

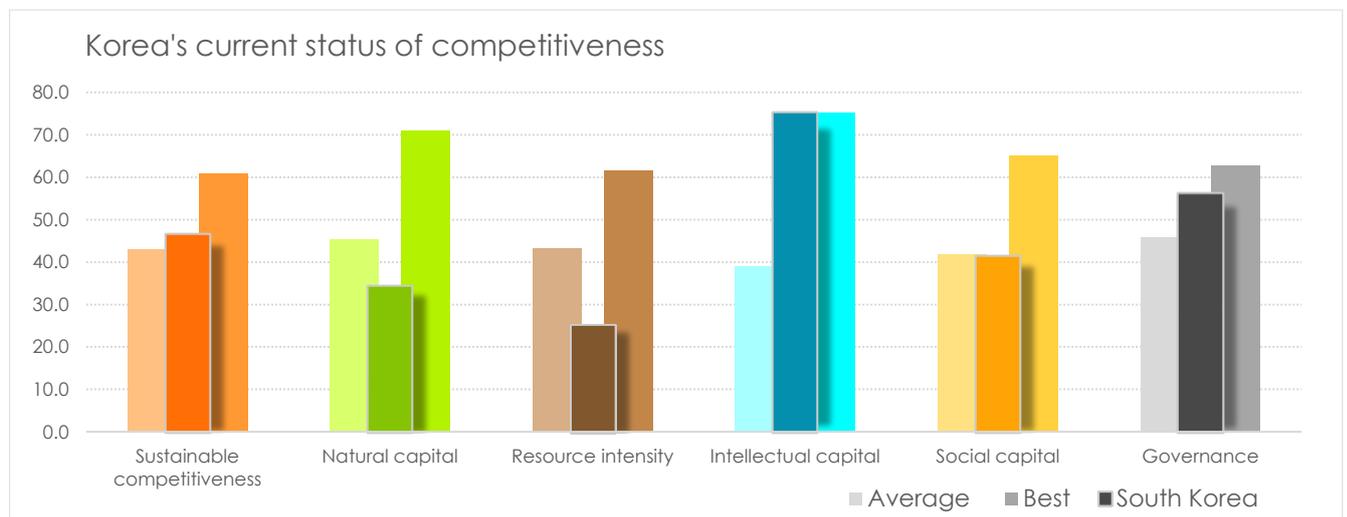
Press Release:

Korea & Sustainable Competitiveness

Global first in Intellectual Capital - global last in Resource Efficiency

Seoul/Zürich, April 4, 2017. Korea is ranked 41st in the Global Sustainable Competitiveness Index 2016. The breakdown analysis of Korea's current sustainable competitiveness shows a very mixed bag: first in Intellectual Capital, last in Resource Efficiency.

The Global Sustainable Competitiveness Index (GSCI) is based on 109 quantitative performance indicators, analysed for current performance and recent trends to anticipate the future performance. Korea currently ranks #40 of 180 nations in the GSCI, scoring only 5% above average, but more than 25% below the best. Korea's performance in this index is mixed: while Korea achieved the highest score globally in intellectual capital, it also scores lowest globally in resource intensity.



Where Korea is not in the top league

Korea's performance and key deficits in each dimension are:

- **Natural capital**, rank 154: Korea is a comparable small country considering the size of the population, with a **limited area of arable land** – and no significant mineral resources to speak off. The high water withdrawal rate is a source of concern – potential **water scarcity** and efficiency are issues that need to be looked at urgently.
- **Resource intensity**, rank 180 of 180: Korea has a higher share of manufacturing and energy-intensive industries than most other countries. However – Korea uses significantly more energy, water, and raw materials than other economies to generate economic output. **High resource intensity is equal to higher cost** for the economy, and urgently needs to be addressed – especially given Korea's dependence on import of virtually all commodities and fossil energy.
- **Intellectual capital**, rank 1: Korea is doing well in the key area of innovation-driven competitiveness: education and R&D. However – maybe the country

could benefit from a shift in focus from higher education to a more skills-based education system.

