a system to communicate with customers. With the implementation of such a system, customer dissatisfaction significantly decreased. “During the first two years of our startup, I made a great effort to design a business model where those two values do not clash. By employing people with disabilities or women with experience, we focused on recognizing their strengths and designing work in a way that allows them to excel. As they gained experience, we discovered aspects in which their

job productivity was even better than that of non-disabled individuals and made continuous efforts to connect that with productivity. For example, data processing tasks are repetitive tasks that require great attention to detail. Such types of work are suitable for individuals with autism. In the case of hearing-impaired individuals, they have a heightened sense of vision and high concentration, so we assigned them tasks that require those abilities. We also entrusted the role of managing them to women with excellent communication skills and understanding. We try not to use expressions like ‘social enterprise’ or ‘company that employs individuals with disabilities’ because we don’t want our mission to be seen as an “emotional seller” to customers. We are competing purely with technology and our skills.”

#### Social value, the driving force

CEO Sukwon Yoon had never been in the position of subcontractor (lower position) before starting his own business. He had always been the contractor

#### Talk about SPC

#### Sukwon Yoon, CEO of TestWorks

**What does Social Progress Credit mean to TestWorks?** The best part was receiving incentives based on the social value we created. We allocated a significant portion of these incentives toward R&D purposes. Initially, TestWorks started with a model of hiring employees, but then we needed to transition into a technology-based company platform or solutions. That’s when the SPC incentives were incredibly helpful. The company was able to grow based on that foundation. From 2017 to last year, our average growth rate was about 67%, and now we are one of the top-tier companies in the field of AI data. It was a huge help in R&D, which enabled us to create platforms and solutions that could support technological competitiveness. Thank you, CSES.

**What advice would you like to give to junior SPC companies?** First and foremost, I think it is important to effectively promote the social impact they create by utilizing as much imagination as possible. That doesn’t mean exaggerating social performance. In many cases, companies are not aware of the social impact they are actually creating. Imagination is required here. Additionally, while it is good to promote social impact, it is equally important to generate economic profits. So, I would tell them to try not to separate social impact and economic performance but rather strive to create a virtuous cycle structure. Once that becomes possible, the company will naturally experience economic growth, which will, in turn, amplify the social impact. So please think about such a business model.





TestWorks inclusive employment helps people with disabilities become independent and presents opportunities to plan their own lives.

(superior position). In the early stages of the business, a management consultant even told him, “This is the perfect situation for a business to fail.” If large corporations had all systems and colleagues with professional capabilities, for startups, you needed to do everything on your own from start to finish.

“I worked really hard. I put everything down and worked really hard. There were many times when I wanted to give up, but in the end, I was able to endure thanks to the employees I was working with. Working with individuals with autism, I learned that this job was more than just providing job opportunities and paychecks. The family he or she belongs to can be relieved of the burden of caregiving, and the individuals with disabilities can find work that suits their aptitude, and there is even a possibility of planning for their old age. I think we were able to do this business because of our vision, and that social value. If not for that, I would have already run away. There would be no need to do such a difficult job.”

In order to employ individuals with disabilities and keep them working, significant changes had to be made at the company. They established a support system to help people with autism from employment to the adaptation of work and created a “self-management checklist” that enables them to manage their company life on their own. This checklist includes items such as punctuality, appearance, cleanliness, email checking, basic norms and etiquette within the workplace, and work attitude. By improving the hiring process for individuals with autism and implementing a management system,

their capabilities grew remarkably. Customers that once requested termination of contract are still collaborating with us as good partners.

“Sometimes the parents of our employees with autism send me text messages or letters. They say their son gave them pocket money from their salary. It may have been our project managers who taught them, but it's hard to expect such social exchanges due to the nature of autism. It is very touching for the parents. They are very happy and say things like, ‘I feel like my child has really become a member of society now.’ Actual tests show that their intelligence, cognition, thinking, emotions, and all other areas have grown after they started working. Especially their social skills have improved to an unbelievable extent. Even the doctors say they have never seen such a case before and are amazed.”

#### **A company that grows together with diversity.**

TestWorks not only contributes to the social value of creating employment opportunities for people with disabilities but has also been growing significantly as an IT company based on artificial intelligence technology. Through years of collaboration with clients who requested data and model construction and by developing and enhancing solutions for problem-solving, TestWorks has gained expertise and technological capabilities to lead the market in AI data-centric solutions. On the other hand, TestWorks has been moving rapidly to pursue international expansion recently. In 2021, to establish a foundation for global expansion, TestWorks participated in the KSC (K-Startup Center) program in Stockholm, Sweden, organized by the Korea Institute of Startup and Entrepreneurship Development (KISED). In 2022, TestWorks initiated the establishment of a local subsidiary and a data education and processing center in Vietnam, through the KOICA IBS project. Additionally, TestWorks was selected for the KIC (Korea Innovation Center) Express Soaring 2 program in Silicon Valley, and started communication and partnerships with AI specialized companies.

“Becoming a respected impact unicorn.” This is the response of CEO Sukwon Yoo regarding their long-term goals. We hope that TestWorks, which opens new opportunities for socially vulnerable groups and always strives for mutual growth with them, to achieve that goal soon.

## **Interview with Members**

### **Team Leader of TestWorks**

**Jisu Bae**



#### **Please introduce yourself.**

My name is Bae Jisu, and I am the team leader of the Impact Platform team at TestWorks. Many people are not familiar with the name “Impact Platform Team”, so many people ask me about it. I create content to promote the social value created by TestWorks, and I am in charge of planning and operating projects related to public data.

**Why did you choose TestWorks? Were you always interested in social enterprises?** I think I may have been destined to do something like this one day, but I didn't originally work in this field. TestWorks is my third company, and I had always worked in the marketing division. My previous goals were always about attracting more customers and generating more profit. The reason I got into TestWorks was that the IT job looked promising, not specifically because it was a social enterprise.

During the final interview, I shared a story about my experience volunteering abroad in my senior year of college. At the time, people were very worried about my choice. They wondered why I would waste time on volunteering when I didn't have enough time for job preparation. They questioned whether the world would change because of it. However, when the CEO heard about my experience he said, you have had so many diverse and valuable experiences, which I

think will be a significant asset for working in this company. You have lived such an impressive life. That made me realize that there are companies that pursue such values.

#### **What kind of changes have you experienced while working at TestWorks?**

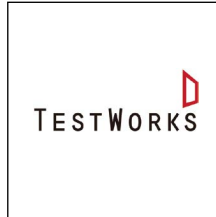
I fundamentally believe that the feeling of

fulfillment motivates people. Everyone says that self-realization happens in other areas of life, and a job is just a job, and money is just money. I also used to think that way. However, working at TestWorks has brought about a fundamental change in my values, where I realized that doing good deeds and pursuing values can also contribute to the company's future profits. I am leading a team that dedicates significant effort towards accomplishing this goal.

#### **What kind of world would you like to live in?**

I want to live in a world where I can feel happiness without trying too hard. Our society seems to demand a lot for us to be happy. We have to study hard, earn money, have successful marriages, and achieve self-realization as if happiness can only be felt by surpassing one stage after another. However, misfortune comes unexpectedly one day; sometimes several at the same time. I want to live in a world where I can feel happiness without having to work hard for it. I hope to fully appreciate the small joys in life, like good weather, or leaving work 10 minutes early.

# Impact of TestWorks at a Glance



**Company Name** TestWorks  
**CEO** Sukwon Yoon  
**SPC Entry Year** 2017 (as 3rd year SPC participant)  
**Website** www.testworks.co.kr  
**Mission of the company** As a social enterprise and IT specialist company dedicated to social innovation, we achieve social value by providing “Second Chances”, self-realization, and job expertise to women with experience, people with disabilities, and youth in socially disadvantaged groups.

## Problem

### Social issue to be solved

Growing with Employees, Customers, and Society



## Stakeholders

### Stakeholders who gain from social benefits

People with disabilities  
(In the highly competitive IT industry, where cutting-edge technologies are evolving rapidly, TestWorks aims to provide diverse opportunities to socially vulnerable groups such as people with disabilities who face challenges in employment)

## Solution

### Comparison with solutions in the market

-  **Product&Service Performance**
  - Performance of providing free employment training for AI learning data collection/processing
  - Internal Process Performance (direct employment and caregiving through employment)
-  **Internal Process Performance**
  - Improving profits for vulnerable employees through additional trading opportunities (creating flexible jobs for women with experience and people with disabilities by developing a new job called ‘Data Labeler’)

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Environmental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Product&Service  
Performance

- The estimated cost per hour when taking education in computer engineering with the goal of employment, from the beneficiary’s point of view.
- Average income of women with experience and persons with disabilities



Internal Process  
Performance

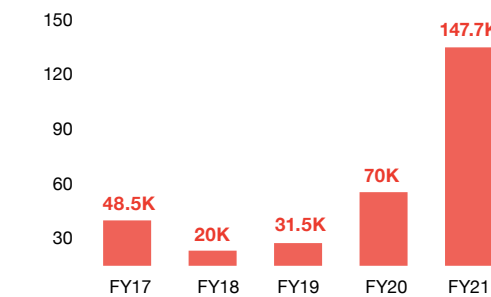
- Freelancer (Women with experience)

\* Realistic market prices are estimated and converted to monetary value.

## Social Performance

in thousands of dollars

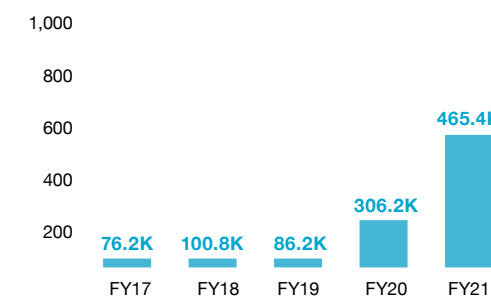
### Product&Service Performance



### Total Performance



### Internal Process Performance





Superbin Dreams of a Circular Economy through Right Recycling Culture Approach

# Earning and Playing in Recycling Culture

A circular economy aims to minimize environmental impact and pursue sustainable economic growth by optimizing resource consumption, disposal, and recycling methods. This concept stands in contrast to the conventional linear economy focused on 'resource collection - mass production - disposal.' At the forefront of South Korea's circular economy, Superbin operates as a platform for recycling resources, creating clean recycled materials from waste. Let's explore the role of Superbin in spreading a culture of responsible recycling.



## The Scene of Superbin

Before Superbin, CEO Jeongbin Kim had attempted a similar business. Upon returning from studying abroad in the United States in 2005, he established a small company called 'Smilebin'. In the Nordic countries, there were machines similar to today's Nephron back in the 2000s. This was due to the existence of a system that rewarded points for recycling, and these vouchers can be exchanges for gift vouchers. CEO Kim imported this machine and installed it in Korea, operating similarly to Nephron. However, problems soon arose. The machines imported from Europe were difficult to repair and manage when they malfunctioned. Eventually, the company had to close down. Kim felt deep remorse to his friends who believed in and helped him. This experience taught him that starting a business is by no means easy. Even though he had experience as the CEO of a company with thousands of employees, success in one area doesn't guarantee success in running a startup. However, he wanted to regain the trust of the colleagues who shared the first failure with him. He wanted to prove that their choice was not wrong. In 2015, he resurrected the past idea and founded Superbin. Initially, there was no conspicuous office, and there were only four employees. Reflecting on the challenges posed by difficult-to-manage machines, Superbin decided to research and build recycling machines. Discovering the severe reality of recycling in South Korea, Superbin has been persistently fighting the "war against trash". With the belief that someone needs to address this issue and that Superbin is best suited for the task, the journey continues.

Did you know that our diligent efforts in separating waste do not necessarily lead to recycling? As of 2020, although South Korea's PET bottle collection rate reaches 85%, the actual recycling rate is a mere 10%. Even with proper sorting, waste collection vehicles often transport different types of waste together, resulting in transparent PET bottles ending up as garbage. Globally, the plastic recycling rate is also around 9%, with an estimated 37 million tons of plastic waste flowing into the oceans by 2040.

### Trash is Money Too

In the face of overwhelming plastic waste and its environmental consequences, how can Superbin address this global challenge? Superbin tackles this massive human challenge from an economic perspective, viewing waste not merely as trash but as valuable circular resources. Using Fourth Industrial Revolution technologies like artificial intelligence, big data, and the Internet of Things,



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1 Superbin's employee lounge at the Bundang headquarters  
2, 3 The PET bottles collected by the recycling robot 'Nephron' are sent to the smart factory 'IM Factory' and are reborn as new recycled materials.  
4 Jeongbin Kim, CEO of Superbin

Superbin selectively identifies recyclable resources, offering financial rewards to participants. In simple terms, Superbin purchases recyclable waste from individuals. Represented by Nephron, a “circulating resource recovery robot” that resembles a vending machine, it uses image-sensing AI to assess the suitability of transparent PET bottles or cans. Upon approval, it rewards users with points that can be converted into cash. With 10 points per item, users can convert over 2,000 points into cash at a rate of 1 won per point. An application allows users to easily locate Nephron and manage their earned points. As of August this year, Superbin has recycled over 220,469,694 PET bottles and 92,662,908 cans, providing rewards exceeding 2.1 billion won.

#### From Collecting Trash to Processing and Sourcing in the Recycling Value Chain

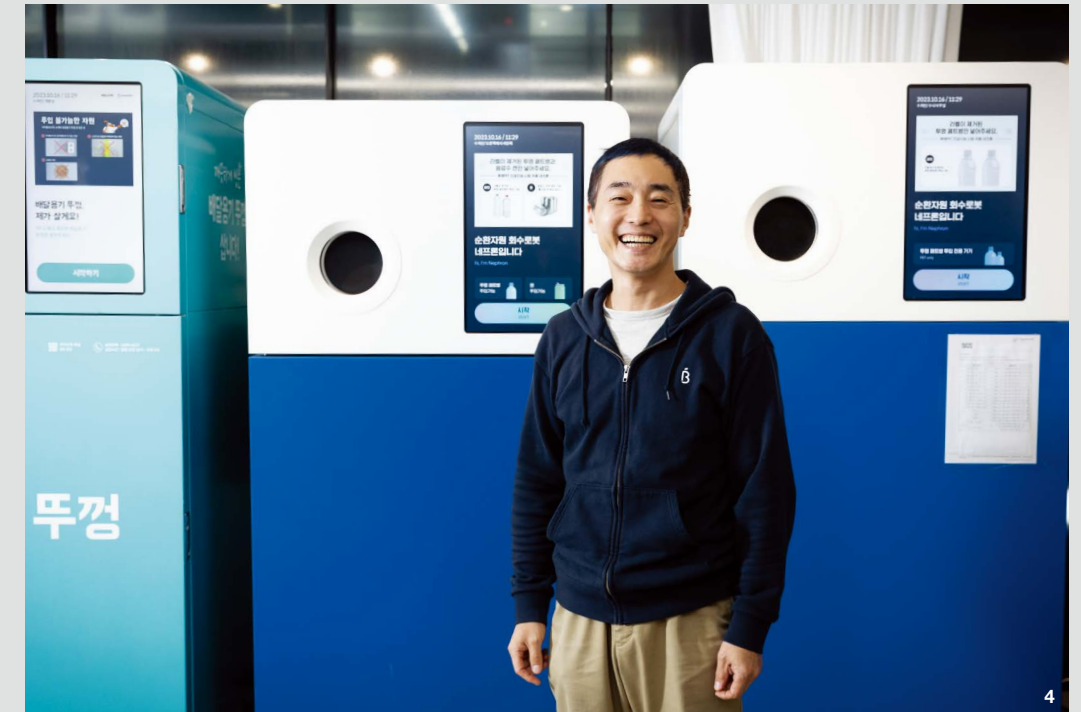
The collected circular resources are transported to factories, where they are transformed into high-value recycled materials. The IM Factory, a smart factory processing PET bottles collected by

Superbin, has invested KRW 20 billion to construct a 4,000-square-meter facility on a 13,220-square-meter site. Producing 1.5 tons per hour and 8,000 tons annually, the factory generates flakes that are sold to various affiliated companies. These flakes, in turn, become raw materials for items like PET bottles, clothing, and shoes. Major corporations such as SK GeoCentric and Lotte Chemical are investing significantly in Superbin's high-quality flakes. Recently, Superbin obtained test reports meeting safety standards from the US Food and Drug Administration (FDA) and the European Food Safety Authority (EFSA), paving the way for overseas exports.

The establishment of the plastic recycling value chain, collecting and processing recycled resources to produce high-value materials, is claimed by Superbin to be the world's first. Superbin, valued at approximately KRW 200 billion following its Series B investment last year, is receiving recognition for its business that not only reduces waste but also holds significant economic value.

