

MOVING TOWARD A BETTER FUTURE



Contents

04 Introduction

- 02 About This Report
- 02 Contents
- 04 CEO Message
- 06 2021 ESG Management Highlights

08 Overview

18 Special Report

- 18 #1 Strengthening ESG Management
- 22 #2 Creating a Safe Incheon Port

26 ESG Foundation

34 ESG Performance

36

Environment

- 37 Environmental Management System
- 40 Climate Change Response
- 44 Environmental Impact Management

47

Social

- 48 Job Creation
- 53 Human Rights Management
- 62 Creation of a Safe Port Ecosystem
- 67 Shared Growth
- 71 Community Services
- 75 Customer Satisfaction Management

78

Governance

- 80 Operation of the Board of Directors
- 82 Ethical Management
- 85 Integrated Risk Management

87

Business

- 89 Sustainable Growth
- 93 Enhancement of the Port Infrastructure
- 95 Smart Port

97 Appendix

- 98 Sustainability Performance
- 105 Global Initiatives
- 108 ISO 26000 Assessment Report
- 112 Third Party Assurance Statement

- 114 GRI Standard Index
- 117 Key Awards, Certifications and Association Memberships in 2021

About This Report

Reporting Principles and Standards

This report is the 9th sustainability report to be published by Incheon Port Authority. It has been prepared in line with the Core Options of the Global Reporting(GRI) Standards, which are international guidelines on sustainability reporting. Based on the core issues identified through a materiality evaluation and Incheon Port Authority's own validity evaluation, we have developed four core material topics and a management approach to each one of them, and report in detail our sustainability activities and performances. We, the top Management of Incheon port authority, plan to disclose sustainability activities and achievements for each year to our stakeholders in the form of an annual report.

Reporting Period

This report covers the IPA's activities in Republic of Korea for the period from January 1 to December 31, 2021. By including information about important activities carried out in the first half of 2022, we provide sufficient information to our stakeholders. In the case of quantitative performance figures, we provide data for the three years from 2019 to 2021.

Scope of Reporting

The scope of reporting in this report includes all aspects of Incheon Port Authority's business, other than its subsidiaries. All financial information has been compiled in accordance with the Korean International Financial Reporting Standard(K-IFRS). In the case of societal and environmental indicators, due to the limitations of data collection, the scope of reporting is indicated in the form of comments.

Third Party Assurance

To ensure the accuracy, objectivity and credibility of the reporting process and this report, the report has been verified by the CSR, an independent audit agency, according to international audit standards. The results of the GRI guideline compliance assessment and the third-party assurance can be found on page 112. The financial information contained in the report originates from the accounting audit conducted by an independent auditor.



Cover Story

The geometric lines and icons on the cover are designed to express Incheon Port Authority's organic and dynamic systems for smart ports.

CEO Message



“In the coming post-COVID era, we will continue to carry out our duties faithfully as a public agency that provides critical national services and do our best to meet the expectations of the citizens.”

Dear esteemed customers,

To better prepare for the post-COVID era, we at Incheon Port Authority recently announced VISION 2030, which describes our new goals and values, and we are working hard to build Incheon Port into an integrated value space that drives the growth of the logistics and marine tourism industries. The world has been teetering on the precipice of an economic crisis for some time now due to widespread uncertainty and the ongoing Covid-19 pandemic, but that has not stopped our company from recording the largest container throughput(3,350,000 TEU) and shipping routes(66) in its history in 2021. Last year we also became the nation's top port in e-commerce for the eighth consecutive year thanks to the creation of a special zone for e-commerce, including cold chain business. Based on the aforementioned economic achievements, we are going to make Incheon Port a safer and more prosperous port that grows together with the region. To achieve this goal, we have made the following promises.

We shall lead port logistics in the post-COVID era.

Today, the whole world is experiencing prolonged volatility and uncertainties due to the unstable political situation and the lingering effects of the Covid-19 pandemic. However, IPA views such uncertainties as opportunities to tackle these huge challenges and is focusing on attracting special cargo businesses to Incheon by leveraging local industries and its own infrastructure, such as the Incheon Port special zone for e-commerce, the Songdo K-Bio Lab, and Incheon International Airport. We aim to prepare ourselves to lead the port logistics industry in the post-COVID era by continuously adding new shipping routes and laying strong foundations for the stable creation of cargo volume via the diversification of our shipping routes. In addition, to establish an ecosystem for the marine tourism industry, we will provide safe and pleasant passenger transportation services and work hard to develop competitive contents.

We shall take a giant leap forward to becoming a smart port.

The economic paradigm of the world is changing, and the business management environment is also undergoing rapid transformation because of the pandemic and the Fourth Industrial Revolution. IPA plans to adopt digital technologies such as Big Data and AI to make predictions about the future of the shipping and logistics industry, and to realize smart ports through management innovation. IPA will secure future competency with digital technologies and enter new markets by increasing its internal work efficiency.

We shall actively adopt and practice ESG management.

In 2021, IPA established the “2050 Carbon Neutrality Roadmap” and laid the foundation for formal ESG management. The sustainability of a company is not judged solely on its financial performance. We must demonstrate sustainability by performing nonfinancial activities that benefit our environment and society and create new values. This year, IPA set up a system for measuring the performance of its ESG management(which incorporates the K-ESG guidelines) and will pursue it in a more systematic manner, the creation of environmental and social values for Incheon Port. Furthermore, we will expand our practice of ESG management to all other projects being pursued by IPA and strengthen our cooperation with related agencies and companies so as to lead the establishment of an ESG cooperation system and spread the ESG culture.

We shall become a public agency that is trusted by the public

We promise to become a fair and honest public agency and create a safe port in Incheon. By launching our own compliance program, we will establish a system that respects the principles and the law and that requires all members of our company to abide by them in the execution of their duties. At the same time, we will turn Incheon Port into a safe workplace by creating a workplace culture that puts the safety of port users and employees above all else.

Dear customers,

Incheon Port Authority will always uphold shared growth and co-prosperity with the local community and the port industry as its most important values and will do its utmost to provide you with a safe and efficient port logistics service. Thank you.

July 2022

Choi Joon Wook
CEO of Incheon Port Authority

2021 ESG Management Highlights



Overview

- 10 Introduction to Incheon Port Authority
- 12 Port and Facilities
- 14 Global Shipping Routes
- 15 Mission & Vision
- 16 Key Businesses

PERFORMANCE

(As of the end of 2021)



Total cargo volume handled by Incheon Port

157 million tons



North port handling capacity

1,397 million tons

South port handling capacity

1,761 million tons

Inner port handling capacity

3,167 million tons

New port handling capacity

216 million TEU



Incheon Port International Passenger
Terminal berthing capacity

car ferry **30,000~50,000** ton class



Incheon Port hinterland

3,034,000 m²

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A BETTER FUTURE**



Introduction to Incheon Port Authority

Purpose of establishment

Incheon Port Authority was established in July 2005 with the objective of transforming Incheon Port into a competitive hub for shipping and logistics and thereby contributing to the development of the national economy. Incheon Port Authority was commissioned by the government to develop, manage and operate Incheon Port. Based on its expertise and efficiency, IPA is improving the productivity of cargo handling at the port. IPA is committed to transforming the port into a global port by developing it into the country's core logistics base through improved competitiveness in shipping, port, and logistics and promoting it as a hub for marine tourism.

Business Introduction

Incheon Port Authority is contributing to the advancement of the national economy by transforming Incheon Port into a national base for logistics through the redevelopment of the port and the professional and efficient management of the port's facilities and its hinterland.

Overview of Incheon Port Authority

(As of March 2022)	
Name	
Incheon Port Authority	
Address of HQ	
IBS Tower 31-35F, Central-ro 263, Yeosu-gu, Incheon	
Date of Establishment	
JULY 11, 2005	
Overseeing Government Agency	
Ministry of Oceans and Fisheries	
Subsidiary	
Incheon Port Security	
Revenues	
154,267 million KRW	
No. of employees	
277 persons	
(As of the end of 2021)	
Corporation Classification	
Market-oriented public corporation	
CEO	
Choi Joon-wook	



Corporate History





Ports and Facilities

Incheon Port is 27 km long and operates 66 regular container shipping routes and 10 car ferry routes. In 2021, it handled a total cargo volume of 335 million TEU.

North Port

Incheon North Port is a general port comprising 26 berths that handles industrial cargoes containing industrial raw materials such as wood, scrap metal, and materials for feed.

Max. no. of berths	26	Length of pier	6,421 m
Water depth	-14 m	Capacity	1,397 million tons
Types of cargo handled	wood products and scrap metal	Hinterland	73.9 million m ²

Lock Gate

Incheon Inner Port's lock gate was built in 1974 to eliminate a tidal difference of up to 9 meters, thereby allowing it to maintain a steady water depth. For this reason, Incheon Inner Port has the best conditions for unloading cars and precision equipment.

Inner Port

Constructed as the country's first container pier in 1974, Incheon Inner Port is situated in the inside area of the lock gate, and mainly handles automobiles, grains and miscellaneous goods. Forty-three ships can be berthed there simultaneously.

Maximum number of ships berthed	43	Length of pier	9,405 m
Water depth	-7 ~ -12 m	Capacity	3,167 million tons
Types of cargo handled	cars and miscellaneous goods		

Incheon Coastal Passenger Terminal

Incheon Port Coastal Passenger Terminal has a route that connects the port with islands on the west coast of the country, which is a convenient service for tourists.

Loading capacity	2,100 tons	Water depth	-6.5 m
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MOVING TOWARD A BETTER FUTURE

South Port

Incheon South Port has a container-dedicated pier that can berth 4,000 TEU grade ships, and a regular pier that can handle the loading and unloading of sand.

Max. no. of berths	30	Length of pier	4,262 m	Water depth	-14 m
Capacity	76 million TEU 1,761 million tons	Types of cargo handled	containers, etc		

New Port

Incheon New Port is equipped with the latest in port infrastructure, including unmanned automated cranes. It is also making preparations to expand the container pier as part of the project to transform it into a state-of-the art smart port. Presently, the port has six berths at the container dedicated pier where 12,000 EU grade ships can berth.

Max. no. of berths	6	Length of pier	1,600 m	Hinterland	255 million m ²
Capacity	216 million TEU	Water depth	-16 m		

Incheon Port International Passenger Terminal / Cruise Terminal

Incheon Port aims to become a hub port for sea tourism through its international passenger terminal, which connects Incheon Port with ten cities in northern China, and its cruise terminal where large cruise ships can dock.

Max. no. of berths	8	Length of pier	1,976 m (includes berths that also serve cruise ships)	Water depth	-8 ~ -12 m (includes berths that also serve cruise ships)
Berthing capability	Car ferry 3 ~ 5 million ton class cruise ships 22.5 million ton class				

Incheon Port Hinterland

Based on the continuous development of the hinterland, Incheon Port Authority is striving to create high added value and facilitate corporate activities.

Category	Unit	Current	To Be Developed	Total
Ah-am Logistics 1	10,000m ²	96.2	-	96.2
Ah-am Logistics 2		67.3	189.8	257.1
North Port(South)		56.5	-	56.5
North Port(North)		17.4	-	17.4
New Port(1-1, 1-2)		66	189*	255
Total		303.4	378.8	682.2

* Includes 940,000m² to be developed with private sector investment.

- TEU(Twenty-foot Equivalent Unit) The standard unit of container size representing a 20-foot-long standard container.
- LCL(Less than Container Load) The loading of a single container that is used by multiple companies.
- Water depth The water depth at which a ship can berth or anchor, undergo repairs or unload its cargo.



Global Shipping Routes

As a successful business partner of its customers, IPA provides the best infrastructure and customer-oriented services and operates its business with customer satisfaction as the top priority. As the gateway to travel beyond Asia to the wider world, we will become the first port that unlocks the path to customer success.

Incheon Port is the hub of logistics and marine tourism



Key Customer Companies



Mission & Vision

Incheon Port Authority intends to contribute to the advancement of the national economy and to develop Incheon Port into a hub port by transforming it into an integrated value space that can promote the logistics and marine tourism industry.

Mission

We shall **contribute** to the **advancement of the national economy** by developing **Incheon Port** into **hub of logistics** and **marine tourism**.

Vision

Leading Complex for **Logistics & Maritime** Services
 'An integrated value space that drives the **logistics** and **Marine tourism** industry'

2030 Management Goals



5 million
TEU



5 million
persons



60%
reduction



1st
grade rating

Strategic Goals



Smart-oriented / happy citizens

The leading logistics and marine tourism hub in Northeast Asia



ESG-oriented

A safe and clean Incheon Port



Ethics/Innovation/Communication

oriented, public consensus centered management system



Strategic Tasks

- Build a port infrastructure based on the government's Digital New Deal Initiative.
- Increase cargo volume by enhancing the logistics business.
- Build a high-quality infrastructure for marine tourism.

- Become a low carbon & green port based on the Digital New Deal Initiative.
- Pursue redevelopment that works together with local area development.
- Create a port ecosystem that is centered on public safety.
- Lead the growth of an inclusive economy that includes Incheon Port.

- Expand the foundation for open innovation management.
- Internalize responsible business management.
- Created an innovative corporate culture that is centered on people.
- Strengthen human rights based ethical management



Key Businesses

As a public agency that desires to contribute to the advancement of the national economy, IPA is improving the competitiveness of Incheon Port by continuously building on and maintaining the port infrastructure, and by executing port operation, port logistics and port informatization projects. By expanding the port and service network and creating a smart port that utilizes Industry 4.0 technologies, IPA is developing Incheon Port into a major global hub of marine tourism and a port for logistics operations Pan-Yellow Sea Rim. IPA is also supporting the government's New Deal Initiative by introducing innovations that could help the ports to achieve carbon neutrality, as well as transforming Incheon Port into a safe and secure digital port that grows together with the local community.

Development and Improvement of the Port Infrastructure

Development of the port infrastructure

- Develop the infrastructure required for logistics operations by building new piers and port hinterlands and promoting their use.
- 1st~2nd stage development of the container Terminals at Incheon New Port.
 - Construction of the Ah-am Logistics 2 complex.
 - Incheon North Port hinterland complex construction project.
 - Renewable energy generation plant construction project.

Maintenance and repair of port facilities

- Strengthen the safety of port facilities by managing the aging process of port facilities using smart maintenance/repair technologies.
- Incheon Port seismic performance enhancement project.
 - Improve the convenience of using new infrastructure.

Port Operations

Sustainability of port operations

Operate an environmentally friendly port by increasing the efficiency of port operations and improving the port-tailored operations of the pier.

- Improve productivity at the container pier.
- Reduce fine dust emissions.
- Deploy Environmentally friendly port unloading equipment.

Port disaster management

Strengthen the ability to respond to a port disaster, prevent industrial accidents, and augment the security infrastructure at the port.

- Minimize the occurrence of disasters and safety accidents.
- Increase the quality and effectiveness of safety activities.
- Strengthen the ability to respond to port security incidents.

Operation of passenger terminal

Develop cruise and car ferry tourism products and generate demand for passenger services by creating a global port for marine tourism.

- Coastal passenger terminal and pier.
- International passenger terminal and pier.
- Cruise terminal and pier.
- Intensify efforts to attract passengers to Incheon Port.

Port Logistics

Attract shipping routes and cargo.

Attract new shipping routes, car ferry cargo from China, and promote shipping routes to North America that will create new demand for port access.

- Conduct marketing campaigns targeting domestic shippers and ship owners.
- Pursue overseas marketing and international exchanges.
- Conduct online and offline promotion of Incheon Port.

Stimulate utilization of the hinterland.

Set up a special cluster for a high-value port hinterland that is customer-oriented, e.g. increase the competitiveness of the e-commerce hub.

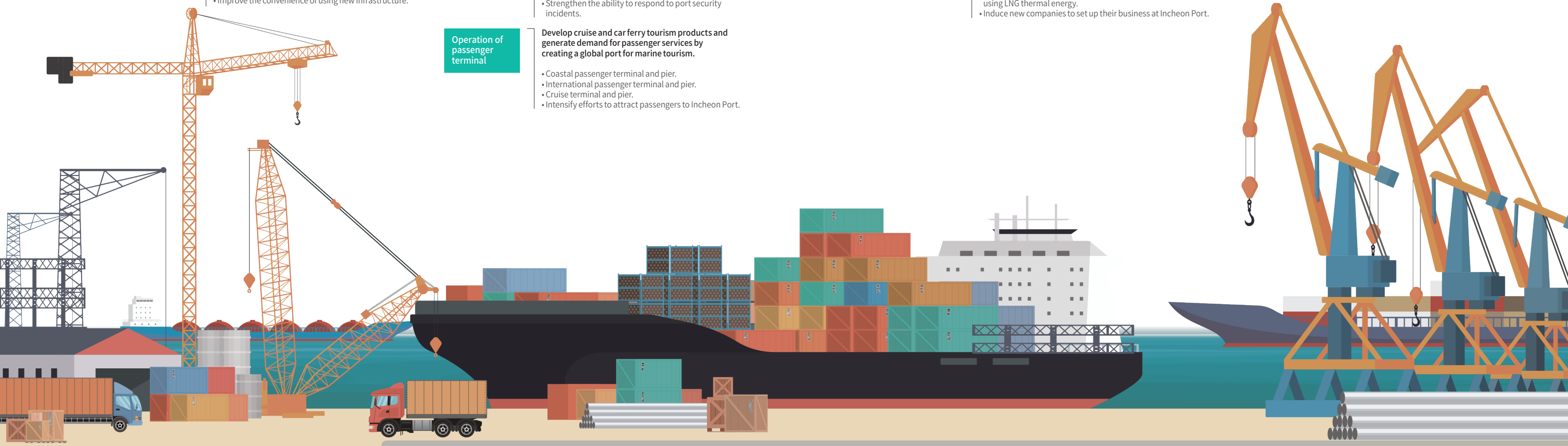
- Attract companies to join the integrated logistics cluster.
- Attract cold chain companies.
- Develop the project to create a refrigeration and freezer cluster using LNG thermal energy.
- Induce new companies to set up their business at Incheon Port.

Construction of Smart Port

Build the foundations for a smart port.

Construct a port and port logistics system that relies on information technology, launch ICT-based services and a service management business, and enhance the integrated information network (shipping and port logistics).

- Information system and informatization facility management project.
- ESPS (Everything for Smart Port Service) construction project.
- Personal information protection improvement project.
- Deployment of an electronic slip system.
- Information protection improvement project.
- Deployment of an integrated information network for shipping and port logistics.



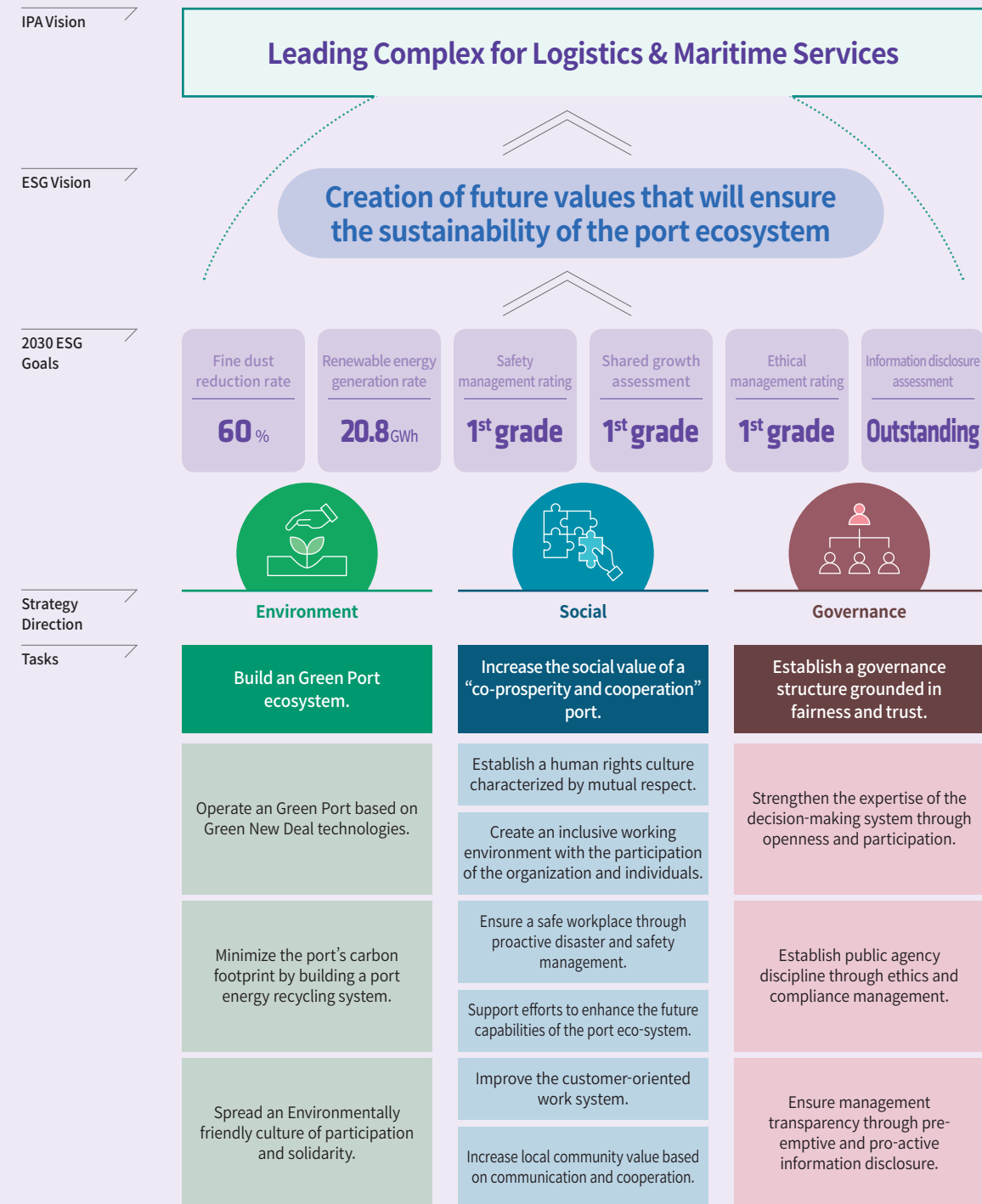
Special Report

Strengthening
ESG Management

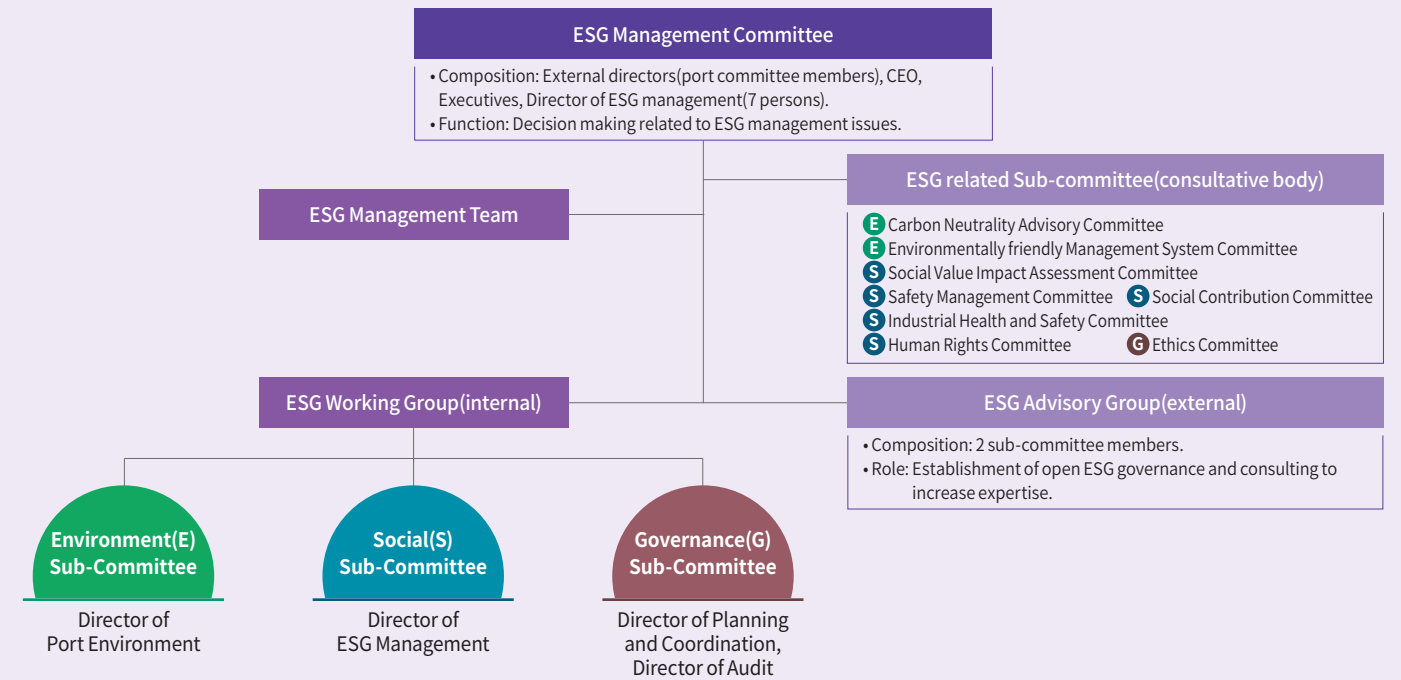
Incheon Port Authority seeks to create new values for the future by strengthening its ESG management. IPA intends to build a clean and safe port, manage disasters and implement safety measures proactively, aim for shared growth and co-prosperity with the local community and stakeholders, establish an ESG management strategy system that will lead to a governance structure based on fairness and trust, and intensify its efforts to conduct business in a transparent and ethical manner.

ESG Management System

ESG Management Strategy System



ESG Management Implementation System



ESG Management Main Activities



Special Report

ESG Management Declaration

ESG Management Declaration

Incheon Port Authority
Incheon Port Security
Incheon Port Facility Management Center

Joint declaration statement on implementing ESG management

Incheon Port Authority(IPA), Incheon Port Security(IPS), and the Incheon Port Facility Management Center(IPEC) hereby make the following joint declaration to strengthen ESG(environment, social response, governance) management innovation in order to create sustainable future values for the country, the region, and Incheon Port.

To spread sustainable management based on ESG management principles, we shall form an organic cooperation system through which we can share common policies and cooperate with each other.

To create a safe and clean Incheon Port, we shall play a leading role in disaster and safety management and fine dust reduction activities, and participate actively in the effort to achieve "Carbon Neutrality 2050".

To increase social values as a port that supports co-prosperity and cooperation, we shall contribute actively to creating new high-quality jobs, promoting shared growth, and generating social value.

To establish a governance structure based on fairness and trust, we shall work hard to reinforce our ethical management, disclose information transparently, and strengthen responsible management.

November 23, 2021

최준욱 이희영 류국형

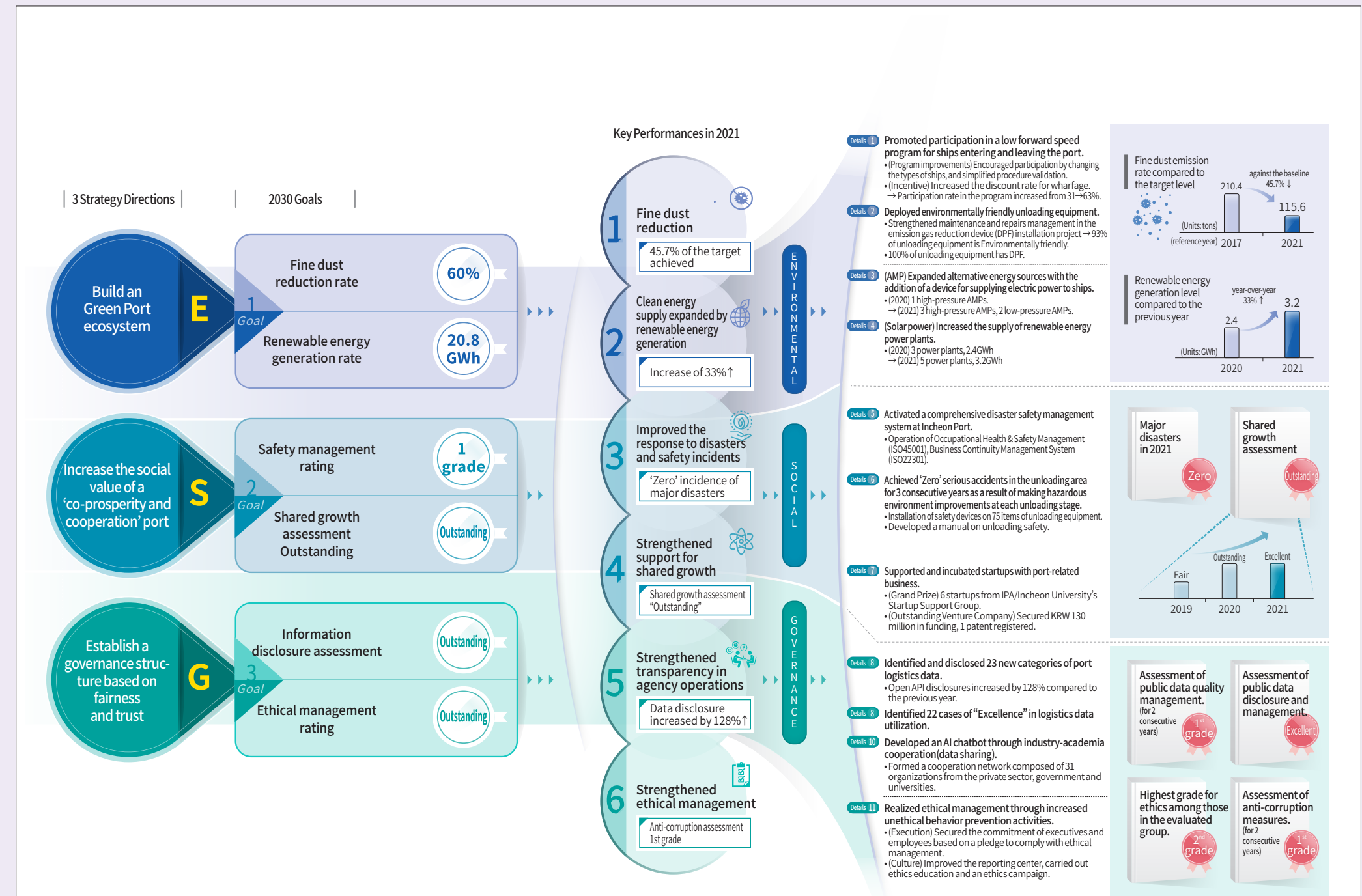
인천항만공사 인천항시설관리센터 인천항보안공사

CEO
CHOI Joon-wook

CEO
LEE Hee-young

CEO
RYU Gook-hyung

ESG Management Performances



Special Report

Creation of a Safe Incheon Port

Safety Management System

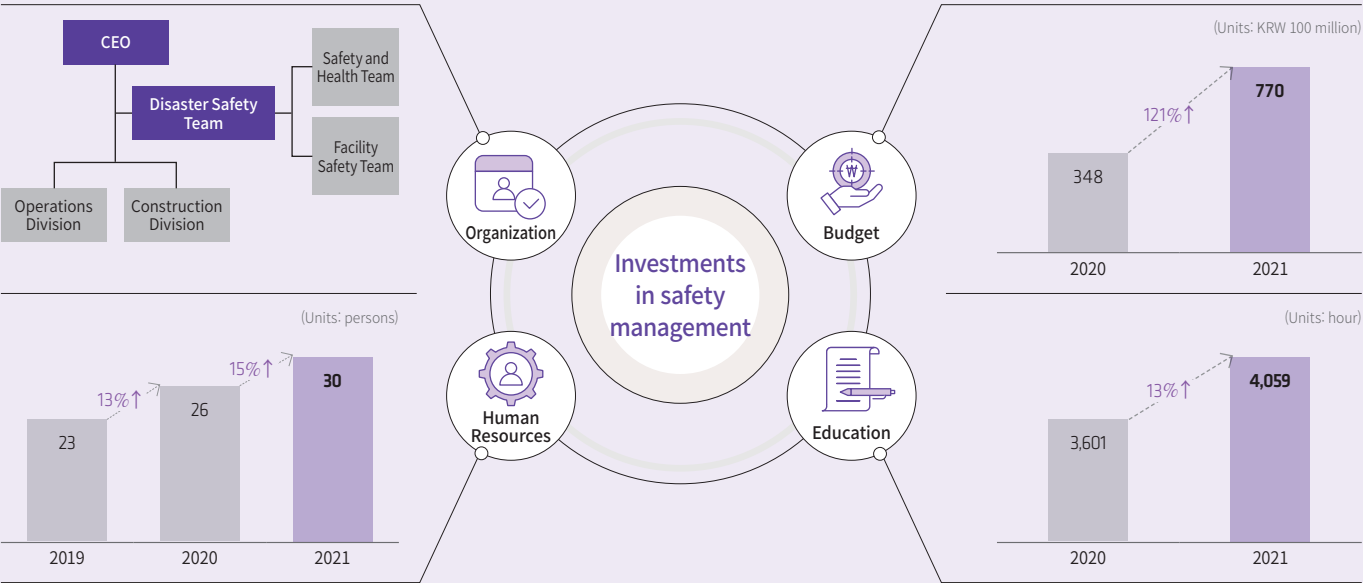
Safety Management Strategy

Incheon Port Authority is working hard to minimize the occurrence of safety accidents and achieve “zero” serious accidents by activating a comprehensive disaster safety management system so that Incheon Port could become a port that is safe for both workers and ordinary citizens. We are operating with safety as our most important priority through monitoring and a management system that enables us to improve onsite response system, secure the safety of passengers, build a safe port ecosystem and beef up the safety of facility and construction.

Comprehensive disaster safety management system

Goal	'Zero' serious accidents and safety accident minimization at Incheon Port			
Strategy	Strengthen on-site response system	Secure the safety of passengers	Build a safety ecosystem at the port	Strengthen safety of facilities and construction
Management system	<ul style="list-style-type: none">Set up a port safety consultative groupDisaster response manual (9 types)ISO22301 certification and operationMock shutdown training	<ul style="list-style-type: none">Disaster Safety Advisory CommitteeJoint risk assessmentTerminal quarantine manualJoint mock fire drill	<ul style="list-style-type: none">ISO45001 certification and operationSafety and health competency evaluationCEO Safety Labor Consultative GroupSupport for improving dangerous environments	<ul style="list-style-type: none">Cross examinations by safety inspectorsWorker safety protection systemSpecial oversight of inadequate work areasFacility improvements needed from user perspective
Monitoring	Port Safety Consultative Group Safety Labor Consultative Group	Performance inspection on the safety responsibility management plan	Inspection on the implementation of improvements needed in the safety management rating system	Onsite inspections by port patrol

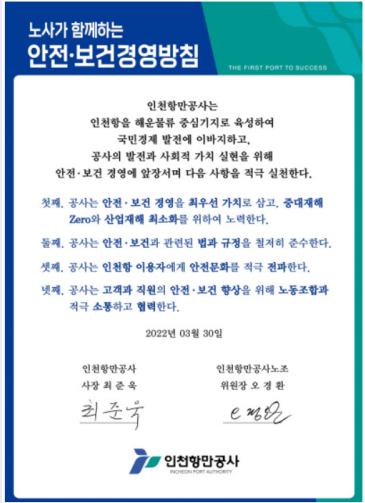
Increased investment in safety management



Special Report

Creation of a Safe Incheon Port

Safety and Public Health Management Policy



Disaster Safety Certification



ISO 45001

Business Continuity System Certification



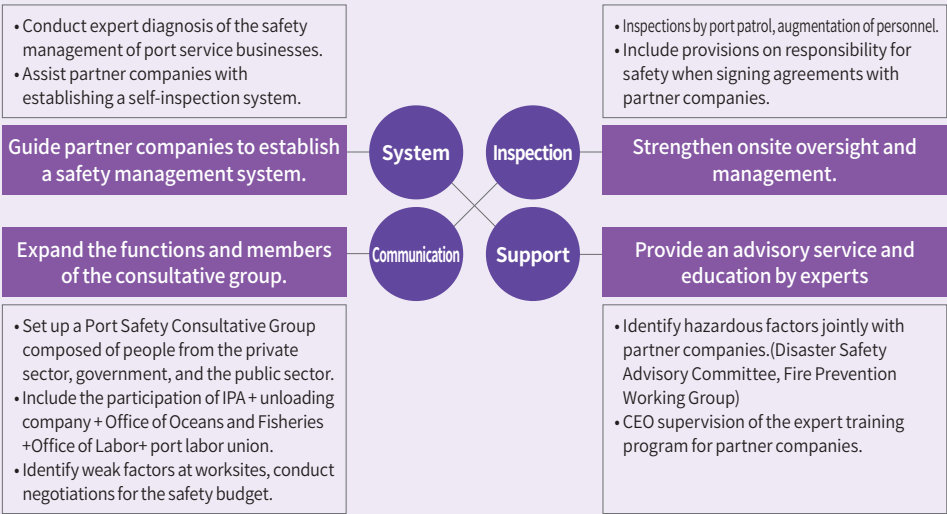
ISO 22301

Safety management implementation system

IPA recognizes that its partner companies need supervision and support to enhance their safety management capabilities due to the vast scope of port management and the characteristics of the harbor industry in which various groups of stakeholders are engaged or work.

