About this Report

Overview
Incheon International Airport Corporation (IIAC) is engaged in various initiatives to fulfill its corporate social responsibilities as a leading global airport corporation. Since 2007, IIAC has been publishing annual Social Responsibility Reports to communicate and share the progress made in its corporate social responsibility (CSR) activities. The most recent report was published in August 2015. This report is the 9th publication.

Reporting standards
This report has been prepared in accordance with the Core option with the GRI (Global Reporting Initiative) G4 guideline, the international reporting standard for social responsibility reports, and the Airport Operator Sector Disclosures. This report also reflects the ISO 26000, the international standard on social responsibility, and UNGC (UN Global Compact) Advanced Level, and UN Sustainable Development Goals (SDGs).

Reporting period, scope and boundary
This report primarily covers CSR activities carried out throughout IIAC’s business areas from January through December 2015. Notable activities from the first half of 2016 are also included. Comparative figures for three years, starting from 2013, are presented to illustrate quantitative trends. Currency and units of measurements are identified separately in the report. Reporting boundaries have been defined by identifying major impacts on IIAC's value chain.

External assurance
Contents of this report have been verified by an independent external institution to provide additional assurance about its accuracy and credibility. Changes suggested by the external institution were duly reflected. The assurance statement can be found in the appendix to this report.

Additional information and feedback
Information on IIAC’s sustainable management activities and its results can be found on IIAC’s website. Further information on environmental achievements can be found in the recently published ‘2016 Green Report.’ Additional feedback can be provided using the survey at the end of this report or by contacting the address below.

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FAX  +82 32-741-2330

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CEO Message

Sincere thanks to all stakeholders of Incheon International Airport

Incheon International Airport was able to establish itself as a world class airport favored by citizens of the world, thanks to continued innovation and hard work by all of its 40,000 employees. IIAC will continue to create better results while fulfilling its responsibilities to its customers and the society.

In 2015, IIAC was relentless in its efforts to create sustainable values and become a leader in corporate social responsibility despite the uncertainties and risks caused by the global economic slowdown and the MERS outbreak. This year’s 9th annual SR report contains the results of activities conducted by IIAC to fulfill its corporate and environmental responsibility. It is my pleasure to introduce IIAC’s CSR activities to you, as IIAC begins its new challenge and innovation to take a "New Leap Forward, Towards the Global Leading Airport."

First promise: an airport that provides world-class service and safety
Safety is the most important value at IIAC. Through the establishment of a methodical safety management system, cutting-edge aviation safety facility and service system, IIAC was able to achieve 3 million accident-free flights since its opening. In addition, IIAC was ranked No.1 in the ASQ for an unprecedented record of 11 consecutive years, thanks to its efforts to enhance passenger convenience. Our efforts include state-of-the-art airport management incorporating ubiquitous technology to automate check-in, bag drop, and immigrations clearance. IIAC will continue to create a smart and safe airport to provide additional value to its customers.

Second promise: global hub airport through enhanced aviation network
Since its opening in 2001, IIAC’s passenger and cargo transport grew at an average of 6.8% and 3.3% per annum, respectively, ranking Incheon International Airport No.3 in international cargo and No.8 in terms of international passengers. IIAC’s continued efforts to enhance its aviation network resulted in Incheon International Airport’s growth into a major airport in Northeast Asia, 90 airlines connecting 186 cities in 54 countries. IIAC is implementing various initiatives to further strengthen its aviation network to take its New Leap towards a mega hub airport.

Third promise: sustainable growth and future growth engine
Passenger terminal 2, scheduled for completion in 2017, is a futuristic airport that integrates ICT technology and eco-friendly system. Terminal 2, which is expected to play an instrumental role in IIAC’s target of serving 70 million passengers per annum, will be completed on time to support the PyeongChang 2018 Winter Olympics. In addition, IIAC won 25 overseas contracts in 12 countries by exporting its airport operations know how with a proven track record. IIAC is also in the process of constructing the Air-City, an airport city that combines shopping, leisure, and business, to be completed by 2020.

