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Cover Story

The keyword, Make Tomorrow, represents Korea Agro-Fisheries & Food Corporation that grows with people under the goal of ensuring smooth flow of agricultural and fishery products, the base of people's lives.

Overview of the Report

This report is the 6th edition of sustainable management report published by Korea Agro-Fisheries & Food Trade Corporation(aT). We are working hard to communicate with the stakeholders and become a sustainable enterprise by disclosing our sustainable management activities through this report.

Principle of the Report

This report is written based on G3.1 Guidelines of Global Reporting Initiative(GRI).

Scope of the Report and Reporting Period

This report includes the main office and domestic branches' economic, environmental and social activities as well as their achievements from January to December 2013 and will be published annually in the future as well. For some quantitative data, performances of recent 3 years(From 2011 to 2013) were reported to identify changing trends, and for important issues, data up to the point of the publication of this report was included.

Verification of the Report

To improve the reliability of information contained in this report, aT requested a third party verification to Korea Productivity Center. Verification has been undertaken in accordance with AA1000APS 2008 verification standards and it has been confirmed that this report satisfies the GRI Application level A+ of GRI G3.1 Guidelines.

For more information on the Report

If you need more information on sustainable management or other activities of aT, please visit our web site(www.at.or.kr) or contact us by phone or email at the following:

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- Contact dept : CS Management Team at Office of Planning

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CEO Message

To. aT stakeholders



Korea Agro-Fisheries & Food Trade Corporation(aT) was established in 1967 under the name of Agricultural and Fishery Development Corporation. As the import of agricultural products was allowed in recent years and aT's role in the increase of export and development of food industry became more important, the corporation was born again under the name of Korea Agro-Fisheries & Food Trade Corporation in January, 2012.

Since aT deals with food that is very closely related to people's everyday life, we will continue to work on our core projects to ensure safe and stable food supply.

To improve distribution in a way that takes into account the supply and demand problem for the producers and the price problem for the consumers, we will focus our work on software side, such as diversification of distribution channels and expansion of direct transaction. In addition, we will make sure that products are supplied stably and prices are stable using diverse trading methods and resolve the distribution cost problem through direct transaction between consumers and producers.

To mitigate the damages suffered by the agricultural and fishery sectors due to the Korea-US FTA and Korea-China FTA, financial and tax supports have been provided. In addition, a variety of supports, such as construction of warehouses, promotion and marketing, have been provided to make these as opportunities to expand Korea's export markets.

We have also worked hard to ensure stable supply of agricultural products in a practical way. Last year, Private and Public Supply and Demand Control Committee was formed and Central Agricultural Product Supply and Demand Operation Center was established. Monitoring the trends of price, harvest, and shipping, etc. led to economic benefits. We will contribute to the stable supply of food to people by developing a supply and demand management system.

For school lunches, and small and medium food companies and restaurants, we have operated Agricultural and Fishery Product e-Marketplace(eaT) to improve quality and reduce distribution cost. We are working hard to provide healthy food by assisting agriculture related social enterprises and distributing organic and environmentally friendly food materials.

Countries around the world consider Korea a success model of agriculture. Korea is recognized not only in research technology area but also in production management, distribution, export, and other areas. We think that if we deal with changing situations fast, and establish and implement mid and long term goals well, we can continue to strengthen agricultural competitiveness and improve welfare for the farmers and fishermen. We will continue to do our best to become a corporation that meets people's expectation through fruitful performances.

Thank you.

Korea Agro-Fisheries & Food Trade Corporation CEO

Kim Jaesoo

Sustainable Management

Sustainable Management



Introduction of aT

Main functions and roles

Promoting export

Support our agricultural and fishery products to enter world markets

aT provides support so that excellent Korean agricultural and fishery products are recognized not only in Korea but also in the world.

Innovating distribution

Establish optimized agricultural product distribution system

Establish distribution system that makes both the producers and consumers happy and construct system for fair trade.

Stabilizing supply and demand

Make efforts to ensure stable food supply

Stabilize the prices of food that is the base of living and play the role of breakwater to mitigate the shock from imported food products.

Develops food products

Lead advancement of food industry

Consider food as the new growth momentum for future agriculture and fishery industries and expand the base for the development of food industry so that traditional Korean foods are served throughout the world.

Background and purpose of establishment

aT was founded as Agro-Fisheries Development Corporation in 1967 to narrow the gap between agriculture and industries. After expanding and reorganizing it into Agro-Fisheries Distribution Corporation in 1986, has strengthened distribution business and expanded its business areas to include export promotion. In 2012, it changed its name to Korea Agro-Fisheries & Food Trade Corporation with the new vision of "Trusted public corporation for the development of global agricultural and fishery food industry". It has focused its efforts on reorganizing itself to have differentiated and specialized business structure and functions, including supporting of agricultural and fishery food industry, which will become a new growth momentum for Korean agriculture.

Date of incorporation

Dec. 1, 1967

Amount of capital

130 billion won

* Legal capital: 300 billion won

Operating profit

228 billion won

Number of employees

600

aT Vision and Slogan

Vision

Trusted public corporation for the development of global agricultural and fishery food industry

Core Value

Yes, aT!

YES

EXCELLENCE

SATISFACTION

ACTION

TRUST

Positive thinking and having: "We can do" spirit

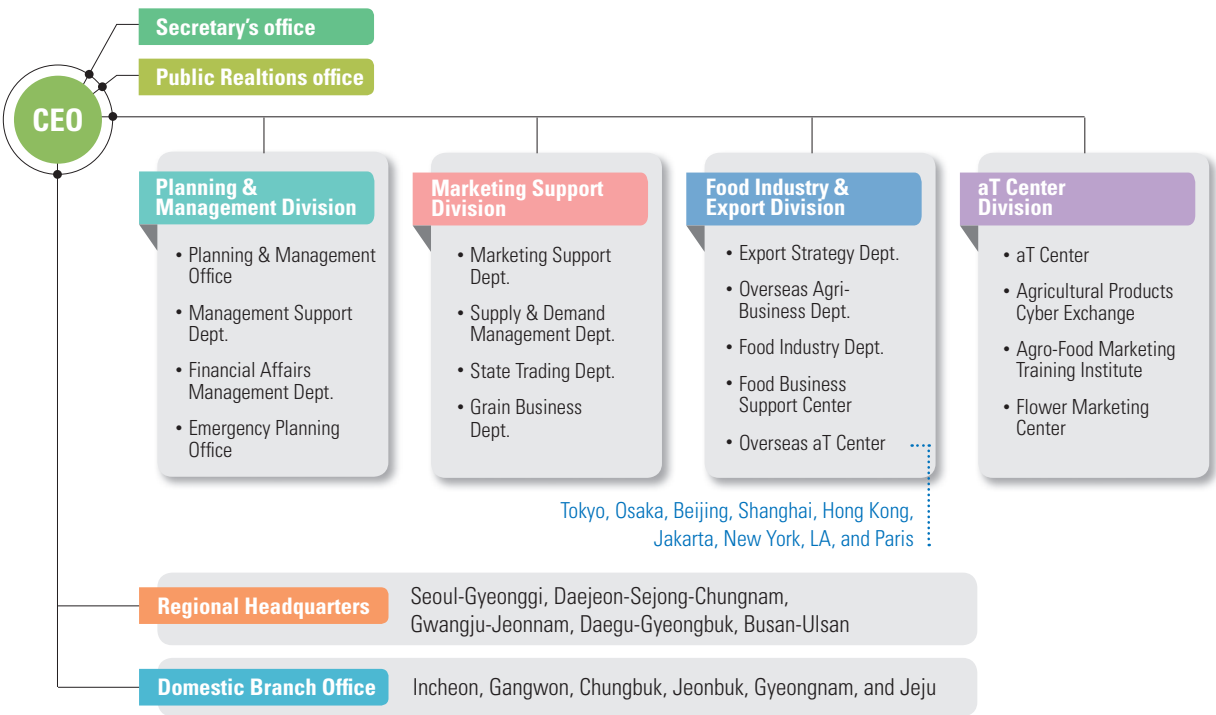
Professional attitude to achieve the industry's top performance level