Therefore, to develop special measures for preventing safety accidents at worksites in accordance with the Serious Accidents Punishment Act and the Special Act on Port Safety, IPA is strengthening its safety management capabilities by extending disaster-prevention governance to diverse parties including its stakeholders. Furthermore, by assisting partner companies with the establishment, management and supervision of a safety management system, communication via the consultation body, identification of risk factors, and educational support, we at IPA are maintaining the continuity of Incheon Port’s functions based on watertight management of worksite safety.

Safety Management Governance



Strengthening the Safety Management System

Pincette Safety Management

IPA operates Incheon Port with safety as the top priority according to a stringent repair policy, and inspects the port facilities at a much higher frequency than that stipulated by the law. It identifies areas in need of improvement and rectifies any weaknesses, for instance by identifying risk factors through onsite inspections of small worksites(usually the weak points in safety management) and by gathering the opinions of a working group composed of port facility users. IPA also carries out risk preventive measures at the construction site planning stage and at each stage of construction, and has lowered the appointment criteria for safety supervisors and reflected this change in the design. IPA also bears the expenses of implementing these measures. It has reinforced safety management by introducing disaster preventive measures for example by increasing the number of inspections aimed at preventing accidents at the construction stage, offering tailored education, and monitoring construction companies to check how well they enforce the required safety measures.

Classification		Improvements
Preventive Inspection	Safety inspection	• Inspection personnel: increased from 2 persons → 11 persons. • Inspection frequency: increased from once per month → 3 times per month. • Identified inadequate issues of safety measures when performing dangerous tasks and rectified them(61 issues).
	Danger evaluation	• Prior identification of risk factors, establishment and execution of rectification measures. • Legal requirement(once before the start of construction, total of 8 times)→IPA(once per month, total of 42 times) 34 times ↑
Education	Education on each process	• Safety management education(tailored & visiting) during construction(84 rounds).
	Meeting	• 199 cases of dangerous jobs, 100% improved.
System	Protection policies	• Before a worker starts working, all worker protection steps taken must be recorded in a journal. • Safety calls can always be made to stop work.
	Tightened penalties	• Immediate action will be taken against worksites identified as having poor safety management(penalty points are imposed). • Bimonthly special inspections are performed.

Safety assurance from the user’s perspective

IPA has reestablished its safety criteria by redefining them from the perspective of users and is improving its facilities by removing potential risk factors so that customers of all types can use Incheon Port more safely. The increased use of the pier has resulted in frequent damages to port facilities, and quarrels are being reported over who is at fault whenever damages occur due to the multitude of users crowding the pier. To prevent such safety risks, we have analyzed the cause of damage for each risk factor, clarified which party should bear the cost of repairing the damages, and gathered expert opinions in deriving an improvement plan, which was then adopted immediately. In addition, we sought to provide tailored safety by using the movement data of passengers to determine which aspects of multi-use facilities(such as terminals, connecting bridges, and berthing facilities) to inspect and improve

Classification	Description of Improvements
International Passenger Pier	• Damaged manholes → analyzed the weight of passing heavy equipment → 17 manholes were improved. • Damaged steel plate for slip prevention → tightened the specifications of steel plate, low-speed guide marking → steel plates subject to heavy loadings were improved, speed limit markings were painted on roads. • Damaged shock absorption facility → interference with ships during low tide → interfering fenders were removed(2 units) or relocated(1 unit). • Safety during the docking of new ships → elevated external force exerted by larger vessels → length of ship that could be berthed was calculated, birthing safety assessment.
Passenger Facility	• Pedestrian collision-risk facility, missing crosswalk paint job → timely improvement of facility, obtained 'Excellence' rating in the BF(Barrier Free) certification. • Aging control tower → reflected in the maintenance & repair plan and observed continuously. • Risk of falling or drowning → installation(pilot) of rescue ladders at berthing facilities for each danger level.

ESG Foundation

- 28 Stakeholder Communication and Participation
- 30 Stakeholder Interviews
- 32 Materiality Assessment

PERFORMANCE

(As of the end of 2021)



Container cargo volume

3.35 million TEU

Residents' satisfaction with region improvement projects

91.2



Hours of education per person

138.2 hours



Key issues

13



Purchase of products made by socio-economic enterprises

KRW **1.32** billion

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A BETTER FUTURE**

Stakeholder Communication and Participation

Definition of 'Stakeholder'

IPA defines its stakeholders as customers, employees, partners, communities, and governments. These are key stakeholder groups that are important to and can influence the sustainability management of the port authority. In addition, to better understand the needs of each stakeholder group, we operate a communication channel through which we encourage their participation and share their concerns. The lessons learned through active communication with our stakeholders are fed back into our strategy development and execution. This process forms the basis of business growth and co-prosperity at IPA.

Stakeholder communication

IPA operates a communication channel through which anyone can freely discuss, anytime or anywhere, the management of the port authority and its various projects. To create a port of inclusion, innovation, and fairness, IPA gathers the opinions of its stakeholders through bi-directional communication and uses the insights thus acquired to improve its management of the port. We at IPA are continuously taking steps to stimulate the use of the citizen participatory communication environment through which the different interests of stakeholders can be adopted into our operations. In 2021, we selected and adopted 313 of the 375 suggestions collected via various communication channels to improve our operations. Compared to the previous year, the adoption rate increased by 1.7%, while the public's communication satisfaction level increased by 0.5 points.

Increase in utilization of the communication channel by each stakeholder group

Goal of communication

Stakeholders

Communication channel

Direction of communication

Opinion gathering and feedback to management

Create an Incheon Port of inclusiveness, innovation and fairness with bidirectional communication in which anyone can participate,



Container company consultative body.
Unloading company meetings, etc.



Consultative meeting on the redevelopment of Pier1 and Pier 8.
Smart auto valley consultative council.



Citizen Discussion Center
Ideas Dissemination Center, etc.

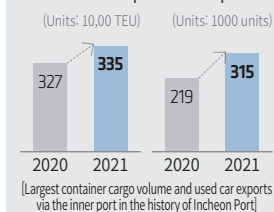
Strengthening of co-prosperity and communication

Communication that invites the participation of the local community

Refined analysis of public opinion data

Improved logistics flow

- Approve the unloading of cargoes at public berths, provide discounted port fees to reduce the imbalance in supply and demand for automobile transport ships.
- Secure supply of diesel exhaust fluid, share with small and medium-sized partner companies.



Strengthened safety and environment

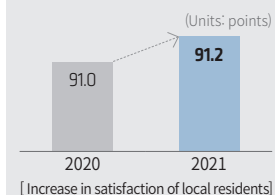
- Reinforce prevention of high-risk accidents.
- Declare the '2050 Carbon Neutrality Roadmap'.

Achieved 'Zero' serious accidents at the unloading area of Incheon Port for 3 consecutive years.

Fine dust emission reduction rate increased from 33.6%(2020) → 45.7%(2021)

Revitalization of the region

- Expand communication with the public, e.g. produce promotional materials on the redevelopment of the inner port.
- Explanation session/meeting on the Smart Auto Valley (20 sessions).
- Pursued the construction of a detour road to improve the living environment of local residents.



Realization of ethical management

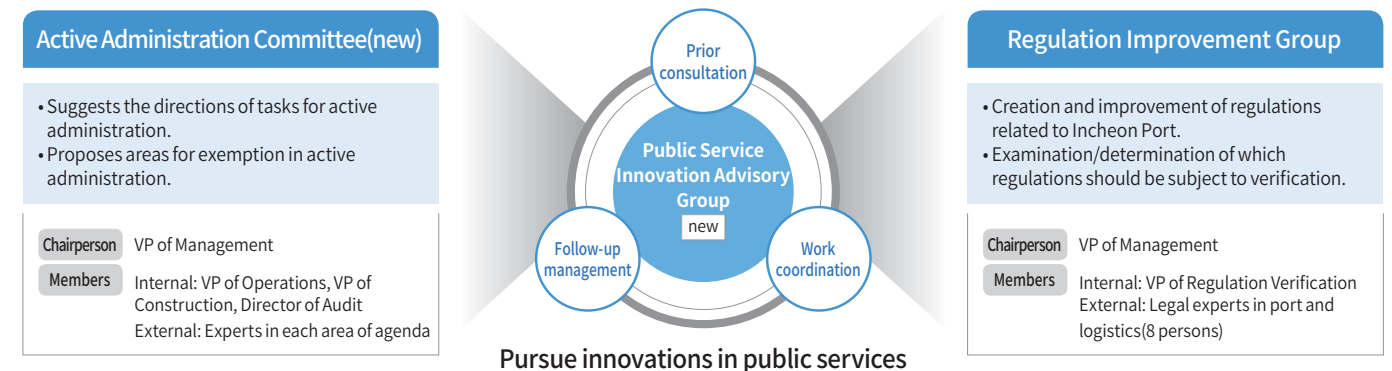
- Operate 'Clean Sea Incheon Port', a national ethical management project.
- Transfer the anti-corruption reporting system to SME partners and provide advice and counseling support.

Comprehensive evaluation of ethics level: '2nd level'

Anti-corruption measure evaluation: '1st level' for 2 consecutive years

The decentralization of the government bodies responsible for regulation innovation created the need to restructure the government function of identifying and processing innovation-related proposals and taking care of the follow-up steps. With this need in mind, IPA created the Public Service Innovation Advisory Group, whose mission is to innovate and improve public services by eliminating overlapping functions between regulation innovation and active administration and by strengthening the coordination of regulation innovation and active administration.

Composition and operation of organization responsible for pursuing innovation of public services



Creation of a passive administration reporting center **new**

Completed the improvement of **12 rules and 79 regulations**

Processed proposals on regulation innovation (3 cases)

Moreover, IPA strives to enhance transparency and earn the trust of the public by actively disclosing high-quality information sought by the stakeholders and the public. Through the pre-emptive and proactive disclosure of information, IPA received a score of 87.9 points (up 1.43 points from the previous year) in the 2021 comprehensive information disclosure evaluation conducted by the Ministry of Public Administration and Security. For example, IPA expanded the disclosure of prior information and high-value data.

Transparent and proactive disclosure of information

Increase the disclosure of prior information.

- Addition of an advance information notice board for disclosing information about construction subcontracts, ethics level evaluation results, etc.
 - ➔ Comprehensive evaluation of information disclosure: Perfect score for 'fidelity to promise on making advance information available', 9 points for 'customer management'.
- 8 points(2020) → 9 points(2021)

Request for information disclosure

- Request disclosure rate of 92%(19%p ↑ compared to 2020)
 - The time it takes to process a request for information disclosure was shortened by 1.5 days.
- 73%(2020) → 92%(2021)
- 6.9 days(2020) → 5.4 days(2021)

Increased data disclosure and utilization

- 23 cases of port logistics data were identified, API opening 128% ↑ (compared to 2020).
 - 22 cases of "excellence" in data utilization (contest, hackathon) were identified, data utilization up by 118% ↑.
- 240 cases(2020) → 523 cases(2021)

Increased disclosure of original data

- Reexamination of original data disclosure by each department every month and conversion to disclosure.
 - ➔ Original data disclosure rate of 56%(9.9%p ↑ compared to 2020).
- 46.1%(2020) → 56%(2021)

Ministry of Oceans and Fisheries
Evaluation of public data disclosure operation.

Achieved the 'Excellence' rating for 2 consecutive years.

이해관계자 인터뷰

Kim Jeong-In

Professor, School of Economics, Chung-Ang University



Recently, climate change has become a hot issue in all industries, not just in the port industry, and Incheon Port Authority must respond actively to this issue. The consumption of large amounts of energy and the resulting emissions of pollutants are an inevitable consequence of port operations. The marine environment around Incheon Port must be purified and cleanliness must be maintained by minimizing the levels of pollutants and carbon generated during port operations and by actively adopting eco-friendly energy. Also, due to the geographical characteristics of ports, they cannot be immune from damages caused by natural disasters such as the occurrence of typhoons and tsunamis at sea. To respond effectively to such port disasters in a timely manner, port authorities must establish detailed action steps through discussions with experts while keeping an eye on the long-term implications of their actions. IPA must make these environmental issues the foremost concern in its smart port construction project, review carefully the experiences of similar smart port projects undertaken by Rotterdam Port and TUAS of Singapore and steer the project in a direction that enhances the productivity of the port and allows it to co-prosper with the local community.

Lee Sang-Soo

Professor, Law School, Sogang University

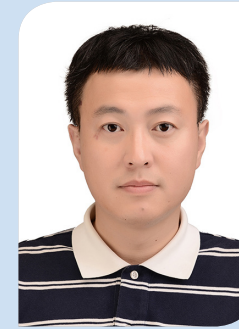


Because ports have many high-risk facilities spread across a wide region, they can sow the risk of all kinds of safety accidents. For this reason, the safety of IPA employees and port workers must take precedence over all other concerns, for the sustainable management of IPA's business. A safety system must be established that prevents fatalities during port operations and passenger ship dockings and accidents, as well as the kinds of major disasters that can affect workers at the pier. Furthermore, a culture of safety must be firmly embedded within the organization such that workers are obliged to respect. IPA must develop a set of port industry safety indicators with which it can objectively check safety at the port and the trends revealed by the indicators should be announced publicly on a regular basis. Thus, IPA must build trust with its stakeholders by transparently disclosing all accident data and follow-up measures taken to prevent accidents. In addition, the safety problems and environmental issues that may arise while cargo vehicles are entering and leaving the port are also important issues that IPA must resolve. IPA should create a private sector-government consultative body, diversify the communication channels for listening to the needs of the local community, and then reflect the voices of the local community in improving the environment around the port. In this regard, efforts to restore the environment for the benefit of the local community will have to be pursued continuously.



Bang Chang-soo

Secretary-General of the Labor Union, Incheon Port Authority



Safety is the most important issue in all port operations. With the enforcement of the Serious Accidents Punishment Act and the Port Safety Special Act, industry safety management has become an issue that concerns not just the relevant department or manager, but one that has to be addressed by recognizing that it is important for the company as a whole. Because accidents can negatively affect the productivity of the port and the operations of the port authority, it is critical to establish and activate a safety management system for preventing accidents. Before all else, an environment must first be created in which the employees of IPA and port workers can all work safely. Since 2020, IPA has been operating a smart innovation department that is responsible for transforming Incheon Port into a smart port. Through the development and adoption of Industry 4.0 technologies such as smart marine logistics processes, smart container commercialization technologies, and cloud-based container search platform, we are confident about securing the logistics competitiveness of Incheon Port. A smart port, once constructed, will enable the port authority to reduce the accident rate to 0% by protecting workers who are exposed to high risks due to the nature of their jobs and by reinforcing safety. At the same time, IPA must pursue safety aggressively if it wishes to earn the trust of IPA employees and the workers of Incheon Port and get its stakeholders to harbor strong convictions about IPA.

Oh Wan-Jin

Director of the Shared Growth Committee



Due to its inherent nature, the port industry experiences numerous conflicts with local communities over environmental issues in particular. This is another reason why IPA has to focus on the environment(E) and society(S) aspects of its ESG management in particular. The sustainability of a company is possible only when it has secured the necessary growth engine. IPA has to search both for the growth engine within its environmental element(port) and the social element which holds regional and industrial interests. In this regard, the activities(performance sharing with partner companies, youth entrepreneurship and startup support, partnership agreements) that IPA has been actively promoting in recent years prove that it is working on shared growth with local communities by revitalizing the port industry. IPA's management strategy of improving the environmental-friendliness of its main business and establishing a robust cooperative system with the local community was recognized by the outside world when it was given an "Outstanding" rating in the recently announced shared growth evaluation. In the coming years, stakeholders are expected to increasingly demand reduction in sea pollution out of concern over its negative impact on the environment of local communities. Therefore, IPA must make ensure the sustainability of port operations by revising or strengthening its existing policies on the marine environment and pay special attention to core sustainable issues in the environmental area.

Lee Myung-Sook

Chairman of the Incheon Social Welfare Council



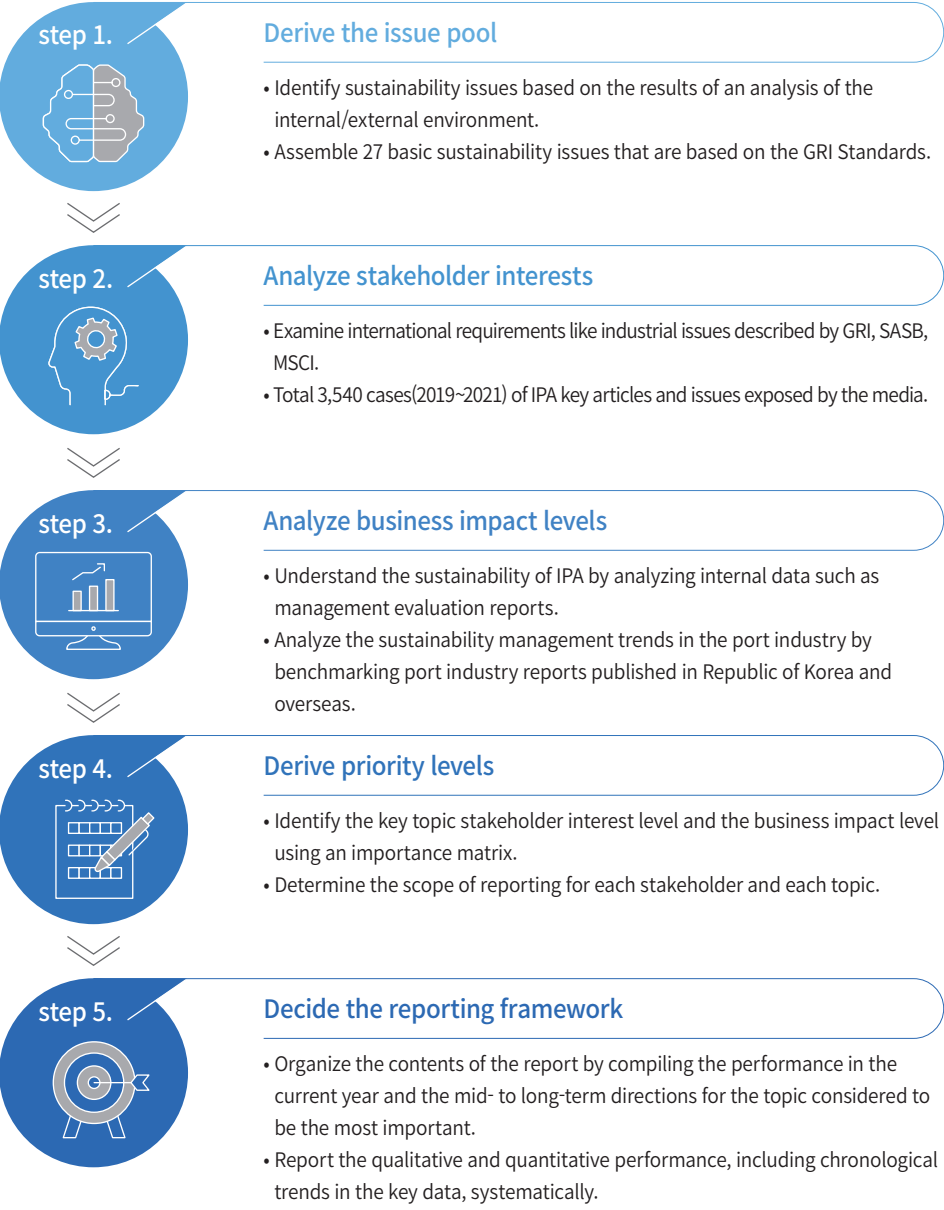
IPA, which naturally is based in Incheon, is a public agency that wields enormous environmental, social and economic influence on its local communities. I believe that IPA has demonstrated its determination to contribute to local communities and the nation in its capacity as a public agency by establishing a detailed roadmap on how it is going to meet its social responsibilities at the ESG management declaration ceremony held last year, and then following through on that by steadily implementing the plan. Active participation in the well-being and prosperity of local communities is now a prerequisite for a company's sustainability management. This requires IPA to understand the pending issues in the local communities by engaging in trust-based seamless communication with other related agencies, plan resolution methods from a long-term perspective, and set up a system for implementing those methods. Presently, IPA is energetically pursuing social contribution activities that benefit the poor and those in need, ranging from the support given to socio-economic enterprises, startups and youth entrepreneurs in order to revive local economies, to delivering locally made food to free meal centers. I hope that IPA will continue to utilize its communication channels and perform effective community contribution activities in such a way that those activities ultimately become a cornerstone for future generations by sufficiently accommodating the needs of local residents.

Materiality Assessment

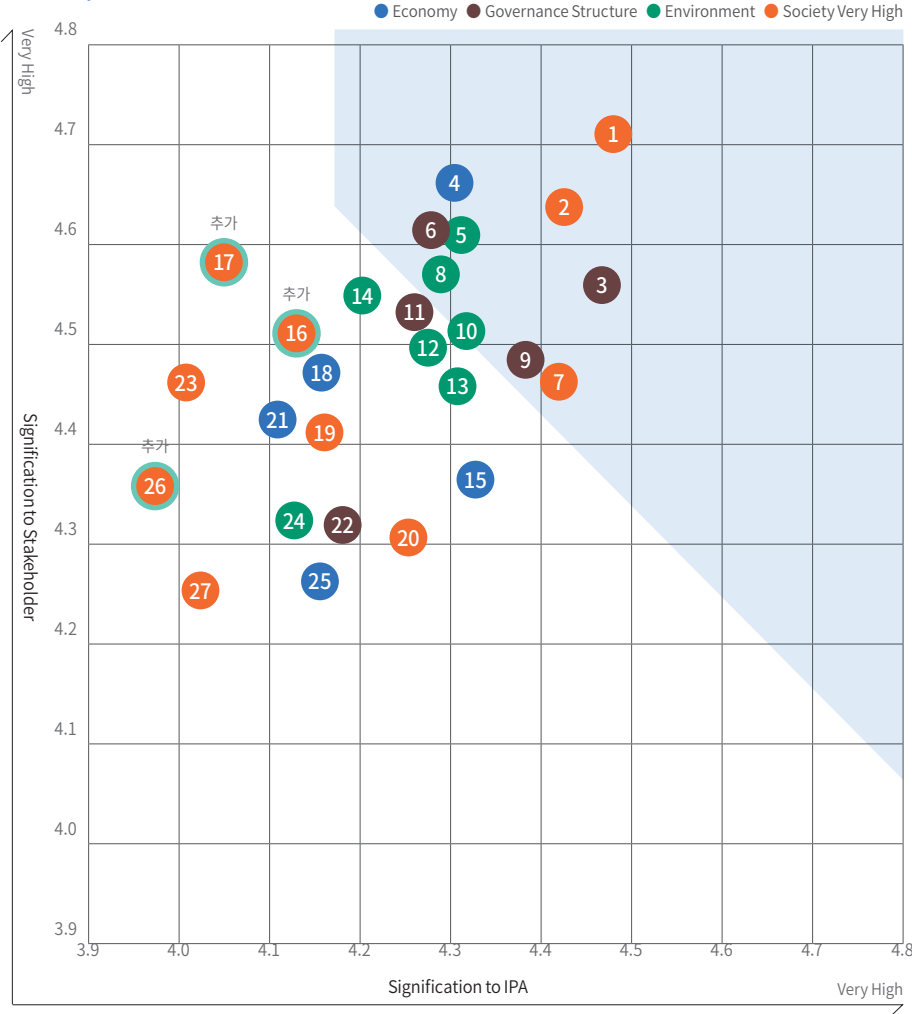
Materiality Assessment process

IPA conducted a materiality test to understand the key issues in sustainability management and communicate transparently with its stakeholders. The materiality test was conducted in accordance with the GRI(Global Reporting Initiative) standards and the principles of sustainability context, materiality, completeness, and stakeholder inclusiveness, which are the reporting principles recommended in ISO 26000. All aspects that affect or influence IPCA’s sustainability management, such as its corporate vision and strategies, issues in the global port industries, media exposure and international trends in sustainability were evaluated comprehensively, and the key areas of interest of its stakeholders identified were selected as the most important issues.

Then the results of the materiality assessment were reported in a report whose table of contents and data were based on the thirteen issues selected as the key issues for IPA.



Materiality Assessment Matrix



Key Issues in 2021		
No.	Issue	Area
1	Strengthening the industrial safety management of port workers.	Society
2	Strengthening customer safety management(response to port disaster, etc.).	Society
3	Strengthening the ethical management and anti-corruption system.	Governance structure
4	Strengthening the competitiveness of the port infrastructure.	Economy
5	Reducing marine pollution.	Environment
6	Strengthening stakeholder communication.	Governance structure
7	Rational performance evaluation and compensation.	Society
8	Management of waste water and waste materials.	Environment
9	Establishment and operation of a transparent governance structure.	Governance structure
10	Climate Change Response.	Environment
11	ESG/Sustainability management strategy.	Governance structure
12	Emissions of atmospheric pollutants.	Environment
13	Management of greenhouse gas emissions.	Environment
14	Strengthening the circular economy (recycling or resources, etc.).	Environment
15	Increasing passenger and cargo volumes.	Economy
16	Management of the sustainable supply chain(environmental impact management/support, etc.).	Society
17	Participation in the development of the regional community.	Society
18	Construction of the smart port (digital transformation, etc.).	Economy
19	Strengthening human rights management.	Society
20	Recruitment of talents and development of human resources.	Society
21	Development of new businesses.	Economy
22	Pre-emptive risk management.	Governance structure
23	Shared growth with partner companies.	Society
24	Managing energy efficiency (renewable energy, etc.)	Environment
25	Increasing customer satisfaction.	Economy
26	Creating new jobs.	Society
27	Strengthening sound management near the port.	Society

Some of the important issues selected on the basis of a comparison with the results of the materiality evaluation from the previous year include “strengthening the ethical management and anti-corruption system”, “strengthening stakeholder communication”, “rational performance evaluation and compensation”, “management of wastewater and waste materials”, “establishment and operation of a transparent governance structure”, “participation in the development of regional community”, and “creating new jobs”.

Selected Materiality Issues

No.	Key Issue	GRI Topics	Reporting boundary		Page
			Internal	External	
1	Strengthening the industrial safety management of port workers.	GRI 403: Occupational Health and Safety	●		63~65
2	Strengthening customer safety management(response to port disaster, etc.).	GRI 416: Customer Health and Safety		●	66
3	Strengthening the ethical management and anti-corruption system.	GRI 205: Anti-Corruption	●	●	82~84
4	Strengthening the competitiveness of the port infrastructure.	GRI 203: Indirect Economic Impacts	●	●	88~94
5	Reducing marine pollution.	GRI 304: Biodiversity	●	●	44~46
6	Strengthening stakeholder communication.	-	●	●	28~31
7	Rational performance evaluation and compensation.	GRI 404: Training and Education	●		58
8	Management of wastewater and waste materials.	GRI 306: Waste	●	●	100
9	Establishment and operation of a transparent governance structure.	-	●	●	82
10	Climate Change Response.	GRI 305: Emissions	●	●	40~43
11	Management of then sustainable supply chain (environmental impact management/support, etc.).	-		●	68~69
12	Participation in the development of the regional community.	GRI 413: Local Communities		●	71~72
13	Job creation.	GRI 401: Employment	●	●	48~52

ESG Performance

36 ENVIRONMENT
47 SOCIAL
78 GOVERNANCE
87 BUSINESS

PERFORMANCE

(As of the end of 2021)



Fine dust reduction rate

45.7 %
(Compared to 2017)



Job creation

2,076 persons



Anti-corruption
measure
evaluation

1st grade



Adoption of a safety
management system



Comprehensive ethics level evaluation

2nd grade

**MOVING TOWARD
A BETTER FUTURE**

ESG Performance



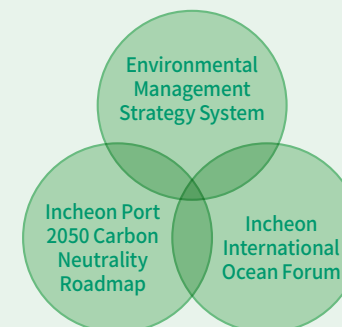
ENVIRONMENT

Environmental Management System | Climate Change Response |
Environmental Impact Management

Environmental Management System



2021 Performance



Link to SDGs



> Context

The whole world including Republic of Korea is experiencing the effects of climate change on the daily lives of human beings. The geographical environment, consisting of the ocean and neighboring areas that are home to the key businesses of IPA, is intimately connected with the environmental issues that have become a major cause for concern in recent years. As IPA fully recognizes and understands the seriousness of these environmental issues, it develops and pursues management strategies for minimizing the environmental impact of its port business, ultimately contributing to the successful implementation of the government's Green New Deal policy.

> Approach

Because the port industry is dependent on the ocean and the environment of the bordering areas, when establishing a business plan and managing the business, the effects of the ocean environment must be taken into consideration to a far greater degree in the port industry than in other industries. IPA knows this and is committed to deploying an environmental management strategy system in order to reduce air and sea pollution at Incheon Port, create a low-carbon port, and contribute to fulfilling the 2050 Carbon Neutrality objective.

Next Plan



Implementation of the environmental management strategy system



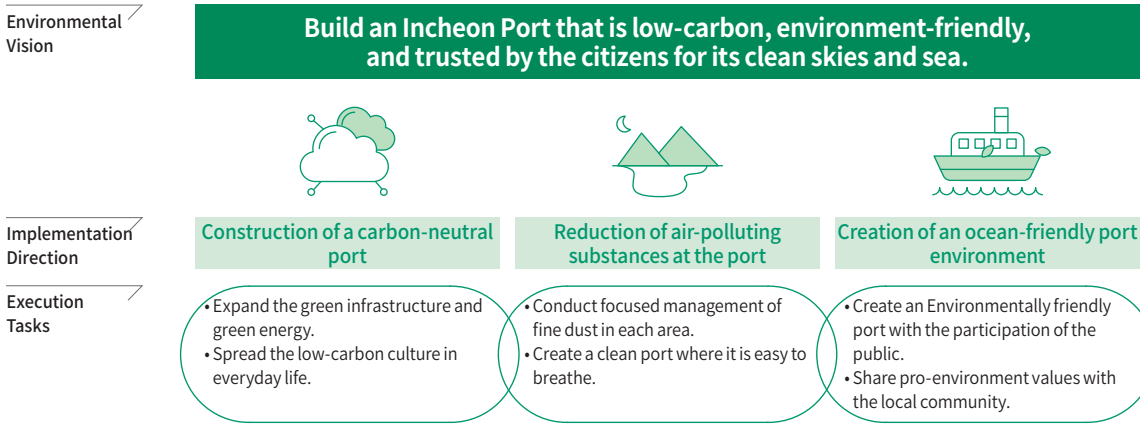
Achieve IPA's own carbon neutrality agenda (~2030)

Environmental Management System

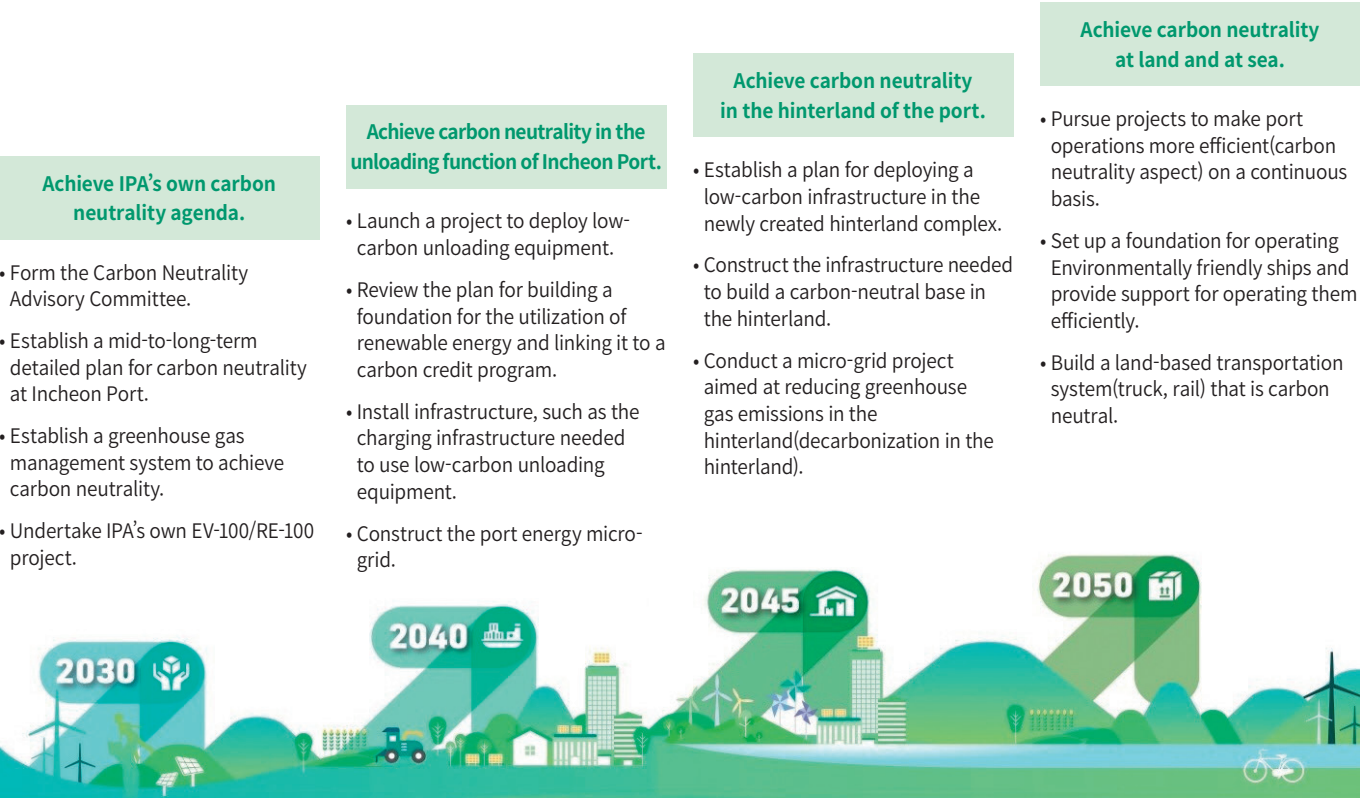
Environmental Management Strategy System

In order to faithfully execute the government’s carbon neutrality policy, guarantee the public’s right to protect the environment, and accommodate the transformation to a pro-environment paradigm, IPA has established a management system with which it aims to create a sustainable, low carbon, green port. Under the vision of realizing an Environmentally friendly port that the public trusts because of its clean sky and sea, we are resolved to create a sustainable green port.

