

꿈을 향한 따뜻한 동행

The initiatives
for our better future





About This Report

Characteristics of the Report

IIAC has been making various efforts to earnestly carry out social responsibilities of the corporation in terms of the economy, society, and environment. The results of those efforts are contained in this social responsibility report celebrating its 6th year of publication. This report hopes to share with all stakeholders the activities and accomplishments of IIAC's social responsibility management. The report is published in both Korean and English, and can be viewed on IIAC's website (<http://www.airport.kr>).

Standard Used in Writing the Report

This report was written using the GRI G3.1 guidelines, which is the international standard in reporting social responsibility corporate management, and ISO 26000. It was made to fulfill all the requirements for receiving an A+ rating in the application index of criteria in the GRI G3.1 guidelines

Period and Scope Covered by the Report

This report covers IIAC's social responsibility corporate management activities from January 2012 through December 2012 and also covers major activities during the first half of 2013. In cases of quantitative results, 3 years of statistics starting from 2010 were disclosed to show changes in trends. The currency in the report is in Korean Won, and other measuring units are specified separately in the report.

Verification of the Report

The content of the report was confirmed by the executives in the company, and the accuracy and credibility of the content was double checked by an independent agency. The 3rd party authenticating agency confirmed the legitimacy of meeting the standard for an A+ rating according to the application index of the G3.1 guideline criteria, and the authentication opinion is in the appendix.

Additional Information and Feedback

Further information can be found on IIAC's website, and suggestions for the report can be submitted through the questionnaire at the back of the report or by contacting us through the contacts listed below.



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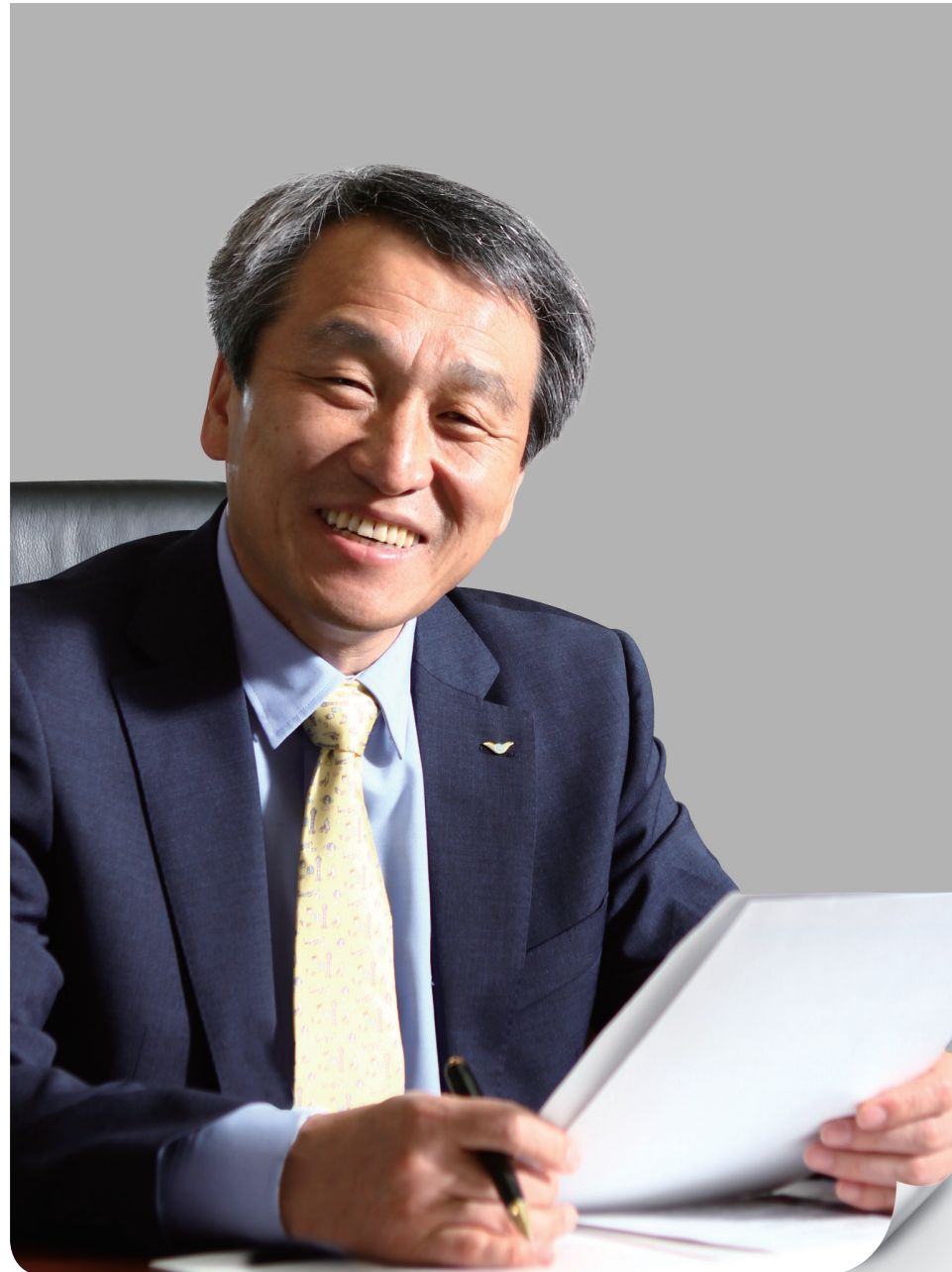


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CEO Message

Greetings to all of IIAC's supporters and those interested in our work!



IIAC has dedicated its best efforts to the cause of responsible corporate management in the areas of economy, society, and environment for the purpose of positioning itself as a global airport specialist. The efforts involved in this process and the resulting accomplishments have been published in the social responsibility corporate management reports.

This report celebrates its 6th year of publication, It carries the hope of sharing the activities and accomplishments of social responsibility corporate management of the past year with our shareholders to grow together in the future.

Building a strategic system with power of execution in preparation for the next 20 years

Over the past 20 years, we've accomplished a great deal through our hard work, including reclaiming the land from the sea and building an airport there, and celebrating the successful opening and stabilized operations. This year marks a crucial shift in the paradigm of preparation for the next 20 years, including plans such as launching the 3 stages and full-scale development of Air-City. Last year, through the participation of all executives and staff members, new key values of "challenges, happiness, trust, and integrity" were re-defined. Vision 2020 was freshly established to build a balanced strategic system, striving for the fulfillment of not only corporate interests but also public concerns. We are fully preparing ourselves to overcome challenges, achieve future objectives, and obtain strategic power of execution on a global scale.

Laying the foundation for future growth to emerge as a global airport specialist

Amid the escalating competitiveness in the air travel business following the slowdown of the growth in the demand for air travel due to the slow growth of the global economy, the corporation strengthened its network of stakeholders as a top priority for sustainable growth and reinforced its efforts to provide differentiated passenger services and to strengthened marketing targeted in the field of business.

As a result of these efforts, IIAC managed to connect 84 airlines, 55 countries, and 176 cities, producing the corporation's best-ever results in terms of the number of flights, passengers, and transit passengers. This reached a figure of 40 million passengers and 6 million transit passengers, repositioning itself as the hub airport in Northeast Asia.

The corporation seeks to emerge as a global leading airport specialist by borrowing from future growth through using the maximization of profits in commercial facilities, diversification of the overseas market, and efficient development of Air-City. In 2012, the corporation produced over a trillion won in profit outside of the air travel market by obtaining contracts in the Asian overseas market and winning a record-large investment project of Air-City.

Securing stability of the airport through effective and continuous airport management

The corporation's core value of establishing a flawless safety and security system has been firmly maintained through the formation of a consultative group of residing organizations and the maintenance of a strong crisis management system covering the overall facility. These efforts resulted in providing top quality safety and security service, evidenced by the 100,000 hours of flight, 110,000 hours of continuous operation of the electrical facilities, and 2,000,000 accident-free flights, thus scoring the top level in security for 3 consecutive years in the appraisal of disaster management for the national infrastructural system.

Efforts to share growth with the citizens and the country

IIAC has been carrying out social duties to become a global leading airport corporation, earning respect from citizens by keeping the channel of communication open to all stakeholders, posing no barriers, and reflecting government policies such as shared development and growth through its overall strategic system.

The corporation was selected as the best example of practicing shared growth through mutual development with a business partner that held the record of securing the No. 1 place for 8 consecutive years in ASQ while also opening and managing Airport Dream Tree Daycare in March 2013, a public daycare facility at a workplace for business partners among public corporations. The corporation also showcased an exemplary model of communicating with the local community and promoting shared growth by building the Hanul Community Center for the local citizens.

Furthermore, the corporation has earned the citizens' attention after continually carrying out its social responsibility management when it was placed on the No. 1 spot for 6 consecutive years in the category of SOC, "the Most Respected Corporation in Korea" and was listed among the All Star Top 7, the first for public corporations.

Sustainable growth based on social responsibility management

Building on the last 20 years of impressive accomplishments, IIAC intends to create a history of sustainable growth in preparation of the next 20 years with a pure zeal for social responsibility management. IIAC owes its success to the sincere attention and care of the board of directors, passengers, business partners, society, executives, and all its stakeholders.

This report carries the dreams and hopes of all stakeholders and is expected to broaden the understanding of IIAC. It is intended to be used as a channel of continual communication for whoever comes in contact with the report.

Again, I'd like to express my deepest gratitude to everyone.

Jung Chang Soo

Jung Chang Soo
President & CEO, IIAC
August 1, 2013



Highlights 2012



All-time Best Record in Air Travel

Despite the slow-down of the growth of air travel industry due to the worldwide economic recession, IIAC achieved an all-time best record in air travel demand, winning 9th place in the world with 38,350,000 international travelers, 2nd place in the world with 2,460,000 tons of international cargo transportation, and 6,860,000 transit passengers. This has contributed to the fluid air transport and the growth of the national economy.

Chosen as a Respected Corporation for 6 Consecutive Years and First among Public Corporations to Join Top 7

As a public corporation representing the country, IIAC was selected as the most respected corporation in Korea for 6 consecutive years through social responsibility management activities by implementing management policies focusing on public interests. It was the first among public corporations to be awarded the All Star 7, and will continue to grow as a global airport specialist that is highly respected by citizens.

Won First Place in ASQ for 8 Consecutive Years

IIAC won 1st place for 8 consecutive years in ASQ (Airport Service Quality), which is conducted yearly by ACI (Airports Council International) through surveys. After an overall evaluation was made, Incheon International Airport scored 4.96 out of 5, earning 1st place in the Global Ranking for all airports, proving its excellence worldwide.



Successful Support of Nuclear Security Summit

IIAC provided perfect security service to over a thousand VIP visitors (53 heads of state and 4 chairpersons of international organizations) who were here to attend the Nuclear Security Summit. As the representative gateway to the country, this success has improved Korea's national prestige and brand power.



Selected as Best Green Service Airport

The 27th annual Asian Freight & Supply Chain Awards (AFSCA) run by Cargonews Asia, a cargo magazine, named IIAC as the Best Green Service Airport. IIAC played the role of prominent leader in the field of green service airports through the Green Cargo Hub Project, distributing approximately 400 units of lightweight air cargo containers which reduced CO₂ emissions by 28,000 tons every year. Funding was made to the operational facility on the premise within the airport for the allocation of pro environmental biodegradable and photodegradable air cargo wrapping plastic materials, securing its place as a green airport producing low carbon emissions.

Diversification in the Business of Overseas Market

IIAC is the first in the domestic air travel industry to export construction, management, and service know-how to overseas airports. This brand power and managerial expertise as the world's best service airport facilitated the diversification in business of the overseas market, obtaining five new contracts in countries such as the Philippines, Duhok, Iraq, Bangladesh, and Indonesia. The amount of orders received totals \$14.6 million, an increase by 105% compared to 2011 and a sign of remarkable growth. Furthermore, strategic educational marketing has been done in a total of 43 developing countries, helping the corporation develop into a global airport specialist.

World-class GWP Corporation

In the Awards for 100 Great Workplaces in Korea, IIAC won the highest honor given to the corporations and agencies by being awarded the Grand Prize in the field of public service this year as well as 2011. Continuous efforts to cultivate a family-oriented culture that strikes a balance between work and family life and to materialize a workplace built on affirmation and trust were made to the growing satisfaction and pride among the executives, who are the internal customers of the corporation.





Special Report

IIAC Corporation, “Stakeholders Committee 2013”

Subject The review and aims of the social responsibility management of IIAC Corporation
Time June 5, 2013, Wednesday **Location** Gasan Digital Complex, Korean Standards Association



IIAC Corporation seeks to share its social responsibility activities and built an affirmative relationship with stakeholders through communication efforts. After the hosting of the first stakeholders committee, the committee is now held regularly once in the first half of the year and another in the latter. In the 3rd stakeholders committee of the first half of 2013, experts in various fields such as the economy, society, and the environment came together to review major social responsibility issues and collected various opinions regarding detailed future executives plans of the corporation for strategic and innovative social service projects.

Members of Stakeholders Committee



Members of Stakeholders Committee



- 1. **Leem Tae Hyung**
Top of Table, Head of Social Services Information Center
- 2. **Choi Seok Moon**
Sub-manager of Kookmin Bank
- 3. **Jeong Mi Ok**
Team Manager of Lime Globe
- 4. **Lee Seong Gu**
Executive Director of Hanmac Engineering
- 5. **Jeong Young Sook**
Director of Forest of Life
- 6. **Kim Hee Youn**
CEO of Montant
- 7. **Lee Beom Yul**
Team Leader of Community Chest of Korea
- 8. **Kang Sang Yun**
Chief of Children's Foundation

Agenda 1

Among major social responsibilities of IIAC, issues concerning local communities surfaced as matters deserving higher priority. Particularly in situations in which local communities are recently receiving more attention from in and out of the corporations, to what extent are the local communities, if local communities can be defined, considered stakeholders of IIAC?

Lee Beom Yul Team Leader: There is a difference of opinion arising from the fact that the Corporation's definition of the extent of the local communities is different

from that of outsiders. The City of Incheon repeatedly points out how little the corporation's contribution is to Incheon, and it's necessary to consider the corporation's relationship with Incheon. For example, the local welfare projects (the Home Repair Project of Love, the Hospital Wards with No Guardians project, the old downtown development project, etc.) are promoted by Incheon but receive inadequate budgets. These projects can be jointly carried out both by the corporation and Incheon based on communications, resulting in considerable improvement on the relationship between them.

Kim Hee Youn CEO: One of IIAC's main concerns is pursuing social responsibility. Defining local communities must be part of the efforts to pay enough attention to what the City of Incheon wants. The corporation can claim that it is carrying out outstanding social service projects with excellent benefits, but if the recipients do not agree, then the projects lose their meaning. Therefore, the difference of opinion between the corporation and the local communities should be narrowed through a formation of consensus and continuous communications.

Kang Sang Yun Chief: IIAC occupies a significant position in the local communities, and the local communities' expectations and interest in IIAC are higher. The corporation should accommodate the local government's demands through communications, striking a balance in social responsibility activities as to the corporate, social, and local values it offers by clarifying its role in local communities.

Jeong Mi Ok Team Manager: A look at the social service projects of the corporation so far reveals that the projects, including the local specialized projects, are concentrated in Yongjongdo. In future promotion of hands-on local social service projects, the scope of local communities should be extended to the city of Incheon and targeted at the practical social service works that Incheon needs.

efforts is noteworthy. The calculations and the report of the participating human resources, the project's extent of the influence on the local community, etc. should take other values into consideration to stand out from other corporations.

Leem Tae Hyung Head: The review of the global corporations' sustainable management reports published overseas shows that results are quantified and reported in data. Instead of the usual method of reporting in the form of text, the quantified numbers are easier to understand and are more authentic to stakeholders. Not all results can be measured, but it is recommended to quantify results in the corporation's social responsibility report when feasible.

Lee Seong Gu Executive Director: IIAC is a public corporation operating projects with concern for public interests, but it is difficult to make unlimited investments and provide unconditional aid since it is still a corporation. Therefore, the selection and promotion of an item that promises the most effective investment and social service work, satisfies the local communities, improves the brand image of the corporation, and creates profits is necessary. Based on the analysis of the projects so far, the overall roadmap for the future investment and support and plans for the item selection should be established.

Kang Sang Yun Chief: IIAC is strengthening social service efforts, focusing on 3 major areas such as the economy, environment, and the society, and promoting a balanced growth in accordance with the international standards. For effective communication with the global local community and stakeholders, it is crucial to listen to their voices and accommodate their various needs adequately in the future.

Jeong Mi Ok Team Manager: It is of major significance for the corporation to build networks with the government and communicate with the local communities, and to choose key items for the corporation's social service projects. The corporation is presently in the process of promoting the 3rd generation social service work, concentrating on educational and cultural projects. These consistent efforts in carrying out the corporation's signature items under a systematic roadmap will win the heart of local stakeholders with its authenticity.

Leem Tae Hyung Head: I second the importance of consistency. The social service projects of Korean companies incorporate the stakeholders' opinions in ample quantities and change directions according to the trends. This leads to an unnecessarily large number of items, much like a department's display of merchandise, and does not earn approval and recognition from the citizens. IIAC has a relatively short history, but the steady promotion of the signature content reflecting the characteristics of the corporation and the local communities will bring stable results that earn recognition from all citizens.



Agenda 2

Evaluate the status and results of the corporation's social service projects that are carried out under the social service vision of being “a respected global airport specialist through the realization of a sharing culture”. What are the items that deserve more focus and concentration of efforts from the corporation in the future?

Jeong Young Sook Director: Corporations have little difficulty in making the decision to invest in social service projects that yield visible outcomes, but they are more reluctant to invest in projects that develop talent among local residents, help residents create their own communities, and operate on their own. IIAC trained people who can educate residents in the World Peace Forest, supporting a system in which the residents, in turn, can provide education on the ecosystem to the local schools. It's not a project resulting in a visible outcome within a short period of time compared to the amount of investment, but the fact that IIAC took interest in this kind of project and is making continuous





Agenda 3

One of the 4 goals and strategic directions of the social responsibility management is the fulfillment of environment management for the “pro environmental green airport”. What are the environmental issues calling for the corporation’s action for the establishment of such a pro environmental green airport?

Jeong Yong Sook Director: The environmental issues are presently lower in priority on the list of all major corporations’ social responsibility management issues. The educational and cultural project hold significance, but environmental projects such as the global warming that is recently rising as a global issue deserve the same amount of attention. The corporation’s management and construction guidelines and manual related to the environment should be played up, and detailed activities performed for the environment inside the corporation should also be presented in the report.

Lee Seong Gu Executive Director: The corporation made various efforts in introducing an environment management system through the observance of the environmental regulations, reduction in greenhouse gas, obtaining environment/energy consumption-related certification, monitoring of the surrounding area’s environment, responding to climate change, etc. The observance and obtainment of the global standards that value processes prove IIAC’s execution of the legitimacy in processes, rather than just focusing on results. It is commendable that the corporation values processes and not only results after the introducing the system. There is still room for improvement in the area of operation, but continual reinforcement of the system management will bring better results.

Jeong Young Sook Director: The environmental issues cannot be ignored, even if they are not immediately noticeable. In the promotion of various projects such as 3 stages, etc., the observance of the guidelines is important, but what matters more is the establishment of environment oriented values with numerous business partners in charge of the construction efforts and within the corporation. The addition of the environment to the list of the keywords in progress, such as the education and culture, is also required.

Lee Beom Yul Team Leader: IIAC passenger terminals are known to be one of the facilities that consume the highest amounts of electricity in the entire nation. In times of power shortages, the power authority urges the highest electricity consuming corporations, including IIAC, to cut down their usage. In response to this, IIAC installed solar panels in areas surrounding the runways, producing pro environmental electricity and also indirectly preventing the environmental pollution that results from producing electricity through the burning of fossil fuel.

Leem Tae Hyung Head: Presumably, many of today’s global airports face environmental problems and make efforts to solve them. IIAC, a corporation managing an airport, should always keep environmental issues in mind and take a more vigilant approach in dealing with them. Kang Sang Yun Chief: If IIAC intends to carry out environmental management for the realization of the “pro environmental green airport”, then various efforts should be made to eliminate negative factors affecting the environment that result from airport development and to emerge as a self-sufficient energy airport. This area is receiving a global level of attention after the Green Climate Fund (GCF) was granted to Incheon where IIAC is located, so it is crucial for IIAC to work diligently to emerge as a pro environmental green airport.

Lee Seong Gu Executive Director: The corporation has only recently introduced and operated a system managing the water quality and waste control, but this focuses mostly on living conditions. A system for managing and protecting the ecosystem has not yet been introduced. The protection efforts for the ecosystem are not easily recognized from the outside. Although the interest level and significance of the efforts do not seem material enough at the moment, there will come a time when the issues related to the ecosystem will rise as relevant issues that require major action. Therefore, the corporation should assign the responsibility of the uniform ecosystem monitoring work to an outside special agency for continuous and systematic review and feedback of results. Preparing for the future and taking action before crisis is one of the social responsibility activities of the corporation.



Agenda 4

Many problems recently arose as social issues concerning corporations’ relationship with business partners. Following the IIAC’s selection of “shared growth with business partners” as the major issue, what kind of efforts should be made for the genuine sharing of growth?

Lee Seong Gu Executive Director: The governmental policies for the next 5 years is one of the mega trends to which corporations should respond, and corporations cannot take governmental policies lightly. The government is currently emphasizing care for the socially disadvantaged. Matters of temporary employment and charging occupying businesses excessive fees are lately coming to light, requiring aggressive response from the corporation.

Choi Seok Moon Sub Manager: The issues that pose the most threat in promoting shared growth with business partners is the period of employment. There is constant sense of discontent on the part of business partners because there is no guarantee that business partners will be contracted again after the 3-5 year period. The employees of the business partners and everyone working at the airport should have more

loyalty to the airport to enhance the quality of airport operation and services. Small steps such as improving the working conditions of the airport by securing amenities for the airport families should be taken first.

Jeong Young Sook Director: The true meaning of shared growth can be realized when all employees of the corporation perceive the relationship with the business partners not as a relationship between a superior and an inferior but as a practical partnership. It should be educated at the corporate level that the business partners working at the airport are the partners of the corporation, co-workers who are working side by side with the corporation’s employees.

Kim Hee Youn CEO: It is nice to acquire information and knowledge about the corporation in the course of promoting social service projects with the corporation over the last several years. I recommend building a meeting ground to learn about missions and projects carried out by other organizations such as Community Chest of Korea, Forest of Life, and Children’s Foundation.

Leem Tae Hyung Head: A monitoring system is crucial in the process of forming a relationship with business partners. The process of collecting various stakeholders’ opinions and the communicative channels should be contained in more detail in the reports.

Kang Sang Yun Chief: IIAC needs to change of its existing conception of business partners as a party that is inferior to the corporation. Although there are some real difficulties and policy barriers, the executives and employees should be educated to lead this change in awareness.

Other opinions

Other opinions on corporation’s successful fulfillment of social responsibility management

Lee Seong Gu Executive Director: The corporation’s ethical management evaluated from outside is an exemplary case in that it does not lack innovation and authenticity. It provides stakeholders practical experience as part of our transparent management.



“ It is only when all stakeholder of IIAC share common values and build a channel of communication that IIAC can successfully carry out social responsibilities and grow into a sustainable corporation. ”



Lee Tae Hyung Head

It is noteworthy that the corporation’s stakeholders are systematically divided into different categories such as the economy, society, and the environment and that all categories are equally represented in the stakeholders committee, showing an outstanding performance of responsibilities. It is common for domestic corporations and organization to change the entire direction of projects that have been in progress once the CEO or manager change seats, but IIAC still follows systemized projects according to the overall roadmap, maintaining consistency despite changes of the CEO or the person in charge. This is thanks to the extensive care and assistance from the decision makers and managers of the corporation. Many corporations are the subject of criticism from society and citizens for their lack of social responsibility and social contribution efforts. Charity work alone does not fulfill the corporation’s social responsibility. It is only when all stakeholder of IIAC share common values and build a channel of communication that IIAC can successfully carry out social responsibilities and grow into a sustainable corporation.

1 Company Profile and Strategy

Overview of the Corporation /
Social Responsibility Management and Strategies /
System of Command / Participation of Stakeholders /
Evaluation of Significance and Key Issues

The vision sought by IIAC is to carry out its social responsibilities and to emerge as a global airport specialist leading the international air travel industry. World-class management founded on the principles of autonomy and commitment, as well as reinforced passion and capability based on strong trust among stakeholders, will realize the corporation's hope of becoming a leader in social responsibility corporate management that represents Korea.

Key Issues of Social Responsibility Management

- Improving transparency within the corporation
- Participation of both inside and outside stakeholders and application of their opinions

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Major Accomplishments of Social Responsibility Management



KoBEX SM Index

for 4 consecutive years **AAA** level



The most respected corporations in Korea

in the category of SOC for 6 consecutive years

Ranked **1**

a first for public corporations the All Star Top **7**



management assessment of public corporations

A Level



international passengers

38,350,000



domestic flights

250,000



international cargo

246 tons



Overview of the Corporation

IIAC has been faithfully fulfilling its role as an international airport, the gateway to the country, under the firm vision of becoming a public corporation for citizens and a global airport specialist leading the air travel industry. Approx. 300,000,000 accumulative passengers used the airport as of March 2012, and 250,000 flights, 38,970,000 international passengers, and 2,460,000 tons of international cargo were added to the air travel record, solidifying the airport's position as the symbolic hub airport in Northeast Asia. It has achieved the First Place in ASQ (Airport Service Quality) for 8 consecutive years by providing customers with satisfactory service.

Corporation Introduction

General Status

Corporate Title

Incheon International Airport Corporation

Establishment Date

February 1, 1999

Total Ownership Interest

3.6178 trillion won

Business Profits

797.8 billion won (as of 12. 2012)

Number of Employees

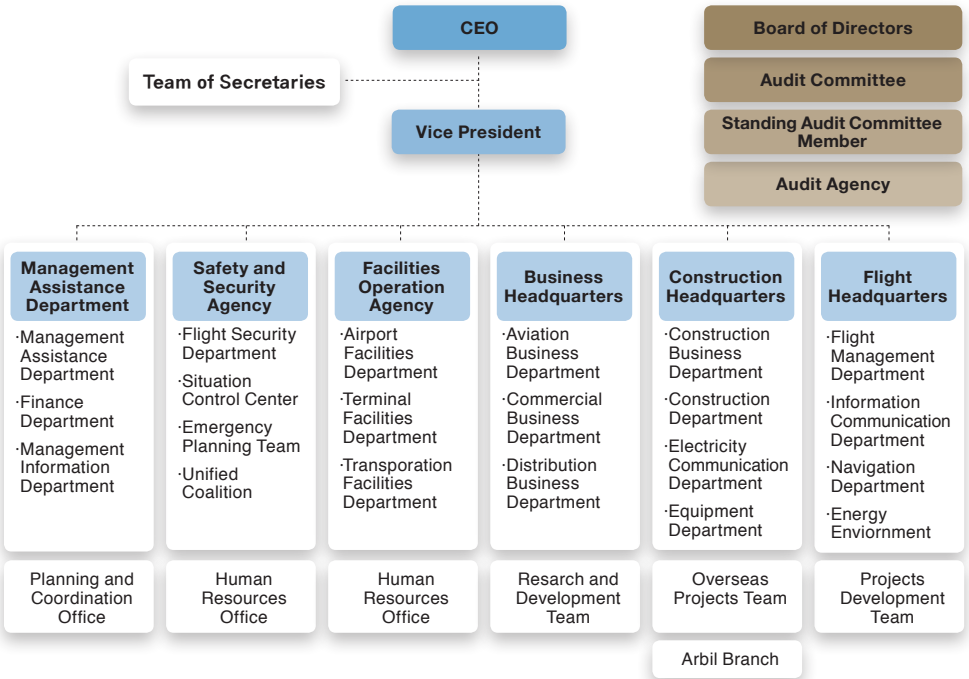
957 (as of 6. 2013)

Roles and Intent behind the Establishment of the Corporation

IIAC was established in February, 1999 under the IIAC Act, and the purpose of the establishment was to build and manage the Incheon International Airport in an effective manner and to nurture the corporation into a world-class enterprise specializing in airports and contributing to the fluid air travel and the growth of the domestic economy. Through steady developments since its establishment, Incheon International Airport is performing the role of the gateway to Korea and front-line base of the exports and imports by taking charge of 3/4 of all immigration and 1/4 of exports and imports.

Structure of the Organization

Incheon International Airport has 3 headquarters, 3 bureaus, 25 agencies, 95 teams, and 1 branch, and has a total of 957 employees (excluding non-executives directors) with 6 executive directors, 7 non-executive directors, and 951 staff members.



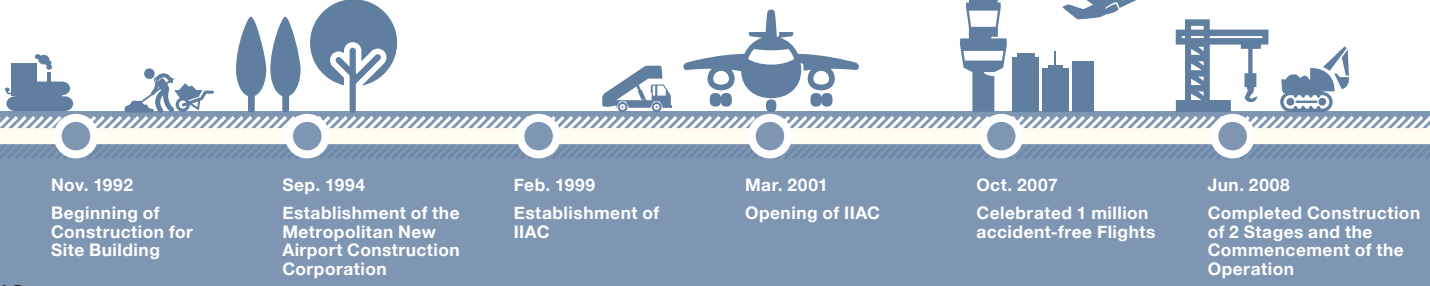
Current State of Affairs in Stockholders

Stockholder	The Government
Legal Capital	8,000,000
Paid Capital	3,617,845
Ownership Ratio	100%

Current State of Affairs in Stockholders

IIAC is a public corporation that is financed with government funds, and the government owns 100% of its shares.

History



Scope of Major Business Projects

The major business projects of IIAC consist of air travel and transportation, operation of the airport, investing in future growth, construction of the hub infrastructure in accordance with the purpose of establishment of the corporation, and the vision of leading the air travel industry as a global airport specialist. Major business projects are implemented through middle and long-term roadmaps and plans of execution under the relevant government policies and 4 management strategies. Processes are monitored to ensure that the specifics of the plans are fully carried out. The outcome of the projects are examined through an inside evaluation system to be utilized in future plans.



Major Projects	Air Transportation	Airport Operation	Investment in Future Growth	Construction of the Hub Infrastructure
Strategic Objectives for 2015	WLU 1) – 75,000,000	ASQ 2) – 1st place Zero Slip in Security	EBITDA3) 3 – 1.3 trillion	3 Stages Total Rate of Process 37.1% CO ₂ Emissions below 120 Thousand Tons
Promotion Details of 2012	·248,031 flights (passenger and cargo flights)/year ·38,350,000 Passenger and 6,860,000 Transit Passenger Transportation/Year ·Cargo Transportation 2,460,000/year	·Air Travel Profits 578.5 billion won ·Management of the Terminal and Maintenance of Safety and Security Facilities	·Non Air Travel Profits 1.32 trillion won ·The Largest Volume of Sales in Duty Free Shops ·Full Scale Development of Air-City ·IBC-I, IBC-II, 2 Stage of Southern Reservoir ·Diversification in the Overseas Projects	·Laying of the Foundation for Full Facility Equipment for the Achievement of the Objectives ·Construction of the Infrastructure of the Airport ·Building of 3 Stages – 2010~2017, 4.9303 trillion won ·Construction of Pro-Environmental Infrastructure and Promotion of Low Carbon Emissions
Specific Projects	Passenger Marketing, Cargo Marketing	Airport Management, Safety and Security	Concession, Overseas Market, Development of Air-City	Construction of Airports, Pro-Environmental Infrastructure

1) Indicators encompassing passenger and cargo handling capacity measured in 'numbers of passengers + tons of freight * 10
2) ASQ (Airport Service Quality): Evaluation of the service of international airports conducted annually by ACI(Airport Council International)
3) EBITDA (Earning Before Interest, Taxes, Depreciation and Amortization): Cash earned by the corporation through profit seeking activities. Index of global marketability resulting in profits



Social Responsibility Management and Strategies

IIAC seeks to emerge as a global airport specialist earning respect based on social trust through improving transparency in management and reinforcing communicative efforts with the stakeholders. Incheon International Airport promises faithful fulfillment of the middle and long term management strategies of Vision 2015 to create a new paradigm in the air travel industry. IIAC plans to follow up the last 10 successful years with more growth and guarantees to make continuous efforts to produce economic, social, and environmental values, playing a worthy role in the society.

Vision 2015

Middle and Long Term Management Strategies (Vision 2015)

IIAC defined middle and long term management strategies to actualize the vision of global airport specialist through establishment of the mission and key values under a consistent system based on the purposes of establishment. Incheon International Airport is committed to its original cause of improving public interests as an airport while seeking to continuously grow, bringing forth distinctive strategic directions to lead the international air travel industry as a global airport specialist. In response to the changing global environment and annual global trends, modifications and additions were made to the strategies while the business strategies, plans of execution, and plans of resource distribution are also established and put into action under Vision 2015.