- **Governance**, rank 19: investments are at a high level and the infrastructure is modern. However, weak governance, and falling press freedom (from rank 31 to 70 in the last 10 years) are of concern
- **Social capital**, rank 65: while health care availability is guaranteed, the highest suicide rate in the World indicates some systemic social problems.

About the Global Sustainable Competitiveness Index:

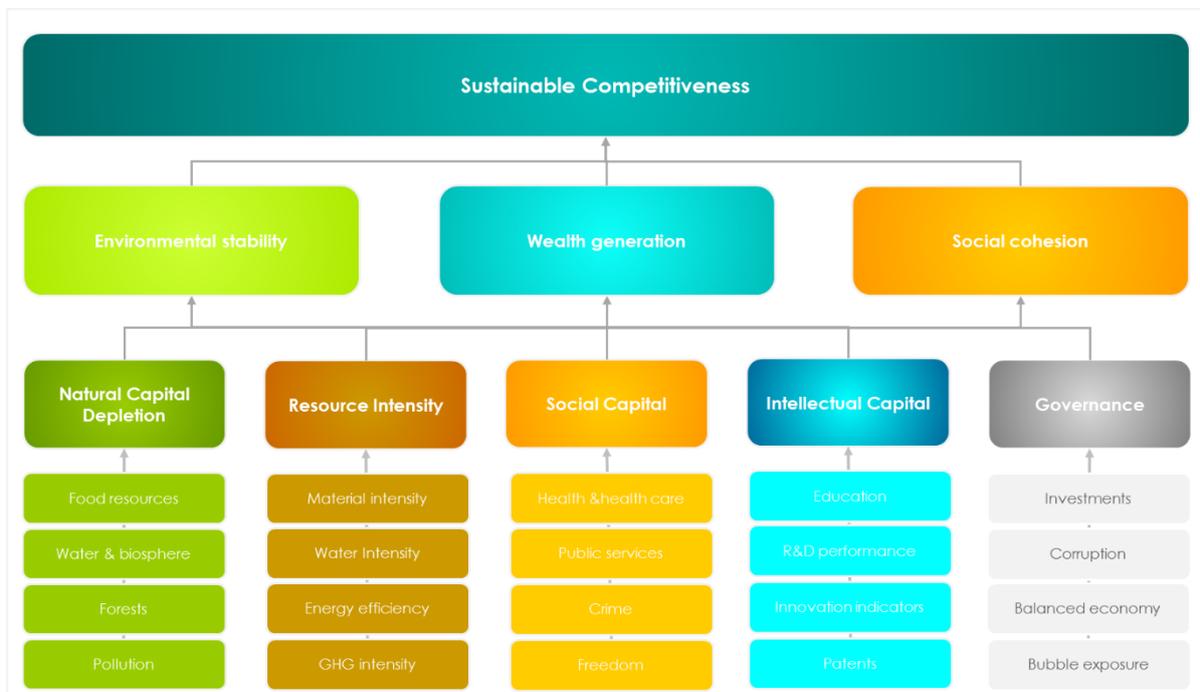
The Global Sustainable Competitiveness Index is developed, calculated and published by SolAbility. The Index is a non-commercial project, funded by the company's commercial activity. The research is therefore completely independent. Results and other materials related to the Index are free to used and re-distribute

The Global Sustainable Competitiveness Index is based on an inclusive competitiveness model based on 109 quantitative performance indicators across 5 themes of competitiveness:

- natural capital,
- resource efficiency,
- intellectual capital,
- social capital,
- and governance.