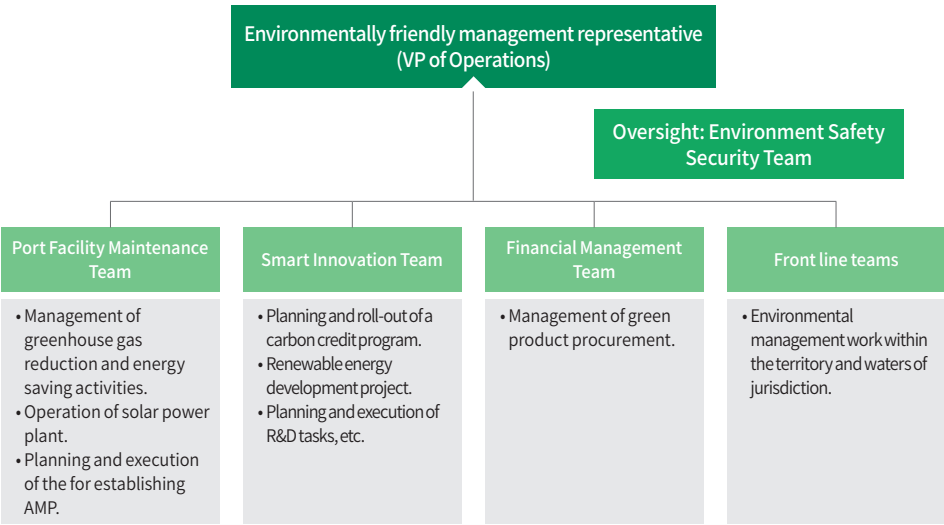
Environmental Management Strategy System



Incheon Port’s 2050 Carbon Neutrality Roadmap



Environmental Management Implementation System



Incheon International Ocean Forum

During a two-day period starting on June 30, 2021, IPA held the 2nd Incheon International Ocean Forum to explore the future strategies of the ocean industry in such areas as sustainable port operations and the ocean environment. Hosted jointly by the Ministry of Oceans and Fisheries and Incheon City and organized by IPA and Yonhap News, the forum attracted the participation of government representatives, businessmen, and experts from around the world with the grand theme of “The World Calls, The Ocean Waves”. During the forum, the developmental direction of the ocean industry was discussed at separate sessions on the future strategies of GSCM(Global Supply Chain Management), artificial intelligence/smart ports, port networks, oceanic environments, ocean tourism, and ocean design. The forum was held under the watchful gaze of participating ocean industry experts from Republic of Korea and around the world, and strict adherence to social distancing and quarantine rules was enforced to prevent the spread of COVID-19. In the future, it will continue to work hard on contributing to not only the growth of the Incheon Port, but also to the preservation of the ocean environment and finding ways of coexisting with the ocean industry.





2021 Performance

Construction and introduction of the country's first LNG tugboats.



2021 Carbon Neutrality Green Management Award
Received the Minister of Trade Industry and Energy Award.



Link to SDGs



Context

The environmental crisis caused by climate change is affecting all aspects of a company's business operations. Responsibility for the environmental dangers attributable to climate change, such as the rising sea levels and abnormal temperatures that are being experienced by people today, can no longer be consigned to future generations. It is an issue that requires our complete attention now more than any other social concern and must be tackled aggressively.

Approach

IPA is endeavoring to minimize the environmental impact of its business operations on the world, including the oceanic environment. We at IPA are expanding our infrastructure to reduce the GHG and carbon emissions generated by our burning of fossil fuels by expanding the production of renewable energies.

Next Plan



Environmentally friendly energy self-sufficiency for the port through the use of renewable energy.



Introduction of Environmentally friendly port equipment and expansion of Environmentally friendly fuel conversion.

Climate Change Response

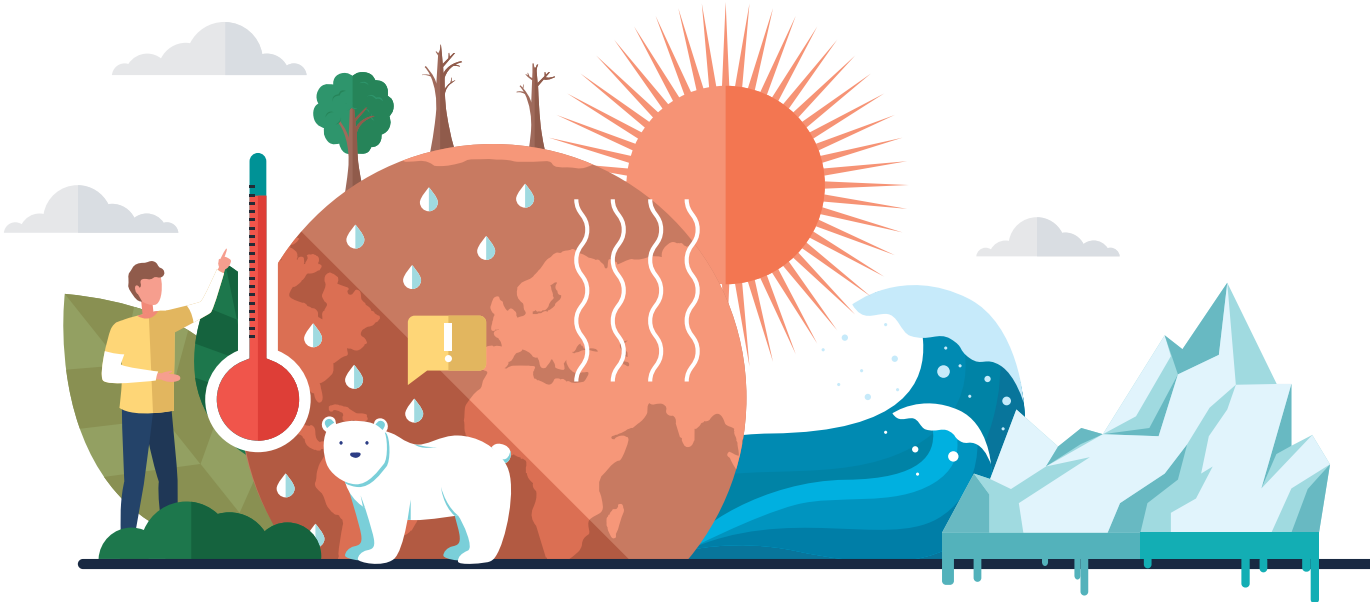
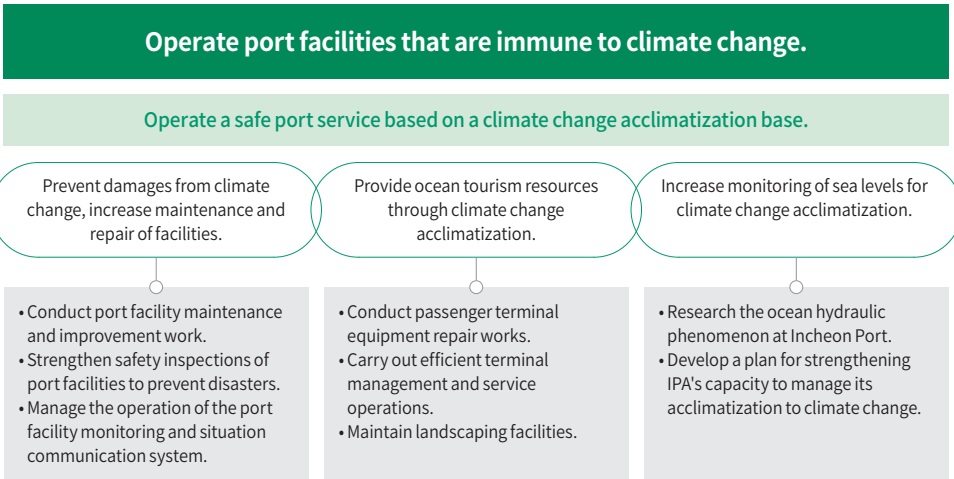
Climate Change Response Strategy

Maritime transportation is the most energy-efficient method of transporting large cargoes, but the increase in greenhouse gas emissions caused by every increasing global trade is exacerbating the environmental crisis considerably. This situation requires the collective effort to reduce their greenhouse gas emissions. Since the amount of greenhouse gas emissions in the port sector is in direct proportion to the volume of trade, IPA is aiming for a reduction of 37% of BAU(in business-as-usual scenario) level.

Climate change vision

Strategic goal

Detailed action steps needed



Expanding the Use of Renewable Energy

IPA is steadily investing in facility expansion to meet the growing need for renewable energy to build an environmentally friendly port. In 2021, IPA built an environmentally friendly power grid that partially replenishes ships docked at the port with electricity generated by a solar power plant. This system entailed the construction of PV modules that float on the surface of the water running through the floodgate conduit. This conduit controls the water level in the Incheon inner and outer ports and is an idle space for constructing such a power plant. In 2021, the addition of IPA’s Solar Unit 2 Solar Power Plant and its floating solar power plant enabled IPA to produce 3.2GWh of electricity, 0.95GWh more than the amount produced in 2020. In addition, with the deployment of the Incheon Port Renewable Energy Integrated Management System, IPA expects to increase its energy generation efficiency by more than 6%. A portion of the profits from the sale of electricity generated by IPA’s environmentally friendly power plants’ eco-friendly power generation is returned to the local community through an energy voucher program, creating social value that simultaneously solves the problems of the environment and the local community. IPA will continue to work on creating an eco-friendly port by operating an environmentally friendly power grid that obtains electricity from a floating solar power plant.

Status of solar power plant construction projects

Category	Plant Capacity		Construction Completion
	Solar(MW)	ESS(MWh)	
IPA Solar Power Plant	0.88(0.57/0.31)	-	1 st phase: 2013 2 nd phase: 2020
Naeum Solar Power Plant	0.08	-	2018
IPA North Port Haetbit Power Plant	0.95	3	2019
IPA Solar Unit 2 Solar Power Plant	0.55	-	2021
Floating solar power plant, etc.	0.4	2	2021
IPA North Port Unit 2 Solar Power Plant	0.61	-	Expected in 2022
IPA Solar Unit 2 Solar Power Plant	0.17	-	Expected in 2022
Total	3.64	5	-



Floating solar power plant

Detailed implementation status

Category		Haetbit Nanum Power Plant	Haetbit Naeum Power Plant
Period of Operation		2016 - 2041	2017 - 2042
Installation location		North Port, Aam Logistics Complex, Incheon Girls Commercial High School	North Port, Getgol, Aam Logistics Complex, cargo truck parking lot
Collaborating agencies		IPA, Incheon Office of Education, Korea District Heating Corp., TOPSOLAR(Inc.)	IPA, Korea District Heating Corp., Korea Childhood Leukemia Foundation, UNI-TEST(Inc.)
Expected Benefits (Period: 25 years)	Haetbit	\6.3 billion in economic benefits for small and medium-sized logistics companies.	\8.2 billion in economic benefits for small and medium-sized logistics companies.
	Nanum (Naeum)	Support for 1,400 persons in the vulnerable segments of society.	Support for 250 patients with leukemia and childhood cancer.

Greenhouse Gas Reduction Activities

As part of its environmental activities to minimize the effects of climate change, IPA is laying the foundation for a low-carbon port and spreading a carbon-neutrality culture in the hope of reducing greenhouse gas emissions at Incheon Port. Through the construction of green infrastructure and the expansion of green energy, IPA intends to lay the foundations for a low-carbon port by 2021, minimize the port’s carbon footprint by 2025, and achieve carbon neutrality by 2030. In 2021, IPA was able to reduce its CO2 emissions by 2,743 tons, as well as reducing its generation of fine dust by 45.7% compared to 2017 - clear signs of how hard IPA has been working to achieve carbon neutrality. IPA’s efforts in this area were recognized by the government with the presentation of the Minister of Trade, Industry and Energy Award at the 2021 Carbon Neutrality Green Management Awards, an event jointly organized by the Ministry of Environment and the Ministry of Trade, Industry, and Energy.

Construction and Adoption of Korea’s First LNG tugboat

IPA replaced old tugboats with diesel engines that emit a lot of air pollutants with LNG-propelled tugboats. South Korea’s first LNG-propelled tugboat*(310 tons) was built by IPA. Named “Songdo”, the tugboat was developed under a Ministry of Oceans and Fisheries-sponsored project and was put to sea in September. The ‘Songdo’ was built with domestic materials(80%) and uses LNG as fuel. With 90.2% nitrogen oxide reduction, 100% sulfur oxide reduction, 24.3% carbon dioxide reduction, and 94% fine dust reduction, the LNG tugboat has far fewer detrimental effects on the environment than diesel-powered ones. Through the construction and adoption of the country’s first LNG tugboat, Incheon Port is expected to contribute to expanding the use of environmental fuels at the nation’s ports and to reducing greenhouse gas emissions, while also leading the transformation to environmentally friendly ports.

* Based on the certificate of a ship’s nationality.

Green Mobility

As a prior step to the formal adoption of green mobility at the port, IPA is piloting a test bed for electric two-wheeled vehicles. Through the successful testing of three charging docks and two bikes, we are trying to bring about the accelerated adoption of green mobility and contribute to reducing greenhouse gas emissions at the port.

Power Supply for Ships

In 2021, IPA acquired another power supply device for large ships and now operates three such devices. A power supply device transfers power from a land-based power supply to a large ship berthed at a port while it is sitting idle with the engine turned off. It is a green infrastructure that reduces the emission of air pollutants at the port. In 2021, we used the power supply device at Incheon Port ninety-three times and were able to reduce CO2 emissions by 23 tons.



Environmental Impact Management



2021 Performance

Established an aging vehicle management system and perform a trial run of the system. Provided free inspections and cleaning of diesel particulate filters(DPF) for vehicles entering and leaving the port(with the cooperation of the Ministry of Environment).

Activated the use of land-based power supply devices(addition of 1 high-pressure AMP).

Operated a vessel speed reduction program.

Began operating a ship that runs on Environmentally friendly fuel. (1 LNG-powered tugboat put out at sea)

Reduced fine dust level by 45.7%. (compared to 2017)

Link to SDGs



Context

Due to the relentless pursuit of industrial development and accelerated growth without considering the environmental effects, the world has come to a point where future generations are confronted with the disturbing prospect that the very survival of mankind is at stake. The geographical environment, consisting of the ocean and neighboring areas that are home to the key businesses of IPA, is intimately connected with the environmental issues that have become a major cause for concern in recent years. As IPA fully recognizes and understands the seriousness of these environmental issues, it develops and pursues management strategies for minimizing the environmental impact of its port business.

Approach

IPA recognizes the effects of the ocean environment in the port industry than in other industries and is making multifaceted efforts to reduce air and sea pollution at Incheon Port and transform it into a low-carbon port. It is putting carbon neutrality into practice by improving the infrastructure for reducing carbon emissions and, by expanding the adoption of renewable energy, is raising the energy self-sufficiency of the port, while achieving carbon neutrality by rolling out a campaign to preserve the ocean environment.

Next Plan



Port value chain-based strengthening of environmental pollution source management



Build an infrastructure for recycling marine waste material resources.

Environmental Impact Management

Preservation of the ocean environment

IPA has been practicing ocean environment preservation by setting up a joint response system to deal with marine pollution in its business operations. In the event of marine accidents or when port facilities are too far away(berthing spots, sea routes), it is difficult to respond immediately to a pollution mishap. To address these issues, IPA has entered into an agreement with the Korea Marine Environment Management Corporation to create a joint emergency response system to handle pollution events at sea. Presently, IPA conducts joint patrols using recovery ships and waste-cleaning ships belonging to the Korea Marine Environment Management Corporation, to take initial action against oil leak mishaps in old ships and coordinate the movement of ships. In this way, by taking preemptive action against risk factors that could lead to marine pollution, IPA is realizing sustainable clean port operations.

Furthermore, IPA has designated June as the 'Month of Incheon Port's Ocean Environment' and instituted the 'Practicing Carbon Neutrality in Everyday Life' program in which any citizen can take part if they so wish. On the 26th Day of the Sea, employees of IPA joined employees of the Incheon Regional Office of Oceans and Fisheries, the Incheon Office of the Korea Marine Environment Management Corporation, Inha University, and the National Federation of Fisheries Cooperatives in collecting garbage from the revetment area in Youngjong-do Island, Incheon. IPA also hosted an event called 'Practicing Net Zero in the Everyday Life SNS Bingo Challenge' which aimed to raise awareness of the importance of carbon neutrality among the participants with giving out rewards, SEARCLE* Net Zero Practice Kits.

In addition, to promote a culture of eco-friendly tourism and stimulate island economies, IPA kicked off the 'Sseudam Sseudam Incheon Nice Island Trip' campaign for a 3-month period starting in October 2021, mainly targeting people who visit the island region of Incheon. In this campaign, the participants must choose between a pledging event in which they have to promise to follow 'The 10 Commandments for a Pleasant Island Trip' by scanning a QR code, and a hashtag(#Incheon Nice Island Trip, @dadale_incheon) event in which participants must collect plastic garbage during their trip. IPA is continuously developing programs aimed at promoting a culture of eco-friendly tourism and setting up resource recycling systems. For example, as a token of appreciation, IPA presents the participants with upcycled bags made from plastic collected during the campaign.

* SEARCLE: A marine environment brand created by IPA in August 2020 to promote resource recycling for protecting the environment.



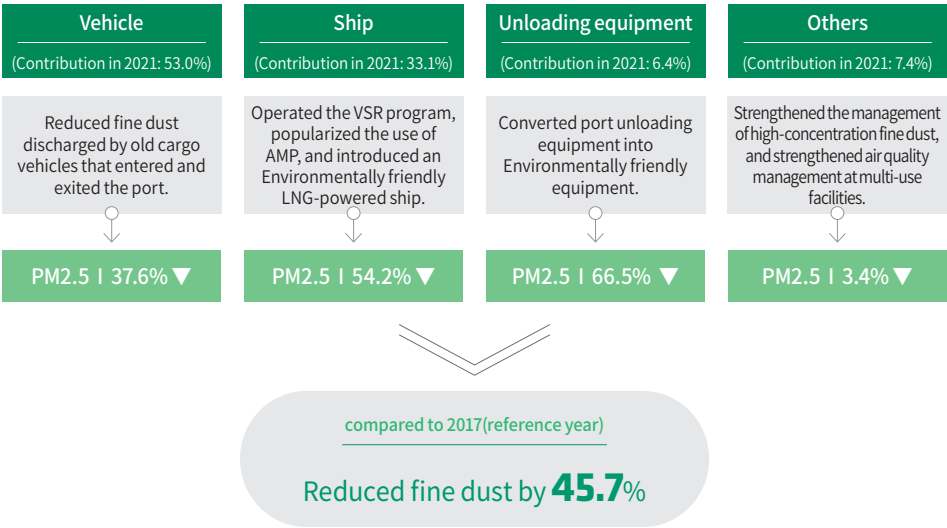
Poster for 'Sseudam Sseudam Incheon Nice Island Trip' campaign.



A view of the unmanned pavilion used in the campaign to curb the use of disposable products.(Incheon Port Coastal Ferry Terminal)

Air Pollution

IPA has met its target for reducing its generation of fine dust, which is so harmful to human health, for four consecutive years, and conducted focused management of the air quality at Incheon Port, thereby improving the atmospheric environment. In addition, IPA is making efforts to reduce the amount of fine dust discharged by vehicles, ships, and unloading equipment, which are the three major sources of emissions in ports. As a result, in 2021 IPA was able to cut down fine dust by 45.7% compared to the level measured in 2017(base year).



Reduction of fine dust discharged by old cargo vehicles that enter and exit the port

Incheon Port established the country’s first system for managing aging vehicles at Incheon’s inner port and is presently piloting the system. However, since it is a pilot project, the entrance of old vehicles is not actually restricted. Instead, drivers are notified with LED indicators and provided with field guides. In addition, with the cooperation of the Ministry of Environment, Incheon Port is pursuing diverse projects involving vehicles that enter and exit the port.

Popularization of the land-based power supply device

In 2021, IPA adopted a land-based power supply device to be used for reducing GHGs and air pollutants from ships docked at piers with their engines running idle. It also acquired another 1 high-pressure land-based power supply device(AMP, Alternative Maritime Power Supply), bringing the total to three.

Operation of vessel speed reduction program

IPA, in partnership with the Ministry of Oceans and Fisheries, introduced the vessel speed reduction(VSR) program with the objective of decreasing the level of air pollutants emitted by ships. Participation is not mandatory, but incentives are given to participating ships.

Introduction of Environmentally friendly LNG-powered ship

IPA contributes to improving both the environment and the competitiveness of an Environmentally friendly Incheon Port by operating Environmentally friendly LNG-powered ships that discharge very little air-polluting substances and is assisting with the construction of such ships. IPA has been operating an LNG-powered ship, the ECONURI, since 2013 when it became the first port in Northeast Asia to adopt an LNG-powered vessel. It also constructed an Environmentally friendly(LNG-propelled) tugboat to replace an aging tugboat and put it to sea in September 2021.

Conversion of port unloading equipment into Environmentally friendly equipment

In order to decrease the amount of air-polluting substances discharged by unloading equipment at the port, IPA is pursuing several projects, one of which consists in attaching diesel particulate filters(DPF) to unloading equipment.

ESG
Performance



SOCIAL

Job Creation | Human Rights Management | Creation of a Safe Port Ecosystem
Shared Growth | Local Community Participation | Customer Satisfaction Management



2021 Performance

Job Creation

2,076 persons

Selected as an excellent job-creating agency by

the Presidential Committee on Jobs.

Link to SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Context

The role of the people who work in the port industry is more important than anything else where sustainable operation of the industry is concerned. The creation of good jobs must be geared toward qualitative as well as quantitative growth, and the economic stability it brings must lead to the formation of a healthier society. Furthermore, in the current age of uncertainty, we must aim to uphold human and community values and pursue social values that contribute to the betterment and benefit of the public.

Approach

IPA is striving to create good-quality jobs in the port industry and to ameliorate the problem of low recruitment that afflicts the whole industry, primarily through the sharing of jobs made possible with new forms of employment. IPA is focused on attracting investments and opening sales channels for companies because it is exactly this kind of support that leads to the creation of jobs, whether it be jobs tailored for people in the local community or jobs created as a result of providing funds to startups.

Next Plan

Create inclusive jobs in the private sector and play a leading role in ensuring fair competition.

Create jobs for the public through innovative forms of employment.

Job Creation Strategy

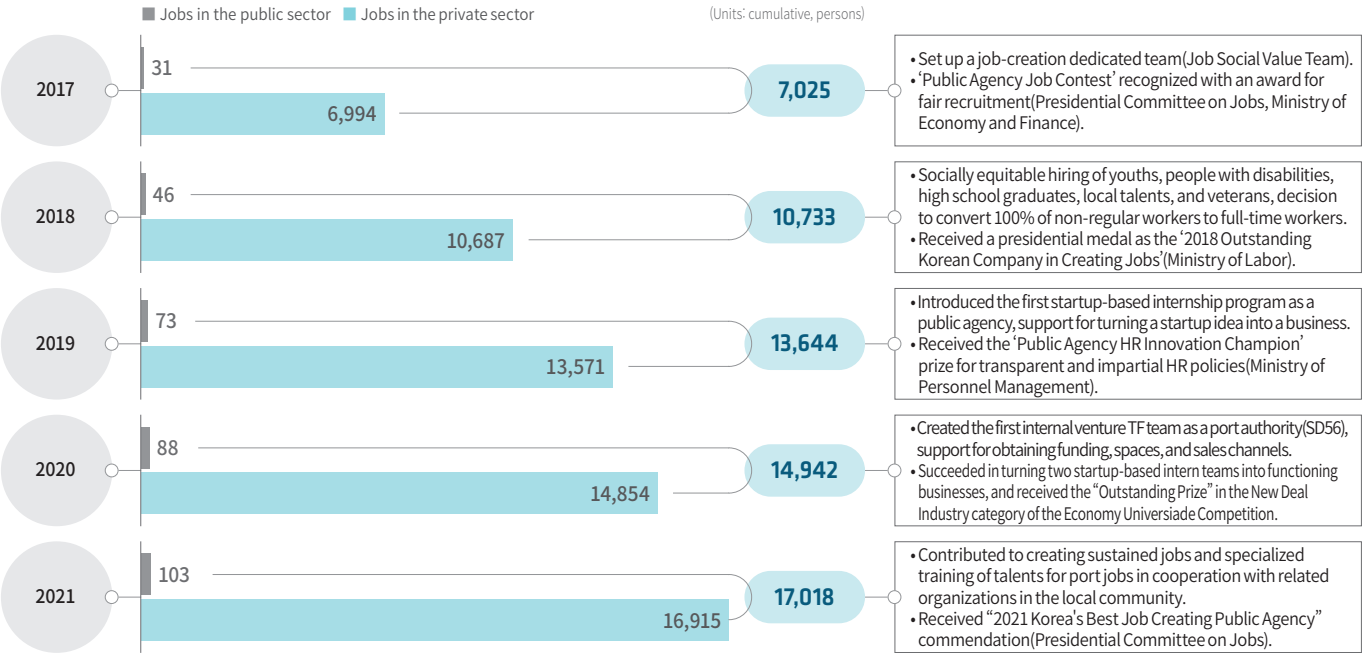
To create good quality jobs, IPA has been pursuing innovative strategies that have borne fruit in the form of 17,018 jobs created in the five years since 2017. Some of these strategies included the formation of a job-creation dedicated team, the introduction of the very first startup-based internship program by a public agency, and the creation of the first Internal venture TF Team by any port authority. To address the deteriorating situation surrounding recruitment in the port industry due to the ongoing spread of COVID-19, IPA strengthened the foundation for job creation in the port industry in 2021 by creating the slogan “Build Incheon Port into the No. 1 Port of Happiness” and established an inclusive job safety network.

To strengthen the basis for job creation, IPA expanded its job creation program for the port by hosting job creation idea contests and establishing a plan for creating jobs, and also reinforced its cooperation with the local community. IPA also instituted a process for job creation – consisting of inspections and job creation monitoring by the Social Value Committee, job incentives based on performance, selection of best practice cases, and the publicizing of such cases. By pursuing an inclusive job creation strategy, IPA has succeeded in creating high-quality jobs for 2,076 individuals, including public jobs with diverse forms of employment, port-specific jobs in key business areas, and sustainable jobs based on innovation and cooperation.

Inclusive Job Creation Strategy

Direction of job creation	Jobs for the public through innovative forms of employment	Port specialized jobs in core business	Sustainable jobs based on innovation and cooperation
Description of methods of job creation	<ul style="list-style-type: none">• Improve modes of working.• Institute flexible working hours.• Improve the quality of converted worker recruitment.	<ul style="list-style-type: none">• Expand infrastructure and specialized jobs.• Expand port-related subcontracted work.• Support the growth of in-house ventures and startups.	<ul style="list-style-type: none">• Create jobs tailored to all segments of society.• Create jobs in the fields of new technology and innovative technology.• Work with partner companies on job stabilization.
Performance	Jobs in the public sector 15 persons	Jobs in the port(logistics, construction) 1,961 persons	Jobs in New Deal regions 100 persons

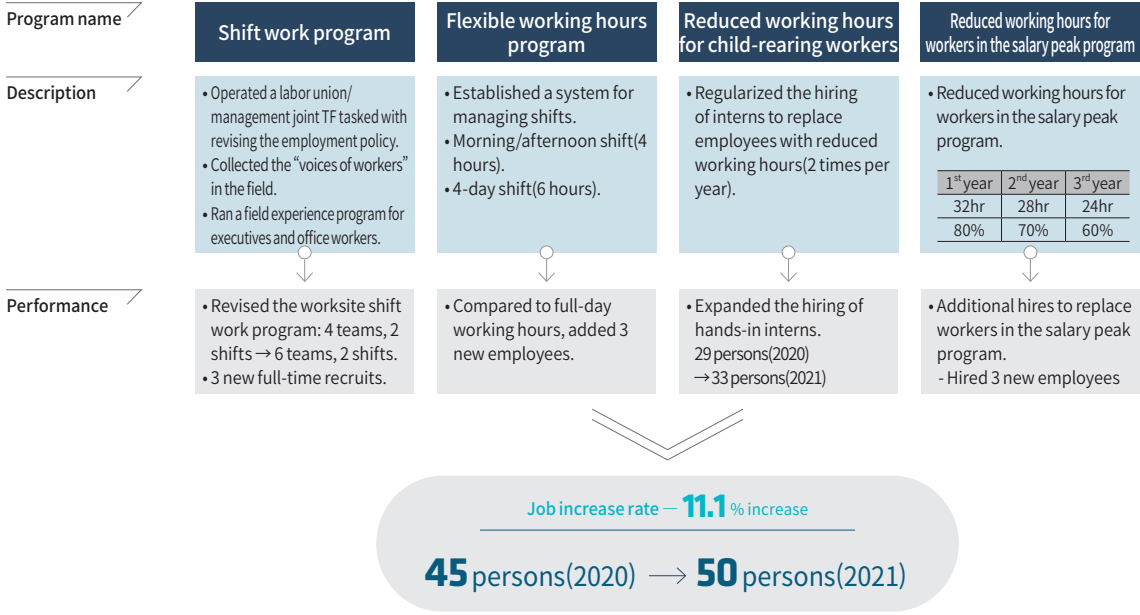
Yearly job creation results



Job Creation in the Port

By adopting diverse forms of employment, IPA popularized the sharing of jobs and, in the private sector, created jobs related to its core businesses, for example, logistics/operations jobs in Incheon Port, port construction jobs, and jobs in port facility services that are subcontracted to external entities. IPA fostered business conditions conducive to operating new growth businesses in the port industry, such as a cold chain logistics center, e-commerce, and a smart auto valley, creating 713 specialized jobs in the process. Furthermore, IPA recruited 1,076 persons for port infrastructure expansion and maintenance work, and another 136 persons for service jobs(ferry terminal operations and port security, IPA ballpark operation) outsourced to the private sector. Lastly, in 2021, IPA was selected by the Presidential Committee on Jobs as an “outstanding government agency in providing employment” after recruiting 53 students from vocational high schools, training 19 youths to become port experts, helping senior citizens to get reemployed as a part of its policy for co-prosperity with the local community, and creating port specialized jobs.

Promotion of Diverse Forms of Employment

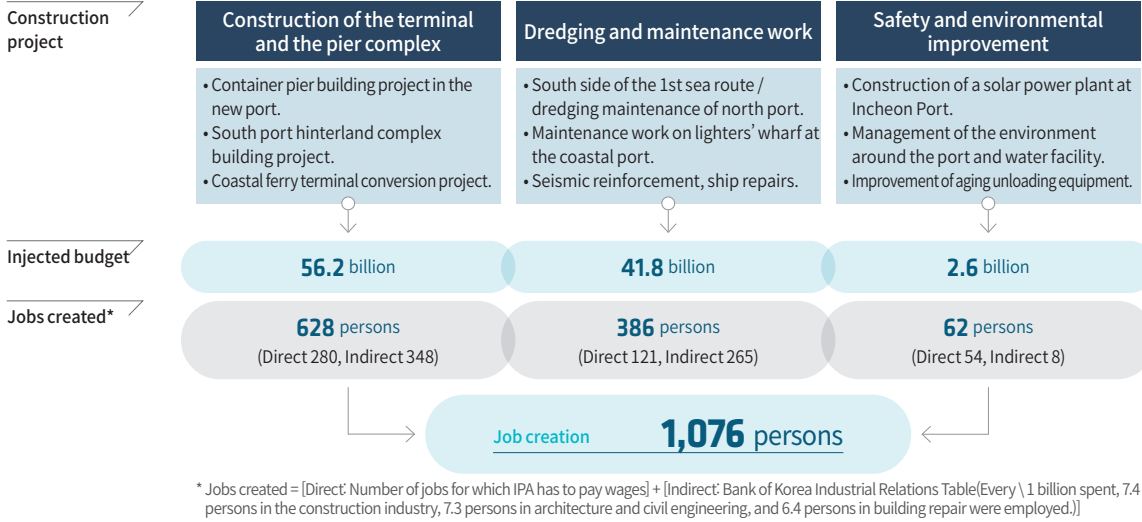


Projects to Secure Future New Growth Engines

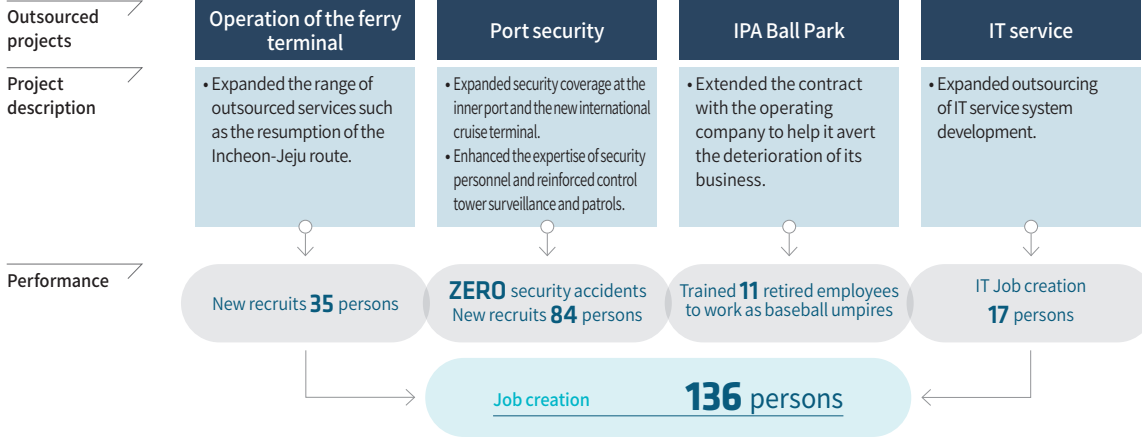
Project	Special positions	Description	Performance
Operation of the old chain logistics center operation	New technology engineers Logistics expert	Created optimal business conditions for logistics companies by attracting conglomerates to invest in logistics complexes.	Secured investment of ₩562.2 billion Recruitment 252 persons
Reinforcement of the E-commerce business	E-commerce experts	Promoted the growth of e-commerce by creating the jobs in logistics, finance, and technology needed for building a smart port.	Secured investment of ₩100 billion Recruitment 529 persons
Construction of the Smart Auto Valley	Used car sales agents Logistics management expert	Promoted the growth of the regional economy by modernizing the foundation of the used car export industry.	Business fund of ₩351.6 billion Recruitment 363 persons
Operation of the hinterland complex and attraction of new occupant companies	Logistics management expert	Attracted companies to set up shop in the port by providing spaces in the hinterland areas of the new port and the south port.	Created new jobs for 546 persons Occupants 6 companies, 97 persons
Resumption of the Jeju route	Navigators, engineers, sailors	Increased the number of passengers touring the coastal area and secured a new growth engine.	Recruited 70 persons new passengers per 50,000 year are expected

Job creation
713 persons

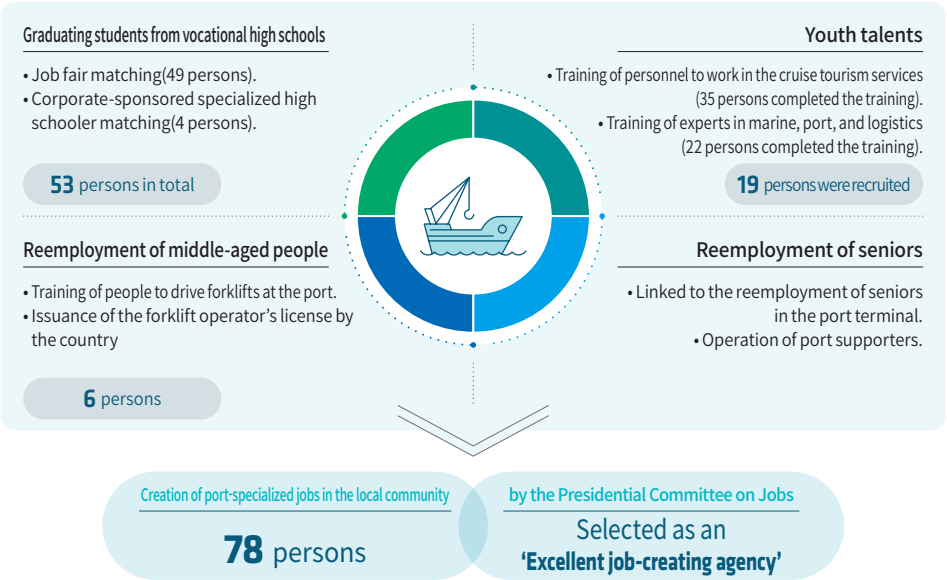
Expansion of Port Infrastructure



Outsourced Port Facility Projects



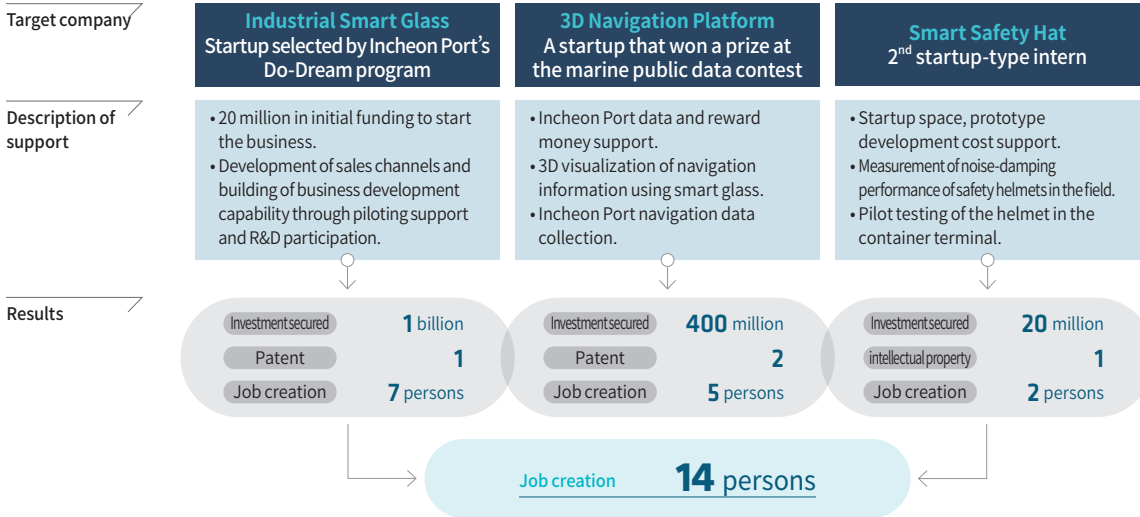
Creation of Port-tailored Jobs in the Local Community



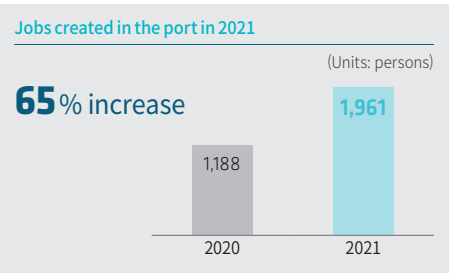
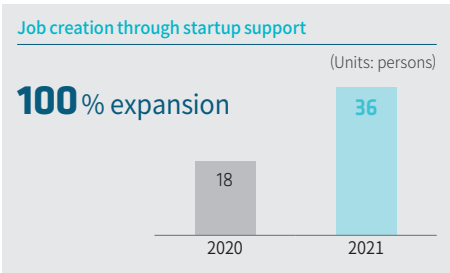
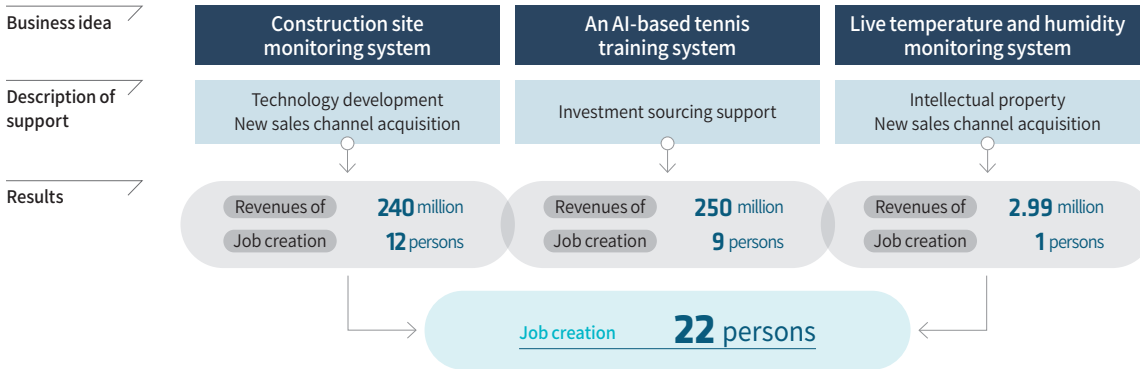
Job Creation through Startup Support

IPA selects promising startups in the port logistics sector and incubates them by providing them with funds to develop their businesses and pay for rented spaces(two vexing problems that early startups often experience) and thereby sustain continuous growth. To help startups that experience difficulties obtaining funding, IPA has been operating support programs such as hackathons, Incheon Port Do-Dream, and a startup-type internship program for startups with viable business models in port logistics. IPA also provided support(early-stage funding, data collection, pilot testing, etc.) that actually benefits the growth of the companies along with tailored support for securing their sales channels and attracting investment, resulting in the creation of jobs for 36 people.