Vision 2015 System of Strategy



New Key Values and Value Story



Value Story
Our challenge, starting to fill the vast ocean to build pathways in the sky, brought joy to everyone passing us by... Strong trust and a sense of ethics will open the way into the sky tomorrow.

Foundation of the New Key Values

Incheon International Airport founded the New Key Values with the intent to bring unity between members in active response to the changes occurring in the management environment in and out of the corporation such as the shift of focus from the operation of the airport to the commencement of the 3 Stages Airport. Suggestions for improvement were made after the examination of the old value system to create a new value system. Participation by the entire staff was encouraged when the ideas of the members were taken into consideration by means of workshops and surveys when creating practical rules of conduct. Through the process of collection, mediation, and discussion of ideas, new key values in preparation for the next 10 years were laid out as follows: 1. Meeting the Challenge to Achieve Goals, 2. Shared Happiness, 3. Mutually Built Trust, 4. Uncompromising Ethics.

Vision and Strategy for Social Responsibility Management

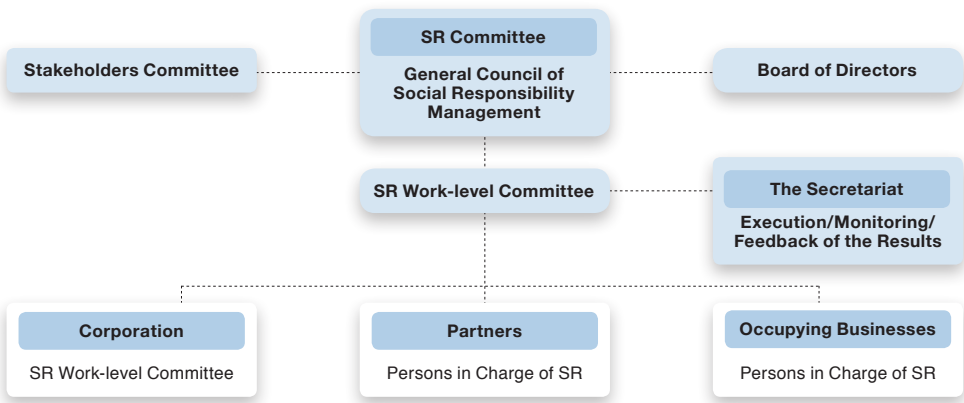


Vision and Strategic System

IIAC is promoting social responsibility corporate management activities by founding 4 strategic directives of Social Responsibility (SI)—social service, sustainable growth, environmental management, and ethical management—to emerge as a global airport specialist earning respect through the creation of sustainable social trust. IIAC holds a regular SR committee of stakeholders (twice a year) to evaluate social responsibility corporate management activities and make major decisions to strengthen the social responsibility management system. The matters decided are put into action through the formation of plans of execution by the SR work-level committee, which consists of Social Service, Mutually Beneficial Management, Contracts, and General Affairs Teams of, and through seeking consultations from the stakeholders committee.



Executive Structure of Social Responsibility Management



Building Trust in Social Responsibility Management

IIAC initiates the advancement of the sustainable management activities as a global airport specialist by following the national and international guidelines to promote the social responsibility management activities. The corporation honors the 7 issues set by ISO 26000, which is the international standard in terms of establishing management strategies and specific plans of execution, and also supports 10 principles of social responsibilities suggested by UN by joining UNGC (United Nations Global Compact). The corporation also strives to build social trust in social responsibility management activities by maintaining the level of AAA for 4 consecutive years in KoBEX (Korean Business Ethics Index), which is developed by both the Ministry of Knowledge Economy and the Institute for Industrial Policy.



System of Command

Composition of the Board of Directors

6 Executive Directors

Jeong Chang Soo	Male	CEO of IIAC
Kim Hong On	Male	Standing Finance Manager of IIAC
Lee Young Geun	Male	Vice President of IIAC
Lee Dong Ju	Male	Head of Department for Management Support of IIAC
Choi Hong Yul	Male	Business Manager of IIAC
Lee Sang Gyu	Male	Construction General Manager of IIAC

7 Non-Executive Directors

Lee Young Huk	Male	Senior Non-Executive Director of Air Travel Management (Chairperson)
Kwon Se Ho	Male	Finance/Management
Jang Jong Sik	Male	Aviation Service
Kim Dong Jin	Male	Air Travel Security
Kim Heon Jeong	Male	Law (Administrative and Criminal Law)
Park Cheung Gun	Male	Law (Civil Law)

Standards used in Selection of the Executive Candidates

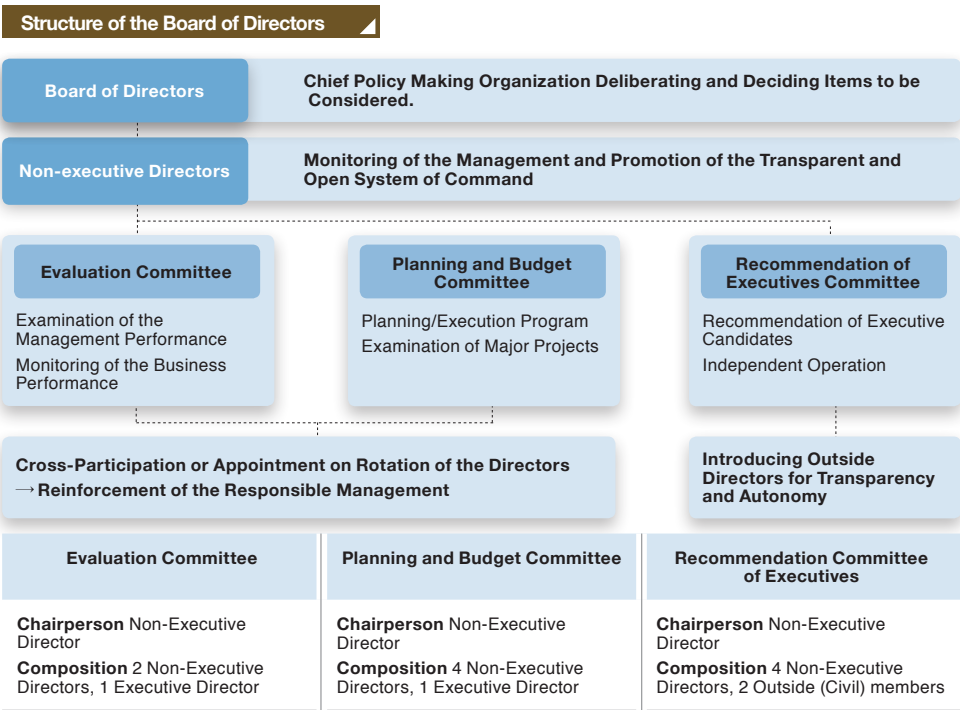
- Basic Capability
- Adequate knowledge and experience in the field of management
 - Ability to balance public interests and commercial interests
 - Sound sense of ethics and responsibilities

- Distinct Capability
- Ability to present vision for the management as a member of the chief decision making rganization
 - Comprehensive knowledge and vision in the field of expertise

IIAC has formed a world class system of command centering on the board of directors while maintaining sustainable management environment by reinforcing the non-executive directors' power of checking the management concerning major current affairs. The active operation of the board of directors in the future will help realize responsible management. The interests and rights of the parties involved will be protected and the competency of the management will be enhanced through the monitoring of sound management activities.

Composition of the Board of Directors

IIAC is dedicated to reinforcing responsible decision making processes for management by strengthening the policy making and checking the functions of the board of directors. The board of directors is the chief policy making organization which consists of a chairperson, 7 non-executive directors, and 6 executive directors. To bolster the reviewing function of the board of directors, a subcommittee was activated and effective power of checking was ensured by the appointment of a non-executive director to the role of the chairperson and through the expansion of the non-executive director's role.



Autonomy and Expertise of Non-Executive Directors

IIAC has 7 non-executive directors who specialize in 6 different fields of aviation management, finance, administration, and aviation service. The Recommendation of Executives Committee holds a public recruitment process for all candidates and also handles the practical interviews ensuring the professionalism of the directors and the transparency of the selection process. Autonomy of the candidate recommendation is secured by introducing 2 outside specialists, which includes female directors in addition to the 4 non-executive directors. Furthermore, for the successful role performance of the non-executive directors, press report material is provided daily and weekly business report (once a week), monthly business report (once a month), and a quarterly business report (once every quarter) is given to provide the directors with an equal level of information as the executive directors. To further assist the non-executive directors with a clear understanding of the current state of affairs, a report of the major management issues and controversial issues is provided to them 2 hours prior to the commencement of the board of directors meeting. Through these measures, uninterrupted deliberation of issues can be achieved and the professional knowledge of the non-executive directors can be utilized in overall management.

Roles of the Board of Directors and its Operation



Invigorating the Activities of the Board of Directors

The Board of Directors performs the role of participating in the decision making process for IIAC's major plans and policies and monitoring and assisting the management in matters concerning the current state of affairs. IIAC established the operation and management policies for the board of directors and conducted evaluations of the results to ensure the effective performance of these crucial roles, mobilizing the board of directors. As a result of the efforts to boost the attendance rate, the attendance rate of the board of directors meeting recorded 96.1%, surpassing the goal of 95%. Issues requiring delegation of responsibilities and in-depth evaluation was passed onto subcommittees and the results of the evaluation were reported back to the board of directors, which split the roles of subcommittees and the board of directors in an organic manner to prevent conflict of interest.

Encouraging Participation of the Non-Executive Directors in the Management

IIAC has been improving the expertise of the board of directors, which is necessary for achieving world-class level management, and has made efforts in applying the expert knowledge and experience of the non-executive directors in the decision making process of the major current issues. Firstly, taking into consideration the connectivity among the management, a balanced team of non-executive directors was assembled in the respective fields of strategy, finance, and security while educational opportunities such as an expertise forum was provided to improve the special capabilities of the directors. Secondly, the Planning and Budget Committee started being held on a regular basis, instead of irregularly as it was previously done, and the number of members increased from 4 to 5, ensuring a comprehensive examination of the budget organization and plans of execution. Thirdly, the results of actions taken in response to the management suggestions by the non-executive directors was reported to the upcoming board of directors meeting.

Result of the Board of Directors Operation

IIAC was successful in its efforts to revitalize the board of directors and strengthen its functions. The attendance rate of the board of directors meetings increased to 96.1%, exceeding the goal. Through non-executive directors active participation in the discussion and suggestion making process, the modification and deliberation of the issues to be decided were reasonably carried out, contributing to the effectiveness of the checking function.

Record of Board of Directors Operation

Classification	2010	2011	2012
Number of Board of Directors Meeting(Frequency)	17	14	17
Issues for Deliberation and Reporting(Frequency)	41	40	49
Rate of Advance Review(%)	100	100	100
Attendance Rate of the Board of Directors(%)	96.8	95.4	96.1
Attendance Rate of Non-Executive Directors(%)	97.5	96.7	98.2
Ratio of Participation in Discussion by Non-Executive Directors	83.9	89.4	91.5

Record of the Subcommittee Operation in 2012

Classification	Results	Occur-ences	Attendance Rate
Planning and Budget Committee	· Review of the budget for 2013 · Review of the plan of budget execution for 2012	4	100%
Monitoring Committee	· Evaluation of the execution of the inside accounting reporting system · Review of the overall inspection and specific inspection · Evaluation of the 37 cases of issues for deliberation	10	100%
Board of Non-Executive Directors	· Review of the plans of Board of Directors Operation for 2012 · Review of the Construction of the 3 Stages and the Rapid Exit Taxiways · Discussion of the total of 5 current issues	5	100%
Executives Recommendation Committee	· Appointment of 1 standing examiner, 4 non-executive directors (public announcements, deliberation, recommendation)	15	100%

Compensation and Review

The Chief Executive Officer of the IIAC is evaluated according to the review of the corporation and the level of performance in the Autonomous Management Plan. According to the result of the review, the CEO can be reappointed or resigned, and the bonus is capped at 200% of the regularly salary. The executive directors are evaluated according to the KPI level of achievement, and the extent of contribution to the corporate management goals and the bonus is capped at 100% of the regular salary.



Participation of Stakeholders

Stakeholder Groups and Channel of Communication

IIAC employs 35,000 employees in over 570 organization and agencies and emphasizes mutually beneficial relationships with the stakeholders as the most important factor in determining the corporation's future value. IIAC implements differentiated methods of communication in accordance with the characteristics of the stakeholders and strengthens communicative efforts with the chief of the corporation through various means, such as interviews of the CEO, lectures responding to the demands of the stakeholders, and increased sharing of the crucial values between the corporation and stakeholders. IIAC is dedicated to the causes of coexisting and collaborative corporate environments, reflecting the voices of every party involved in a harmonious manner based on the foundation of social responsibility management.

IIAC categorizes the stakeholders into 5 different groups of employees, executives, business partners, local communities, and the government considering the impact, scope of activities, and the frequency of contact with regard to the management activities. IIAC employs a channel of communication in response to the different characteristics of each group of stakeholders.

Building a Channel of Communication Encompassing the Corporation

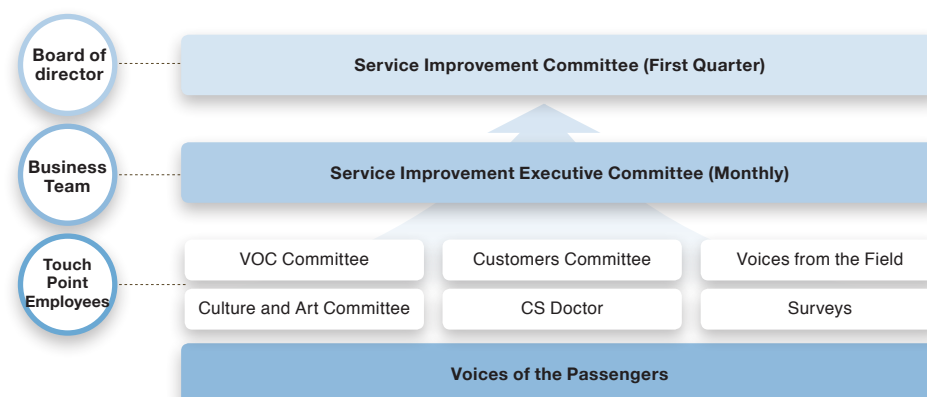
IIAC encounters difficulty in pursuing mutual values due to the conflicting values of the stakeholders within the airport. IIAC strives to overcome this problem through the work of the Service Improvement Committee consisting of the corporation, the airport, and 8 standing governmental agencies, realizing an improved relationship encompassing the airport and the corporation by utilizing orchestral leadership.

*Major Function of the Service Improvement Committee: Through the Sharing Information between the relevant agencies, swift deliberation and resolution of the issues, such as ways to improve the service in the airport, can be made and current affairs, such as commotion and security matters, can be addressed in a timely manner.

Conflict of Interests within the Airport



Overcoming conflicts and Sharing Objectives



Definition of Stakeholder Groups and Channels of Communication

Stakeholder Communication

Customers Passengers, Meeting/Sending off Passengers,
Field Trips or Business Visitors, Public

Governments Government agencies

Business partners Airport corporation, In-house businesses, In-house agencies, Vendors, PFI companies

Employees Employees, Trade Union, Employees' Family

Communities Local resident, Local governments, NGOs Environmental organizations, Social service organizations, Societies/Associations/Schools, Culture & Arts organizations

Characteristics of Communication

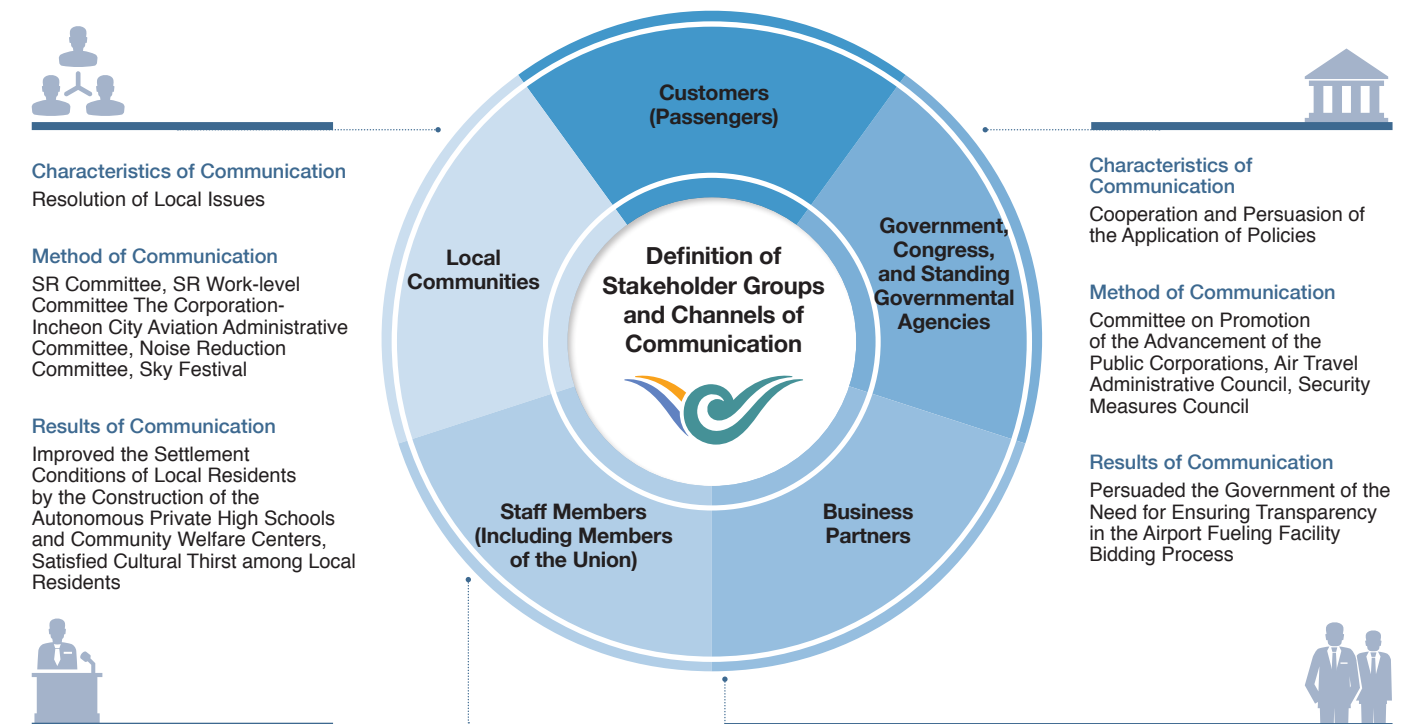
Offer of Outstanding Service

Method of Communication

Voices of Customers Webpage
and VOC, Customers Committee,
Culture and Arts Committee, CS
Doctor, etc.

Results of Communication

Creation of New Paradigm such as “Culture Airport” Concepts



Characteristics of Communication

Building a Shared Channel according to the Position Increasing the Contact Between the Management and the Employees

Method of Communication

Intra Net, Overall Corporation Workshop Various Meeting and Conferences Management Information System, New Leader Assimilation, Newsletters Joint Management Council, Labor-Management Practices Committee, Collective Bargaining of the Wages, Conferences, Joint Labor-Management Joint Management Council, Labor-Management Practices Committee, Collective Bargaining of the Wages, Conferences, Joint Labor-Management Workshops, Joint Labor-Management Service Works, Labor-Management Harmonization Pledge

Results of Communication



Cooperators

Characteristics of Communication

Mutual Growth of the Airport Family Building Model of Collaboration

Method of Communication

CEO Conference, Workshop of
Chief Field Officers, Mutually
Beneficial Executive Committee

Airliners/ Occupying Businesses

Characteristics of Communication

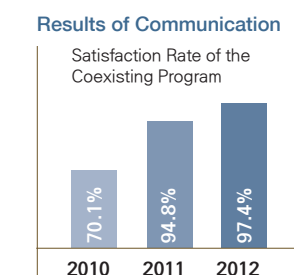
Actualization of the Overall Coexisting System of the Airport

Method of Communication

Service Improvement Committee,
Service Improvement Executive
Committee, Committee for
the Management of the
Airliners (AOC-I) Airliners
Conferences, Committee for the
Management of the Airport

Results of Communication

Selected as an "Exemplary Case of Excellent Management of the Public Corporation" by the Ministry of Strategy and Finance, Registered as a Distinguished Case in 2012 by the European Business Model Innovation Forum





Stakeholder Surveys



Summary of the Surveys

Surveys were conducted to collect the opinions concerning IIAC's social responsibility management from major stakeholders such as the customers, local communities (including the government), business partners and employees. The questionnaires were designed to understand the importance and the level of response (on the scale of 5) in terms of CSR (Corporate Social Responsibility) trend, Impact, and internal ability.

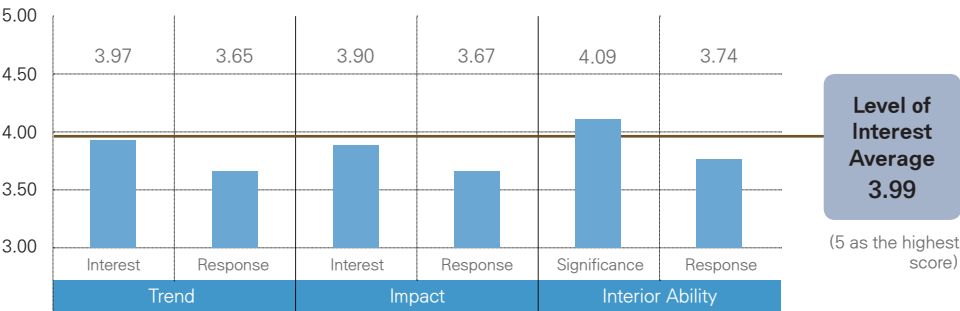
Summary of Stakeholder Surveys			
Participants	Employees, Customers, Business Partners, Local Community (Including the Government), And ETC.		
Content of Surveys	Trend **	Impact ***	Resources & Capability ****
Period of Surveys	2013. 05. 10 ~ 2013. 05. 24		
Quantity of Sample	Employees: Every Member Customers, Business Partners, Local Communities, etc.: Quota Sample Method		

* Etc.: universities, institutes, committees, media, etc.
** Trend: External economic, social, environmental issues to which IIAC is subject
*** Impact: Economic, social, environmental issues on which IIAC has external influence
**** Resources & Capability: Issues of IIAC's internal ability examined in each field of the value chain

Result of the Surveys

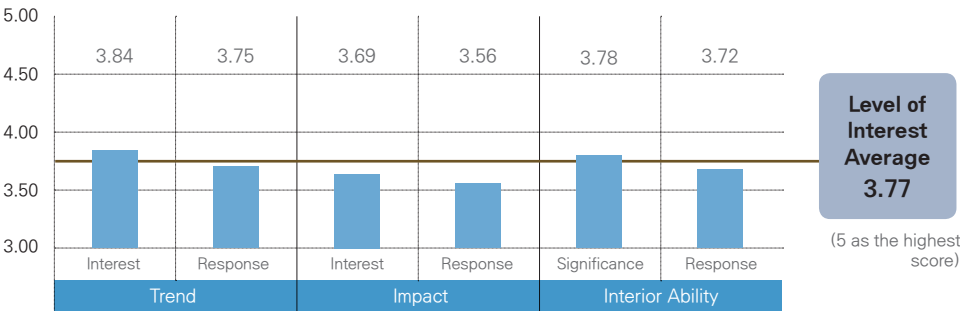
-Customers-Passengers/Committee of Customers

Customers of IIAC gave an average rating of 3.99 for the level of interest/significance for the relevant issues of social responsibility management of IIAC and 3.69 for the level of response, demonstrating a higher than average level of interest and response. Notably, the customers gave a higher rating than average for the level of significance and response with regard to the internal ability, showing an awareness of internal ability as being a critical factor in carrying out the corporation's social responsibility management.



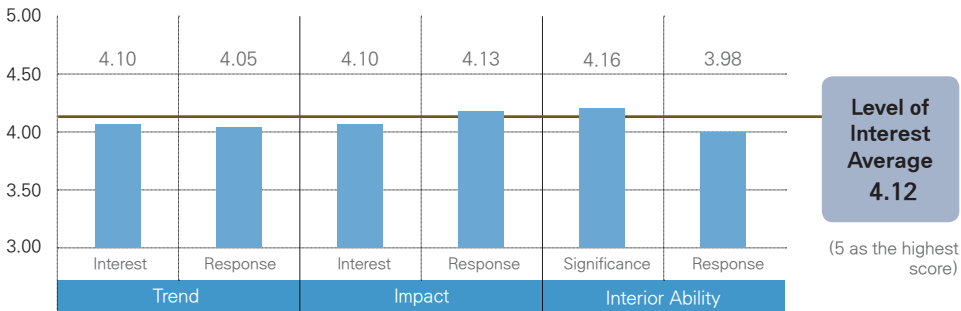
-Business Partners1-Airliners/Occupying Businesses

IIAC's business partners such as airlines and occupying businesses gave a rating of 3.77 in the level of interest/significance, which is about average. The level of response with regards to the issues of social responsibility management rated 3.68, which is about average. The 2nd group of customers gave a rating of 3.56 in the field of impact of the corporation on the external environment, which is below average and demonstrated the lowest level of understanding concerning the corporation's social responsibility management issues out of all stakeholders.



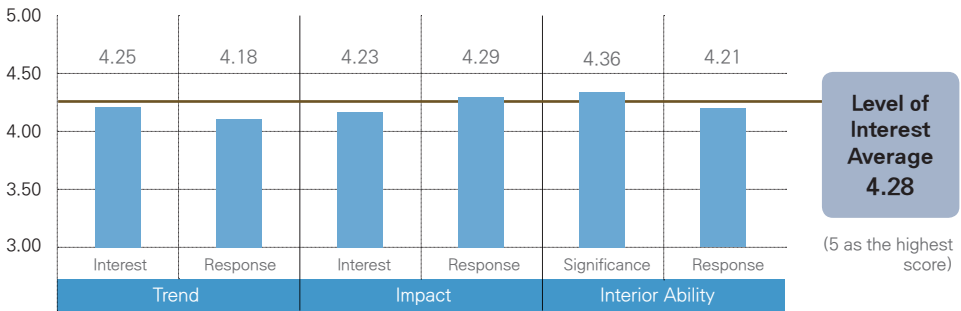
-Business Partners 2 –Cooperators

Business partners such as cooperators showed an interest/significance level of 4.12 out of 5 with regard to the issue of the corporation's social responsibility management, showing a high level, and gave a high average rating of 4.05 in the level of response concerning the performance of the social responsibility management. Cooperators awarded the highest score in the category for the importance of the internal ability for the purpose of successful implementation of IIAC's social responsibility management.



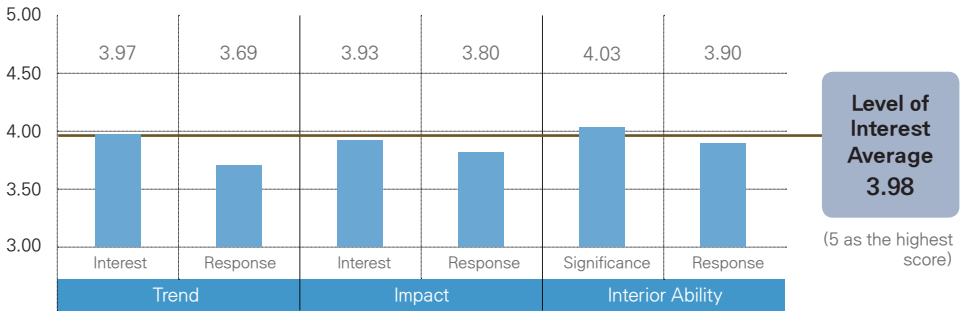
-Employees

The results of the surveys show that the employees have a high level of interest in the corporation's social responsibility management, rating 4.28 out of 5 in the level of interest/significance for the relevant issues of social responsibility management. With regards to the response level, the employees rated 4.23, evaluating it to be reasonably successful, and the rating of the response in the areas of business activities were particularly higher than average.



-Local Communities

The surveys conducted of the local communities (including the government) showed an average rating of 3.9 for in the level of interest/significance, displaying a higher than average interest in the issues of the corporation's social responsibility management while showing a lower rating of 3.80 for the level of response in the social responsibility management in all levels of response categories such as trend, impact, and internal ability compared to the level of interest/significance.





Interviews of the Stakeholders

IIAC values stakeholders in various fields as the focal point and the most valuable assets in social responsibility management activities and also seeks to establish positive relationships and share values through communicating with stakeholders.

To realize more systematic and advanced social responsibility management, IIAC collects opinions from the main stakeholders such as the customers, government, business partners, employees, local communities, etc. every year and strives to apply the valued opinions of the stakeholders to social responsibility management activities. The primary opinions regarding the corporation's social responsibility management valued by the stakeholders are as follows.

Department of Aviation Policy of the Ministry of Transportation



Deputy Director
Oh Gong Myung

The foremost thought that comes to my mind when I think about IIAC in 2012 is the fact that it claimed the No. 1 place in AIC survey on services of international airports for 8 consecutive years for the first in the world. This achievement proves the position of IIAC as the face representing Korea and global specialist enterprise in the area of airport management, equipped with swift airport service and admirable amenities. IIAC's dedication to improving the service and the expansion of air travel routes facilitates its emergence as the hub airport in Northeast Asia, playing a huge role in the elevation of Korea's air travel industry to the world-class level, which is noteworthy. If IIAC keeps honoring basic values such as efficient, safe, and convenient airport service while making efforts to mutually grow with airport employees, IIAC will be an exemplary case of fulfilling the requirements of the social responsibility management.

Customer

I am proud as a citizen of Korea that IIAC has played a role in improving Korea's national brand power with advanced facilities and service, earning international recognition by winning the best airport awards for 8 consecutive years. The social responsibility required of IIAC is not only limited to realizing social and public interests. National brand power can be raised by ways of providing distinctive service from other countries or corporations. This would be the most crucial social responsibility required of the corporation which determines the first impression of Korea. For the sustainable growth of IIAC, special services for foreigners should be provided, and active response to the needs of smart domestic and international customers who enjoy rapid spread of various information should be made by actively accommodating the increased needs of the customers.



Jeon Hyung Min

Airport Service Assistance Team of Asiana Airlines Inc.



Deputy Director
Jeong Seon Jin

Mutual trust comes before everything else to pursue the mutually shared values between all stakeholders working at Incheon Airport, and the most important values are to accommodate every customer who uses the airport and to improve their satisfaction. Winning the No. 1 place in ASQ for 8 consecutive years is a great achievement, but all will be in vain if the corporation decided to settle, ceasing its drive for improvement. Every employee working at the airport should work hard alongside with IIAC to achieve new goals. The operation of the airport and improving its service is not achieved by the work of one group but by the combined efforts and cooperation of every group, the way harmony is achieved in an orchestra. Complete flexibility in solving problems should be guaranteed, and continuous efforts to improve customer service should be made. A virtuous cycle of reinvesting from profits should be established for social responsibility corporate management to be realized.



Labor and Welfare Team of IIAC



Assistant Manager
Kim Jae Won

2012 marks the year when IIAC won 1st place in ASQ for 8 consecutive years, commenced the construction of its the phase-3 Construction Project stages, ventured into the overseas market, and developed the areas surrounding the airport. It was a year of challenge in preparation of the next 10 years to emerge as a global airport specialist. For the corporation to fulfill the goal of social responsibility management surpassing its existing success, facilities providing the customers with safe and convenient service and the optimum process should be steadily maintained. This investment in the infrastructure boosts the brand power of Korea and creates new job openings, benefiting the local communities directly and indirectly. Furthermore, the people who manage the airport facility should not go unnoticed. The corporation should obtain and foster a pool of excellent workforce and strengthen the relationship with the business partners through lively communication, paying attention and making continuous efforts for shared growth.

Joeun Systems

2012 is a meaningful year since IIAC achieved a new record by winning 1st place in ASQ for 8 consecutive years. This achievement was made not only by the efforts of the corporation's employees, but also by the employees of the business partners that worked hard in participating in the operation of the airport. Being part of this historic success in this field has given us pride. IIAC is a corporation striving to realize coexisting collaborative relationships and a strong sense of fellowship by continually communicating with various stakeholders. The business partners of the corporation deal with the customers at the front line of the airport, and so the corporation and the business partners should work together to provide the customers with quality service, sharing values and growth. IIAC should be a corporation that earns trust from all stakeholders through transparent and ethical management to be sustainable and socially responsible corporation.



Team Manager
Yoo Ji Hun

Youngjong Elementary School



Teacher
Shim Ji Young

IIAC supports the holistic development and reinforcement of creative ability of children, who are the future of the country, through the specialized projects of local schools, earning trust in local communities like Yeongjongdo. Social Service Projects promoted by IIAC earn the respect of the local residents, making the corporation not only an airport but an enterprise that emphasizes sharing and communication, striving to work with the local community to grow together. Social standing and social responsibility management is based on mutual trust, so it is crucial that the corporation win trust from the local community and the stakeholders to grow as a socially responsible corporation. Additionally, IIAC is located in Incheon and has a tremendous potential influence on the local community's growth. Hopefully, the corporation will grow into a socially responsible enterprise that is actively involved in social service work and communication with the local community in a partnership of mutual benefit and growth.