Fourth promise: Top-tier Airport Corporation serving the People
Incheon International Airport is creating social value by enhancing its organizational competitiveness based on a culture of trust and innovation and spreading anti-corruption and integrity. IIAC is also training the next generation aviation experts through its world-class aviation academy and systematic curriculum. IIAC is also spreading the culture of sharing through its community service activities to support disadvantaged persons and the local community. Such efforts by IIAC were widely recognized, selected as one of “the most admired companies in Korea” by Korea Management Association Consulting for 9 consecutive years. Furthermore, IIAC is creating an energy sufficient, low carbon, and eco-friendly airport by acquiring the energy management certification (ISO 50001) and ACI airport carbon certification (ACA: Airport Carbon Accreditation) level 3.

IIAC expresses its unwavering support for the 10 principles set forth in the UN Global Compact, regarding human rights, labor, environment, and anti-corruption. IIAC is also implementing related international standards such as ISO 26000 and GRI across its management activities.

Incheon International Airport has established its new vision of a "New Leap Forward, Towards a Global Leading Airport." Incheon International Airport will take on this new challenge by focusing in corporate competence around the four strategies: 1) Build global leadership in airport operations, 2) Strengthen hub competitiveness in passenger and cargo, 3) Secure growth engine for the future of airport industry, and 4) Realize a global top-tier airport corporation that stands with the people. We would like to ask for our stakeholders’ continued interest and encouragement as we embark on a new journey to realize our vision and become a global hub airport.

Thank you.
IIAC Highlights 2015

Ranked No.1 in ASQ for 11 consecutive years

Incheon International Airport was ranked 1st in the 2015 ASQ held by the ACI (Airport Council International). Incheon International Airport was first ranked No.1 in 2005, just four years after the opening of the airport. Since then, Incheon International Airport retained its No.1 ranking through 2015 for 11 years. This is a record unprecedented by some 1,800 airports around the world.

Top-tier air navigation safety system

Backed by 24-hour surveillance and a systematic safety management system operation, Incheon International Airport is one of the safest airports in the world with 3 million accident-free flights and 130,000 hours of non-stop operation of air navigation safety facilities.

World class BHS (Baggage Handling System) operation

Incheon International Airport’s unloaded baggage rate, a barometer for BHS precision, is 0.0011%, roughly one sixtieth of US airports and 1/14 of European airports, making Incheon International Airport’s baggage handling system a benchmark for all airports around the world.

No. 8 in international passengers and No. 3 in international cargo

Incheon International Airport served a total of 49.28 million passengers in 2015, up 8.3% year-over-year. International cargo handling increased for three consecutive years. In 2015, a total of 2.6 million tons of international cargo was handled, up 1.5% year-over-year. In particular, a record high 48.72 million international passengers were served in 2015, up 8.5% year-over-year.

Enhancing scope of competitiveness in overseas operations

Starting with the operation and maintenance consulting for Iraq’s New Erbil International Airport in 2009, IIAC won 25 overseas contracts in 12 countries. In 2015, IIAC continued to export airport construction and operation know-how by winning contracts for the operation of Istanbul New Airport, development of Terminal 3 commercial facilities in Jakarta Sukarno-Hatta International Airport, and establishing a master plan for Paraguay’s national aviation development.

Low-carbon, Eco-friendly airport operation

Incheon International Airport obtained level 3 airport carbon accreditation from ACI and became the first airport in Korea to obtain Energy Management System (ISO50001) certification. In addition, Incheon International Airport was designated as an excellent institution of management by objective (MBO) system by the Ministry of Trade, Industry, and Energy (MIITE), by exceeding its greenhouse gas emission goals by 3%. Incheon International Airport was also awarded the Presidential Commendation for ‘Practicing low-carbon in everyday life,’ and won numerous awards such as the grand prize in Korean Green Management Awards and Green Logistics Awards, as well as the grand prize in the Environment Report of LACP (League of American Communications Professionals) for three consecutive years.

Strategic social contribution activities

IIAC is engaged in strategic social contribution activities that are categorized into four business areas: the local community, the People, the world, and the sharing culture. These activities focus on the common interest of the local community and reach out to various groups of people in different geographic areas. IIAC’s four major business areas carried out a total of 22 activities in 2015, with expenditures totaling KRW 8.712 billion.

Excellence in CSR

In 2015 IIAC received external recognition for its CSR activities including but not limited to “Most Admired Company in Korea” by KMAC for nine consecutive years, ranked No.1 in KSI (Korean Sustainability Index) by KSA (Korean Standards Association) for six straight years, Prime Minister Commendation in the “3rd annual Korea’s Most Admired Companies” awards held by MOTIE.