Startup Support



Support for Promising Venture Capital-backed Companies



Human Rights Management



2021 Performance

Assessment of human rights and ethics level : "Fair" grade **7.98** points

Spreading a culture of respect for human rights
A campaign aimed at promoting respect for human rights

Maturity of the human rights culture (5.3% improvement over 2020) **98.8** points

IPA received the Merit Award from the Minister of Culture, Sports and Tourism in recognition of its efforts to promote a culture of reading.

Usage of paternity leave **150** % increase

Usage of flexible working hours program **33** % increase

Link to SDGs



Context

The sustainability of a corporation stems from a corporate culture that can aggregate the capabilities of all members who make up the corporation and use them to create synergy. IPA believes mutual trust among employees is the bedrock of a human-centered corporate culture, and that the goals of a corporation must be balanced with the personal growth of individual employees. Human rights management based on human dignity, education to improve the capabilities of the employees, and a corporate culture that advocates a healthy work-life balance are all critical aspects of effective human rights management.

Approach

In order to instill the value of human rights, IPA has strengthened its human rights management system and is running various campaigns designed to establish a culture of respect for human rights, thereby spreading the culture of human rights companywide. IPA provides welfare benefits that reflect the needs of its employees and education to upgrade their skills, thereby helping its employees to achieve happiness through a sound work-life balance.

Next Plan

Expand the foundation of innovation management.

Pursue a human-centered corporate culture.

Strengthen human rights-based ethics management.

Respect for Human Rights

Human Rights Management System

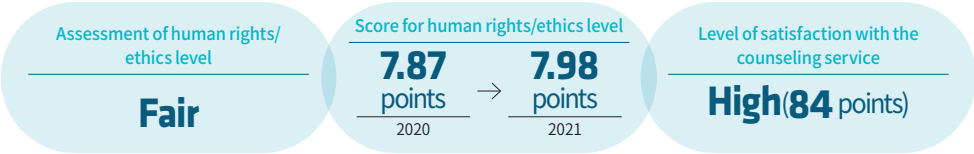
Through the concretization of its human rights management strategy, which encompasses improving its human rights management system, protecting the rights of both external and internal stakeholders, and implanting and spreading a culture of respecting human rights, IPA aims to improve its human rights management system and realize the value of respect for human rights.

Human Rights Management Strategy

Goal	Instill the value of respect for human rights by strengthening its human rights management and human rights protection for stakeholders.		
Description of improvement	Improvement of the human rights management system	Protection of the human rights of internal and external stakeholders	Establishment and dissemination of a culture of respect for human rights
	<ul style="list-style-type: none">• Concretize the human rights strategy.• Strengthen the organization/system and the relief procedure.• Expand mandatory education and urge participation.	<ul style="list-style-type: none">• Improve the indicators used in human rights impact evaluations.• Identify tasks for improving the human rights infringement situation.• Conduct onsite surveys to prevent human rights infringements.	<ul style="list-style-type: none">• Conduct a campaign to establish a culture of respect for human rights.• Increase coaching and support for partner companies.
Organizations responsible	Human Rights Management Team, Human Rights Infringement Counselling Center	All departments, Human Rights Management Team, Human Rights Committee	Human rights guardian of each department, Human Rights Management Team

Strengthening of Organization/Policies and Counseling Service

Improvement category	Human Rights Committee	Human rights guardian of each department	Human Rights Infringement Counselling Center
Description of improvement	<ul style="list-style-type: none">• Improve the expertise and objectivity of the committee's decisions.• 2 internal members, 2 external members.	<ul style="list-style-type: none">• Publicize the strategy and improve the policy.• 19 persons selected.	<ul style="list-style-type: none">• Provide counseling on human rights infringements that occur in and outside the organization.• Provide non-face-to-face counseling in parallel.• Conduct a satisfaction survey on counselors and users.



Expansion of Essential Human Rights Education

Expand essential education for all employees	Induce voluntary participation
<ul style="list-style-type: none">• Provide education involving human rights case studies.• Prevent the 4 major forms of violence.• Prevent harassment in the workplace.• Raise awareness of issues faced by people with physical disabilities.	<ul style="list-style-type: none">• Operate a social club for education on human rights.• Discuss ways of embedding the human rights culture in the workplace.• Hold human rights quizzes.• Have employees answer human rights questions before allowing them to log in to groupware.

* 5 hours of human rights education per person

Human Rights Impact Evaluation

IPA recognized the need to augment its human rights impact evaluations - previously administered using its self-developed tests and verification procedures - in order to better protect the human rights of its stakeholders'(both internal and external). Hence, IPA added indicators that reflect the COVID-19 pandemic, personal information protection, the rights of workers, and other aspects of the changing environment and requested external agencies to participate in the evaluation process.

Identification of Detailed Improvement Tasks through Human Rights Impact Evaluation

Evaluation results		Evaluation results reporting(Human Rights Committee)	
Operation of IPA	99.8 points (0.8 ↑)	<ul style="list-style-type: none">• The level of human rights infringement factors is very low.• Augmentations needed: safety of non-employees and visitors to worksites.	<ul style="list-style-type: none">• Onsite surveys are needed.• Improvement of human rights infringement factors → Improved the training center of the rowing teams, improved the international ferry terminal facility, and created safe routes to schools in the region.
Key businesses	97.3 points (2.3 ↑)	<ul style="list-style-type: none">• The human rights protection of IPA's stakeholders is outstanding.• Augmentations needed: a review of stakeholders' right to relocate.	

Improvement of Human Rights Infringement Factors through Onsite Assessments

Assessment results	Assessment results reporting(Human Rights Committee)	
Improvements to the training center used by rowing teams	<ul style="list-style-type: none">• A/C and heating system in the training center are showing signs of aging.• Mandatory camp training is deemed to be unfair for athletes.	<ul style="list-style-type: none">• New A/C and heating units were installed in the training center.• Guidelines were revised(mandatory participation in camp training was abolished).
Improvements to the international ferry terminal facility	<ul style="list-style-type: none">• The facility is difficult to use for people with physical disabilities and persons who have difficulties using public transportation.- The pavement is too high, and information signs are lacking.	<ul style="list-style-type: none">• The height of the crosswalk was adjusted → prevent people from falling.• Pedestrian braille was installed → improve safety for blind people.
Creation of safe routes to schools in the region	<ul style="list-style-type: none">• There are concerns about the safety of the school zone due to the movements of cargo trucks.- Good driver visibility must be ensured.	<ul style="list-style-type: none">• Safety facilities were installed * → prevent traffic accidents.

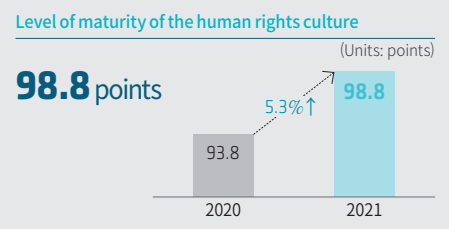
* 3 pieces including child restraint tape

Campaign to Establish a Culture of Respect for Human Rights

IPA has launched several different campaigns to establish a culture of respecting human rights within the organization, starting with the CEO's declaration of his commitment to human rights management. In October 2021, labor and management jointly issued a declaration on the eradication of human rights infringements and pledged to pursue ethics/compliance management, and they are making great efforts to create a happier workplace by adopting a relay flexible work system(as well as encouraging its use) and by operating a cultural dinner project. Furthermore, IPA is publicizing its operation of a counseling center and its activities in human rights management and spreading its campaign to promote respect for human rights by requiring employees to sign a pledge to curb harassment and abuses of power in the workplace.

Expanded Coaching and Support for Respecting Human Rights

Coaching on how to introduce a high-quality system	Support for preventing human rights infringements
<ul style="list-style-type: none">• Coaching on the reporting procedure and method of prevention.• Transmission of the know-how for creating educational contents aimed at preventing abuses of power.• Collection of human rights-related complaints through visits.	<ul style="list-style-type: none">• Support for partner companies with the opening of a counseling center.• Advisory service on how to handle harassment and bullying in the workplace.• Support for the signing of a contract on worker protection.

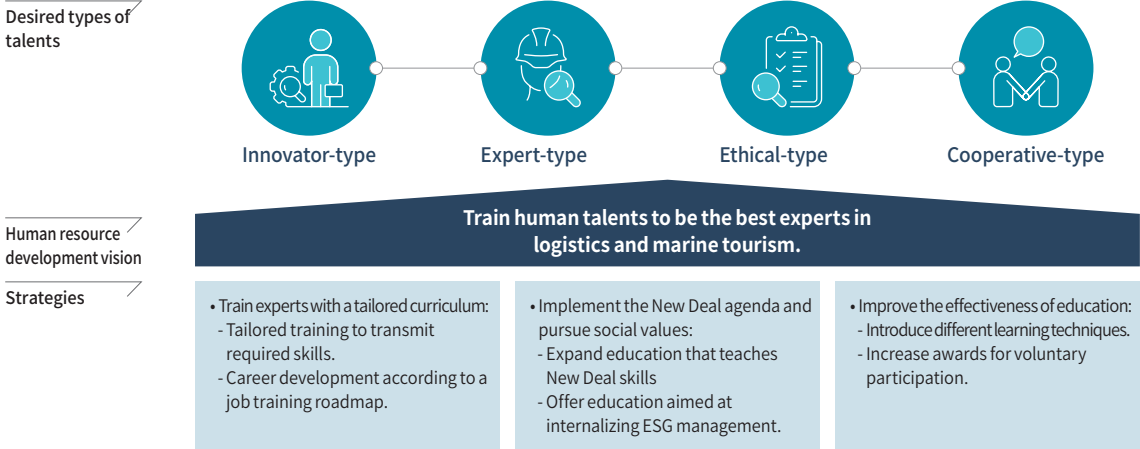


Training of Human Talents

Development of Human Resources

IPA has established a strategic framework for developing human resources in order to deal with changes in the internal and external environment currently taking place in the port industry, and aims to develop - through a style of management that the public agrees with - Incheon Port into a clean and safe port that will ultimately become the leading hub of logistics and marine tourism in Northeast Asia. IPA has also defined ‘innovator’, ‘expert’, ‘ethical’ and ‘cooperative’ categories of people as the most desirable types of talents for its business, and seeks to train port personnel to become the best and most highly professional experts in the logistics and marine tourism industry.

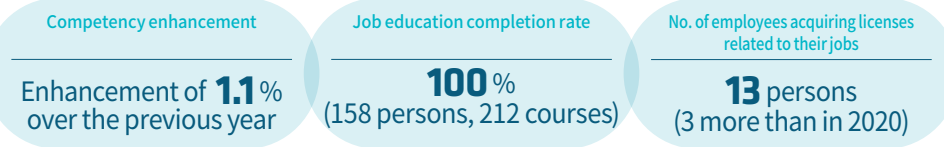
Strategic Framework for Developing Human Resources



Skill Enhancement Education for the Tailored Training of Experts

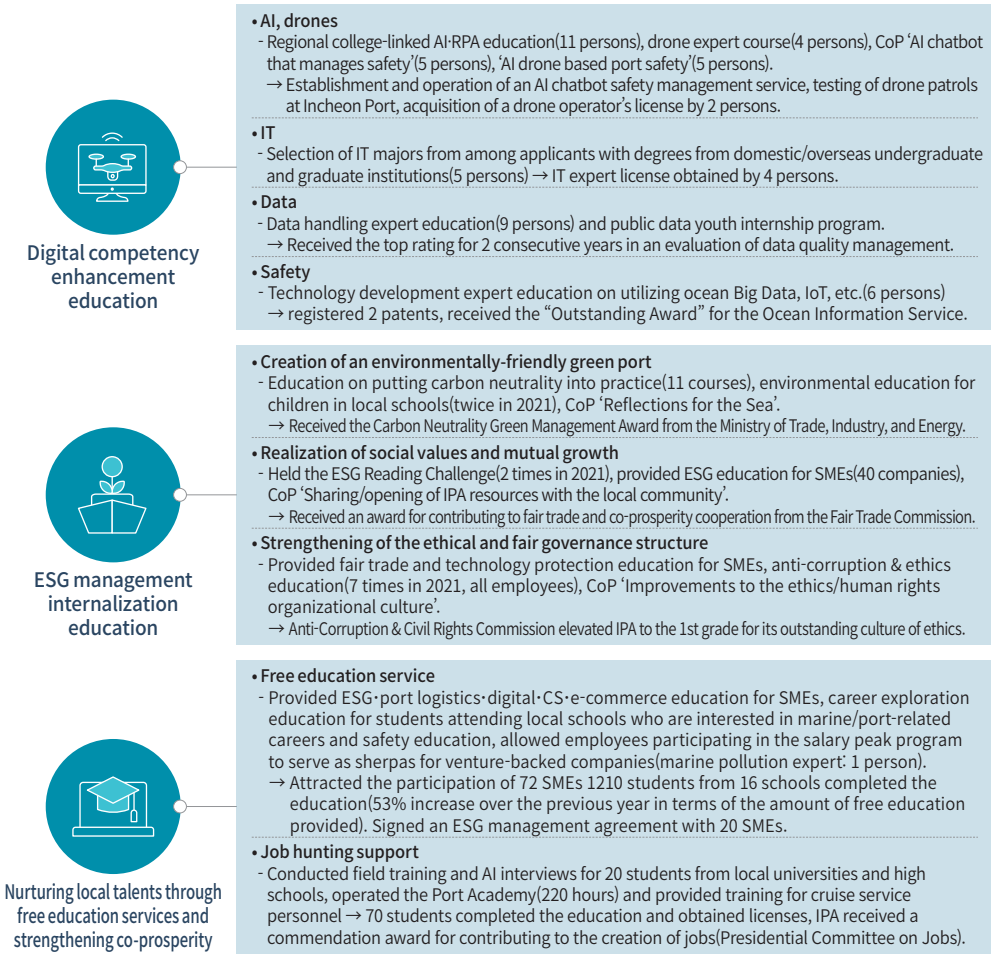
To train expert talents, IPA has restructured the competency evaluation system and is providing tailored education to enhance the competencies of individual employees. IPA has also divided each job into a series of sub-category tasks and redeveloped the competencies required for each sub-category task. It provides a job training roadmap for developing each employee’s career that takes into account the needs of the individual and those of the organization. In this way, IPA is strengthening the competencies required for each job.

Tailored education that reflects the restructured individual competency evaluation system	Add a new curriculum – 12 courses on leadership indicators were added.
	Provide education that matches each competency level – 320 different courses tailored for each competency level are available
	Provide education to improve weak competencies – determine the weakest competencies of each individual and provide matching education.
	Reduce the education feedback cycle – reduce the frequency of feedback based on evaluation results.
Preparation of a job training roadmap for each of the 7 employee grade levels.	Recruit new high school graduates – 8 courses on port logistics basics, job basic training, bachelor's degree support.
	Mid-level managers – 268 courses on job training(in-depth) and license acquisition.
	People in management positions – 59 courses on lecturer training, license, book reading education.
	Soon-to-be retirees – 10 courses on obtaining a degree in startups/ventures, expert matching.



Social Value Edification through the New Deal, ESG Management Internalization Education

IPA has expanded its educational programs aimed at strengthening the digital competencies of its executives and employees in order to help them skillfully apply Industry 4.0 technologies such as AI, drone, IT, big data, and safety technology in the rapidly evolving port industry. It is fulfilling its social responsibilities through ESG management internalization education, strengthening its nurturing of local talents and promoting co-prosperity by running free education programs for the local community.



Fair Evaluations/Compensation

By making improvements to the individual performance evaluation system, which all employees agree will ensure greater fairness and transparency, IPA has strengthened the validity and transparency of the system and expanded the acceptability and transparency of the system for promoting employees.

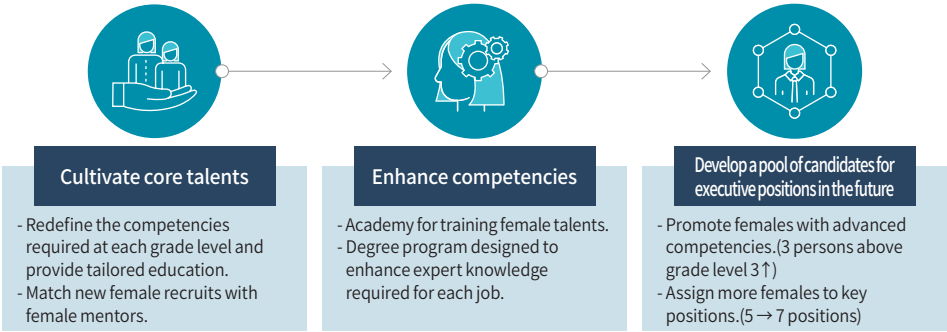
Individual performance evaluation system	Redesign of the competency evaluation indicators, deployment of a real-time verification system, increased number of individual performance evaluations, and full disclosure of the results of individual performance evaluations. → Increase of both validity and transparency.
Promotion system	Refinement of the special promotion policy, pre-announcement of employees who are up for promotions, increase in the number of candidates selected for promotions, and pre-release of the promotion candidate list. → Increased transparency and acceptability.
Individual performance evaluation system centered on the person being evaluated	<ul style="list-style-type: none">• Department objective-based MBO → MBO consented to by the evaluator, evaluation of the supervisor.• Multifaceted evaluation by subordinates and superiors → Multifaceted evaluations of all employees involving the participation of the evaluator and the person being evaluated.• Employees at each grade level must complete a certain amount of education → Absolute evaluation based on the educational requirement completion rate.



Training of Female Talents

IPA has laid the foundations for producing female executives by setting up a system for cultivating female executives and establishing an organizational culture that respects gender equality. IPA has increased the skill level of female candidates for management positions and created a pool of candidates for executive positions by cultivating a crop of core human talents through competency enhancement education(at each grade level) and by operating an academy for the training of female talents. Thanks to these efforts, IPA has been able to appoint a female to the position of Chairperson of the Audit Committee and encouraged the participation of females in key committees, leading to a female executive appointment rate that is well above the industry average of 17%.

Female Manager Cultivation System



Build an Organizational Culture that Values Gender Equality

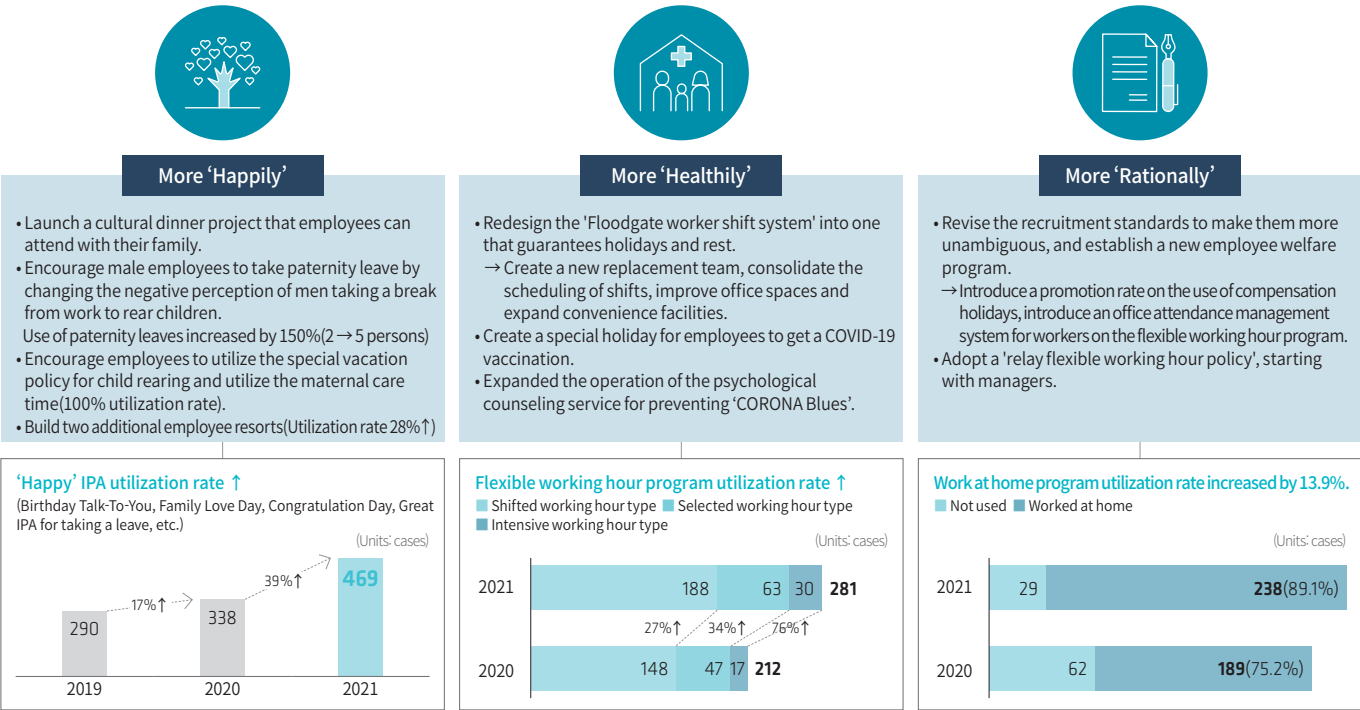
Increase female representativeness	Eradicate discriminatory elements
Appoint 1 female employee to the Ethics Committee, 1 female manager to the Public Review Committee.	Up to 3 years of parental leave can be taken by an employee irrespective of their gender. - Explain the paternity leave program to male employees and encourage participation.
Appointment of the first female chairperson of the Audit Committee(the first case in the port authority sector).	Use of paternity leave increased by 150%.

Work-life Balance

Establishment of a Culture that Values a Healthy Work-life Balance

IPA has explored ways of establishing a new working environment with the aim of promoting a healthy work-life balance and ways of managing the happiness of a workforce composed of people of different generations. IPA has realized this goal with family-friendly policies. For instance, IPA has stabilized the management of employee happiness, created a safe and healthy workplace by guaranteeing the right to rest, and promoted the use of the flexible-hours policy and the work-at-home policy among employees whose working environment has changed. In addition, IPA is pursuing cooperation and communication with the labor union to establish a work-life balance culture, such as forming a labor-management council for work-life balance and setting up a joint labor-management TF team. With a joint labor-management pledge to respect the work-life balance, IPA is creating a happy, healthy, and rational workplace. This pledge includes compliance with the legal working hours, guaranteeing the right to rest, and actively enforcing ten proposals for work innovation.

Strategic Framework for Developing Human Resources



Improvement of the Employee-tailored Welfare System

Target	Needs	Improvement results
All employees	<ul style="list-style-type: none">• Improve the working environment<ul style="list-style-type: none">- Expand the flexible working hours program, increased flexibility in deciding where to do one's work, decrease the amount of routine work and increase automation.• COVID-19 response<ul style="list-style-type: none">- Introduce paid vaccine leave and encourage the use of leave, enforce the compulsory wearing of masks in indoor areas, distribute self-diagnosis kits, and offer psychological counseling to deal with COVID-19 blues.	<ul style="list-style-type: none">• The use of the flexible working hour program increased by 33%.• All employees who received the Covid vaccination took vaccine leave.• Performed online stress examinations of 85 employees and psychiatrist counseling for 47 employees.
Employees rearing children	<ul style="list-style-type: none">• Establish maternal care time for pregnant female employees.• Expand the use of special leave during the pregnancy period and promote the parental leave policy.• Introduce a paid leave program to allow employees to take care of their family while preventing the spread of COVID-19.	<ul style="list-style-type: none">• 100% of those eligible chose to use maternal care time.• The use of paternity leave increased by 150%.
MZ Generation	<ul style="list-style-type: none">• Build new employee resort facilities and an exercise center on the company premises.• Secure additional housing for unmarried employees and relax the tenancy requirements.	<ul style="list-style-type: none">• The use of resort facilities increased by 28%.• Acquired additional company housing near the worksite.(2 housing units)

Labor-Management Cooperation

The Incheon Port Authority(IPA) has established a labor-management relations strategy to achieve results through partnership by building labor-management relations centered on resolving current issues. We formed a consultative body for each implementation task to improve vulnerable working conditions by establishing a cooperation system for dealing with current issues and upgrading communication channels. We are reinforcing the rational management system based on the cooperation and participation of labor and management, such as system reorganization and improvement of the happiness management index with consultations between labor and management.

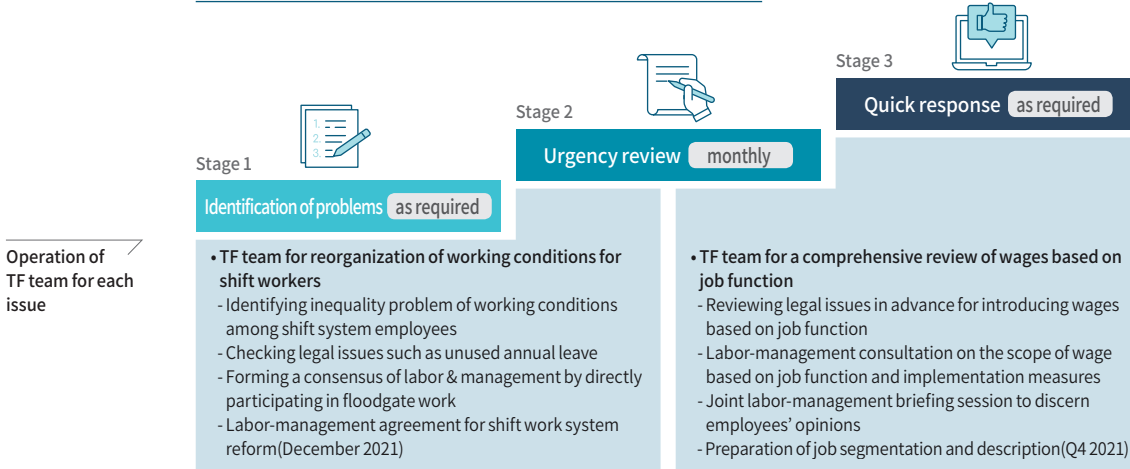
Strategy for Labor-Management Relations

Goal	Creating performance by establishing labor-management relations focused on resolving current issues		
Strategies	<ul style="list-style-type: none">Cooperation system to respond to current issues<ul style="list-style-type: none">Reinforcing the system for labor-management cooperation in advanceEstablishing a labor-management process to respond to issuesExpanding worker's participation in management	<ul style="list-style-type: none">Advancement of communication channels<ul style="list-style-type: none">Diagnosing and enhancing communication channelsReinforcing direct communication between labor & management representativesEliminating blind spots in labor-management training	<ul style="list-style-type: none">Improvement of vulnerable working conditions<ul style="list-style-type: none">Creating the safe and healthy portEstablishing an ethical corporate cultureImproving working conditions for vulnerable workers
Consultative bodies	<ul style="list-style-type: none">Quarterly Labor-Management Council meetingsTF team for reorganization of working conditions for shift workersTF team for a comprehensive review of wages based on job function	<ul style="list-style-type: none">Regular meetings between labor & managementHotline between representatives of labor & managementSupplier HR and labor network	<ul style="list-style-type: none">Human Rights and Safety Management CommitteeGrievance CommitteeLabor Attorney's Council for Vulnerable Workers
Performance	<ul style="list-style-type: none">Improved bonus payment standardsReorganized HR/ promotion systemReorganized shift worker labor system	<ul style="list-style-type: none">Expanded and reorganized communication channelsExpanded agenda for labor-management representative hotlineEliminated blind spots in labor-management communication	<ul style="list-style-type: none">Zero serious accidentsImproved happiness management indexCertified as a Family-Friendly Enterprise for 11 consecutive years

Reinforcement of System for Labor-Management Cooperation in Advance

	Reinforcement of communication in advance	Performance
HR/ promotion	<ul style="list-style-type: none">(IPA) An announcement in advance of people expected to be promoted(Labor union) Joint labor-management briefing of evaluation system reorganization	<ul style="list-style-type: none">Increasing the number of promotion candidatesEstablishing a special promotion system <div>Satisfaction with the promotion system 91.8 points(0.5points ↑)</div> <div>Satisfaction with the evaluation system 93.8 points(0.3points ↑)</div>
Remuneration system	<ul style="list-style-type: none">(IPA) Pre-training for introducing wages based on job function in all ranks(Union) Gathering of employees' opinions on the system of wages based on job functionOperation of blind bulletin board	<ul style="list-style-type: none">Formation of TF team for a comprehensive review of wages based on job functionEstablishment of the Job Evaluation Committee <div>Introduction of a job-oriented rational remuneration system</div> <div>employees eligible for wage based on job function 3 % expansion</div>
Work-life balance	<ul style="list-style-type: none">(IPA) Promotion of special leave, flexible work system, etc., and distribution of manuals(Labor union) Joint labor-management declaration of practicing work-life balance	<ul style="list-style-type: none">Establishment of employee service regulationsIntroduction of a flexible worker management system <div>Utilization rate of special leave for childcare 100 %</div> <div>Utilization rate of flexible work system 33 %</div>

Establishment of Joint Labor-Management Response Process



Resolving pending issues without labor disputes by following due process on issues and forming a consensus between labor and management

Establishing Practical Labor-Management Relations to Resolve Current Issues

Compliance with ethics & compliance management Joint labor-management declaration	Work-life balance Joint labor-management action declaration	Declaration of health & safety management policy into practice
(Management) Ethical management, such as the prohibition of illegal solicitation and fair trade (Labor) Prohibiting unfair work orders, abuse of power, and human rights violations	(Management) Reinforcing competitiveness by improving the working culture (Labor) Labor-management unity by practicing work-life balance	(Management) Compliance with health & safety laws and regulations (Labor) Ensuring employee safety through labor-management communication
illegal & corrupt practices Zero and ISO37001 certification (Feb. 2022)	Satisfaction with work-life balance 87 points (1 point ↑ compared to 2020)	severe disasters at Incheon Port Zero





Prioritizing Port Ecosystem Safety

2021 Performance

The lowest accident rate in corporate history

0.16 %

Introduction of the safety management system

First among PAs

Context

Various diseases and restrictions in modern society, including COVID-19 restrictions, have posed global health risks. Health and sanitation, health and safety will become increasingly important across both variable and indeterminate industries. IPA works in earnest to operate port facilities and services that can eliminate factors that threaten safety so as to ensure stability.

Approach

IPA recognizes our responsibility and obligation to revitalize the national economy as the main operator of Incheon Port, the central port of port logistics in S. Korea. In that regard, we prioritize the health and safety of our employees and strive to continue services that instills customers with confidence when using port facilities. Meanwhile, we are providing support by establishing a system to secure the stability of the worksite environment by conducting safety inspections of facilities and construction sites.