Evaluation of Significance and Key Issues

The selection of major issues in writing a social responsibility report is one of the most important processes for the effective and systematic reporting of the various issues of social responsibility management. To draw the major issues that must be considered for the corporation's management activities, the procedures suggested by ISO 26000 are used in evaluating the inside and outside environments, and the most material issues to the corporation and the stakeholders were selected.

Process of Significance Evaluation



- Media Analysis**

Relevant Issues were drawn from the analysis of the total of 2,485 news articles from January 2012 through December 2012 for the purpose of understanding outside awareness concerning the key issues of the corporation's social responsibility management.
- Related Corporation Analysis**

Relevant issues concerning IIAC were illuminated by analyzing the sustainable management reports of domestic and international corporations in the air travel industry or corporations known for their excellence in promoting sustainable management according to specific issues of ISO 26000 core themes or the application index of criteria of GRI
- Trends and Impact Examination**

An employees' survey was conducted on trend, impact, and internal ability of key issues in sustainable management. The issues of internal and external abilities to which IIAC is susceptible or has influence were identified.
- Level of ISO 26000 Performance**

The ISO 26000 Analysis Tool Developed by the Ministry of Knowledge Economy was used to evaluate IIAC's performance level in social responsibilities. The weak points that were identified were used in the drawing of relevant issues.
- Expert Interviews**

Major groups of stakeholders were selected according to the legal, financial, business responsibilities, and power of influence linked to IIAC's management. 6 experts representing each group were given an in-depth interview to spot fine issues in social responsibility management.
- Stakeholder Surveys**

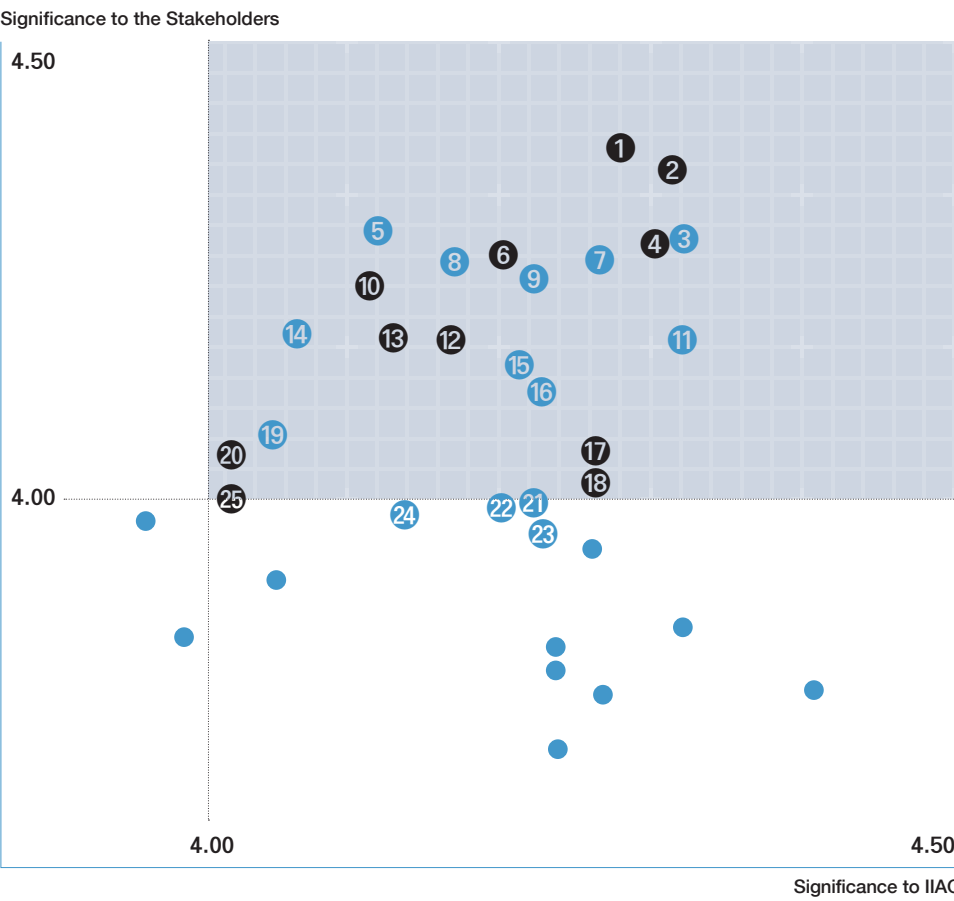
Surveys were conducted to collect various opinions on IIAC's social responsibility management from important stakeholders such as the employees, business partners, government, and local communities. The surveys were conducted from May 10, 2013 to May 24, 2013, and the issues of social responsibility management perceived by each interested party were drawn and applied to the significance evaluation.
- Stakeholders Committee**

A Stakeholder Committee meeting was held on June 5, 2012 to share the social responsibility management activities promoted by the corporation between experts in the fields of the economy, society, and environment and to gather various opinions on the relevant issues and executive measures for the further developmental and constructive realization of social responsibility management.

Drawing of Key Issues

●

The significance evaluation was conducted in two stages, the relevance analysis and significance analysis suggested by ISO 26000. The evaluation of relevance of the first 102 sustainable issues was conducted, and the first 48 key issues were drawn. The evaluation of significance was conducted through inside and outside surveys on these issues, and 25 trends and impact issues that earned more than 4.0 out of 5.0 in significance were decided to be the final key issues. This social responsibility report contains the corporation's activities in the areas of decided key issues determined by the evaluation process of significance.



- Trend
External economic, social, environmental issues to which IIAC is subject
- Impact
Economic, social, environmental issues on which IIAC has external influence

I. Company Profile and Strategy
4 14
II. Being Global Airport Leader
8 15 24
III. Investing in Our Society
1 2 3 5 6 7 9 12 22 23
IV. Creating Green Airport
10 19 20 25
V. Acting Responsibly and Reliably
13 16 17 18 21 11

1	Increasing significance in sharing growth with business partners	14	Participation by internal and external stakeholders and application of their opinions
2	Increasing demand for safety (responsibility) of the goods and services	15	Social Influence (recruitment, level of wages, purchase, etc.)
3	Improving goods and services (customer satisfaction activities)	16	Observance of social rules
4	Increasing demand for corporation's transparency	17	Increasing the employee's rights and the weight of their roles
5	Potential influence over the local community (participating in the local community's development)	18	Increasing demand for human rights (gender equality, multi-cultural families, etc.)
6	Increase in various and challenging needs of customers	19	Observance of environmental laws
7	Social service works in the local community	20	Reinforcing environmental regulations
8	Indirect economic benefits for public interests (investment in the infrastructure)	21	Hiring
9	Customer health and safety	22	Observance of the regulations concerning goods and services
10	Pollution (air, water, and soil contamination)	23	Protection of customer's personal information
11	Anticorruption	24	Creation and distribution of profits
12	Easier Access to the information of the corporation (Internet and SMS)	25	Climate change (global warming)
13	Youth unemployment and increasing number of temporary positions.		

Evaluation of Social Responsibility Management

IIAC prepared detailed indexes for the fulfillment of 4 social responsibility objectives, such as global airport specialist, National Corporation earning the citizens' respects, pro-environmental green corporation, and ethical culture worthy of trust. Outcomes are compared to goals on a yearly basis to further promote higher levels of social responsibility activities.

As a result of the listed efforts to establish of social trust, IIAC won the First Place in the review of social responsibility performance made of the largest group of domestic stakeholders which is co-hosted by Korean Standards Association (KSA), assisting domestic agency of ISO 26000, and GRI (Global Reporting Initiative), the legislative agency of sustainability reports, winning recognition from various agencies evaluating social responsibility activities

Indexes Outcome of Social Responsibility Management

SR Key Issues	Main Stakeholders	SR Goals
<div>•Increasing demand for safety (responsibility) of the goods and services</div> <div>•Improving goods and services (customer satisfaction activities)</div> <div>•Increase in various and challenging needs of customers</div> <div>•Indirect economic benefits for public interests</div> <div>•Customer health and safety</div> <div>•Easier access to information about the corporation (Internet and SMS)</div> <div>•Social influence (Recruitment, level of wages, purchase, etc.)</div> <div>•Observance of regulations for the goods and services</div> <div>•Protection of customers' personal information</div> <div>•Creation and distribution of profits</div>	<div>Employees</div> <div>Customers</div> <div>Business partners</div>	<div>Global Airport Specialist</div>
<div>•Increasing significance in sharing growth with business partners</div> <div>•Potential influence over the local community (Participating in the local community's development)</div> <div>•Social service works in the local community</div> <div>•Participation by the internal and external stakeholders and application of their opinions</div> <div>•Youth unemployment and increasing the number of temporary positions</div> <div>•Hiring</div>	<div>Local community</div> <div>Employees</div> <div>Business Partners</div>	<div>National corporation earning citizens' respect</div>
<div>•Pollution (Air, water, and soil contamination)</div> <div>•Observance of environmental laws</div> <div>•Observance of environmental regulations</div> <div>•Climate change (Global warming)</div>	<div>Employees</div> <div>Business Partners</div>	<div>Pro-environmental Green Airport</div>
<div>•Increasing demand for the corporation's transparency</div> <div>•Anticorruption</div> <div>•Observance of social rules</div> <div>•Increasing the employee's rights and their weight of roles</div> <div>•Increasing demand for human rights</div>	<div>Employees</div> <div>Government</div>	<div>Ethical culture worthy of trust</div>

Indexes of Outcome	Units	Outcome of 2010	Outcome of 2011	Goals for 2012	Outcome of 2012	Goals for 2013
WLU	10,000	5,975	5,993	6,220	6,295	6,600
EBITDA	100 million won	8,189	9,905	10,000	10,502	10,900
Ranking in ASQ	—	1	1	1	1	1
Sales	100 million won	12,860	14,966	15,350	15,817	16,600
Number of domestic passengers	10,000	3,295	3,454	3,630	3,835	4,050
International cargo	10,000	268	254	265	246	255
Number of transit passengers	10,000	519	566	590	686	685
Process of 3 stages of basic airport design	%	T2 basic design	75	Entire Process 1.89	Entire Process 2.0	Entire Process 4.0
Profits made in overseas market	100 million won	97	105	115	4.0	140
Level of customer satisfaction for the corporation	100 million won	AA	AA	AA	AA	AA
Time required for departure/entry	Grade	16/12	19/12	18/12	19/12	16/12
Air travel accidents	Minutes	0	0	0	0	0
Safety measures alerted	Cases	3	5	11	4	4
Hours of employee's volunteering work	Hours	2,825	3,077	3,400	4,748	5,458
Total of donations for social service works	100 million won	16	429	185	163	199
Result of creating civil job opportunities	Numbers	22,816	25,222	27,600	29,398	30,000
Educational satisfaction of employees	On the scale of 5	3.6	4.1	4.4	4.5	4.7
GWP index	Points	82.0	89.0	89.5	94.0	95.0
Security and safety accidents	Cases	0	0	0	0	0
Breach of fair trade accused by the external agency	Cases	0	0	0	0	0
Result of assisting shared growth	Points	-	82.9	90.0	95.7	90.0
Consumption of energy	TJ	3,380	3,335	3,655	3,614	3,419
Greenhouse gas emissions	tCO ₂	182,792	176,601	190,710	190,327	179,116
Purchase of pro-environmental goods	%	93	94	95	94	94
Replacement of LED lights (total of replacements)	Numbers	15,900	32,931	40,500	53,600	72,690
Analysis of public corporations' management performance	—	A	A	A	A	A
KoBEX SM	Points	AAA(93.5)	AAA(96.0)	AAA(97.0)	AAA(97.5)	AAA(98.0)
Anti-Corruption and Civil Rights Commission Level of integrity (total)	—	Decent(8.87)	Excellent(9.09)	Excellent(9.00)	Excellent(8.96)	Excellent(9.00)
Ethical Management Index	Points	90.2	92.4	92.5	93.0	93.5



2

Being Global Airport Leader

Management Results / Emergence as a Hub Airport / Reinforcing Foundation for Future Growth / Building the Hub Infrastructure / Risk Management

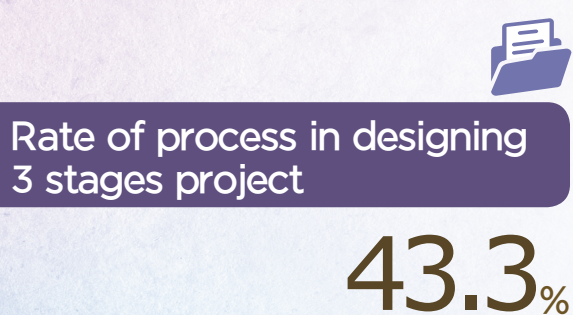
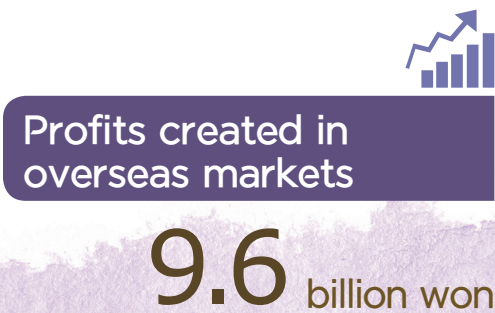
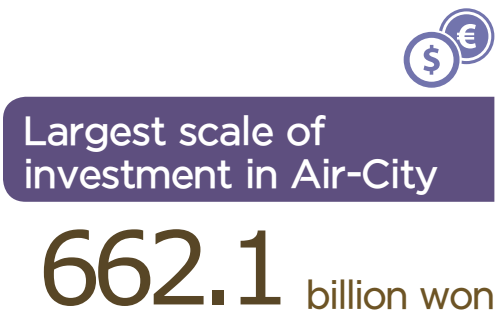
The history of IIAC is a journey filled with endless challenges and renovations staring with reclaiming the land from the vast ocean and the dream of becoming the Hub Airport of Northeastern Asia. IIAC strengthens its foundation of growth in air travel demand through continuous strategic air travel marketing and makes various efforts for future growth by the expansion of overseas markets and the development of the airport complex city. Daring growth strategies will help the corporation emerge as a global air travel specialist leading the changes made in the future air travel industry.

Keys Issues of Social Responsibility Management

- Direct and indirect economic effects for public interests (investment in the infrastructure)
- Social influence (Recruitment, level of wages, and purchase)
- Creation and distribution of profits

Major Accomplishments of Social Responsibility Management

30 Accomplishments of Management
32 Emergence as a Hub Airport
34 Reinforcement of Foundation for Future Growth
36 Building Infrastructure for Hub Airport
37 Risk Management





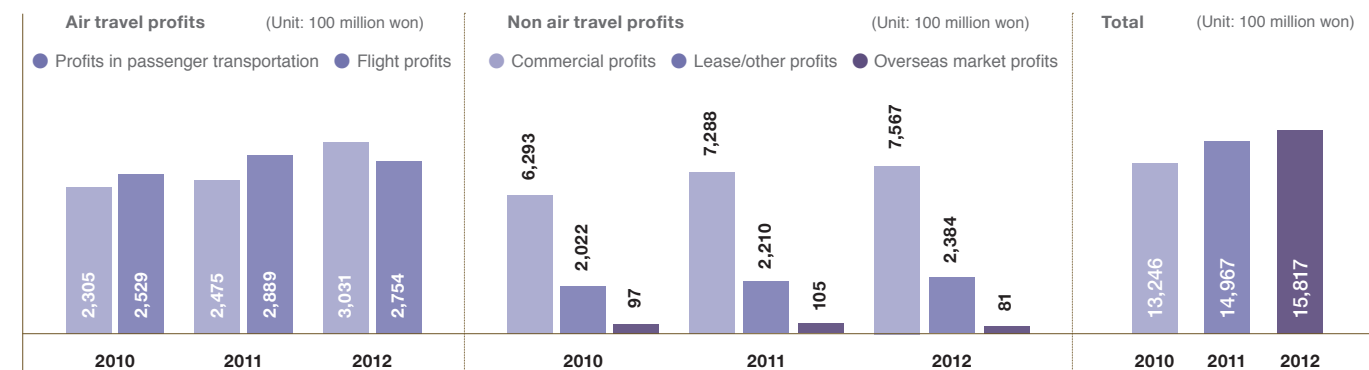
Management Results

IIAC seeks to create profits by carrying out a basic airport's role through an increase in demand for air travel and maximizing profits through the advancement of commercial facilities and the diversification of overseas market, building a foundation for future growth. As a result of these efforts, the corporation has been operating in black for 9 consecutive years, stabilizing its sound financial condition through steady repayments of debts and the reasonable management of financial structure.

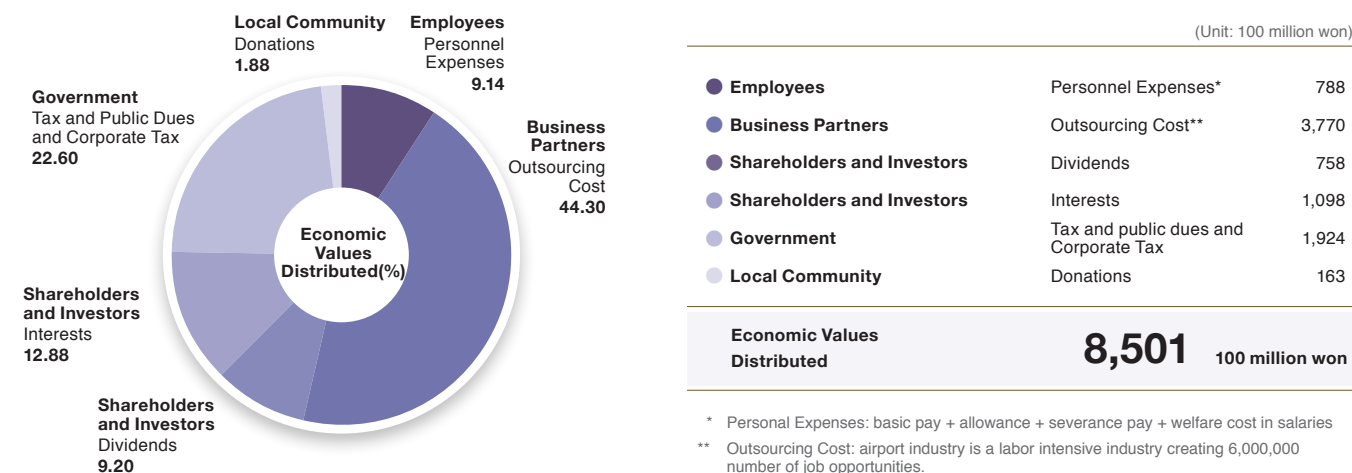
Airport Operation

The demand for the number of passengers and transit passengers increased considerably after powerful marketing efforts were made for the attraction of new airlines, increase in air routes, and strategic transition while achieving a record result in air travel with profits of 578.5 billion won, an 8% increase from the previous year. Through the advancement of commercial facilities and development of new facilities, 34.4 billion won was added to commercial profits. Through the diversification of non-air travel earnings by means of taking over private facilities and expansion of overseas market, a total of 1 trillion won non-air travel profits was created since the airport's opening. Based on the excellence of services, state of the art facilities, and IT infrastructure, the operation of the airport has been able to create economic values that are being distributed among various stakeholders.

Results of airport operation



Distribution of Economic Values



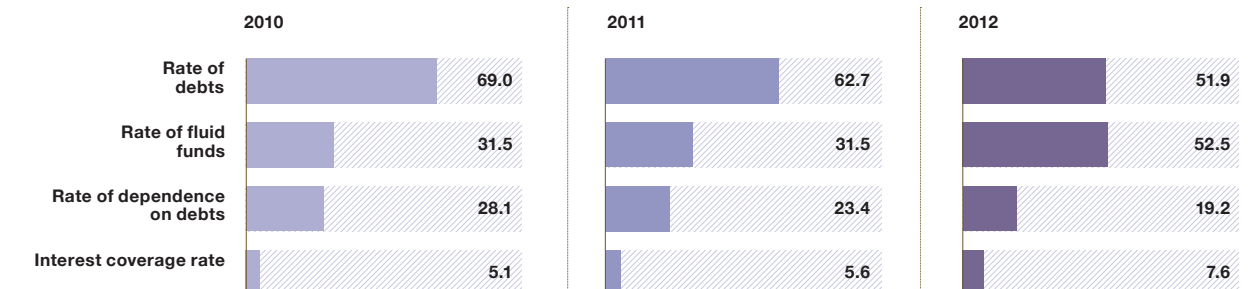
Analysis of Management

IIAC managed to operate in black for 9 consecutive years with sales of 1.5817 trillion won in 2012 and net profit during the term in the amount of 499.4 billion won. Through debt redemption and financing plans according to a different scenario in connection with the middle and long term management goals, effective coping ability was ensured in response to the management changes. The stabilization of middle and long term cash flow was established by readjusting debt redemption on maturity to allow for 3 Stages of airport construction. Continuous debt repayments and the reduction in financial cost will stabilize the financial soundness of the corporation and liquidity, and reasonable relationships will maintain the stability of the financial structure. Financial management system will be strengthened in the face of large scale investments, and the stability of financial structure with respect to the environmental changes will be reinforced

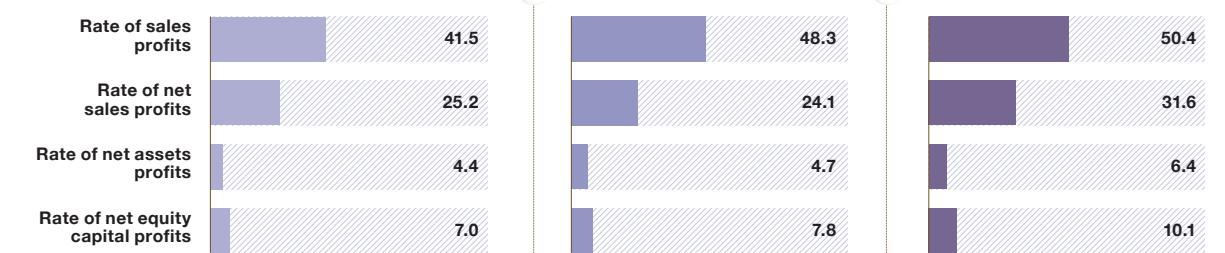
Major indexes



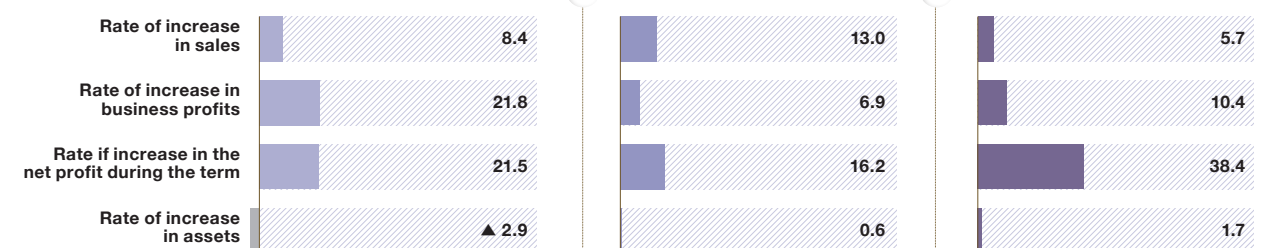
Stability



Profitability



Potential



Record of Air Travel





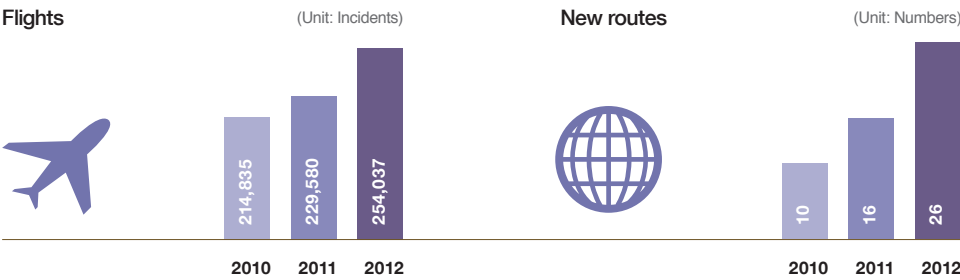
Emergence as Hub Airport

IIAC must strengthen the transportation networks of passengers and cargo to improve its competitiveness as the hub airport of Northeast Asia. IIAC pursued an aggressive marketing to win over target airlines and to increase the number of transit passengers and succeeded in attracting more and more passengers. The corporation also vitalized the distribution complex, laying a foundation for an increase in the quantity of goods transported in higher value-added business. IIAC built a global network using 84 airlines and connecting 176 cities to grow into a world-class airport with the second largest handling of international cargo and the 9th largest number of international passengers.

Strengthening the Air Travel Network

Strategic marketing was pursued to improve the hub competitiveness of Incheon Airport, strengthening the air travel networks through the attraction of new airlines and an increase in air routes. Distinct marketing efforts were made to target specific airlines, attracting 4 new airlines and 26 new air routes in 2012. A huge boost to the hub competitiveness was added when big airlines such as British Airways and American Airlines joined the list of new airlines. A total of 250,000 flights in 2012 after the attraction of new airlines and an increase in air routes recorded the largest air travel record in history. Reduction in fees and an increase in incentives relieved the airlines' burden of operation, resulting in more airline operation and an increased number of flights while participation in air travel talks and international meetings boosted the marketing efforts of the corporation.

Air Travel Record

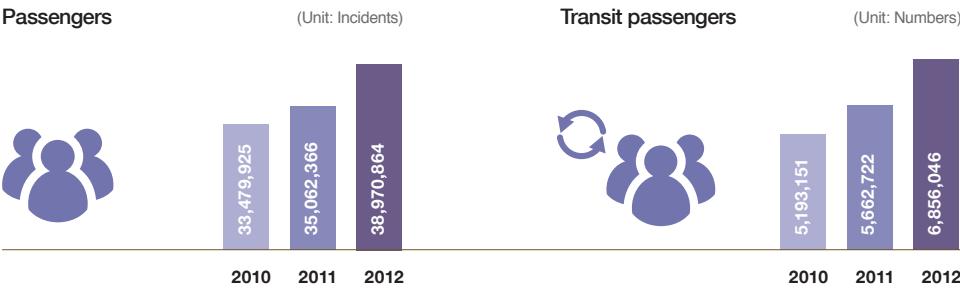


Increase in the Number of Transit Passengers through Marketing

To secure a stable supply of transit passengers, IIAC formed a gradual strategy and has been promoting it since 2010. In conjunction with reinforcing the existing transit market, new markets such as CIS-Southeast Asia routes, etc. that have huge potential in relation to the airlines' strategies have been actively developed. Joint efforts with related organization such as the developments of differentiated transit packages deals and transit incentive programs, and special marketing for the development of midnight transit demand have been made to expand the size of joint promotion. As a result of these innovative efforts, IIAC won the Leading Edge Award from Executive Travel in August 2012. These various endeavors to increase transit demand saw results in a 21.1% increase in 2012 in the number of transit passengers, which recorded 6,860,000 compared to the previous year and achieved the biggest record in history.

*CIS: Common wealth of Independent States

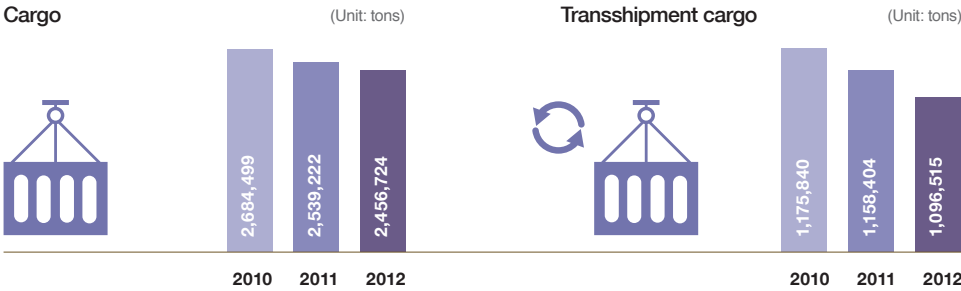
Passenger Transportation Record



Revitalization of Distribution Complex

External factors such as the global economic recession, the lightening of air cargo weight due to the miniaturization of IT devices, and the accelerated overseas relocation of domestic manufacturing facilities has continually decreased the quantity of goods to be transported. To overcome these changes, new cargo target routes were introduced and a manufacturing corporation was attracted to minimize the reduction of the quantity of goods transportation. The quantity of goods transported in 2012 totaled 2,460,000 tons, recording the 2nd largest for 7 consecutive years with cargo profits of 96.2 billion won.

Cargo Transportation Record

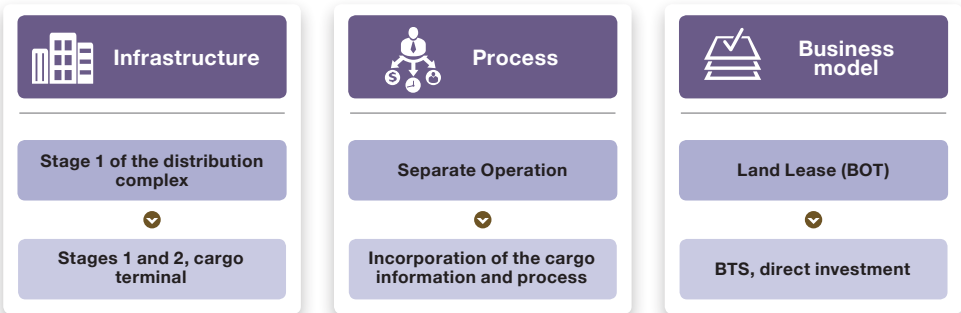


Air routes in Western China, the Americas, etc. that are expected to have increased quantity of the goods transportation due to the new development and vitalization of industrial areas were selected as crucial target air routes, and extensive marketing efforts were focused on those areas. As a result, 5 new cargo airlines were invited, which will likely to create a new quantity of cargo transportation of 857,000 tons.

Global leading manufacturers were attracted promising an increase in the quantity of the goods transportation after the establishment of 2 stages of the distribution complex in 2012, and a cluster of higher-value added businesses was constructed to lay a foundation for the continuous creation of the quantity of the goods transportation. Improvements of the infrastructure such as the investment environment and the cargo transport environment were made to attract manufacturers. Convenience was enhanced by simplifying the government authorization process for the move-in. The factories of the global manufacturers and their Asian distribution centers were targeted, and the marketing committee was set up for customized marketing. The MOU with STATS ChipPAC KOREA, a semiconductor equipment corporation, signed in October 2012 brings hope of creating new quantities of the goods transportation that will contribute to the activation of the local economy.

IIAC seeks to foster the airport as the shipping herb, creating an additional demand for transshipment and invest directly in the development of the airport's distribution complex and expanding the airport's role.

Maximization of the airport's role for the revitalization of the distribution complex





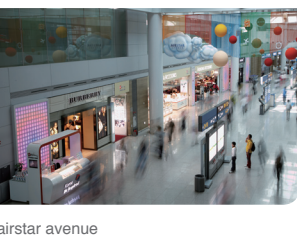
Reinforcement of Foundation for Future Growth

Maximization of Profits in Commercial Facilities

IIAC seeks to solidify its position as the best air travel enterprise in Northeast Asia by the diversification of non air travel profits, securing a stable source of profits for sustainable growth. For the fulfillment of this goal, the corporation is actively promoting the maximization of profits in commercial facilities through distinct marketing, the diversification of business in the overseas market through the exportation of airport management knowhow, and the full-scale development of the airport complex city.

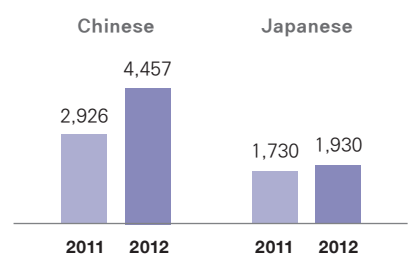
IIAC has regularly studied the needs of customers and promoted distinctive marketing efforts for main customers based on the knowledge it learned for building an optimum shopping environment. The main customers that occupy 33% of the total sales of duty-free shops are from China and Japan, and their preferences in the brand and items were expanded and a customized marketing was conducted. Travel shopping magazines and shopping guides were published to improve the communication channel with the main customers. As a result of these efforts, the sales of duty-free shops made by the Chinese and Japanese rose respectively by 52% and 12% compared to the previous year, and the sales of the strategic brands for China and Japan recorded 174.3 billion won, increasing by 75% compared to the previous year. Furthermore, IIAC has been striving to nurture outstanding domestic brands to earn global price competitiveness. Stores for domestic products and the products of small and medium-sized firms were prepared, and a market was created to produce an additional sale of 15.7 billion won. The sales of domestic products recorded 418.6 billion won, increasing by 16% compared to the previous year. 5 exclusive stores for domestic products were built in 2012 and located in the critical areas of commercial facilities, and a new bidding right for business made it mandatory to dedicate 50% of the store area to the sales of domestic products to realize the goal of shared growth through the expansion of domestic products stores.

IIAC is leading a new concept of airport's commercial model balancing profitability and public interests through the optimum location of facilities, distinctive marketing efforts and development of new commercial facilities, securing of global competitiveness, and the expansion of the market through the sales made in the exclusive stores for domestic products and the products of small and medium-sized firms. After focusing on these efforts, IIAC achieved a record of having the largest volume of duty-free sales in the world for 2 consecutive years, winning 1st place in the satisfaction rate of shoppers in ASQ, and being awarded the "World's Best Duty-Free Shop Awards" by Business Traveler for 3 consecutive years.