“Our business model aims to create a circular

051



economy with waste. ‘Nephron’ is part of the process towards that goal. The business must generate revenue. It is fundamentally different from campaigns or public activities for social value. It involves creating a market, encouraging active participation, and generating both profit and social value. We started the business not to solve environmental issues, but we saw market potential in recycled resources. There was no grand sense of mission from the beginning, but as the business and environmental issues became closely intertwined, the awareness of this issue increased more than before.”

Superbin CEO, Jeongbin Kim explains that the founding of the company was not specifically aimed at addressing environmental issues. While it currently has a remarkably positive impact on solving environmental problems, it was not the sole purpose from the outset. His firm commitment to respecting the principle that businesses in capitalist societies must generate profit aptly describes how Superbin, along with its social value, is creating substantial economic value.

#### Talk about SPC

Jeongbin Kim, CEO of Superbin

**What prompted you to participate in SPC?** I joined SPC in 2019 based on the recommendations from people around me. For social impact businesses, SPC is an excellent and rare program - even internationally.

**Were there any difficulties during the assessment process?** Rather than facing specific difficulties, it was an opportunity for us to look at ourselves realistically. Without objective metrics like those in SPC, it's easy to exaggerate the social value we create. It seems like it was the case (laughs). Some aspects may be measured as lower value than expected, while unexpected areas receive more recognition. Such experiences keep us humble and help us understand our position better.

**What does SPC participation mean for Superbin?**

In the early stages of the business, there were financial difficulties in building infrastructure or attempting new initiatives. It wasn't easy to attract investments either. Through the incentives provided by SPC, Superbin was able to embark on challenging business endeavors. These innovative attempts are now contributing to creating social value again. SPC has become a significant opportunity for Superbin to set a precedent in the waste industry.





**1, 2** The 'Trash Series', including Trash Mart, Trash Art Museum, and Trash Cafe, is a cultural project initiated by Superbin. It provides playful cultural content to promote accurate understanding and perception shift regarding waste.

**3** Super Cube, an awareness campaign delivering circular economy education through play

**4** Plogging campaign, a joyful platform for engaging in environmental activities and solidarity

### Enjoyable Recycling Culture Proposed by Superbin

Like a joyful game, Superbin actively engages in cultural business under the slogan "Recycling is Play". To truly achieve a circular economy, it is essential for people to break away from the habit of using and discarding items without considering their value. Superbin provides entertaining and experiential cultural content for individuals of all ages, from children to adults. The "Trash Mart" is the world's first concept store where you can shop with cans and PET bottles. Accumulated points through Nephron can be used to purchase all products and various services within the Trash mart. The "Trash Museum" is a cultural space that creatively addresses environmental and waste issues through art. Here, trash becomes symbolic objects conveying messages about environmental pollution, allowing visitors to discover the value of waste. In the "Trash Cafe", similar to any other cafe, visitors can enjoy drinks and, during their leisure time, create their own objects using unique upcycling recipes. Additionally, Superbin

actively contributes to building a recycling culture through various programs. "Superbin Lucky" is an educational program allowing students to learn about recycling and the importance of the environment with enjoyment. "Super Cube" is an on-site initiative directly educating on the values and meaning of a circular economy. "Plogging Campaign (activities to collect trash on the road while jogging)" makes each individual gather and conduct activities for environment. Superbin provides a diverse range of content related to recycling and the environment and strengthens its fandom and brand awareness.

"Superbin's ultimate goal is to reshape cities to facilitate a circular economy. To transform waste generated within cities back into resources, infrastructure planning should be considered from the city planning stage. There is much for Superbin to do in this regard."

In the face of a reality everyone knows but prefers to ignore - an immense waste problem spawned by the consumer era - support is extended to Superbin for addressing it in a bright and cheerful way.

### Interview with Members

#### HR Manager at Superbin Jiyoung Park



**Please introduce yourself.** I am Jiyoung Park, the manager of the HR team at Superbin. My role involves bringing people who resonate with Superbin's journey into the company, providing various support to help them achieve their goals. I have been with Superbin for three years.

#### How is it working at Superbin?

When I first joined, the organization was small, and the systems were not well-established. Working alone made it a bit lonely and challenging, but now, as the organization has grown, the systems are taking shape, and, most importantly, we have more colleagues to work with.

#### The company space is very young and stylish. It feels quite the opposite of the typical image of a 'waste-related company'.

Yes, during my job interview, I found that aspect very appealing. The CEO has a keen interest in the arts and has a high sense of aesthetics. Dealing with trash makes us feel a bit ashamed, as it's something we are supposed to hide and dispose of. However, since Superbin is a company dealing with trash, it should be more confidently exposed to the world. The crews prefer working in a cleaner and more hygienic environment. Even the plants growing here are upcycled or rescued from being discarded. Both the office and the factory pay a lot of attention to design and hygiene.

**In your time at Superbin, have there been any changes in your perspective or attitude toward society?** Working here, the most significant change is probably in waste separation practices (laughs). In the past, I vaguely knew that we should separate waste, but now, for example, when going to a café for takeout, almost everyone uses their personal

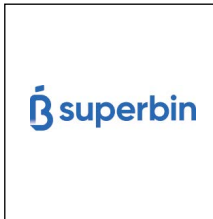
cup and skips straws and cup holders. It might not seem like a big deal, but each small action contributes to gradual change.

**What do you think is the most urgent issue that our society needs to address?** While environmental issues are the most tangible, fundamentally, we need to learn how to live together better. Most societal problems arise from conflicts, whether political, racial, or related to waste. As long as humanity

exists, waste will be produced every day, and we must coexist with it. Perhaps denying it until now has exacerbated the severity of environmental pollution. We need to learn how to live together from now on.

**What was the most touching moment you experienced at Superbin?** I remember the volunteer activity involving stray dogs. I've never had a dog, and I wasn't particularly interested in the issue of stray dogs. It was my first time holding a dog for an extended period. Among the dogs, some were very scared of people, while in the midst of that, there was one that followed people closely. While walking one of the dogs, it couldn't cross a drain cover that was about 30 cm wide. It seemed scared. So, I said, "It's okay, come here", and when I bent my knee a bit, the dog leaned against my knee. I felt a strong emotion at that moment. It made me realize that dogs also have emotions, and there's not much difference between their lives and human lives. After that, my perspective on the world became a bit gentler. While I used to live very competitively and intensely, now observing and witnessing human beings and processes seems more meaningful.

# Impact of Superbin at a glance



**Company Name** Superbin  
**CEO** Jeongbin Kim  
**SPC Entry Year** 2019, SPC 5th round  
**Website** <http://www.superbin.co.kr>  
**Mission of the company** Superbin operates a business that presents new alternatives to address the side effects of urbanization and the issues of waste generated by mass production and consumption in modern society. Superbin aims to create a culture where trash becomes money, and recycling becomes play, proving that waste holds value.

## Problem

### Social issue to be solved

Superbin strives to change people's perception of waste and promote a proper recycling culture. Through its circular resource trading platform services and recycling culture content, Superbin aims to demonstrate the new value of waste, contributing to the establishment of a sustainable recycling culture.

## Stakeholders

### Stakeholders who gain from social benefits

Local governments and recycling participants

## Solution

### Comparison with solutions in the market



- Resource consumption reduction and environmental pollution reduction through recycling



- Cost savings for local governments in waste collection and sorting compared to conventional methods

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Environmental  
Performance



Product & Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Environmental  
Performance

- Reduction in resource and environmental pollution compared to traditional disposal methods



External  
Performance

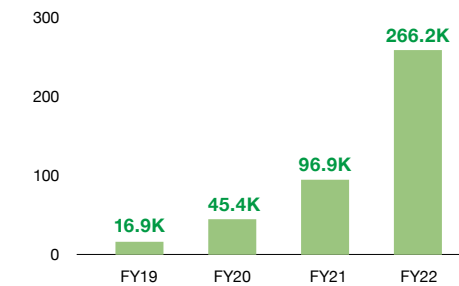
- Cost incurred by companies in handling recycled materials compared to the expenses invested by local governments in collecting and sorting recyclables

\*market prices are estimated and converted to monetary value.

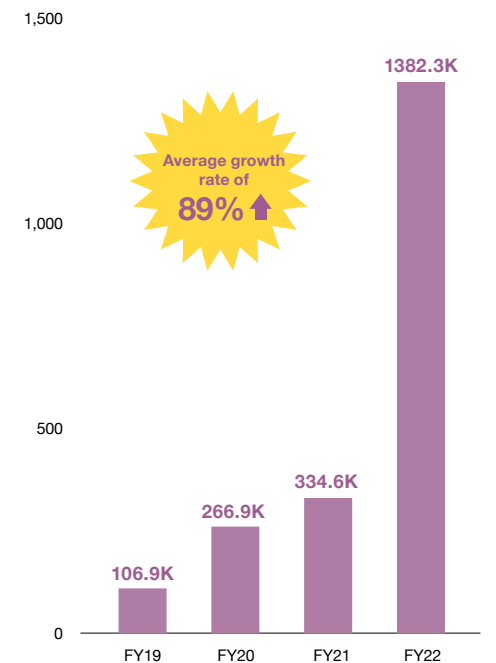
## Social Performance

in thousands of dollars

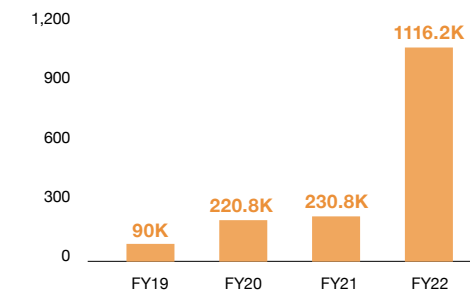
### Environmental Performance



### Total Performance



### External Performance



4EN, Reduces Greenhouse Gases with Coffee Grounds

## Green Hope Found in Household Waste

We drink several cups of coffee every day. However, the leftover coffee grounds after making coffee contribute to a significant amount of waste that affects the environment. 4EN is a business that recycles these coffee grounds into various resources. The coffee grounds are transformed into solid fuel, low-carbon fertilizers, and bio-plastics, creating new social value while addressing the climate crisis. Meet 4EN, which is contributing to reducing greenhouse gas emissions by solving environmental problems with innovative ideas and execution.



## The Scene of 4EN

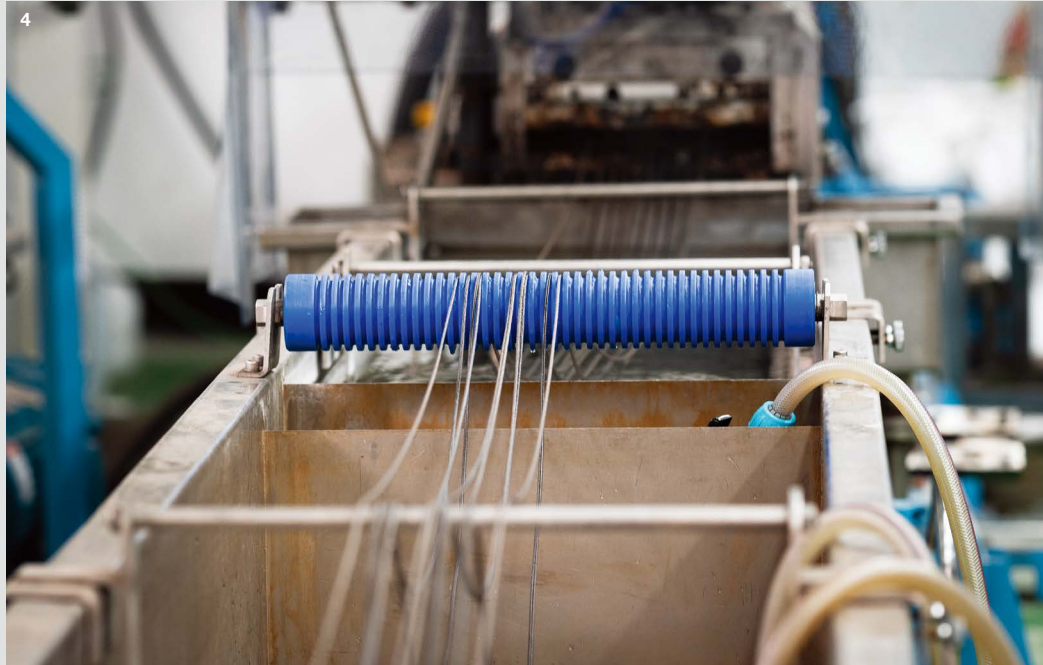
While 4EN focuses on waste collection and recycling, including coffee grounds, within the country, they also concentrate on greenhouse gas emission rights trading in overseas markets. Since 2019, in particular, they have partnered with SK Energy to initiate a Clean Development Mechanism (CDM) project in Myanmar. CDM is a greenhouse gas reduction project jointly carried out by developed and developing countries to alleviate the greenhouse gas. If greenhouse gas reduction occurs as a result of a project implemented in a developing country by a developed country with greenhouse gas reduction obligations, the reduction is recognized as the reduction performance of the developed country. This allows developed countries to lower their reduction costs by reducing greenhouse gas emissions in developing countries, while developing countries receive investments in environmentally friendly technologies for sustainable development. Through CDM projects, companies can obtain Certified Emission Reduction (CER) credits and sell them to countries with reduction obligations.

In Myanmar, 4EN has undertaken a business of producing and selling high-efficiency peanut charcoal using by-products from peanut farming. Myanmar has the lowest electricity supply rate in Southeast Asia, and gas supply is quite uncertain, resulting in the use of firewood or charcoal for cooking. The production of charcoal from wood has led to severe deforestation. Peanut charcoal, made from peanut shells and other materials, is an environmentally friendly alternative to wood/charcoal. The substitution process significantly reduces carbon dioxide emissions, making it eligible for CDM projects. However, just as 4EN was about to start the project after building a pilot factory for peanut charcoal production and completing the registration for CDM projects with the United Nations Framework Convention on Climate Change (UNFCCC), a military coup took place in Myanmar. All ongoing projects came to a halt, and all staff members had to go back to their home countries unexpectedly. It was a chaotic situation. 4EN has not completely overcome the pain yet continues to move forward. While concentrating on the domestic coffee grounds waste business, they are preparing for new business to be carried out in Indonesia. With the belief that these tribulations will serve as a foundation for the growth of 4EN in the future.





058



059

1 Most of the coffee beans we use in drinking coffee become waste that affects the environment.  
2, 4 Factory site of Seongsu-dong. Production of bioplastics using a combination of coffee grounds and existing plastics.  
3 The process of making solid fuel using coffee grounds.  
5 Factory site of Myanmar. The business has been indefinitely suspended due to a coup that occurred just before its operation.



#### Eco-friendly virtuous cycle from coffee grounds

It is said that about 15g of coffee beans are used to make a cup of Americano. However, 14.97g of this is discarded as coffee waste. As of 2019, the annual coffee ground waste amounted to about 150,000 tons, with the majority classified as household waste and buried in landfills or burned. It goes without saying that a huge amount of greenhouse gases are released in this process. Caffeine in coffee beans also contaminates the soil. Therefore, various studies are being conducted to recycle coffee grounds. This is because it is a resource that does not contain impurities such as heavy metals and has the potential to be used in various ways with its unique scent. Coffee waste is already being used as bioenergy overseas. The UK-based company "Bio-bean" produces biodiesel, ethanol, pellets, and eco-friendly charcoal from 25% (50,000 tons) of the 200,000 tons of coffee grounds generated in London. Nestlé, a coffee manufacturing company, has established a department within the group to research recycling energy and produce coffee ground pellets for

bioenergy to reduce the amount of coffee grounds being landfilled.

"As an overseas example, there is a company called 'Bio-bean' based in London, England. The company received investment from the global oil company Shell. They collected coffee waste from cafes in the London area and called it crude oil there. To put it simply, it extracts bio-refined oil and sells refined biodiesel as a fuel for London's famous red double-decker tour buses. The expenses are supported by the oil company and the City of London. We conducted a case study on that company." (Hochul Lee, CEO of 4EN)

4EN also produces solid fuel and plastics from coffee grounds and other agricultural by-products. Currently, they are partnering with Starbucks and Maeil Dairy to process coffee grounds from each company. Starbucks collects coffee grounds from each store, while Maeil Dairy collects large quantities of coffee grounds from its food factory in Pyeongtaek, which are recycled into bio-plastics and fertilizers. Since Starbucks has merchandise contracts, some products are made using coffee





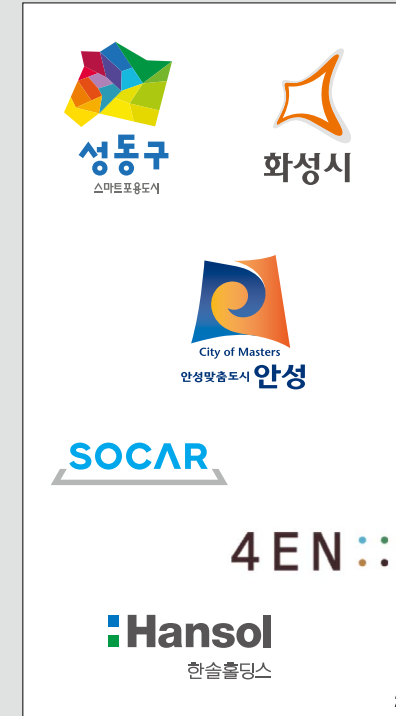
ground plastics, and the produced fertilizer is supplied to contracted farms by Starbucks free of charge. In addition, bioplastics made from coffee grounds are processed into interior materials and supplied to large coffee franchises. There is a virtuous cycle of eco-friendly activities such as creating new economic activities, growing raw materials, and decorating cafe spaces using coffee grounds.