Social contribution activities

CSR
IIAC at a Glance

After opening on March 29, 2001, Incheon International Airport has been serving as the gateway to Korea, accounting for 3/4 of the arrivals to and departures from Korea as well as 1/4 of the total exports and imports. Incheon International Airport established itself as one of the top-tier airports in the world, with 90 airlines connecting 186 cities worldwide as of 2015 and being ranked No.1 in the Airport Service Quality (ASQ) by ACI for 11 consecutive years.

- No.1 in ASQ for 11 consecutive years
- Revenues of KRW 1.8785 trillion
- 2,595,677 tons of cargo
- No.3 in international cargo handling
- 90 airlines
- 54 countries
- 186 cities
- 305,446 total flights
- 40,000 airport employees
- 7,416,850 transit passengers
- 49,281,210 total passengers
- 40,000 airport employees
- 305,446 total flights
- 54 countries
- 186 cities
- No.8 in international passengers served
IIAC recognizes the role required of the Company as a constituent of the society and the importance of the environmental and social impacts of the Company. IIAC seeks to share all of the values created under the new vision of “A New Leap Forward, Towards the Global Leading Airport.”

OUR APPROACH TO CSR
IIAC Overview

Company overview
Purpose of incorporation and roles
IIAC was incorporated in February 1999 under the IIAC Act with aims to build, manage, and operate Incheon International Airport efficiently, thereby contributing to the efficiency of air transport and economic development. IIAC seeks to become an airport that responds to customers’ needs around the clock by combining trust and creative expertise to this end. In addition, IIAC is striving to become a frontrunner in realizing the national vision of creating “a virtuous cycle of people’s happiness and country’s development,” as well as developing a world-class hub airport.

Major business areas
Based on the separate financial statements
Head office address:
   424-47 Gonghang-gil, Jung-gu, Incheon 22382, Republic of Korea
* Numbers in the parentheses mean the number of cities.

Flight operations

- 90 airlines
- 54 countries
- 186 cities

(As of December 2015)

Shareholder structure
IIAC is a market-based public corporation founded with government funds. IIAC is wholly owned by the government and does not receive government subsidies.

Organization
IIAC is comprised of 5 divisions, 1 audit, 30 groups, and 114 teams, with total number of 1,152 employees (including non-executive directors), including directors, general staff, safety & security, special services, and contractors (as of December 31, 2015).

Shareholder composition
(As of December 31, 2015)

Organizational chart

Company history

- 1 million accident-free flights
- 400 million passengers (cumulative)
- 400 million pieces of cargo (cumulative)

No. 1 in ASQ for 11 consecutive years

Cancelled and listed in the Global Traveler Hall of Fame

As of March 2016
### Results of operation

**Creation of economic value**

In 2015, IIAC recorded revenues and net income of KRW 1.8785 trillion and KRW 7.716 trillion, respectively. Despite unstable operational environment due to external shocks such as the MERS outbreak, a 5.3% increase in international flights and business income due from Phase 3 duty-free store bedding resulted in increases in both aviation and non-aviation revenues by 7.7% and 14.4%, respectively. While increase in Chinese tourists and low oil prices are expected to positively affect passenger and cargo income, IIAC will continue to take necessary measures to increase the number of transit passengers and reduce terminal congestion, and take company-wide measures against various safety and security issues.

#### Financial ratio analysis

(Units: KRW 100 million)

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>16,029</td>
<td>16,798</td>
<td>18,785</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>7,844</td>
<td>7,925</td>
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</tr>
<tr>
<td>Operating income</td>
<td>8,185</td>
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<td>10,444</td>
</tr>
<tr>
<td>Non-operating loss (Income)</td>
<td>(1,085)</td>
<td>(585)</td>
<td>(170)</td>
</tr>
<tr>
<td>Income before income tax expense</td>
<td>7,058</td>
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<td>10,259</td>
</tr>
<tr>
<td>Profit tax</td>
<td>2,557</td>
<td>3,128</td>
<td>3,974</td>
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<tr>
<td>Net income</td>
<td>4,721</td>
<td>6,184</td>
<td>7,716</td>
</tr>
<tr>
<td>Financial position</td>
<td>Assets 77,401</td>
<td>81,246</td>
<td>93,563</td>
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<td></td>
<td>Liabilities 23,109</td>
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<td></td>
<td>Equity 54,292</td>
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**Summarized financial information**

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#### Results of airport operation