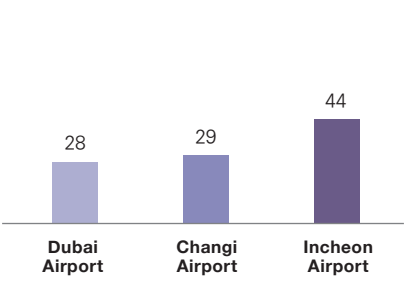


airstar avenue

Record of duty-free sales by main customers
(Unit: 100 million won)



Sales made by an individual organization in major airports
(Unit: USD)



Activation of Overseas Market

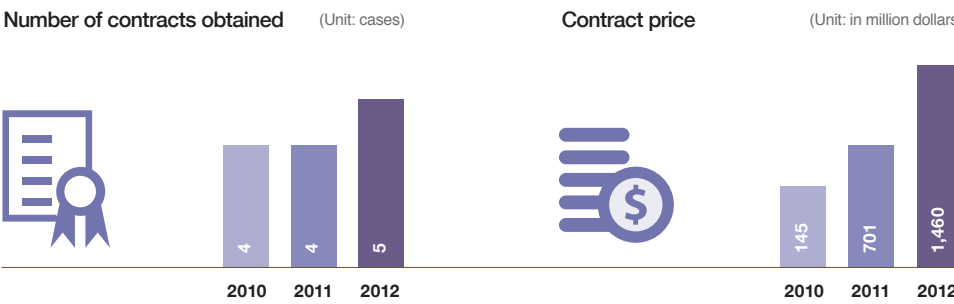
IIAC has diversified the overseas market through the development and investment business in the form of participating in the management and quota investment, shifting from the previous focus on consulting, and worked into the business of utilizing the construction management knowhow of Incheon Airport by using means such as the construction management business (CM). Especially for the purpose of increasing obtainments of contracts in the overseas market, developing countries with a higher chance of an increase in demand for air travel were selected as the major target areas and became the targets of field-level marketing to win contracts in Asia's airport industry. Following the successful performance of the management consulting for Arbil Airport in Iraq, Incheon airport's position in the overseas business was elevated and helped the airport to actively participate in the bidding processes of the airport projects in major target areas such as the Middle East (Iraq, Kuwait) and Asia (the Philippines, Indonesia, Myanmar). Through reinforced collaboration with domes-

tic and international corporations that possess powerful networks, the efforts for winning contracts are continuing. IIAC won 5 overseas contracts in 2012. The contract prices totaled \$14.6 million, increasing by 105% compared to the previous year. For the effective promotion of the overseas projects, a general management system was formed for managing the profits and expenses of the overseas business.

Record of obtainment of contracts for overseas airports in 2012

Classification	Contracts obtained	Price of contract	Project schedule
Duhok Airport, Iraq	Construction and management of the new airport	\$900 Million	2012.04~2015.02
Puerto Princesa Airport, the Philippines	Construction and management	\$400 Million	2012.08~2016.07
Manila Airport, the Philippines	Construction and management	\$130 Million	2012.09~2013.09
New Bangladesh Airport	Establishment of air travel policies	\$300,000	2012.04~2013.03
Jakarta Airport, Indonesia	Technical support of air travel security	\$10,000	2012.06~2012.12

Contract price and the number of overseas obtainment of contracts (2010~2012)



Successful Airport Complex Development



IBC-I Stage 2

IBC-II

Southern reservoir Stage 2

The abandoned land surrounding the airport was developed into a distinctive concept according to the fields of business to strengthen the assisting function of the airport and to create more demand in air travel. The role of mere real estate leaseholders was expanded, making them actual participants in the investments. IIAC relieved the stress of the investors that comes with large-scale business promotions and made efforts to improve the investment environment, thus resulting in the signing of International Business Areas (IBC-I) 2 stages enforcement agreement in September 2012 and succeeding in attracting an investment of 662.1 billion won. Additionally, idle waste land (southern area of the future fifth runway) with a low possibility of attracting investments was strategically developed into the BMW driving center, which was confirmed to be built on the land for the first time in Asia in November 2012, and the 2 stage development of the southern reservoir into a 372 bedroom hotel will be commenced in 2013.

The full scale development of the airport complex city will earn renewed support for the systematic design and construction. Hotels, casinos, and convention centers will be completed by 2018 as part of the plan for the establishment of the airport complex city, and a large-scale entertainment complex will be built, contributing to the revitalization of the airport and the local community.

Air-City developmental guidelines

Classification	IBC-I Stage 1	IBC-I Stage 2	IBC-I reservation area	IBC-II	Southern reservoir
Site area	165,000 m ²	336,000 m ²	330,000 m ²	3,274,000 m ²	151,000 m ²
Development plan	Business, accommodations, commercial facilities, etc. that will assist the airport			Entertainment complex focusing on entertainment and profitability	Water sports, accommodations
Development status	In operation	In design process	To be announced	Selection of prior negotiating parties and negotiations in session	Stage 1 (Motorboat Racing Training Center) in operation/ Stage 2 (hotels) in construction

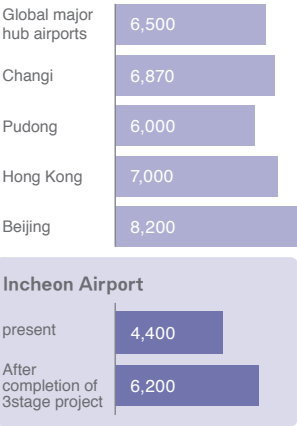


Building Infrastructure for Hub Airport

Building of Major Infrastructure Crucial to the Airport



Status of passenger handling ability of major hub airports
(Units: 10,000 people)



2nd passenger terminal

After the establishment of the basic plan for the 3 stage project, drastic changes in the air travel business prompted increasing worries in and out of the corporation as to the legitimacy of the project. In response, IIAC dedicated itself to the work of securing human assets and the strategic foundation for the expansion and improvement of global airport facilities. The environmental trends of 2012 were monitored, and a consensus was formed between the stakeholders and experts through sufficient discussions, re-authenticating the legitimacy of the 3 stage project. The matters to be fixed that were identified during the course of operation of existing facilities were applied to the facilities plan for the optimization of the design to provide the best service.

In 2012, the environment for the successful promotion of 3 stage project was nurtured, and the optimum design that suits the No. 1 airport in the world was prepared. Studies of the global major airport facilities were conducted, outstanding cases were examined and applied in the design process, and efforts were made to actualize the design. The rate of process of the 3 stage project design recorded 43.3%, exceeding the goal, and a total of 9 cases of Values Engineering (VE) maximized the value of facilities, cutting business expenses by 750 billion won (15% of the business expense). Through a simulation using a special program for each field such as airport airside, landside, and the 2nd passenger terminal, etc., problems were found and solutions were applied in the design process. Solution Design Simulation utilizing 24 programs in 8 fields such as air/land, construction, etc. was used to analyze and reduce design errors, and organic Total Design improved the convenience of passengers, thus resulting in the production of a differentiated design.

An advanced business management system was built to improve the effectiveness and competitiveness of the business, and a notice of change reflecting the 5th runway plan was given to prevent unnecessary civil complaints from being filed. The foundation for the establishment of the middle and long-term infrastructure was laid to better respond to future changes in the air travel industry. Despite the completion of the basic design of the 3 stage project, IIAC still intends to conduct cease-less monitoring of the project and to vitalize VE in the actual construction stage boosting the effectiveness and efficiency of the 3 stage project.

* VE (Value Engineering): Value engineering is a management method intended to make changes in the overall management activities starting from product development to designing, manufacturing, distribution, and service processes, simultaneously reducing the production cost and improving product value. This is also called value analysis.

Cases of benchmarking in major international airports

Classification	Benchmarking	Cases of benchmarking
2nd passenger terminal	· Effectiveness of locating commercial facilities within the terminal and review of other airport cases	Heathrow, Chek Lap Kok
Foundational transportation facilities (Airside)	· Case introduction of advanced operation of parking ramp · Review of domestic and international airport for improvement of open ground run-up enclosures · Review of international cases of connecting bridges for taxiways	JFK, Singapore Blagnac, Sidney Munich, Singapore
Connecting traffic system	· Review of international cases in transportation system of buses and trains	Heathrow, Munich

Cost-cutting effect in business expanses through optimum design process

Classification	Major activities	Cost cutting effect
2nd passenger terminal	· Optimum selection of location through alternative review of the terminal location · Optimization of space requirement through review of inside space and its relocation	Approximately 370 billion won Approximately 350 billion won
Foundational transportation facilities (Airside)	· Reappraisal of cargo demand securing optimum size of cargo storage · Minimization of borrow pits and reclamation soil reducing the development of borrow pits and the period of construction · Improvement of passenger terminal ground layouts and advancement of its functions	Approximately 19.1 billion won Approximately 6.6 billion won
Passenger terminal facility (Landside)	· Improvement of the entry ramps to the 2nd terminal securing mobility and punctuality · Securing constructability and safety of a bridge to 2nd terminal entry ramps	Approximately 7.1 billion won Approximately 7 million won

Risk Management

Response System of Crisis Management Encompassing the Corporation



Objects of constant monitoring

Classification		Management Indexes
Finance (19 cases)	Contacts management	Unusual change in purchase unit price, etc.
	Profits management	Increase in overdue fees
	Funds execution	Use of corporation cards, etc.
	Financial dealings	Unsettled provisional payments
	Wages management	3rd party payments
Non-finance (18 cases)	Facilities/operation	Outsourcing/dispatch of business partners
	Management/budget	Business promotion status of each department
	VOC/civil complaint	Rate of increase in civil complaints
	Human resources management	Current state of affairs in human resources

Constant Risk Monitoring System



Establishment of Internal Monitoring System



IIAC has built and run an overall airport crisis management system in preparation of emergencies detrimental to the management of the corporation and the operation of the airport. Potential risks are categorized into risks to the management and risks to the operation in types, and then are classified into 4 different levels of attention, caution, alert, and serious. In cases of serious risks, the crisis management committee encompassing the corporation convenes, activating an emergency measures organization including an assistance team, response team, etc. for swift response and restoration. Risks to the management and operation are dealt with respectively by the Office of Planning and Coordination and the Situation Management Center which perform the assigned roles following a manual.

2012 marks the year where the existing “crisis management guidelines” was upgraded to regulations and the Chief Risk Management Officer (CRO) was appointed. The enterprise management system was improved in consideration of changes in the management environment, and a response manual concerning 10 major dangers was standardized and created. The threshold of risk bearing in the field of finance was readjusted, strengthening the management system of financial risks and improving the response capability in the financial market. Risk management after the expansion in the overseas market was boosted to ensure stabilized promotion of business.

Enterprise crisis management system

Classification		KRI	Monitoring System
Risks to the management (7 items)	Management environment	WLU rate of reduction	Management information system Finance management system AURI system
	Financial risks	EaR limits, etc.	
	Ethical management	Integrity index/incidents of corruption, etc.	
	Promotion/conflicts	Conflicts (mass civil appeals made)	
Risks to the operation (12 items)	Facility operation	Power shortages, hours of non-operation	Unified airport management system Crisis management center in terminals Accidents recovery measures center
	Flight management	Degree of inconvenience, etc.	
	Disasters/accidents	Snow storms/typhoons	
	Security/communication/management status	Deaths, strikes, etc.	

IIAC analyzed 287 enterprise risks, reflecting risks to the management, risks to the operation, and external dangers, and established management plans, applying to review plans every year. The objects of the constant risk monitoring system drawn from risk management are observed and traced through the supervising activities of the e-monitoring system. The e-monitoring system, a constant risk monitoring system, succeeded in checking 5,685 cases in the field of finance and 462 cases in the field of non-finance in 2012.

Establishment and Operation of Internal Monitoring System

IIAC has put forth middle and long term monitoring strategies (2011~15) for the advancement of the internal monitoring system and promoted middle and long-term strategic goals and executive assignments with respect to categories of short, middle, and long-term periods. For the effective fulfillment of the internal monitoring system, yearly monitoring plans were founded and put into action based on the middle and long-term monitoring strategies and the performance review of risks, thus filling the role of public monitoring.

Bolstering the Function of Internal Monitoring

IIAC has reinforced its internal monitoring function by securing the autonomy and expertise of the monitoring. The structure and powers of the monitoring committee are separated as a structure device to safeguard the autonomy of the monitoring department. The expertise of the monitoring is protected when the special capabilities required of the monitoring agent are categorized into 4 grades and systematic monitoring job training is provided. An outside specialist such as the advisory committee is utilized to improve the objectivity and expertise of monitoring.



40 Customer Satisfaction Management
44 Shared Growth and Mutually Beneficial Collaboration
47 Sharing Happiness through Social Service

3 Investing in Our Society

Customer Satisfaction Management / Shared Growth and Mutually Beneficial Collaboration / Sharing Happiness through Social Service

IIAC strives to maximize customer satisfaction, working together with business partners and airport family members by supplying various amenities, enjoyment of culture and arts, and a pleasant airport based on requirements such as providing optimum safety and security. Compensation to the local residents following airport construction and the focus on hands-on social service works is part of the corporation's efforts to communicate and grow together with local communities as part of its strategic social service activities.

Major issues or social responsibility management

- Increasing importance of mutually growing with business partners
- Increasing demand for safety (responsibilities) of the goods and services
- Improving goods and services
- Potential influence over the local community (participating in the local community' development)
- Increase in various and challenging needs of customers
- Social service works in the local community
- Customer health and safety
- Easier access to information about the corporation (Internet and SMS)
- Observance of the regulations concerning goods and services
- Protection of customers' personal information



Major accomplishments of social responsibility management





Time required for departure /entry

departure 19 / entry 12 min




Total hours of employees' service work

4,748 Hours



Winning the First Place in ASQ

for 8 consecutive years winner



Selection as the exemplary case of mutual growth investment record

95.71 points



Creation of civil job opportunities

29,398 openings



Nonstop operation of the transportation safety facilities

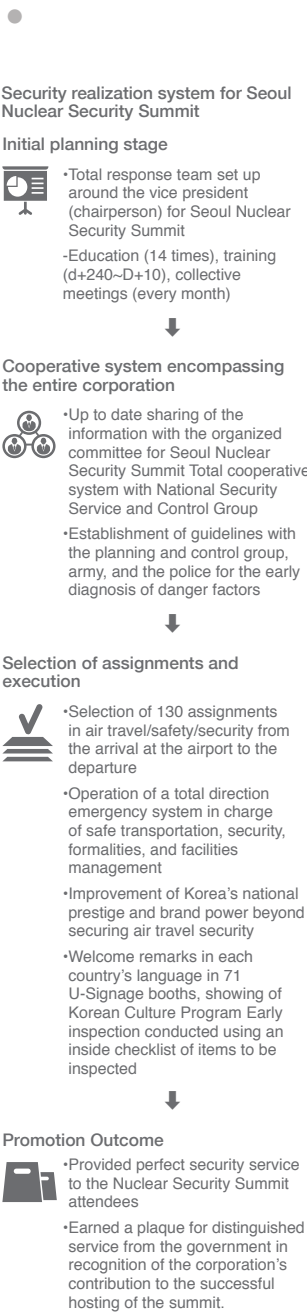
100,000 Hours



Customer Satisfaction Management

Incheon International Airport is always working to impress customers beyond their expectations and considering everything from what customers will personally experience to the invisible details. The staff is constantly endeavoring to provide impeccable security and safety and the highest level of service to realize continuous customer satisfaction management.

Realization of Flawless Air Travel Security



Flawless Security System in Nuclear Security Summit

IIAC provided over a thousand of VIP visitors (53 heads of state and 4 chairpersons of international organizations) who were here to attend Nuclear Security Summit with perfect security service as the representative gateway to the country, improving Korea's national prestige and brand power. A special committee was set up around the vice president (TF chairperson) creating the organized committee for the Nuclear Security Summit, a security service and safety control group, and a cooperative system encompassing the entire corporation and operating a total direction emergency system in charge of safe transportation, security, formalities, and facilities management. Above all, Korean Culture Program was shown and meticulous preparations for the participating guests were made to exceed the customers' expectation not only in the area of air travel security but in contributing to the acclaimed hosting of the summit. IIAC earned a plaque for distinguished service from the government in recognition of its work.

Anti-Terrorism and Establishment of Emergency Response System

IIAC built a strong response system for acts of terrorism and national emergencies as a large-scale public facility and a national security facility dealing with 30,000,000 domestic and international travelers every year. The corporation conducts consolidated training of the civil sector, army, and government under the national air travel security plan and established a protocol to provide swift initial reaction and resolution measures in times of emergencies. Through systematic reinforced management of air travel safety and security and regular check-ups and efficiency tests of the equipment, optimum status of the equipment was maintained. Early detection and improvement of danger factors helped to build the world's best level security system, making Incheon Airport a place safe from security accidents.

Securing Speed/Accuracy/Convenience of Air Travel Security

Passenger fight security checks, cargo checks, security system, etc. is a material factor in determining the level of customers' satisfaction in using the airport. IIAC secured speed, accuracy, and convenience, maintaining the world's best level for its air travel security system, providing passengers customized security service and working diligently to improve the convenience of the passengers. In consideration of the fact that the discomfort level of the passengers can be increased due to the reinforcement of the security check, a campaign of "First Smile! Last Smile!" was organized for the advancement in the security service.

2012 Training for Security Officers

Classifications		Human Rights Education	Service Education	Anti-terrorism Education	Practical Education	Character Education
Security Check Agents	Total Number of Education Hours	8	72	36	200	48
	Individual Education Hours	2	18	9	50	12
Security Guards	Total Number of Education Hours	19.5	34.5	51	268.5	58.5
	Individual Education Hours	3.25	5.75	8.5	44.75	9.75



Securing Highest Level of Safety in Air Travel



IIAC secured the highest level of safety in air travel through systematic and comprehensive management of the transportation facilities and security facilities, realizing the goals of zero airliner accidents and nonstop operation of the airport. IIAC will lead the air travel security field through various efforts for the reinforcement of air travel security.

Global Leader in Air Travel Security Airports

-Results of flight and navigation security facilities operation

IIAC holds a record of 2 million accident-free flights and maintained nonstop operation through comprehensive management, proving its ability to manage flight security. In response to the environment with increased risks for accidents as more airplane accidents happened with an average increase rate of 7.5% yearly, IIAC renewed all operation manuals and executed its own safety check-ups to actively prevent future accidents and manage risks. As a result, certification for airport operation was acquired by the Ministry of Transportation in 2003 and first grade certification for airport operation was re-acquired in 2010. Moreover, a speedy response system was built for the establishment of security and the preemptive improvement of the navigation security facilities contributed to the optimum maintenance of the facilities, achieving a record of 100,000 hours of nonstop operation of navigation security facilities.

-Improving efficiency in safety management

IIAC hosts a cooperation conference of stakeholders and participates in domestic and international meetings to prevent safety accidents, improve efficiency in safety management sharing flight safety information with stakeholders, and strengthen networks. Through effective management of the flight schedule, punctuality was improved, minimizing the waiting period of passengers and boosting the efficiency of resource management and security.

-Operation of simulation flight training centers approved by ICAO

As the need for practice pilot training grew after the expansion of routes by domestic budget airlines, IIAC built and operated a simulation piloting center inside the flight training center. The simulation pilot training center is the first pilot training center that acquired certification from the International Civil Aviation Organization (ICAO), providing quality flight safety training and rising as the Mecca of domestic and international pilot education.



Domestic invention of AC-GPS

System Independence

IIAC is striving for the achievement of system independence through continuous R&D development to overcome the crucial airport management facilities' dependence on overseas technology and to modernize domestic flight safety technology. The Ground power supply unit for airliners (AC-GPS) developed jointly by the Small and Medium Business Administration, civil sector, and the government was the first among airport corporations, and it is a successful research and development example of the localization of international management knowhow. This product will be introduced in the replacement of the existing facilities currently in operation and the 2nd passenger terminal, promising a cost-cutting effect in the amount of 16.7 billion dollars and 2.4 billion won. It also lays a foundation for the overseas market for its comparative predominance over its competitors. Research and development for the establishment the airport's pavement and maintenance technology is presently in progress and a promotion for acquiring independent technology in the area of airport crucial management is being pursued.

Systematic Maintenance of Transportation Facilities and Strengthening Response Capability to Crisis

IIAC repaved entire runways in the transportation facilities built under Stage 1 of the construction that were in use for more 10 years after the opening, increasing the transportation safety level of airliners. Timely maintenance was provided for the facilities that needed repair, helping to realize the goal of accident free flights and nonstop operation of the airport. Precautionary measures were made for unpredictable accidents, such as bird collisions, and a systematic system was implemented to actively prevent disturbances in flight because of collision with birds.

Systematic management of transportation facilities as well as strengthened ability to react to crisis due to blizzard and weather conditions helped to secure flight security. IIAC improved its ability to remove snow and ice and was able to avoid all airliner accidents in the heaviest snow since the opening. IIAC received the highest level in the disaster management evaluation by the Ministry of Public Administration and Security for 3 consecutive years for its preparation for extreme weather conditions and the ability to react to them.



Administration of Convenient and Differentiated Service



IIAC designated stable transportation and convenient departure and entry/transit as its basic customer convenience values and made various efforts to make a visit to the airport a happy experience. The combination of the ubiquitous environment based on state-of-the-art IT with culture and arts helps to realize the administration of differentiated service by the Incheon International Airport.

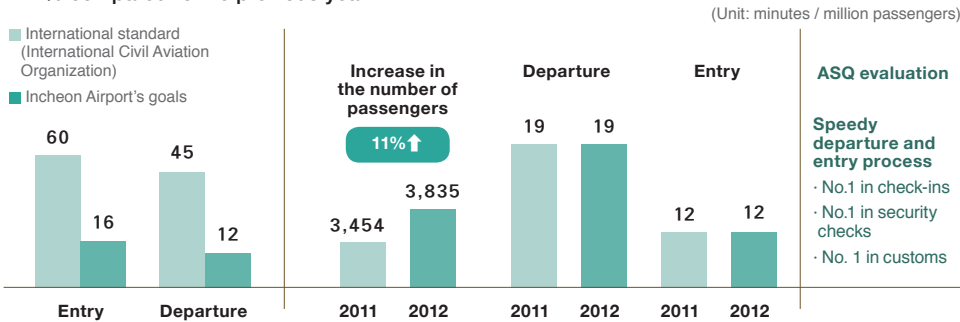
Efficiency in Using/Operating Passenger Terminal Facilities

-Providing speedy and convenient departure, entry, and transit service

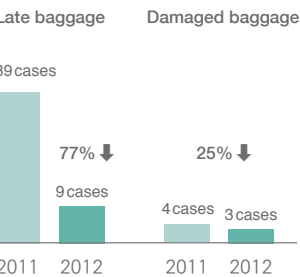
IIAC predicted the increase in air travel demand and the time of departure and entry facilities' reaching maximum capacities and pushed forward a systematic response in preparation. 2012 saw an 11.1% increase in the air travel demand crowding check-in counters and security check areas, raising issues of the parking space nearing its capacity. Accordingly, the corporation executed a special plan of measures for operating facilities in response to exceeding of the facilities' capability. The security check areas were expanded and entry ways to the airports were improved, reducing the average check-in time by 18 seconds despite the increase of the number of passengers in the season by 12.9%. The average time required for departure was reduced by 12 seconds compared to the previous year with a period of 19 minutes 21 seconds providing speedy and convenient departure, entry, and transit service.

Results of transit service promotion

Maintenance of departure and entry time despite the increase in the number of passengers by 11.1% compared to the previous year



Result of improving baggage handling (Unit: In 1,000 items)



-Stable world-class administration of transportation service

IIAC searches for room to improve in its baggage handling and continues to improve its system, reducing late arrival of baggage, broken baggage, and the period of disturbance, maintaining the best level of baggage handling. Furthermore, while there was a constant problem of not having parts and adequate maintenance because of the dependency on overseas technology, the development of the corporation's own technology and localization of the existing technology made it possible to provide timely repairs to improve operational stability and the administration of steady transportation service.

-Creation of customer values through steady improvement of the facilities

IIAC has been promoting Yeo-Heng program which is the facilities management program to maximize customer services. Bathrooms incorporating element of Korea's nature and 240 amenities were newly built as part of the facilities improvement program securing excellent amenities in comparison to international airport competitors and earning First Place in the world in 6 indexes of ASQ evaluation. In addition, the departure and entry facilities (check-in counters and area for security check-ups) were expanded and their management was improved to solve the crowdedness problem due to the rise in the number of passengers while parking space was added for the accommodation of more traffic to help boost space efficiency.

Administration of Differentiated Service

IIAC strives to create new customer values by combining state-of-the-art technology with culture and arts. An automated departure and entry system using the cutting edge technology for Smart Airport was built, and an environment for speedy and convenient customs was created. A digital informational system was introduced to give directions to destinations through virtual travel routes by using a two-way communicative conversational touch system, increasing the users' convenience. Additionally, shows, performances, or arts and crafts were showcased throughout the year to provide the passenger with various chances to enjoy learning about culture. Through the establishment of Korean Traditional Culture Streets, various opportunities for the enjoyment of performance arts for both Korean nationals and international travelers were supplied, improving customer satisfaction and boosting the national brand power as the gateway airport promoting Korean culture.

Improving Customer Satisfaction through Reinforcement of CS



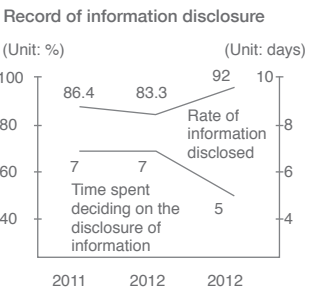
Record of service evaluations

Domestic
Survey of customer satisfaction in public corporations
•Earning of the highest level of AA
•The highest level among citizens for 2 consecutive years
International
ASQ
•First Place in the world for 8 consecutive years
SKYTRAX*
•Best Airport Award in 2012
GLOVAL TRAVELLER**
•Best Airport Awards for 7 consecutive years

* SKYTRAX: Aviation industry research expert agency located in England specializing in conducting service evaluations on 388 airports in 160 countries

**Global Traveler: American travel magazine

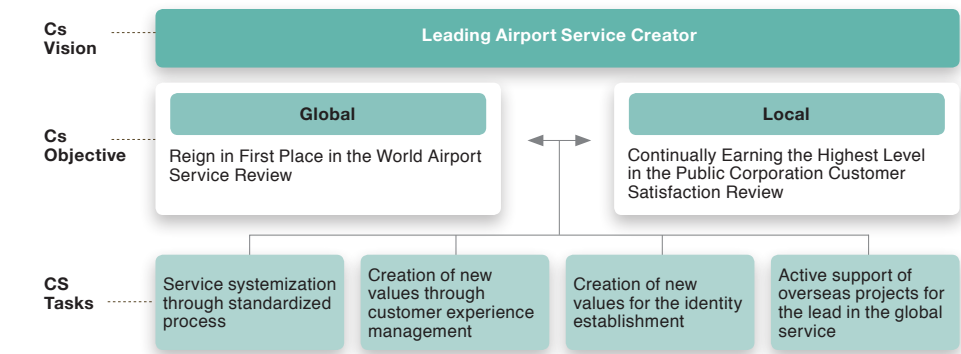
VOC status	(Unit: %)		
Classification	2010	2011	2012
Inconvenience/complaints	24.6	29.3	39.4
Compliments/encouragement	18.9	16.9	22.3
Questions	38.2	37.4	27.4
Suggestion of opinions	18.2	16.4	10.9



CS Promotion System and Promotion Organization

IIAC wishes to realize customer satisfaction management under the vision of "Leading Airport Service Creator" by establishing specified objectives as a global airport specialist and the public corporation representing Korea and by selecting and implementing 4 strategic tasks. The CS management of IIAC has its directions objectives directed by the CEO of the corporation. Under the direction of the Chief Customer Officer (CCO), all CS related projects are managed in the CS management team within the corporation. The CS management networks encompass the entire airport and the field organization, and the promoting organization of a specific field of CS are organically composed for the achievement of CS strategic tasks.

CS promotional structure



Reinforcement of CS Activities

IIAC seeks to respond to airport users' challenging demands and lead customer service as a global leading airport reinforcing various CS management activities. The expansion of channels to learn about customers' needs facilitated the service improvement efforts, and monitoring was utilized to check on the administration of services. The CS networks of the cooperative system encompassing the entire airport were strengthened, achieving the best record in the service evaluations from in and out of the country.

VOC System

IIAC built and operated the VOC system for the systematic management of customers' opinions and strives to be alert in replying to the customers' opinions and answering the questions within the 24 hour period. VOC is a valued communication channel, and the opinions received will be used in the improvement of facilities and processes.

Customized Information Disclose

IIAC disclosed information in a customized manner by using cutting-edge technology, expanding accessibility to company information. Through the organized information disclosure system, the period required to disclose the information in 2012 was reduced by 2 days, reaching a 92% rate of information disclosed to the public. Notably, the disclosure channels of information varied in accordance with each airport user, boosting the customer-oriented nature of the information disclosure.

Protection of Customer Information

IIAC abides by the governmental protection guidelines as a national security facility and established the Personal Information Management System (PIMS) to safeguard customer information. Cyber security was reinforced with revisions made in the corporation's rules concerning the governmental security guidelines and personal information protection guidelines, and cyber security for IT servers, computers and equipment, and the management system was improved. As a result of these efforts, IIAC earned First Place in the review of management status of public corporation's information security conducted by the National Intelligent Services, earning recognition as an exemplary organization of outstanding national information security. Furthermore, the corporation educates employees and business partners on information protection and picks a person in charge of security while making efforts to ensure flawless security.



Shared Growth and Mutually Beneficial Collaboration

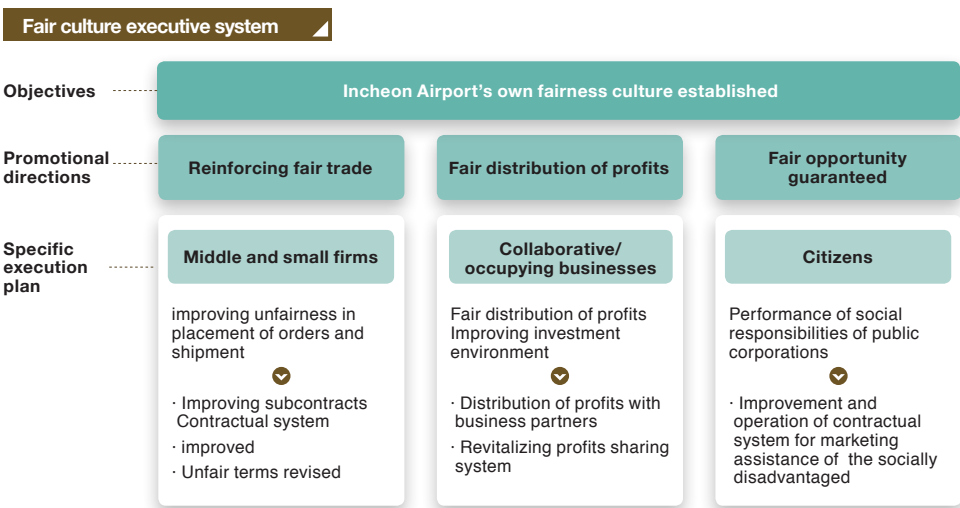
IIAC is an active participant in realizing a fair society with systems and policies to bolster fairness and intends to wholeheartedly carry out social responsibilities, sharing growth with business partners and relevant agencies for continual development.

Leading a fair society

IIAC created a promotional system for the establishment of fair society, fair trade, and distribution of profits and is leading the way to the realization of a fair society through social corporation activities and support of female entrepreneurs.

Efforts for the establishment of a fair society

IIAC created and promoted a system for the establishment of fair culture, reflecting the needs of each stakeholder and the governmental policies. To realize a fair society within Incheon Airport, unfair factors are improved through the system review. For the internalization of fairness awareness of Incheon Airport's members, CEO and the management are working toward the actualization of a fair society, implementing ways to renovate the awareness by means of (fairness, awareness, improvement, educations, etc.) Every member of Incheon Airport is getting involved in the formation of this fair society, and the executive body for fair culture promotion was set up around the SR Committee that is in charge of all social responsibility policies.



Improving major fairness systems

Classification	Contents
Integrity Ombudsmen system	· Claim of review for unlawful and unfair cases from the customers' point of view · Recommendation of correction for unfairness in systems
Integrity call	· Transparency and fairness of business and irregularities of business contracting parties checked
1 task for each department system	· Major tasks selected and promoted for improvement by each department
Field status checked	· Improving fair trade by realty check of construction sites, etc.

Fair trade

IIAC seeks to reinforce its fair trade efforts with the stakeholders of Incheon Airport (business partners, small and medium subcontractors, and distribution and occupying businesses) through improvements of major systems and review of the current status. The establishment of fair and transparent bidding and contracting process improved fairness of business selection, and the creation of subcontractors' contract management systems prevented lower prices of subcontracts and missed payments of contract price. A reviewing process of business partners' subcontracts and an increase of agreements settlements with 1st and 2nd business partners helped build a fair trade environment.