Mind to move customers and internal and external stakeholders

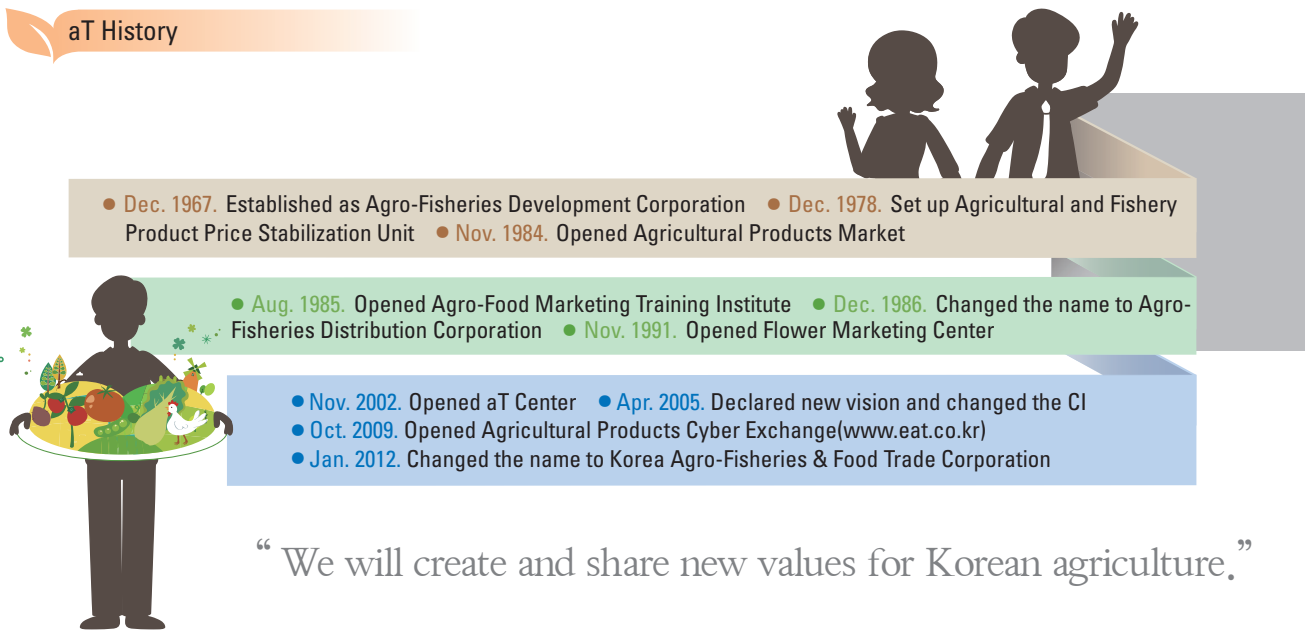
Attitude to do things independently as the owner of corporation

Establish mutually trusting relationships with customers and internal and external stakeholders

Organizational Chart



aT History



aT Governance / Risk management

Structure of aT Board of Directors

Board of Directors, the highest level of decision making organization, consists of 4 executive directors and 5 non-executive directors. The president is recommended by the Ministry of Agriculture, Food, and Rural Affairs(MAFRA) among experts and appointed by the President of Korea. Executive directors are appointed by the president and non-executive directors are appointed by the Minister of MAFRA among the experts in the areas of agriculture, society, and economy. Board of Directors meetings were held 12 times in 2013 and handled 43 agenda in total, including voting on 18 agenda and receiving reports on 25 agenda. And according to Article 5 of Code of Conduct(Avoidance of matters in which one has a stake), the directors who have vested interest in any agenda under deliberation did not voice opinions nor voted on it.

To improve decision making efficiency and to expand the participation of non-executive directors, aT has 2 subcommittees of Management Committee and Business Committee under the Board of Directors.

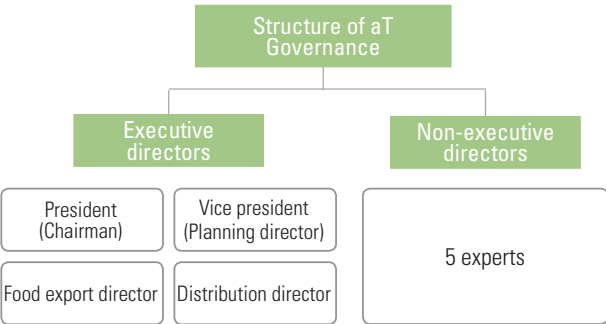
Risk Management System

aT uses Enterprise Risk Management(ERM) guidelines as its risk management guidelines. It established effective coping system by classifying possible risks by business unit and establishing effective coping procedure when a risk occurs. During normal times, the vice president overseas risk management as the Chief Risk Officer(CRO), and emergency management organizations, such as Risk Management Committee consisting of the president and executive directors is operated when a risk occurs.

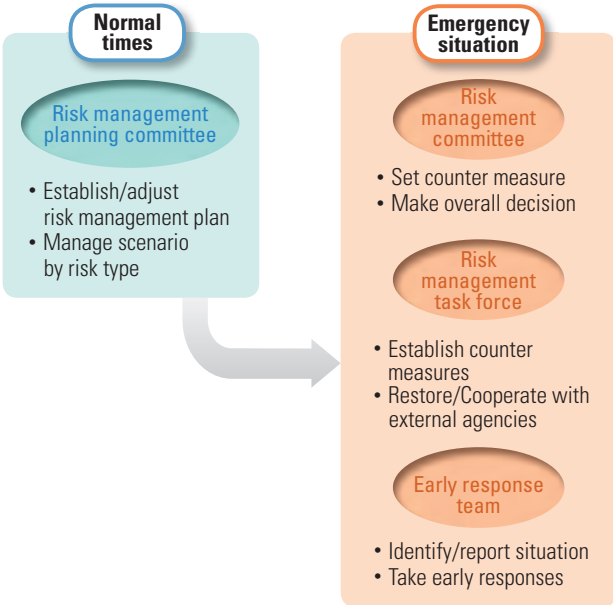
Awarded as an outstanding organization for 2013 Eulji Focus Lens & emergency management organization

aT received an award from Minister of Security & Public Administration for its excellence in Eulji Focus Lens & emergency management. Through the wartime organization and simulation drill with all employees, employees learned how to act in case of emergency. In addition, CPR training was conducted so that aT could contribute to the safeguarding of lives.