Next Plan

Link to SDGs

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

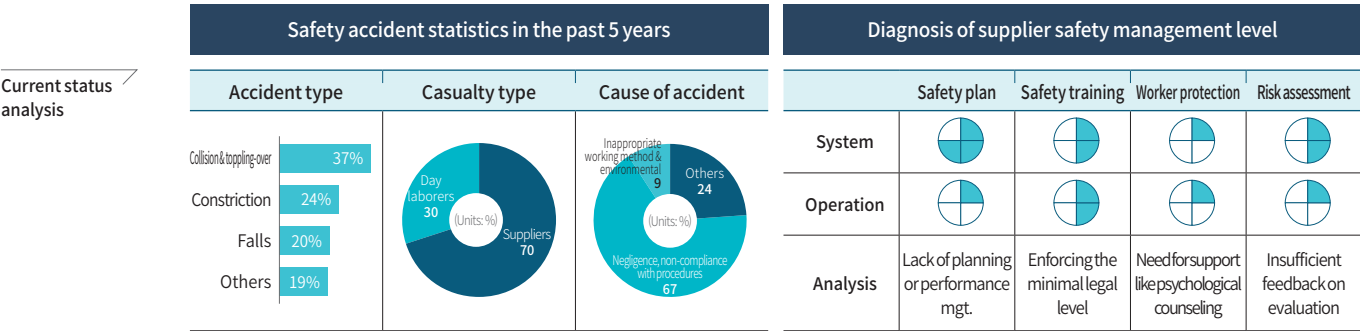
Step-by-step improvement of safety blind spots

Zero major accidents

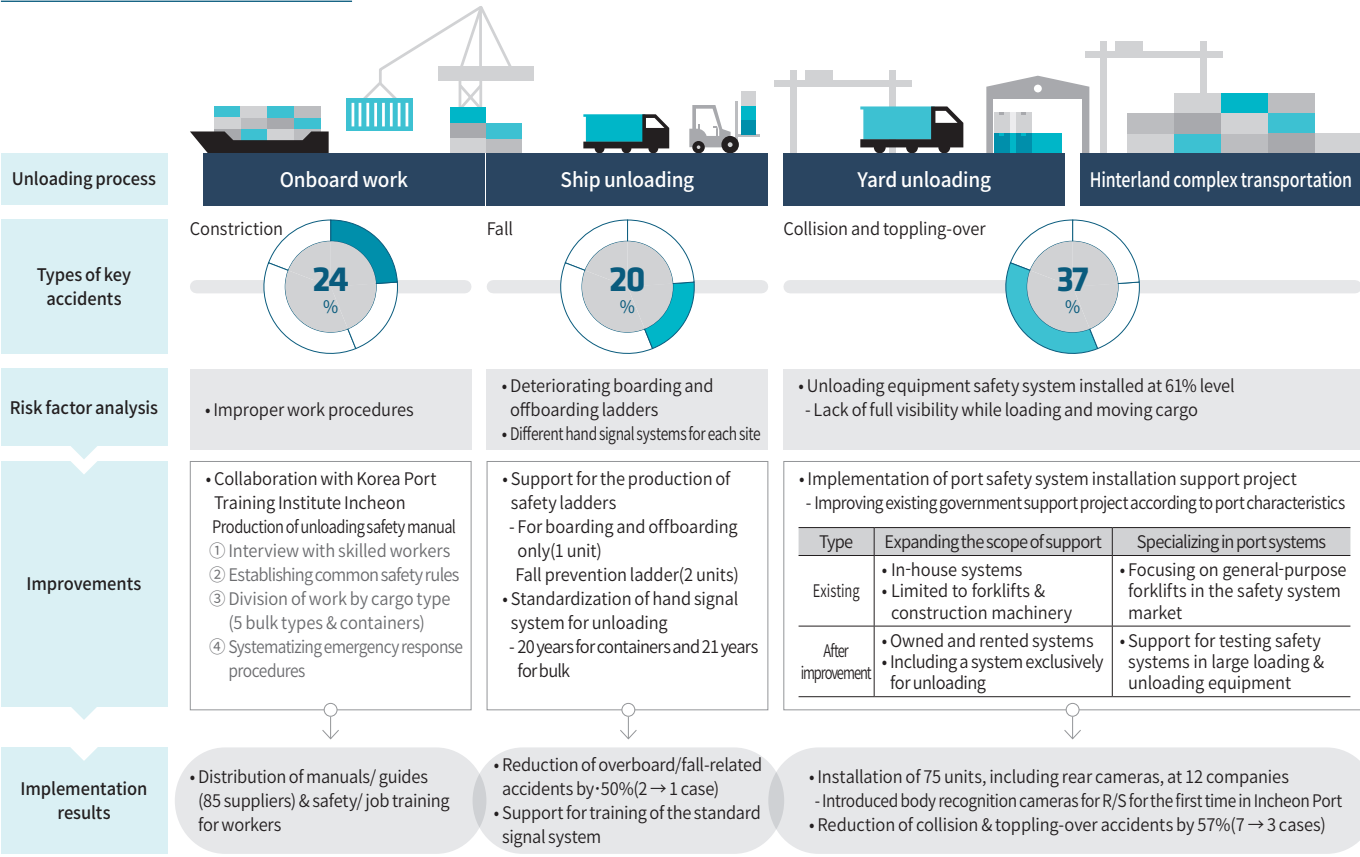
Creating the Incheon Port Ecosystem

IPA has identified areas for safety improvement by conducting comprehensive risk diagnosis that analyzes safety accident statistics and the safety management level of suppliers over the past five years. The current status of safety accidents was classified and analyzed by accident type, casualty type, and cause of accident to identify the risk-prone/ hazardous environment. Then we implemented a participatory safety management to prevent safety accidents that occur due to a gap in safety level between suppliers and IPA through the safety system and operation of partner companies. We classified risk-prone/ hazardous environments identified through the process were classified into onboard work, ship and yard unloading, and port hinterland transportation, analyzed and improved key accident types and related risk factors.

Comprehensive Risk Assessment



Improvement of Each Unloading Stage



Support for Suppliers' Safety Management Systems

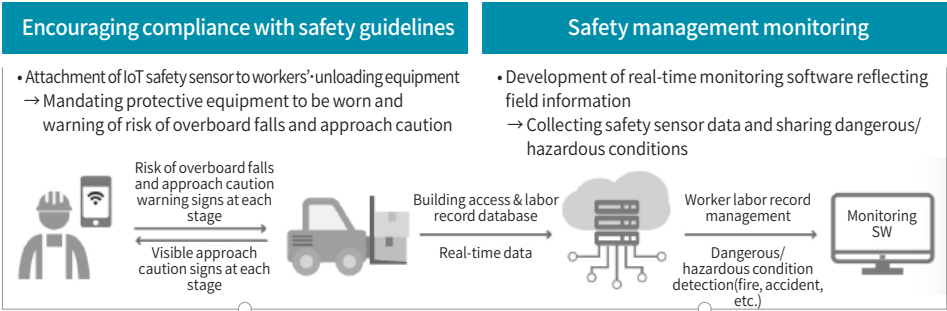
IPA will actively support improving the insufficient parts of the safety management level at our suppliers, such as safety management plans, safety/ job training, worker protection, and assessment of risks to ensure that they can prevent safety accidents and strengthen their custom-tailored safety expertise through substantive safety management.

Area	Support description			Implementation results
Safety management plan	• Conduct health & safety competency evaluation before signing a contract			• Encouraging improvement of safety management • Certification and renewal of supplier(IPFC) KOSHA-MS
	Excellent	Granting incentives(exemption from evaluation for the following year)		
	Inadequate	Recommendations for improvement and support for win-win partnership programs		
Safety/ job training	• Special safety training for suppliers and online distribution of data • Training of daily laborers in collaboration with logistics associations & shipping labor union			• A total of 784 people(86%) completed safety training - Daily laborers(210 people) and field workers at suppliers(574 people)
	IPA	Port labor union	Logistics association	
	Overseeing and textbook production	Coordination of education/ training schedule	Goods and administrative support	
Worker protection	• Opening of a psychological counseling office for IPA staff - Dispatching to sites including suppliers(1 → 4 sites) • Support for the completion of job training of workers for emotional labor			• Monthly expert consultation support - 118 consultations with a satisfaction rating of 97.7 • Distribution of a manual/ guide to protect workers for emotional labor
Risk assessment	• Joint inspection of risk assessment at each site(39 sites) • Education/training in risk assessment in small construction sites(36 people)			• Active identification & management of risk factors(72 cases) • Reinforcement of specialized safety expertise

Worker Participatory Safety Management with Cutting-Edge Technology

IPA launched the smart port safety management system for the first time among domestic port authorities by collecting suggestions from public and port workers. The smart safety management system is applied in the field after validation to spur compliance with safety rules and share risk factors through safety management monitoring. As a result, warnings for non-compliance with safety standards have decreased by 21%, and there were no related onsite safety accidents by keeping a safe distance.

Implementation agenda



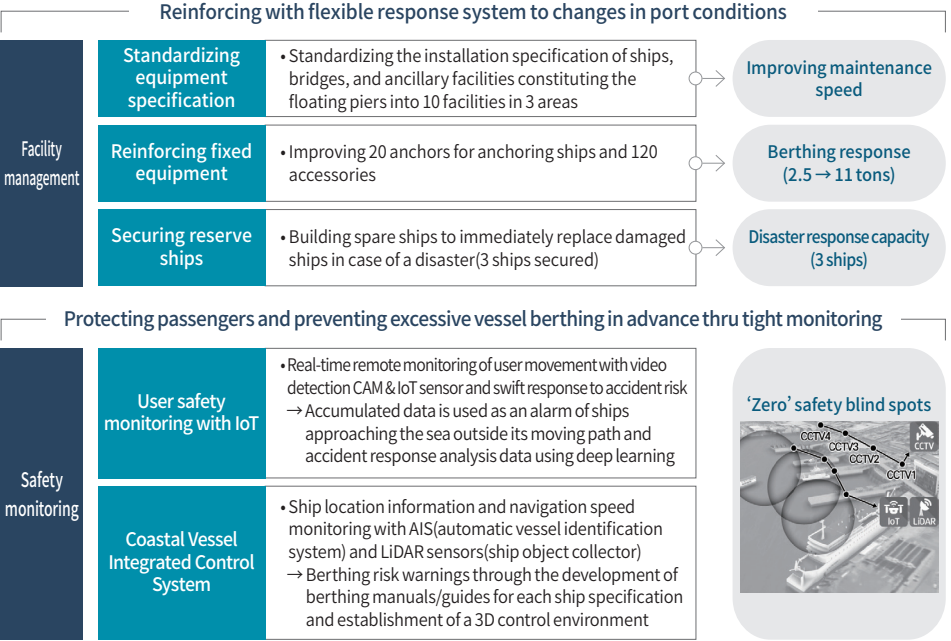
Implementation results



Ensuring Safety at Port Facilities

As the size and number of ships entering and exiting Incheon Port grows larger, the potential number of disasters and risk of casualties in case of a drowning accident at sea increases. IPA works in earnest to prevent marine casualties by managing and operating berthing facilities that are safe against even changes in the external environment, as well as installing evacuation facilities.

Strengthening the Berthing Facility Management System



Construction of Evacuation Facilities for Overboard/ Drowning People

Identification of safety blind spots		Preparation of step-by-step road map			
<ul style="list-style-type: none">• Analyzing all facilities on the floating pier and establishing and implementing an evacuation ladder installation plan• Priority installation of open facilities with many users		Type	Target equipment	Qty(EA)	Remarks
		Stage 1	7 ships, including Coastal 1 Pier	136	2021
		Stage 2	36 ships, including the Suhyp Pier	519	After 2023
		Stage 3	33 ships, including the New Port Pier	440	
		Total	76 ships	1,095	-

Systematic Facility Management of Floodgates

IPA has upgraded the aging facilities and strengthened the management system to improve the safety of ships entering and exiting the floodgates and constructed a safe, closed worksite environment to solve the various obstacles to be confronted in case of a passing ship accident due to the aging floodgates and the risk of suffocation in confined spaces.

Establishing the preventive maintenance system for aging facilities	Strengthening structural safety management	Standardizing maintenance technology
• Improvement of floodgate control system → Establishing a preventive maintenance plan with improved operational database processing capacity through server expansion	• Real-time·high-precision displacement monitoring → Immediate repair and reinforcement of cracks by promptly detecting the exact displacement of the structure(flood wall, 1.5km)	• Publication of maintenance guidelines and technical handbook → Compilation of 50-year experience in floodgate operations and technical data such as equipment status, specifications, and drawings
- Performed 5,044 preventive maintenance - Advance replacement of outdated facilities in 18 places	- Timely repair of cracks and reinforcement(764㎡) - Improving structure safety	- Staff training·to improve expertise - Implementing a response system against equipment failure

Instituting COVID-19 Protocols

Improving the passenger quarantine system

During the COVID-19 contagion, IPA has strengthened the passenger quarantine system to address concerns about suspension of operations of coastal passenger ships, which are the only means of transportation for coastal island residents, due to cluster infections on coastal islands, and to revitalize local tourism. At the same time, we reorganized and implemented the quarantine strategy for IPA employees, on-duty workers at port facilities, and customers using port facilities.

Passenger flow	Reinforcement plan	Improvements									
Platform	Quarantine management	<ul style="list-style-type: none">Expansion of quarantine system → Installation of smart air showers using IoT for the first time at portsOperation and management of a special quarantine inspection team during congestion(7-9 a.m.)									
Embarkation	Non-face-to-face services	<ul style="list-style-type: none">Introduced non-face-to-face services such as smart QR ticket gates for the first time at coastal areas in S. Korea <table><tr><th>Type</th><th>(Coast) Smart QR ticket gate operations</th><th>(International) Non-face-to-face immigration procedures</th></tr><tr><td>Issues</td><td>• Check-in and boarding manual/ guide by employees</td><td>• Risk of infectious diseases during in-person procedures</td></tr><tr><td>After improvement</td><td>• Development of smart QR in collaboration with the Korea Shipping Association - QR check-in → Automatic ticket gate operation</td><td>• Introduction of a one-pass self-check-in system - Self-check-in → Automatic Immigration inspection</td></tr></table>	Type	(Coast) Smart QR ticket gate operations	(International) Non-face-to-face immigration procedures	Issues	• Check-in and boarding manual/ guide by employees	• Risk of infectious diseases during in-person procedures	After improvement	• Development of smart QR in collaboration with the Korea Shipping Association - QR check-in → Automatic ticket gate operation	• Introduction of a one-pass self-check-in system - Self-check-in → Automatic Immigration inspection
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Operation	Onboard management	<ul style="list-style-type: none">Reinforcement of onboard quarantine, such as limiting the number of people on board and prohibiting the operation of the onboard cafeteria <table><tr><th>Type</th><th>Limiting the number of people on board</th><th>Reinforcement of onboard quarantine</th></tr><tr><td>Existing</td><td>• Embarking of only those who are checked for temperature and wearing the safety band</td><td>• Social distancing and disinfection between seats</td></tr><tr><td>Strategy and planning functions</td><td>• Boarding limited to 50% of passenger capacity • Support for pre-boarding diagnostic tests of non-vaccinated persons</td><td>• Mandatory ventilation(30 minutes) on board 1 hour before departure • Prohibition of cafeteria operation and eating on board</td></tr></table>	Type	Limiting the number of people on board	Reinforcement of onboard quarantine	Existing	• Embarking of only those who are checked for temperature and wearing the safety band	• Social distancing and disinfection between seats	Strategy and planning functions	• Boarding limited to 50% of passenger capacity • Support for pre-boarding diagnostic tests of non-vaccinated persons	• Mandatory ventilation(30 minutes) on board 1 hour before departure • Prohibition of cafeteria operation and eating on board
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Disembarkation	Separation of moving path	<p>Separation of moving path of the suspects, confirmed, and general passengers</p> <p>Operation of quarantine space and screening test center in collaboration with local governments</p>									

Reorganization of Quarantine System due to COVID-19 Contagion

Prevention strategy	IPA employee	Port worker	Passengers(citizens)
	<div>Distributed work and essential work management - 53% of employees avail of work-from-home/ flexible work setup, etc.</div> <div>IPA Functional Continuity Plan(ISO22301) - Implementing business continuity plans by each department</div> <div>Response for essential tasks(26 people)</div>	<div>Implementing quarantine rules for port operations - Site access control and distributed work</div> <div>Port Operation Business Continuity Plan(BCP) - Reinforcing the omicron mutation readiness system</div> <div>Private-public-administration working group for emergency response</div>	<div>Strengthening the quarantine system for each terminal moving path Establishing measures to prevent COVID-19 outbreaks</div> <div>Implementing the response procedures for confirmed cases - Cooperation with local governments and medical institutions - Assigning substitute personnel after disinfection is complete</div>
Training-inspection	<ul style="list-style-type: none">Shutdown simulation training(2 times) NewIdentifying contacts~operations of alternative worksites	<ul style="list-style-type: none">Quarterly joint quarantine inspections(76 places)	<ul style="list-style-type: none">Terminal quarantine inspection led by the CEO (2 times)daily COVID-19 status report New
After improvement	<ul style="list-style-type: none">Service check for telecommuters, etc. StrengthenedRevision of 'COVID-19 protocol guidelines' Enhanced	<ul style="list-style-type: none">Establishment of response strategies for each supplier StrengthenedSupport for quarantine products required by suppliers	<ul style="list-style-type: none">Production of passenger terminal quarantine manualSupport for quarantine products for commercial terminal facilities
Implementation results	One confirmed case at the head office without any secondary spread to our employees and community	Eight confirmed cases in the field but no interruption of port operation without any secondary spread to the community	Providing uninterrupted coastal transportation and no confirmed cases after cluster infection of passengers



2021 Performance

Evaluation of shared growth/
partnership with public enterprises

Most outstanding

Accredited with award for contribution to technology
protection of small & medium-sized enterprises(SMEs)

Minister of SMEs & Startups Award

Context

It is necessary to overcome the crisis of the global supply chain due to the pandemic and changes in the international arena by promoting win-win growth with business partners. To secure competitiveness in the port industry as the effects of the complexity of the supply chain crisis and various interests are expanding, we are committed to developing support measures that enables our suppliers to build a stable supply chain and grow in partnership.

Approach

IPA strives in earnest to create port value through win-win growth with SMEs and suppliers contributing to the port industry centered on Incheon Port. We proactively support the growth of SMEs with new promising technologies, strive to establish a fair-trade order, and promote R&D.

Link to SDGs



Shared growth strategy

Evaluation of shared growth/partnership with public enterprises

Top-performing



IPA is making concerted efforts in earnest to help SMEs strengthen their competitiveness and develop together, such as supporting companies with new technologies, protecting industrial technologies, and supporting domestic and overseas market expansion for win-win growth with SMEs.

SME support system



SME support system

Implementation steps

Promoting communication for shared growth

Support for strengthening competitiveness in technology development

- Strengthening R&D support for technology development
- Supporting core technology protection

Support for domestic and overseas sales channel development

- Expanding support for entering the domestic market
- Supporting revitalization of export logistics

Strengthening cooperation with SMEs

- Holding Partner's Day
 - Selected as ESG-leading SMEs and earned the President's Award
- The first innovation-led wage gap settlement agreement among public enterprises in the capital region

Sharing achievements and cooperation benefits

- 51 cases(2021) of performance-sharing and profit-sharing systems to achieve support performance goals
- Conducting internal training of performance sharing 3 times

Promotion of Corporate Growth Response Center

- Improving accessibility by changing the login to the online center
- Resolving difficulties faced by businesses thru active review of AEO-certified complaints

Strengthening Support of Suppliers

Establishing fair-trade practices policy

IPA has established our fair-trade practices policy by continuously improving the exemplary transaction model to create a trading environment focused on suppliers. We have expanded the targets eligible for supplier protection, reduced the suppliers' burden by checking the payment status, and reduced the burden on our suppliers by ensuring the appropriate price calculation for suppliers in case of changes in the contract environment, such as price fluctuations, while easing the conditions of tenant's guarantee and improving the rental payment method.

Improving the Exemplary Transaction Model

Blocking the source of arrears for payments to suppliers

- Expanding the scope of the supplier keeper application
- Inspecting subcontract payment status and unpaid wages(monthly)
- Mandatory use of the "standard subcontractor contract for the construction industry" with first-tier suppliers

Complementing the cost calculation for suppliers

- Creation and distribution of the "manual for contract amount adjustment for construction contracts"
- Proactive execution of services that promptly adjust for inflation in the contract amount
- Strengthening practical training in fair-trade practice contract using internal in-house instructors

Improving the security deposit and rent of tenants

- Allowing conditional collateral and supporting special loan programs
- Substituting with guarantee insurance policy by establishing a time deposit pledge
- Instituting 2% rent reductions applied to annual rent payments in advance

Supplier keeper payment performance (increased for 3 consecutive years)

2019	2020	2021
334	459	1,391

(Unit: KRW 100 mil)

Arrears

ZERO

Exemplary transaction model tasks

22cases → 28cases
2020 2021

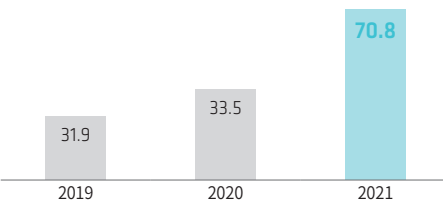
Financial Support for Suppliers

IPA has implemented various support measures to mitigate the economic burden from sharply reduced incomes of suppliers due to the COVID-19 outbreak. We actively supported SMEs in business with IPA to mitigate their financial burden by expanding advance payments to suppliers, reducing contract deposits, and introducing a win-win payment system, so that they can overcome economic crises.

Type	Support
Expansion of advance payments	• Continued expansion of advance payment rate up to 70% • Mitigating the burden of raising initial funds for contract implementation
Contract deposit reductions	• Continued deposit reductions(15 → 5 to 7.5%) • Exempting contract deposit and replacing payment memorandum for the socially disadvantaged
Rollout of a win-win payment system	• Low interest rate by providing payment guarantee and IPA credit • Pilot launch of a win-win payment system that supports early encashment
Deferred renewal and submission of performance guarantee insurance policy	• Deferment of renewal and submission of performance guarantee insurance policy for commercial facilities at passenger terminals to overcome COVID-19 restrictions

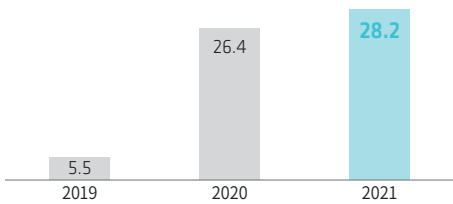
Advance payment rates(expanded for 3 consecutive years)

(Units: %)



Security deposit reductions(increased for 3 consecutive years)

(Unit: KRW 100 mil)



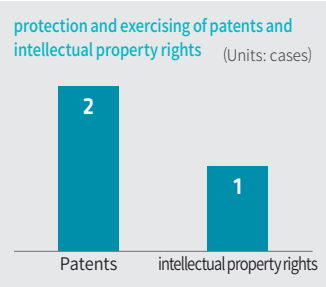
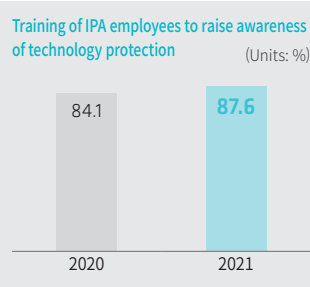
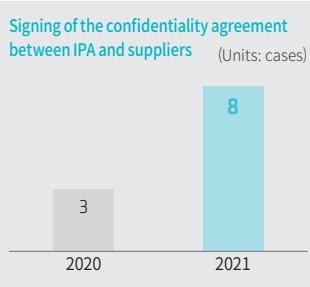
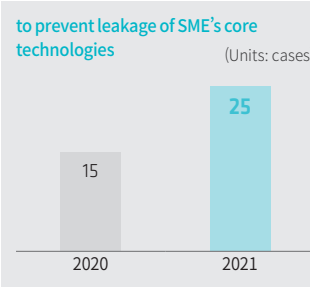
Support of SME R&D

IPA is expanding our support activities to promote R&D for SMEs, such as developing and commercializing innovative technologies specialized in ports, promoting direct investments, and attracting private investments for technology validation, agreements to protect the core technology of SMEs, and training.

Support for Development and Validation of Port-Specific Innovative Technologies

Government R&D	Purchase conditional R&D	Support for startup growth
• Support for commercializing port-specific innovative technologies in connection with government policy <ul style="list-style-type: none">- Smart container- Logistics-handling robot- Disaster response system	• Investment support for developing technical products required by institutions <ul style="list-style-type: none">- Development of eco-friendly insect net- Automation of warehouse inventory inspection	• Demonstration support to secure the competitiveness of technology development prototypes <ul style="list-style-type: none">- Marine control robot- Smart construction hard hat- Construction safety chatbot
Investments of KRW 620 million	Investments of KRW 140 million	Private investments of KRW 150 million

Support for Protecting SMEs' Core Technologies

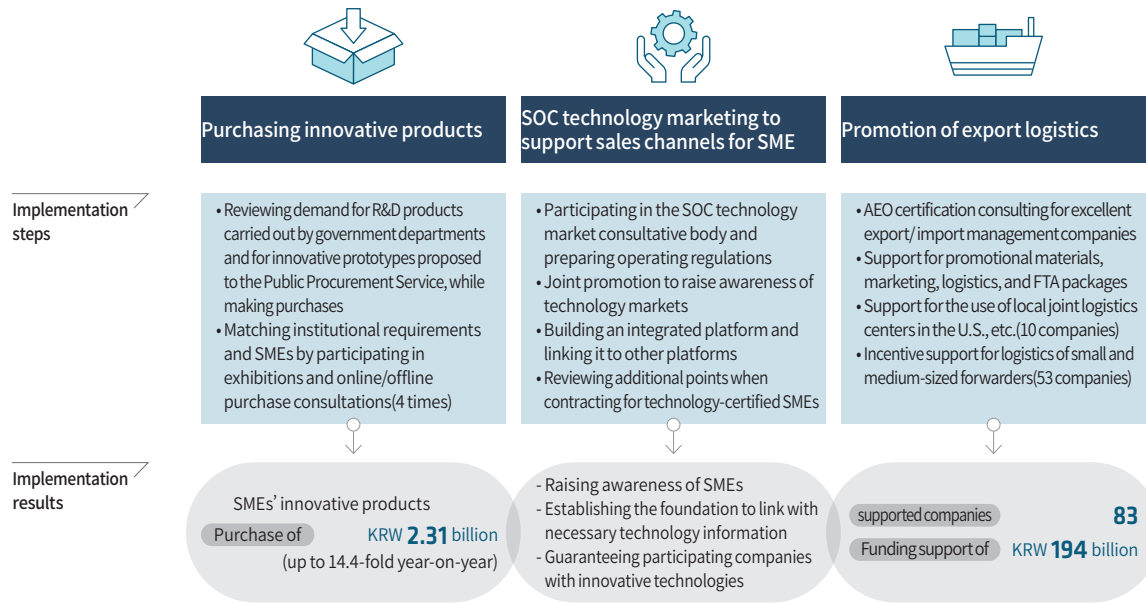


Contribution to protection of SMEs' technologies

Minister of SMEs & Startups Award

Development of product sales channels

IPA has supported developing domestic and overseas sales channels for innovative products to enhance the resilience of SMEs enduring the global economic downturn. The purchase of innovative products from SMEs has been expanded up to 14-fold year-on-year. Meanwhile, SME-g geared sales channels were supported through SOC technology marketing, and overseas sales channels for SMEs were expanded by supporting the export logistics.



Support for COVID-19

To resolve the decline in sales and business deterioration of the overall port industry due to prolonged COVID-19 contagion, IPA has reduced port facilities' rent and usage fees, supplemented PPEs and financial support to suppliers, improved regulations, and enhanced proactive administrative operations.

Projects

Type	Implementation steps	Implementation results
Rent reductions	<ul style="list-style-type: none">30% reduction in rent for the hinterland complex and sites10% reduction in rent for 6 months for wharf unloading companies50% reduction in rent for 6 months for port service providers	Amounting to KRW 11.01 billion (KRW 4.67 billion increase compared to 2020)
Usage fee reductions	<ul style="list-style-type: none">100% reduction of shipping fees and freight charges of Korean and Chinese car ferry shipping companies and commercial facilities and shipping fees at the International Passenger Terminal50% reduction in fees/ surcharges for the use of the Coastal Passenger Terminal commercial facilities and new vehicle carriers	Amounting to KRW 8.44 billion (KRW 450 million increase compared to 2020)
Financial support	<ul style="list-style-type: none">Incentives for container shipping companies and increased tonnage in the Southeast Asian and North American linesSupport for ship cleaning daily laborer members of the Port Labor Union	Funding support of KRW 500 million (An increase of KRW 310 million compared to 2020)
PPE support	<ul style="list-style-type: none">Providing masks to the socially vulnerable near the Passenger TerminalProviding self-examination kits and quarantine products at the Passenger Terminal and Container Terminal	Relief donation of KRW 250 million (An increase of KRW 70 million versus 2020)
Special loan programs	<ul style="list-style-type: none">Financial burden for companies in the hinterland complexEstablishing a low-interest loan program formed with the Korea Ocean Business Corporation	Loan funding with an initial capital of KRW 16.5 billion
Waiving of penalty for early cancellation	<ul style="list-style-type: none">Flexible contract termination for commercial facilities at the International Passenger Terminal affected by COVID-19 outbreak	Exemption from fines of KRW 30 million
Change of contract deposit method	<ul style="list-style-type: none">Changing the setting of a pledge of deposit for unloading companies at the inner port wharf	Reduced insurance policy fees by KRW 40 million

(*The No. of tenant companies: 449 port operation companies, 139 port logistics companies, 45 port construction companies, & 797 other suppliers)



2021 Performance

Promotion of local traditional markets in 2021
Selected as an 'outperforming case'

Contributing to vitalization of public purchase of products for social enterprises
Earned the Incheon Metropolitan City Merit Award

Context

The port industry has a business structure influenced by various stakeholders, while having geographical connectivity with coastal/ shoreline communities relying on the ocean. IPA must consider the economic, environmental, and social impacts of our business activities on these local communities. It is necessary to present the agenda of win-win management for both the port industry and local communities to grow and carry out proactive activities that reflect the needs of local communities.

Approach

IPA actively listens to the opinions of these local communities by operating free and open communication channels and reflecting them in our management to gain a positive, constructive response from local communities for our business operations. We create corporate social values by seeking ways to revitalize the local economy in Incheon, where we operate, and by supporting the socially vulnerable through social contribution activities.

Link to SDGs



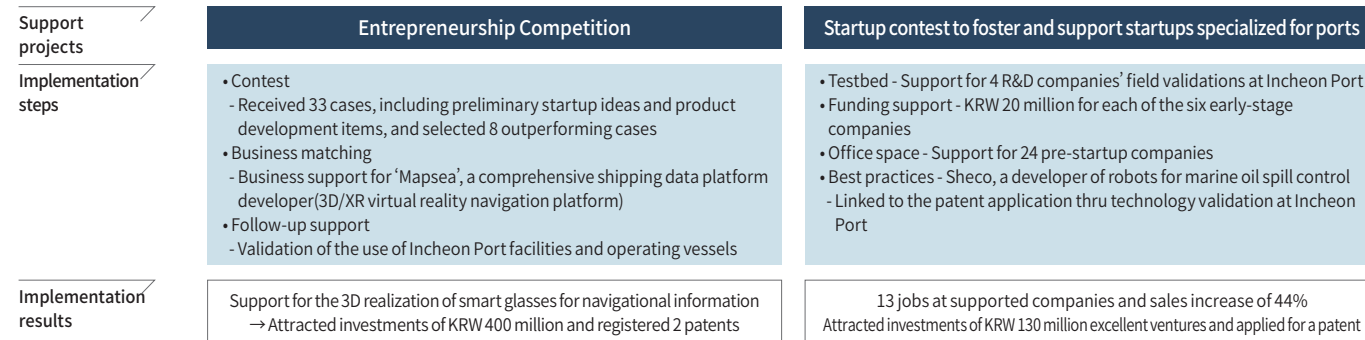
Promotion of Local Economy

IPA is carrying out the inner port redevelopment project by actively reflecting the opinions of residents based on free and open communications with the local communities. We set up the “Open PR Hall” with convenient facilities such as inner port meeting rooms and study rooms to local residents and rolled out the Naver reservation system to enhance user-friendliness. Meanwhile, we built and opened resting facilities such as the ocean view observatory and photo zone in the existing Silo Super Graphic and media façade areas as part of measures to revitalize local commerce activity by creating a landmark for marine tourism. Also, we laid the foundation for revitalizing a sustainable local economy by supporting startups and social enterprises around local communities.

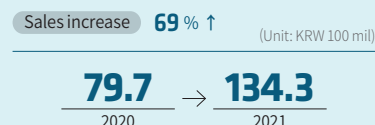
Support of Local Commerce



Developing and Supporting Startups in Local Communities



Social Enterprise Activities and Donations



Contributing to vitalization of public purchase of products for social enterprises

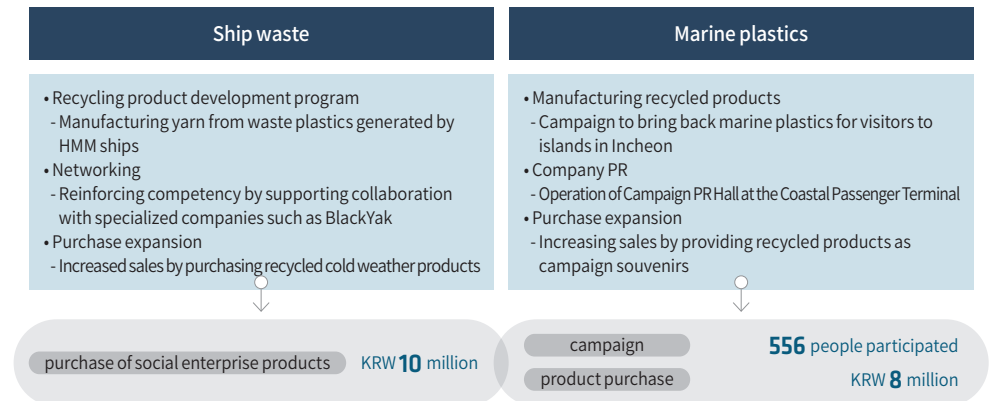
Earned the Institutional Merit Award(Incheon Metropolitan City

Implementation steps

Implementation results

Support for social enterprises in the resource recycling economy

IPA has established a resource recycling economy with recycling-specialized social enterprises to recycle/upcycle industrial waste in ships and solve marine pollution problems attributed to plastics.



Community Contribution Activities



‘Hope Sharing Week’

IPA pronounced the Incheon Port’s ‘Hope Sharing Week’ for local sole proprietors and the socially vulnerable who are enduring hardships due to the prolonged COVID-19 contagion and made community-based social contributions. We created the IPA website ad electronic collection box on the Naver Happy Bean platform, the largest social contribution platform in S. Korea, to enable anyone, including IPA employees to make a donation using a mobile QR code. A donation of KRW 11.5 million was delivered to three social enterprises near Incheon Port. The fund has instituted a virtuous cycle of donations that contributes to revitalizing the local economy by allowing social enterprises to purchase necessities and goods from local entrepreneurs.

‘Sharing March’ Campaign with local communities

IPA conducted the “Sharing March” Campaign with local communities from October 20 to November 22, 2021 to spread the culture of sharing and promote non-face-to-face volunteer activities. All local community members could participate in the donation platform through the CHERRY app, and the record was recognized when the walk was completed by adding the “IPA Sharing March Challenge”. The “Sharing March” Campaign, in which 404 people consisting of 177 IPA employees and 227 residents participated, achieved a cumulative total of 37,468,119 steps, while donations totaling KRW 10,686,490, including those from IPA employees, were donated to the Korea Leukemia Children’s Foundation for the treatment of children battling cancer and rare-incurable diseases.

Donation of Incheon Port braille booklets to Songam Braille Library

During the 95th Braille Day, IPA delivered 200 copies of Incheon Port braille booklets for visually impaired people to the Songam Braille Library and discussed future cooperation plans for realizing social values. The braille booklet produced by IPA enhances accessibility for visually impaired people by linking the history, facilities, and operation status of Incheon Port with an audio reading using a QR code.