Reinforcement of fair trade activities



Expansion of fair trade

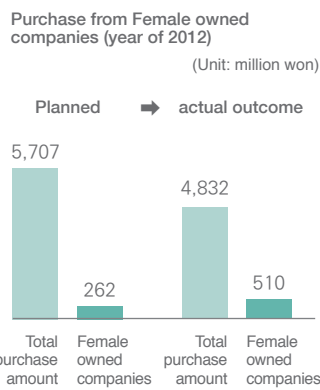
- Establishment of management system for subcontracts
- Improving fair trade activities with business partners
- 0 cases of fair trade violation found by outside agencies
- Fair trade autonomic observance program(CP) authentication and operation
- Fair and transparent bidding and contracting process
- Distribution and occupying businesses revision of fair trade terms
- 0 cases of low prices in contracts and missed payments in the construction site
- Satisfactory level raised in businesses due to assistances and simplified procedure

Fair distribution of profits

The impressive accomplishments of Incheon International Airport such as a grand slam win of all airport service evaluations were made possible through collaboration with over 500 occupying businesses, business partners, and small and medium sized firms. Reflecting the airport operation's characteristic of relying on collaborative efforts, 3 types of sharing profits were established and put into effect to carry out the fair distribution of profits. The Service Level Agreement of 2007 and shared profits system of 2009 improved systems vitalizing profits sharing. Currently, we are at a stage where business partners are voluntarily making project suggestions to share profits. Most of all, an agreement for the development of investment technologies was signed by both the corporation and the civil sector, sharing the profits of technologies development through providing assistance to research and development efforts. This is considered to be an exemplary case of fair distribution of profits by participating in the development of technologies and creating economic value at the same time.

3 types of sharing profits

Classification	Exemplary cases	Results
Service Level Agreement (SLA)	Accomplishments Maintenance of world's best level of service, 1st place in ASQ review Sharing An incentive of 400 million won awarded to outstanding business partners and an extension of contract period by 2 years for 10 businesses Award of special pay of 4 billion won for the service accomplishment (winning the 1st place in ASQ for 7 consecutive years and a place in the hall of fame)	Foundation for winning First Place in ASQ for 8 consecutive years
Business proposals from Business Partners	Accomplishments First acceptance of shared profits task (Localization of roadblocks of outlying security facilities) Sharing Distribution of the 50% of the following profits upon the completion of the task performance	Winning industrial pavement award in national productivity competition (Sep. 2012)
Technologies Development	Accomplishments Completion of localized development of AC-GPS with small and medium sized domestic firms. Sharing expected to be introduced in the replacement of existing facilities in operation and the 2nd passenger terminal (Replacement of a total of 174 devices and cost-cutting effect in the amount of 16.7 billion dollars and 2.4 billion won)	Promotion of joint expansion into overseas airport market (currently in exports talks with Myanmar and Sri Lanka Airports)



Reinforcement of shared growth execution

IIAC is actively executing plans of shared growth through the implementation of a customized program for the persons in demand, boosting trust between the business partners, and through coexisting developments with small and medium sized firm and business partners.

Strategies and system of mutual growth promotion

IIAC created strategies for mutual growth promotion and the system of execution in connection with the government's mutual growth policies for small, middle, and large sized firms for the purpose of realizing coexisting development and social responsibilities. Surveys, conferences, and channels of collecting opinions were used to study the needs. A specific plan of execution was founded and an organization was put in charge, facilitating the execution and the analysis of each task.

Internal stabilization and system improvement of shared growth

IIAC operates various communicative channels to receive and analyze business partners' opinions and makes efforts to improve the relevant system through putting forth improvement measures. Attention to real employees of business partners boosts the level of trust between the corporation and business partners by implementing a mutual development program focused on the consumers. A joint daycare center at work was built, the first among public corporations improving, the welfare of the

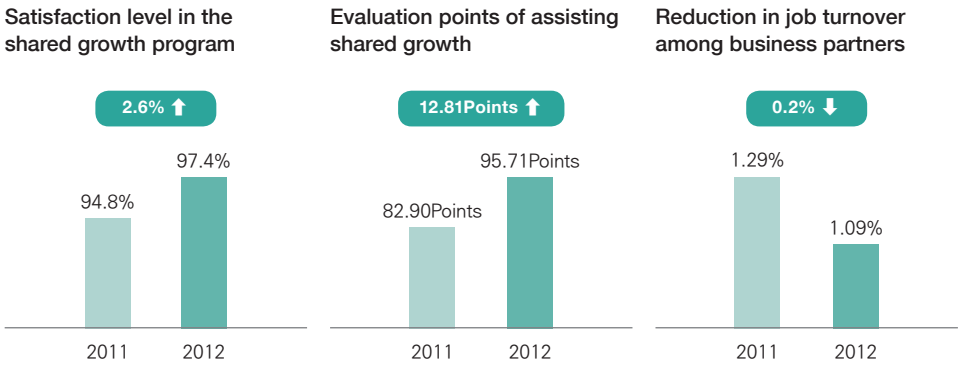


employees of business partners. Wages were timely raised, and the highest pay in the field of work was awarded to improve labor conditions and to faithfully implement a shared cooperative program, increasing the satisfaction level of the coexisting program for business partners. In the case of support for occupying distribution businesses in the airport promoted as part of the customer-oriented shared growth program, the assistance turned into improvement in the distribution investment environment, giving a rise in the occupancy rate by 12.6% and making it a successful example of shared growth.

-Introduction and execution of small and medium sized firms' competitiveness boosting policies
IIAC strives to improve the management environment through flexible financial assistance to boost the small and medium sized firms' competitiveness and IIAC actively participates in small and medium sized firms' business by increasing the public purchases. The single payment scheme was 100% fulfilled and the purchase rate of small and medium sized firms' products recorded 61.2%, exceeding the legal required rate of 50%. Exclusive stores for small and mid sized firms were built within the duty-free shop area, supporting the marketing of occupying businesses and resulting in an increase in the sales of domestic products by 16%. Through joint technologies developments in cases of fulfillment of national policy research tasks and the civil-governmental joint venture projects, technological capabilities of small and medium sized firms were boosted. A total of 26 cases were pursued and the development of the ground power supply unit for airliners is a representative case of achieving shared growth by securing the technological capabilities of small and mediums sized firms in addition to the achieving a cost-saving effect in foreign currencies by localizing major facilities.



Spread of shared growth culture
IIAC chose shared growth as the overall corporation's strategic task, strengthening the relationship with the management objectives, and promoted shared growth on a corporate level by reiterating the CEO's resolve for shared growth with small and medium sized firms in and out of the corporation. The characteristic of the corporation providing services through collaborations with business partners was considered and communicative channels have been in operation to resolve any complaints from small and medium sized business partners. The systems for the business partners and small and medium sized contractors were improved to spread the culture of shared growth. The job turnover rate for business partners decreased as a result of these efforts to continually increase employment stability.



Joint daycare center at work for business partners

Sharing Happiness through Social Service

IIAC is promoting strategic social service works to earn respect from “local communities, customers, and the global community” and working to make the corporation's growth the source of happiness for all stakeholders, such as the local communities and business partners. The reinforcement of the results management system improved the efficiency of the social service work contributing to the spread of a sharing culture through participation in this work.

Reinforcement of social service work and building trust



Social service work strategies and the promotional system
IIAC created a promotional system of social service work reflecting the corporation's establishment objectives and the major stakeholders' needs to emerge as a global airport specialist earning respect through the implementation of a sharing culture. To specify the execution tasks from among the items receiving the most attention from major stakeholders, a significance analysis through a media review, review of the issues in the field, and surveys of the stakeholders were conducted and issues of higher priorities were selected. To promote social service work through building trust with stakeholders and getting their participation, the SR stakeholders committee consisting of social service work specialists and stakeholders was put together and Incheon Airport volunteering groups were expanded to support the promotional organization. The feedback system for the social service work program in the local communities and the volunteering activities was strengthened to improve the outcome of the social service work.



Hanul high school

Strategic social service work reflecting the airport's characteristic
-Contributing to the local communities
IIAC is striving to improve the settlement conditions of the local community, reflecting the needs of the members of the local community, and is reinforcing the drive for social service work in areas such as education, environment, and welfare. Through the social service work in the local community, the local residents' quality and value of life has been improved and the stability of airport's operation and the corporate value of the corporation has been boosted. As part of the gradual local talent foster program, a specialization project (total of 2.3 billion won) was provided to 9 elementary and junior high schools running 11 specialization programs. “Hanulgo”, an autonomous private high school, was founded with an investment of 50 billion won creating an educational environment satisfying the local community. Furthermore, the Incheon Airport Scholarship was administered to give approximately 100



Planting trees in Seopyung Forest



BBB



Social corporation Montant

million won worth of scholarships to a total of 54 students including 16 distinguished graduates from local elementary, middle, and high schools, 32 excellent students from low income families, 6 talents in aviation, etc. to raise the level of educational environment in the local community.

“The World Peace Forest” is an environmental project for the creation of forests jointly promoted by the corporation, Forest for Life, and Chook-ku Ward Office, Incheon Metropolitan City that has completed the 1st stage of creation by 2011. The project is planning to invest in a total of 2.2 billion won until 2017 to create a city forest the size of 471,910 m^2 near a new Incheon Airport town. The corporation seeks to continue steady communications with the local community on the subject of forests through the creation of a green belt with participation from residents. “Hanul Culture Center”, opened in March 2012 with an investment of 30 billion won, is a large scale cultural, recreational facility with three floors and two underground floors that has a hall accommodating performances, basketball courts, swimming pools, book cafes, senior citizens space, youth space, daycare center, etc.

IIAC built a daycare center at a workplace jointly with the business partners, a first among public corporations, to improve the working conditions and welfare of the employees for the corporation and business partners. The Airport Dream Tree Daycare was opened in March 2013. The facility has a total floor area of 2,800 m^2 in two floors and 144 children are cared currently.

-Social service work in the form of participation by clients

IIAC seeks to be part of sharing activities participated by airport customers with programs to support the socially disadvantaged class to build a harmonious relationship of cooperation with customers. The corporation established a multicultural singing group “Montant”, which is a social corporation to provide job opportunities to multicultural families who are having a hard time gaining social independence with a plan to provide a total of 1.1 billion won until 2014. Montant consists of 17 members from a total of 9 countries, and it appeared in various documentaries (EBS) and a TV show (SBS Star King), reinvigorating everyone involved as a social corporation. The corporation has been promoting public literature awards, a public invitation of social service work programs, a national high school students' discussion competition, a public aviation offering, etc., opening doors to the customers' participation. “BBB Campaign without Language Barriers”, which donates translating abilities through phone calls, was in operation from 2009 with participation by 307 members from the BBB Incheon Airport special volunteer group. The collaborative efforts with NGO groups such as UNICEF, The Republic of Korea National Red Cross, and Forest for Life resulted in the creation and operation of customer participating donation boxes, carrying out international relief efforts and environmental activities. Incheon Airport's aspiration as a cultural airport was considered, and Sky Festival (August every year) and performance of arts (around the year) in the passenger terminal area are being held, providing cultural experience to approximately 280,000 customers.

-Global social service work

IIAC has now grown up to become a global leading airport enterprise over the 10 years since its opening. The corporation utilized major airport operation capabilities, expanding its global social service work. Free education is given to the people in the air travel industry who wish to contribute to global society through an improved aviation level, and the number of people receiving this education is increasing. 216 people from 57 countries took part in this education in 2012, an increase of 36% compared to 2011. As part of the global volunteer activities in connection with the overseas business projects areas, the overseas volunteer work was jointly run by “the employees of the business partners and the corporation's employees” put new focus on the meaning of shared growth, college student supporters' overseas volunteer work, and local schools' overseas volunteer work. This focus was put into action realizing social service work suiting the title of a global airport specialist.

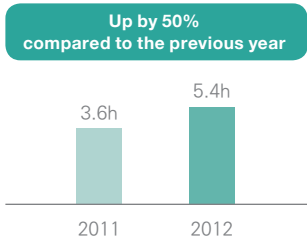
-Spread of sharing culture through the employees' participation

IIAC's provision of the generous assistance to the resident employees sharing activities and the conversion of the joint management-labor volunteering system (CEO and the union head as co-heads), inviting participation from the employees, helped to bring more various volunteering programs that led the spread of sharing culture. As a result, the number of volunteers in 2012 increased to 779, an increase of 66% compared to 2011, and the hours increased to 474 hours, up by 54%, also winning the Grand Prize in the field of sharing management in Public Corporations Management Awards and the Minister Prize in the Sharing Happiness Awards.

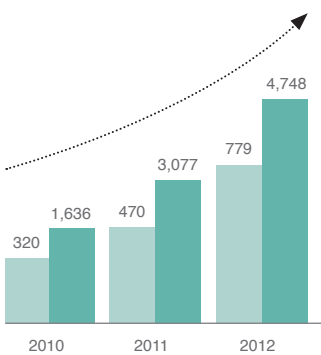
-Reinforcement of results management

IIAC seeks to measure the outcome of the social service work programs and volunteer work, put forth matters to be improved, and apply the finding to the future planning for reinforced results management of the social service work. Both the participants and the organizations receiving the benefits were asked to evaluate the level of satisfaction, and the results were applied in the next volunteering activities, encouraging participation by employees.

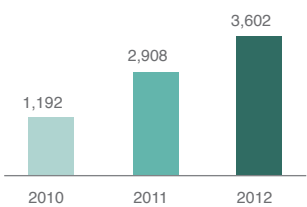
Hours of volunteers per each person



Growth in employees' sharing activities
(Unit: persons, hours)



Administration of social service donations
(Unit: One million won)



* Local infrastructure (Construction cost of schools and culture centers) excluded

Social trust building activities

-Drive for social communication

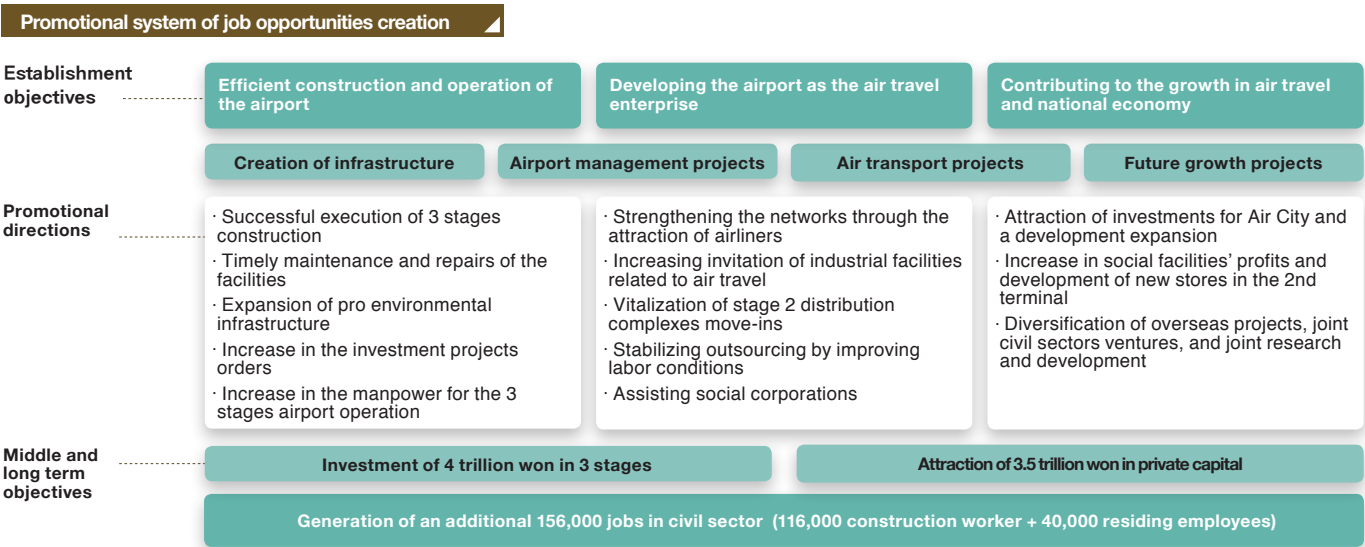
IIAC's active efforts to build social trust are evidenced by the multiple efforts for communications through the stakeholders' participation. Programs such as surveys of stakeholders, interview, hosting of conferences, and customers VOC to better apply the stakeholders' demands and opinions lead the participatory management by stakeholders. The airport experience program is helping to advertise favorable familiarities associated with the airport. The webpage, mobile web, and Twitter facilitated free communications with the customers, forming a positive relationship supporting the national policies and leading national harmonization.

Efforts to create job opportunities

Incheon International Airport is an air port specialist public corporation and its creation of job opportunities is a social contributory activity, realizing both corporate concerns and public concerns at the same time. Incheon Airport Corporation created plans for job creation in connection with its establishment objective and is pushing for its systematic promotion. Large scale investment such the investment in the 3 stages and the investment attraction of the private capital (3.5 trillion won) will be completed by 2018 for the purpose of generating approximately 150,000 new job openings. In 2012, 29,398 jobs were generated as a result of the efforts for the creation of job opportunities in a specific task, an increase by 4,000 compared to the previous year and surpassing the goal in the number of job opening created. The outcome should not only be measured in terms of quantity but also in the quality of jobs, so efforts were enacted to improve employment stabilization and specialty of the business partner through the use of the reinforcement programs of employment stabilization and technological assistance.

Contribution to society

●



Promotional outcome of job creation

(Unit: persons)

year	Capacities of organization	Outsourcing	Order of investment projects	Partnership with civil sectors	Etc.	Total
2011	915	5,960	2,052	16,438	694	25,144
2012	984	5,990	4,016	18,389	1,003	29,398

Drive for prices stabilization

IIAC seeks to internally absorb the increase in prices and fees through efficient management efforts hoping to contribute to the prices stabilization through active price management in the airport's commercial facilities. The fee charged to the airport and the airport users was frozen, giving a cost waiving effect of an average of 65.1 billion won a year, resulting in the total reduction in the sum of 573 billion won. This contributed to the balance of lives for middle class citizens and relieved the burden on the airliners and import and export firms. The commercial facilities frequented by general passengers and visitors increased the rate of low-priced menus by 31%, giving customers a wider selection of choices. IIAC hopes to contribute to the price stabilization through effective management in the future to improve the satisfaction level of the airport's stakeholders.

4

Creating Green Airport

Pro Environmental Green Airport / Minimum Impact on the Environment

IIAC seeks to limit the impact on the environment and realize pro environmental airports in an active response to climate change, focusing on means such the establishment of a green management system, energy savings, and minimization of environmental impact of the airport area. Acquisition of the ISO 50001 (Energy Management Standard) certification and the emission right of greenhouse gas are parts of its efforts to pursue its goal of becoming a pro environmental airport. Various efforts will be made for the establishment of an environmental friendly airport, and the promotion of the 3 stages project that is scheduled to continue until 2017 will use cutting-edge technologies and methods that will be promoted in an environmentally friendly way.

Major issues of social responsibility management

- Pollution (air, water, and soil contamination)
- Observance of environmental rules
- Tightened environmental regulations
- Climate changes (global warming)

Major Accomplishments of social responsibility management



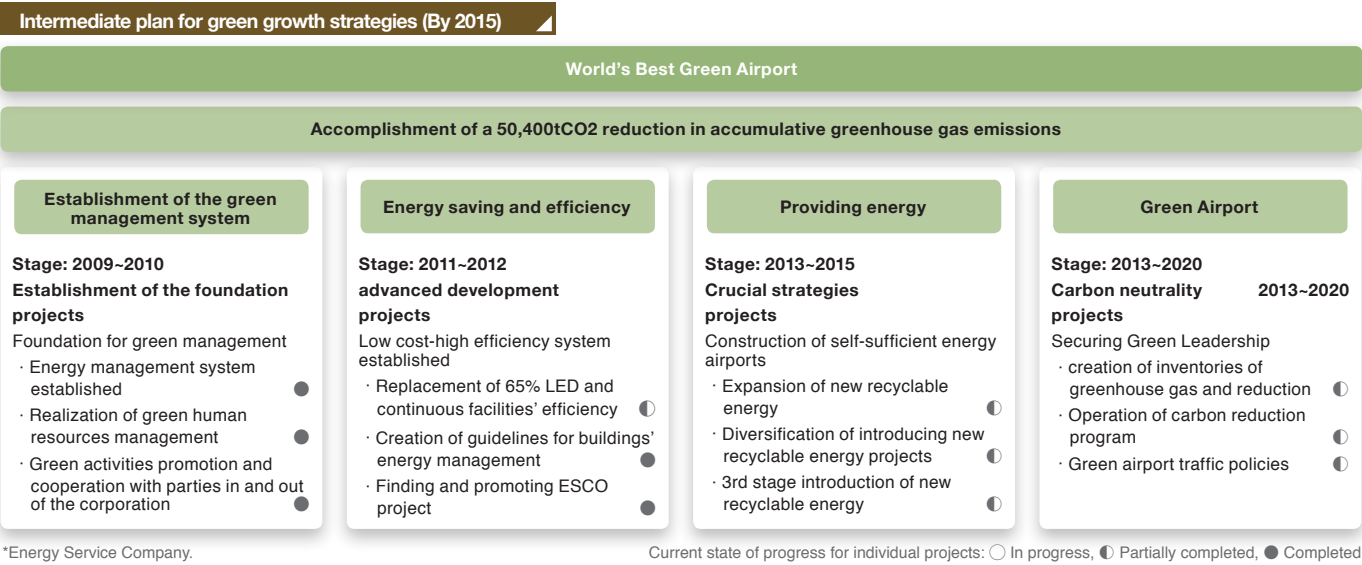


Pro Environmental
Green Airport

IIAC achieved a self-sufficient supply of energy and carbon neutrality based on the green management to emerge as the world's best green airport and to accomplish the 50,400tCO₂ accumulative volume of reduction of greenhouse gas emissions by 2015. The corporation also created and executed middle and long term green growth promotional directives. Accordingly, the corporation obtained the Environment Management System (ISO 14001) certification for the airport construction projects in 1998 and the airport management in 2002, which was a first in the world. The corporation also acquired the Energy Management System (ISO50001) certification in January 2012, a first in the world in the construction field, and put it in operation.

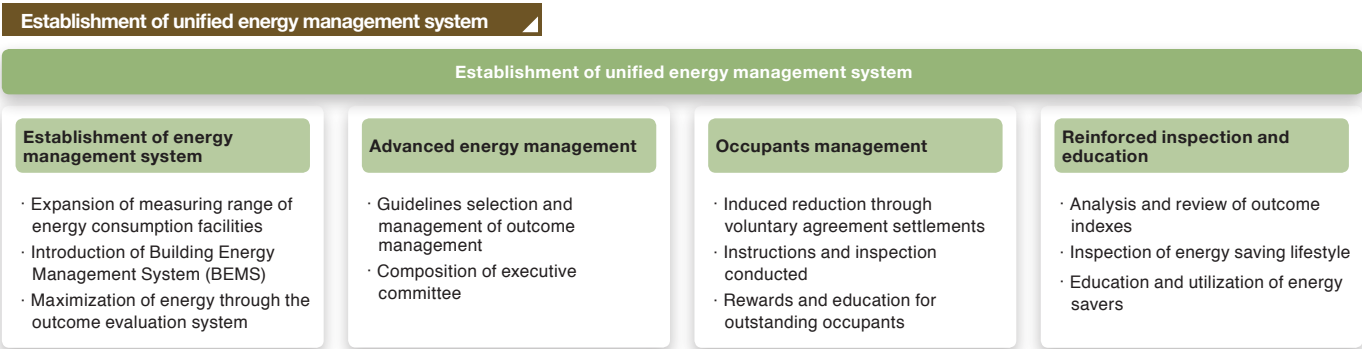
Promotional system and
strategies of the green
airport

-
- IIAC has created and implemented middle and longer term green growth strategies to accomplish the 50,400tCO₂ accumulative volume of reduction of greenhouse gas emissions by 2015 and emerge as “the world's best green airport”. A reduction in the greenhouse gas emissions should be made in response to climate change, and efforts are being made for the systematic and continuous operation of the energy management system encompassing the entire corporation to improve the energy efficiency. Regular meetings are held semiannually around the green growth promotion committee to monitor the energy management objectives and outcome.



New model solar energy generation plant

Creation of unified energy management method
IIAC is planning to build a unified energy management system to realize the Green Airport through advanced energy management. For this cause, a unified energy management plan was founded, and detailed tasks such as the creation of the energy management system, advanced energy management, management of the occupants, and improved inspection and education are in the works. A consistent unified energy management system along with an accurate estimation and analysis of energy consumption will help realize its dream of being the world's best airport based on advanced energy management.



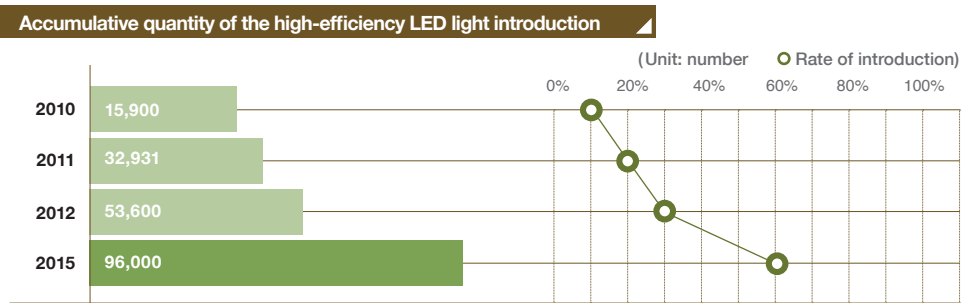
Agreement settlement ceremony of the exemplary projects of the energy management outcome evaluation

Exemplary projects of the energy management outcome analysis
IIAC earned the Energy Management System (ISO 50001+) certification in February 2012, a first in the world in the construction field, and operated an advanced energy management system and a sustainable energy efficiency improvement system. The corporation also participated in the energy management outcome analysis in April, 2013 to introduce an objective measuring method of energy efficiency improvement accomplishments. This project will prove the distinct efficiency improvement effects of Incheon Airport's EnMS through real life examples of applying international energy management outcome analysis standards and methods to Incheon Airport, help accumulate know-how through the joint study of evaluation methods, and improve the status of the global green airport through the presentations of domestic and international cases.

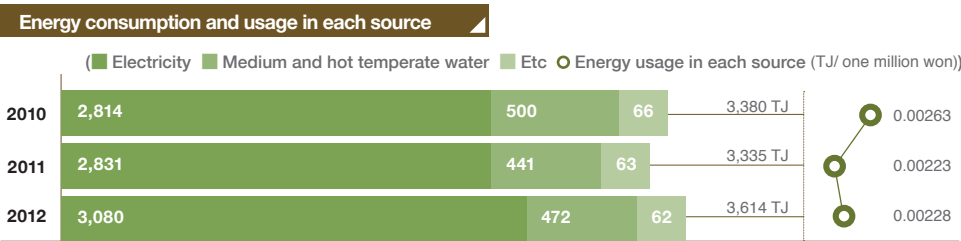
* Energy Management System (EnMS): General energy management activities in operation according to set procedures and methods of the human and material resources management system for the purpose of the establishment and execution of efficiency objectives

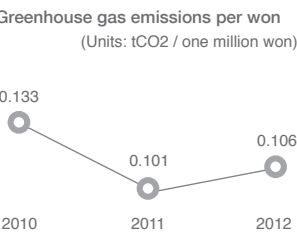
Operation of the green growth promotion
IIAC expanded the existing energy saving promotional committee in July 2009 and operated the green growth promotion committee since. Semiannual regular meetings were held to establish the green growth strategies and to monitor the energy management objectives and the outcome.

Drive for energy saving and efficiency
IIAC is in the process of replacing the regular lights with high-efficiency LED lights to conserve energy at airport facilities and plans to make continuous investments in replacing 60% of all airport lights with high-efficiency LED light by 2015. In addition to the facilities improvement drive, the awareness of the members of the airport are called to attention through the green life execution campaigns and energy saving education, encouraging them to carry out energy saving plans in work and life. For the practical application of the energy saving drive, 「practical guide book for the climate change and energy saving」and 「Incheon International Airport's energy saving cases」 have been published to help share and apply successful cases and also to assist the establishment of pro environmental guidelines in the 3 stages construction.



Outcomes of energy consumption and reduction
IIAC built an energy saving promotional system after winning the energy management system (ISO 50001) certification, accomplishing greater energy efficiency through response efforts to the energy and greenhouse gas management system. As a result, the amount of energy consumption in 2012 reduced to 3,614TJ, down by 2.2% compared to the goal, leading to an energy cost cutting effect by an amount of 1.113 billion won. In the case of greenhouse gas emissions, 190,327tCO₂ was recorded, a reduction by 0.2% compared to the goal. Through the efforts to build a pro environmental airport infrastructure, the environmental index such as the air quality improved by 5% compared to the previous year. These outcomes are brought on by the energy efficiency drive, sharing the accomplishments in energy saving and goal management through the internal evaluation system and review of the additional management measures. IIAC's energy consumption in different sources of energy is heaviest in the electricity usage with 2,650T J (84.2%) in 2012, and the second heaviest is in medium and high temperature water with 481TJ (15.3%), etc.61TJ (0.5%).





Establishment of
pro environmental
airport infrastructure



Greenhouse gas emissions and emissions in each source

(Unit: tCO₂)

Classification	Total greenhouse gas emissions	Direct energy		Indirect energy				Etc.
		Electricity	Medium and high temperature water	Incineration	Sewage	Heating	Fuel	
2010	182,792	145,758	22,521	9,839	723	873	3,051	27
2011	176,601	146,638	13,719	11,732	763	820	2,906	23
2012	190,327	149,603	22,629	13,554	903	588	3,036	14

The pro environmental airport infrastructure establishment project is a material project necessary for improving Incheon Airport's hub competitiveness based on the green management system, carrying out execution items, boosting Incheon Airport's energy self-sufficiency, and reducing greenhouse gas emissions.

Vitalization of the low-carbon management infrastructure in the airport area

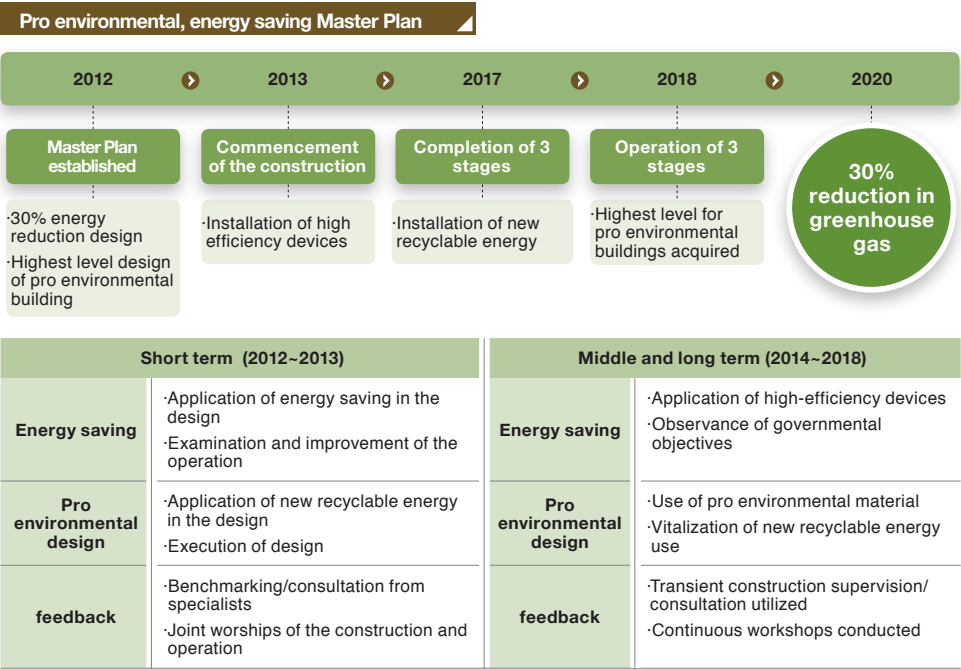
IIAC is seeking to establish the low carbon airport management infrastructure to reduce greenhouse gas emissions. Based on the gradual execution of the corporation's green growth strategies, the corporation responded to the green growth policies of the government such as the greenhouse gas and energy goal management system by saving energy through improved facilities and management, introduction of new recyclable energy, and reduction in greenhouse gas through the operation of pro environmental transportation facilities. As a result, the greenhouse gas emissions in 2012 met the goal (below 130,000tCO₂) with room to spare, and commendations in recognition of its energy saving efforts and Green Airports Recognition awards were given in recognition of the corporation's contribution to national advancement through energy saving activities, resulting in the greenhouse gas reduction and bolstering the airport's status as an outstanding pro environmental airport. Notably, through the reduction of greenhouse gas, the emission right of the greenhouse gas was acquired, listing its outcome in the UN's Clean Development Mechanism. This reinforced the foundation of the low-carbon green airport, earning a power source for the vitalization of the low carbon management infrastructure.