[Structure of aT Governance]



[Risk management system]



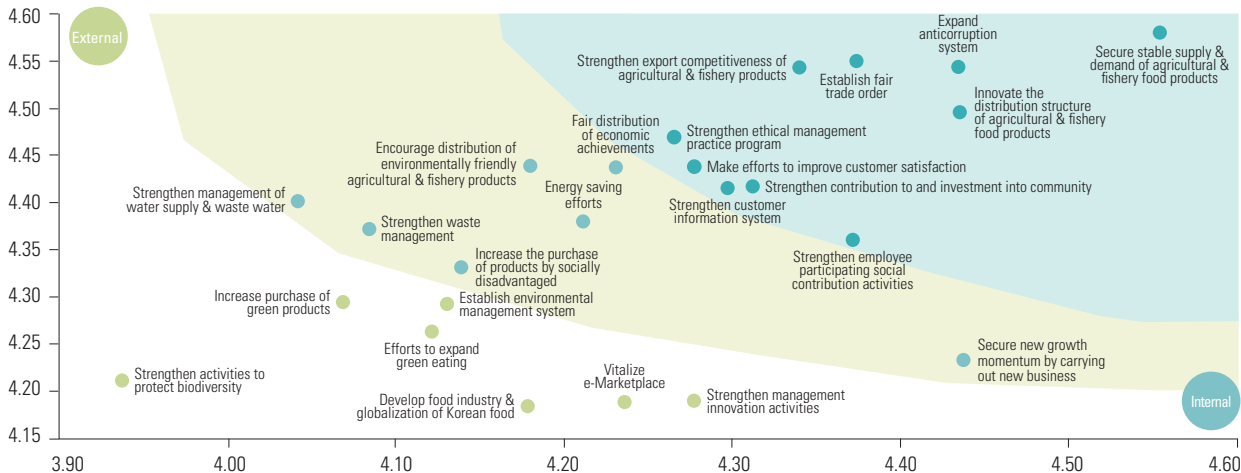
Involving and communicating with stakeholders

Stakeholder communication channels

Customers	Employees	Government/ Public organizations	Suppliers	Media/NGO	Community
Establish customer trust	Employee satisfaction	Strengthen cooperation with related agencies	Mutual cooperation	Establish external partnership	Share with the community
<ul style="list-style-type: none">Investigate customer satisfaction levelCustomer consultation committeeMeetings with customersCustomer suggestion systemDisclosure of managementSustainable management report	<ul style="list-style-type: none">Investigate employee satisfaction levelManagement & labor joint workshopLabor Management councilaT newsletterIntranetGrievance handling systemClean Tea TimeMeetings with CEO	<ul style="list-style-type: none">Regular meetings with governmentSend employeesMinistry of Strategy & Finance contact officeParticipate in Government agency affairs	<ul style="list-style-type: none">Supplier suggestion systemGrievance receipt & feedbackMeetings with suppliersBusiness meetings	<ul style="list-style-type: none">News releaseParticipate in seminars and forumsCustomer consultation committeeParticipate in NGO partnership	<ul style="list-style-type: none">Events for community peopleMeetings with community peopleForm sister relationship with a rural villageSocial contribution activities

Stakeholder main issues

Category	Number of respondents
Internal stakeholders	
Employees	394
(Sub total)	394
External stakeholders	
Customers	51
Suppliers	15
Media and NGO	4
Community (Local goverment & general public)	7
Government / Public organizations	3
(Sub total)	80
(Total)	474



Responsibility Issues



Strengthening competitiveness of agricultural & fishery food products



Export of agri-food products

USD 1.2 billion

<Note> 2011 : 1.0 billion
2012 : 1.1 billion



Economic effect through stable supply and demand of agricultural products

KRW 323 billion



Cyber exchange sales

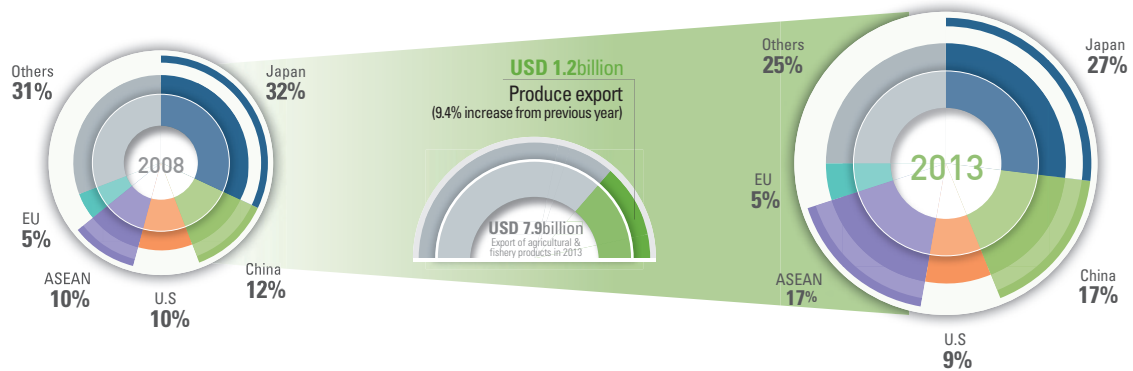
KRW 1,607 billion

<Note> 2011 : 626 billion
2012 : 1,115 billion

Expansion of the impetus for the growth of agri-food export and management of stable supply and demand

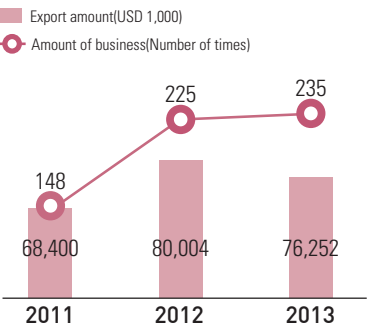
Helping expansion of agri-food export through market diversification efforts

To expand agri-food export, aT supports creation of export base in Korea, such as development of leading organization, and supporting overseas marketing, including buyer consultation, and participation in export fairs. In 2013, the export of agricultural and fishery food products reached USD 7.88 billion, and produce, which is directly linked to farm income, accounts for USD 1.18 billion of this, a 9.4% increase from previous year. In addition, aT introduced Foreign Exchange Risk Insurance to reduce foreign exchange related loss for small and medium businesses. And to reduce distribution cost, aT expanded joint maritime distribution routes and operates joint overseas distribution centers in 17 areas in 9 countries.





Results of sales promotion in cooperation with large overseas distributors (Export amount)



Expansion of agri-food export and stable management of supply and demand

Creating momentum for export growth

aT tries to strengthen export competitiveness and expand export by exporting high quality agricultural products through the development of 22 organizations that handle the whole process from production to export. In addition, it is operating 19 export councils to construct cooperation system between export companies. It also tries to establish order in export by limiting unnecessary competition through the setting up of export price, quality standards, and export standards and supporting joint marketing project suitable for the special characteristics of each item.

Strengthening overseas marketing

aT helps promising export companies to develop overseas markets by helping them participate in fairs, finding buyers, collecting overseas market information, and promoting their products. aT is operating antenna shops in some areas, where the export of korean food products stays low, to develop new markets and expand export base for Korean agri-food products. It organized Global K-FOOD FAIR 5 times(Shanghai and Chungching in China, Hanoi in Vietnam, New York and LA in the U.S. and Hong Kong) to expand export.

Managing stable supply and demand of basic foodstuffs

Through the management of stable supply and demand of 9 items subjected to TRQ import control (Red pepper, garlic, onion, sesame seed, bean, red bean(Mung bean), buckwheat, ginger, soybean), effect of import on domestic agriculture is minimized and the supply and price are stable by importing these items in a timely manner and releasing them flexibly. In addition, to improve self sufficiency of domestic agricultural products and to increase farm income, domestically produced agricultural products are purchased at the time of harvest and released flexibly to ensure stable prices.

Establishing and operating anticipatory supply and demand management system

To establish agricultural product supply and demand control committee and to operate it effectively, supply and demand control manuals for 5 major agricultural products have be prepared to induce self regulation among market participants. The committee consisting of 20 stakeholders representing producers, consumers, the distrib ution industry, and the government sector is a system to produce optimum supply and demand policy. It achieved effective supply and demand control, such as blocking over produced garlic and cabbage from entering into market, inducing reduction of purchase price of onion, and stabilization of supply and demand without import. With the legalization of the committee, conditions for stable supply and demand control will continue.

Survey of information on domestic and foreign agricultural products

By surveying wholesale and retail prices of major agricultural and fishery products everyday(55 markets in 17 cities), aT helps decision making on shipment and trade and uses the information as basic material for the decision of price stabilization policies. Moreover, access to information is improved by collecting customized price information, such as weekly grocery price and holiday agricultural product prices, and providing the information through mobile app. aT also surveys and analyzes international crop information and overseas market trends and provides the information to relevant government organizations and on aT web site.