Citizen-led plastic-free campaign and donation of ice packs

IPA donated 2,555 recyclable ice packs collected from employees of the Korea Environment Corporation, the SUDOKWON Landfill Site Management Corp., and Incheon International Airport Corporation, which are members of the innovation network for economic and social development around Incheon, to two preliminary social enterprises in the Incheon area through the Cooperative Association for Better Social Economy of Incheon. We produced and distributed the signs for the “Ice Pack Recycling ESG Enterprise” and the “Guide for Reusable Ice Pack Customers” to support the promotion of companies participating in the campaign. This ice pack recycling campaign reduced 1.5 tons of microplastics and saved KRW 2.9 million in costs related to purchasing, incineration, landfilling, and transportation of ice packs.

Sharing lunches for the socially vulnerable

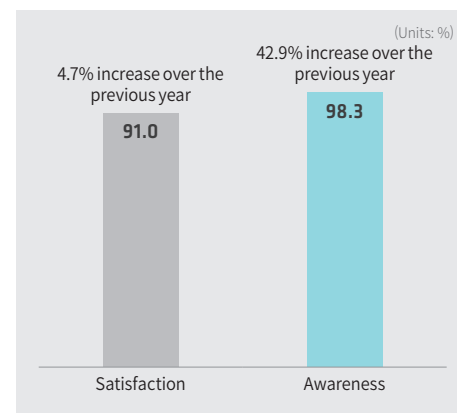
IPA, along with the Korea Agro-Fisheries & Food Distribution Corporation, delivered 1,000 lunch boxes to the socially vulnerable in the community through the “My Neighborhood Autumn Harvest Sharing” Project to help the local residents overcome COVID-19 restrictions and revitalize the local economy. With our diligent efforts, the lunch boxes of local agricultural products such as “Jangbongdo” seaweed and “Ganghwa” sweet potato purchased at local food stores in Incheon were delivered to seven free meal service centers in Jung-gu and Yeonsu-gu, Incheon through the Incheon Social Welfare Council. To further revitalize the local economy, IPA produced sharing boxes composed of products from social enterprises, like health food, cold protection products, and quarantine products, and delivered them to 300 socially vulnerable households in the local community to expand the sales channels of social enterprises and support the socially vulnerable in the region.

Improving resident satisfaction through community-geared social contribution activities

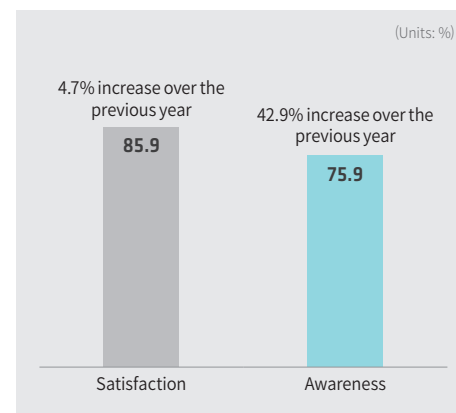
The resident satisfaction index, conducted by IPA to survey local residents on various local social contribution activities, such as the “Creating a Better and Safer Community” Project, increased year-on-year. The satisfaction survey was conducted for a month from November to December 2020, targeting more than 60 local residents in Incheon across 11 items in 6 areas related to the said project. Launched by IPA in 2019, the “Create a Better and Safer Community” project is a community-participatory regional innovation project in which local communities directly present and tackle community problems. Under this project, IPA installed yellow carpets* in 10 school zones in Yeonsu-gu, Incheon, where container trailers frequently operate, in November 2021, in support of ongoing social contribution activities for the community. IPA will keep striving to actively reflect the needs of local residents in solving community problems and implement social contribution projects that meets the needs of community residents.

* Yellow carpet: A traffic safety facility measure that teaches children to wait for the pedestrian signal at a crosswalk by standing by the ground or wall painted in yellow before crossing it.

‘Create Better and Safer Community’ Project



Community contribution activities



Customer Satisfaction Management

Improving customer satisfaction services

Contest for improvements resulting from customer complaints

IPA has been holding an annual contest for cases of improvements resulting from customer complaints since 2007 to raise awareness of Incheon Port employees' voluntary participation in customer satisfaction activities and identify and resolve customer complaints. A total of 49 cases were submitted to this publicly open contest held over two weeks from November 8, 2021, to disseminate active customer service improvement activities. The contest selected 12 outperforming cases, including one top-performing case, 2 outperforming cases, and 3 honorable mention cases for each internal and external group. The top-outperforming external case was submitted by the Port Export Import Logistics Division of Incheon Regional Customs, which contributed to improving the public satisfaction level for citizens using direct overseas purchases according to a prepared plan for the expedited handling of goods with lapsed expiries in storage due to deferred customs clearance* in a bid to reduce logistics congestion and cost of logistics for companies. The Incheon Regional Customs has shortened the maximum storage period for e-commerce express cargo due to deferred customs clearance from 6 to 2 months by revising the “Notice on Bonded Cargo Storage Period and Consolidation Management”. It also improved its operation process to enable immediate disposal or monthly batch disposal even before expiries of the storage periods for the items that infringe intellectual property rights. As a result, the available storage capacity of the warehouse has increased, such as securing a space for additional storage of about 20,000 items annually through prompt handling of express freights, with the annual cost of storage and disposal of decomposed items being reduced by more than KRW 1 billion. The top-outperforming internal case was submitted by the coastal passenger vitalization project that contributed to the successful recommission of ships by creating a safe operation foundation and conditions for convenient marine transport services by maintaining piers and terminals to restore a stable Incheon-Jeju route, which had been suspended for the past seven years. In the future, IPA plans to continue proactively identifying and resolving customer complaints to provide efficient services that customers can benefit from, and to institute a customer satisfaction management culture by enhancing port services and convenient use of Incheon Port customers.

* 98% of marine express cargos are customs cleared within one month of imports, and most of the items with lapsed expiries in storage period are discarded due to an infringement of intellectual property rights, failure to pass quarantine, or loss of product value.

Together with Incheon Port! Visiting customer communication window

IPA has created a “visiting customer communication window” to actively listen to complaints in the field and carried out its inaugural activities in June 2021. We carried out an intensive collection of marine waste in the vicinity of New Incheon Port with about 20 employees from the Incheon Plant of Lotte Fine Chemical, a customer of Incheon Port, in a bid to create a clean Incheon Port and conduct onsite communication that has created a sense of solidarity beyond the static communication method. Meanwhile, we dispatched coffee trucks in the hinterland of New Incheon Port, the Aam Logistics Complex 1, and the hinterland of the North Port in November to provide coffee and refreshments to more than 500 employees from tenant companies and a communication channel. IPA provided beverages in reusable cups and presented an ESG package of eco-friendly products as a gift to communicate and deliver our commitment to eco-friendly management.

We will continue pursuing and reinforcing our ESG management philosophy with customers, while actively listening to customer complaints and collecting opinions with customer communication channels.

2021 Five publicly open communication projects of Incheon Port

IPA has operated “Deliver the Idea”, a public participatory project discovery program that promotes communication with the public and improves the management of Incheon Port through active public participation. In November 2021, IPA operated the second round of Deliver the Idea by opening a micro-site where all residents could easily and conveniently participate, with a total of 436 ideas being received. IPA then selected the following five public communication tasks among submitted ideas and is implementing Incheon Port with the public at large by carrying out tasks identified by the competent departments and sharing the progress.

Classification	Project	Responsible department
Environment	Production of environmental video for children	Port Environment Department
Social contribution	Efforts to improve the environment on islands around Incheon Port	Social Value Office
Services	Warehouse inventory using drones	Smart Innovation Department
Website	Activation of northwest island departure notice function in Port-MIS	Port Operation Office
Recruitment	Program to support job seekers for employment	Management Support Office

27.1% increase in customer satisfaction with traffic information at the Container Terminal

Following the opening of the New Port and International Passenger Terminal, IPA actively alleviated customer inconveniences by identifying customer complaints due to repeated traffic congestion around Incheon Port and increased logistics congestion. IPA integrated the information collected from CCTVs and traffic information provided by the National Police Agency, thus providing traffic situation information in 17 areas to customers for better customer convenience. As a result of concerted efforts, the customer satisfaction score for the provision of the Container Terminal traffic information improved to 80.2 points, an improvement of 27.1% from 63.1 points in 2020.

“Barrier-Free” certification of the International Passenger Terminal

The New International Passenger Terminal, which opened in June 2020 at Zone 9 of Songdo International City, Incheon, operated by IPA, received the “Barrier-Free”(living environment free of barriers) certification from the Ministry of Land, Infrastructure and Transport in April 2021. The Barrier-Free certification system is geared to establish a living environment where all citizens, including those with impaired mobility, such as children, the elderly, and people with disabilities, can conveniently avail of transportation means and access buildings. The New International Passenger Terminal at Incheon Port is considered barrier-free from the design stage, and by March 2021, it has carried out an overhaul of amenities for people with impaired mobility, resulting in receiving an outperforming rating based on a score of 80/ 100 points.

Customer satisfaction score of 97.9 points for the Passenger Terminal

The Passenger Terminal at Incheon Port received 97.9 points in a passenger satisfaction survey. IPA has made efforts in earnest to provide better customer services by disseminating best practices for customer service and promoting improvements in those areas with shortcomings.

2021 Customer Satisfaction Index(PSCI) by the Ministry of Strategy and Finance

The Ministry of Strategy and Finance conducted a customer satisfaction survey for customers of the services provided by Incheon Port. In this customer satisfaction survey conducted by phone, IPA’s customer satisfaction level in 2021 was found to be the same as the previous year’s rating of “outperforming”.

Customer Service Charter

IPA has established the Customer Service Charter, set and implemented specific service performance standards, and disclosed the results through our website yearly to provide port services that can satisfy the needs of customers.



Customer Service Charter

Incheon Port Authority will make the following efforts to become a national company that grows together with customers by practicing the service philosophy of “CARE AND SUPPORT”.

- We will make Incheon Port convenient and safe to use.
- We will proactively improve and communicate it to meet customer expectations.
- We will carefully listen to customer requirements and complaints and respond to them promptly.
- We will faithfully fulfill our social responsibilities as a public enterprise.

To keep our commitment to our customers, we proactively set specific service performance standards and duly practice them, and strive in earnest to inform them of the results every year.



ESG Performance



GOVERNANCE

Operation of Board of Directors | Ethical Management | Integrated Risk Management



2021 Performance

Introduction of
the Labor Director System



2021 Evaluation of Anti-corruption Policy of
Public Institutions in 2021
(Anti-Corruption and Civil Rights Commission)

Grade 1 for two years in a row

Comprehensive Assessment of Integrity
(Anti-Corruption and Civil Rights Commission)

Grade 1

External evaluation of personal information management

Top honors 5 years in a row

Link to SDGs



► Context

Fairness and integrity have recently become important topics in our society. Notably, public enterprises, as key institutions that build a national framework, have a higher awareness than ever that they should offer fairness and transparency that meet the public's expectations. Corporate fairness and integrity are the basis for securing the trust of stakeholders and require a balanced organizational operations, internal monitoring, and cross-checking.

► Approach

IPA strengthens our executive ability by enhancing our organizational culture and ethical management systems to establish a sound governance structure, as well as secure financial and non-financial competitiveness with risk management by preemptively identifying and responding to potential risks in our business operations. Meanwhile, we duly protect and manage the safety of personal information from cyber-attacks and threats such as hacking, and strive in earnest to be a socially responsible public enterprise that leads the transparent port industry and upholds the public trust.

BOD Operations

IPA assures and strengthens the supervisory function of management activities through the Board of Directors(BOD) centered on non-standing members. The Port Committee, the highest decision-making body of IPA, undertakes the role of cross-checking and monitoring the management and providing management advice for each area of Port Committee members. The decisions and reports of this Committee are stipulated in Article 7 of the Articles of Incorporation. It deliberates and makes resolutions on matters such as management goals, budgets, funding plans, business and operation plans, setting standards for rent and usage fees for port facilities, changes to the Articles of Association, and enactment and amendment of significant bylaws. As prescribed by the Port Authority Act, the Port Committee has no standing members and is composed of 7 non-standing members.

BOD Composition

Executive Director Status

Name	Gender	Position	Tenure in office	Professional highlights
Choi Jun-wook	Male	President & CEO	Mar. 18, 2020 – Mar. 17, 2023	Director of Maritime Policy Office, Ministry of Oceans and Fisheries
Choi Jeong-cheol	Male	Executive vice president	June 8, 2021 - June 7, 2023	Professor of Industry-University Cooperation, Inha University
Kim Jong-gil	Male	Managing vice president	June 8, 2021 - June 7, 2023	Head of Planning and Coordination Office, Incheon Port Authority
Hong Seong-so	Male	Vice president of construction	Nov. 19, 2020 -Nov. 8, 2022	Planning Officer of Port Policy Division, Ministry of Oceans and Fisheries

Port Committee Status

Name	Gender	Position	Tenure in office	Professional highlights
Song In-soo	Male	Port Committee Chairman	Apr. 30, 2019 – Mar. 8, 2022	Director, Induk Accounting Corporation
Kim Byeong-hwa <small>(Acting chairman)</small>	Male	Non-standing Director	Apr. 30, 2019 – Apr. 29, 2022	Head of Central Regional Division, Daewoo Logistics
Kim Byeong-il	Male		Apr. 30, 2019 – Apr. 29, 2022	Professor of Korea Port Training Institute(Incheon)
Noh Hee-jung	Female		June 10, 2019 - June 9, 2022	CEO, Noh Hee-jung Law Firm
Kang Sook-young	Female		Dec. 14, 2020 – Dec. 13, 2022	Associate Professor, Department of Tourism Management, Kyonggi University
Moon Hae-nam	Male		Dec. 14, 2020 – Dec. 13, 2022	Advisor, Kim & Chang Law Firm
Jin Hyuk-hwa	Male		Feb. 14, 2022 - Feb. 13, 2024	President of Incheon Port Logistics Association

Expertise of Port Committee Members

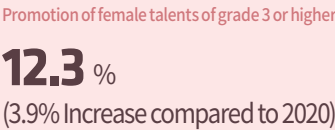
Classification	People
Shipping, port, and logistics	3
Law, labor, & human rights	1
Revitalization of marine tourism	1
Accounting	1
Total	6

BOD Operational Status

Classification		2019	2020	2021
BOD members(people)		14	14	12
Attendance rate	Executive directors	100	100	100
	Non-standing directors	95.9	100	98.9
No. of agendas(cases)		67	74	49

Director appointment procedure

The Minister of Strategy and Finance appoints the Port Committee members after deliberation and resolution by the Public Institution Steering Committee after the BOD’s Executive Recommendation Committee recommends candidates based on their expertise in shipping, logistics, civil engineering, accounting, or law. The tenure in office of each Port Committee member is two years and may be renewed in 1-year intervals, considering the performance evaluation and other various achievements. The chairman is appointed by the Minister of Strategy and Finance from among the members of the Port Committee after deliberation and resolution of the Public Institution Steering Committee as prescribed by Article 8 of the Act on the Management of Public Institutions.



Strengthening the expertise and diversity of the BOD

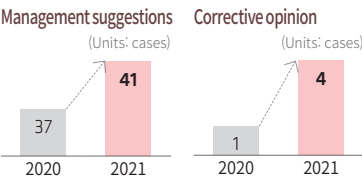
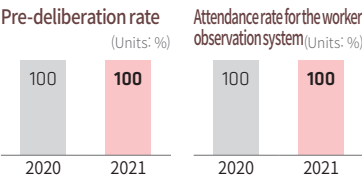
IPA is implementing a substantial BOD operation to ensure that the BOD, with enhanced expertise and diversity, can realize responsible management. The BOD, composed of experts in fields such as shipping, port, logistics, law, labor and human rights, revitalization of marine tourism, and securing financial soundness, has contributed to resolving the company’s pending issues with 41 active management recommendations in 2021. Meanwhile, IPA has appointed a female Audit Committee chairperson to strengthen the role of female non-standing directors and has supported female managers and networks to improve gender equality and diversity of the BOD by operating a mentoring system for female members and strengthening female activities of the Executive Recommendation Committee.

Subcommittees under BOD

The BOD has formed specialized subcommittees for in-depth decision-making on specific issues and holding of subcommittee meetings, and operating results are reported to the Port Committee. Each subcommittee is composed of members of the Port Committee, and if necessary, it can include outside experts to enhance expertise. IPA has strengthened management advisory activities by forming subcommittees in specialized fields and is implementing responsible management by ensuring management soundness, improving governance, and monitoring management under the purview of the Audit Committee.

Subcommittee Status

Subcommittees	No. of members	Comments	Main Performance
Planning and Budget Committee	4	Boosting economic vitality in response to COVID-19	Port industry support KRW 19.6 billion and early execution of KRW 76 billion investment in infrastructure
		Enhancing feasibility for financial soundness	Reduction of KRW 43.7 billion for new products with a lack of feasibility
Audit Committee	3	Improving employee service management method	Accurate service management without omissions through the improvement of the right HR system
Executive Recommendation Committee	6	Change of detailed evaluation criteria according to recruitment position	Improving the validity and fairness of evaluation during document and interview screening



Labor director system

IPA introduced the labor director system to enhance management transparency and diligently fulfill the role of joint labor-management decision-making and comprehensive operation of labor and onsite perspectives. With the rollout of the worker observation system in 2019, the labor director system for participation and open management was instated in 2022 after establishing the worker observation system.

Vitalization of BOD operation

IPA has introduced the deliberation procedure in advance to enhance BOD’s understanding of policies and strengthen its ability to respond to pending issues and ensure sound and efficient board resolutions. The average deliberation time was reduced by 20% by promoting and changing the department supporting the BOD, increasing the number of people, providing prior notice to reduce the information divide of the BOD, and extending the pre-deliberation period(7 → 14 days) to operate the BOD more seamlessly. Moreover, a preliminary review was adopted by the Legal Team and senior management to prevent legal errors through legal deliberation and review of an agenda and block legal errors and to comprehensively review policy matters from the perspective of business managers. It has improved the policy completeness based on the increased BOD’s understanding of an agenda.

Working group	Management	Audit Committee	Expert Subcommittee	Port Committee
Legal Affairs Team	Internal deliberation	Daily audit	BOD subcommittee	Preliminary briefing on the BOD agenda
Review for legal errors	Advance review and deliberation of important policy matters	Eliminating risks in advance for rational decision-making	Intensive sharing of key issues on planning and budget, strategy, audit, and safety	Increasing the understanding of the agenda and improving the completeness of the policy

Ethical Management

Ethical management system

Incheon Port Authority(IPA) has improved our ethical management strategy to fulfill social responsibility through law-abiding and ethical management, and has become a public enterprise trusted by the people. We aim to strengthen the effectiveness of law-abiding and ethical management by enhancing transparency with increased participation and management, strengthening internal controls/ audit procedures based on independent autonomy, and securing the public trust by preventing conflicts of interest. We established the ESG Management Committee, the overseeing organization for law-abiding and ethical management, and reorganized the functions of the Ethics Committee to strengthen the accountability of job policies, such as the resolution of law-abiding management system manuals. Moreover, to compartmentalize ethical conduct and audit controls, we formed an ethical management team to establish and manage ethical management strategies, while strengthening the existing audit team's internal controls to implement 100% of the ethical management strategic goals. IPA's ethical management were rated Grade 1 for a second consecutive year in the 2021 Assessment of Public Institution's Anti-Corruption Measures by the Anti-Corruption and Civil Rights Commission(ACRC).

Implementation goals	IAP instilling the public trust and fulfilling social responsibilities through law-abiding and ethical management			
Strategic agendas	Strengthening the effectiveness of compliance and ethical management	Enhancing transparency by expanding participation and strengthening management	Reinforcing internal controls based on independent autonomy	Securing public trust by preventing conflicts of interest
Implementation tasks	<ul style="list-style-type: none">Improving compliance and ethical management systemsPreventing unethical behaviors and creating a culture of integrity	<ul style="list-style-type: none">Identifying transparency-improving tasks and reinforcing managementCollecting important records and improving reliability	<ul style="list-style-type: none">Activating the voluntary compliance systemConsulting internal control activities and professional audits	<ul style="list-style-type: none">Establishing a conflict-of-interest prevention policyIdentifying and implementing improvement tasks to prevent conflicts of interestStrengthening the information protection system/ policy
Implementation system	Dedicated organizations <ul style="list-style-type: none">ESG Management CommitteeEthics CommitteeEthical Management TeamAudit Team	Compliance and Ethics Guidelines <ul style="list-style-type: none">Code of Ethics Charter and Code of Ethical ConductRules of Integrity Contract for ExecutivesGuidelines for Restricting New Acquisition of Real Estate Related to Job	Report Center <ul style="list-style-type: none">6 named cases, including corruption, solicitation, and public interest reporting5 anonymous cases, including abuse of authority, sexual harassment, and conflict of interest	Enterprise-wide culture <ul style="list-style-type: none">Pledge to Practice Compliance and EthicsCampaign for culture of integrityCompliance and ethical management training*

* hours of training for human rights, and 12 hours for anti-corruption, and integrity(per person, yearly)

Evaluation of public enterprises' anti-corruption policy

Grade 1

for 2 consecutive years (Anti-Corruption and Civil Rights Commission)

1

Organization for Ethical Management System

Organization	<div>ESG Management Committee (Newly formed)</div> <div>CEO(Committee chairman) Vice president Port Committee</div> <div>No. of members 7</div>	<div>ESG Management Committee (Newly formed)</div> <div>Executive vice president Heads of competent departments</div> <div>No. of members 7</div>	<div>Ethical Management Team (Newly formed)</div> <div>Team leader</div> <div>No. of members 4</div>	<div>Audit Team</div> <div>Team leader</div> <div>No. of members 4</div>
Role	Compliance and ethics policy Top decision-making	Monitoring of compliance with ethics guidelines	Establishing and managing an ethical management strategy	Reinforcing internal controls

Code of Ethics Charter



Tenets of the Code of Ethics Charter

For the continuous development of Incheon Port, Incheon Port Authority(IPA) seeks future- and customer-oriented responsible management according to IPA's management philosophy, contributes to national development based on responsibility and trust, and **creates a public enterprise serving the public** with a reputation as a world-class port. Accordingly, as proud representatives of IPA, we have established the following Code of Ethics Charter with pride and honor and firmly pledge to implement it as a standard of conduct and values that all employees must observe as the basis of our reputation.

We shall achieve our vision with creative thinking and an initiative-taking spirit, and contribute to the public trust of public enterprises by rejecting improper solicitation or acceptance of bribes, conducting business with an honest and fair attitude, and providing transparency of public office.

We duly pursue win-win partnership by complying with national laws and international regulations, respecting the fair trade market order based on free competition, and establishing cooperation/ partnerships with all stakeholders.

We duly secure full-fledged trust from customers by protecting their well-being and personal safety and providing the best service by actively gathering customer opinions with the mantra that we cannot exist without customer satisfaction.

We duly maintain relationships on an equal footing with our suppliers, and build mutual trust and partnerships through transparent and fair trade, while ensuring equal participation opportunities.

We duly respect each employee's human rights, labor rights, and integrity, do not discriminate on the grounds of ethnicity, and gender, background, provide fair opportunities based on merit and credentials, and strive to improve employees' work-life balance.

We duly respect life, strive to prevent environmental pollution and protect nature to preserve a clean environment, and contribute to sustainable national development.

We duly contribute to the growth and development of local communities as a corporate citizen that fulfills our social responsibilities and actively participates in community contribution activities, and tackle social problems and pursue integration by actively gathering the voices of the local community.

We duly build social trust, establish fair trade/ work practices, and proliferate social contribution by creating jobs in the private sector, pursuing mutual growth, and undertaking community service activities.



Strengthening ethical management

To attain compliance and ethical management, IPA eradicates abuse of authority with full-scale inspections and by improving vulnerable areas, and strengthens activities to prevent unethical behaviors with overlapping verification, while strengthening the report disclosure/ procedure of accounting and settlement functions and improving the reporting system. To raise awareness of management’s abuse of authority, IPA presents individual integrity levels in groupware and reflects the evaluation of department heads’ fair workplace performance in HR management. As a result, IPA recorded 7.06 points, an increase of 61.9% from 2020, in the internal integrity assessment in the workplace fairness category. Internal integrity assessments in the budget execution category have improved to 7.69 points, up 13.7% from 2020. IPA is committed to our continued efforts to ensure transparency in accounting by strengthening the overlapping verification and settlement reporting procedures of professional accounting and audit firms. Since the company’s establishment, there has not been a single case of settlement error or accounting fraud. Also, we are preventing unethical acts such as sexual harassment, conflicts of interest, and violations of the Code of Ethical Conduct at an early stage and strengthening internal control capabilities for self-monitoring. Moreover, the CEO took the lead in improving the enterprise-wide culture and providing custom-tailored training to foster a culture of integrity, which allowed the company to achieve Grade 2 in ACRC’s internal integrity assessment, which is 3 notches higher than in 2020, as well as Grade 2 in the overall integrity assessment, which is 1 notch higher than 2020.

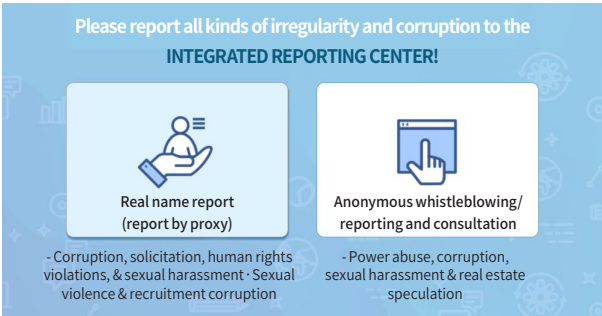
Reinforcement of Accounting Settlement Verification and Reporting



Strengthening the voluntary compliance system

IPA strives in earnest to improve the execution of the voluntary compliance system and implement a transparent culture enterprise-wide by strengthening internal control activities such as expanding regular monitoring and sharing of audit system information. We have improved the effectiveness of internal controls by adding the targets of the e-audit system’s continuous monitoring for vulnerable areas such as private subcontracting, service of workers, port facility leasing, and voluntary management of field departments. The triple voluntary control system of the person in-charge → dedicated department → audit department raises employees’ awareness with vocation management, and strengthens the prevention of vulnerable areas. We also promote ethics-related and compliance counseling by improving and strengthening the functions of internal and external reporting centers. We have expanded the number of anonymous whistleblowing/ reporting areas, such as the Code of Ethical Conduct, to five and established a legal support system for proxy reporting in the internal reporting center. As a result of expanding the communication window by improving the accessibility of the external reporting center and operating a reporting center dedicated to passive administration, we increased the number of ethics-related and compliance consultation by three versus 2020.

Integrated Reporting Center

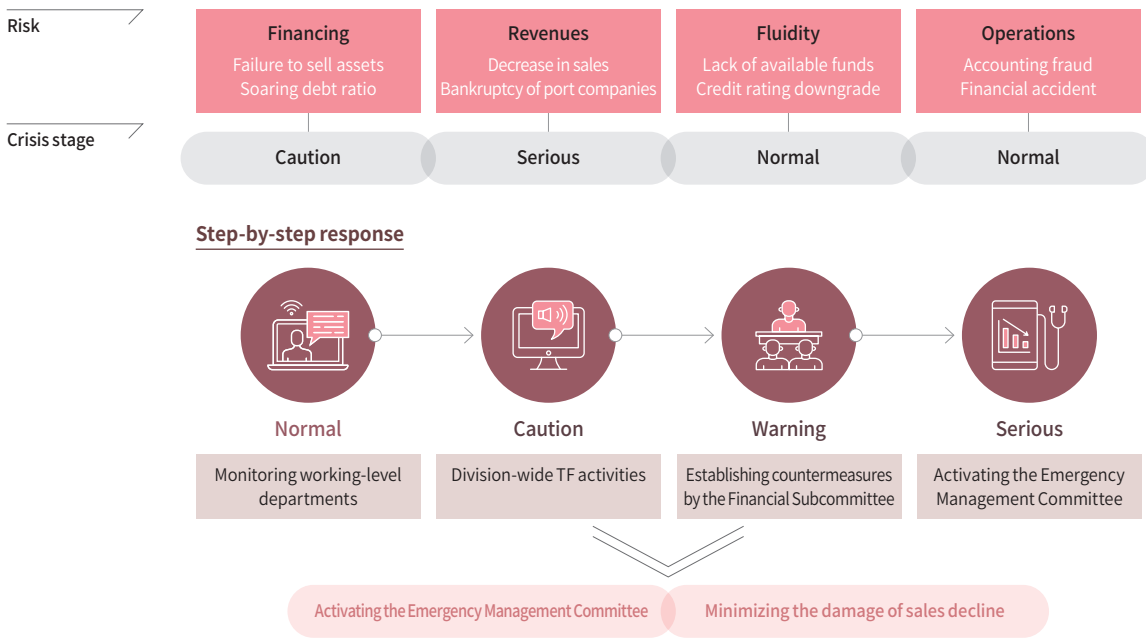


Integrated Risk Management

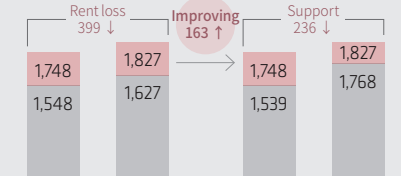
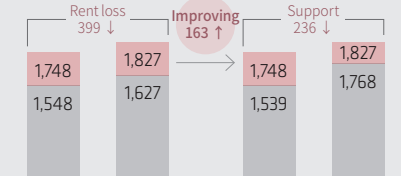
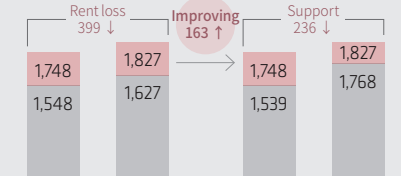
Financial risk management

IPA has strengthened our risk management system to minimize the risks of financing and operations due to the ongoing COVID-19 contagion and to maintain our financial structure’s stability and soundness. We manage financing risks by preparing a Plan B for them and proactively respond to key risk factors by exerting earnest efforts to create a sustainable Incheon Port with solid support from the port industry.

Proactive Monitoring and Response System for Financial Risks



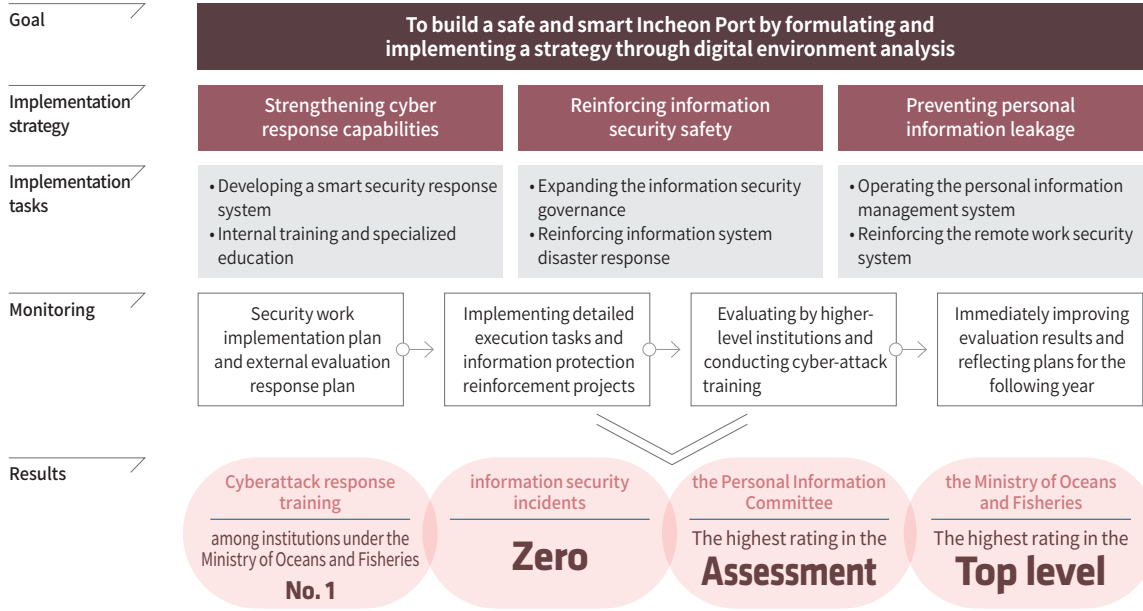
Minimizing Financial Risks through Preemptive Management of Key Risk Factors

Core risks	Crisis response	Implementation results																											
<ul style="list-style-type: none">Expected costs of KRW 12.8 billion in interest expenses in the case of a failure of selling the long-term idle asset(worth KRW 533.4 bil) after the completion of Golden Harbor	<ul style="list-style-type: none">Sale through related organizations and IRBenchmarking leasing and self-development and reviewing economic feasibility in the case of the asset sale falling through	<ul style="list-style-type: none">Expanding potential customers and securing consensus of competent ministries on legal amendmentsReducing the debt ratio by 4.75 with investment resources secured through conversion of the asset to a leasing arrangement if its sale falling through																											
<ul style="list-style-type: none">25-90% decline in sales in the passenger industryManagement difficulties of small logistics companies	<ul style="list-style-type: none">Support KRW 19.6 billion for shared growth in port operation <table><tr><td rowspan="3">Efforts to minimize negative profit</td><td>Profit creation</td><td>KRW 1.9 billion</td></tr><tr><td>Tax refund</td><td>KRW 6.3 billion</td></tr><tr><td>Cost saving</td><td>KRW 10.8 billion</td></tr></table>	Efforts to minimize negative profit	Profit creation	KRW 1.9 billion	Tax refund	KRW 6.3 billion	Cost saving	KRW 10.8 billion	<ul style="list-style-type: none">Loss mitigation of KRW 16.3 billion over two yearsPrevention of risk of 507 job loss <table><tr><th colspan="4">Loss prevention</th></tr><tr><td colspan="4">(Unit: KRW 100 mil)</td></tr><tr><td colspan="4">■ Rent loss ■ Regular rent</td></tr><tr><td colspan="4"></td></tr><tr><td>2021</td><td>2022</td><td>2021</td><td>2022</td></tr></table>	Loss prevention				(Unit: KRW 100 mil)				■ Rent loss ■ Regular rent								2021	2022	2021	2022
Efforts to minimize negative profit	Profit creation		KRW 1.9 billion																										
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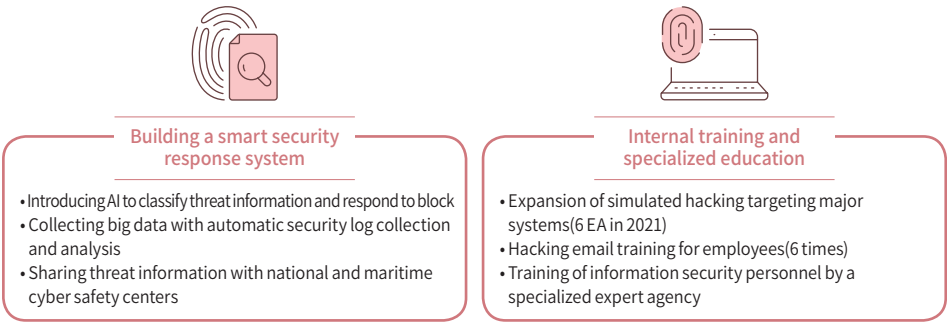
Personal information and cybersecurity

IPA is diligent at work to protect the personal information of customers and manage cybersecurity by strengthening the information protection management system and digital safety net with the building of a smart Incheon Port.