Vitalizing efforts for the low carbon management infrastructure

Classification	Content of execution	Outcome						
preemptive response to the emission rights trading system	<ul style="list-style-type: none">·Early reduction in the exemplary project under the governmental goal management system·program listed in the CDM	<ul style="list-style-type: none">·Early reduction outcome of the goal management system certified·Acquiring greenhouse emission right of 10.713tCO2·Elevation of the corporation's status						
Replacement with the pro environmental and high-efficient LED lights	<ul style="list-style-type: none">·Replaced in terms of the electivity saving effects, easy maintenance and repair, and intensity of illumination (Unit: cases)	<ul style="list-style-type: none">·Surpassing the government's policy goals·Saving of the budget due to government's funding (₩734 million)·First Place in the replacement results out of 67 relevant organization						
	<table><tr><th colspan="2">Replacements outcome</th></tr><tr><td>planned</td><td>outcome</td></tr><tr><td>48,961</td><td>53,600</td></tr></table>	Replacements outcome		planned	outcome	48,961	53,600	
	Replacements outcome							
planned	outcome							
48,961	53,600							
Expansion of pro environmental energy supply	<ul style="list-style-type: none">·Increase in the new recyclable energy introduction- 3rd substation 50KW- Daycare center at workplace 31KW- Freight substation 10KW- Area B of Fire Department Branch Office 50RT	<ul style="list-style-type: none">·100mwh reduction in the quantity of the annual power generation 75tCO2 reduction in greenhouse gas·Successful execution of the government's green growth energy self-sufficiency improvement project						
Improvement of facilities and operation	<ul style="list-style-type: none">·Replacement of aging and low-efficient facilities·Improvement of energy wasting factors in the facilities operation	<ul style="list-style-type: none">·Reduction in greenhouse gas·1.113 million won cost saving in energy·Exceeding the government's greenhouse energy goal management system						
Pro environmental transportation facilities	<ul style="list-style-type: none">·introduction and operation of 3 high speed electric cars·Operation of hydrogen fuel cell vehicle·Participation in the pro environmental magnetic levitation railway demonstration	<ul style="list-style-type: none">·Bolstering the image of low-carbon green airport·Contributing to national competitive power through participation in the research and development of national pro environmental transportation facilities						

Establishment of the pro environmental and high-efficient infrastructure through 3 stages

IIAC designed a pro environmental, energy saving Master Plan to create a pro environmental and high-efficient infrastructure and applied the highest level of plan (1st Green grade) to the 2nd passenger terminal, the entire T2 facilities, and the government office buildings. The energy saving devices and system were applied in the designing process, and the geothermal energy and solar energy were incorporated in the design so that too large Incheon airport could realize the ideal airport, which recycle a large scale of energy could be realized through aggressive distribution the new recyclable energy system. After the completion of the 3 stages in 2017, a complex with an investment of 22.1 billion won for the new recyclable energy airport will be created that is expected to offer an annual reduction of energy of 13,613toe (reduction rate of 39.4%) and a cost saving effect of 6.7 billion won.



Carbon neutrality or offsetting program

IIAC is operating a voluntary reduction program using less fossil fuel and offsetting greenhouse gas through the establishment of the a pro environmental infrastructure. Through the low-carbon parking ramps, AC-GPS (the ground power supply unit for airliners), low carbon transportation system operation, and the aid to the green distribution for the establishment of the green cargo hub, efforts are made to minimize greenhouse gas emissions. Magnetic levitation railways, a pro environmental form of transportation, are going to be in operation starting in the latter half of 2013. The employees' overseas business trip carbon offsetting program has been in place since April 2013. The corporation created its own carbon emissions calculating system and saved a fund in the amount of carbon emissions occurring in the course of employees' air travel and overseas business trips. It is planning to donate the fund to forest building efforts and social organizations. A 15,000 won green fund per 1tCO₂ emission of carbon will be saved and is planned to be used in the World Peace Forest creation projects and social service work.

Introduction of Pro environmental transportation system

IIAC formed a pro environmental transportation system for airport users, residing employees, and the residents of the surrounding area. A bike route connecting the airport and the new airport city was built, encouraging residing employees and the local residents' use of bicycles instead of cars, and the company cars for IIAC were all converted to lightweight small cars except for special equipment vehicles. As a part of the demonstrative introduction project of the green cars, 4 electricity cars and 10 hybrid cars are in operation. The corporation participated in the Ministry of Commerce, Industry, and Energy's research project in demonstrating hydrogen fuel cell buses in December 2011 and is operating 2 hydrogen fuel cell buses as a shuttle within the airport. The 1st stage (6.1km) of the magnetic levitation railways connecting the current transportation center and Youngyu station are also in construction. The city magnetic levitation railways will be in operation starting in the latter part of 2013, providing pro environmental cutting-edge transportation services to the airport users and local residents, and the next 2nd and 3rd stages (47.1km) are planned to be constructed.



Green Cargo Hub



The World Peace Forest



Magnetic levitation railways

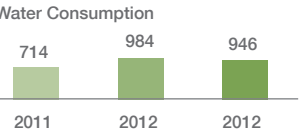


Minimum Impact
on the Environment

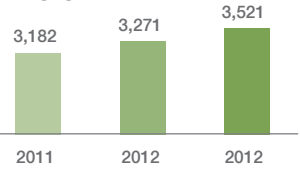
Monitoring of the airport
environment

●

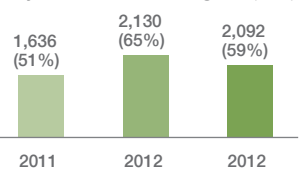
Status of water resources management
(Units: 1,000 m³)



Sewage generated



Recycled amount of sewage (Rate)



Environmental monitoring system

- Environmental management office 1 room
room 129, airport's unified management center
- Monitoring system for each facility 1 department
standby and hands on handling
- Air quality evaluation department 3 departments
- Environmental investigation vehicles 2 vehicles
- Internal air quality measuring department 3 departments
- Water quality evaluation department 1 department
- Airliner noise level measuring departments 18 departments

IIAC is growing into a pro environmental corporation carrying out social responsibilities through environmentally sustainable airport management with the strategic task of the realization of a pro environmental airport in harmony with nature. As a pro environmental corporation fulfilling its value of coexistence, IIAC creates and operates environmental objectives for the improvement of the environment, minimizes the environmental impact in the process of airport management and construction, and is dedicated to the lasting improvement of the environment.

Water quality management

IIAC is operating an environmental contamination prevention facility to efficiently deal with wastewater resulting from the airport operation, minimizing environmental impact on the surrounding water system. The wastewater occurring in the airport area is handled by the wastewater reclamation and reusing system located within the airport, and the 65.1% of the purified wastewater is reused as the bathroom's rinsing water, cooling and rinsing water for mechanical facilities, and gardening water. A portion of the extra wastewater is released into the ocean through a reservoir, and environmental management agents are regularly checking the water quality in 6 locations around the Incheon International Airport to prevent water pollution due to an environmental disaster. Additionally, IIAC built and operated oil-water separation facilities in 5 locations within the airport to efficiently deal with the initial rain contaminants that contain oil from the airport's runways using the initial rain management facilities. The wastewater sludge resulting from the process is entirely consigned to special management agency.

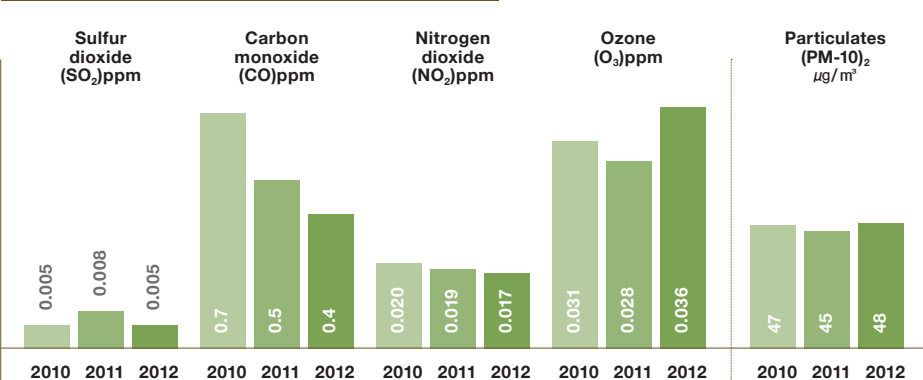
Release of contaminants per each Won in wastewater management facilities (Unit: ppm(mg/L))

Classification	Legal limit	Management standards	2010	2011	2012
COD	-	10	6.6	6.2	4.5
BOD	20	10	5.773	4.738	4.138
SS	10	6	0.7	0.6	0.7
TN	10	6	0.7	0.6	0.7
TP	2	1	0.359	0.228	0.214

Air quality management

IIAC built a state-of-the-art exhaust gas treatment facility at a resource recovery facility (incineration facility), cutting the contaminants at the point of generation to operate a Clear-Plant efficiently managing the air quality. To analyze the airport operation's impact on the air, 3 measuring stations are built in the new airport city and are in operation. The air quality measuring stations that are always in operation measure the air in 6 fields such as sulfur dioxide (SO₂), carbon monoxide (CO), nitrogen dioxide (NO₂), Ozone (O₃), particulates (PM10, PM2.5)), etc. The 2012 findings for the 3 measuring stations show that all data collected in all the fields show a level of air pollution below the standards, confirming the fine air quality around the airport. Continuous management and monitoring will be implemented for the maintenance of pleasant air quality.

Management of the air quality around the airport



-Survey of multi-use facilities' internal air

Incheon International Airport is measuring internal air quality inside the passenger terminal's waiting area, boarding waiting area, the transportation centers' internal parking lots, the shuttle train's platforms, etc. according to the "internal air management law of the multi-use facilities" to provide pleasant internal space to its users. The air in the passenger terminal and waiting areas is measured quarterly for particles, and an annual measurement are conducted under the maintenance standards and suggestions to best maintain a clear internal air environment.

Airliners' noise level management

IIAC is operating low noise aviation procedures to minimize noise impact through continuous sharing of the monitoring results with airlines and is executing noise count measure projects and assistance program for residents. Noise blocking and air conditioning devices were installed and TV license fees aids were given as part of the noise count measure project. Ties with the local residents was strengthened through a hosting of a noise experience event. A semiannual noise counter measure committee is held as part of the noise management project to collect the opinions of the local governmental agencies and specialists. IIAC is always trying its best to efficiently carry out the noise management project.

Ecosystem protection and forest creation projects

IIAC is conducting the environmental impact studies such as the ocean and land ecosystem examination quarterly as part of the bio diversity management. The ecosystem (floral and faunal) around the airport is analyzed and continuous management is carried out for the preservation of the natural ecosystem. The reservoir around the airports was chosen to be the location for the "World Peace Forest" creation project, reenacting Korea's traditional forests. Following Stage 1 of the project in which the 'World Peace Forest' at the size of 190,000m² was completed around the reservoir in 2009, Stages 2 and 3 are in the works for the creation of a forest at the size of 280,000m². The policy dedicated to the faithful function of the forest as a cushioning green space, and the creation of a space that is healthy in terms of the ecosystem and beautiful is being promoted. The green space in the city is transformed into a local community with culture and themes through the operation of the cultural programs.

Airliners' removal of snow and de-icing pad operation

Removal of ice is done with anti-ice, a spraying of de-icing agent on the airlines removing frost, ice, and snow for the winter operation of the flights. Incheon International Airport designated de-icing pads that are capable of grouping and disposing of the fluid separately and operated them to prevent the traveling of waste fluid generated in the process of snow removal and de-icing outside the airport. Currently, 8 facilities are in operation, and each facility has a tank that can gather and store the removal of snow and de-icing waste fluid. What is gathered is thoroughly consigned to an outside agency.

Waste management

IIAC is expanding the recycling of waste and increasing the management efficiency through the uniform waste management system. The waste generated as a result of the airport's operation is wholly managed by the environmental management team, and the placement of the workforce in charge is reinforcing the expertise of the waste management. The waste is categorized into waste to be recycled, waste to be incinerated, and waste to be consigned, and the waste to be incinerated generated in the airport facilities, Youngjong, and Youngyu areas is incinerated exclusively in the resource recovery facility. The recycling facility is built and operated in the resource recovery facility to unify efforts to separate, store, and dispose waster, contributing to the efficient resource management. As a result of these consolidated efforts, the administrative process was simplified and the expertise of the waste management increased, leading to the waste disposal cost reduction of 1.3 billion won in 2012 and an increase in the recycling rate of waste to 91%.



Removal of snow and de-icing



Resource recycling facility

Waste management

Classification	Waste generated	General waste	Designated waste	Construction waste	Recycling rate	Waste disposal-recycled	Waste disposal-incinerated	Waste disposal-buried	Scrap de-icing solution treated
2010	35,826	10,313	842	24,671	78%	28,057	7,181	584	10,782
2011	110,700	30,461	8,436	71,803	89.8%	75,300	7,886	677	6,840
2012	83,177	12,298	960	83,177	91%	75,281	7,316	579	4,819

(Unit: tons)



5 Acting Responsibly and Reliably

Ethical Culture Earning Respect / Organization and Management of Human Resources

Outstanding talent is the source of power for the continual growth and also a crucial driving force behind the realization of the corporation's vision as a global airport specialist. IIAC is focused on fostering global air travel experts through a distinctive educational program to develop systematic global talents. The labor and the management are leading the way to jointly create a motivating workplace environment balancing both work and life. IIAC will strive for a sustainable future to fulfill its roles and responsibilities as a leading public corporation and accelerate the transparent and ethical management efforts.

Major issues of social responsibility management

- Youth unemployment and an increase in the temporary job openings
- Observance of social regulations
- Expansion in the rights and the roles of the employees
- Increase in the demand for human rights
- Hiring
- Corruption prevention

Major accomplishments of Social Responsibility Management



General integrity index

Anti-corruption and Civil Rights Commission

Excellence



Ethical management index

93.0 points



Korea's most ethical awards

winner



GWP index

level of the U.S. Fortune 100 companies
94.0 points



Ethical Culture
Earning Respect

Promotional system of
ethical management

IIAC is steadily growing into an air travel enterprise with integrity, leading the international air travel industry, spreading an ethical culture, and earning respect through the promotion of ethical management with stakeholders.

Ethical management system

IIAC seeks to emerge as a global airport specialist leading the world's air travel industry through the realization of the global Clean Airport by building an ethical management system. For the purpose of creating a global ethical corporate culture through integrity expansion, specific plans are established according to the ethical management strategic in connection with the corporation's vision and new key values and put into action. The employees, business partners, and occupying businesses are working together to establish an integrity culture of trust and passion, vitalizing ethical management systems and organization and implementing ethical execution program under a specific plan. They are also increasingly participating in the global program and making efforts to carry out social responsibilities at the glob al level through Incheon Airport's advanced Clean Compact.

Promotion system for ethical management



-Ethical management leadership

Incheon International Airport's ethical management objectives can only be achieved by participation and communication with the stakeholders, and will be vitalized by the CEO's strong will and communicative efforts for ethical management. IIAC's CEO has reiterated the drive for ethical management inside and outside the corporation and delivered a CEO ethical message to every employee, actively working to spread the ethical management culture. The CEO disclosed the details of the usage of project funds on the corporation's webpage and donated outside lecture fees to charities. As a result of these efforts, the CEO won the President's awards in the field of CEO in the Sustainable Management Awards in 2012.

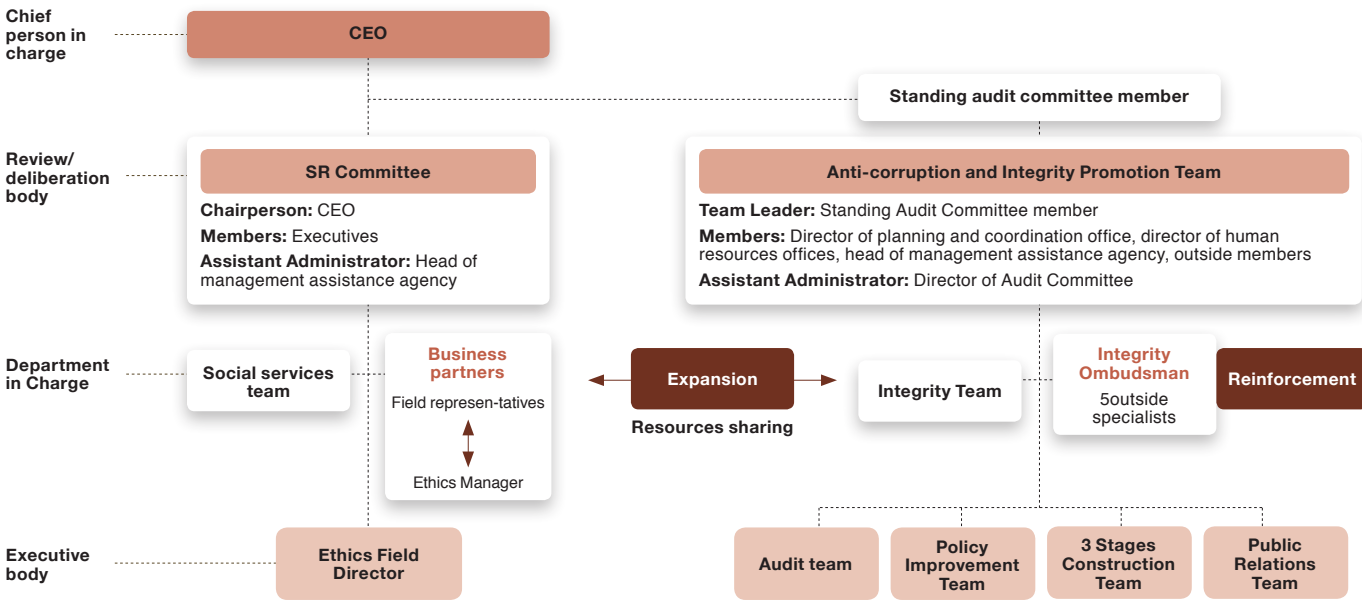
Promotional organization of ethical management

IIAC's major ethical and socially responsible management decisions are made by the SR committee and an ethical executive agent is selected in each department to lead the realization of an ethical culture in the current department. To improve the executive power of ethical management, an exclusively appointed anti-corruption integrity organization was added and the integrity ombudsman was reinforced to regroup and stabilize the organization. The integrity ombudsman system was applied in the company regulations to boost the outside monitoring function. As a result, the integrity ombudsman could make a request for the correction of the corruption inducing factors and demand a review of unlawful mistreatments of the matters. In addition, through close cooperation not only with the internal cooperation, but also with the field representatives and the persons in charge of ethical management from business partners, the support and the sharing for the ethical management is expanded to help spread the ethical management culture encompassing the airport.

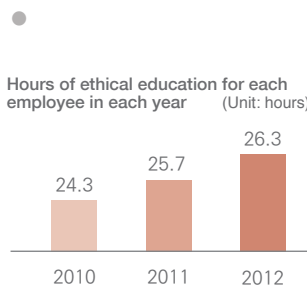
Record of ethical education for each employee



Promotional organization of ethical management



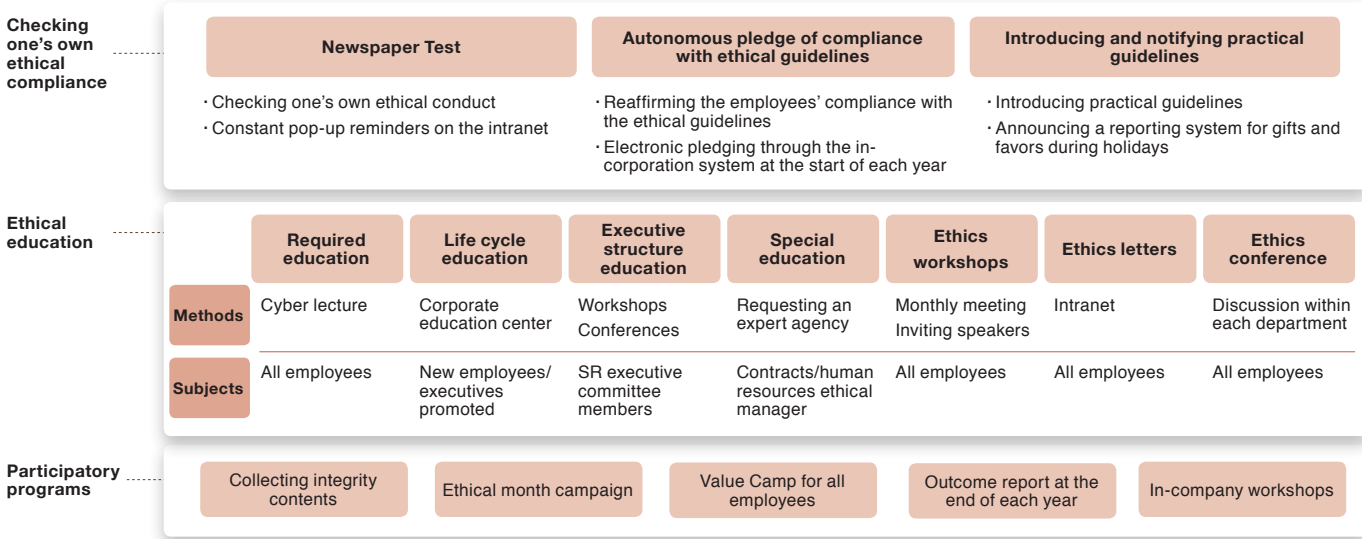
Promotional activities of the
ethical management



Expansion of the ethical culture programs and educations

IIAC is utilizing various channels including on and off lines to cultivate the ethical awareness of employees. All employees are required to take cyber ethical education as well as education customized for each position, and cycles is provided to the members. Members are encouraged to actively participate in the programs to form a consensus for the realization of an ethical culture and create an environment where the employees can check and renew their resolve. IIAC is supporting the business partners' ethical management to expand the culture of the social responsibility performance through the realization of the ethical management. As a part of these efforts, the corporation's cyber ethical educational program is open to the business partners as well, and workshops for the ethical managers of the business partners are held twice a year, more so than previous years. An ethical management study organization was newly made in the Hyung Up Portal, which is an online business portal site between the corporation and the business partners, and is sharing information on the outcome of the ethical management by sending ethical letters, etc. As a result of these efforts, the business partners' ethical awareness rose from 83.6 points to 87.6 points in 2012 from the previous year.

Employees' ethical education and executive programs





Ethical management monitoring



IIAC is improving the practicality of the ethical management through a systematic monitoring and reviews reflux system.

monitoring activities of ethical management

IIAC possesses a monitoring and reviewing system of the corporation's ethical management, starting from the plans establishment and the studies following reviews. In the course of job performances, the employees' awareness of ethical guidelines was learned through the in-corporation's intra net, and an analysis and promotion was made for the items of low awareness to improve the business efforts. The integrity call, the integrity mileages, and the monitoring and review reflux system of the executives' integrity brought forth matters to be improved. Remedial actions were then taken to reinforce the practicality of the ethical management. The major matters to be improved in 2012 involve method of report submission, simplification of drawing up the report, reinforcement of the contracting process and paperwork, one integrity task for each department, integrity education of executives and application of the organizational results, etc.

Integrity analysis results

IIAC is continuing with the integrity analysis by conducting inside monitoring on its own and also by obtaining outside monitoring from the Anti-Corruption and Civil Rights Commission and the Institute for Industrial Policy Studies. IIAC made continuous efforts to expand the employees' internalization of ethical awareness and ethical culture. As a result, the corporation accomplished a high level of ethical awareness by winning an excellent level for 2 consecutive years in the public corporation's general integrity review report conducted by the Anti-Corruption and Civil Right Commission, and also obtained the level of "highly outstanding", the highest level in the Anti-Corruption Competitiveness Analysis, demonstrating a high level of ethical awareness. In addition, IIAC was selected as "the most ethical corporation in Korea", winning various awards in and out of the country.

Results of integrity reviews conducted in and out of the country

Index of outcome			2010	2011	2012
Outside	Anti-Corruption and Civil Rights Commission	General	Average(8.87)	Outstanding(9.09)	Outstanding(8.96)
		Interior	8.93	9.29	9.09
		Exterior	8.69	8.76	8.82
	Anti-Corruption Competitiveness Analysis		Outstanding	Outstanding	Highly outstanding
	KoBEX		AAA(93.5)	AAA(96.0)	AAA(97.5)
Inside	Level of integrity of executives		93.3	95.1	98.8
	Ethical management index		90.2	92.4	93.0

*IIA Integrity Index: Index used in the ethics management self-inspection, consisting of 32 indexes in the 4 fields of ethics, transparency, trust, and social responsibility management

Record of commendation from outside for the corporation's ethical management

Name of the awards	Hosted by
Most ethical corporation among public corporation in Korea	Fortune Korea
The most respected corporation in Korea in the field of SOC for 5 consecutive years for the first among public corporations	KMAC
1st place in the sustainability of management index by ERISS (ERISS, Economic Research Institute for Sustainable Society) for 3 consecutive times	Institute of Economy, Kyung Hyang Newspaper
1st place in the Korea's sustainability awards in the field of KSI public corporations for 3 consecutive years	Korean Standards Association

Corruption prevention efforts

IIAC is continuously reinforcing efforts to prevent ethical risks for the purpose of achieving a zero corruption rate. Through the implementation of the one task for each department policy in 2012 to search the matters to be improved to boost the business transparency of each department, 33 cases posing ethical risks were identified and remedied as a part of the drive to root out the corruption inducing factors. To prevent unjust behaviors in situations when people may be prone to corruption, the employees were alerted to the importance of upholding ethical guidelines by receiving integrity weather forecasts which contained conduct guidelines, precautions, and social issues. Favors asked were reported and an inside public interests alert channel was created. The performance record of integrity activities was incorporated into the business performance review, and the disciplinary actions for corruptive behaviors were strengthened for harsher treatment of corruption cases.



Ethical education

Organization and Management of Human Resources



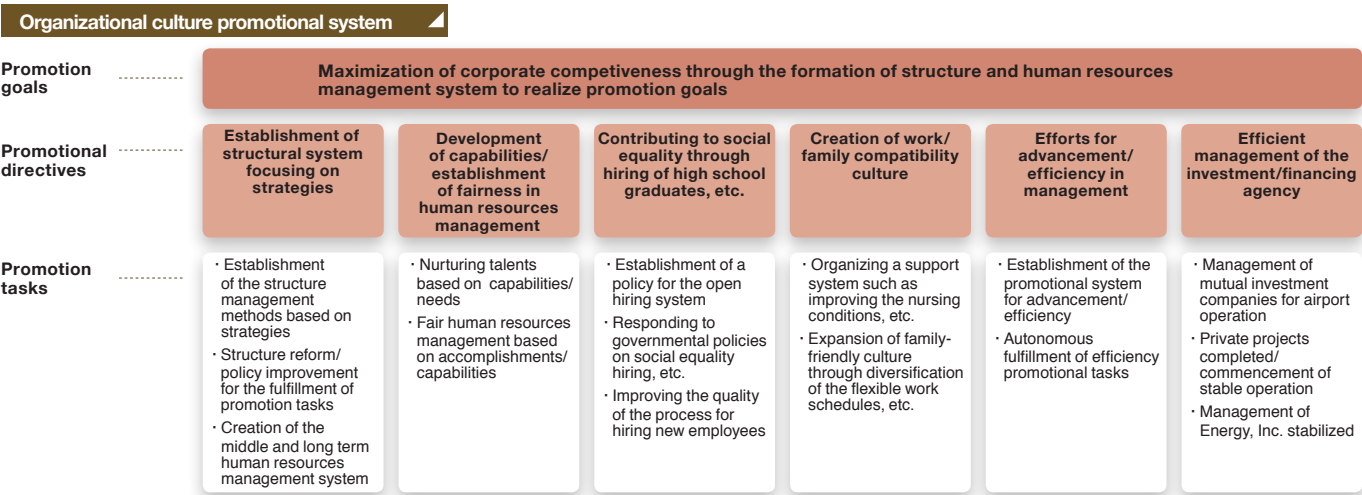
IIAC is securing human resources through the establishment of the sustainable management system of the organization and human resources and through open and transparent recruiting policies. Strategic human resources management is promoted to achieve the vision and strategies of the corporation, and a corporate culture based on appropriate rewards and trust will help make Incheon Airport a wonderful workplace.

Open recruiting and strategic structural system



Structure system

IIAC has established distinctive strategic goals to execute its vision of emerging as a global air travel industry specialist and established the management system of the organization and human resources to fulfill its goal of maximizing the corporation's competitiveness. For the realization of these goals, the corporation set promotional directives such as the establishment of the strategies-focused organizational system and securing fair human resources development and management, and the executive tasks for each directive were created. Furthermore, a promotional system monitoring plan was set forth to make continuous efforts for improvement.



Human resources policy

IIAC established middle and long term organizational and human resources management plans for its emergence as a global airport specialist and promoted continuous open and socially equal hiring efforts for the joint growth with the organization and society. In 2007, Incheon International Airport Corporation joined the UN Global Compact (UNGC), and has complied with the provisions of No Child Labor and Compulsory Labor.

-Status of current employees

IIAC currently has 957 employees as of June 2013 that include 6 executives, 878 regular employees, and 58 safety and security professionals, 3 privileged government positions, and 12 temporary employees. The temporary employees are limited to necessary fields such as expertise management and substitutes for employees on leave, and 23 temporary employees were converted to regular employees except for the minimum necessary fields.

-Open Hiring

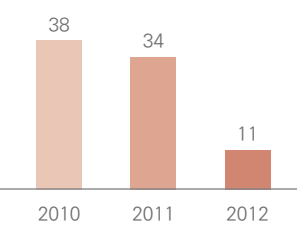
IIAC respects the human rights and diversity of the employees and restricts the discrimination based on the gender, age and religion. All employees regardless of their gender are granted the same wages and benefits for the same position, and the average wages for the new employees is 33.24 million won, and the average wages for an employee is 82.40 million won. IIAC is actively carrying out social responsibilities as a public corporation and is expanding hiring opportunities for the socially disadvantaged to lead an open hiring culture. To expand hiring of high school graduates, 14 high school graduates were hired as regular employees for the first time since the foundation of the corporation. The goal plan for hiring female employee was also introduced, steadily increasing the newly hired number of female regular employees over the last 3 years.

Status of current employees according to their gender
(As of June 2013)





Status of changes in the number of temporary workers
(units: number of people)



Customized human resources development

IIAC is operating a systematic educational management system that is capable of diagnosing and excavating the capabilities and needs of each member. The issues resulting from the system provide ability development opportunities based on the required abilities, and needs boosting the productivity of the human resources development. The manager's coaching ability, the development of female leadership, and the development program for major talent are part of the distinct program reinforcing the customized leadership ability development determining the organization's competitiveness.

Status of the opening hiring

Classification		2010	2011	2012
Hiring of new regular employees wits	Female employees	8	24	28
	Disabled	0	3	2
	Local talents (Non-metropolitan area)	6	19	21
	High school graduates	0	0	14
	Vocational high school graduates	0	0	14
	Employees with science and engineering background	7	27	40
	Total	20	63	70
Size of temporary workers hired positions	Interns	45	65	72
	Contracted employees	1	1	1
Number of people and the occupying rate out of the total	Female employees (rate)	156(18.0%)	169(18.7%)	193(19.6%)
	Female managers (rate)	6(6.9%)	6(6.6%)	7(5.0%)
	The disabled (rate)	21(2.4%)	24(2.7%)	26(2.6%)

Human resources developmental efforts

IIAC created an expertise development system according to the middle and long term human resource developmental plans and increased an investment in the education, boosting the educational efficiency. As a result, the members' level of satisfaction rose from 4.3 points in 2011 to 4.6 points in 2012, a 7% increase.

-Establishment of the human resources management system based on the abilities

IIAC implements a research of capabilities and needs as a priority to establish the human resources management system based on abilities, and the Human Research Development (HRD) issues found through this process are utilized in the initial document to base annual human resources development planning along with the middle-term talent nurturing strategy. Building on the educational issues and middle and long term human resource educational directions, fields of education to be reinforced are selected and promotional measures are prepared after a review of the matters to be planned in the middle and long terms and matters that must also be remedied. IIAC improved the educational timeliness and productivity for talent development, creating and operating the human resource nurturing program to efficiently carry out the developmental plans.

-Operation of HRD system based on the abilities

IIAC is building a uniform educational system in connection with the abilities development and experiences management. The employees set the individual business goals, draw up abilities developmental plans, and carry out the activities, receiving systemized assistance in the forms of the supervisor's coaching, experiences developmental assistance from the human resources team, examination of job capabilities by the educational team, confirmation of educational plans, etc. The system is strengthened through the credits system and monitoring of the educational process.

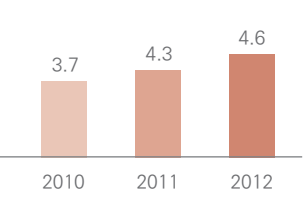
-Reinforced development of global experts

IIAC is improving national competitiveness through securing global educational hardware and software. The international aviation piloting training center was built to establish the aviation training infrastructure to form the global HR networks through accepting the role of chairperson of Education Council in the ACI Asian-Pacific area. A global standard education is provided to substantiate educational content and to help the corporation emerge as a global airport leader.

