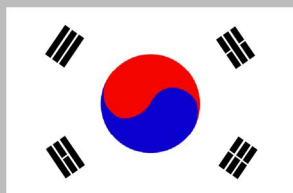


MARKET OPPORTUNITY KOREA

Environment & Water Technologies



ENVIRONMENT
& WATER
TECHNOLOGIES



70% of the market is dominated by the top 5 to 10% of business.

Identifying good partnership opportunities is a key to success.

OVERVIEW

- Korea's "Resource Circulation Economy and Society" initiative is foreseen to drive investments in environment and water technology as the country seeks solutions to reduce reliance on natural resources and adopt new recycling technologies.
- Korea's environmental industry has grown at approximately 15% annually between 2006 and 2014, where it reached EUR 92 Billion.
- Growth is expected to continue, dominated by key sub-sectors that currently account for 70% of the market for environmental industry: waste management and recycling, water supply and wastewater treatment and air pollution prevention.
- Expect high demands for technologies: energy efficient, higher performance equipment, products and devices, upcycling, application of ICTs, as well as Operations & Maintenance solutions (O&M).

Top Business Opportunities for EU Companies

Waste sector

1. Companies offering waste-to-energy technologies or involved in the construction of waste-to-energy facilities.
2. Companies open to joint venture opportunities or partnerships with local companies.

Water sector

3. Companies offering O&M solutions, systems and technologies.
4. Companies offering components and equipment relevant to the water supply chain.

Air sector

5. Companies offering advanced air pollution control technology.

Other opportunities

6. In Environmental Safety & Health. Companies that are open to collaborating with small local enterprises and start-ups in technology development on noise and vibration control.
7. Soil prevention. Companies that offer technologies and innovative solutions for the soil restoration market.

MARKET CHARACTERISTICS

Sub-sector | Waste

- The Korean waste management sector accounts for 31% of the domestic environmental market. Within waste management, manufacturing activities take up the largest share (59%).
- The implementation of new policies to promote circular economy will increase demand for recycling technologies and manufacturing facilities for recycled products. Expect a boost for the waste-to-energy market.

Sub-sector | Water

- Manufacturing accounts for 55% of activities in the water sector, displaying 13% of Compound Annual Growth Rate (CAGR).
- Service activities take up 42% of CAGR, the highest for this sector. Expect an increase in the O&M market.

Sub-sector | Air

- The Korean air pollution prevention market accounts for 6% of the domestic environmental market. Manufacturing activities take up the largest share (75%).
- Due to new regulations, expect demand to grow.

Further opportunities

- Environmental Safety and Health: Noise and Vibration
 - Increasing demand in equipment or facilities to reduce noise due to the law and regulation.
 - Existing incentives and opportunities for SMEs and innovative companies in the early stages of growth.
- Regulations to restore the environment (Soil, Surface



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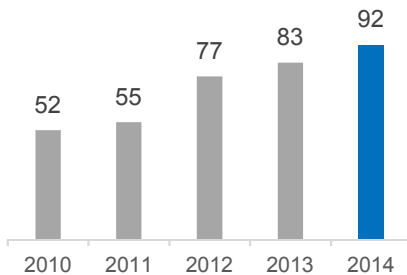
Drivers

- The sector has grown 15% annually over the past 8 years
- New market policies in the recent years have enhanced the use of environmental technologies, especially for the manufacturing and construction industries
- Public contracts will shift to private contracting opportunities in the near future, opening the door for new players
- High demands on high-tech (energy efficient, higher performance) equipment and O&M

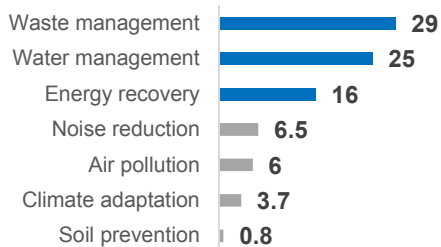
Barriers

- Waste management currently relies on public contracts, setting barriers are relatively high for new players
- Water supply distribution and sewage treatment facilities are operated by local players, countering new entries in market
- Saturation in the construction of water treatment facilities and supply market may keep the potential low for this segment.

Market size (yearly volume)
(In Billion € / year)



Market size by sector
(In Billion €, 2014)



Korea Environment and Water Market map

3 key sectors

WASTE

WATER

AIR & OTHER

For 3 key industries

Manufacturing – Construction - Services

Key products

Waste:

Mechanical Biological Treatment
 Recycling machinery
 Incineration and landfill Machinery
 Waste-to-energy
 Waste collection and transport

Water:

Water treatment chemicals
 Sterilising machinery
 Water storage, filters, pumps, valve and purifier
 Water supply and sewage treatment
 Water quality inspection

Air:

Advanced technologies for air pollution control
Others:
 Surface and ground water solutions
 Soil prevention
 Environmental restoration analysis
 Data Collection

Sample of key players