On one hand, 4EN's largest domestic business is the "Resident-Led Regionally Balanced New Deal" project conducted by the Ministry of Public Administration and Security. For three years, the project has been conducted in collaboration with three local governments: Seongdong-gu and Hwaseong-si, and Anseong-si. It is a project in which residents of each area participate in the collection and recycling of coffee grounds from numerous cafes within the local governments. 4EN, Hansol Paper, and Socar have joined hands to establish a local resource circulation system. In relation to this, a pilot project was conducted in 2022. Local residents who were hired for New Deal jobs used Socar's electric cars in pairs to

visit 30 and collect coffee grounds. Even small cafes in the area participated in the project, creating social value such as waste reduction and job creation.

#### **Mission: Reduce Greenhouse Gas Emissions for the Future of the Earth**

4EN is focusing on the CDM business that produces and distributes agricultural by-products as alternative energy overseas, rather than the recycling coffee grounds business. The Myanmar CDM project was suspended due to a coup, leaving everything on hold, and the factories on-site. In Indonesia, 4EN is actively pursuing a biogas CDM project in collaboration with Hyundai Motors. 4EN's business goal is to improve the environment and quality of life through greenhouse gas reduction. The solution for this objective involves developing items that can replace plastics, nitrogen fertilizers, fossil fuels, and other alternatives. It is crucial to have clear numerical evidence of how much greenhouse gas reduction is achieved, especially for CDM projects that require objective indicators. 4EN has developed its own protocols



**1** 1 On the streets of Seongsu-dong. CEO Hochul Lee.

**2** The participation of three local governments, Seongdong-gu, Hwaseong-si, and Anseong-si, as well as Socar, Hansol Paper, and others, in the "Resident-Led Regionally Balanced New Deal" project has led to the establishment of a local resource circulation system.

**3** Large coffee related franchises such as Starbucks, Maeil Dairy, Paul Bassett are also important partners of 4EN.

#### **Talk about SPC**

Hochul Lee, CEO of 4EN

**What motivated 4EN to join SPC?** We participated in SPC in 2016 (as 2nd year SPC participant). Our shareholder, Impact Square, recommended us to apply for the SPC program. We expected that Environmental Performance may be measured by CSES. At that time, we already measured the reduction in greenhouse gas emissions resulting from the production of fertilizers from coffee grounds. Bio-plastics have also been included, since two years ago.

**What were the difficulties you faced, if any, during the measurement?** In the case of 4EN, we did not consider Internal Process Performance as part of our social performance measurement at all. We focused solely on the reduction of greenhouse gas emissions. Because we only acknowledged that part, the documentation process was relatively simple. You are familiar with the concept of "carbon footprint", right? It is the concept of eco-cost developed by the Delft University of Technology. We discussed how to apply this calculation formula, so there were no major difficulties. It was fascinating to see that the intangible carbon reduction effect be converted into money and actually received.

#### **Have there been any changes to 4EN after SPC?**

The SPC's incentives were very helpful. We used the incentives efficiently as we are not a company that makes a lot of money. Fortunately, we received many awards from SPC. We received a few awards, but SK gave us the most, both in the second and fourth rounds.

**As an SPC graduate company, do you have any advice for junior companies or SPC?** Nowadays, SPC has many participating companies. Since the funding is distributed among many companies, it seems like the size of the pie is shrinking. For companies with no special achievements, it might be worth considering applying weight selectively. There is a perception that if you apply, you will receive the funding, which sometimes leads to a sense of entitlement or lack of appreciation. Since companies have grown quantitatively, I wonder if it would be better if they were weighted qualitatively.







1 Bioplastic comes in many forms from small particles to construction materials, furniture materials, everyday goods, and merchandise, among others.

2 Organic coffee ground fertilizers of 4EN



and method to present the amount of greenhouse gas emissions and reductions through the projects. One of the important solutions of 4EN is the development of a protocol that can measure the effects of greenhouse gas reduction by presenting concrete numerical results in internationally accepted units. Additionally, 4EN is creating an impact report site where they can assess the social value generated from collaborations with partner companies. For example, 4EN designed the site to generate reports when individuals input data on carbon emissions reduction resulting from recycling coffee grounds, similar to a carbon footprint calculator.

"I spent my graduate school days in the Climate Change Response Research Lab. Initially, I wanted to work for an international organization like an NGO or the UN, but I was a bit old when I graduated because I went to graduate school late in the first place. I thought it would be faster to do it as a business in addressing issues such as greenhouse gas reduction and soil ecosystem restoration than to create or implement policies in an institution. At that time, I wasn't familiar with concepts like social enterprises or social economy, but it was the beginning of my journey in trying to solve social and environmental problems through business." (Hochul Lee, CEO of 4EN)

As a leading company in the clean development system in Korea, 4EN is contributing to a sustainable future by actively engaging in the carbon emission trading business. The carbon emission trading system is a system in which the government allocates annual emission permits to workplaces that emit greenhouse gases within the district limit, and allows transactions between business sites for surplus or shortfall of emission allowances rights after evaluating the actual greenhouse gas emissions of the business sites. It is a system where large corporations that need carbon credits and 4EN, with its surplus emission credits obtained through CDM projects overseas, can trade with each other. To reduce greenhouse gas emissions, which has now become a global task, 4EN continues innovative challenges domestically and overseas with professional technology and extensive collaboration. We hope the future of the earth will be greener and clearer through the active involvement of 4EN.

## Interview with Members

### Manager of 4EN Seoyoung Kang



**Please introduce yourself.** Hello. I'm Seoyoung Kang, manager of the 4EN Recycling Business Team, in charge of planning and promoting coffee ground products.

**While working, have you experienced any changes in your thoughts or consciousness due to the social values pursued by 4EN?** Although the issue of climate change caused by greenhouse gases was covered during classes in college, it was challenging to apply and be conscious of it in everyday life. However, I had the opportunity to collaborate with 4EN on a project for one of my classes. That connection led me to work here. First of all, it is very rewarding to solve environmental problems by directly participating in the recycling process of waste materials like coffee grounds and peanut shells. There have been small changes in my daily life, such as bringing shopping bags when going shopping or separating waste more meticulously.

**What was the project you did with 4EN in university?** It was a class called "Climate Change

and Impact Business", and each team was connected with a social enterprise, and we were given assignments to solve from those companies. At that time, our team was given a problem by the representative about how to make the collection of coffee grounds easier in relation to the coffee grounds business. Our team came up with the idea of conducting a volunteering activity called "Coffee Grounds Plogging". We organized a project where students collected coffee grounds while exercising as volunteer work.

**What is something you would really like to do at 4EN in the future?** Currently, our business in Myanmar is on hold due to the coup. However, if it is resumed, it will be an opportunity to expand our carbon trading business throughout Asia. Coffee ground plastic products are not yet eligible for carbon trading. If it becomes possible in that direction, I would like to take charge of the planning. Additionally, we are currently collecting coffee grounds for recycling only in certain areas, but I would like to expand this cycle nationwide.

# Impact of 4EN at a glance

4EN ::

**Company Name** 4EN  
**CEO** Ho-chul Lee  
**SPC Entry Year** 2016 (as 2nd year SPC participant)  
**Website** www.4en.co.kr  
**Mission of the company** With the business goal of greenhouse gas reduction, 4EN produce and sell low-carbon fertilizers as alternatives to chemical fertilizers and coffee ground solid fuels as replacements for coal. 4EN is also focusing on commercializing the emission trading system.

## Problem

### Social issue to be solved

#### • Reduction of greenhouse gases

Improving the environment and quality of life by reducing greenhouse gas emissions through the development of eco-friendly fertilizers and fuels. Production of low-carbon fertilizers to replace chemical fertilizers and production/sale of coffee pellet solid fuels to replace coal. Commercialization of emission trading.

## Stakeholders

### Stakeholders who gain from social benefits

General public  
 (Improvement in environment and quality of life through greenhouse gas reduction)

## Solution

### Comparison with solutions in the market



Environmental  
Performance

#### • Environmental pollution reduction performance through alternative materials

- About Low-Carbon Fertilizer (ROTO), Reduction of CO and methane reduction performance
- SK Energy and Myanmar CDM (Clean Development Mechanism/System) project: Production of peanut shell charcoal as a result of changes in domestic/overseas main business
- Production of bioplastics using coffee grounds: Partial replacement of existing PP content with bio-plastics produced from collected coffee grounds

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Environmental  
Performance



Product & Service  
Performance

## Measurement

### Measurement of solution and comparison of prices

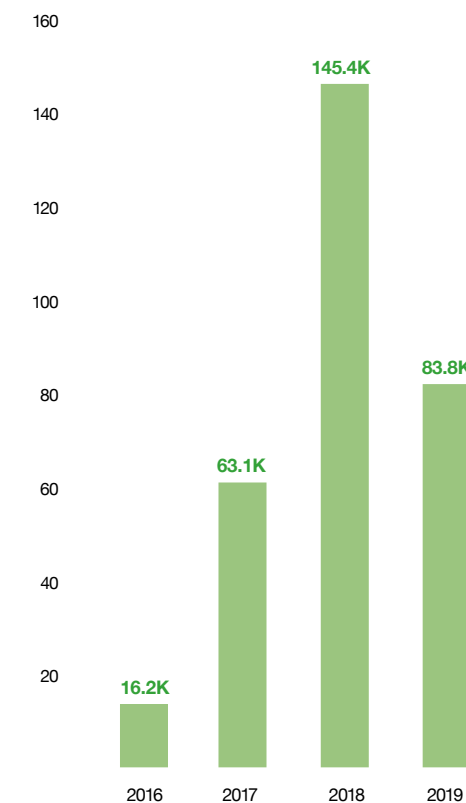
- The environmental cost (Proxy) of CO<sub>2</sub> for ROTO, Ecocost, and social cost of carbon (SCC) are applied
- Solid fuel (peanut shell charcoal) product replacement rate and CO emissions from combustion of the product (in kg)
- Bio-Based Plastics Performance measurement compared to products made of 100% synthetic resin.

\*market prices are estimated and converted to monetary value.

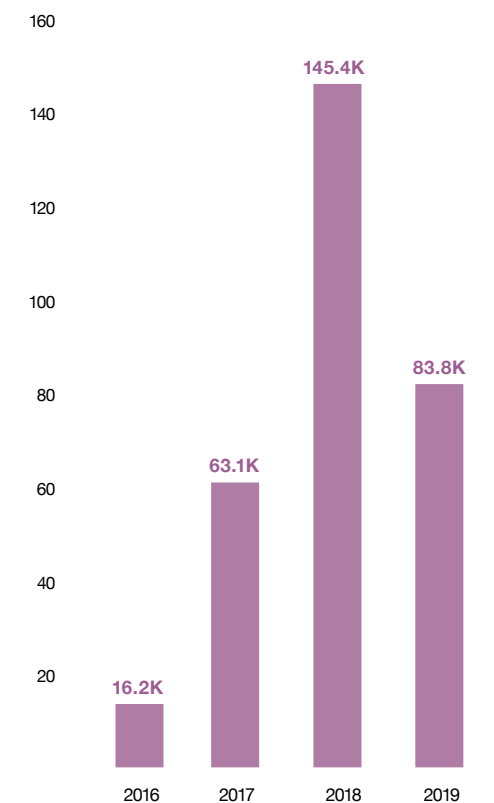
## Social Performance

in thousands of dollars

### Environmental Performance



### Total Performance







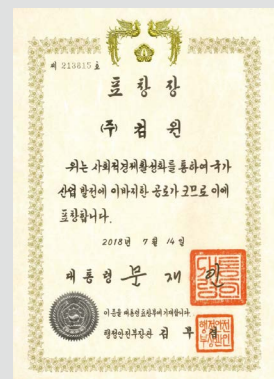
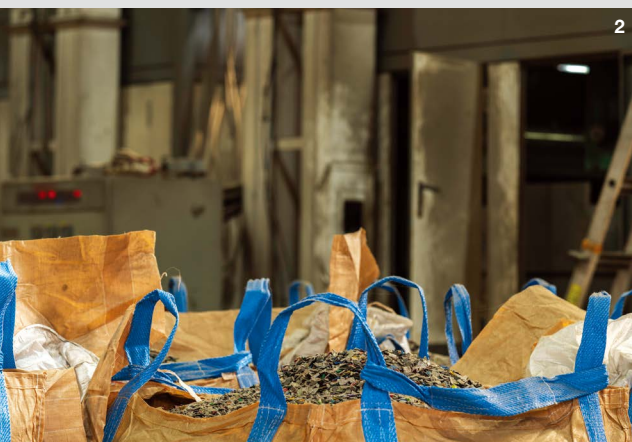




1 Founder and CEO of Comwin, Yeoncheol Jung has been leading the company since 2016.

2 Waste home appliances gathered on-site are sorted, crushed, and transformed into pellet form, becoming a new material for recycling.

3, 4 Comwin's creation of social value is widely recognized through various commendations and rewards.



3



4

#### \*Extended Producer Responsibility (EPR)

The EPR (Extended Producer Responsibility) is a system that imposes a certain amount of recycling obligations on producers of products or packaging materials, compelling them to recycle the waste generated from those products or packaging materials. If producers fail to fulfill this obligation, they are subject to recycling fees exceeding the costs associated with recycling.

did not initially start in the recycling business to solve environmental issues but rather focused on creating jobs for socially vulnerable groups. Recycling was just a feasible task. Later, Comwin expanded its operations to a circular business model by collecting and repairing or reassembling computers, laptops, monitors and other electronics for resale. In other words, Comwin's initial mission, helping in the employment and independence of the socially disadvantaged, led to the second mission of addressing environmental issues through recycling.

#### Becoming one of the first social enterprises

Comwin is also part of the first-generation social enterprise in South Korea. After the enactment of the Social Enterprise Promotion Act in 2007, it immediately received certification as a social enterprise. Interestingly, the term 'social enterprise' had already been included in the company's articles of association when it was founded in 2003, even before the term became widely used in Korea. "When the founding members, who were self-sustaining social enterprise activists, were creating the company, there were discussions about various things. During that time, we heard about the existence of 'social enterprises' in Europe. Seeing the positive meaning behind it, we thought it would be good for us to become a social enterprise. So, we included it in our articles of association. Although the social enterprise-related law came into effect in April 2007, we had already used that term four years before that, so you could say we are the 'ancestors of social enterprises in Korea' (laughs). When they initially selected social enterprises from 1 to 38, we were selected as number 33."

Comwin, which started with the recycling of discarded printers, made a significant leap in the mid-2000s. In 2004, the 'Producer Responsibility Recycling System<sup>\*</sup>' began, requiring all companies, including major corporations, to collect and recycle a certain amount (20%) of their products. A deduction cooperative was established to perform this recycling business, and Comwin joined it to represent the obligation of the producers. As the consumption of electronic products increased, the amount of waste to be recycled also grew. Naturally, the scale of the business expanded, bringing in specialized recycling equipment and hiring experts knowledgeable about plastic recycling. Meanwhile,

#### Talk about SPC

Yeoncheol Jung, CEO of Comwin

**What led Comwin to participate in the SPC?** In the early days of the SPC, when it was starting, five institutions, including the Social Enterprise Promotion Agency, jointly recommended social enterprises. We were recommended by these institutions and became the first cohort of the SPC. At that time, our representative also participated in the design of the SPC.

**Were there any difficulties in the measurement process?** Initially, it was quite challenging. We had to create evidence-based data proving the social value and impact we generate, something we had never done before. The first one or two years were extremely tough as we had to compile statistics based on a year's worth of data. We divided the work among departments, continuously creating templates and gradually becoming familiar with the process. Surprisingly, the SPC measurement became an opportunity to carry out our work more systematically. Creating data on production flows, inventory movements, and other aspects became a valuable training. We also reviewed areas that positively impacted the measurements, finding ways to reuse discarded items or discussing energy-saving measures to internally grow.