Information Protection Management System



Strengthening cyber response capabilities



Personal information management for each lifecycle



ESG Performance



Sustained Growth | Enhancement of the Port Infrastructure | Smart Port



2021 Performance

Port facility for e-commerce overseas trade

No.1 in Korea for 8 consecutive years

79.6%

Greatest tally of regular routes in history

Tallying 66 ports

Certification of a domestic port hinterland complex

Achieved first certification for the Smart Logistics Center

Earned the 16th Incheon Metropolitan City Logistics Development Award

Accredited with Logistics Development Grand Award

Link to SDGs

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

Context

Due to recent environmental changes and intensifying competition in the port industry, port development and operation that can capitalize on the advantages of Incheon Port is essential. Due to the demands of the global logistics trend, ports must provide various functions as the center of the logistics network. It is necessary to build a smart port with stable operations capable of port automation, logistics optimization, and energy efficiency.

Approach

IAP will manage Incheon Port to lead the global port industry, enhance national competitiveness, and serve as an economic engine in local communities. We are fully committed to creating a smart port based on the Digital New Deal to support successful implementation of the government's Korean New Deal Policy by responding with agility and flexibility to the “next normal” business environment.

Next Plan

Creation of a Digital New Deal-based port infrastructure	Port redevelopment that contributes to community development
Advancement of logistics business	Creating a high-quality marine tourism ecosystem
Creation of demand for marine tourism	

Sustained Growth

Port logistics business

Despite the ongoing COVID-19 contagion and rapid changes in the global port industry, IPA has maintained stable operations based on continuous growth during 2021. To provide stable shipping and route services for import/ export shipping companies, we have offered special shipping incentives to them with the provision of additional shipping for exports to Southeast Asia, while exerting concerted efforts to eliminate congestion in import and export logistics by adding special temporary ships to provide shipping for small-and-medium-sized shipping companies. We developed six new routes to operate 66 regular container service routes, the largest stabilized existing routes ever covering intra-Asia, the Americas, Africa, and Russia, while we concentrate on managing routes that could be veered off. Based on these rigorous efforts, the container volume of Incheon Port recorded 3,353,781 TEU(20-foot equivalent units), an increase of about 80,000 TEU, or 2.5%, versus 2020. In 2021, the container volume of Incheon Port totaled 1,689,128 TEU for imports and 1,602,148 TEU for exports, which increased by 4.1% and 2.0%, respectively, versus 2020, while transshipment and coastal cargo volumes reached 54,309 TEU and 8,196 TEU, respectively. The cargo volume increase of goods declined in the second half of the year due to increased uncertainty, such as disruptions in the global supply chain, but Incheon Port achieved the largest container volume in its history by operating an emergency management system to support export/ import logistics. Moreover, IPA provided various multimodal transportation models through the International Passenger Terminal during port logistics congestion, supporting shipping companies to design optimal logistics routes using rapid car ferry services. As a result, the volume of international car ferries grew 20% versus 2020 to a tally of 500,000 TEU. The volume of e-commerce goods using car ferries increased two-fold from 5,966 tons in 2020 to 11,955 tons in 2021, making it the number one marine logistics processing port for e-commerce trade in Korea.

Container import volume by country (Units: TEU)

Country	2021	Change from 2020
China	973,801	41,054(4.4%)
Hong Kong	53,480	13,460(33.6%)
Japan	45,743	9,101(24.8%)

Container export volume by country (Units: TEU)

Country	2021	Change from 2020
China	1,019,625	4,792(0.5%)
Vietnam	138,353	9,923(7.7%)
Taiwan	73,244	8,472(13.1%)

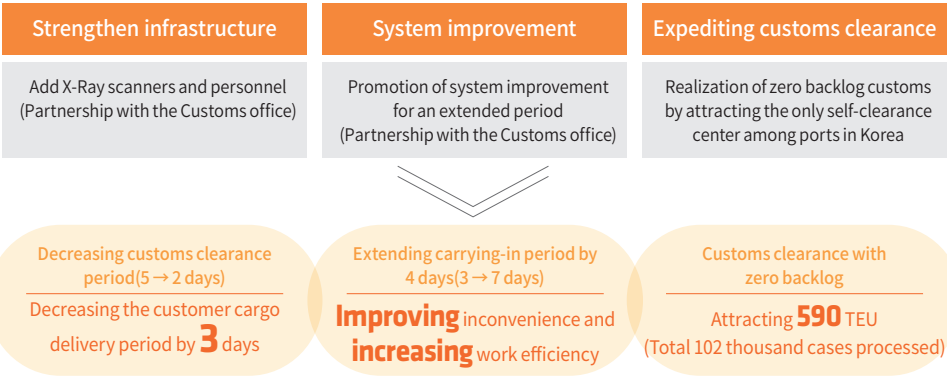
Marine logistics impact analysis and rapid improvement

To respond promptly to disruptions in the global shipping and logistics supply chain caused by climate change and the pandemic, IPA conducted an impact assessment of each significant shipping logistics companies and undertaken emergency management governance activities to make rapid improvements based on the results.

Key issues	Cause and governance activities	Implementation results
Global port congestion	Decreased ship punctuality and increased operating time due to closed location → Introduced measures to reduce waiting times for port entry and departure	• Implementing towage special pilotage service • Introducing 24-hour quarantine
Shortage of tonnage	Demand distortion due to occupancy overbooking → Preparing a plan to add tonnage through executive-level meetings	• Special vessel input to Incheon Port (41 times)
Fare increase	Relatively low fares skipping Incheon Port(20% non-call port) → Devising a plan to secure price competitiveness compared to other ports	• Reduction of differences in sea freight fares
Shortage of major goods supply	Difficulty in stable inventory management due to overseas procurement → Building a real-time based supply chain	• Timely supply of non-ferrous metals

Construction of an e-commerce maritime logistics hub

IPA established Incheon Port as a hub for e-commerce marine logistics by increasing the efficiency of the customs clearance process in partnership with related organizations to improve the efficiency of the customs clearance process to reflect the domestic and international situation and customer improvement requests for e-commerce, attracting cargo from global e-commerce companies, and supporting small-and-medium-sized export companies to develop new markets. As a result, Incheon Port's e-commerce volume in 2021 reached 11,955 tons, an increase of 100% over the previous year.



Attracting Cargo from Top-3 Global E-Commerce Companies



Support for developing sales channels for small-and-medium-sized export companies

IPA has partnered with a Vietnamese e-commerce integrated sales management solution company that can gather company-specific difficulties to support the development of overseas markets for small-and-medium-sized enterprises with weak networks in situations where face-to-face work activity is difficult due to the prolonged lockdown due to the COVID-19 pandemic. As a result, IPA enabled 13 small-and-medium-sized exporting companies to enter the Korean Hall of Vietnam's four major e-commerce channels and exported 266.5 tons of e-commerce cargo with the support of initial marketability testing and sector-specific consulting.

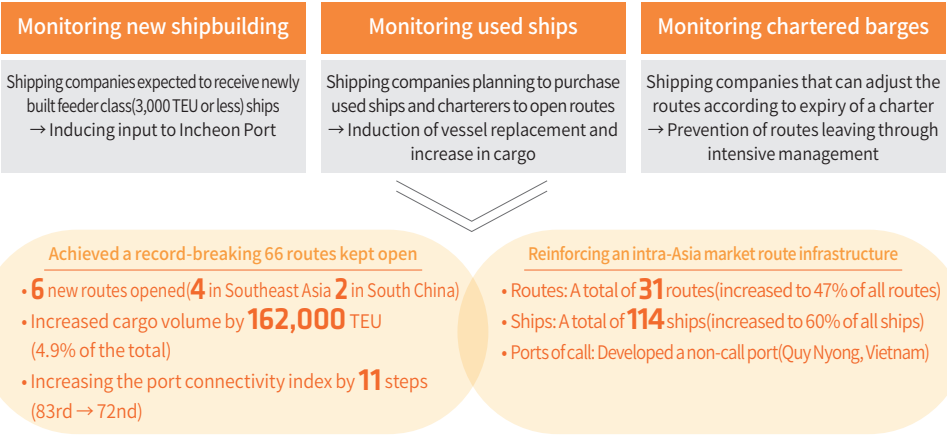
Port facility for e-commerce overseas trade

No.1 in Korea for **8** consecutive years (79.6%)



Attracted 6 additional regular routes

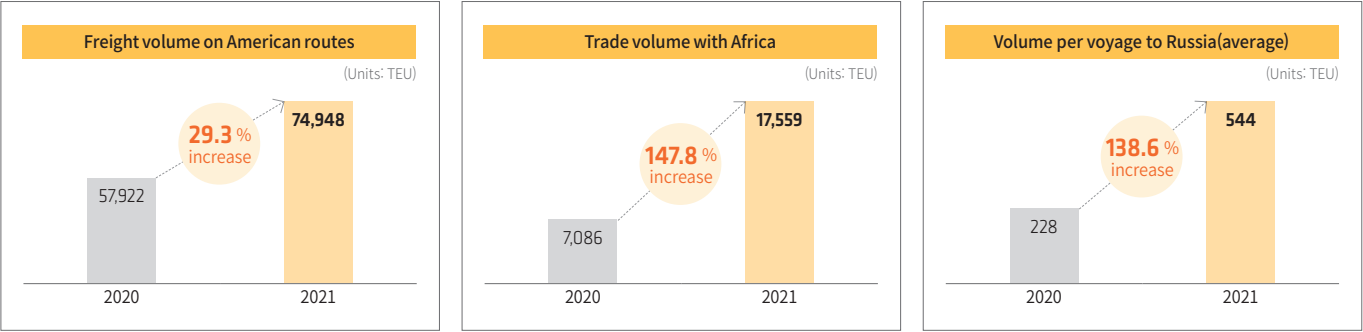
As the Incheon Port had passing phenomenon occurring due to the closure of major ports in China and Vietnam due to the resurgence of COVID-19 and there was a problem with route expansions, such as the departure of some routes due to a mass shortage of ships, IPA launched our marketing campaign to attract routes by analyzing changes in the shipping volume of each shipping line. We achieved keeping a record-breaking 66 active routes open by attracting targeted courses and maintaining existing routes with enhanced ship monitoring.



Stable operation of existing routes and expansion of new services

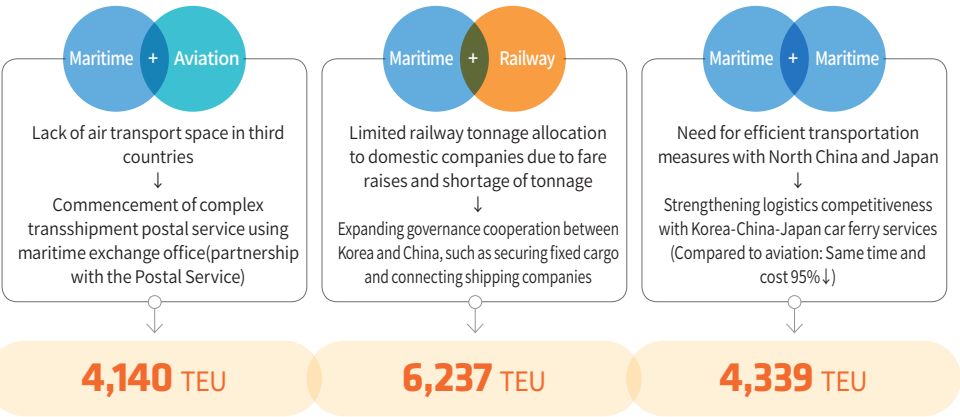
IPA is hard at work to improve the risks caused by concentrating routes in specific countries and recovering demand in the post-COVID-19 environment by stabilizing existing ocean routes and expanding demand-based ocean routes as the need for a marketing campaign to attract stable routes has materialized.

The development of new harbors has led to the operation of 70 ports of call, the greatest tally in history, and has increased the possibility of opening new ocean routes.



Creation of multimodal cargo using the car ferry infrastructure

IPA created multimodal cargo services using the 10 most extensive Korea-China international car ferry routes owned by Incheon Port. It has led to a record-breaking car ferry volume in our history, tallying 49.5 million TEU, and the importance of foreign exchange goods rose 26.3% compared to the 3-year average.



Revitalizing Marine Tourism

Restoring the Incheon-Jeju route

IPA has been striving to reopen the Incheon-Jeju route since 2016, and completed the selection of operators in November 2019 with passenger services being successfully resumed with the inaugural departure of the Beyond Trust in December 2021. For the successful operation of this route, IPA prepared measures to prevent the recurrence of accidents, provided a pier facility dedicated to Jeju, and improved the functions of passenger facilities. More than 50,000 new passengers are expected to be created each year in the future, while it is likely to contribute to the revitalization of tourism on the coastal islands of Incheon Port.

Type	Implementation tasks
Prioritizing safety	<ul style="list-style-type: none">Introducing new large-scale shipbuilding(4 times compared to the existing one)Introducing safety technologies such as a loading management system(eliminating human errors in loading cargo) and onshore safety monitoringConducting maritime traffic safety evaluation and ship operation vitalization
Pier operations	<ul style="list-style-type: none">Forming the contract for leasing wharf facilities to shipping companies(passenger-centered pier operation) and for unloading by specialized unloading companies(specialization in pier operation)Eliminating risk factors by introducing shuttles dedicated to passenger boarding and providing a safe area for boarding and disembarking
Terminal services	<ul style="list-style-type: none">Improving safety and usability by inspecting and upgrading the safety of the former International Passenger Terminal 1 facilitiesExpanding convenience facilities such as infant care/ nursing rooms and convenience storesIntroduction of smart QR ticket gates

Customized marketing for passenger attraction

IPA has launched a custom-tailored marketing campaign for passenger attraction, considering environmental changes in the tourism industry where Incheon Port and the marine tourism industry pursue mutual growth by recovering marine passenger demand with the development of leading routes in the stagnant marine tourism industry.

Island tourism marketing based on small-scale citizen experience	Multi-platform, interactive non-face-to-face marketing
<ul style="list-style-type: none">Non-face-to-face safe tourist attraction, "Living proudly on Incheon Islands"	<ul style="list-style-type: none">Communication with foreign cruise companies thru metaverse, online PR center, and video conferencesPublic participation in public relations thru the operation of Online Marine Tourism Supporters for Incheon Port
<ul style="list-style-type: none">Achieved 100.7% of the No. of coastal passengers versus the previous year despite social distancing and restrictions on the No. of onboard passengers	<ul style="list-style-type: none">Preemptive response to recover demand for marine tourism by attracting 14 world cruises from 2022 to 2024

Enhancement of Port Infrastructure

Securing port productivity

IPA has held 10 emergency response sessions on improving the logistics environment since May 2021 to overcome the port productivity crisis, which has worsened with the prolonged the global supply chain crisis. The Emergency Response Team comprising the field-level manager and outside experts investigated field operations and analyzed operation processes to derive short and long-term improvements for each sea, pier, gate, and hinterland. IPA has improved the barriers to port operations by preparing measures to improve logistics bottlenecks by minimizing ship waiting, increasing unloading capacity, minimizing congestion, and eliminating yard shortages.

Improving Obstacles to Port Operations

Sea operation	Decrease in the suspension of pilotage in case of bad weather, shortage of large pilotage boats, cost burden, etc. ↓ Introduction and implementation of the towage special pilotage service (36 vessels from 22 shipping companies)	waiting for the arrival ↓ Reducing 303 hours yearly shipping companies ↓ Reducing KRW 1.63 billion yearly in losses
Pier operation	Demurrage and difficulties in prompt unloading due to supply chain crisis and decreased handling in excess compared to unloading capacity ↓ Providing additional berths(2 units) and expanding upgrade of loading and unloading equipment (23 units from 5 companies) Preparing the opening of the new Container Terminal(by 2026)	Preventing deterioration of the demurrage rate Expected to expand cargo capacity
Gate operation	Reducing congestion at gates and inconvenient movement of freight cars and CIQ vehicles between terminals ↓ <ul style="list-style-type: none">Developing a non-face-to-face import/ export reservation appSimplifying the seal checkout procedureImproving the road traffic system near the terminalAllowing flashing U-turns and installing colored lanesImplementing a smart transportation system based on ICBM technology	Cargo check-in/out at the Container Terminal ↓ 11.86% reduction in turn-around time 19.4 minutes(2020) → 17.1 minutes(2021)
Hinterland operation	Reducing delayed shipments in the used car export industry and saturated yards and creating community-friendly clusters ↓ Enforcing the incentive system for ships entering ports(May 2021) Identifying additional yards(210,000 m²) and constructing a used car export industry cluster	Inner Port Export Used Car Volume Highest achievement ever 219,000 vehicles(2020) → 315,000 vehicles(2021), 143.84 % increase Inner port car carrier arrival Highest achievement ever 104 ships(2020) → 241 ships(2021) 231.73% increase

Revitalization of hinterland complex

IPA plans to establish the hinterland complex to create high added value by reflecting changes in global trends, such as the expansion of used car import regulations, the growth of the B2C e-commerce market, and the increase in specialized cargo at Incheon Port.

Smart Auto Valley(200,000m ²)	E-commerce special zone(200,000 m ²)	Smart Logistics Center(50,000 m ²)
<ul style="list-style-type: none"> Holding private/ government/ public consultations and community meetings(20 times) → Reflecting new roads → Establishing environmental integration system → Preparing measures to revitalize tourism and the local economy 	<ul style="list-style-type: none"> Attracting GDC as a regulatory-free zone - Designating the general bonded area - Designating the special e-commerce zone - Trying to designate Incheon Port as a free trade zone → Collaboration of IPA, Korea Customs Service, the Ministry of Oceans and Fisheries, and Incheon Metropolitan City 	<ul style="list-style-type: none"> Developing a digital logistics service system(Selected as a Korean New Deal Project) → Secured the national budget of KRW 12 billion • Joint research with company "L" → Procuring smart equipment such as Auto Store
Trying to create advanced infrastructure for exporting 1 million vehicles	An additional supply of 150,000 m2 of land and investment proposals received from 7 companies	Began the construction of the logistics center(2022) and operated the joint logistics functions

Investment attraction

KRW **451.6** billion

Job creation

KRW **892** billion

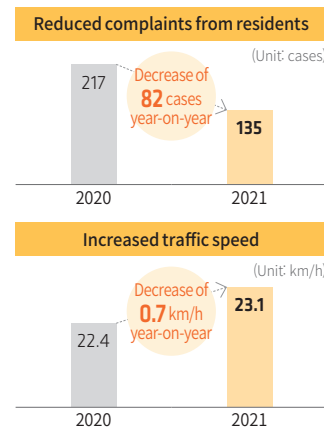
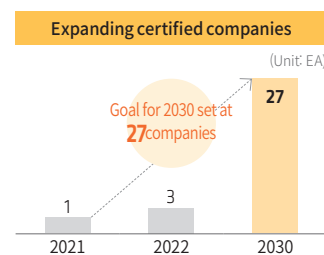
Certified as the first smart logistics center among port hinterland complexes in Korea

IPA discussed the application of the "Smart Logistics Center Modernization" support project under the Ministry of Land, Infrastructure and Transport to the hinterland complex of Incheon Port, and sought a plan for the first certification in the port sector by inducing its transformation into smart logistics. IPA attained the certification of the "Ministry of Land, Infrastructure, and Transport Smart Logistics Center" for the first time in the port industry in October 2021 by applying active administrative measures to introduce smart facilities using IoT and operation consulting.

Additional volume is expected through the government's secondary maintenance and certification of smart infrastructure construction costs, with IPA accredited with the 16th Incheon Metropolitan City Logistics Development Award in recognition of increased productivity through advanced logistics.

In improving the logistics environment that coexists with local communities

IPA is hard at work to resolve the inconvenience of residents near Incheon Port by creating temporary parking lots and driver rest areas using idle sites at Incheon Port, improving infrastructure such as lighting facilities at parking facilities, installing detours to separate harbor and residential areas, jointly deterring illegal parking, and reinforcing traffic safety facilities in vulnerable areas. As a result of our concerted efforts, the traffic flow at the port increased by 0.7 km/h versus 2020, while complaints from residents decreased by 82 cases to 135.



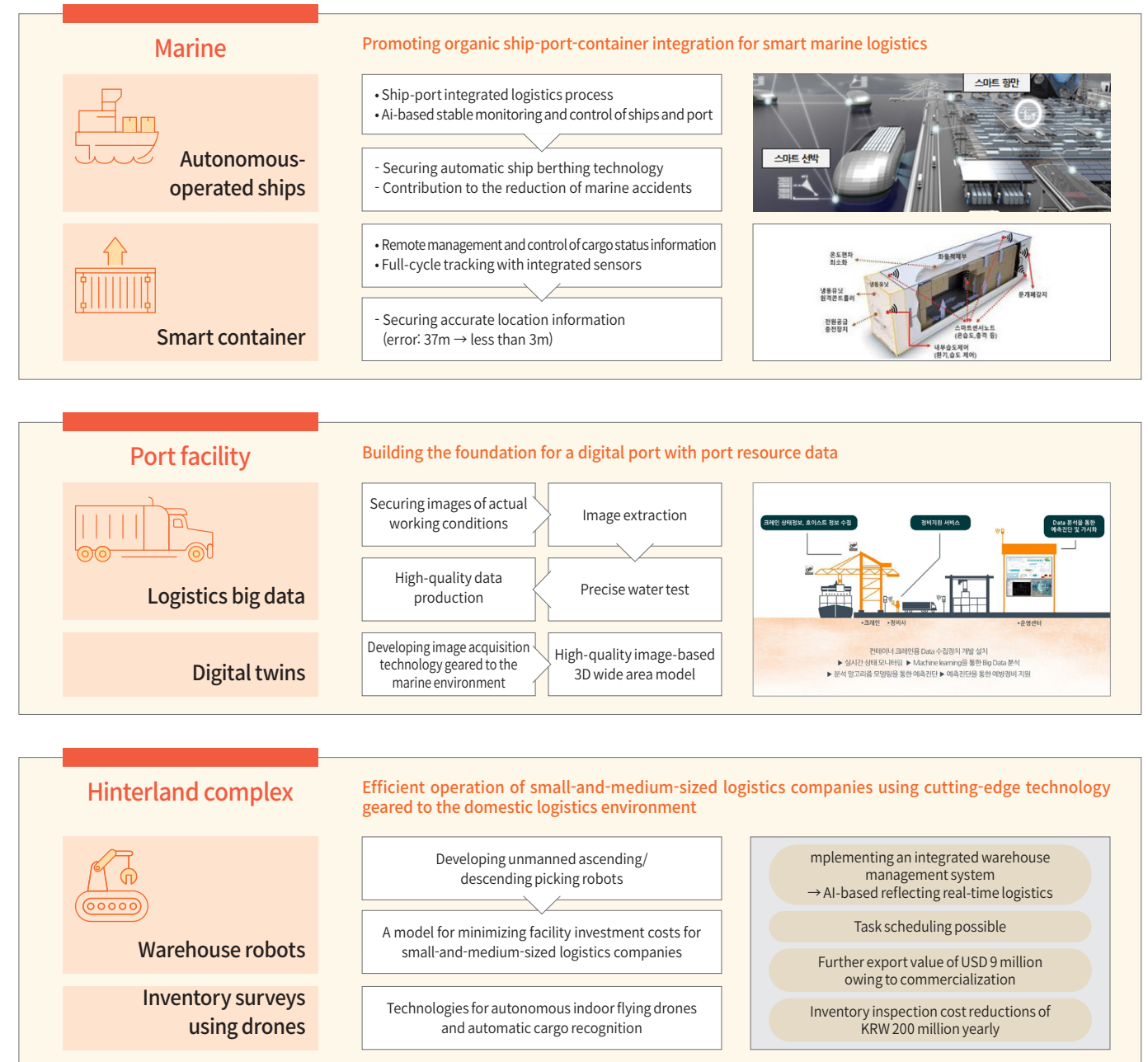
Accredited with the 16th Incheon Metropolitan City

Logistics Development Award


Smart port facility operations

IPA is developing in earnest core technologies for digitalizing all areas/ domains of Incheon Port as part of port digitalization according to the Roadmap for the Korean New Deal. We selected autonomous-operated ships, smart containers, logistics big data, digital twin, warehouse robot, and inventory surveys using drones as core technologies by identifying challenges such as infrastructure innovation, big data acquisition, and warehouse operations improvement for the digitalization of the main three areas of port operations, namely the maritime, port, and hinterland complex areas.

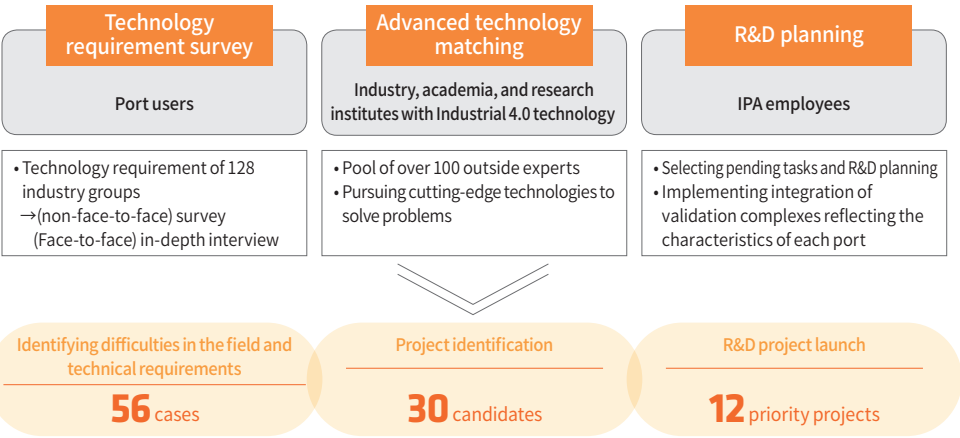
IPA plans to create a new business with a KRW 200-billion investment and 400 jobs by building the framework for improving port efficiency and digitalizing port operations by developing six core technologies.



Establishment of a collaborative enterprise system and setting the agenda of the R&D validation complex

IPA has secured the future growth engines advanced technology, recognized the need for R&D reflecting technological demand, set up an internal and external collaboration system and validation agenda for constructing a smart port centered on users, and pursued empirical R&D activities reflecting the characteristics of each port.

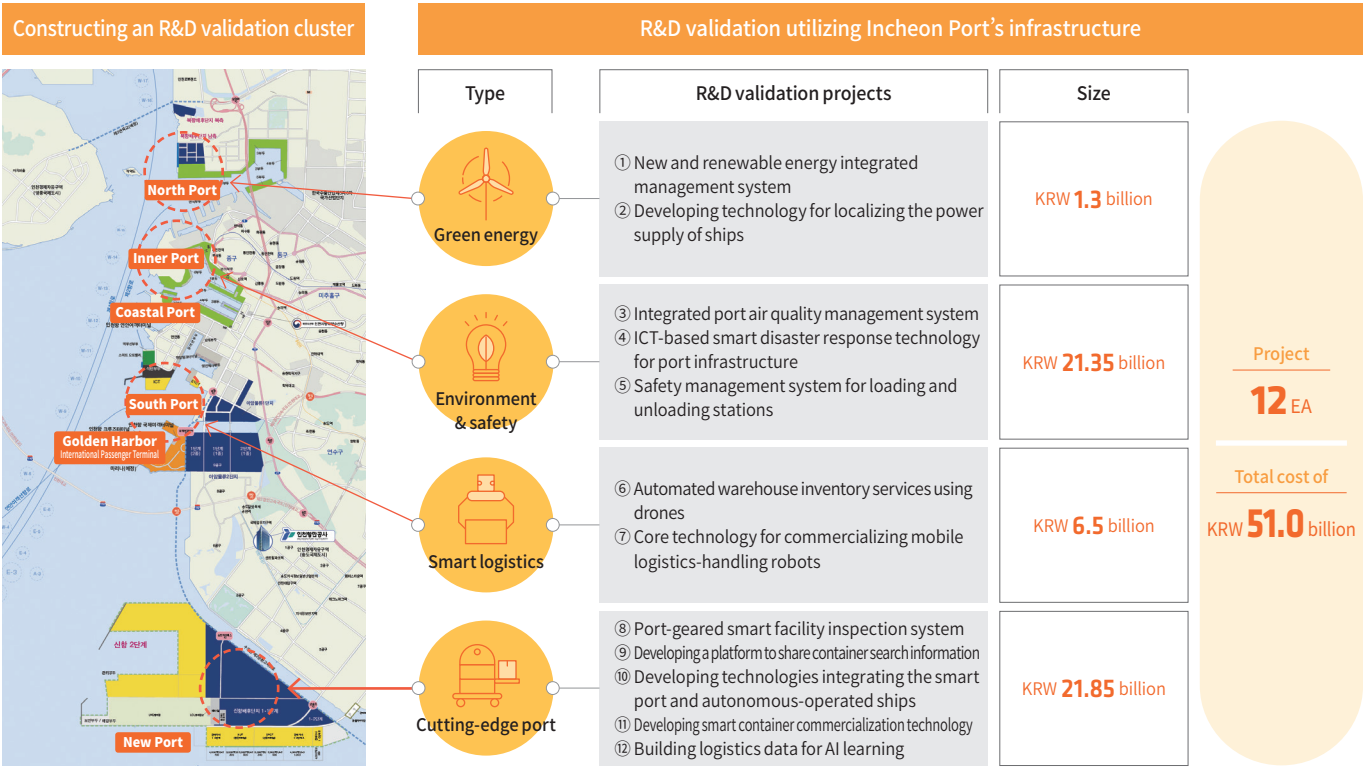
Collaboration System for Smart Port Construction



Agendas for Construction of Validation Complexes at Each Harbor

Type	Hinterland complex in North Harbor	Inner Harbor	Aam Logistics Complex	New Harbor
Analysis	• Operating Incheon Port's largest new and renewable energy complex	• Necessary for development with respect to cities due to proximity to residential areas	• Constructing a smart joint distribution center	• Constructing smart harbors equipped with cutting-edge technology
Validation agendas	Green energy	Environment and safety	Smart logistics	High-tech harbors

R&D on Smart Harbors Attached to Validation Complex



Appendix

98 Sustainability Performance

- ECONOMIC PERFORMANCE
- ENVIRONMENTAL PERFORMANCE
- SOCIAL PERFORMANCE

105 Global Initiatives

- UN GLOBAL COMPACT
- UN-SDGS
- TCFD INDEX

108 ISO 26000 Assessment Report

112 Third-Party Assurance Statement

114 GRI Standard Index

117 Key Awards, Certifications, and Association Membership in 2021

MOVING TOWARD A BETTER FUTURE

Sustainability Performance

Economic performance

Consolidated Financial Statements

Type		Units	2019	2020	2021
Total assets	Current assets	KRW millions	185,754	77,980	48,588
	Fixed assets		3,134,165	3,198,123	3,300,810
	Total assets		3,319,919	3,276,102	3,349,398
Owner's Equity & Liability	Total stockholders' equity		2,165,617	2,251,906	2,204,987
	Current liabilities	KRW millions	337,734	271,326	160,249
	Non-current liabilities		816,568	752,871	984,162
	Total liabilities		1,154,302	1,024,197	1,144,411

Consolidate Profit & Loss Statement

Type	Units	2019	2020	2021
Revenues	KRW millions	156,684	147,499	154,267
Cost of sales		96,476	105,523	108,194
Selling & general administrative costs		37,970	47,428	42,917
Operating income		22,238	(5,453)	3,156
Other income		5,554	2,397	4,455
Other expenses		6,949	4,800	7,452
Other profits		16,008	169,223	2,952
Financial return		987	341	514
Financial costs		20,649	21,532	25,497
Company-related profits subject to equity method		-	-	-
Earnings before income taxes		17,189	140,175	(21,872)
Corporate taxes		3,904	51,071	1,853
Net profits		13,285	89,104	(23,725)
Other comprehensive income		(417)	(223)	3,188
Total comprehensive income		12,868	88,881	(20,537)

Government subsidies

Type		Units	2019	2020	2021
Subsidies		KRW 100 mil	62	6.89	40

Economic Value Distribution

Type		Units	2019	2020	2021
Economic value creation		KRW 100 mil	1,527	1,407	1,490
	Revenues	KRW 100 mil	1,471	1,383	1,445
	Other income		56	24	45
Economic value allocation		KRW 100 mil	693	1,814	706
Employees	Labor cost**	KRW 100 mil	217	257	254
Shareholders & investors	Interest Cost		206	215	255
Government	Tax and utility bills		125	189	148
	Corporate tax		39	511	18
Reinvestment	Reinvestment resources & retained earnings		92	617	0
Local community	Donations		14	25	31

* Total revenue and other income
** Employee wages, severance pay, and welfare benefits

Environmental performance

Investment in Environmental Facilities

Type	Units	2019	2020	2021
Expansion of new & renewable facilities	KRW 100 mil	21	27	27
Renewable facility maintenance		0.93	1.2	1.18
Energy industry		28	-	-

Energy use

Type	Units	2019	2020	2021
Energy user	TJ	2.807	2.990	8.395
- Diesel		0.237	0.091	0.080
- Gasoline		0.355	0.292	0.268
- Electric power		2.215	2.607	8.047
Energy Intensity ¹⁾	TJ/KRW 100 mil	0.001792	0.001898	0.005441
Power generation with renewable energy	MWh	926	2,407	3,210

1) Energy intensity = Total energy consumption/ Revenues
※ Generation basis: Data submitted to the Environmental Information Disclosure System(Ministry of Environment - Korea Environmental Industry & Technology Institute)
※ Excluded facilities: Passenger Terminals
- Passenger Terminals(1st & 2nd International, New International, Cruise, and Coastal terminals) leased the entire building for profit-making business purposes to attract tourists, while being excluded from the evaluation because private companies measure and bear usage costs separately.

Sustainability Performance

Greenhouse Gas Emissions

Type	Units	2019	2020	2021
Direct greenhouse gas emissions(Scope 1)	tCO ₂ eq	40.52	26.067	23.626
Indirect greenhouse gas emissions(Scope 2)		107.284	126.804	137.601
Miscellaneous indirect greenhouse gas emissions(Scope 3)		-	-	-
Scope 1 + Scope 2 intensity ²⁾	tCO ₂ eq/ KRW 100 mil	0.094333	0.097062	0.104512

2) Scope 1 + Scope 2 = [Direct greenhouse gas emissions(Scope 1) Indirect greenhouse gas emissions(Scope 2)]/ Revenuesg

※ Generation basis: Data submitted to the Environmental Information Disclosure System(Ministry of Environment - Korea Environmental Industry & Technology Institute)
※ Excluded facilities: Passenger Terminals and rented office building
- Passenger Terminals(1st & 2nd International, New International, Cruise, and Coastal terminals) leased the entire building for profit-making business purposes to attract tourists, while being excluded from the evaluation because private companies measure and bear usage costs separately.
- Rented office building: There is no individual measurement facility in 2019-2020, as the facility operated for less than two years in 2021. The standard emissions amount is being calculated.

Atmospheric Pollutant Emissions

Type	Units	2019	2020	2021
NOx	1,000 ton	5.979	5.056	4.902
SOx		1.146	0.714	0.354
Ultrafine dust(PM2.5)		0.180	0.149	0.116

Public Utility Water Use

Type	Units	2019	2020	2021
Water consumption(floodgate)	1,000 ton	7.964	6.826	17.104

※ Generation basis: Data submitted to the Environmental Information Disclosure System(Ministry of Environment - Korea Environmental Industry and Technology Institute)(2019 and 2020 – Floodgate / 2021 – Floodgate and rented office building)
※ Excluded facilities: Passenger Terminals
- Passenger Terminals(1st & 2nd International, New International, Cruise, and Coastal terminals) leased the entire building for the purpose of profit-making business to attract tourists, while being excluded from the evaluation because private companies measure and bear usage costs separately.

