**Chapter 7 — Discussion Questions**

**Sustainability in South Korea**

**A. Core Discussion Questions (Conceptual & Applied)**

**Q1**

How does chaebol dominance shape both the strengths and weaknesses of sustainability outcomes in South Korea?

**Q2**

Why does South Korea’s fast, top-down decision-making culture create different ESG risks compared with Japan’s consensus-driven model?

**Q3**

How do political volatility and frequent policy changes affect long-term sustainability planning in South Korea?

**Q4**

What are the main drivers of the “Korea Discount,” and how do governance and sustainability concerns contribute to it?

**Q5**

Why should demographic collapse be treated as a core sustainability risk rather than a distant social issue in South Korea?

**Q6**

How do gender inequality and youth employment challenges affect Korea’s long-term economic and ESG outlook?

**Q7**

How should investors approach stewardship and engagement with chaebol-controlled companies?

**Q8**

What sustainability-linked growth opportunities exist in South Korea despite governance and demographic challenges?

**B. Perspective-Based / Role-Specific Discussion Prompts**

**For global investors**

How should engagement strategies differ when dealing with chaebol-led companies compared with dispersed-ownership firms?

**For Korean corporates**

How can companies improve ESG credibility without undermining speed and competitiveness?

**For policymakers and regulators**

How can governance reform progress without destabilising Korea’s economic model?

**For multinational executives**

How should geopolitical risk be incorporated into sustainability and investment decisions in South Korea?

**Chapter 7 — Quiz Questions**

**Part A: Multiple-Choice Questions**

**Q1**

Which feature most distinguishes South Korea’s sustainability landscape from Japan’s?

A. Speed of decision-making and execution  
B. Level of demographic risk  
C. Exposure to physical climate risk  
D. Use of international ESG frameworks

**Q2**

Why do chaebols pose a particular sustainability and governance challenge?

A. They limit access to international capital  
B. They concentrate control and weaken minority shareholder protection  
C. They slow innovation  
D. They prevent regulatory reform

**Q3**

Which factor most directly contributes to the persistence of the “Korea Discount”?

A. Limited export competitiveness  
B. Weak environmental regulation  
C. Governance risk and capital allocation concerns  
D. Low investor interest in Asia

**Q4**

Why is demographic decline especially material for South Korea’s sustainability outlook?

A. It increases carbon intensity  
B. It weakens trade competitiveness  
C. It affects labour supply, productivity, and social stability  
D. It reduces foreign direct investment

**Q5**

Which characteristic best describes Korea’s regulatory environment for sustainability?

A. Highly stable and insulated from politics  
B. Minimal state involvement  
C. Strongly decentralised across regions  
D. Sophisticated but subject to political volatility

**Q6**

From an investor perspective, which signal most strongly supports sustainability credibility in South Korea?

A. Adoption of global ESG terminology  
B. Size of sustainability reporting teams  
C. Consistent governance reform and capital discipline  
D. Participation in international ESG initiatives

**Part B: Short-Answer Questions**

**Q7**

Why does political volatility complicate long-term sustainability commitments in South Korea?

**Q8**

Identify two ways demographic or social trends influence sustainability or investment risk in South Korea.