**If there is something you wish for in the SPC, what would it be?** During the last internal survey, I thought it would be good to expand qualitative assessments. For example, when considering ESG, aspects related to Governance (G) and Social (S) are typically covered by the Social Enterprise Promotion Agency or other entities. Issues like whether the board of directors is properly managed, or the composition of the board, are crucial matters. I expected there would be indicators for such aspects, but they were not included in the measurements at that time. Despite being critical issues, they were not considered in the measurements. We ensure that at least two individuals from vulnerable populations are part of the board of directors. Operating the organization in a more transparent manner is also vital for us as it contributes to creating social value. Therefore, I believe there is room for improvement in the future.

at that time, the Ministry of Education and Human Resources Development allowed Comwin to recycle discarded computers from schools for resale. This paved the way for the business to grow nationwide. However, this support was cut off after two years due to allegations of favoritism. The controversy arose because Comwin, as a social enterprise,



1 Comwin is recognized as a successful case of a self-sustaining social enterprise. With a long tenure, its members are not only colleagues but also akin to family and longtime friends.

2 As a social enterprise, Comwin engages in consistent social contribution activities beyond its waste home appliance recycling business.



received government assistance, which might have been perceived as unfair by common businesses. Subsequently, all related projects switched to a bidding system.

CEO Yeonchul Jung realized during this period that the support received as a social enterprise could be both a remedy and a poison. The discontinuation of support led to financial difficulties for the company, requiring them to strengthen their self-sustaining capability. From 2006 to 2007, Comwin went through a period of self-renewal. To enhance their internal technological capabilities, they sent employees to computer academies and recruited professional sales and operations personnel. It was a time when Comwin focused on strengthening its competitiveness to generate income independently, rather than relying on public tenders or grants, making the company more established and business-oriented.

#### Expanding Business and Vision

While Comwin started as a small self-sustaining social enterprise with the aim of job creation, it has evolved into a larger enterprise generating substantial social value and profits. The primary business model, involving dismantling discarded electrical and electronic products (excluding large appliances) and selling the resulting valuable materials or producing plastic flakes for profit,

has been sustained since the early days of the business. Additionally, key business models now include selling refurbished computers on open markets after dismantling and reassembling, providing information security services for computer storage devices through ISO 27000 certification, and refurbishing discarded electronic products from large corporations or public institutions to distribute to vulnerable populations as part of social contribution initiatives. Comwin's impact is also extending globally, with recent efforts to establish a branch in Mongolia. Plans include partnering with a university in Ulaanbaatar, repairing computers from the university and local businesses, establishing a computer repair center that can be used as a practical training ground for computer science students, and considering a new business in oil extraction from waste plastics and vinyl. In the long run, Comwin envisions producing and selling finished products using recycled plastic as a raw material.

What began as a small social enterprise for job creation has transformed into a reputable mid-sized enterprise with specialized capabilities. Comwin has faced numerous challenges and dramas on its journey to growth, and it has been made possible by holding onto the urgent goal of "winning together" – the initial heartfelt aspiration that has fueled its progress.

#### Interview with Members

Comwin, Head of Management Support Division

Hyangja Choi



**Could you please introduce yourself?** I'm Choi Hyangja, and I have been working at Comwin for 20 years. I am responsible for management support tasks, playing a pivotal role to ensure the smooth operation of the Computer Business Division and the Resource Circulation Division at the branch.

**Have there been any changes that have occurred while working at a social enterprise?**

Initially, I was not well-acquainted with the concept of a social enterprise, and I joined without fully understanding its values. After starting to work here, I realized that it is a company that realizes social value by working together with the marginalized. I also belonged to the vulnerable group when I joined. Witnessing people facing difficulties supporting each other was comforting and heartwarming. When I joined the company, it was going through challenging times, and I felt anxious. I even questioned if there was something lacking in a social enterprise. However, through education in social cooperatives and social accounting, I came to understand the values the company holds. Now,

I feel that we are growing together.

**What is the most concerning social issue these days?** It seems to be connected to work. When I see discarded small household appliances that are still in good condition, it saddens me. The easy disposal and short lifespan of items ultimately leads to environmental pollution. It worries me and it hurts my heart. The issue won't be solved by my efforts alone in recycling.

**Can you share a memorable moment that touched you during your time at the company?**

The memory of going together to inspect and acquire land for building the factory in Hwaseong is still cherished. It was as exciting as building a new home and the employees were genuinely happy. The company held more meaning for us than just a place to earn money. Receiving the SPC incentive and having all employees travel to Vietnam created truly enjoyable memories. The CEO exclaimed, 'Can't the vulnerable groups even take a flight?' and we all went together. For some, it was their first time on a plane or getting a passport, leaving vivid and unforgettable memories.



# Impact of Comwin at a glance



**Company Name** Comwin  
**CEO** Yeoncheol Jung  
**SPC Entry Year** 2015 (as 1st year SPC participant)  
**Website** www.comwin.co.kr  
**Mission of the company** Self-Sustaining Social Enterprise Communities in Ansan and Siheung districts in Korea were integrated after its foundation in 2003 during the 1998 IMF crisis. Comwin is the first nationwide metropolitan self-sustaining Social Enterprise specializing in resource recycling.

## Problem

### Social issue to be solved

Comwin practices environmental conversation, job creation and sharing for vulnerable groups.

## Stakeholders

### Target Group

Socially vulnerable groups

## Solution

### Comparison with solutions in the market



Product&Service Performance

Donations of electronic devices such as computers, monitors, and laptops to vulnerable populations



Internal Process Performance

Employment of vulnerable populations



Environmental Performance

Resource consumption reduction and environmental pollution reduction through the reuse and recycling of electronic components



External Performance

Support for non-profit organizations related to resource circulation

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process Performance



External Performance



Environmental Performance



Product&Service Performance

## Measurement

### Measurement of solution and comparison of prices



Product&Service Performance

- Price provided compared to the general market price of electronic devices



Internal Process Performance

- Employment of low-income individuals and seniors



Environmental Performance

- Reduction in resource and environmental pollution through savings from new product consumption



External Performance

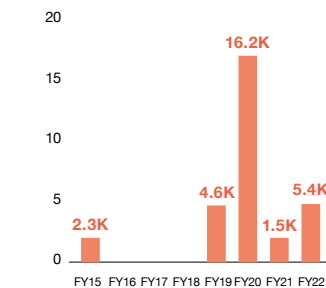
- Amount of support for non-profit organizations related to resource circulation

\*market prices are estimated and converted to monetary value.

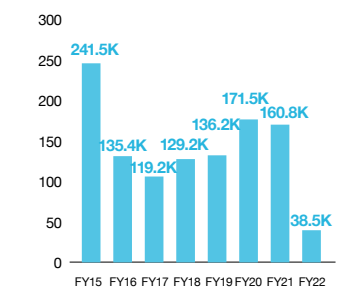
## Social Performance

in thousands of dollars

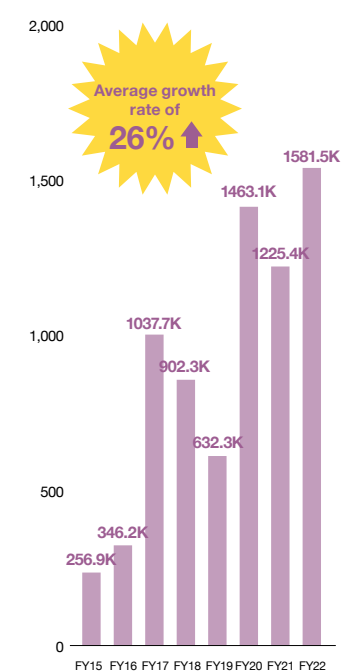
### Product&Service Performance



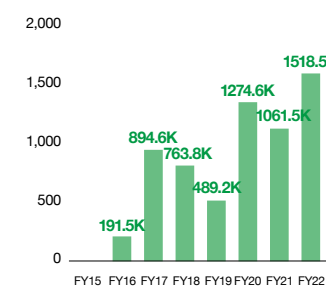
### Internal Process Performance



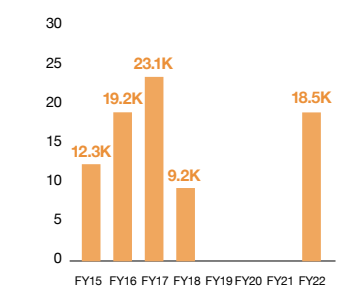
### Total Performance



### Environmental Performance



### External Performance





## Trash Busters: Transforming Disposable Items through Innovative Thinking

## Disposable Waste, Stay there!

After the moments of the lively and joyful festival pass, the ground is left with heaps of disposable waste, almost as if it's expected. Jaewon Kim, the CEO who used to work as a festival planner, questioned this situation: "Can't we hold a festival without disposable items?" This question marked the beginning of Trash Busters.



## The Scene of Trash Busters

"When I first proposed the idea of a business renting reusable containers before starting the company, everyone around me said it would be difficult. Providing cups and dishes for the massive crowds at festivals and events, collecting and washing them to provide again is by no means an easy process. However, the first festival where we actually demonstrated our idea is still vivid in my memory. We hadn't even established the company, so there were no production or cleaning facilities. We personally purchased reusable containers and provided them to the people at the festival, and the response was very positive. With an increasing interest in environmental issues nowadays, there were quite a few among the audience who shared that concern. Even those aware of such problems had to use disposable containers at festivals because bringing a tumbler or plate from home was burdensome. Offering such a service was perceived as both convenient and environmentally friendly. The warm reception gave me courage and made me realize the potential of the business. After that, challenges that everyone considers difficult didn't seem as daunting."

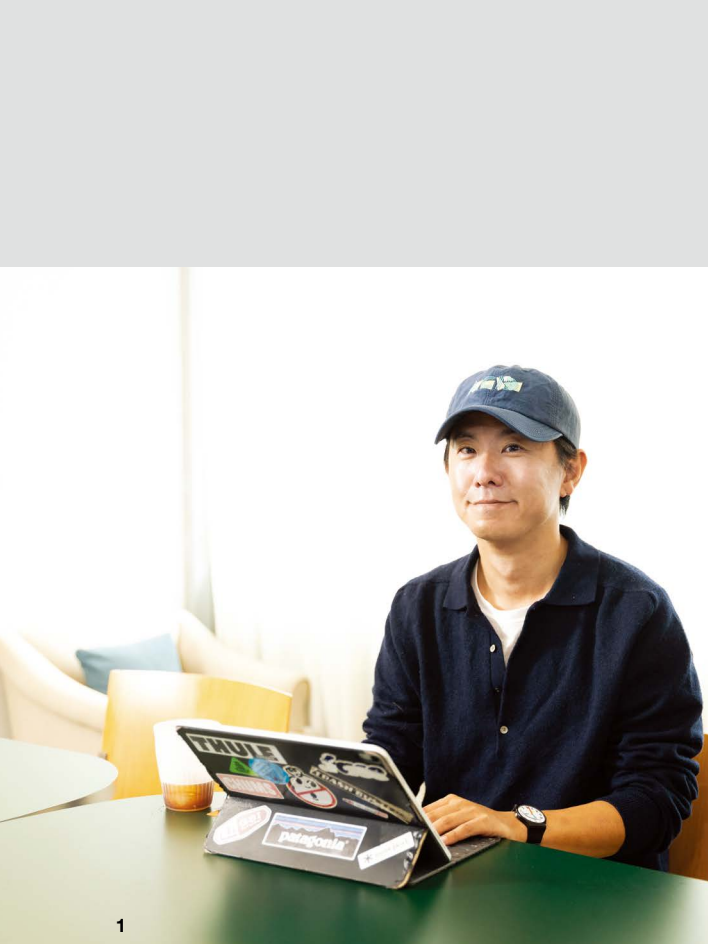
\_ Jaewon Kwak, CEO of Trash Busters

Disposable items have deeply penetrated our daily lives due to their convenience and hygiene. However, the problems we have to deal with behind this momentary convenience are excessively burdensome. As environmental issues have become a shared societal challenge, regulations on disposable item usage are being imposed in cafes, restaurants, convenience stores, supermarkets, and other stores. The psychological resistance to this change is not insignificant. Suddenly being told not to use things we've taken for granted may seem environmentally friendly, but it might also feel one-sided. The ease of using and easily discarding items that we've been accustomed to can create a sense of discomfort, as our bodies remember it. However, there is still a long way to go. The Earth is already suffering from the impact of single-use plastic items, and the disposable items we use and discard easily come back as microplastics, threatening our health. It is high time to start a lifestyle that minimizes waste (Zero Waste) by using reusable alternatives to disposable items. At this point, Trash Busters, offering alternatives that allow us to enjoy the convenience of disposable items while protecting the environment, are even more welcome.



**Left** Trash Busters' reusable container. The brand's orange color symbolizes the vibrancy of event venues.  
**Above** A witty symbol mark reminiscent of the movie "Ghostbusters".

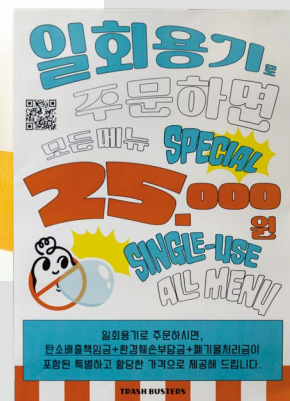




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### Cheerful Hunters of Disposable Waste Like Ghostbusters

Trash Busters certainly arouses curiosity with its name seemingly borrowed from the movie “Ghostbusters” and the surprised ghost face symbol trapped within the restriction sign. Despite being an environmental impact company, it exudes a design sensibility closer to a design firm at first glance. Trash Busters is a startup launched in 2019 to reduce disposable items generated at festivals and events.

“As a festival planner, I was well aware of the immense amount of disposable waste left at the festival sites. Working under the jurisdiction of the city of Seoul and organizing festivals, I became aware of the city's concerns about environmental issues. They wanted to solve the problem but found no viable solution. So, I thought, what if we provide reusable containers at festival sites, collect and clean them for reuse? That could be a solution.”

CEO Jaewon Kwak came up with the idea of replacing disposable items generated at festivals with reusable items. Then, during the ‘Seoul Popular Festival’, where he was the director, he tried using reusable tableware as a pilot project. The results were astonishing. The 100-liter garbage bags that used to number over 400 every year decreased to just 5. Discovering the potential, he prepared for the business and opportunistically applied for the ‘Seoul Youth Impact Investment’, which was recruiting participants at the time. They received a seed fund of KRW 600 million over two years.

Subsequently, four co-founders from different fields—Jaewon Kwak, festival planner; Jaekwan Kim, brand

### Talk about SPC

Jaewon Kwak, CEO of Trash Busters

**What motivated you to participate in SPC?** SPC is a well-known program for impact businesses, as most people are aware. When we provided reusable containers instead of disposable items, there were social costs associated with the reduction. SPC measures these aspects and offers incentives based on our efforts, the reduction in disposable items, and the benefits that come back. I found this program very attractive. Although I wanted to propose such ideas to local authorities, I am grateful for the opportunity to be part of SPC and I am utilizing it well.

**Were there any difficulties in the measurement process?** Finding criteria that perfectly fit our situation was quite detailed and challenging. Each company has different conditions and circumstances, so aligning with the SPC's standards, even if it doesn't exactly match ours, was a bit disappointing. However, now we are in the process of creating our own measurement method. We feel the need for more objective measurements to understand how much we can reduce carbon emissions and contribute to society.

**A word for fellow SPC companies** Even if it's tough, just 'Hang in there,' and find a way to survive. In the early stages of entrepreneurship, it's natural to face difficulties without revenue or investments. But if you look around, there are many support programs. There are also many programs for entrepreneurs. In our first year, I think we received support from at least eight different programs. If you actively seek ways to survive, opportunities will surely come.

consultant; Dongyeol Kwak, installation artist; and Anna Choi, designer—came together to combine their strengths. The fresh sense and adventurous branding of Trash Busters originated from these co-founders. The beginning of Trash Busters was smooth. They received timely investments and, after officially launching the service in 2020, they received inquiries from over 300 events and festivals. All were facing similar concerns. Trash Busters reduced disposable item usage for F&B companies participating in events by renting reusable containers, allowing them to save on waste disposal costs. Regular customers paid a fixed deposit to rent tableware and received a discount if they purchased food on-site. With the experience and know-how accumulated at festival sites, they considered expanding into larger facilities like cinemas, sports stadiums, and even the delivery industry. However, the COVID-19 pandemic led to



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- 1 Jaewon Kwak, CEO of Trash Busters
- 2, 4, 5. Scenes from Trash Busters' office in Mapo. Everywhere, you can find the mission of recycling and a circular economy.
- 3 Stylish and witty communication conveys recycling as a 'hipster' culture.
- 6 The reusable cups provided through the rental service are reused over 200 times and then recycled again.