Outcome of educational promotion

Classification	2010	2011	2012
Total of education recipients	13,695	14,287	14,499
Educational cost for each person	174 million won	211 million won	216 million won
Educational period for each person	137 hours	161 hours	140 hours

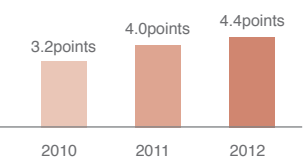
Results of educational satisfaction level surveys
(Unit: on scale of 1 to 5)



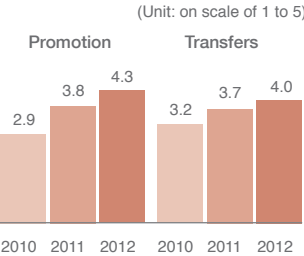
Legitimate review and rewards

Outcome of the improved human resources review system

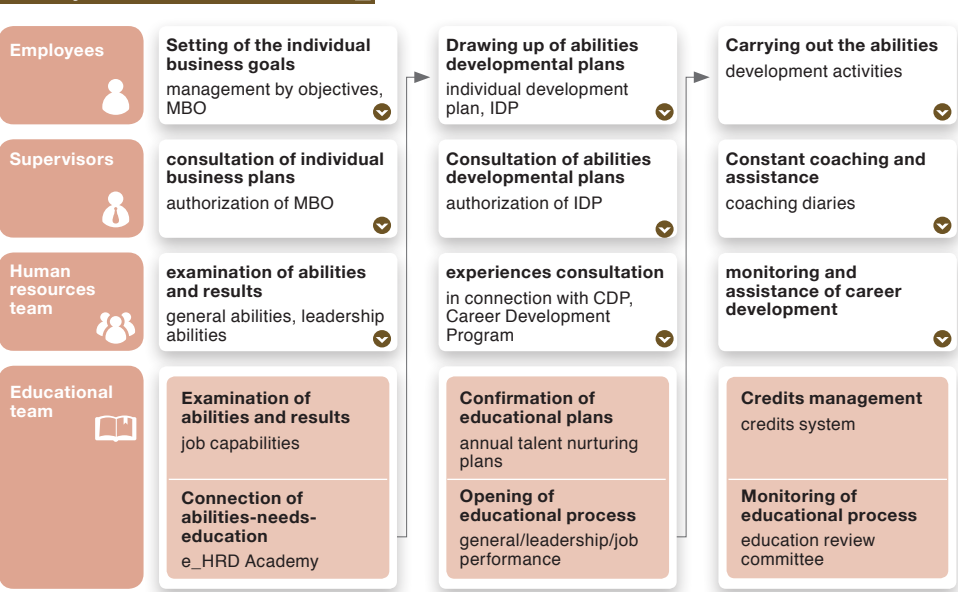
Elevation of the satisfaction level of the human resources review
(Unit: on scale of 1 to 5)



Elevation of the satisfaction level in promotion/transfers
(Unit: on scale of 1 to 5)



HRD system based on the abilities



-Improvement of the satisfactory level of education and expertise

IIAC seeks to improve the satisfactory level of education and expertise to secure power for future growth. The educational satisfaction surveys were conducted for all employees, and there was an increase in every field of educational satisfactory level for 2 consecutive years. A total of 43 developing countries were the subjects of the strategic marketing for the corporation to expand its developing countries' overseas market and to lay a foundation for the exporting information industry. These series of efforts won recognition from the Board of Audit and Inspection by being selected as an exemplary case, and this is the first reward IIAC received in the field of education.

IIAC operates an organized results management. By operating a rewards system based on this management, it was able to create a fair review system. The annual salary system in accordance with the results won a consensus and was carried out with transparency, motivating employees for continuous growth.

Human resources system in accordance with results

IIAC created a human resources system based on results and operates a rewards system focusing on the results and job performances, spreading a corporate culture based on results. Through an improvement of the system and taking the employees' opinions into consideration, the corporation won the consensus. It is now promoting a gradual implementation of an annual salary system for all employees based on their results. Additionally, a legitimate rewards system was created and a human resources system focusing on results with diverse rewards such wages, promotion, education, and budgets was implemented to help expand the merit-oriented corporate culture, motivating employees for the production of results.

-Improvement of efficient human resources management policy

IIAC has made following efforts to improve the fairness of the human resource evaluation and to strengthen the objectivity of the promotions and transfers for a strategic implementation of the human resources management and operation. First of all, to boost the credibility of the human resources evaluation, job performance and abilities were separately reviewed to objectively evaluate each item and to increase connectivity with promotions and transfers. In addition, a systematic process for questioning the validity of human resources evaluation review was prepared to vitalize the communication about review and to improve transparency. Secondly, a transparent human resources system was established through the delegation of right of transfer and the division of the right to promote. After a notice of a job vacancy is given and the applicants were chosen, the immediate supervisor makes a choice of the employees with whom to work. To improve the objectivity in the selection of the promoted person, a filtering process was reinforced through a personnel committee that analyzes every aspect of the candidate and makes a list of promotion candidates based on abilities. This resulted in the elevated satisfaction level of the promotion system among the employees.



Advanced welfare system



-Fair rewards for accomplishments and human resources policies

IIAC is operating a practical annual salary system focusing on results/job performance to better evaluate great employees who are diligent workers. IIAC is improving the legitimacy of the evaluation methods, which is a prerequisite to the rewards for accomplishments. The MBO (Management by Objectives) system enables employees to set individual business goals and confirm them through consultation with supervisors and analysis from the human resources team, securing individuality and credibility of the reviewing process. The system also allows the upper departments, lower departments, and members to work together organically, resulting in a balanced corporate culture based on results. The acceptance rate of the system by the members rose to 4.7% as a result. Based on the acceptances rate of the annual salary system, the annual salary system was expanded to include different base salaries according to the results of the individual reviews for the fairness of the rewards for accomplishments and human resources policies. The labor productivity increased after different levels of rewards were given according to individual reviews through the introduction of the annual salary system. The employees' rate of satisfaction in the rewards rose by 12.5% while the fairness rate of the review rose by 4.6%.

Establishment of culture for the improved quality of life

IIAC seeks to administer a customized program balancing the employees' work and family and a flexible work schedule to support employees through the expansion of the new culture where work and family are not necessarily incompatible

-Creation of a compatible culture of work and family

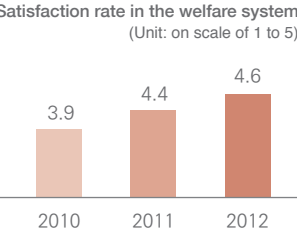
IIAC designed and implemented a customized program renovating nursing conditions for the balance between work and family. Before the birth of a child, the Change Over Plan establishes a formal process of a job handover before maternity leave, and nursing leave is guaranteed during the nursing period, which is being used by 22 employees including 2 male employees. Notably, a daycare facility, with a capacity of 300 for the employees of the business partners and the corporation's employees, was newly built to provide nursing conditions compatible with work conditions. A flexible work schedule was also provided in the forms of part-time jobs and a discretionary schedule. For the smooth substitution of the employees on maternity leave and work force management, short term projects were founded to help create a system of compatibility of work and family. The "Less More campaign" is in progress, which is one such campaign promoting the balance between work and family. Likewise, customized programs for the employees were implemented, resulting in IIAC's acceptance of awards such as the Family Friendly Management Grand Prize (in the field of low birth rate solution) and entry into the GWP (Great Workplace) level, which is equivalent to top U.S. 100 companies, earning objective recognition.

Welfare program (legitimate operation of welfare system)

IIAC is promoting 1. employee satisfaction, 2. equality among employees, and 3. legitimate operation as the promotional directives for the operation of a more systematic welfare system and executing tasks after the establishment of the operational system for the middle and long term welfare policies. First of all, a more pleasant workplace environment is created through the in-corporation socializing activities for the fellowship of employees. Secondly, improvements were focused on practical areas which the employees can use and take advantage. For stable retirement, all pensions were wired outside of the corporation, and in cases of awarding scholarships and medical cost assistance, a selective welfare was provided in different levels, boosting the fairness of corporate fund's use. IIAC is reinforcing the employees' satisfaction level of the welfare system through the legitimate operation of the welfare system.

Maternity and nursing leave system

Classification	2010		2011		2012	
	Male	Female	Male	Female	Male	Female
Number of people using maternity leave	18	14	2	13	3	22
Rate of returning to work after maternity leave (%)	100	100	100	100	100	100
Number of people using nursing leave	1	8	0	14	2	20
Rate of returning to work after nursing leave (%)	100	87.5	-	100	100	100
Rate of remaining at work after the return to work from nursing leave (%)	100	100	-	100	50	100



Labor-Management relationship of communication and harmony



Safety and health management

IIAC is operating various assistance programs to increase the employees' safety and health. The industrial safety and health committee is operated to deliberate and decide major issues related to the employees' health and safety, thus preventing industrial accidents for the achievement of a safe workplace environment. A safety check day is designated monthly to provide the employees with safety education, more than 1 hour on a monthly basis and more than 3 hours on a quarterly basis. A health examination is provided annually and an in-depth examination is provided every other year. A deferential health level system in terms of disease is operated, keeping track of the employee and requiring the employee to consult with the specialist to provide professional service for the health management of employees. Furthermore, EAP (Employee Assistance Program)* was introduced for the management of employees' mental health, not only physical health, to evaluate and manage the stress level of the employees 8 times annually.

* EAP (Employee Assistance Program): A program helping the employee personally deal with the matters affecting the employee's satisfaction at work and productivity through consultations with specialists

Retirees assistance program

IIAC designed an assistance program, Outplacement Program, for before and after retirement to maintain a happy level of life after the employee's retirement, increasing the job motivation of all employees. The Outplacement Program selects the beneficiaries out of the management level retirees, awarding a preparation period for the retirement, consulting in redesigning experience, reentry into the workforce education, and management consultation for retirement experts to increase the satisfaction level of the employees. The management consulting service appoints a management consultant who gives guidance, consultation, and advice on life after retirement, helping the retired employee reenter the workforce. In addition to the Outplacement Program, retirement plans are in operation, assisting with financial planning for 2nd life after retirement.

Status of labor union

IIAC observes labor laws in and out of the country. When a significant change occurs in the business or in an organization with huge impact on employment, IIAC notifies the Labor-Management Council within the prescribed time period for the deliberation and deciding of issues. The corporation's labor force consists of employees below level 3, belongs to the federal of Korea Trade Unions, and has 720 members as of 2012.

Advanced labor-management relationship

IIAC analyzed the environments in and out of the corporation and the labor-management relationship for the realization of the future oriented, coexisting, and harmonious labor-management partnership, redefining the strategies for the advanced labor-management relationship and focusing on 2011's improvement tasks. 2012 was a year of coexisting harmony, bringing forth 10 executive tasks including the fulfillment of coexisting, harmonious executive tasks, the creation of management accomplishments through the labor-management's harmonized efforts, the reinforcement of various channels, and the legitimate salary agreement. These were designated as the 4 major executive tasks and were carried out as major priorities by labor-management. IIAC is dedicated to the improvement of the treatment condition of the socially disadvantaged, rallying both the labor and the management, and to the realization of the legitimate labor-management relationship based on the laws and principles.





6 Appendix

Result of the performance of major executive tasks

Executive tasks	Content of performance
Fulfilling coexisting harmony strategy	- Reinforcement of shared growth with business partners - Return of the airport management profits to business partners - Internalization of the coexisting harmony program - Shared performance of social service work - Social service agreement settlement, a collective agreement specified - Systemized sharing activities
Creation of management results through labor-management harmony	- Completion of advanced labor-management task - Nonstop operation of the airport - Innovative workplace excellent firm (ministry of employment and labor) - Realization of organizational culture focusing on accomplishments - Best airport operation achieved
Reinforcement of various channels	- Dealing with complaints and crucial issues of the management through the Labor-Management Council - Participating in the inducement of 4 key values of the organization - Participation by all employees including the field (and shift) employees (84% participation)
Legitimate settlement of salary agreement	- Improvement of the irrational collective agreements by ways of supplemental agreements - salary agreements in accordance with the governmental guidelines

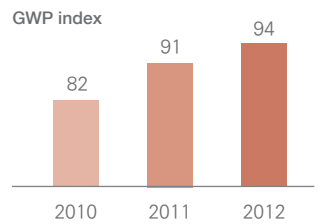
Coexisting Communication

IIAC operates various communication channels to reinforce the channels of communication shared by all employees. Securing communications between the labor, management and the government improves the level of understanding for the governmental policies, establishing the foundation for coexistence, reinforcing the roots (field) communication, and elevating the employee's ownership. In times of need for new key values meeting the 2013 vision and slogans, the labor and management jointly participated in the promotion of the 4 key values, demonstrating the labor and management's ownership. This shows IIAC's realization of the coexisting values based on the communication of labor and management. Problems and current management issues are discussed in the Labor-Management Council jointly taking care of the matters directly handled by the labor and management. IIAC operates various channels of communication that are participated by all employees striving to realize the joint purposes and improving the satisfaction level of employees.

Securing of the labor, management, and the government's communications



Reinforcement of labor-management communication (Unit: points)



Handling of problems and current management issues through the Labor-Management Council

Classification	2010	2011	2012
Organization	1	2	0
Human resources	3	1	3
Welfare	8	3	5
Etc.	3	4	2
total	15	10	10

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Questionnaire for Readers





Outcome of
Social Responsibility
Management

Economic results



Summary balance sheet/profit and loss account

Summary balance sheet

(Unit: 100 million won)

Classification	2012
Liquid asset	3,542
Noncurrent asset	75,003
Total assets	78,545
Current liabilities	6,743
Non-current liabilities	20,080
Total debt	26,823
Paid-in capital	36,179
Earned surplus	15,543
Total assets	51,722

Profit and loss account

(Unit: 100 million won)

Classification	2012
Sales	15,817
Sale cost	6,845
Total sales profits	8,972
Selling and maintenance expenses	994
Business profits	7,978
Other profits	48
Other expenses	217
Other profits	119
Financial profits	234
Financial charge	1,209
Equity method income	7
Income and loss before the incomes taxes	6,960
Income tax expanse	1,966
Profits for the term	4,994
Other comprehensive income	12
Total comprehensive income	5,006

Payment status of corporate tax

(Unit: 1 million won)

Year	Tax base	Corporate tax amount	Deducted tax amount	Paid tax amount	Voluntary tax payment
2010	480,551	105,697	338	37,976	67,383
2011	669,016	147,159	147	53,021	93,991
2012	735,322	161,351	210	73,605	88,016

Social
accomplishments



Classification	Fields	Units	2010	2011	2012
Number of employees	Executives and regulars_ male/female	Number	659/143	685/159	710/179
	Safety and security_ male/ female		22/1	22/1	33/4
	Temporary_ male/female		9/1	8/1	6/2
	Indefinitely contracted_ male/female		18/10	18/7	18/7
	Privileged government positions_ male/female		3/1	3/1	3/1
	Number of all employees_ male/female		711/156	736/169	770/193
Status of the socially disadvantaged	Number of the disabled hired	Numbers	21	24	26
	hiring ratio of the disabled	%	2.4	2.7	2.6
	Female ratio		18.0	19.6	20.04
	Female managers ratio		5.6	6.6	5.8
Employment stability	Job creation rate	%	0.6	4.4	7.1
	Change of job rate		1.5	2.0	1.3
	Number of years in continuous employment	Years	11	11	11
Family friendly management	Rate of return to work after maternity leave	%	100/87.5	-/100	100/100
Employees' satisfaction level	Customer satisfaction index(GWP)	Points	82	89	94
Talent development	Average hours of education per each individual	Hours	137	161	140
Employees' safety and health	Injury rate_ male/female	%	-	0.1104/0	0/0
	Loss of days_ male/female	days	297/221	135/90	315/277
Flight Operations Safety	Accidents rate	%	0	0	0
	Ground accidents	cases	6	5	6
	Bird strikes (per 10,000 flights)		7	0	3
Shared growth	Rate of contracts with integrity	%	100	100	100
	Electronic bidding rate		100	100	100
	Satisfaction rate in coexisting program	%	70.1	94.8	97.4
Customer satisfaction management	Customer satisfaction level	grade	AA(the highest)	AA(the highest)	AA(the highest)
	ACI ASQ	Positions	1	1	1
Ethical management	Ethical management index	Points	90.2	92.4	93.0
Local society	Number of residents in the noise impacted area	Number	36,991	39,103	44,180
	Rate of resident in the noise impacted rate	%	100	100	100
	Rate in increase of the residents		109	106	113
Social services	Donations	100 million won	16	429	163
	Total hours of employees' volunteering activities	Hours	2,825	3,077	4,748
Regulations	Violation of social/ Environmental regulations	cases	0	0	0



Independent Assurance Statement



To Incheon International Airport Corporation Management re: '2013 IIAC Sustainability Report'

The Institute for Industrial Policy Studies (hereinafter the "assurance service provider") presents its opinion regarding the "2013 IIAC Social Responsibility Report " (hereinafter the "report") as follows upon the request for assurance of report.

Responsibilities and Objectives

IIAC is liable for the information and claims related to the specification of sustainability management objectives included in the report, performance management, data collection, and the compilation of report. The assurance service provider is responsible for providing the outcomes of implemented assurance procedures to the company's management. The purpose of this assurance report is to identify significant errors and bias, examine the operation of information collection system, identify sustainability management issues, and examine the process to suggest feedback for the improvement of quality.

Assurance Standards

This report was examined in accordance with the following standards.

- 1) AA1000 Assurance Standard (2008)
- 2) GRI G3.1 Sustainability Reporting Guidelines
- 3) BEST Guideline

¹AA1000AS (Assurance Standard): AA1000AS is a sustainability management report assurance standard developed by AccountAbility, a U.K.-based non-profit organization over corporate social responsibility, in 1999 to enhance the organization's overall performance and accountability by improving the quality of social and ethical accounting, auditing and reporting. The amended version established in 2008 came into effect in 2010.

²GRI G3.1 Guidelines: It is the guideline on the compilation of sustainability management report jointly established by the Coalition for Environmentally Responsible Economies (CERES), an international environmental agency, and the United Nations Environment Programme (UNEP) in 1997. The standards on human rights, gender and local community were added to G3 announced in October 2006 to establish and announce G3.1 in March 2011. G4, the fourth amendment, is to be disclosed in 2013.

³BEST Sustainability Management Guidelines: It is a guideline developed jointly by BEST SM Forum, Ministry of Knowledge Economy, the Institute for Industrial Policy Studies (IPS), and Korea Chamber of Commerce and Industry with regard to the preparation and verification of sustainability management reports, offering five different reporting levels.

Type and Level of Assurance

This report was examined in accordance with Type 1 Moderate Level of AA1000AS (2008).

- The assurance service provider has reviewed the suitability of data specified in the "2013 IIAC Sustainability Report" and evaluated the data disclosures, reporting system, and performance management method pursuant to the three key principles (inclusivity, materiality, and responsiveness) set forth in AA1000 AS (2008) to conduct a Type 1 assurance engagement. The reliability of data provided in this report, however, was not covered by this assurance statement.
- The assurance service provider has secured evidence to lower the error risk in the report and conducted limited interviews with

the personnel in charge of respective fields in conformity with the moderate level assurance.

Scope and Method of Assurance

The assurance service provider has 1) assessed the inclusivity, materiality, and responsiveness of the report and 2) confirmed conformity to the GRI/BEST Sustainability Reporting Guidelines through the following procedures.

- Review the source of disclosed data and supervising departments
- Examine the suitability of the respective performance data collection system and reporting procedure
- Examine the consistency between the financial data specified in this report and the audit report
- Conduct a media analysis and examine relevant documents during the reporting period
- Examine the procedure of identifying significant issues and its results
- Enact a response system for significant issues
- Level of GRI Guidelines applied to the sustainability management report

Limitations

- Examine the suitability of data
- Conduct a verification based on the data pertinent to the reporting period and disclosed information
- The reliability of performance data was not examined

Opinion

The assurance service provider deems that this report contains no significant errors or bias as per the scope, method, and standards of assessment stipulated above. The key results of examination are specified in this report while specific results and recommendations were presented to IIAC.

-Inclusivity

Does IIAC comply with stakeholder engagement principles to address sustainability management responsibly and strategically? The assurance service provider has confirmed that IIAC is establishing a variety of stakeholder engagement processes with awareness of the materiality of stakeholder engagement in the course of its sustainability management practices. IIAC particularly holds Stakeholder Committee meetings to examine a variety of corporate responsibility issues in economic, social and environmental domains to identify and embrace opinions regarding specific implementation measures to be executed. IIAC is also deemed to undertake efforts to share core values with stakeholders through communication methods and various media differentiated in accordance with the properties of stakeholders and produce outcomes based on such efforts. The following are par-

ticularly deemed to deserve high ratings.

- Regularize SR Stakeholder Committee meetings to support key decisions over socially responsible management and reinforce social responsibility management programs
- Utilize feedback collected through VOC system, a communication channel designed to aggregate feedbacks from customers, to improve facilities and processes
- Assure engagement of internal stakeholders (labor and management) in identifying the organization's four key values

However, IIAC needs to expand authorities and responsibilities of social responsibility management taskforces (SR Committee) including Stakeholder Committee in order to ensure establishment and implementation of strategies based on stakeholder's demands and issues. The company is also required to disclose corresponding performances specifically.

-Materiality

Does this report cover the most significant economic, social and environmental information to IIAC and its stakeholders?

The assurance service provider confirms that IIAC has neither omitted nor excluded any material data that must be presented to stakeholders. IIAC has assessed relevance and materiality through evaluating social responsibilities (media analysis, relevant corporation analysis, trend & impact analysis, assessment of corporate social responsibility), stakeholder engagement (expert interview, survey), and materiality test (identification of crucial issues). The following are particularly deemed to deserve high ratings.

- Identify 25 final-core issues based on trends and impacts in consideration of IIAC's internal and external influences
- Undertake efforts to disclose performances pertaining to material issues

However, it is necessary to reinforce materiality test process and specify the scope of core issues to identify significant issues to IIAC as the management and communication of materiality and core issues is to be highlighted further. IIAC is also required to report performances regarding core issues more effectively and assure convenient understanding of issues.

-Responsiveness

Does this report appropriately address the demands and concerns of stakeholders?

The assurance service provider believes that IIAC addresses the demands and concerns of stakeholders in a comprehensive and well-balanced manner. The company was found to have established communication channels in consideration of the properties of stakeholder groups (employees, customers (travelers), business partners, communities, government, etc.) and characteristics of communication and to have reported communication performances through such channels. The following are particularly deemed to deserve high ratings.

- Establish the comprehensive inclusive growth system among stakeholders through Service Enhancement Committee to resolve conflicts and share objectives
- Engage in building positive relationships based on open communication and responses through operating the VOC system to address customer's opinions actively and tap into communication channels to remove obstacles to smaller business partners in line with the company's deep involvement in business partnerships

However, IIAC needs to publish stakeholder's needs collected through various channels and corresponding status and outcomes. The report also needs to be designed to facilitate view and understanding of core issues and opinions. IIAC is also recommended to utilize communication channels for each stake-

holder group actively.

-GRI Application Standard

The assurance service provider confirmed that this report conforms to all the requirements for the "A+" level of GRI G3.1 Guidelines.

-BEST Satisfaction Rate

Considering BEST conformity and data reliability of this report, this report is deemed to satisfy 89.0% of Phase 4 Maturity under the 5-step BEST guidelines.

Recommendation

The assurance service provider highly appreciates that '2013 IIAC Sustainability Report', the sixth of its kind, (1) specifies four core values and 'Value Story' in the course of assessment, survey, coordination, and agreement of the entire staff to set up new core values for active response to changes in internal and external environments and unity of staff, (2) aggregates opinions by utilizing Stakeholder Committee, stakeholder survey, interviews, and diverse stakeholder communication channels, and (3) concisely communicates crucial information such as economic and creative management performances, business partnerships, social contribution, ethics, social engagements of executives and employees, environmental performances of eco-friendly airports and involvements in global initiatives (GRI, UNGC, ISO 26000, etc.). We recommend, however, that the company consider the following in compiling sustainability reports in the future.

- Address core issues reflecting the characteristics of IIAC's industrial category and stakeholder's needs more effectively
- Categorize and define stakeholders over the value chain and identify core issues
- Reinforce engagements and performances related to stakeholder's responses
- Enhance communication of quantitative performances

Independence

The assurance service provider is not involved in any relationship with IIAC for economic interests. We have not also engaged in the compilation of this report besides presenting opinions in order to examine this report independently and autonomously.

Suitability of Assurance Service Provider

Commissioned by IIAC to conduct an assurance engagement, the Institute for Industrial Policy Studies is an 'independent assurance agency' to verify the domestic sustainability management reports. Founded in 1993, the institute has been engaged in the services related to ethical management, corporate social responsibility, and sustainability management since 2002. The assurance engagement personnel consists of college professors and professionals who have expertise in business administration, accounting, and environment on the back of advisory services on sustainability management and advanced educational backgrounds.



July 15, 2013
President of the Institute for Industrial Policy Studies

Kim Jae-Eun,

Evaluation Report of ISO 26000 Compliance



Standards
Korean Standards Association (KSA), a contractor of Korean Agency of Technology and Standards at the Ministry of Trade Industry and Energy, has developed an evaluation test for fulfilling an organization's social responsibility in compliance with ISO 26000, an international standard for social responsibility. The ISO 26000 evaluation test includes reports for an organization on the compliance of social responsibility and its seven core subjects (organizational governance, human rights, labor practices, the environment, fair operating, consumer issues, and community involvement and development).

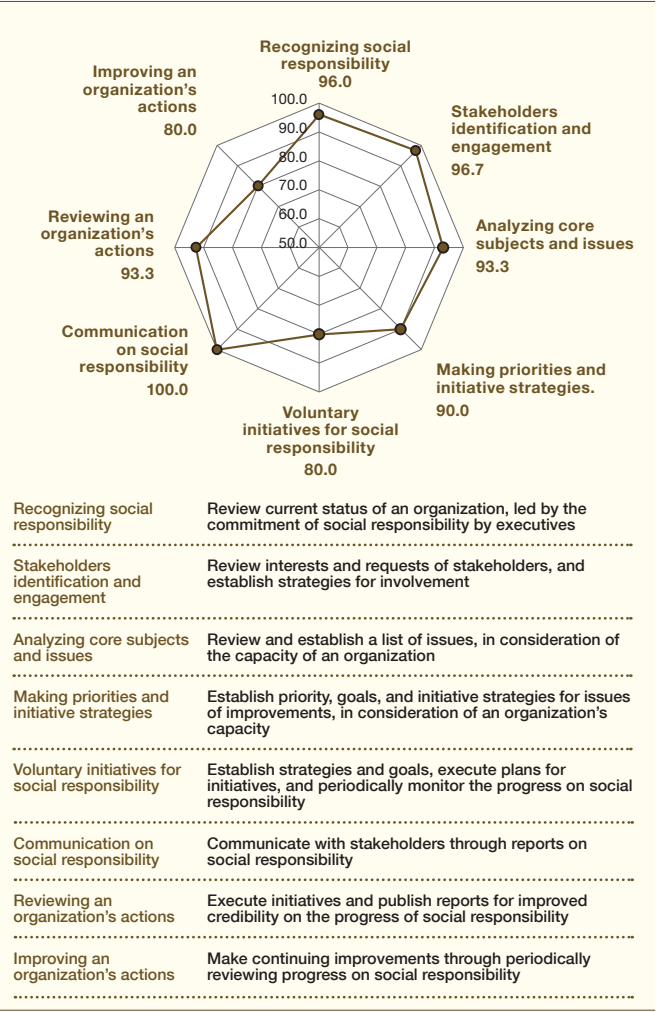
This evaluation report has determined the progress of Incheon International Airport Corporation on its social responsibility and the seven core subjects according to the test.

Scope
KSA has reviewed IIAC's methodology and progress of fulfilling its social responsibility by assessing its long-term strategies and methodology, level of involvement, and activities for social responsibility.

Methods
KSA has conducted the following after collection of relevant evidence from departments related to the publication of the Reports on Social Responsibility.

- Reviewed internal data and reports on the activities and progress on social responsibility.
- Interviewed a staff member responsible for each of the core subjects of social responsibility.

Evaluation report by processes of ISO 26000 Social Responsibility
IIAC has systemized the concepts of social responsibility and sustainability, an effort for which includes specifying "Establish a sustainable management system" as part of its strategy to achieve its goal as a "global airport specialist leading the world airport industry". It is announcing its commitment for social responsibility by supporting international initiatives such as UNGC, publishing Reports on Social Responsibility and holding committees of stakeholders, and strengthening involvement and communications in social responsibility both inside and outside the organization. Its management strategy system and processes, however, need to be improved to combine with sustainability and social responsibility in an effective way, and the current progress metrics and goals of social responsibility need to be improved to include all of the seven core subjects of ISO 26000. Furthermore, it is suggested that IIAC carries out effective social responsibility policies by periodically monitoring its activities and the progress and by expanding its value chain to include social responsibility.



Evaluation Report by seven core subjects of ISO 26000

■ Organizational Governance
For corporate-wide internalization of social responsibility as one of the axes of corporate strategies, IIAC has established and been operating an SR committee responsible for making decisions related to social responsibility on a regular basis. It is recommended that, in order to strengthen social responsibility in the corporate governance structure, IIAC place the SR committee under the Board of Directors and establishes corporate goals encompassing the seven core subjects of ISO 26000 by expanding the current goals beyond the previously focused ethical management and social contribution.

■ Human Rights
IIAC has established and been operating policies for human rights

and anti-discrimination. In particular, it is distinguished for its effort to protect human rights of other organizations by establishing manuals for strike and bankruptcy of partnering corporations and offering classes about these issues. It is not active, however, in investigating human rights practices and managing work-related complaints. It is required that IIAC establishes detailed guidelines for investigation of human rights practices and to establish classes and a monitoring system on human rights for organization employees and stakeholders.

■ Labor Practices
IIAC has policies promoting balanced life of employees by offering flexible work hours and welfare policies for the benefit of women and families. It also has well-established human resources policies and an organization culture of equal opportunity, offering employee-specific education programs and female leadership workshops. In particular, it is distinguished for its effort to promote the physical and mental health of employees by introducing the Employment Assistance Program (EAP). It is recommended that IIAC continue to improve the work environment by listening to the opinions of employees, and establishes and operates a systematic education program for employees who are about to retire.

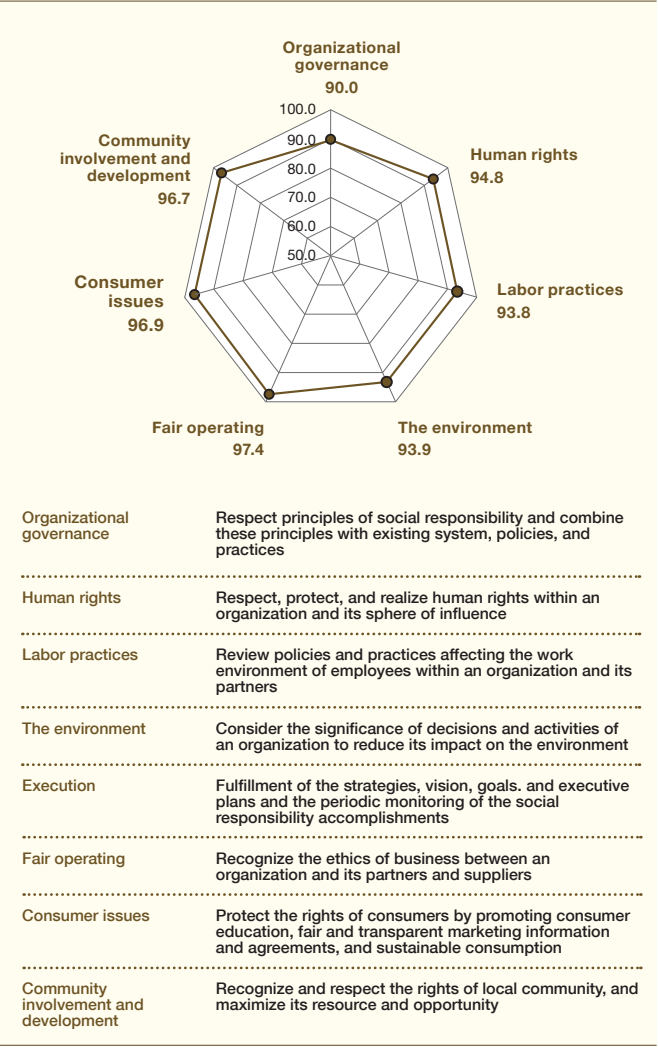
■ The Environment
IIAC has included establishment of an environment-friendly airport management system in its medium to long-term management strategies. For its "green development strategy" to become the "world's best green airport", it has been operating proactive climate change policies such as setting goals in the reduction of greenhouse gas emissions, establishing environment-friendly and energy-saving management systems, running a real-time monitoring system with the Environment Monitoring Center, and publishing environmental reports. It is recommended that IIAC launches corporate-wide activities for conserving nature and restoring ecological diversity and natural habitats near the airport.

■ Fair Operation
IIAC has been signing UNGC initiatives with the representatives of partnering companies, promoting self-initiative interfirm cooperation through a committee of interfirm cooperation, and offering technology support and management consulting for improved productivity of partnering companies. IIAC is superior in periodically monitoring anti-corruption activities through establishment of ethical management plans, and also in improving the awareness and supporting initiatives on ethical standards of the organization by organizing anti-corruption policies and ethics classes through varied channels.

■ Consumer Issues
IIAC has made offers of accurate and factual information to consumers into a principle. Furthermore, it shows excellent efforts for consumer safety by establishing a collective civilian, governmental, and military response system against terrors and national emergency, and by possessing airport safety devices which have certifications or exceed internationally recommended standards. In order to improve the concept of a sustainable airport and sustainable consumers, it is necessary that IIAC introduces regular education and incentives for airport users, airline companies and passengers, and expands public campaigns and advertisements.

■ Community Involvement and Development
All employees of IIAC belong to community service teams and participate in a variety of community services, and it is highly reviewed that IIAC makes priorities of community development projects through meetings with local representatives as a member of Incheon Sea & Air Development Association. It is recommended, however, that IIAC conducts community services driven by initiatives of the organization and its individual members, rather than trying to achieve external goals reflected in management

evaluations, so that its community involvement can continue to make contributions to the local community while reflecting the characteristics and strengths of the organization.