Improvement of agri-food distribution structure and development of food industry

Improving distribution structure through Agricultural Product Cyber Exchange

Agricultural Product e-Marketplace has contributed to the mutual prosperity of producers and consumers through online direct transactions, such as B2B trade, B2C shopping malls, and institutional food service. In 2013 4 years after its opening, its sales reached 1.6 trillion won and its position as a new distribution alternative has been firmly established.

Expanding channels for direct transaction between producer and consumer

By establishing Direct Transaction Support Center(Apr. 23, 2013), a systematic support system for diverse methods of direct transaction of agricultural products is in place. To create bases for direct transaction, aT supports stores and markets doing direct transaction . And to create direct transaction boom, it hosted 1st Agricultural Product Direct Transaction Festival(10. 31~11. 2), and tried to spread excellent cases of direct transaction by selecting 13 companies in 6 areas through Direct Transaction Contest.

Improving competitiveness of the main agents of distribution

aT makes efforts to develop the hub of production and distribution systematization of agricultural and fishery food products by supporting large specialized agricultural product processing center(APC) suitable for the production item by production area. It has prepared standard guidelines for fixed price free procurement to mitigate the variability of agricultural product price and provided fund. Moreover, public wholesale market facilities have been improved. Chuncheon Wholesale Market, which has been consigned to aT for management by Chuncheon city, achieved the sales of 31.4 billion won for the first time since its opening.

Operating Support Center for Agricultural and Fishery Food Companies

aT Support Center for Companies has been opened at all branches(11 places) for comprehensive consultation. And field consultation meetings were held at all branches(2012:4 times → 2013:28times) to provide more effective support to small and medium food companies in the provinces. Through the expansion of field diagnosis and customized consultation, the sales of the companies receiving support increased(Up by 9.8% from previous year), and these companies signed export contracts by participating in exhibitions at home and abroad including Korea Food Show(1.18 million dollars). And aT helped them to supply their products to large distribution companies through product presentation meetings.

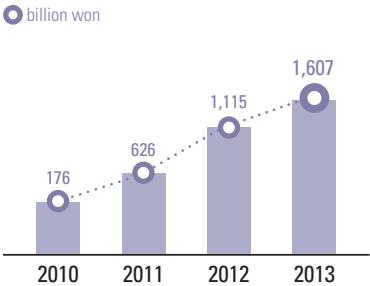
Developing traditional food industry

aT has selected 5 items(Red pepper paste, bean paste, soy sauce, Kimchi, and Korean traditional liquor) with high possibility of industrialization among traditional Korean food items and supported them for quality improvement, promotion and marketing, and industrialization. aT and Korail have jointly developed and operated Traditional Food Railway Tour and aT combined tour and traditional food and selected and supported 2 businesses for Brewery to Visit Event and presented a model for the development of traditional liquor industry. And to apply for the registration of Kimchi as UNESCO cultural heritage, aT held Kimchi Festival that attracted 250 people from home and abroad.

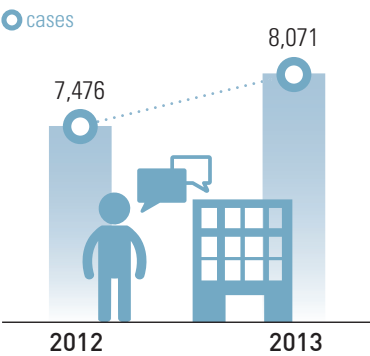
Globalization of Korean food by providing Korean food training and supporting Korean food's entry into overseas markets

aT provided Korean food training to 2,262 workers working at overseas Korean restaurants and 180 foreign culinary school students(Drexel University in the U.S., Yangzhou University in China, CCA in the Philippines, and UCSI in Malaysia). aT also signed an MOU with Marriot Hotel and Intercontinental Hotel to provide Korean menu at their hotels in other countries through joint promotion events and 62 Korean menu items were served at 6 hotels in 2013.

e-Marketplace's B2C transactions



Consultations with food and food service businesses



Establishment of advanced ethical management system



Sustainable management index
AAA



2013 People's Voice,
Anticorruption category
President's Award



Level of cleanness
8.30 points



Holding All Together Ethics Pledge Ceremony

To implement ethical management for mutual prosperity with stakeholders, aT held an ethics pledge ceremony with aT employees and about 30 CEOs of client companies. The panel on which the participating CEOs signed was put into a frame and sent to client companies. With the pledge, aT strengthened its will to adhere to ethical management.

Achieving AAA for two consecutive years from KoBEX SM

aT achieved AAA, the highest level, for two consecutive years from Sustainable Management Index Survey(KoBEX SM) carried out by Ministry of Trade, Industry & Energy. The index is an objective indicator for the diagnosis of the level of sustainable management of major companies in Korea. aT has been recognized as an outstanding sustainable management organization for getting high points in sustainable management vision, ethical management, and customer satisfaction areas.



Reinforcement of ethical management implementation programs

Ethical management implementation activities, such as ethical clean conduct week

A week including November 11, which is designated as 'Day of Ethics', has been designated as ethical clean conduct week to remind people of ethical organizational culture and share common goal. During the ethical clean conduct week of 2013, the third year of such week, aT tried to include external stakeholders in the activities and held Ethics Golden Bell for the employees.

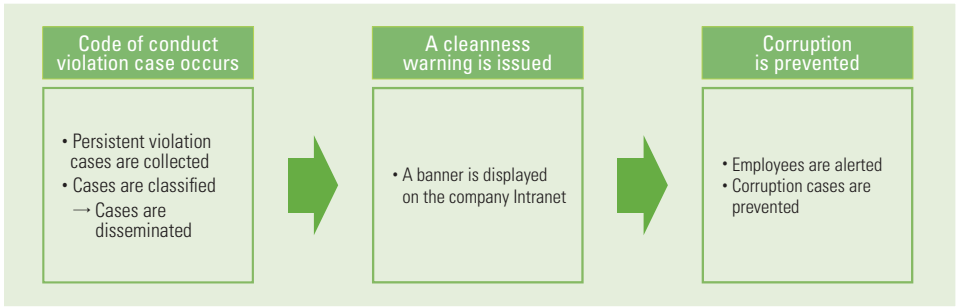
11. 11 (Mon.)	11. 12 (Tue.)	11. 13 (Wed.)	11. 14 (Thu.)
			
<ul style="list-style-type: none">• Ethics slogan contest• Promotion ethics week	<ul style="list-style-type: none">• Special lecture on ethics• Distribution of ethics memento	<ul style="list-style-type: none">• Ethics survey• Lunch meeting	<ul style="list-style-type: none">• Ethics Golden Bell

Creating ethics web site

In 2013, aT created ethics webs ite(at.bestmind.co.kr) and incorporated ethics related information on aT web site and intranet. On the web site, Employee Only Page is created to produce and distribute aT's customized ethics content and enable employees to check their learning progress.

Preventing corruption by giving cleanness warning during times susceptible for corruption

In case of violating a code of conduct, a cleanness warning was given on the main page of intranet to alert employees. And the repeatedly occurring code of conduct violations are categorized by case and shared with employees. And to prevent corruption, cleanness warnings were given during end of year and holiday weeks when corruption cases occur easily.