1, 2, 3 Trash Busters in action at festivals and event venues. The use of reusable containers dramatically reduces single-use waste. technology or parts, but newly develops and manufactures all the components.

the cancellation of all events, posing a crisis for Trash Busters.

#### Turning Crisis into Opportunity, Embracing New Challenges

The services were planned for events and festivals, but with social distancing, people could no longer gather. It was indeed the worst-case scenario. "The business started just as COVID-19 broke out (laughs). We opened the service, and the next day, there was a confirmed case in Daegu. Until then, the response had been great, with hundreds of reservations, but they all got canceled. So, our first-year revenue was zero.

We had about a dozen employees, and there was no money to pay their salaries. We couldn't just wait. Even with COVID-19, we had to keep the company going. So, we proposed our reusable container rental service to large corporate cafes, locker rooms, etc." By quickly updating exit strategies according to the situation, Trash Busters increased awareness not only at festivals but also in everyday life. As the duration of social distancing daily life increased, and with the rise of social issues surrounding packaging materials for takeout food, Trash Busters' service was attractive from the perspective of companies that needed to implement ESG management. Large companies such

#### Interview with Members

Trash Busters, Brand Marketing Team, Responsible PD

Sangjoon Lee



**Please introduce yourself.** Hello, I'm Sangjoon Lee, the leader of the Brand Marketing Team at Trash Busters. I handle overall external communication, including social media, PR, and external events. **Trash Busters' witty and distinctive branding is memorable.** While we are engaged in socially meaningful activities, we believe it is crucial to appeal to the public. From the user's perspective and the general public's perspective, we strive to create a sense of immediate likability and a desire to join. Wit and distinctive elements are considered factors that resonate in that context.

**How has your perspective or attitude toward society changed while working at Trash Busters?** While working, I have always had the thought that "I hope my work has a positive impact on society." Even before joining, I was aware of Trash Busters and found their work very interesting. I had the chance to join through a good opportunity. Since

then, I have naturally become more concerned about environmental issues. The most significant change is that the number of souvenirs I buy when traveling has decreased. the awareness of the issue of using something once and then discarding it has grown. It continues to be a conscious effort. **What is the most urgent problem our society needs to solve, and what kind of world do you want to live in?** There

are several issues, I think. The problem of regional extinction and the consequent disconnection of people is a significant issue. That's why I am currently interested in the local activities of young people. I hope our society can pursue various ways of being self-sustainable in the future. It would be great if we could break free from the pressure of where we should live if we have property or where we should live if we have children. Respecting each other's diversity and living freely would be ideal.

as Samsung, Naver, Kakao, KT, and GS became customers of Trash Busters. When each company places an order for the required quantity, Trash Busters' agents deliver clean reusable items, collecting the ones used the day before. Since recovery rates are crucial for the environment, users are encouraged to return the items.

#### For a More Friendly and Entertaining Circular Economy

As of October 2023, Trash Busters has reduced the number of disposable items by 26,469,077 (Trash Busters website). The sight of festivals marred by trash is

gradually changing along with the increasing numbers. "We started the company because we wanted to solve environmental problems, but fundamentally, we provide services for people. If we become a brand that is more famous and everyone wants to use, ultimately, we can better address environmental issues." The reusable containers provided by Trash Busters are used more than 200 times. Afterward, instead of being discarded, they are transformed into flakes and used to produce new cups. Continuously recycling while reducing the number of times disposable items are used, people are rediscovering the value of 'reuse', making the foundation for a circular economy even stronger.



# Impact of Trash Busters at a glance



**Company Name** Trash Busters  
**CEO** Jaewon Kwak  
**SPC Entry Year** SPC 6th round (Incentive)  
**Website** <http://trashbusters.kr>  
**Mission of the company** Trash Busters is creating a system that allows consumers to practice reuse without changing their habits by renting and cleaning reusable tableware instead of using disposable items.

## Problem

### Social issue to be solved

Innovatively reduce the use of disposable items by creating a reusable container rental system as convenient as disposable items.

## Stakeholders

### Stakeholders who gain from social benefits

Consumers of reusable tableware

## Solution

### Comparison with solutions in the market



Environmental  
Performance

Reduction in resource consumption and environmental pollution through the use of eco-friendly material alternatives.

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Environmental  
Performance



Product & Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Environmental  
Performance

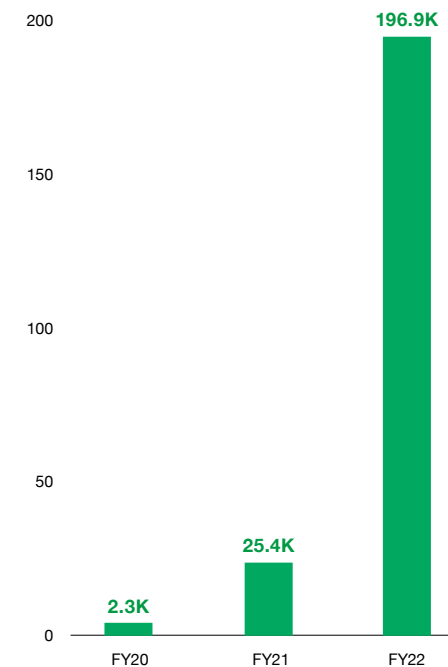
Reduction in resource consumption and environmental pollution through the reuse method compared to traditional disposal methods.

\* market prices are estimated and converted to monetary value.

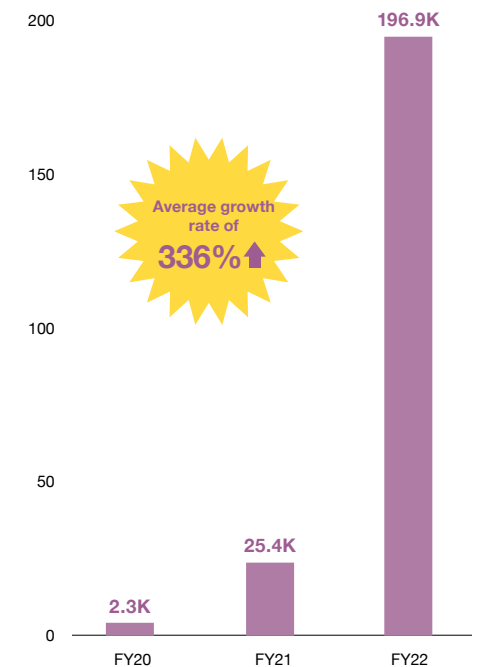
## Social Performance

in thousands of dollars

### Environmental Performance



### Total Performance





**Dongbu Care, Leads the Way in Customized and Highly Personalized Elderly Services**

## The Country for Old Men

According to the UN, South Korea's elderly population is projected to reach 37.8% by the year 2050 and would be the world's most aged population (UN World Population Prospects, 2003). Dongbu Care, recognizing this demographic trend early on, swiftly initiated care services, continually improving the quantity and quality of services to enhance the lives of the elderly. With a commitment to the value of 'together' rather than 'individual', Dongbu Care strives to breathe life into the ecosystem of social care services, shaping the narrative of their story.

## The Scene of Dongbu care

What happened to her last night?

Many of the elderly individuals receiving Dongbu Care's Day care services are living with dementia. One common symptom of dementia is wandering behavior. Those with a tendency to wander often walk endlessly whenever the opportunity arises. They may move in one direction without stopping for long and, if not found quickly, there is a significant risk of getting lost or having accidents. Therefore, with the family's consent, a location-tracking device is attached to a necklace as a precautionary measure. Early one morning on a weekend, Yeonkyoung Choi, a social care giver at Dongu Care, discovered that the GPS location of Mrs. Jung was moving, and she was not at home. Mrs. Jung has tendency to wander and, despite being brought home the previous evening to rest, her location was gradually moving to an unexpected place. Ms. Choi set out to find Mrs. Jung and she discovered her with her walking frame later that morning. The walking frame was covered in weeds. Mrs. Jung, sitting beneath a ginkgo tree and collecting its fruits, looked up with surprise and asked, "What brings you here? Are you here to pick wild greens too?" Mrs. Jung explained that she came here to pick fresh wild greens. She proudly showed off the walking frame full of weeds. Ms. Choi comforted her, folded the walking frame, loaded it into the car and brought her home. On the way back, Mrs. Jung insisted, "I want to have loach - fish soup. Let's eat together. I'll treat you!" So, they stopped by a restaurant. How did Mrs. Jung, who spent the night tirelessly picking wild greens, view her world? Unlike other dementia patients, the frequent events that unfold are faced with smiles instead of tears, leaving behind small but meaningful memories and less frustration and confusion. Dongbu Care's team continues to work hard today, ensuring that these occurrences become cherished memories rather than mishaps.

### **'A Common Realization:**

#### **Someday, I'll Also Be an Elderly person'**

Dongbu Care is a social enterprise that is continually expanding its scope to provide various care services that may be needed at home. Starting with elderly care, it aims to provide care and customized services for all individuals at home, including children, pregnant women, support for activities involving people with disabilities, bath visit services, day care services where seniors come in the morning and return in the evening and short-term cares where individuals can stay briefly. Mr. Nakcheon Jin, the representative of Dongbu Care, worked for more than 20 years at the National Health Insurance Service (NHIS). When he was working at NHIS a pilot project for the





1 The front view of Dongbu Care Day Care Center. This space is fully decorated with the outcomes of various recognition programs and activities.

2, 3 Service users in the center participate in the activities voluntarily. They choose the activities based on their preferences and spend times to participate in the programs, dining, social activities, or watching TV.



introduction of the long-term care insurance system began in 2005. Supporting that project, he thought about himself and where he would be in 30 or 40 years. He belongs to the so-called Baby Boomer generation, the last generation capable of caring for their parents, but his generation will not be able to receive such care. If so, there would be an explosive increase in demand for elderly welfare services along with the explosive increase in the aging population in the next 30 to 40 years. He thought, “Someday, I could create a service that I can be satisfied with as an elderly person”. After retiring with honor in 2007, CEO Mr. Jin turned his once vague business idea into a reality since it was his area of expertise, and he could be proud of doing his duty.

In 2008, he opened four centers in four locations simultaneously, namely Pyeongtaek, Osan, Yongin, and Hwaseong, aligning with the implementation of the long-term care insurance system for the elderly. This marked the beginning of Dongbu Care.

### Predicting Future Social Issues, Leading the Care Business

When Mr. Jin set out in the elderly care business, there were concerns and skeptical voices from those around him. At that time, the aging society issue was not as tangible as it is today. Some even called him “insane.” His pursuit of addressing future problems through work may have seemed reckless, akin to Don Quixote’s reckless challenge. However, he was confident. In a society where people are expected to live up to 100 years, the risk of diseases such as dementia and stroke will inevitably increase. Social expenditures, such as state-led pensions, will also rise. A massive market related to elderly issues would emerge, forming what is known as an elderly-friendly industry. He believed that by entering such a market, there can also be financial gains while offering value for money. Providing home care, nursing and care services by employing the middle-aged and creating jobs could solve both the unemployment issue and the elderly care problem simultaneously. Currently, over 65% of Dongbu Care’s employees come from vulnerable groups while their workforce is composed of mostly middle-aged and senior individuals. They have also put effort into operating an education center to train professional

caregivers, conveying the meaning and mission of caring services. Recognized for creating social value that captures both aspects, Dongbu Care received social enterprise certification in 2013 and became a role model for social enterprises, gaining media attention. Subsequently, Dongbu Care has been working towards creating a sustainable cycle by reducing the burden on the elderly using the long-term care insurance system and providing continuous job opportunities for the middle-aged and seniors. As the market grows, this cycle forms an ideal structure where both jobs and service beneficiaries increase.

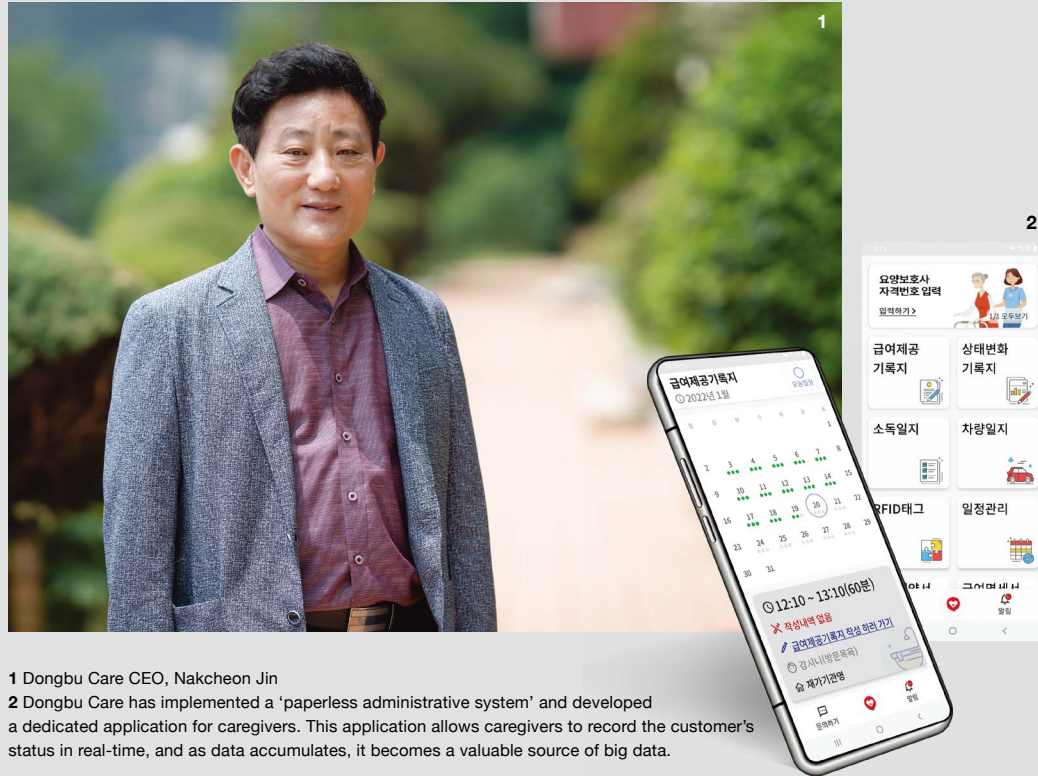
Japan, which became an aging society 30 years ahead of South Korea, has successfully established and stabilized the ‘Silver Industry’. The term ‘Silver Industry’ emerged practically in the late 1970s as Japanese private companies began showing interest in the market targeting the elderly due to Japan’s demographic shift. Japan’s Silver Industry initially experienced repeated quantitative growth under the active leadership of the government. With the revision of the long-term care insurance system in 2006, private sector participation increased, and consumers entered a qualitative maturity stage where they could directly choose high-quality services. Therefore, services are finely segmented and provided according to the age groups of the elderly population. This was possible because the Dankai Generation (‘団塊の世代’, Baby Boomers) that had enjoyed Japan’s economic prosperity transitioned into the elderly population, remaining economically powerful consumers.

### Advanced Care Services Enhanced by Big Data and Artificial Intelligence

In contrast, South Korea’s situation is a bit different. The country has experienced unprecedented rapid growth, leading to a significant generation gap. “It has been divided by the traditional family structure that elderly individuals are the decision-makers and the modern family structure that all consumption and decisions are made for the children. The current elderly generation sacrificed their lives for their families, and they might be the last generation to receive filial piety. The cost of the services they receive is mostly borne by guardians (children). Therefore, they cannot choose services







1 Dongbu Care CEO, Nakcheon Jin

2 Dongbu Care has implemented a 'paperless administrative system' and developed a dedicated application for caregivers. This application allows caregivers to record the customer's status in real-time, and as data accumulates, it becomes a valuable source of big data.

for themselves. On the other hand, the current generation in their 30s and 40s, who did not have the experience of traditional extended family, will face their parents' aging without knowing anything about the life of the elderly. At that time, the culture may not be one where children support their parents as it is today. The elderly themselves will have to choose and decide which services they want.” (CEO, Nakcheon Jin)

Therefore, most of the care services currently implemented are standardized and consumers can only take a passive stance. Proactively entering the Silver Industry, Dongbu Care is now contemplating service quality improvement through close communication with consumers. Based on various cases and data collected since its establishment, Dongbu Care aims to develop age-specific tailored services for the elderly. They plan to provide differentiated care at each stage based on the physical/psychological changes due to aging in

their 60s, 70s, 80s, and 90s.

For such personalized services to be possible, a large amount of accumulated data over a long period is required. CEO Jin takes pride in Dongbu Care's competitiveness originating in this aspect. As of 2025, they have collected data from and researched numerous elderly individuals for approximately 17 years. Their goal is to process this data using artificial intelligence technology and create customized services. The data, meticulously recorded and accumulated by caregivers about each elderly person's preferences, health conditions, living environments, etc., plays a crucial role as big data. To facilitate this process, Dongbu Care has developed a dedicated application, allowing caregivers to conveniently record the customer's status in real-time.