Conclusions
On the ISO 26000 compliance test, IIAC scored 328 points out of 360 possible points for processes, and 608 points out of 640 possible points for achievements, rating it at SR Level 4 with a total score of 936 points. IIAC has systemized concepts on social responsibility and sustainability in the aspect of processes, and showed outstanding results in the seven core subjects of social responsibility in terms of achievements. It is recommended that IIAC operates its own business strategies combined with the principles and subjects of the social responsibility to more firmly realize its social responsibility as an airport leader in compliance with ISO 26000.



June, 2013
President, Korean Standards Association
Chang-ryong Kim

Chang Ryong Kim



GRI G3.1 and ISO 26000 Compliance

GRI and ISO 26000 Indexes

● Reported, ● Partially Reported, ○ Not Reported, N/A Not Applicable

Index Number	Description	ISO 26000	Core Subject and Issue of ISO 26000	Page	Reported
	Stakeholder Engagement Principle	6.8.2	Engagement of community	18~19	●
	Border Protocol	6.6.5	Promotion of social responsibility in value chain	About this report	●
1. Strategy and Analysis					
1.1	Statement from the most senior decision maker (e.g. CEO, chairman, or other equivalent executives) of the organization about the relevance of sustainability to the organization and its strategy.	6.2	Organizational governance	2~3	●
1.2	Description of key impacts, risks, and opportunities	6.2		2~3, 37	●
2. Organizational Profile					
2.1	Name of the organization			12	●
2.2	Primary brands, products, and/or services			13	●
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures	6.2	Organizational governance	12~13	●
2.4	Location of organization's headquarters			About this report	●
2.5	Number of countries where the organization operates, and names of countries where either major operations are carried out or that are specifically relevant to the sustainability issues covered in the report			13	●
2.6	Nature of ownership and legal form			12	●
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)			13	●
2.8	Scale of the reporting organization			12~13, 70	●
2.9	Significant changes during the reporting period regarding size, structure, or ownership			12~13	●
2.10	Awards received in the reporting period			82	●
3. Report Parameters					
3.1	Reporting period for information provided (e.g. financial year/calendar year)			About this report	●
3.2	Date of most recent previous report (when available)			About this report	●
3.3	Reporting cycle (annually, biannually, etc.)			About this report	●
3.4	Contact point for questions regarding the report or its contents			About this report	●
3.5	Process for defining report content			24~25	●
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)			About this report	●
3.7	State any specific limitations on the scope or boundary of the report			About this report	●
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations			About this report	●
3.9	Data measurement techniques and the bases of calculations			About this report	●
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement			About this report	●
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report			About this report	●
3.12	Table identifying the location of the Standard Disclosures in the report			76~79	●
3.13	Policy and current practice with regard to seeking external assurance for the report. Scope and standards of external assurance. Relationship between the organization and assurance service provider.	7.5.3	Assurance	72~73	●
4. Governance, Commitments, and Engagement					
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, for functions such as setting strategy or organizational oversight	6.2	Organizational governance	16~17	●
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	6.2		16~17	●
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	6.2		16~17	●
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	6.2		16~17	●

Index Number	Description	ISO 26000	Core Subject and Issue of ISO 26000	Page	Reported
4. Governance, Commitments, and Engagement					
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	6.2	Organizational governance	16~17	●
4.6	Processes in place for the highest governance body to ensure that conflicts of interest are avoided	6.2		16~17	●
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics (including gender and diversity indices)	6.2		16~17	●
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	6.2		14~15, 43~47, 52	●
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	6.2		16~17	●
4.10	Evaluation process of the board of directors' work, particularly in the areas of economy, environment, and society	6.2		16~17, 26~27	●
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	6.2		37	●
4.12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or endorses	6.2		74~75, 80~81	●
4.13	Memberships in associations (such as industry associations) and/or national/ international advocacy organizations in which the organization	6.2		83	●
4.14	List of stakeholder groups engaged by the organization	6.2		18~19	●
4.15	Basis for identification and selection of stakeholders with whom to engage	6.2		18	●
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	6.2		18~19, 24	●
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including reporting	6.2		20~27	●
Index Number	Description	ISO 26000	Core Subject and Issue of ISO 26000	Page	Reported
Economic Performance Indicators (Disclosure of Management Approach)					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	6.8/6.8.3/ 6.8.7/6.8.9	Community involvement and development/Wealth and income creation/Social investment	30	●
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	6.5.5	Climate change mitigation	52~55	●
EC3	Coverage of the organization's defined benefit plan obligations	6.4.4/6.8		66~67	●
EC4	Significant financial assistance received from government			12	●
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	6.4.4/6.8	Condition of work and social protector/Community involvement and development	63	●
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	6.6.6/6.8/ 6.8.5/6.8.7	Promoting social responsibility in the value chain/ Community involvement and development/ Employment creation and skills development/Wealth and income creation	44~46, 64	●
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	6.8/6.8.5/6.8.7	Community involvement and development/ Employment creation and skill development/Wealth and income creation	49, 64	●
EC8	Development and impact of infrastructure investments and services primarily provided for public benefit through commercial, in-kind, or pro bono engagement	6.3.9/6.8/6.8.3/6.8.4/6.8.5/6.8.6/6.8.7/6.8.9	Economic, social and cultural rights/Community involvement and development/Community involvement/Education and culture/Technology development and access/Wealth and income creation/Social investment	47~49	●
EC9	Understanding and describing significant indirect economic impacts, including the extent of such impacts	6.3.9/6.6.6/6.6.7/ 6.7.8/6.8/6.8.5/6.8.6/6.8.7/6.8.9	Economic, social and cultural rights/Promoting social responsibility in the value chain/Respect for property rights/Access to essential services/ Community involvement and development/Employment creation and skills development/Technology development and access/Wealth and income creation/Social investment	49	●
Economic Performance Indicators (Disclosure of Management Approach)					
EN1	Materials used by weight or volume			–	N/A
EN2	Percentage of materials used that are recycled input materials			56	●
EN3	Direct energy consumption by primary energy source			53	●
EN4	Indirect energy consumption by primary source			53	●
EN5	Energy saved due to conservation and efficiency improvements			53~55	●
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	6.5/6.5.4	Environment/Sustainable resource use	52~55	●
EN7	Initiatives to reduce indirect energy consumption and reductions achieved			52~55	●
EN8	Total water withdrawal by source			56	●
EN9	Water sources significantly affected by withdrawal of water			56	●
EN10	Percentage and total volume of water recycled and reused.			56	●
EN11	Location and size of land owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas			57	●
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas			57	●
EN13	Habitats protected or restored	6.5/6.5.6	Environment/Protection of the environment, biodiversity, and restoration of natural habitats	57	●
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity			57	●
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations (by level of extinction risk)			–	N/A



Index Number	Description	ISO 26000	Core Subject and Issue of ISO 26000	Page	Reported
Economic Performance Indicators (Disclosure of Management Approach)					
EN16	Total direct and indirect greenhouse gas emissions by weight	6.5/6.5.5	Environment/Climate change mitigation	54	●
EN17	Other relevant indirect greenhouse gas emissions by weight			54, 56	●
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved			52~55	●
EN19	Emissions of ozone-depleting substances by weight	6.5/6.5.3	Environment/Prevention of pollution	54	●
EN20	NOx, SOx and other significant air emissions by type and weight			56	●
EN21	Total water discharge by quality and destination.			56	●
EN22	Total weight of waste by type and disposal method			57	●
EN23	Total number and volume of significant spills			–	N/A
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally			–	N/A
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	6.5/6.5.4/6.5.6	Environment/Sustainable resource use/Protection of the environment, biodiversity, and restoration of natural habitats	57	●
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	6.5/6.5.4/6.6.6/6.7.5	Environment /Sustainable resource use/Promoting social responsibility in the value chain/Sustainable consumption	56~57	●
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	6.5/6.5.4/6.7.5	Environment/Sustainable resource use /Sustainable consumption	–	N/A
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	6.5	Environment	71, 83	●
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations	6.5/6.5.4/6.6.6	Environment/Sustainable resource use /Promoting social responsibility in the value chain	55	●
EN30	Total environmental protection expenditures and investments by type	6.5	Environment	53~55	●

Labor Practices (Disclosure of Management Approach)					
LA1	Total workforce by employment type, employment contract, and region.	6.4/6.4.3	Labor practice/Employment and employment relationships	63~64, 71	●
LA2	Total number and rate of employee turnover (by age group, gender, and region)			64, 71	●
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees (by operating location)	6.4/6.4.3/6.4.4	Benefits provided to full-time employees that are not provided to temporary or part-time employees (by operating location)	66~67	●
LA4	Percentage of employees covered by collective agreements	6.4/6.4.3/6.4.4/6.4.5/6.3.10	Labor practice/Employment and employment relationships/Condition of work and social protector/Social dialogue /Fundamental principles and rights at work	67	●
LA5	Labor practice/Employment and employment relationships/ Condition of work and social protector/Social dialogue / Fundamental principles and rights at work	6.4/6.4.3/6.4.4/6.4.5	Labor practice/Employment and employment relationships / Condition of work and social protector/Social dialogue	67	●
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees	6.4/6.4.6	Labor practice/Health and safety at work	67	●
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities (by region and gender)			71	●
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	6.4/6.4.6/6.8/6.8.3/6.8.4/6.8.8	Labor practice/Health and safety at work/Community involvement and development/Community involvement /Education and culture/Health	66~67	●
LA9	Health and safety topics covered in formal agreements with trade unions	6.4/6.4.6	Labor practice/Health and safety at work	67	●
LA10	Average hours of training per year per employee by employee category	6.4/6.4.7	Labor practice/Human development and training in the workplace	65, 71	●
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	6.4/6.4.7/6.8.5	Labor practice/Human development and training in the workplace /Employment creation and skills development	64~65	●
LA12	Percentage of employees receiving regular performance and career development reviews	6.4/6.4.7	Labor practice/Human development and training in the workplace	65~66	●
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	6.3.7/6.3.10/6.4/6.4.3	Discrimination and vulnerable groups/Fundamental principles and rights at work/Labor practice/ Employment and employment relationships	16, 71	●
LA14	Ratio of basic salary of men to women by employee category	6.3.7/6.3.10/6.4/6.4.3/6.4.4	Discrimination and vulnerable groups/Fundamental principles and rights at work/Labor practice/ Employment and employment relationships	63	●
LA15	Return to work and retention rates after parental leave, by gender		Prohibition of discrimination against vulnerable group/ Guarantee of economic, social, and cultural rights of corporate and community members	66, 71	●

Human Rights (Disclosure on Management Approach)					
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	6.3/6.33/6.3.5/6.6.6	Human rights/Due diligence/Avoidance of complicity / Promoting social responsibility in the value chain	44~46	●
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	6.3/6.3.3/6.3.5/6.4.3/6.6.6	Human right/Due diligence/Avoidance of complicity/ Employment and employment relationships / Promoting social responsibility in the value chain	44~46	●
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	6.3/6.3.5	Human rights/ Avoidance of complicity	60	●
HR4	Total number of incidents of discrimination and actions taken	6.3/6.3.6/6.3.7/6.3.10/6.4.3	Human rights/Resolving grievances/Discrimination and vulnerable groups /Fundamental principles and rights at work /Employment and employment relationships	No cases of discrimination	●
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	6.3/6.3.3/6.3.4/6.3.5/6.3.8/6.3.10/6.4.3/6.4.5	Human rights/Due diligence/Human rights risk situations/ Avoidance of complicity /Civil and political rights/Fundamental principles and rights at work/ Employment and employment relationships /Social dialogue	67~68	●
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	6.3/6.3.3/6.3.4/6.3.5/6.3.7/6.3.10	Human rights/Due diligence/Human rights risk situations/ Avoidance of complicity/Discrimination and vulnerable groups /Fundamental principles and rights at work	63, 80	●
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor		Human right/Avoidance of complicity/Employment and employment relationships /Promoting social responsibility in the value chain	66~68	●

Index Number	Description	ISO 26000	Core Subject and Issue of ISO 26000	Page	Reported
Labor Practices (Disclosure on Management Approach)					
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	6.3/6.3.5/6.4.3/6.6.6	Human rights/Resolving grievances/Discrimination and vulnerable groups/Fundamental principles and rights at work/Employment and employment relationships	40	●
HR9	Total number of incidents of violations involving rights of indigenous people	6.3/6.3.6/6.3.7/6.3.8/6.6.7	Human rights/Resolving grievances/Discrimination and vulnerable groups / Civil and political rights/Respect for property rights	–	N/A
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments		Due diligence/Human rights risk situations	44~46	●
HR11	Due diligence/Human rights risk situations		Resolving grievances	No cases of complaints reported	●

Social Performance Indicators (Disclosure on Management Approach)					
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	6.3.9/6.8/6.8.5/6.8.7/6.6.7	Economic, social and cultural rights/Community involvement and development/Employment creation and skills development/Wealth and income creation/ Respect for property rights	47~49	●
SO2	Percentage and total number of business units analyzed for risks related to corruption			60~62	●
SO3	Percentage of employees trained in organization's anti-corruption policies/procedures	6.6/6.6.3	Fair operation practice/Anti-corruption	61	●
SO4	Actions taken in response to incidents of corruption			60~62	●
SO5	Public policy positions and participation in public policy development and lobbying	6.6/6.6.4/6.8.3	Fair operation practice/Responsible political involvement /Community involvement	44~46, 49	●
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country			Ban on political activities of the employees and executives	●
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices			71, 83	●
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations			71, 83	●
SO9	Operations with significant potential or actual negative impacts on local communities	6.6/6.6.7/6.8.7	Fair operation practice/Respect for property rights / Wealth and income creation	57	●
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities		Community involvement and development	57	●

Product Responsibility (Disclosure on Management Approach)					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	6.3.9/6.6.6/6.7/6.7.4/6.7.5	Economic, social and cultural rights/Promoting social responsibility in the value chain/Consumer issue/ Protecting consumers' health and safety/Sustainable consumption	40~43	●
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle by type of outcomes			40~41	●
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	6.7/6.7.3/6.7.4/6.7.5/6.7.6/6.7.9	Consumer issue/Fair marketing, factual and unbiased information and fair contractual practices/ Protecting consumers' health and safety/Sustainable consumption/Consumer service, support, and complaint and dispute resolution/Education and awareness	42~43	●
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes			71, 83	●
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	6.7/6.7.4/6.7.5/6.7.6/6.7.8/6.7.9	Consumer issue/Protecting consumers' health and safety /Sustainable consumption/Consumer service, support, and complaint and dispute resolution/Access to essential services /Education and awareness	42~43	●
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	6.7/6.7.3/6.7.6/6.7.9	Consumer issue/Fair marketing, factual and unbiased information and fair contractual practices/ Protecting consumers' health and safety/Sustainable consumption/Consumer service, support, and complaint and dispute resolution/Education and awareness	43	●
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications			71, 83	●
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	6.7/6.7.7	Consumer issue/Consumer data protection and privacy	43	●
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	6.7/6.7.6	Consumer issue/Consumer service, support, and complaint and dispute resolution	71, 83	●

GRI G3.1

● Reported, ● Partially Reported, ○ Not Reported , N/A Not Applicable

Index Number	Description	Page	Reported
Aviation industry miscellaneous index			
A01	Annual number of passengers (categorized in domestic/international passengers, places of departure/destination, transit/passing passengers)	12, 27, 31	●
A02	Annual Number of Flights (divided in periods of weeks): Commercial passengers, commercial cargo, commercial airlines, national airlines (state aviation flight)	12, 27, 31	●
A03	Total number of tons in baggage	12, 27, 31	●
A04	Water quality of precipitation reflecting the applicable regulation standards	56	●
A05	Air quality level according to the regulative system of pollution concentration (or ppm)	56	●
A06	De-icing fluid on the airliners and pavements (m3 or meter tons)	57	●
A07	Changes in the number and rate (%) of people residing in noise-affected areas	57, 71	●
A08	Number of relocated residents and compensation provided to those who suffered voluntary/involuntary, physical/economic changes due to airport operation and other government and independent agencies	57, 71	●
A09	Number of wildlife strikes occurring in the course of airliner operations (about 10,000 airliner operations annually)	71	●




UNGC
Advanced
Level

IIAC is committed to fulfill its social responsibility, and has complied with the ten principles in the four areas of human rights, labor, environment, and anti-corruption since signing the UN Global Compact in March 2007, disclosing Reports on Social Responsibility on its compliance in these areas. IIAC will continue to make efforts to abide by the regulations of UNGC in the future.

UNGC Principles	Criterion	Reports (or future plan)
Strategy, Governance and Engagement	01. Discussion on the execution strategies of UNGC at the chief executives and trustees level 02. Decision-making processes and governance in sustainability 03. Involvement of relevant stakeholders	<ul style="list-style-type: none">· Announce the commitment, achievements, and future plans of social responsibility through CEO's messages· Establish corporate-wide strategies of social responsibility and an execution team· Assess the opportunities and trade-offs of social responsibility, as well as the effects of an organizations activities on the society and the environment.· Operate a decision-making SR committee to discuss and decide major issues of social responsibility· Recognize relevant stakeholders and establish channels of involvement· Hold communication sessions with stakeholders (biannually)· Reflect the opinions of stakeholders when establishing management strategies· Recognize major issues of social responsibility relevant to stakeholders
	04. Activities that contribute to UN Goals and issues	<ul style="list-style-type: none">· Sign Clean Compact for Incheon International Airport, offer free education to airport employees from developing nations, make programs for low-income households, open World Peace Park, adopt family-friendly management, improve child-care benefits for employees, and implement motherhood protection policies
Human Rights Implementation	05. Commitments, strategies or policies in the area of human rights 06. Management systems to integrate the human rights principles 07. Monitoring and evaluation mechanisms of human rights integration 08. Implementation of quantitative metrics of human rights	<ul style="list-style-type: none">· Strengthen the awareness of the human rights principles through the Ethics Charter, the Employee Conduct Code, classes, and announcements.· Regularly monitor corporate-wide level of human rights· Operate a complain-relief system, a whistle blower system, and a counseling center.· Regularly monitor the progress on the basis of ISO 26000 and GRO 3.1 and devise future plans
	09. Commitments, strategies or policies in the area of labor 10. Management systems to integrate the labor principles 11. Monitoring and evaluation mechanisms of labor principles integration 12. Implementation of quantitative metrics of labor principles	<ul style="list-style-type: none">· Comply with ILO Labor Conventions, domestic labor regulations, and social security laws· State mutual rights and duties in the labor collective agreement, and improve negotiation processes.· Launch the ceremony of proclamation of labor-management partnership, and participate in a joint labor-management global management class· Refer major issues related to labor to the joint labor-management conference to reach decisions with discussions· Operate channels for reporting unfair labor practices and overseers of workplace environment· Improve human resources and benefits policies through questionnaires· Operate joint-workshops and diverse communication channels between the employer and employees· State child and forced labor forbidden in employment contracts and the labor collective agreement
Labour Principles Implementation	13. Commitments, strategies, or policies in the area of environmental stewardship 14. Management systems to integrate the environmental principles 15. Monitoring and evaluation mechanisms for environmental stewardship 16. Implementation of quantitative metrics of environmental stewardship	<ul style="list-style-type: none">· Establish environment-friendly airport infrastructure, and make efforts to become energy-saving, energy-efficient, energy self-sustaining, and carbon neutral· Obtain green management and energy management certifications (ISO 50001), and secure an emission trading system· Assess the effects of the organization's activity on the environment (atmosphere, indoor air quality, water quality, soil, ecosystem, etc.), launch Committee on Green Growth to monitor environment-related progress

	Criterion	Reports (or future plan)
Anti-Corruption Implementation	17. Commitments, strategies or policies in the area of anti-corruption 18. Management systems to integrate the anti-corruption principle 19. Monitoring and evaluation mechanisms for environmental stewardship 20. Implementation of quantitative metrics of anti-corruption	<ul style="list-style-type: none">· Modify the ethics code, strengthen the anti-corruption transparency office, reflect transparency ombudsman policies in the company rules, increase penalties for corruption, and announce CEO's message on ethics· Establish execution and enforcement systems and a roadmap for ethical management· Sign CEO's agreement at Ethical Management Forum· Establish feedback and internal auditing systems for monitoring and evaluation of ethical management· Operate a transparency call center, transparency forecast, transparency mileage, and report channels and ombudsman policies to the anti-corruption report center· Lead ethical workplace culture with participation programs including ethics checklist, ethics classes, and anti-corruption media contests· Integrate transparency-related activities with work performance evaluations, and reward departments distinguished with anti-corruption efforts· Periodically monitor progress and devise future plans in accordance with ISO 26000 and GRI 3.1
	21. Implementation of UNGC principles in the value chain	<ul style="list-style-type: none">· Establish corporate partnership strategies and systems· Promote cultures of corporate partnership and launch human rights protection initiatives through meetings with partnering corporates, the committee of corporate partnership, and the committee of service improvement· Share letters of support for ethical management and offer on-line classes on ethical management with partnering companies· Reflect elements of social responsibility in purchases in accordance with UNGC principles· Launch fair corporate partnership programs for partnering companies (fair allocation of dividends, improvement of labor condition, etc.)· Operate shared on-site daycare facilities with partnering companies· Provide support for small-to-medium businesses in trainings, research and development (R&D), etc. (26 subjects)
Value Chain Implementation	22. Disclosure of information on the company's profile and context of operation 23. Implementation of external measures for transparency and disclosure 24. Certification through credible third-party	<ul style="list-style-type: none">· Report influence and activities of the corporate in its governance structure, market, and all areas of its service· Establish and operate systematic disclosure system for management· Report progress on the basis of ISO 26000 and GRI 3.1· Evaluate the ISO 26000 compliance· Evaluate the system and progress of transparency from a third-party reviewer

UN Global Compact	Principles
 <p>IIAC observes 10 basic principles in the 4 fields of human rights, labor, environment, and anti-corruption by signing the UN Global Compact, which is an international agreement prepared by the UN on the issue of corporate social responsibilities.</p>	Human rights 1. We abide by and respect the human rights declared at the international level. 2. We confirm that we do not participate in the violation of human rights.
	Labor 3. We guarantee the freedom of meetings and negotiation rights. 4. We exclude all forms of slavery. 5. We abolish child labor in practice. 6. We eradicate discrimination in hiring and business.
	Environment 7. We support a preventative approach in terms of environmental issues. 8. We lead the efforts in taking more responsibilities for environmental issues. 9. We encourage the development and expansion of pro-environmental technologies
	Anti-corruption 10. We strive to root out all forms of corruption such as extortion and bribery.



Awards & Membership

Awards



2012.01	Web Award Korea 2012. Excellence award, Public Sector	Korea Internet Professional Association
2012.02	2012 Most respected corporate in Korea	Korean Management Association Consulting
2012.02	Weather Management Certification	Korea Meteorological Administration, Korea Meteorological Industry Promotion Agency
2012.03	2012 World Air Cargo Awards 2012, Airport of the Year	Air Cargo Week
2012.03	Brand Star Rank No.1, Public Sector	Brandstock
2012.03	Most Ethical Company in Korea (Public Sector)	Fortune Korea
2012.04	World's Best Airport Award	Skytrax
2012.05	Family Friendly Award, Minister's Grand Prize	Ministry of Gender Equality and Family, Republic of Korea
2012.05	2011 Green Airports Recognition	Airports Council International
2012.05	Best Airport Worldwide, ASQ(Airport Service Quality), 7 years in a row	Airports Council International
2012.05	Won 1st Place for 3 consecutive years in the sustainability index of Korean public corporations in 2012	ERISS (Economic Research Institute for Sustainable Society)
2012.08	2012 Korean strategic promotion BSC Conference – Grand prize	WesleyQuest
2012.08	2012 Leading Edge Awards – Marketing innovation awards	Executive Travel
2012.09	itSMF Award	itSMF
2012.09	2012 the 3rd "sharing of happiness" awards – field of volunteering activities	Ministry of Health and Welfare
2012.10	World Route Development Forum aviation marketing – Grand Prize in Asian aviation marketing	England UBM Aviation
2012.10	World BSC Strategic Implementation Grand Prize – Hall of Fame	Palladium Group, HBP (Harvard Business Publishing)
2012.10	100 most fulfilling workplaces of Korea – Grand Prize in the field of public corporations	GWP Korea
2012.10	Won 1st Place in the field of SOC facilities management for 3 consecutive years in the Korean Sustainability Awards	Korean Standards Association
2012.11	Annual 34th Energy Saving Awards – Presidential Awards	Ministry of Knowledge Economy
2012.11	Annual 7th sustainable management awards – Grand Prize in the field of corporations receiving presidential awards	Ministry of Knowledge Economy and the Small and Medium Business Administration
2012.11	2012 International Aviation Conference – CAPA Legend Awards	CAPA (Centre for Asia Pacific Aviation)
2012.12	GT Tested Award 2012 "Best Airport in the World"	Global Traveler
2012.12	Industrial Peace Grand Prize	Incheon City
2012.12	2012 Public Corporation Management Grand Prize – Sharing Management Grand Prize	Sisa Journal
2013	Selected as the Airport with the Best Duty Free Stores for 3 consecutive years	Business Traveler, U.S. edition
2013.03	Most respected corporation in Korea – SOC Facilities Management (1st Place for 6 consecutive years), 7th place in All Star	Korean Management Association Consulting (KMAC)
2013.03	2013 Air Cargo Excellence Awards – Excellent Cargo Airport in Asia	Air Cargo World
2013.03	Annual 3rd "the most ethical corporation in Korea Grand Prize" – Area of public corporations	The Korean Ethics Studies Association, Sisa Journal
2013.05	Best green distribution service airport awards in the annual 27th Asian Freight & Supply Chain Award (AFSCA)	Cargo News Asia
2013.05	2013 Child-friendly Management Excellence Corporation	UNICEF Save the Children UN Global Compact
2013.05	Environmental Information Disclosure Awards – Honor Awards (Minister of Environment awards)	Ministry of Environment
2013.06	2013 World Air Cargo Awards – Cargo Airport of the Year	Air Cargo Week
2013.06	Claimed 1st place for 8 consecutive years in ASQ (Airport Service Quality)	Airport Council International (ACI)

Memberships



Year	Organization
1995	Environmental Korea Preservation Association
2001	Korea Civil Aviation Development Association
2001	Airports Council International (ACI)
2002	ISO9000/14000
2002	Incheon Chamber of Commerce & Industry
2003	Korea Productivity Center
2004	The Federation of Korean Industries
2005	IPS Ethical Management CEO Club
2005	Meerae Forum
2006	Korea Navigation Institute
2006	IPS Ethical management SM Forum
2006	Korea Management Association (KMA)
2007	The International Air Cargo Association
2007	Business Institute for Sustainable Development
2007	UNGC Korea
2007	UNGC
2008	The Korea Association for Public Administration
2008	Incheon Business Forum
2009	BBB Korea
2011	Limeglobe Innovation Forum
2011	Great Place to Work (GWP) Institute

Compliance



Incheon International Airport is responsible for airport construction and operations, and complies with national environmental laws and applicable international laws and agreements. In 2012, there were no violations or complaints with regard to the environment, labor, fair trade, human rights, products and services.

National Laws_ Incheon International Airport Corporation Act, Act on the Improvement of Managerial Structure and Privatization of Public Enterprises, Commercial Code, Act on the Promotion of Construction of a New Airport for Seoul Metropolitan Area, the Aviation Act, Aviation Safety and Security Act, Land Use Planning and Approvals Act, Act on the Designation and Operations of Free Economic Zones, Land Acquisition for Public Business and Compensation Act, Public Waters Management Act, Public Waters Reclamation Act, Sewerage Act, Road Act, Urban Railway Act, Natural Parks Act, Urban Parks and Greens Act, Homestead Act, Works Against Land Erosion or Collapse Act, Management of Mountainous Districts Act, Act on the Creation and Management of Forest Resources, Water Supply and Waterworks Installation Act, Port Act, Environmental/Traffic/Disaster Impact Assessment Act, Act on Industry Cluster Promotion and Plant Establishment, Building Act, Aids to Navigation Act, Building Standards Management Act, Waste Management Act, Act on the Disposal of Sewage/Manure and Livestock Wastewater, Clean Air Conservation Act, Water Quality Act, Noise/Vibration Control Act, Act on Mobility Enhancement for the Impaired, Act on the Installation, Maintenance, and Safety Managing of Fire Facilities, Fire Facility Construction Act, Act on the Safety and Control of Dangerous Substances, Parking Lot Act, Labor Management Relations Act, Act on Gender Equality Employment and Support, Disabled Persons Employment and Rehabilitation Act, Act on Honorable Treatment and Support of Persons, etc. of Distinguished Services to the State, Framework Act on Employment Policy, Employment Security Act, Occupational Safety and Health Act, Occupational Accident Insurance Act, Unemployment Insurance Act, Act on the Collection, etc. of Unemployment Insurance and Occupational Accident Liability Payments, Act on the Protection of Personal Information of Public Agencies, Act on the Information Disclosure of Public Agencies, Act on the Management of Archives of Public Agencies, Act on Civil Petitions Treatment, Low Carbon Green Growth Framework Act, New and Renewable Energy Development, Use, and Distribution Promotion Act, and Energy Use Rationalization Act.

International Agreements_ UN Global Compact (joined in March 2007), ILO Labor Standards, International Civil Aviation Organization International Civil Aviation Organization (ICAO) Convention and Annexes

International Standards_ ISO 9001and ISO 14001

GRI Application
Level Check Statement



Statement
GRI Application Level Check

GRI hereby states that **Incheon International Airport Corporation** has presented its report “The initiatives for our better future” (2013) to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 2 August 2013



Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The “+” has been added to this Application Level because Incheon International Airport Corporation has submitted (part of) this report for external assurance. GRI accepts the reporter’s own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world’s most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 27 July 2013. GRI explicitly excludes the statement being applied to any later changes to such material.

Questionnaire

Your opinions matter to us!
IIAC would like to hear your opinions about the current issues in the Social Responsibility Report to make our reports better. Please complete the following questionnaire and send it to us by mail or fax.



1. Which category best describes you?

<input type="checkbox"/> Consumer	<input type="checkbox"/> Employee	<input type="checkbox"/> Government	<input type="checkbox"/> Local resident
<input type="checkbox"/> Business partner		<input type="checkbox"/> Non-governmental organizations (NGO)	
<input type="checkbox"/> Professional organizations		<input type="checkbox"/> Other ()	

2. How did you hear about this report?

<input type="checkbox"/> IIAC website	<input type="checkbox"/> Newspaper or media	<input type="checkbox"/> Web
<input type="checkbox"/> IIAC employee	<input type="checkbox"/> Seminar/Class	<input type="checkbox"/> Other ()

3. How will you use this report? (Multiple selections apply)

☐ Obtain information about IIAC

☐ Learn about IIAC’s social responsibility activities

☐ Analyze the characteristics of IIAC’s business

☐ Use for research or educational purposes

☐ Other ()

4. Which part(s) was the most interesting to you in this report? (Multiple selections apply)

☐ I. Company profile and strategy

☐ II. Being Global Airport Leader

☐ III. Investing in our Society

☐ IV. Creating Green Airport

☐ V. Acting responsibly and reliably

5. Which part(s) needs improvements in this report? (Multiple selections apply)

☐ I. Company profile and strategy

☐ II. Being Global Airport Leader

☐ III. Investing in our Society

☐ IV. Creating Green Airport

☐ V. Acting responsibly and reliably

6. Did you find this report helpful in your understanding of the activities of IIAC for social responsibility?

<input type="checkbox"/> Very Helpful	<input type="checkbox"/> Helpful	<input type="checkbox"/> Somewhat	<input type="checkbox"/> Not Helpful	<input type="checkbox"/> Not Helpful At All
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7. How would you rate this report?

Effectiveness of information

<input type="checkbox"/> Very satisfied	<input type="checkbox"/> Satisfied	<input type="checkbox"/> Somewhat Satisfied	<input type="checkbox"/> Not satisfied	<input type="checkbox"/> Very Not Satisfied
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Accuracy of information

<input type="checkbox"/> Very satisfied	<input type="checkbox"/> Satisfied	<input type="checkbox"/> Somewhat Satisfied	<input type="checkbox"/> Not satisfied	<input type="checkbox"/> Very Not Satisfied
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Volume of information

<input type="checkbox"/> Very satisfied	<input type="checkbox"/> Satisfied	<input type="checkbox"/> Somewhat Satisfied	<input type="checkbox"/> Not satisfied	<input type="checkbox"/> Very Not Satisfied
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Design

<input type="checkbox"/> Very satisfied	<input type="checkbox"/> Satisfied	<input type="checkbox"/> Somewhat Satisfied	<input type="checkbox"/> Not satisfied	<input type="checkbox"/> Very Not Satisfied
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8. Please write your opinions about the social responsibility activities of IIAC or this report in general.

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Send to
Society Contribution Team
Incheon International Airport Corporation
47 424-bungil Gonghangno, Jung-gu, Incheon 400-700
Tel 032-741-2017~8 Fax 032-741-2330



Report unethical behavior to
www.airport.kr (Integrity hotline)
Customer Service 032-741-2145



IIAC Social Responsibility Report 2013

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