Strategic social contribution



Hours of social contribution activities
15,976 hours

<Note> 6.7% increase from previous year



Investment in community
300 million won



Satisfaction level of the beneficiaries of social contribution
91.2 points

Local community contribution

Creating shared value by supporting social enterprises in agri-food area

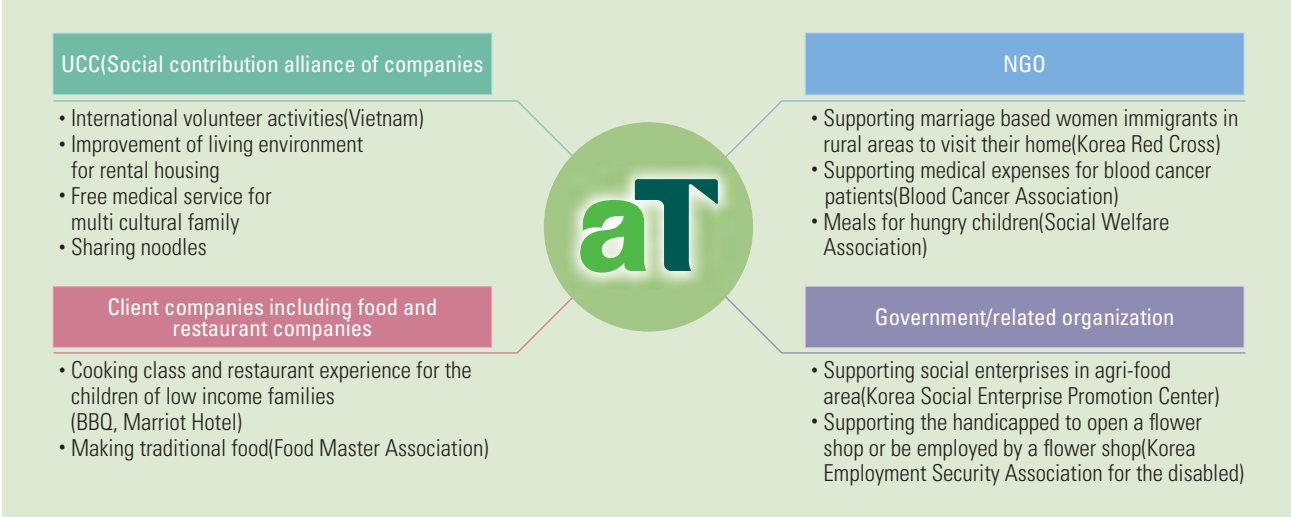
aT selected and supported 10 social enterprises in agri-food area to promote agri-food industry, which is the mission of aT, and prepare base for self reliance of the socially disadvantaged. aT provided one-stop support using its expertise in agri-food area, such as customized consulting, education, and market development through e-Marketplace. As a result, the sales of these companies increased by 18% over one year and the satisfaction level on support program scored 4 out of 5 point scale. aT helped the growth of these companies by strengthening their competitiveness through cooperation between departments, and such efforts, in turn, led to the employment of socially disadvantaged. So it became a good opportunity to create shared value.

Establishing aT Probono(Talent Contribution Club)

aT Probono Talent Contribution Club was established to expand voluntary social contribution using employees' talents. 232 employees registered 255 talents. aT has actively supported probono activities by giving incentive of social contribution mileage to employees participated in talent contribution activities and supporting expenses for various activities.

Contribution to and mutual growth with community

Improving social contribution activity synergy by using external networks



Educational contribution to develop future human resources in agri-food area

aT provided harvesting experience and healthy eating education to children receiving supports from Children's Foundation so that they like Korean agricultural products. In addition, aT donated money to high schools specializing in agriculture(4 places including Chungnam Fermented Food High School) to help students find career in agriculture. In addition, scholarships are provided to a local agricultural college and aT employees had 1:1 mentoring to guide them in the design of life.

aT's activities for mutual growth

aT agrees with the necessity to purchase the products by small and medium businesses or socially disadvantaged first wholeheartedly. For this, aT tries to fulfill social responsibilities by purchasing the products by these businesses.

aT tries to purchase products and services from small and medium businesses first. It also tries to solve the problems these businesses are experiencing in finding new sales outlets by listening to their opinions, providing one on one consultation, and participating in private and public sector joint workshop for the vitalization of group purchase.

In relation to the priority purchase of products by socially disadvantaged, such as severely handicapped, social companies, and women companies, aT had education, exhibition, and promotion activities to eradicate negative prejudices against these businesses, such as low quality.

Category	1 : 1 Consultation		Private and government sector joint workshop	
Event				
Date and Venue	Apr. 2013 KOEX	Oct. 2013 KOEX	Apr. 2013 Garden five	July. 2013 KINTEX



1:1 consulting for priority purchase

Trusted customer satisfaction management



Public-service Customer Satisfaction survey
93.5 points



Internal customer satisfaction Index
91.1 points



Monitoring customer call answering
93.7 points

Pursuit of the improvement of customer satisfaction

Education of employees to strengthen CS capabilities

Various CS education programs including special training on answering customer calls to ensure customer satisfaction, CS training at branches, and CS experience at Incheon International Airport were conducted.

- Special training on answering customer calls to ensure customer satisfaction(May) : The training was conducted for the employees at main office as well as those at branches to understand the difficulties of Call Center employees, and improve their abilities to answer customer calls.
- Experience of Incheon International Airport CS(June) : Customer contact personnel visited Incheon International Airport to benchmark their CS improvement cases and learn knowhow of handling disgruntled customers
- CS management workshop(Sept.) : CS management workshop was hold for customer contact personnel to improve their ability to handle changing CS management environment and find ways to implement customer satisfaction.



Phone answering-Training at the main office



Training at branch offices



CS experience at Incheon International Airport

Survey of customer satisfaction level

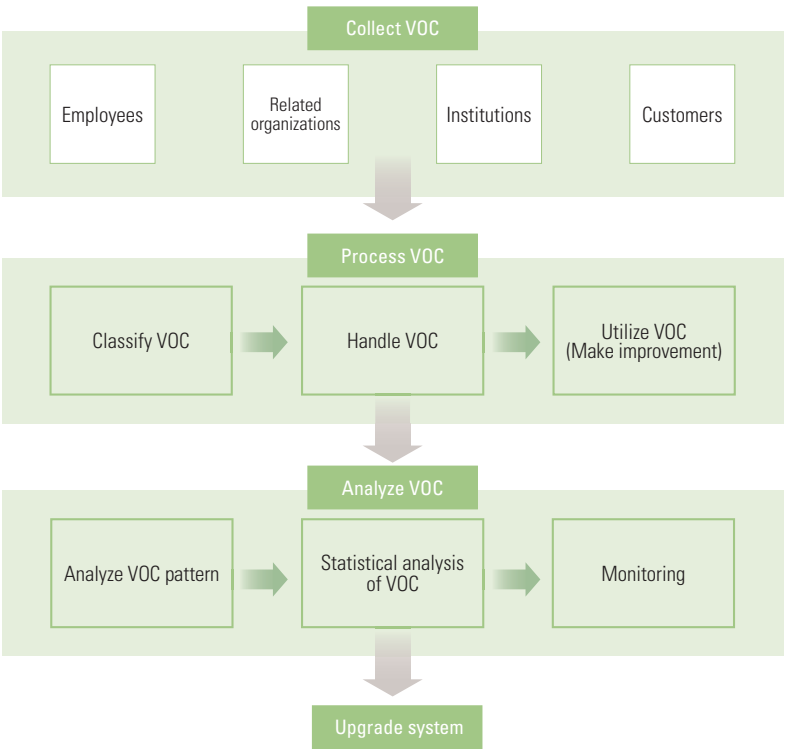
In the Public Organizations' Customer Satisfaction Index survey conducted by Ministry of Strategy & Finance, aT has been selected as an outstanding organization for 7 consecutive years. aT thinks that it is because of its differentiated CS programs, such as implementation of field oriented customer service, CS training for customer satisfaction, and Creation and Innovation BP Contest, and establishment of customer experience management system. aT has made efforts to improve customer satisfaction level by conducting its own customer satisfaction level survey to award excellent departments.