“To provide services suitable for the era of the elderly, we must read the thoughts and emotions of the elderly well. Our caregivers, who spend

#### Talk about SPC Nakcheon Jin, CEO of Dongbu Care

**What led you to participate in the SPC?** We participated in the Impact Investment Contest organized by the SK Happiness Foundation. When receiving impact investment, don't we get reviews on what kind of company we are? At that time, SK Group suggested creating a measurement tool to assess social value in collaboration with university professors. We started with five sectors, but through the recommendation of the SK Happiness Foundation, we also participated in the social service sector. We had meetings on how to objectively quantify the social value created in each sector and what criteria to include in the measurement tool. The whole process was our pilot phase.

**From 2016 to 2018, you won the Social Progress Credit Award three times in a row, recognizing your social value.** We believed that it would be impossible to address the elderly issue on a small scale, so we focused on expanding from the beginning. Predicting the arrival of an ultra-aging society in 2025 and assessing that a market for elderly-friendly industries would form, we aligned all our future visions with the target year of 2025. By expanding, we could reach a larger vulnerable population and enhance our service capabilities compared to smaller entities. However, a lot of resources would have been invested in creating that value and economies of scale would amplify the social value significantly. Going to the second SPC Awards was much more rewarding than the first time. Previously, when we combined the volume of financial aspects with the social value we measured, it was like, 'Is it over KRW 1 billion?' However, participating in the second SPC Awards made us think, 'Are you rewarding us this much? Then, next year, we could provide more social services to vulnerable groups and increase the impact.' As a result, we achieved over 100% growth in the following year, around 115% in the next award cycle. While our company had its own future plans and conducted business accordingly, being recognized with '115% growth' as an objective value measurement tool was truly fulfilling.

**For companies that will continue to participate in the SPC, as a senior, do you have any advice or comments?** Currently, it seems that there are many beneficiary companies due to the increased number of participants. However, three years pass quickly. In the end, if you do not prepare for the future with incentives, this time quickly passes, and when support for the jobs and social services you have created suddenly stops, there will be a tremendous financial burden. I would like to advise them to draw a concrete picture when the support is first provided. In three or five years, if you have expanded and your revenue has increased a lot, then you will grow a lot while receiving support for 3 to 5 years. If you do that, you will be able to create things that can sustain your growth over the next four or five years. If it's not possible alone, you need to create an ecosystem together for preparation. Even if we had relied on the SPC without preparing for the future ourselves or had given rewards using the support funds, at that time, it would have been quite appealing. Although it is difficult, we chose growth. We believed that this path was right for us.

long hours with the elderly every day, understand their thoughts, emotions, and desires better than anyone else. They get to know everything from personal life and memories to likes, dislikes and discomforts. As this understanding accumulates, relationships become smoother and service quality improves. Furthermore, as we advance, experiential judgments or guides, such as 'What food suits a 70-year-old well and helps with aging', may emerge. The value of such data is limitless as it can be applied to various fields, including medical, pharmaceutical, food, etc., when integrated with other industries. The richer the ecosystem of the Silver Industry, the higher the quality of life for the elderly.” (CEO, Nakcheon Jin)

#### Creating the Silver Industry Ecosystem through Social Collaboration

Utilizing the expertise accumulated over the years, Dongbu Care has established a franchise

cooperative association called “On Mom Touch” to create a positive change in the lives of more elderly individuals. They have selected franchise businesses in each city and are gradually ending the blind spots in care. Institutions providing social services are generally small and operate on a non-profit basis. Since the welfare sector is prioritized for growth by non-profit organizations or groups in most countries, individuals or corporations entering this sector are subject to government control, especially in terms of pricing. As the structure tends to incur losses with increased management costs, it is nearly impossible to enhance service quality or independently provide customized services that customers desire. By entering the “On Mom Touch” platform, these small social service enterprises can become cooperative members and operate more smoothly as franchisees. It is a system where they can receive profit dividends while obtaining technological support and





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- 1 The saying "It takes a village to raise a child" now applies not only to 'children'. For effective care services to be provided, various sectors of society must come together.
- 2 Dongbu Care is collaborating with various partner companies to create a social service ecosystem.
- 3 'On Mom Touch' is a platform brand that provides stable income to small social service companies and shares Dongbu Care's expertise.

advanced techniques like a franchise. "ESG is emphasized a lot these days, but people's thoughts change when the economy gets tough. However, social enterprises need more assistance when the economy is challenging. Government support is also easily overshadowed by industries in other fields. If a social enterprise or social economy becomes a leader and generates significant profits in any industry, people will invest in it to nurture the social enterprise. If several social enterprises with sales of KRW 100 billion each emerge, an ecosystem will naturally be created. However, we currently have no such ecosystem. Someone has to take the lead and I decided to give it a try. It could be a platform or a cluster. Social enterprises need to join forces and create synergy." (CEO, Nakcheon Jin)

The COVID-19 pandemic posed significant

challenges for Dongbu Care, given that its services target the elderly, leading to a substantial impact on its operations. However, CEO Nakcheon Jin considers it a moment that contributed to strengthening the organization even further. He believes that there won't be many challenges more difficult than this in the future. Last year, Dongbu Care declared its vision through the "2024 Vision Proclamation Ceremony", announcing a goal of achieving KRW 300 billion in revenue and employing 3,000 workers. Additionally, they expressed aspirations to lead in the elderly services sector, be the top in caregiver treatment, and pioneer collaboration in the social economy. With such determined commitments, it is anticipated that these ambitious goals will become a solid reality by 2025.

## Interview with Members

Dongbu Care, Social Care Giver  
Yeonkyoung Choi

**Can you introduce yourself?** I am Yeonkyoung Choi, and I am in charge of the Dongbu Care Visiting Care Team. In my role as the team leader, I directly dispatch caregiving professionals to the homes to provide our services to the elderly individuals who cannot visit the center, who are physically challenged, or who have significantly reduced cognitive abilities.

**Has working in a social enterprise led to any changes in your personal values or attitudes towards life?** Yes, it seems that there has been a change. The primary purposes of my work used to be self-realization, earning money for a living and my own happiness. However, as I engage in caregiving, a job imbued with certain social values, I find myself becoming more interested in the concerns of others and social issues. Of course, the pursuit of personal happiness has not disappeared; it must not. However, my perspective has evolved slightly from what it used to be.

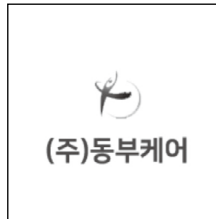
**How did you embark on the path of a social worker?** I initially served in the military. After completing my military service in the Women's Army Corps, I got married and focused on raising my children. Later, I heard about the promising prospects of professions related to elderly care and started studying, obtaining qualifications in social work and child and family studies. I did not start working immediately after obtaining the qualifications and Dongbu Care was the first workplace that I joined when I decided to return to the workforce. I am currently in my third year here.

**What is the most significant challenge you experience in the field of the 'Silver industry'?** There are unfortunately many elderly individuals who, feeling burdensome to their families or not wanting to be a burden, take their own lives. While there are numerous social issues involved, the workforce available to identify these problems before they become critical is



scarce. Managing these cases and witnessing that some face unfortunate deaths during the process is disheartening. Moreover, there is still a prevailing concept among some elderly individuals or guardians who perceive caregivers as housekeepers coming to do household chores. Despite these individuals performing activities that alleviate discomfort and aid cognitive abilities, some view them merely as kitchen hands or servants for personal care, making it challenging in the field. In fact, there is a significant pool of potential female workforce capable of engaging in activities as caregivers. However, due to such perceptions, they struggle to perform effectively. Although many obtain certifications, when we actively seek caregivers, they are not readily available. This issue requires societal awareness improvement. Money is also a significant problem. I thought it would be necessary to allocate budgets and resources to address elderly issues and caregiving societally.

# Impact of Dongbu Care at a glance



**Company Name** Dongbu Care  
**CEO** Nackcheon Jin  
**SPC Entry Year** 2015 (as 1st year SPC participant)  
**Website** <http://www.idbc.kr>  
**Mission of the company** We provide customized employment opportunities for vulnerable groups in need of primary job placements, pursue a socially responsible enterprise without mandatory retirement, and strive to achieve customer satisfaction through the development of top-notch service products and the delivery of high-quality services.

## Problem

### Social issue to be solved

#### • Elderly Care and Job Shortage Issues

We provide customized social welfare services from cradle to grave, centered around Social Mission Villages (long-term care services, childcare services, community care services).

## Stakeholders

### Stakeholders who gain from social benefits

Beneficiaries include the elderly using care services, expectant mothers and newborns, middle-aged and vulnerable individuals employed to provide care services.

## Solution

### Comparison with solutions in the market



Product&Service  
Performance

• **Free Service Outcomes** Home care, bath visits (vehicle-based), day and night care, household caregiving visits, home nursing care services, day and night care experiences.

• **Additional Factors of Production** Home care, day and night care, childcare, dedicated personnel for expectant mothers and newborns.



Internal Process  
Performance

• **Direct Employment of Vulnerable Groups**  
 • **Employment of Severe Disabilities Caregivers**

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Enviromental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Product&Service  
Performance

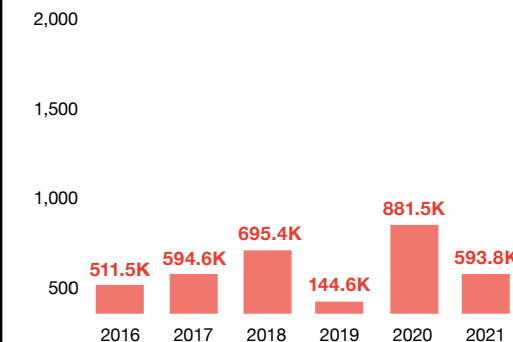
- Quantity of Free Service Provided × Market Price
- Price of Additional Factors of Production

\* market prices are estimated and converted to monetary value.

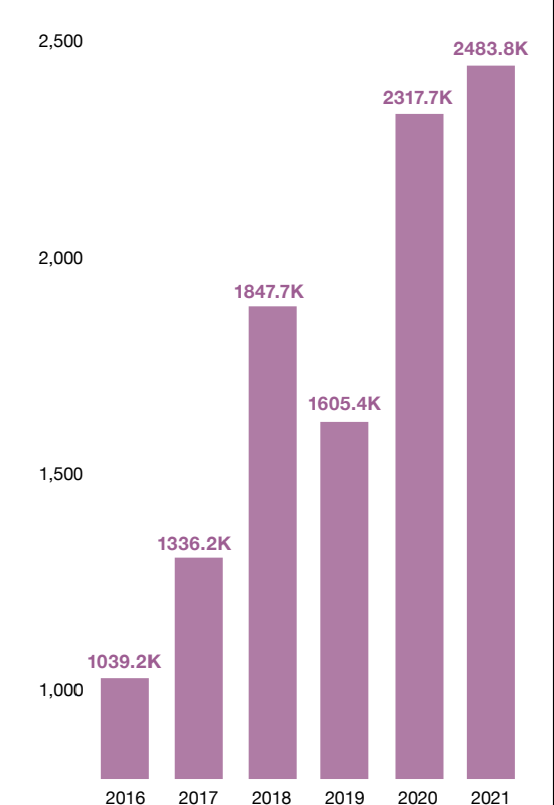
## Social Performance

in thousands of dollars

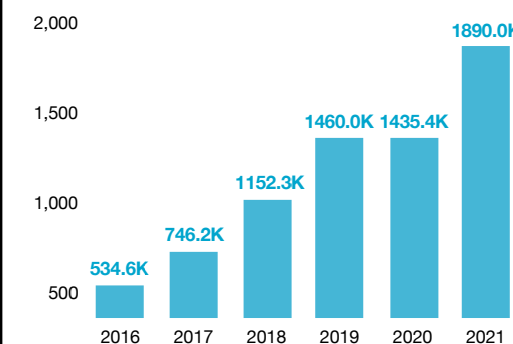
### Product&Service Performance



### Total Performance



### Enviromental Performance





Todac Todac Cooperative Association,  
Leading the Popularization of Local Counseling Trends

## ‘Mind Balm’ that Changes Lives

Todac Todac Cooperative Association is a social enterprise that operates a psychological counseling center to comfort and support weary hearts, as its name suggests(‘Todac Todac’ is a mimetic word in Korean describing an action of patting on the back with a light hug). Founded in Daegu, a city where psychological counseling was both unfamiliar and virtually non-existent, Todac Todac has now established itself as a representative psychological counseling center in this local community. This is the story of Todac Todac Cooperative Association, which not only cares for the emotional well-being of the local residents but also goes beyond therapy to provide preventative psychological counseling.



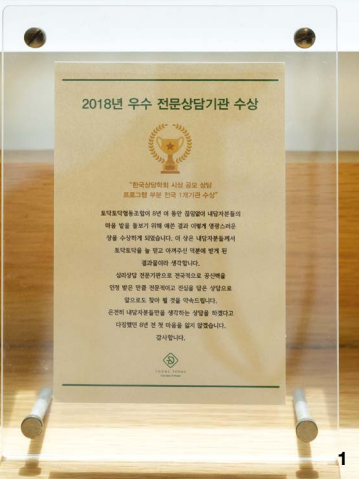
## The Scene of Todac Todac

The mother of Areum (pseudonym) visited the Todac Todac Counseling Center because of her son, Areum's academic issues. Areum's mother, who had a strong attachment to her child, sought counseling in the hope that her son, who was completely engrossed in games, might improve through psychological counseling. Representative Younghee Lee, who conducted the counseling, discovered that Areum's mother's obsession on her child's studies was due to lingering regrets about her own unfinished education so she made a suggestion to her. "As I've thought it over, it seems like it would be better for you to resume studying rather than pressuring Areum to study." Areum's mother, initially dismissing the idea by shaking her head, paused for a moment, then said, "Maybe I should receive counseling sessions instead of Areum." Afterwards, counseling for Areum's mother began. When she was young, she was doing quite well at school but had to give up her studies due to poverty. She married early and sadly had an abusive husband, so she placed all her hopes in her child to have a better future. While having counseling, Areum's mother started preparing for the high school graduation equivalency exam (GED) and she passed it after a year and a half. Not only that, but she also enrolled in an online university course and majored in social welfare. She graduated early through self-study and then advanced to graduate school. Now, she is working to help women living in a women's shelter who are facing domestic violence at home. On Teacher's Day, when Mr. Younghee Lee received a bouquet from her with a comment "The mentor of my life is you", he couldn't help but shed tears. Having untangled the knots in her heart and discovered a new life, she is now a source of pride for the Todac Todac Counseling Center.

### Implementing Unfamiliar Psychological Counseling into Familiar Café Spaces

Mr. Younghee Lee, the founder of Todac Todac Cooperative Association, who majored in psychology in college, worked as an intern counselor in a psychiatric ward. Contrary to the preconception that psychiatric wards were reserved for patients with severe psychological disorders, many of the individuals admitted there had experienced traumas and emotional wounds that anyone could encounter in their daily lives. If the problem had been diagnosed early and appropriate treatment administered through counseling, then their conditions might not have deteriorated to the point of hospitalization. At that time, there was a societal perception that mental health or psychological counseling was only for 'weird' people and there was also a significant financial burden associated with it. Recognizing these issues as societal problems,





1 Todac Todac Cooperative Association was awarded from the various institutions and contests including Social Achievement Incentives. At the early stage, Todac Todac failed to attract investment since its marketability was uncertain, but the founder started his business with confidence after the thorough review.

2, 3, 4 Todac Todac Counseling Center. This place provides comfort zones with operating cafe together. This place provides barista training for the clients.

5 A booklet titled 'Todac Todac Mind-Care Work Book', created in collaboration with Daegu City to overcome Corona Blues.



Mr. Lee envisioned the operation of counseling centers that people could access at a low cost. He immediately surveyed over 500 individuals, asking if they ever felt the need for counseling, why they didn't seek it if they did, what they considered an appropriate price if they were to seek counseling, and other related questions. In response to the question about the preferred environment, many people indicated a comfortable place like a café, and they suggested that a price around KRW 20,000 would be reasonable. At that time, there were only a few Starbucks in Daegu, and it was uncertain whether it would make profit to provide counseling in a café setting at a low cost. However, with a strong conviction in the anticipated demand, Todac Todac Cooperative Association was established in 2011.