Waste Recycling

Type		Units	2019	2020	2021
Water consumption (floodgate)	General waste	ton	1,476.73	1,327.74	1,299.425
	Designated waste		1.98	4.67	3.77
	Construction waste		9,875.45	32,209.67	10,095.84
	Total waste generation		20,861.92	33,542.08	11,399.035
Recycled amount		ton	9,507.76	32,484.34	10,295.14
Recycling rate		%	83.7	96.9	90.3

※ Generation standard: Data submitted to the Environmental Information Disclosure System(Ministry of Environment - Korea Environmental Industry & Technology Institute)

Green Product Purchase

Type	Units	2019	2020	2021
Total purchase	KRW 100 mil	143	38	21.4
Green product	KRW 100 mil	136	36	20.6
Green product purchasing ratio	%	95.5	96.1	96.3

Low-Emission Vehicle Status

Type	Units	2019	2020	2021
Low-polluting vehicles	Units	11	11	11

Social performance

Employee Status

(2021년 연도말 재직인원 기준)

Type		Units	2019	2020	2021
Total		persons	267	275	277
Gender	Male(%)	persons(%)	199(74.5)	199(72.3)	201.75(72.8)
	Female(%)		68(25.5)	76.25(27.7)	75.25(27.2)
Retirement/ turnover	Male(%)	persons(%)	4(1.5)	1(0.4)	5(1.8)
	Female(%)		0(0)	1(0.4)	1(0.4)
Hiring classification	Regular full-time workers(female)	persons(%)	244(61)	248(66)	250(67)
	Indefinite contract workers(female)		17	18(8)	19(8.25)
	(Direct hired) Temporary workers(female)		6	9(1)	8(0)
	Indirect hiring(outsourcing)		29	33	36
New hiring	Male(%)	persons(%)	18(78.3)	5(50)	12(85.7)
	Female(%)		5(21.7)	5(50)	2(14.3)
	Young interns	persons	36	27	35
Work region	Domestic	persons	265	273	275
	Overseas		2	2	2
Position	Executive	persons	3	4	4
	Managerial(Grade 1 - 3)		61	59	60
	Low-level(Grade 4 or lower)		203	212	213
Age	20s(%)	persons(%)	58.5(21.9)	55.25(20.1)	44.75(16.1)
	30s(%)		108.5(40.6)	114.5(41.6)	118(42.6)
	40s(%)		49(18.4)	57(20.7)	65(23.5)
	50s or older(%)		51(19.1)	48.5(17.6)	49.25(17.8)
Diversity	No. of females out of all workers(%)	persons(%)	68(25.5)	76.25(27.7)	75.25(27.2)
	No. of females out of all managers(%)		3(4.9)	4(6.3)	5(8.5)
	Percentage of people with disabilities	%	3.4	3.7	4.3
New hiring for social equity	People with disabilities	persons	2	1	1
	New full-time hires		2	1	1
	People of national merit(veterans)		2	2	1
	Local manpower		5	3	5

Sustainability Performance

Parental and Maternity Leaves

Type		Units	2019	2020	2021
Employees using parental leave	Male	persons	0	2	5
	Female		9	9	7
Employees returning from parental leave	Male	persons	0	1	2
	Female		2	5	4
Employees working for 12 months after returning from parental leave	Male	persons	0	0	1
	Female		4.5	2	4.5
Rate of returning from parental leave*	Male	%	0	100	100
	Female		100	100	100
Employees using maternity leave		persons	5	3	4
Employees using their spouse's maternity leave		persons	6	8	6

(* Basis for calculating the return rate: The actual No. of returning employees/ No. of expected returning employees × 100)

Family Care Day-Offs/Leaves

Type		Units	2019	2020	2021
People using family care vacation	Male	persons	30	36	26
	Female		17	14	12
People using family care leave	Male	persons	0	0	0
	Female		0	0	0

Flexible Work Setup/Hours Status

Type	Units	2019	2020	2021
Flexible hours	persons	44	40	34
Staggered commuting		114	150	188
Selective working hours		44	49	63
Focused work type		15	18	29
Telecommuting		0	188	221

Labor Union Membership Status

Type		Units	2019	2020	2021
No. of people eligible to join		persons	-	228	232
Enrollment status	Full-time(regular)	persons	-	198	209
	Full-time(indefinite contract)		-	18	19
	Contract		-	2	4

※ Scope of union membership
Employees who are Grade 3 or lower, except for Grade 3 team leaders, personnel in charge of HR, labor relations, audit, wage, funding, and IT, executive secretaries, executive's drivers, and other employees who have agreed with the labor union
※ Year-on-year data are omitted since it is a new report for 2020.

Human Resource Development

Type	Units	2019	2020	2021
Training time per person	hour	128.83	129.30	138.2
Training cost per person	KRW 1,000	3,511	3,600	3,817
Training budget	KRW 100 mil	9.44	9.33	10.42

Industrial Safety

Type	Units	2019	2020	2021
Death per 10,000 persons	%	0	0	0
Industrial accident rate	%	0.31	0.50	0
No. of safety accidents	cases	8	13	4

※ Based on port loading and unloading business

Overseas Marketing Support for Small Suppliers

Type	Units	2019	2020	2021
Financing support	KRW millions	81	97	60
Supported (Participating) companies	EA	19	26	20

* Total AEO certification acquisition support project and trade incubator programs

Support of Win-Win Partnership with SMEs

Type	Units	2019	2020	2021
SME R&D funding support	KRW 100 mil	1.75	1.0	1.0

Socially Responsible Procurement

Type	Units	2019	2020	2021
Products of SMEs	KRW 100 mil	1,854	770	1,143
Technology development products		129	53	50
Products of female-owned enterprises		112	93	66
Products of the disabled-owned enterprises		53.7	36.9	12.4
Total	KRW 100 mil	2,148.7	952.9	1,271

※ Mass procurement of socially responsible products for the completion of the Cruise and New International Passenger Terminals in 2019.

Procurement from Social Economy Enterprises

Type	Units	2019	2020	2021
Products from social enterprises	KRW 100 mil	17.4	17.3	12.4
Products from cooperatives		0.4	0.4	0.8

Sustainability Performance

Social Contribution Activities

Type	Units	2019	2020	2021
Donations	KRW 100 mil	14.72	24.45	31.34
Volunteer service hours	hours	3,763	2,785	2,277
Average volunteer service hours per person		16.65	12,27	11.86

Ethical Management Evaluation

Type	Units	2019	2020	2021
Integrity evaluation (ACRC)	Grade	3	3	2
Anti-corruption policy evaluation (ACRC)		3	1	1

Contractual Transparency

Type	Units	2019	2020	2021
Total contract	cases	647	551	539
Private contract	cases(%)	283(43.7)	314(57.0)	318(59.0)
Competitive bidding		10(17.0)	88(16.0)	74(13.7)
Nara Market shopping mall		254(39.3)	49(27.0)	147(27.3)

Global Initiatives

UN Global Compact

IPA has joined the United Nations Global Compact (UNGC), the UN’s corporate sustainability initiative, in 2020 to promote sustainable development through compliance with international standards/ guidelines in the domains of environment, labor, human rights, and anti-corruption. We will stay at the forefront of complying with international standards/ practices in the port sector, and strive to spread port-related organizations and the private industry by adhering to the 10 principles of the environment, labor, human rights, and anti-corruption, and creating shared value through internalization of corporate operations and management strategies.



COMMUNICATION
ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Ten Core Principles of the UN Global Compact

	Ten principles
Human rights	Principle 1. Businesses shall support and respect the protection of internationally recognized human rights.
	Principle 2. Businesses shall make sure that they are not complicit in human rights abuses.
Labor	Principle 3. Businesses shall uphold the freedom of association and effective recognition of the right to collective bargaining.
	Principle 4. Businesses shall strive in earnest to eliminate all forms of forced and compulsory labor,
	Principle 5. shall strive to meaningfully abolish child labor, and
Environment	Principle 6. shall strive in earnest to promote anti-discriminatory practices in hiring and work practices.
	Principle 7. Businesses shall support a precautionary approach to environmental challenges,
	Principle 8. Shall undertake initiatives to promote greater environmental responsibility, and
Anti-corruption	Principle 9. Shall promote the development and diffusion of environmental-friendly technologies.
	Principle 10. Businesses shall promote and pursue anti-corruption practices against all its forms, such as extortion, bribery, etc.

Global Initiatives

UN-SDGs



The Sustainable Development Goals (SDGs) proliferated by the United Nations in September 2015 comprise 17 goals and 169 detailed goals for the international community to be achieved for the next 15 years from 2016 to 2030 for development that fulfills the needs of the times as well as future generations. IPA actively supports and upholds the UN’s SDGs to change the world we live in for the better, while responding to the challenges of sustainable development by identifying future business opportunities and reinforcing the value of sustainability with the aim of contributing to and achieving the SDGs.

UN-SDGs		IPA's main activities
	Goal 1 Reducing the poverty and strengthening the social safety net	<ul style="list-style-type: none">• Delivering medical expenses for children battling pediatric cancer, etc., through the Sharing March Campaign with the local community• Delivering packed lunches to the socially vulnerable in the region with the “My Neighborhood Autumn Harvest Sharing Project”• Participating in donation events by IPA employees using QR codes issued on the Naver Happy Bean Platform
	Goal 3 Healthy and happy living	<ul style="list-style-type: none">• Improving the passenger quarantine system to prevent the outbreak of COVID-19 contagion• Reorganizing the quarantine system due to prolonged COVID-19 pandemic• Promoting a work-life balance culture, such as operating the Labor-Management Council for Work-Life Balance and establishing a joint labor-management TF team
	Goal 5 Ensuring gender equality	<ul style="list-style-type: none">• Strengthening the competency of the manager candidate pool by operating the Female Talent-Raising Academy, etc.• Promoting the participation of female members in major committees, such as electing the first female Audit Committee Chairperson among port authorities• Establishing a gender-equal culture enterprise-wide by improving female representation (gender equality) and rooting out discriminatory practices
	Goal 7 Eco-friendly energy production and consumption	<ul style="list-style-type: none">• Establishing solar power generation facilities that float solar power modules in the offshore idle space• Enhancing energy generation efficiency by establishing an integrated management system for new and renewable energy at Incheon Port• Donating ice packs through the citizen-led plastic-free campaign
	Goal 8 Expansion of decent jobs and economic growth	<ul style="list-style-type: none">• Creating jobs revolving around core businesses such as port logistics, operations, construction, and facility outsourcing• Identifying promising startups in the field of port logistics, and supporting custom-tailored growth• Supporting SME's R&D for development, commercialization, and validation of innovative technologies geared to ports
	Goal 9 Industrial innovation and expansion of social infrastructure	<ul style="list-style-type: none">• Promoting organic ship-port-container integration for smart marine logistics• Building the framework for a digital port foundation with port resource data• Establishing an e-commerce maritime logistics hub at Incheon Port (attracting global e-commerce cargoes)
	Goal 10 Elimination of all forms of inequality	<ul style="list-style-type: none">• Formulating implementation tasks based on human rights impact assessment for the protection of stakeholders' human rights• Promoting a human rights culture with the Respect for Human Rights Campaign and by operating the Human Rights Management Charter/ counseling center• Barrier-Free (living environment free of barriers) Certification of the New International Passenger Terminal
	Goal 11 Sustainable cities and communities	<ul style="list-style-type: none">• Providing transportation services integrating the Coastal Passenger Terminal and Incheon Port with islands off the west coast• Promoting the Inner Harbor Redevelopment Project• Developing Incheon Port's hinterland complex to create high added values
	Goal 13 Response to climate change	<ul style="list-style-type: none">• Establishing an eco-friendly port through construction and introduction of LNG tugs for the first time in Korea• Expanding operation of the power supply system for large ships that can be connected to land power when the ship is docked at harbor• Operating the Vessel Speed Reduction (VSR) program at Incheon Port• Conducting a feasibility study of LNG-based convergence charging station for low-carbon mobility at Incheon Port
	Goal 14 Marine ecosystem conservation	<ul style="list-style-type: none">• Implementing the “Sseudam-Sseudam Incheon Island Trip” campaign for visitors to islands in Incheon• Activities to collect marine debris in Haeannam-ro, Yeongjong-do, Incheon, etc., in cooperation with related organizations• Supporting resource recycling economy social enterprises to solve marine pollution problems

TCFD Index

In December 2015, the Financial Stability Board (FSB)* established the TCFD (Task Force on Climate-Related Financial Disclosures) in response to climate change in earnest. TCFD recognizes the importance of economic decision-making in response to climate change, and has developed an international information disclosure framework that allows financial information related to climate change to be disclosed in the following four areas of corporate governance, strategy, risk management, indicators, and target-setting systems. IPA will actively participate in these requirements from the international community and stay committed to continuous efforts to respond to climate change in earnest.

*Financial Stability Board (FSB): An international organization affiliated with the G20 and established in 2009 to strengthen the role of global financial regulation and supervision

TCFD recommendation	Report content	Page No.
Governance	a) Describe the activities of the BOD managing risks and opportunities related to climate change	19
	b) Describe the role of the managing executive in assessing the risks and opportunities associated with climate change	19
Strategy	a) Describe the climate change-related risks and opportunities the enterprise has identified in the short, medium, and long term	40, 41
	b) Describe the impact of climate change-related risks and opportunities on the enterprise's business lines, strategy, and financial planning	40, 41
	c) Describe the flexibility of management strategies considering various climate change-related scenarios, such as the 2 °C scenario of the Paris Agreement on Climate Change	40, 41
Risk management	a) Describe procedures for identifying and assessing climate change-related risks	19, 85
	b) Describe procedures for managing risks related to climate change	19, 85
	c) Describe how procedures for identifying, assessing and managing climate change-related risks are integrated into the enterprise's overall risk management framework	19, 40, 41
Indicators and reduction targets	a) Disclose indicators used by the enterprise to assess climate change-related risks and opportunities according to its business strategy and risk management procedures	42, 43, 100
	b) Disclose Scopes 1 and 2 as well as, where applicable, Scope 3 greenhouse gas emissions and associated risks	42, 43, 100
	c) Describe the objectives and performance versus objectives used by the enterprise to manage climate change-related risks and opportunities	40, 42, 43

ISO 26000 Assessment Report

Assessment standard

As part of the service provided to the Korean Agency for Technology and Standards, the Korea Standard Association developed an assessment checklist for evaluating the material performance results on social responsibility. This Assessment Report provides the performance assessment and results of IPA's social responsibility management process and seven core subjects.

Assessment scope

We assessed IPA's processes and performance related to social responsibility, and then checked IPA's long-term strategy and execution, stakeholder engagement, social responsibility activities, etc.

Assessment method

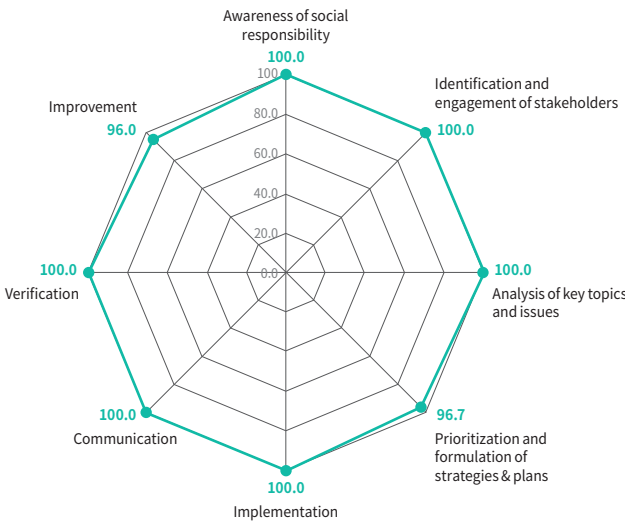
We performed the following activities to collect the essential, material data and information based on the assessment criteria of ISO 26000.

- Review of internal data on IPA's socially responsible management activities and performance;
- Interviews with people in charge of each social responsibility management issue of IPA

I. Assessment Results of Each ISO 26000 Social Responsibility Process

IPA regularly checks its business processes and actively implements initiatives based on the ESG management strategy to strengthen social responsibility management. As a result of the assessment of the processes based on ISO 26000, internationally accepted guidelines on social responsibility, a total score of 356 out of 360 points was attained. The assessment ascertained that IPA outperformed overall in all eight major areas of the process and was deemed to be excellent in social responsibility awareness, stakeholder identification and participation, and communication. We duly expect that IPA will enhance the impact of its social responsibility by continuously monitoring the performance of its socially responsible management activities to analyze the factors of shortcomings and promote improvement activities.

Assessment Results of Social Responsibility Process



Awareness of social responsibility	Examination of the current level of organizational awareness based on management's commitment
Identification and engagement of stakeholders	Examination of stakeholders' interests and demands, with strategies formulated to promote their participation
Analysis of key topics and issues	Generation of a list of core topics through examination of issues and analysis of internal competencies
Prioritization and formulation of strategies & plans	Establishment of priorities of issues to be improved, goals, and execution plan based on the organizational competency
Implementation	Execution of the strategies, vision, goal, and implementation plans, along with regular monitoring of social responsibility performance
Communication	Communication with stakeholders through performance reports
Verification	Activities and reporting for enhancing the reliability of performance results
Improvement	Periodical evaluation of performance results for continued improvements

II. ISO 26000 Performance Assessment Report by Seven Core Subjects

Organizational governance

IPA has established its ESG vision “To create sustainable future value in the port ecosystem” and selected strategic agendas and tasks for respective areas of the environment, social, and governance, and actively conducted the tasks with the participation of all employees. Moreover, to strengthen systematic social responsibility management, the ESG Management Committee of executive and rank-and-file members, makes the highest-level decisions and forms working-level committees for ESG subdivisions, working groups, and outside advisory groups. We expect the company to continue actively promoting social responsibility management activities by listening to the voices of stakeholders and reflecting on them in enterprise-wide decisions.

Human rights

To strengthen human rights management, IPA has recruited additional outside experts for the Human Rights Management Committee and selected 19 human rights advocates from each department to strengthen implementation capabilities. Moreover, to establish a culture of respect for human rights across the enterprise, IPA carries out various activities such as the CEO's message on human rights management for all employees, a declaration to eradicate human rights violations, promotion of a culture of respect for human rights, and creation of a harmonious IPA workplace. IPA regularly conducts human rights training, including human rights infringement cases, prevention of major four violences, workplace harassment prevention, and disabilities awareness. We recommend IPA to select human rights risks within its value chain through annual human rights impact assessments and continuously improving factors that infringe on stakeholders' human rights.

Labor practices

IPA makes concerted efforts to secure and retain top-notch manpower in various fields by upholding and observing employment rules and collective agreements as prescribed in the Labor Standards Act, and promotes communication and cooperation between labor and management to establish a work-life balance culture, such as management of labor councils to maintain a work-life balance culture, the reorganization of the work setup system/ policy, and the establishment of a labor-management joint TF team. Moreover, IPA has established its vision “To develop top-notch professionals in the field of port logistics and marine tourism” to develop the competency of its employees, and provides specialized training that reflects the reorganization of the competency assessment system and job-specific training by each position. For the safety of its employees, IPA has maintained zero major accidents for three consecutive years by prioritizing safety at risk-prone/ hazardous environments at each stage of loading and unloading and enhancing the protection of vulnerable workers by supporting the safety management system of suppliers. As such, we ascertained that IPA is fully committed to maintaining our earnest efforts to manage the safety of all workers working at the port.

Environment

IPA has established its environmental vision “To implement a low-carbon, eco-friendly Incheon Port instilling public trust that preserves the clear skies and seas” with the goal of building a sustainable, low-carbon and green port. It is actively promoting improvement activities by implementing action tasks. To reduce air pollution in port areas, IPA has undertaken activities such as activating a low-speed vessel operation program, installing additional power supply systems for large ships, making port loading and unloading equipment environmental-friendly, and conducting joint inspections on diesel vehicle emissions. It is also working on establishing low-carbon infrastructure and spreading a carbon-neutral port culture. We recommend it to institute supplemental greenhouse gas emissions (Scope 3) measurements and management for more active carbon neutrality activities.

Fair governance practices

IPA strives to create an anti-corruption culture enterprise-wide by establishing an ethical management implementation system, executive integrity contract regulation, its corporation ethics charter, employee code of ethics, and code of conduct. It formed the ESG Management Committee, which is the organization for compliance and ethical management, while reorganizing the functions of the Ethics Committee to strengthen accountability in job-related policies such as voting on compliance management system manuals. Moreover, it promotes ethics and compliance counseling by strengthening the functions of internal and external reporting centers. As a result of these efforts, it attained a Grade 2, an increase of a grade level year-on-year, in the ACRC's comprehensive integrity evaluation. We recommend IPA continue to improve its system and conduct training to ensure anti-corruption compliance and deter anti-competitive practices.

ISO 26000 Assessment Report

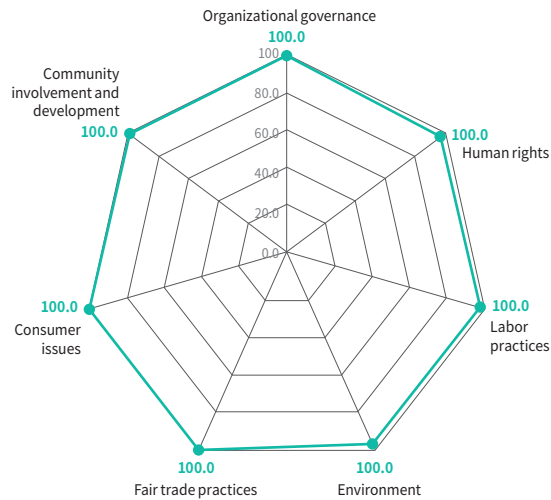
Consumer issues

IPA provides information required by the public through proactive information disclosure, such as expanding port-related information bulletin boards. It held the “Customer Difficulty Improvement Case Contest” to gather opinions on improvement from targeted customers of its services. The contest results are linked to activities to promote convenience for customers using Incheon Port and improve the quality of port services. Moreover, we attained the Barrier-Free Certification for the New International Passenger Terminal from the Ministry of Land, Infrastructure and Transport for creating a living environment where all people, including children, the elderly with impaired mobility, and people with disabilities, can make use of transportation and building facilities conveniently. As the risk of human casualties increases associated with greater risks of disasters and accidents due to rising number of ships entering and exiting the port, IPA is diligently working to prevent human casualties at sea by managing and operating secure berthing facilities and installing its evacuation facilities for safe port operations.

Community involvement and development

IPA strives to develop local communities by establishing a regional development promotion system based on its vision “To create a safe and clean port that grows with the region.” IPA encourages its employees to volunteer in the community on an enterprise-wide level (mileage, etc.), through non-face-to-face volunteer activities to provide relief support and overcome the COVID-19 pandemic. Moreover, to revitalize the local economy, IPA has promoted various measures to revitalize local commercial zones and set the groundworks for establishing a resource circular economy system by fostering local community startups and supporting social enterprises. We recommend IPA to continue identifying issues related to the local communities it impacts by communicating and cooperating with various regional organizations in a bid to advance social contribution activities recognized by them and tackle social issues in earnest.

Assessment Results of Social Responsibility Process



Organizational governance	Practices that comply with the principles of social responsibility principles and incorporate those principles into existing systems, policies, and practices
Human rights	Practices that protect, uphold, and respect human rights as an enterprise within the scope of its influence/ impact
Labor practices	Labor policies and practices that affect employees' labor conditions within EWP and its vendors
Environment	A comprehensive approach to minimize the environmental impact of the decisions and practices of the enterprise
Fair trade practices	Practices that are interested in maintaining ethical transactions among EWP, its partners, and suppliers
Consumer issues	Activities for protecting consumer rights, such as consumer education, disclosure of fair/ transparent marketing information, and promotion of sustainable consumptio
Community involvement and development	Recognizing and upholding communities' rights and maximizing the support and opportunities for securing these rights

III. Assessment Conclusion

As a result of IPA’s ISO 26000 implementation level assessment, the process category attained 356 points out of 360, while the performance category attained a total score of 632 points out of 640, with a cumulative score of 988, which corresponds to the SR (social responsibility) level IV. The SR IV level denotes that there is a high level of awareness among the enterprise’s members as to social responsibility, while the enterprise’s management system, policies, and practices are in place, and social responsibility activities are incorporated at all stages of the enterprise’s activities, validating its effective performance management. It can also be considered as a level that requires to be continuously maintained by promoting social responsibility under this enterprise’s sphere of influence and reinforcing a cohesive connection to local communities. It is evaluated that IPA is exerting ongoing and concerted efforts to objectively examine the record and status of fulfilling enterprise-wide social responsibility based on regular ISO 26000 assessments, identifying deficiencies, and improving them.



July 2022
President, Korea Standards Association
Kwak Myeong-su

The Korea Standard Association (KSA) is a special public corporation founded in 1962 pursuant to Article 32 of the Industrial Standardization Act, and it is a knowledge service-providing organization that promotes and provides industrial standardization, quality management, sustainable management, and KS/ ISO certifications to industries. KSA contributes to the sustainable development of Korean society as the official advisory organization in Korea for ISO 26000, GRI-designated educational institutions, the AA1000 qualification agency, Korean Sustainability Index (KSI)-operating organization, UN CDM operating organization, as well as the organization for certifying the Greenhouse Gas Target Management System.

Third Party Assurance Statement

Dear Incheon Port Authority Stakeholders

THE CSR was requested by Incheon Port Authority(hereafter “IPA”) to assure “2021 IPA Sustainability Report”(hereinafter “Report”). THE CSR submits the results of its review of the publication process and contents of the Report to the management and stakeholders of IPA.

Assurance Standards

We conducted the assurance evaluation by reviewing whether the Report complied with AA1000AS v3(2020) assurance standard and reporting principle of GRI Standards which are internationally used for assurance.

- Application of principles of stakeholder inclusivity, materiality, responsiveness, and impact in AA1000AS
- Fulfillment of the principles for defining report content and report quality of the GRI Standards
- Fulfillment of Core Option of GRI Standards

Assurance Level

For the assurance, we conducted evaluation at moderate level by applying the principles of AA1000AS v3(2020) and did data sampling at limited level with examining the questionnaire and corresponding online interviews. The assurance is Type 1. The assurance process includes the following major activities.

- Review of the feasibility of the materiality assessment process
- Review of reporting based on criteria for selected major topics
- Review of stakeholder participation
- Review of consistency with business report

Limitations

THE CSR confirmed the reliability of the Report through the limited level of interview and document reviews. However, it does not mean that the Report is 100% accurate. Also, IPA is solely responsible for the writing of this report. The scope of assurance applied to this report does not include following items:

- financial information and related additional information from IPA webpage
- UNGC, UN-SDGs, and TCFD Index included in the appendix of this report

Independence

THE CSR is an independent third-party institute and presents its opinions with the ethical and independent status secured.

Opinions

THE CSR submits following opinions after a series of processes to verify compliance with assurance standard of the AA1000AS v3(2020) and the principles of internationally recognized reporting guideline.

Fulfillment of Core Option of GRI Standards

THE CSR reviewed whether the Report fulfilled Core Option of GRI Standards, the international guideline for report publication and confirmed that the Report met the reporting criteria of general management disclosure and the reporting requirements on 13 material topics. The following table shows the assurance indices of material topics confirmed through the procedure.

Economy	• Economic Performance 201-1, 201-2 • Anti-corruption 205-1, 205-2, 205-3	• Indirect-economic impacts 203-1, 203-2
Environment	• Energy 302-1 • Water and effluents 305-1, 305-2, 305-5, 305-7	• Emission 303-1, 303-3, 303-5 • Waste 306-1, 306-2, 306-3, 306-4
Social	• Employment 401-1, 401-2, 401-3 • Training and education 404-2 • Human rights assessment 412-1, 412-2 • Customer health and safety 416-1 • Socioeconomic compliance 419-1	• Workplace safety management 403-1, 403-2, 403-3, 403-4, 403-5, 403-6 • Diversity and equal opportunity 405-1 • Local communities 413-1 • Customer privacy 418-1

Application of principles of AA1000AP(2018)

THE CSR confirmed that the Report applied four principles of AA1000 accountability standards.

Inclusivity	Does IPA adhere to the principle of stakeholder engagement in order to ensure a responsible and strategic response in advancing sustainability management?	THE CSR checked IPA's stakeholder selection process and could not find any significant stakeholder group that was intentionally omitted in the stakeholder participation process. IPA is actively communicating with its stakeholders via various communication channels.
Materiality	Does IPA report the important issues to stakeholder?	THE CSR checked IPA's procedure for identifying the issues to report and reviewed the materiality assessment procedure. IPA conducted an internal/external analysis, and 13 material issues were selected from 27 issues. THE CSR could not find any problem in the materiality assessment process.
Responsiveness	Does IPA respond appropriately to stakeholders' requirements and expectations?	IPA had recognized material issues that reflect demands and expectations of stakeholders and strived to respond to those issue appropriately. THE CSR could not find any inappropriateness in IPA's responses regarding material issues.
Impact	Does IPA identify how its actions affect stakeholder, or broader eco-systems?	THE CSR confirmed that IPA reported the performance and impact of their activities regarding each material issue based on the reliable quantitative data.

Recommendations

IPA had strived to create sustainable future values for the port industry by advancing following activities: port safety management, eco-friendly port system, ethical management, smart-port development, and job creation. IPA needs to specify environmental data including water and waste and to manage environmental performance by setting med-long term reduction targets and systematically monitoring its performances. In addition, THE CSR recommends IPA to measure non-financial risks including climate change in a financial perspective and to report them in detail.

Eligibility of the Assurance Institute

THE CSR requested by IPA to assure the Report is the specialized global sustainability assurance institute and has the AA1000AS assurance license officially certified by the UK-based AccountAbility which is the global sustainability management standard firm and is the Gold Community Member of the Global Reporting Initiative(GRI). Multinational CSR experts who have CSR research achievements in many countries including Korea, the US, the UK, and Germany participate as members of the THE CSR Expert Committee.



September. 2022
CEO of THE CSR
Se-Woo Jung

GRI Standard Index

Universal Standards

GRI 102: General Disclosure

Classification	Disclosure	Indicators	Page
Organizational profile	102-1	Name of the organization	10
	102-2	Activities, brands, products, and services	10
	102-3	Location of headquarters	10
	102-4	Location of operations	10-13
	102-5	Ownership and legal form	10
	102-6	Markets served	12-14
	102-7	Scale of the organization	10
	102-8	Information on employees and other workers	101-102
	102-9	Supply chain	68-70
	102-10	Significant changes to the organization and its supply chain	No significant change
	102-11	Precautionary Principle or approach	37, 40, 44, 62-66
	102-12	External initiatives	-
	102-13	Membership of associations	105
Strategy	102-14	Statement from senior decision-maker	4-5
	102-15	Key impacts, risks, and opportunities	40, 41, 85
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	82-83
	102-17	Mechanisms for advice and concerns about ethics	82-84
Governance	102-18	Governance structure	80-81
	102-22	Composition of the highest governance body and its committees	80
	102-23	Chair of the highest governance body	80
	102-24	Nominating and selecting the highest governance body	80
	102-28	Evaluating the highest governance body's performance	81
	102-30	Effectiveness of risk management processes	85
	102-31	Review of economic, environmental, and social topics	80-81
	102-33	Communicating critical concerns	28-29
	102-34	Nature and total number of critical concerns	32-33
	102-40	List of stakeholder groups	28-31
Stakeholder engagement	102-41	Collective bargaining agreements	60-61, 102
	102-42	Identifying and selecting stakeholders	28-31
	102-43	Approach to stakeholder engagement	28-31, 75-76
	102-44	Key topics and concerns raised	28-31, 33, 75-76

GRI 102: General Disclosure

Classification	Disclosure	Indicators	Page
Reporting practice	102-45	Entities included in the consolidated financial statements	98-99
	102-46	Defining report content and topic Boundaries	32-33
	102-47	List of material topics	33
	102-48	Restatements of information	N/A
	102-49	Changes in reporting	33
	102-50	Reporting period	About this Report
	102-51	Date of most recent report	About this Report
	102-52	Reporting cycle	About this Report
	102-53	Contact point for questions regarding the report	106
	102-54	Claims of reporting in accordance with the GRI Standards	About this Report
	102-55	GRI Content Index	114
	102-56	External assurance	112

Topic-specific Standards

GRI 200: Economic

Classification	Disclosure	Indicators	Page
Economic Performance	103	Management Approach	88
	201-1	Direct economic value generated and distributed	98-99
	201-2	Financial implications and other risks and opportunities due to climate change	40-41
Indirect Economic Impacts	103	Management Approach	48
	203-1	Infrastructure investments and services supported	51-52, 68-70
	203-2	Significant indirect economic impacts	49-52, 68--70
Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	68
	205-2	Communication and training about anti-corruption policies D86and procedures	68
	205-3	Confirmed incidents of corruption and actions taken	None

GRI 300: Environmental

Classification	Disclosure	Indicators	Page
Energy 2016	302-1	Energy consumption within the organization	99
Qater and Effluents 2018	303-1	Interactions with water as a shared resource	100
	303-3	Water withdrawal	100
	303-5	Water consumption	100
Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	45-46
	304-2	Significant impacts of activities, products, and services on biodiversity	45

Classification	Disclosure	Indicators	Page
Emissions 2016	103	Management Approach	40
	305-1	Direct (Scope 1) GHG emissions	100
	305-2	Energy indirect (Scope 2) GHG emissions	100
	305-5	Reduction of GHG emissions	43
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	100
Waste 2020	103	Management Approach	44
	306-1	Waste generation and significant waste-related impacts	45
	306-2	Management of significant waste-related impacts	43, 45
	306-3	Waste generated	100
	306-4	Waste diverted from disposal	100

GRI 400: Social

Classification	Disclosure	Indicators	Page
Employment	103	Management Approach	48
	401-1	New employee hires and employee turnover	49-52, 101
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	59
	401-3	Parental leave	59, 102
Occupational Health and Safety 2018	103	Management Approach	62
	403-2	Hazard identification, risk assessment, and incident investigation	103
	403-3	Occupational health services	63
	403-4	Worker participation, consultation, and communication on occupational health and safety	63-65
	404-2	Programs for upgrading employee skills and transition assistance programs	56-57
Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	81
Human Rights Assessment 2016	412-1	Operations that have been subject to human rights reviews or impact assessments	54-55
	412-2	Employee training on human rights policies or procedures	54-55
Local Communities 2016	103	Management Approach	71
	413-1	Operations with local community engagement, impact assessments, and development programs	72-74
Customer Health and Safety 2016	103	Management Approach	62
	416-1	Assessment of the health and safety impacts of product and service categories	63-65
Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	86
Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	None

Key Awards, Certifications & Association Memberships in 2021

Key Awards Accredited in 2021

Date (monthly)	Award titles	Award-issuing organization
2021.08	Special Achievement Award in 2021 Asia Cruise Awards	Asia Cruise Leaders Network
2021.11	1st place in response to cyber-attacks hosted by the Ministry of Oceans and Fisheries in 2021 (the highest grade of “Outperforming”)	Ministry of Oceans and Fisheries
2021.11	Commendation from the Minister of Trade, Industry and Energy at the 2021 Carbon Neutral Green Management Awards	Ministry of Trade, Industry, and Energy
2021.12	Attained outperformance award in creating a win-win employment	Presidential Commission on Jobs
2021.12	Mayoral Commendation for individuals (institutions) who contributed to the promotion of the public procurement of social enterprise products	Social Economy Division, Incheon Metropolitan City
2021.12	Outperformance Award in Port Operations Improvement Category at the 2021 Port Management Innovation Competition	Ministry of Oceans and Fisheries

Certifications in 2021

Date (monthly)	Certifications	Certification body
2021.05	ISO 37001 (Anti-Corruption Management System) certification renewal	International Auditor Assessment INC
2021.09	Certified as an outperforming enterprise for human resource development in the public sector in 2021	Ministry of Education and Ministry of Personnel Management
2021.09	Certificate for Information and Communication Accessibility Quality	WebWatch
2021.11	Recertification as a leisure-friendly company	Ministry of Culture, Sports, and Tourism
2021.11	Renewal of validity period according to regulations related to outperforming organizations for weather management	Korea Meteorological Administration

Membership of Major Associations

Korea Emergency Planning Officers Association	Incheon Emergency Planning Council	Safety Management Council
Integrated Defense Council, Jung-gu, Incheon	International Association of Ports and Harbors (IAPH)	Korea Marina Association
Eco Port Forum	Korea Port Association	Korea International Trade Association
Institute for Social Responsibility of Public Sector Institutions	The Institute of Internal Auditors	Korea Cruise Forum
Marine Industry Integrated Cluster	Korea Smart Ocean Society	Korea Productivity Association