Number of overseas flights increased to 300,000 representing a 5.3% increase year-over-year, while demand, which increased throughout the first half of the year, slowed due to the MERS outbreak (2015 May – July). A total of 4.4 million passengers and 14 foreign low cost carriers, currently in operation as of December 2015, continued to grow at a rate of 24.4% year-over-year. Total number of passengers increased to 48.72 million, up 8.5% year-over-year, due to addition of new airlines and routes. International cargo handling increased to 2.6 million tons, up 1.5% year-over-year, due to increased demands from China and Southeast Asia as well as increase in direct purchases from overseas vendors. Meanwhile, the number of transit passengers decreased slightly in 2014, but rebounded to 7.42 million, up 2.3% year-over-year, thanks to expansion of aviation network and improved transit incentives at Incheon.

#### Airline transport

- **Revenue breakdown**
  - **Flight revenues**
    - Business revenues 8,220 8,518 10,040
    - Rent/utilities 1,776 1,858 2,030
  - **Non-flight revenues**
    - Transshipment cargo (tons) 1,056,238 1,039,376 1,033,002
    - Transit passengers (persons) 7,710,250 7,251,148 7,416,850

#### Financial risk

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#### Distribution of economic value

IIAC pursues common goals with its stakeholders and strives to maximize the creation of economic value through cooperation in order to become a world class hub at the forefront of change. IIAC redistributes its financial performance with its employees, business partners, shareholders, investors, government, and the community through labor costs, outsourcing fees, taxes, and donation.

#### Economic redistribution in 2015

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#### Internal and external management environment for IIAC

EAC eliminates risks and uncertainties by analyzing in-depth measures against various safety and security issues.

- **Outsourcing fee**
  - Airport business is a labor intensive mechanism industry, and IIAC itself
- **Labor costs**
  - Wages/salaries + allowances + others + pension contribution + welfare expenses

**Company-wide risk management response system**

IIAC is preventing and efficiently responding to potential risks to management environment, financial condition, overseas business, customer needs, facility operation, management competence and organizational sustainability. Potential risks are categorized into managerial risks and operational risks and then are assigned one of four levels (Attention, Warning, Alert, and Severe) of risks according to internal standards. IIAC also defines KRI (Key Risk Indicators) and designates points of contact to monitor company level risks.
Mid/long-term strategy

Since its opening 15 years ago, Incheon International Airport has become a world-class airport amid the trust and confidence of the Korean people. Rather than being complacent, IIAC established a new vision and strategies for a new leap forward. IIAC defined and is implementing four core strategies and 24 strategic goals to realize the corporate vision of “Flawless Operation,” “Global Hub,” “Sustainable Growth,” and “Top-performance Corporation.” By 2020, IIAC seeks to solidify its position as a global leading airport by becoming a top 5 airport in terms of international passengers and a top 10 airport in terms of transit passengers. By 2030, IIAC will have completed its transformation into a top-tier mega hub airport. IIAC, with its world-class airport operation and people, rather than being complacent, IIAC established a new vision and strategies for a new leap forward. IIAC defined and is implementing four core strategies and 24 strategic goals to realize the corporate vision of “Flawless Operation,” “Global Hub,” “Sustainable Growth,” and “Top-performance Corporation.” By 2020, IIAC seeks to solidify its position as a global leading airport by becoming a top 5 airport in terms of international passengers and a top 10 airport in terms of transit passengers. By 2030, IIAC will have completed its transformation into a top-tier mega hub airport. 

Mid/long-term management strategies

- Vision statement
  - Flawless operation: No loss of operation and no safety and security issues
  - Global hub: 110 million passengers and 650,000 flights
  - Sustainable growth: Revenue of 2 trillion won and 18 billion won
  - Top performance: Corporation that satisfies the public

- 4 Core strategies
  - Build a world-class airport through management by enhancing competitiveness and organization
  - Create a green airport with reduced carbon footprint and enhanced anti-corruption program
  - Strengthen marketing in core markets and diversified destinations of international airport
  - Create a new airport construction and operation model

- Strategic objectives
  - Flawless safety and efficient operation system
  - Advanced information and communication
  - Cyber security system improvement
  - Smart airport system to provide a better service
  - Efficient emergency response to enhance competitiveness

CSR system

IAC, in its management activities, strives to become a global airport corporation trusted and respected by the world through fulfilling its social responsibilities based on a foundation for sustainable growth. IIAC is integrating its newly established corporate vision and strategic objectives with CSR while realizing concrete execution power through its CSR strategy. IAC defines its strategic CSR vision as “a respected world-class airport corporation through sustainable creation of social trust.” Based on this vision, IAC is executing its CSR activities in pursuit of balanced growth and development of the economy, environment, and society. To achieve this aim, IAC has set forth four major goals for a leading global airport corporation, a respected public corporation, an eco-friendly and green airport, and building trusted and ethical business culture.