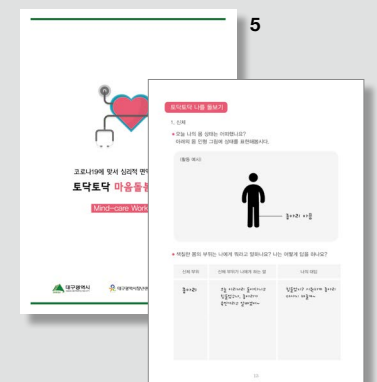
#### Sincere Care for Local Residents, Achieving Social Value

Todac Todac Cooperative Association primarily focuses on individual psychological counseling at its center and operates various psychological counselling programs for adolescents. Programs such as film therapy, photo therapy and food therapy for adolescents are conducted in collaboration with the education department, targeting students identified as being in a vulnerable group. In order to create social value, the counseling fees are set lower than market rates and for educational programs, the association directly reaches out to underserved small towns near Daegu. Additionally, employment and entrepreneurship programs for university students

are operated in collaboration with academic institutions and intermediate support agencies, providing various psychological and career counseling sessions.

After the pandemic, the awareness of 'Corona Blues' increased making organizational psychological counseling, including employee psychological care, crucial for public institutions and private companies as well. As a result, the scope of Todac Todac's services has been gradually expanding. In 2020, the association offered free psychological counseling to the public in Korea to overcome the effects of COVID-19. Residents of Daegu/Gyeongbuk were prioritized, allowing them to receive up to three free counseling sessions. Many individuals seeking counseling expressed feelings of depression due to social isolation and intense stress associated with reintegration into society. Alongside free psychological counseling, Todac Todac also produced and distributed the 'Mind Care Workbook'.

Being well-known in the counseling field in the Daegu/Gyeongbuk region, Todac Todac attracts numerous applicants for counselors. Recognizing the crucial role of counselors in psychological counseling sessions, a unique hiring process has been established. The first round involves reviewing resumes, the second round includes a personality interview, and the third round requires candidates to conduct actual counseling sessions, which are recorded and assessed. The third round is likely the most challenging for applicants as they conduct paid counseling sessions with actors posing as real clients. This innovative process has enabled the







cooperative to select highly qualified counselors. Founder Mr. Younghee Lee is the busiest counselor at the center, engaging in counseling sessions with clients for almost the whole day. Todac Todac operates on a high trust model where the other four counsellors have a high degree of autonomy in their daily work while still meeting as a team for formal meetings and lunch breaks. Each counselor autonomously leads counseling sessions with clients and has the flexibility to adjust fees. Mr. Lee emphasizes the importance of the hiring process, stating that the company's mission and societal values associated with counseling cannot be taught but must emerge from within.

"When I receive requests to lecture on our mission, I always share a story. I believe that a mission cannot be instructed; it has to emerge from within. The idea of 'educating about the mission' seems a bit paradoxical. It has to come from the heart. All our Todac Todac members have compassion and warmth for clients. I think that is enough. The reason for Todac Todac Cooperative Association's existence is to care for people's emotional well-being, to become a family to rely on. Because each

member approaches clients with that attitude, our mission is naturally achieved in the place where those hearts come together."

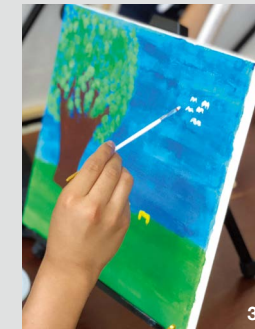
#### Towards Counseling for All Generations and Lifetimes

Todac Todac Cooperative Association aspires to provide counseling that spans all generations and lifetimes. Indeed, clients visiting the center come from all age groups. Teenagers seek guidance on academics and career choices, individuals in their 20s face employment issues, those in their 30s and 40s grapple with concerns related to children and marital relationships, and individuals in their 50s and 60s may experience menopausal depression. However, upon closer observation, these concerns are fundamentally similar, rooted in internal deficiencies or a decline in self-esteem. In essence, a good counselor must transcend age and gender, addressing universal human issues concurrently. Mr. Lee said that conducting psychological counseling after the onset of the COVID-19 pandemic made him more aware of the severity of societal issues. "After the recent pandemic,



1 CEO Younghee Lee at the Todac Todac Counseling Center.

2, 3 Todac Todac Counseling Center operates various psychological approach programs such as art/ photography therapy for the elementary and middle school students in Daegu/ Gyeongbuk region.



#### Talk about SPC

##### Younghee Lee, CEO of Todac Todac Cooperative Association

**How did you become involved with the Social Value Challenge (SPC)?** There was an entrepreneurial contest called the 'Social Enterprise Contest' sponsored by SK, and Todac Todac Cooperative Association came in second place in that contest. I think it was around 1 or 2 years before the SPC started. That's when I got to know people from the Sharing Happiness Foundation. Through this connection, I had the opportunity to receive initial education in the social economy MBA program at KAIST and a network was formed through this network. Someone from this network once recommended participating in the program focusing on social impact and incentives. To be honest, initially, the idea of translating social value into financial support seemed unrealistic. I couldn't quite grasp the concept at first, but I found meaning in participating by recognizing the social value inherent in our work. During the first round, companies gathered to communicate and collaboratively set up programs. At that time, I didn't anticipate that we would establish ourselves

so well. It's truly fascinating.

**Initially, you thought that translating 'social value' into 'money' was unrealistic. Did the process of measuring social impact in the SPC eventually make sense to you?** For our company, the measurement was relatively clear. We drastically reduced counseling fees compared to the market, making Todac Todac much more accessible, especially for vulnerable groups. The ease with which those who previously could not afford but now could afford counselling made it straightforward to measure the social value. However, for environmental companies or similar entities, where the criteria are more ambiguous, there can be difficulties in measurement. Moreover, the terminology used by companies can be quite specialized, adding another layer of complexity.

**Is the reduction in counseling fees the most significant contribution to the measurement of social value for Todac Todac?** Yes, lowering the barrier for individual counseling fees was substantial. Making the cost of psychological programs for students at schools more affordable, thereby reducing the economic burden on vulnerable groups seeking counseling, was evaluated as a social value.

#### What does the SPC mean for Todac Todac Cooperative Association?

First and foremost, the financial support has been tremendously helpful. As mentioned earlier, the decision to lower counseling fees was crucial, and receiving social impact and incentives played a significant role in maintaining lower fees. This became a driving force for us to continue providing affordable counseling, leading to an expansion of our outreach. After the SPC, we were able to keep counseling fees low, allowing us to broaden the scope of our clients. The fact that we now have around 6,700 clients per month is partly due to our diligent promotion during that time, emphasizing that we offered psychological counseling at a low cost or even for free. The SPC laid the foundation for us to become a well-known counseling center in the Daegu region, attracting clients from across the country.

**What advice would you give to junior SPC companies?** In the SPC measurement, there are perspectives from both the company and the organizers. From the company's standpoint, there might be moments of questioning why our valuable contributions aren't rated higher. However, the measurement process is about fairness and objective evaluation from another point of view and the only way to address is communication. You need to keep meeting and discussing issues. If you are confident but lack persuasive arguments, you can consider pitching again after accumulating some achievements.

1, 2, 3 Lots of comments handwritten by the clients.



The turning points in a person's life can be various – a scene from a movie, a passage from a book, a single word from someone. However, it seems that the turning point in my life was this counseling. I will cherish the changed life you have given me and live it well. Thank you.

2012. 9. 8 J.A.R

1



Through counseling, I stopped dwelling on the past and worrying about the future. Now I am living in the present! Thank you so much for helping me realize the value of 'myself'!

2



I had a sincere moment with my mom for the first time. Thank you for enabling such moments. I will try to help my mom understand.

3

economic difficulties have increased, and social interactions have significantly decreased. Consequently, the mental health of the younger generation has become highly unstable. Job opportunities are scarce and there's nothing to rely on. We see a drastic increase in individuals who rarely leave their homes, akin to what was referred to in Japan as 'Hikikomori'. Even in Daegu, research on this phenomenon is being conducted at the municipal level. We receive numerous counseling inquiries from parents wondering if there is any help available for their children who refuse to go outside, questioning if they can receive counseling through visits. As a result, the city of Daegu's youth policy team has consulted with us on these issues, and various other challenges related to these issues are gaining prominence. Within families, conflicts between parents and children are severe and conflicts between the MZ generation the older generations are escalating."

As the uncertainty of the times increases, the internal anxieties and conflicts within us also deepen. Todac Todac, having a decade of experience, has observed how counseling can transform the lives of clients. For example, a student who dropped out of middle school, received psychological counseling while taking the high school equivalency exam later went on to attend college, secured employment, got married and even had children—these long-term journeys have been witnessed throughout the ten years of sessions. The association continues to carry the identity of being there for clients throughout all the ups and downs of their lives, much like a family. Hence, the mission and the greatest dream of Todac Todac is to help every person who seeks them to truly understand themselves.

## Interview with Members

### Counselor Youngnam Kwon



**Please introduce yourself.** Hello. I am Youngnam Kwon, a director and counselor at the Todac Todac Counseling Center. I have been with Todac Todac for 9 years since its early days.

**Dealing with clients who have emotional wounds might not be easy. What is challenging for you in your work?** There is always a concern about sharing the emotions from the clients when counseling since various individuals visit the center. If I were to pinpoint the most challenging aspect, it would be maintaining boundaries between the counselor and the client.

**What do you mean by "boundaries"?** When counseling continues for a long time, the relationship between the counselor and the client becomes very intimate. Although it's not intimacy in the personal realm, sometimes clients share deep concerns that they wouldn't even discuss with family or close friends. Despite the emotional closeness in the therapeutic relationship, it is crucial to maintain boundaries in personal life. As a counselor, I get involved emotionally in the client's situation and, even after the counseling session ends, I find myself contemplating their personal

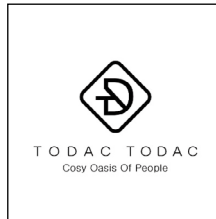
matters. For instance, if a client is struggling financially, I may feel the urge to help personally if I am well-off. However, counseling doesn't have that role. We must find ways to help clients overcome their difficulties but it's saddening when we encounter practical limitations.

**As a member, what social value of Todac Todac Cooperative Association do you highlight?**

While counseling is increasingly taking place in the public domain, as a business, it inevitably seeks profits. Since many counselors work as freelancers, there are instances where, for the sake of income, they recommend numerous tests or counseling sessions, sometimes causing discomfort to clients. We have many clients who come to our center after feeling intimidated or pressured into unnecessary tests at other places. Working at Todac Todac Cooperative Association, I consider it crucial that counselors can make judgments and conduct sessions based on their own discretion without being overly concerned about profits. This allows us to face clients when presenting our services confidently and openly, I think.



# Impact of Todac Todac at a glance



**Company Name** Todac Todac Cooperative Association  
**CEO** Younghee Lee  
**SPC Entry Year** 2015 (as 1st year SPC participant)  
**Website** todactodac.or.kr  
**Mission of the company** A space for caring people's minds by qualified professional counselors with master's degrees or higher with lowered barriers for visiting. Counseling fees are reduced by one-third to provide care services not only for the therapeutic purposes but also for preventive measures.

## Problem

### Social issue to be solved

- **Mental problems of the people in this era**  
 Addressing the psychological issues of modern individuals through preventive psychological counseling at reasonable prices. Lowered the barrier of entrance of the space for visitors to prevent mental health issues and counseling fees were significantly reduced to alleviate the economic burden of the clients.

## Stakeholders

### Stakeholders who gain from social benefits

Psychologically vulnerable groups (economically vulnerable individuals of all ages and adolescents)

## Solution

### Comparison with solutions in the market

- Free or discounted counseling fees for psychologically vulnerable groups
- Free initial battery psychological assessments for psychologically vulnerable groups
- Group counseling discounts for psychologically vulnerable groups

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



## Measurement

### Measurement of solution and comparison of prices



Product&Service Performance

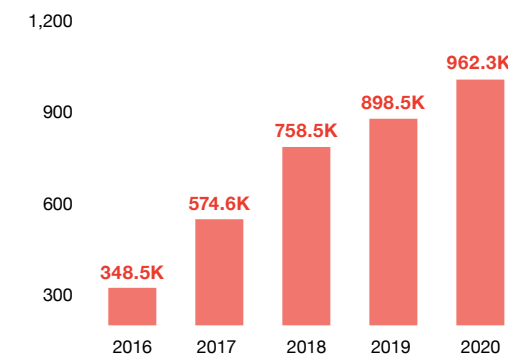
- Average market price for psychological counseling fee
- Initial psychological assessment battery test cost

\* market prices are estimated and converted to monetary value.

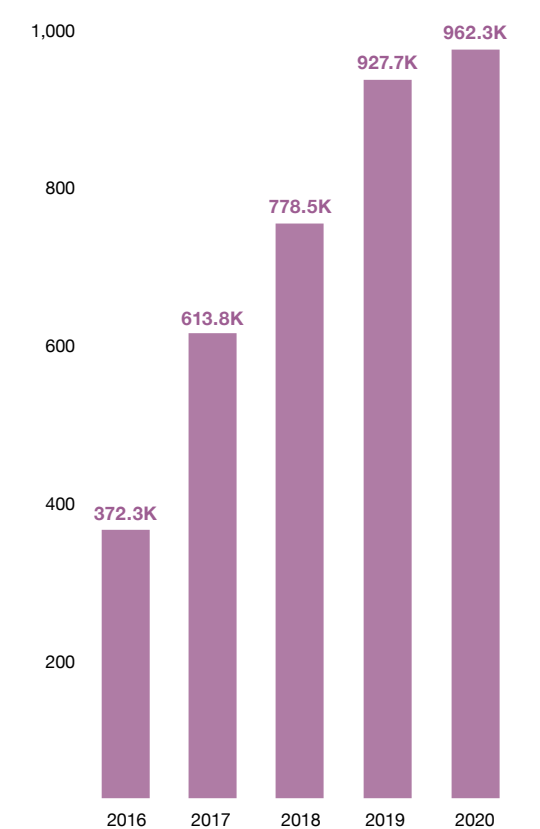
## Social Performance

in thousands of dollars

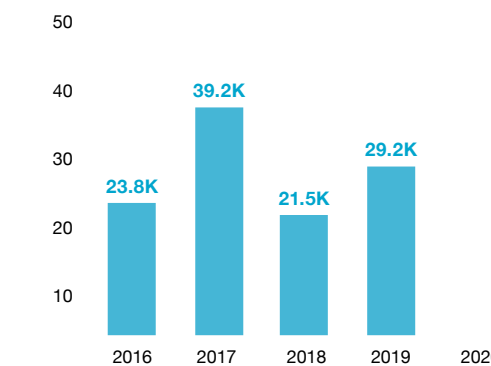
### Product&Service Performance



### Total Performance



### Environmental Performance



Gaon IPM, Creating a Healthy Living Environment  
through Eco-friendly Disinfection System

# The Right to Live Safely and Comfortably

The lengthy pandemic period has reminded us of the importance of preventive disease control. There is a growing awareness that controlling and preventing infectious diseases should transition to more eco-friendly and sustainable methods. Explore the story of Gaon IPM, safeguarding the environment and people more safely through eco-friendly disinfection system.



## The Scene of Gaon IPM

"I think I need to share my child's story. In 2015, there was an incident with humidifier disinfectants, and upon hearing the news that the death toll reached 1,700, my child began contemplating the nation's responsibility and environmental issues. The tragedy occurred because the country allowed products with unauthorized ingredients. If approval had not been granted, regardless of the manufacturer, it wouldn't have been possible to sell them, just like in other countries. So many casualties occurred because the most basic principles were not upheld. That incident enlightened us. It seemed like we lacked knowledge which led to such tragedies. So, my daughter decided to go promptly to the United States for further studies. However, the cost of studying abroad was extremely high. It requires a large amount of tuition. Then, Gaon's CEO agreed to cover all the expenses. Thanks to this support, she is now almost completing her master's degree and preparing for a doctoral program. Her dream is to return to Korea and conduct research on toxic substances at the Ministry of Environment. Perhaps, while I was working, I always studied eco-friendly disinfection and discuss the toxicity of chemical substances at home a lot, so it seems like my child was subtly affected over time. The impact of the humidifier disinfectant incident was enormous. I found my lifelong research subject early on." \_ Hyoseon Ha, Planning Director at Gaon IPM

Navigating the era of the COVID-19 pandemic has elevated the significance of disease prevention as a crucial activity directly linked to the health of the nation. Nowadays, there is a growing interest in eco-friendly disinfection system, as the components used in response to emerging viruses such as avian influenza and African swine fever can have adverse effects on human health. Gaon IPM, with a commitment to eco-friendly disinfection, is creating social value through initiatives like job creation for vulnerable groups and the development of metrics for measuring minimum housing quality.