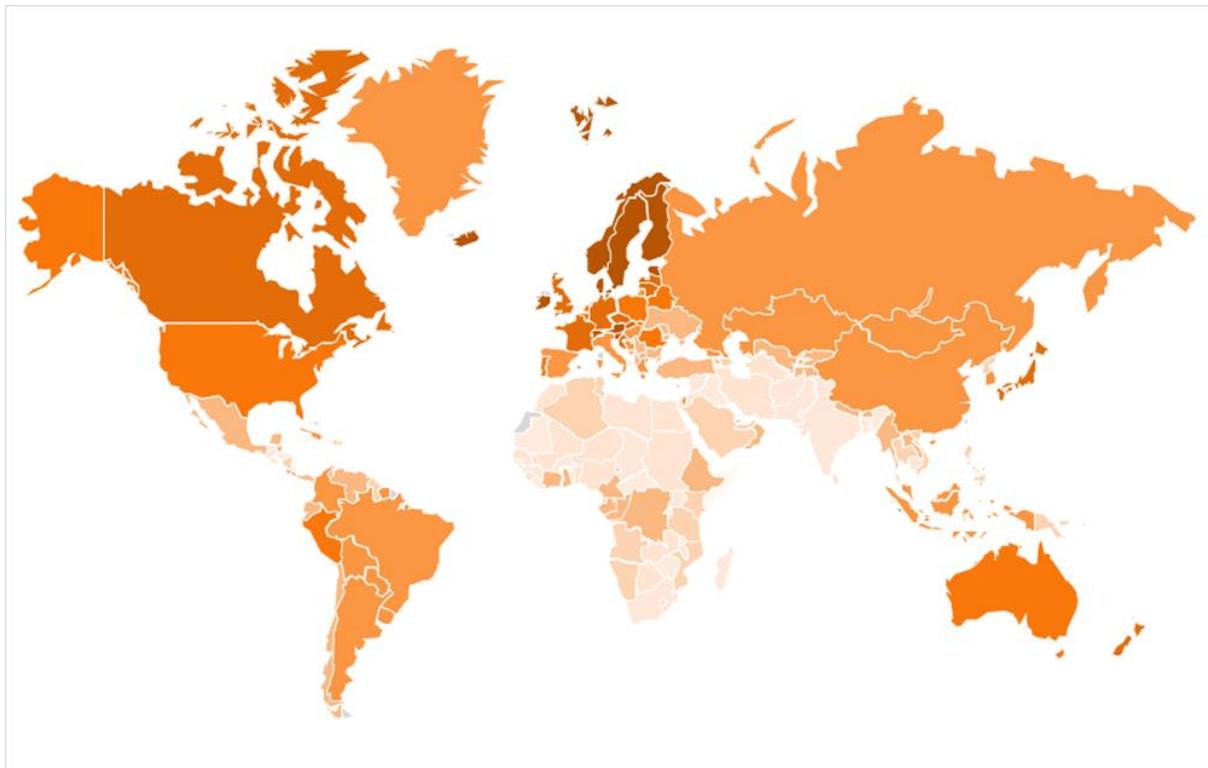
All data is derived from renowned sources (the World Bank, various UN databases). All data sets are scored for the latest available data as well as the development over the last 5 years.

The Sustainable Competitiveness Model:



The Sustainable Competitiveness World Map 2016/2017

Dark areas indicate high sustainable competitiveness; lighter shades lower competitiveness



A detailed Report as well as individual country scores for 180 nations can be [downloaded](#) from our website.

About SolAbility

SolAbility is an independent sustainable management consultancy and think-tank with presence in Korea and Switzerland.

SolAbility is the maker of 3 DJSI Super-Sector Leaders and the publisher of the Global Sustainable Competitiveness Index.

Three companies (Korea Telecom, GS Engineering & Construction, Lotte Shopping) that have implemented sustainability strategy and sustainable management tools developed by SolAbility have been recognised as Global Sustainable Leaders (DJSI Global Industry Leader; most sustainable company worldwide in their respective business field) through the Dow Jones World Sustainability Index.

For further information, please visit our [website](#).

www.solability.com

contact@solability.com