Collecting customers' voices

aT listens to customers' voices online through Electronic Complaint, Customer Service Center, Customer Suggestion, Praise of aT Employee sections on the web site. It has also made efforts to listen to customers' voices off line through telephone, mail, personal visit, and Customer Consultation Committee. And the collected customers' opinions were reflected in management improvement.

Efforts to protect personal information

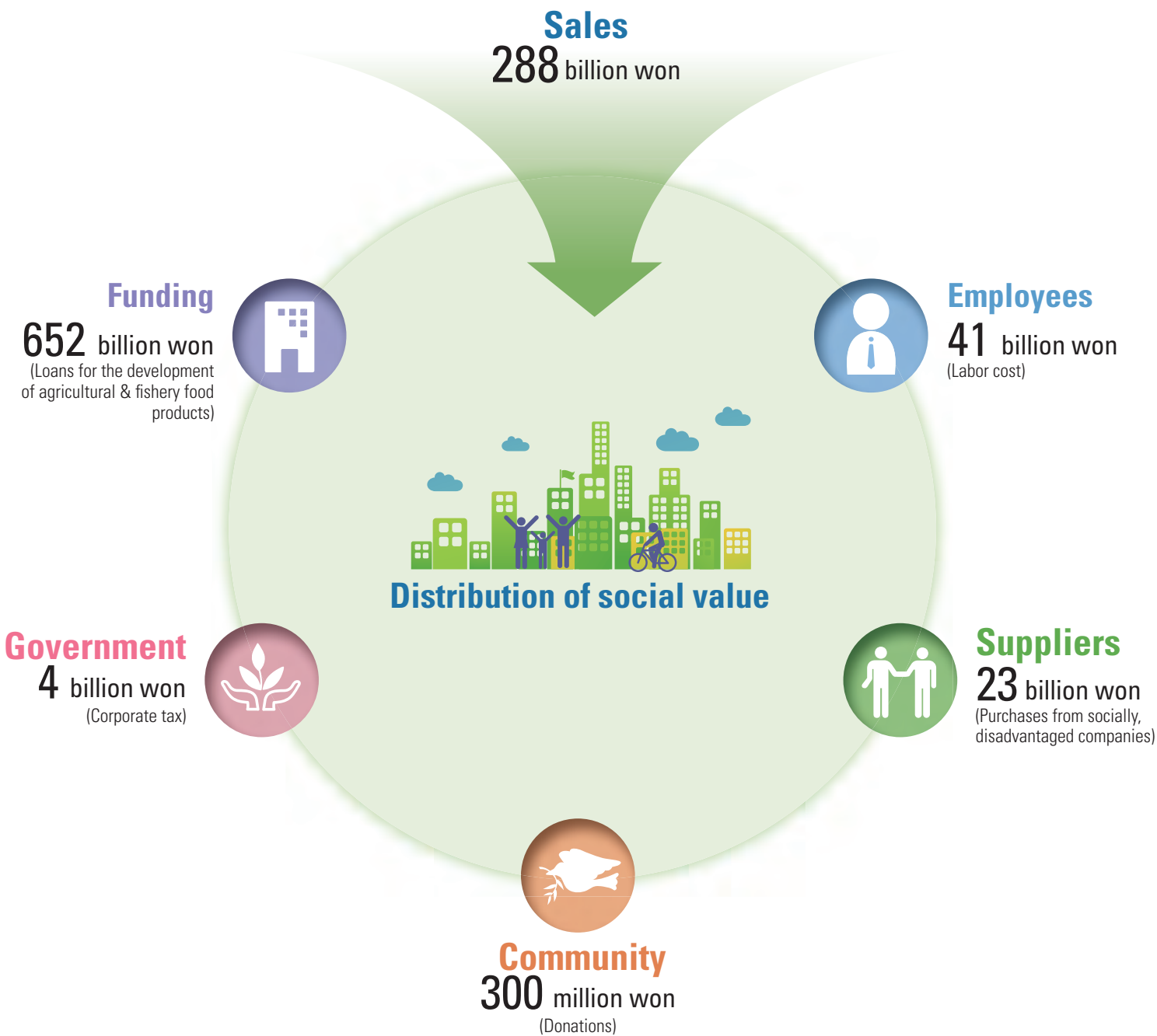
To strengthen information protection for major businesses, aT has established Information Security Team consisting of security experts. The team is in charge of information security and personal information protection as well as supplementing the system in an anticipatory manner to block cyber attack and protect personal information. In addition, aT operates 'Personal Information Infringement Report Center' on aT web site to protect personal information. When a person discovers that the right of information owner can be violated, such as leaking of personal information while using aT web site, he/she can use the center to report it. Based on Act on Promotion of Utilization of Information & Communication Network Use & Information Protection and Personal Information Protection Act, aT has obtained personal information protection mark(e-privacy), an information protection certification mark, and Internet site safety mark(i-safe mark). aT will continue to value customer information and make efforts to prevent information leak.



aT's sustainable management



Distribution of economic achievements



Economic Achivements



Summary of financial statement

(Unit million won)				
Statement of financial position	Category	2011	2012	2013
	Assets	1,168,578	1,296,348	1,335,263
	Current assets	766,856	790,247	793,707
	Non-current assets	401,722	506,101	541,556
	Liabilities	1,000,281	1,075,895	1,103,962
	Current liabilities	679,995	666,353	686,475
	Non-current liabilities	320,286	409,542	417,487
	Equity	168,297	220,454	231,301
	Capital	86,200	130,440	130,440
	Capital surplus	82,097	90,495	101,428
Income statement (Management performance)	Category	2011	2012	2013
	Sales	220,780	251,033	288,405
	Cost of sales	198,406	226,135	263,495
	Gross profit on sales	22,374	24,898	24,910
	Selling and administrative expenses	13,397	14,755	13,925
	Operating income	8,977	10,143	10,985
	Non-operating income	6,926	7,545	6,582
	Non-operating expenses	906	771	846
	Income and loss before income taxes	14,997	16,717	15,889
	income taxes	3,802	4,685	4,310
	Net profit	11,195	12,033	11,578

Major management index

(Unit : %)				
Category		2011	2012	2013
Stability	Current ratio	112.77	118.59	115.62
	Debt ratio(Except policy fund)	39.2	33.4	31.7
	Capital adequacy ratio	14.93	17.01	17.32
Profitability	Return on net sales	4.07	4.04	3.81
	Ratio of net profit to net sales	5.07	4.79	4.01
	Return on assets	0.96	0.93	0.87
	Return on equity	6.65	5.46	5.01
Growth	Total asset growth rate	10.76	10.93	3
	Total sales growth rate	1.41	13.7	11.62
	Net profit growth rate	9.12	7.48	-3.78

Environmental Achivements



Efforts for green management



Awarded as an outstanding organization with environmentally friendly consumption and production practices and environmental industry development

Minister of Environment's Award



Reporting of Pubic Organizations' Excellent Green Purchase Cases 2013

Received Excellence Award

Green eating with environmentally friendly agrifood

Environmentally friendly agricultural products are products produced with minimum or no artificial chemicals, such as pesticides, fertilizers, and feed additives to protect the environment and provide safe food materials to consumers. As no harmful material is used for cultivation, the products are safe, tasty, fragrant, nutritious, and fresh for a long time.

aT is selling environmentally friendly products, local specialties, and traditional liquors. aT provides sales outlet and contributes to the securing of consumption base for environmentally friendly agricultural products by selling environmentally friendly agricultural products certified as organic, no pesticide, or low pesticide products by National Agricultural Products Quality Management Service(NAPQMS)