### Thorough Preparation, Readiness, and Sharing—Turning Crises into Opportunities

Gaon IPM is a company specialized in pest control and disinfection with a mission to create a sustainable society through Integrated Pest Management (IPM). Since its establishment in 2015, it has steadily grown, serving major clients such as Samsung and the Bank of Korea while creating jobs for vulnerable groups. "We started our business shortly before the MERS outbreak. Even though the situation was eventually resolved,



- 1 Eco-friendly wireless solar-powered insect trap Duokeeper
- 2 Gwiyoung Do, CEO of Gaon IPM
- 3 Backpack-type disinfection sprayer Duo Kit. It reflects the demands of the field, enhancing operational efficiency.
- 4 Gaon IPM provides differentiated services not only in its main business of disinfection and sanitization but also in integrated pest management, disinfection control with drones, and document sanitization.



we discussed this internally and researched how we should provide different services if another virus outbreak occurs. We reevaluated prices and pharmaceutical ingredients, and the idea emerged to develop our own equipment. The equipment we used before was cumbersome and inconvenient on site. So, based on our experience, we decided to create our own equipment. Then, the COVID-19 pandemic happened, and the preparations and efforts we had accumulated came to light,” says Hyoseon Ha, Planning Director at Gaon IPM. Since its founding, Gaon IPM has sought ways to contribute to the local community. Starting with a community center, it expanded its disinfection volunteer services to local child centers and welfare organizations. As a social enterprise, it felt a sense of responsibility and did not expect any compensation. After the MERS outbreak, Gaon IPM independently developed the Duo Kit, a disinfection spray, reducing excessive use of chemicals while increasing operational efficiency. The response to these efforts was apparent when the COVID-19 situation lingered, and many organizations sought Gaon IPM as a disinfection service provider.

“During the peak of the pandemic, you probably saw many instances of spraying disinfectants into the air. That’s not a correct approach. Spraying disinfectants into the air is not effective, and

it’s not good for health when inhaled through the respiratory system of human body. If there is something wrong with the body, it needs an accurate diagnosis and an injection; it doesn’t get better by spraying strong disinfectants all over the body. We emphasize focusing on blocking infection routes,” Hyoseon Ha.

Fear of disease can lead to the unnecessary use of excessive disinfectants, posing additional risks. The humidifier disinfectant incident, which resulted in numerous casualties, was a tragedy caused for the same reason. Therefore, Gaon IPM conducts research and implements disinfection methods that minimize the impact on human health and the environment. This commitment is reflected in the name change from ‘Gaon’ to ‘Gaon IPM’ in 2018. IPM, or Integrated Pest Management. It is a science-based sustainable decision-making process for managing pest damage, minimizing economic costs, and risks to humans, property, and the environment. It ensures a safe and long-lasting pest control system for both human and environmental ecosystems. By incorporating this system into its name, Gaon IPM clearly expresses its determination to adhere to IPM principles.

**For a Sustainable and Humane Life for Everyone**  
Gaon IPM prioritizes the employment of vulnerable groups and women. Except for unavoidable

#### Talk about SPC Gwiyoung Do, CEO of Gaon IPM

**I'm curious about the process and achievements of participating in the Social Progress Credit (SPC), and how the company has experienced growth and changes through it.** Since its establishment in 2015, we have been conducting social services. Although we didn’t expect any compensation, the SPC system became a significant support as the cost of the social services increased with its increased demand. We participated in the SPC from 2018 to last year. The incentives received from SPC were used for expanding social services, research and development of disinfection equipment, employee incentives, and developing housing quality measurement metrics needed for improving the living environment of vulnerable populations. It played a crucial role in propelling our company into the realm of social enterprises.

**How did you utilize the SPC incentives?** We used them for various purposes, including creating new businesses. Over the six years of participating in the SPC, we performed disinfection services in many places, leading to the discovery of numerous improvement points in the welfare system implemented by the government. Analyzing the data from the field and applying the measurement techniques of the SPC to housing welfare projects allowed us to distinguish between high-risk and low-risk households. These criteria enabled prioritized relief for households in vulnerable groups.

**If there are any specific requests or suggestions you would like to make to the SPC program after graduation, please share.** Regardless of the incentives, we would like to continue receiving ongoing measurements of our performance. Additionally, when many companies are exploring ways to measure various forms of social value and conducting research on methodologies, it would be helpful to receive evaluations or advice.

1, 2 Since its establishment in 2015, Gaon IPM has been providing disinfection and sterilization services to all community centers in Songpa-gu. From 2018, the scope of volunteering expanded to children centers for local community.



circumstances, all team members work as regular employees. Since its founding, Gaon IPM has adhered to the principle of providing stable employment and this commitment continues to be upheld.

"Before founding Gaon IPM, I had over 10 years of experience in the disinfection industry. Due to the nature of the work, the working environment was often undesirable. We mainly used temporary workers, especially during the peak season, and there were risks of working overnight or exposure to harsh chemicals. Working under these conditions, employees could do the job, but they couldn't gain expertise, and the treatment wasn't improving. Seeing this, I wanted to start a business that would provide stable employment environment for my employees. There's also a preconceived notion that social enterprises have poor working conditions and lack expertise. With the desire to address both of these issues, we started Gaon IPM."

The social value created by Gaon IPM goes beyond

job creation. The living conditions of vulnerable groups encountered during disinfection work were often substandard. Based on these experiences, Gaon IPM developed its own minimum housing quality measurement metrics. With the goal of creating a society where everyone has access to a healthy living environment, Gaon IPM conducts research on methodologies to improve housing welfare policies and systems. Currently in its third year as a pilot project in Songpa-gu, Seoul, Gaon IPM has been invited to present research in Busan and plans to pursue a pilot project there next year. "Gaon IPM aims to contribute to creating a society where a safe living environment is guaranteed for everyone, whether in offices, factories, or homes. We want to ensure that people living in these spaces can lead safe lives free from pests and viruses. Especially for those who lack access to caring services, like vulnerable groups or seniors living in social welfare facilities, we will dedicate our utmost effort to improving their environments."

## Interview with Members

Planning Director at Gaon IPM  
Hyoseon Ha



**Please introduce yourself.** I am Hyoseon Ha, working as the Planning Director at Gaon IPM. I was a founding member at Gaon. I am involved in various social contribution projects, handling external promotion of the company and internal management.

**Have there been any changes in your perspective or attitude toward society while working at a social enterprise?** I used to be in charge of human resources at my previous job. At that time, I became aware that workers in that factory were working in poor employment conditions, and my awareness of the issues gradually increased. For instance, I saw someone who had worked for about 10 years but couldn't receive severance pay when leaving. Conflicts deepened because of such issues, and eventually, I also left the company. After that, I met the CEO at my next job. We both had a lot of interest in social issues such as employment conditions and labor environments, with a clear goal of creating jobs for vulnerable populations. It seemed like a good match.

**What efforts are you making for social values such as job creation?** Since our goal was job

creation and improving conditions from the time of founding, it has already been achieved. Since then, we have been providing professional training for vulnerable individuals and helping them be recognized as competent experts. We focus a lot on disinfection service training and regularly attend overseas exhibitions and seminars each year. Last year, for instance, all our employees attended an event in Japan, experiencing a new culture together. We also provide cultural welfare support for those who perform field work.

**What is the most urgent social problem that we need to address now?** The most crucial space for a person's life is their home – where they sleep, eat, the basic background of life. However, there are people living in places that one cannot imagine, where there are more insects than in places where livestock live, and houses filled with mold. They live in an environment where accidents or diseases are inevitable, yet they do not receive basic welfare services. We are making efforts to improve such systems and change the situation, doing our best to address it. To achieve this, we want to receive an ESG rating and contribute even more.



# Impact of Gaon IPM at a glance



**Company Name** Gaon IPM  
**CEO** Gwiyoung Do  
**SPC Entry Year** 2017(as 3rd year SPC participant)  
**Website** <http://www.gaonipm.com>  
**Mission of the company** Creating fulfilling and stable jobs for vulnerable workers, leading the way in providing disinfection services to vulnerable groups to create a healthy society where everyone can live in hygienic environments.

## Problem

### Social issue to be solved

Expand fulfilling jobs through stable employment conditions and contribute to local community development.  
 Provide professional disinfection services, hygiene management, health care, and a healthy and safe environment in spaces used by vulnerable populations.




## Stakeholders

### Stakeholders who gain from social benefits

Socially vulnerable groups  
 Solution and Comparison in the Market

## Solution

### Comparison with solutions in the market

-  **Product&Service Performance**  
 • Provide professional disinfection services and hygiene management for spaces used by vulnerable groups free of charge.
-  **Internal Process Performance**  
 • Provide competitive prices comparable to the cost of pest control service fees in the general market.
-  **Environmental Performance**  
 • Minimize factors affecting the ecological environment by efficiently utilizing methods compared to the existing market, thus replacing pollutants.

\* SPC only acknowledges objectively measurable performance that can be agreed upon generally.



Internal Process  
Performance



External  
Performance



Environmental  
Performance



Product&Service  
Performance

## Measurement

### Measurement of solution and comparison of prices



Product&Service  
Performance

- Prices offered are comparable to the cost of pest control service fees in the general market.



Internal Process  
Performance

- Employment of general low-income and elderly individuals in IPM pest control.



Environmental  
Performance

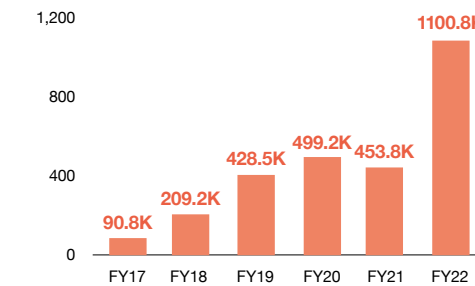
- Reduction of deltamethrin used in IPM pest control compared to general market costs.

\*market prices are estimated and converted to monetary value.

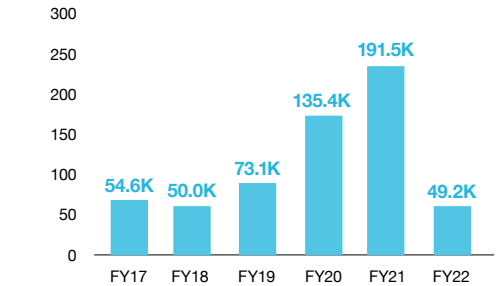
## Social Performance

in thousands of dollars

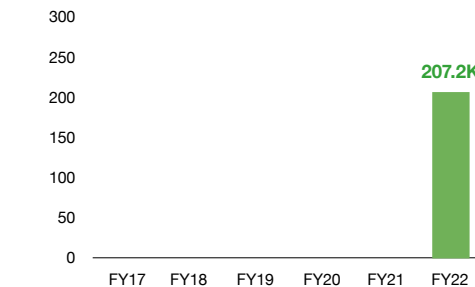
### Product&Service Performance



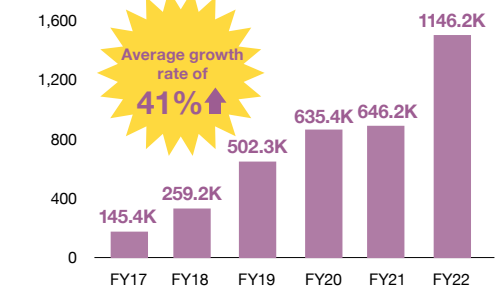
### Internal Process Performance



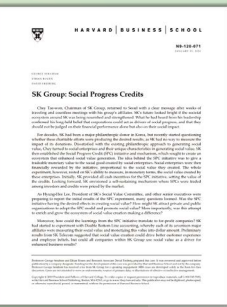
### Environmental Performance



### Total Performance



# Global Awareness of SPC's Impact



The Case of Harvard Business Review (HBR)  
<SK Group: Social Progress Credits>  
January 15, 2020

Prof. George SERAHEIM  
Prof. Ethan ROUEN  
R.A. David FREIBERG

HBR introduced the SPC model as an innovative approach to resolving social challenges by motivating SEs



The Article of the Management Science  
<Social Performance Incentives in Mission-Driven Firms> (For further details, refer to page 22)  
March 3, 2022

Prof. Jae Yong SHIN  
Prof. Sun-moon JUNG

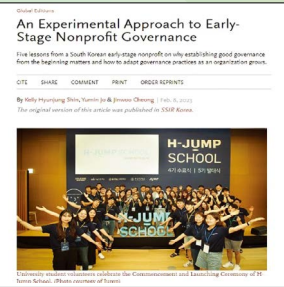
Effectiveness of SPC's two pillars:  
a. measuring social performance in monetary terms and  
b. provision of cash incentives is academically verified



World Economic Forum(WEF)'s Op-Ed Article  
<How social enterprises offer big business pathways to sustainable innovations> (Refer to page 20)  
Jan 19, 2023

Kola Masha  
Ezgi Barcenan  
Ekaterina Demushkina

The concept of SPC firstly suggested in 2013 at the Davos(WEF) forum by the CEO of SK group and its effectiveness was reviewed again in 2023



Sandford Social Innovation Review Article(SSIR)  
<An experimental approach to early-stage nonprofit governance> (Refer to page 21)  
Feb 8, 2023

Kelly Hyunjung Shin  
Yumin Jo  
Jinwoo Cheong

SPC participating enterprise 'JUMP's innovative approach to providing equal learning opportunities was highlighted by SSIR

# Partnerships with WEF (World Economic Forum)



In January 2024, during the WEF Davos Forum, a joint pledge by globally renowned companies was announced. The pledge is named as "RISE Ahead Pledge", with RISE standing for "Rallying Private Sector Investments into the Social Economy". It represents a commitment by companies to launch new initiatives or strengthen existing programs by 2030 for the achievement of UN SDGs and the resolution of social issues. SK/CSES was invited as the first signatory group of the pledge together with 12 globally renowned companies including Microsoft, SAP, and IKEA, recognizing them as leaders in the field of social innovation.



During the session at the Davos Forum where the pledge was announced, a report titled "The Corporate Social Innovation Compass", was presented. The report, jointly published by WEF and Deloitte, introduced exemplary cases of partnerships between business and social innovation, including CSES's SPC program.

Summary about SPC  
"The initial findings from the SPC programme yielded positive results, with evident growth in social value and enhanced financial stability among the participating social enterprises. .... Corporations can play a crucial role in addressing societal challenges while promoting economic growth, innovation and inclusivity. By collaborating with social enterprises, they can further amplify their impact and create positive social and environmental change."  
Source: "The Corporate Social Innovation Compass: Accelerating Impact through Social Enterprise Partnerships", World Economic Forum, 12 Jan 2024

Since 2024, CSES has been collaborating with WEF GASE (Global Alliance for Social Entrepreneurs) on the action agenda called "Redefining Value: From Outcome-Based Finance to Tradeable Impact".

Learn more







## SPC Japan Collaboration Project (Outcome-Based Funding) Opening Forum

May 16, 2023 / Tokyo Hibikoku Conference Square

Launching event for collaboration project with Japan Fundraising Association (JFRA) and CSES' Outcome-Based Funding based on the globalization of SPC institutionalization.

The Outcome-Based Funding project by CSES and JFRA selected four local Japanese companies to measure social performance in monetary terms over a three-year period and provided incentives proportionate to the performance. During the panel discussion, a representative from the Social Innovation and Investment Foundation suggested the necessity of funding based on outcomes such as SIB (Social Impact Bond) to the Japanese government ten years ago, but it has not been realized in Japan. The representative expressed envy for the significant success of SPC in Korea during this period.

## SPC Japan Collaboration Project Highlighted by Prominent Japanese Broadcaster Tokyo MX

There was high expectation and interest in the Outcome-Based Funding collaboration project between SPC and JFRA in Japan.

Tokyo MX mentioned that the Japanese government led by Prime Minister Kishida is transitioning to a "new capitalism" overcoming the problems of neoliberalism through growth and distribution, and Nobel laureate Stiglitz also emphasized the importance of management through impact indicators rather than GDP worship at the G7 summit.

Tokyo MX introduced the Outcome-Based Funding collaboration project while emphasizing the transition to an Impact-centered economy and interviewed President. Suk-kwon Na (CSES). Tokyo MX highlighted the significance of the first private-sector Outcome-Based Funding collaboration project between the two countries, noting that previous impact support projects were heavily government-led and not based on performance.



## FUNDRAISING JAPAN 'FRJ 2024' Forum

March 9, 2024 / Tokyo TOC Ariake

The SPC Japan Collaboration Project cases were presented at the 'Innovative Approaches to Accelerating Social Problem Solving' session at FRJ 2024, Japan's largest fundraising conference. President Suk-kwon Na from CSES and four local Japanese companies participating in the SPC Japan Collaboration Project participated as speakers. During the session, representatives from local companies expressed their aspirations to connect to larger impacts through the Outcome-Based Funding collaboration projects.



# Impact in Place 2024

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# Impact in Place

**Impact In Place** is a story of social enterprises participating in Social Progress Credit that creates a meaningful social impact on our society.