Minimize the impact of energy-saving and environmental efforts

Category	2011			2012			2013		
	Use	TCO ₂ eq	TJ	Use	TCO ₂ eq	TJ	Use	TCO ₂ eq	TJ
Electricity(MWH)	20,212	9,423	181.9	18,813	8,771	169.3	15,638	7,291	140.7
Gas(m³)	964,961	2,171	46.4	905,507	2,036	42.9	825,707	1,857	40.1
Gasoline(ℓ)	51,200	115		43,458	97		58,315	130	
Diesel(ℓ)	39,785	106		36,788	98		44,136	118	
Total		11,851	228.3		11,002	212.2		9,396	180.8

Minimize environmental effects through e-Marketplace

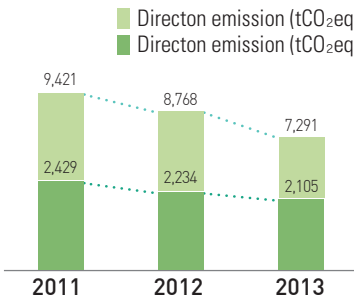
The distribution cost of agricultural products accounts for 29.8% of total distribution cost. It is very high compared to that of manufactured products, which is about 12%, even if special characteristics of agricultural products are taken into account.

However, e-Marketplace enables 4.1% reduction in distribution cost by reducing distribution backflow and absolute food miles. As it can also minimize environmental effects, aT is to develop it actively for green agriculture.

Aco-friendly certification mark



Greenhouse gas emission



Environmental Achivements



Efforts to reduce environmental effects

Greenhouse gas emission status

In 2013, aT achieved 14.6% reduction in emission from the base emission(Average emission between 2007 and 2009), which is higher than the goal of 9%, as a result of a lot of efforts. (Reduction of power and gas was 17% and 8.8% respectively)

Transportation area

When purchasing a company vehicle, a hybrid car(small car) is preferred and in 2013, 6 vehicles were purchased. aT encourages employees to use public transportation for official business. It is working hard to minimize the emission of greenhouse gas by using no driving on the 5th day system(Weekly no driving day system) and carpool.

Building maintenance area

aT observes the recommended indoor temperature in summer(28°C) and in winter(18°C) and prohibits the use of personal heater. It notifies power supply status by emergency level through power saving notification system. To save power use, all lights are turned off during lunch and after office hours, LED lights are installed at places, restricts lighting of advertisement and promotion lighting, and encourages use of standby power blocking multitaab.

Water and effluence management/Waste management/ Regulatory compliance

aT saved 12 million won by installing a septic tank to recycle rain water and urine.

Category	2011	2012	2013	Note
Water supply (m³)	87,469	84,126	70,140	
Underground(m³)	33,916	25,732	23,870	
Discharge(m³)	121,385	109,858	94,010	Sum of water supply and underground water
Waste water reclamation(m³)	- 7,634	-	- 8,309	Recycling of water supply

*Due to frequent breakdown, measurement for 2012 is not available. It has been repaired and in normal operation since Jan. 2013.

Waste management

aT Center consists of exhibition building and office building and most of waste is generated by the exhibition building and the office building mostly generates recyclable paper. Total volume management of waste was implemented from 2011 in the aT center (head office) and the flowers joint market, and 605.85 ton of waste was generated in 2011, 545.86 ton was generated in 2012, and in 2013 waste was decreased by 5.4% to 516.40 ton. aT will continue to make efforts to reduce wastes.

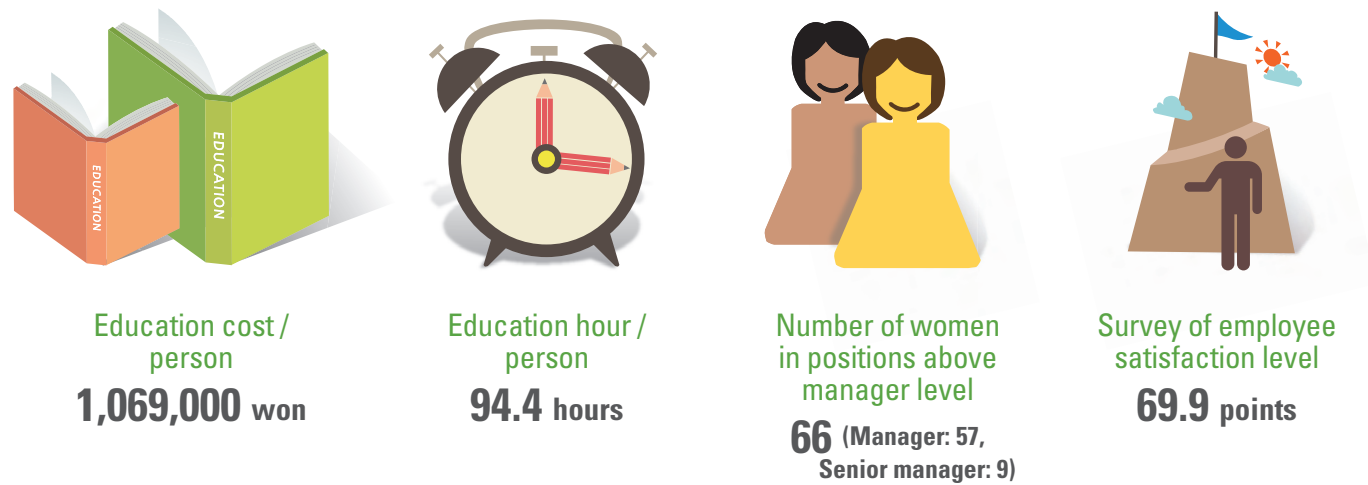
Regulatory compliance

aT complies with Framework Act on Environmental Policy, Air Quality Preservation Act, Water Quality Conservation Act, and Natural Environment Preservation Act, etc. There has been no violation of environment related laws for the last 3 years.

Social Achivements



Fulfillment of social responsibility

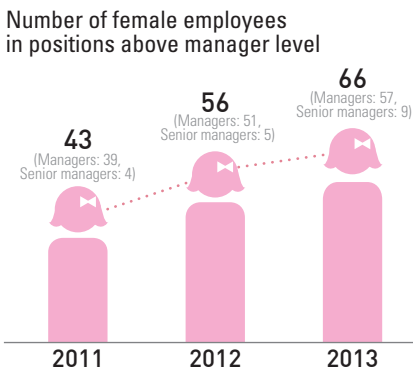
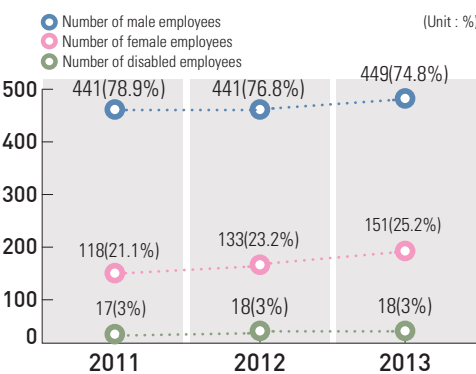


Employees and education

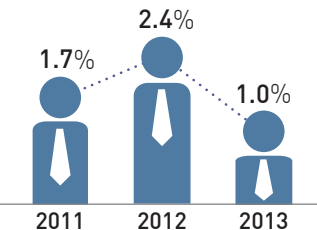
Employment

aT has complied with Labor Standards Act and Employment Rules and there has been no forced or child labor. Overseas branches try to employ locals first and 13 overseas branches and offices employed 36 locals in 2013.

Status of employees



Turnover rate



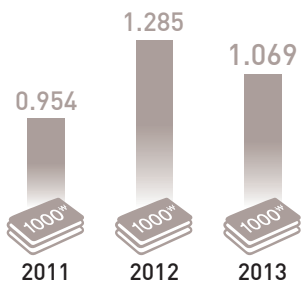
Occupational accident rate

aT has been operating various systems to ensure physical and psychological wellbeing of employees and prevent accidents. It has operated heath room and metabolic syndrome control program for the employees. It also helps rehabilitation of employees through group insurance. In addition, it has carried out various activities to prevent accidents, such as carrying out overall health check for field workers.



Average cost of education per employee

million won



Average hours of education per employee



Compensation and Family friendly management

Education & compensation systems based human

Fair compensation for performance

aT ensures fair evaluation through differentiated competency rating according to the rank and job, performance evaluation using individual management by objective(MBO), and organizational evaluation by balanced score card(BSC). The evaluation results are linked to education, transfer, promotion, and compensation to firmly establish performance oriented culture.

Expansion of job competency education

aT promotes job specialty and creative organizational culture by supporting study groups. aT had a competition for study groups and new study group ideas last year so that employees could share ideas.

Prohibition of discrimination and respecting human rights

aT prohibits discrimination based on gender, age, religion, education, physical disability or region and complies with Labor Standards Act and International Labor Organization's(ILO)'s ban on forced labor and there has been no discrimination case. aT's security personnel(Outsourcing service) also has their own education on human rights to comply with the regulations on the prohibition of discrimination and respect of human rights.

Gender equality education

aT has carried out various education to improve employees' awareness of gender equality. Cyber education on the prevention of sexual harassment, prostitution, and sexual violence is carried out once a year and 90% of employees take the course. To celebrate gender equality week, a play was performed and 120 employees attended the play.

Efforts for family friendly management

Operation of childcare facility at workplace

To prevent women from leaving aT to raise children and to promote women's employment, aT is operating childcare facility at work. aT is not required to have one, but it voluntarily operates it to improve childcare and to lessen the burden of child rearing for women. The ratio of women returning to work after childbirth is 100%.

Family Day and Self Development Day

Every Wednesday is Family Day so that employees can balance work and family life. On Wednesdays, employees are encouraged to leave on time and spend time with their families. In addition, Self Development Day has been operated to promote employee welfare and improve morale.

Certified as an outstanding family friendly organization again

aT was first certified as an outstanding family friendly organization in 2008. It has carried out a variety of family friendly activities, such as aT family rural experience, family English camp, and filial piety awards on Happy Family Day in May, and it was certified as an outstanding family friendly organization in 2013 again.

Welfare and Labor

Employee Welfare Fund

To improve welfare for full time employees, Employee Welfare Fund has been operated by aT. Due to effective operation and execution of the fund, 7 projects including loan for personal use and college scholarship have been in operation.

Selective Welfare System

aT operates Selective Welfare System with which an employee can select the welfare item and amount according to his or her preference for family, culture, or leisure activities. This system helps employees to participate in more cultural activities.

Retirement pension

aT has operated retirement pension system since 2006 to ensure stable income for employees after retirement. From the first year of the system, 100% of expected retirement pension amount has been deposited in an external financial institution. And the system is offered to all employees including contract workers.

Efforts for cooperation between labor and management

aT is aware that stable labor and management relationship is essential for the achievement of aT's vision and management goals. For this, aT has established labor and management partnership and jointly established and implemented strategies to develop the relationship. As a result, aT has experienced no labor dispute for 25 years since the establishment of labor union. It has been a model for labor and management relationship in the private sector. aT guarantees free labor union activities through collective bargaining agreement, which emphasizes family friendly management through the support of balancing of family and work, and specifies social responsibilities of labor and management. Moreover, collective bargaining agreement specifies health and safety matters of employees.

Facilitation of communication

aT has created futuristic creative labor and management culture through various communication channels, such as labor management council, labor and management joint workshop, dialogue with CEO, regular tea time between labor and management representatives. For important matters, labor and management need to notify each other immediately. And the matters requiring opening or closing of collective bargaining agreement need to be notified 10 days in advance.

Status of labor union membership

(Unit : people)

Category	2011	2012	2013
All employees	559	574	600
Eligible employees	439	449	471
union members	439	449	471



Labor and management partnership improvement workshop

Overview of social achievements

Awards in 2013

Award date	Award details	Given by
2013. 08. 27	For the cooperation with National Tax Service for tax administration	Commissioner of NTS
2013. 09. 11	Selected as a leader of social responsibility management(CSR) for mutual prosperity 2013	President of JTBC
2013. 10. 08	Excellence award from reporting of public organization's excellent green purchase cases	President of Korea Environmental Industry & Technology Institute
2013. 10. 29	For environmentally friendly consumption and production and contribution to the development of environmental industry	Minister of Environment
2013. 10. 30	For excellence in 2013 Eulji Focus Lens and emergency management	Minister of Security & Public Administration
2013. 11. 07	Grand prize(first prize) from Workplace Innovation Awards 2013	Minister of Employment & Labor
2013. 11. 14	Minister of Industry, Commerce & Energy's Award in the efficiency innovation category of Korea Distribution Awards	Minister of Industry, Commerce, & Energy
2013. 12. 01	Grand prize from 1st Software Industry Protection Awards	Minister of Security & Public Administration
2013. 12. 09	Grand prize from Public Corporation Management Awards 2013	President of Sisa Journal
2013. 12. 19	Highest degree from National Record Management Evaluation 2013	Minister of Security & Public Administration

Status of association and initiative membership

Joining year	Name of organization	Purpose of joining
1968	Korea FAO Association	To use international agricultural information
1992	Korean Red Cross	To support volunteer activities and Red Cross projects
1995	4-H Headquarter	To exchange information with agricultural and fishery related organizations
2007	UN Global Compact	To declare compliance with the 10 principles of Global Compact and report COP
2008	Korea Personnel Improvement Association(KPI)	To discuss effective operation of personnel matters and education systems
2009	National Emergency Plan Association	To discuss measures to prepare for emergencies
2010	The Institute of Internal Auditors	To declare compliance with the 10 principles of Global Compact and report COP
2012	Korea Overseas Agro Development Association	To exchange information and cooperate with related organizations

UNGC Principles

Principles
1. The most senior level management and board of directors state the strategic side of the implementation of Global Compact
2. State the decision making process and governance system for sustainable management of company
3. State major stakeholders' engagement
4. State activities to support the goal and issue of UN
5. State strong will, strategies, or policies in the human rights area
6. State effective management system for the incorporation of human rights principles
7. State effective monitoring and assessment mechanisms for human rights principles
8. Apply the standard performance index(including GRI) to human rights issues
9. State strong will, strategies, or policies in the labor area
10. State effective management system for the incorporation of labor principles
11. State effective monitoring and assessment mechanisms for labor principles
12. Apply the standard performance index(Including GRI) to labor issues
13. State strong will, strategies, or policies in the environmental management area
14. State effective management system for the incorporation of environmental management principles
15. State effective monitoring and assessment mechanisms for environmental management principles
16. Apply the standard performance index to environmental management issues
17. State strong will, strategies, or policies in the anti-corruption area
18. State effective management system for the incorporation of anti-corruption
19. State effective monitoring and assessment mechanisms for anti-corruption principles
20. Apply the standard performance index to anti-corruption issues
21. State the implementation of Global Compact principles within value chain
22. Provide information on the company's profile and operation environment
23. Include high level transparency and disclosure



CI

aT is formed with the combination of small latter "a" and capital letter "T".
The small letter "a" contains the progressive and productive image of aT that grows small to larger size as it starts with the new bud sprouting up. And the spoon image in "a" shown along symbolizes the role of aT that is responsible for things to eat in Korea.
The capital letter "T" symbolizes the tower image of the trade center and it expresses global public company that provides the optimal service.

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SNS

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