CSR strategy

IAC’s vision of “A respected world-class airport corporation through sustainable creation of social trust” is realized in four major goals:

1. Flawless safety and efficient operation system
2. Advanced information and communication
3. Cyber security system improvement
4. Smart airport system to provide a better service
5. Efficient emergency response to enhance competitiveness

IAC’s strategies in achieving these goals are as follows:

1. Strengthening organizational competitiveness through trust and brand
2. Efficient emergency response to enhance competitiveness
3. Creating a green airport with reduced carbon footprint and enhanced anti-corruption program
4. Strengthening marketing in core markets and diversified destinations of international airport
5. Creating a new airport construction and operation model

IIAC’s mid/long-term strategy includes four core strategies and 24 strategic goals to realize the corporate vision of “Flawless Operation,” “Global Hub,” “Sustainable Growth,” and “Top-performance Corporation.” By 2020, IIAC seeks to solidify its position as a global leading airport by becoming a top 5 airport in terms of international passengers and a top 10 airport in terms of transit passengers. By 2030, IIAC will have completed its transformation into a top-tier mega hub airport. IIAC, with its world-class airport operation and people, rather than being complacent, IIAC established a new vision and strategies for a new leap forward. IIAC defined and is implementing four core strategies and 24 strategic goals to realize the corporate vision of “Flawless Operation,” “Global Hub,” “Sustainable Growth,” and “Top-performance Corporation.” By 2020, IIAC seeks to solidify its position as a global leading airport by becoming a top 5 airport in terms of international passengers and a top 10 airport in terms of transit passengers. By 2030, IIAC will have completed its transformation into a top-tier mega hub airport.
Corporate Governance

Board of directors
Composition of board of directors
The Board of Directors (BOD) is the ultimate decision-making authority of IIAC and is responsible for providing oversight and managerial support regarding key strategy and policies of the Corporation. The BOD is comprised of six executive and seven non-executive directors, all of whom are men. The BOD is chaired by the most senior ranking non-executive director, to ensure checks and balances. In addition, sub-committees such as the Planning & Budget Committee, Evaluation Committee and the Executive Recommendation Committee are organized in the BOD to review and report issues requiring additional inspection.

Composition of BOD

<table>
<thead>
<tr>
<th>Position</th>
<th>Executive directors</th>
<th>Non-executive BOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Head</td>
<td>Oh Young-Chang</td>
<td>Male President</td>
</tr>
<tr>
<td>Head</td>
<td>Jong-Ik Shin</td>
<td>Male Chief Auditor</td>
</tr>
<tr>
<td>Head</td>
<td>Park Yong-Suk</td>
<td>Male Executive Vice President</td>
</tr>
<tr>
<td>Head</td>
<td>Lee Il-Young</td>
<td>Male Independent Audit</td>
</tr>
<tr>
<td>Head</td>
<td>Park Yong-Suk</td>
<td>Male Independent Audit</td>
</tr>
<tr>
<td>Head</td>
<td>Lee Kwang-Soo</td>
<td>Male Independent Audit</td>
</tr>
<tr>
<td>Head</td>
<td>Kim Young-Kyu</td>
<td>Male Independent Audit</td>
</tr>
</tbody>
</table>

Executive directors are appointed by the President and CEO of IIAC after shareholders resolution.

Operation of BOD
IIAC establishes goals of BOD operation to ensure that the BOD effectively carries out its core function while enhancing performance management to guarantee effectiveness of BOD’s operations. The goal of BOD operation is to “enhance BOD’s function and role to ensure responsible management”. Four strategic initiatives (independence, expertise, active participation, and information disclosure) and 12 executive initiatives form the backbone of BOD operation. In addition, quantitatively measurable goals are defined for the BOD and yearly plans are set up to enhance the BOD’s operational efficiency. Briefing sessions are held in advance for major management issues.

Efficient BOD operation
IIAC seeks to ensure responsible management decision making by guaranteeing the BOD’s review, voting, and checks and balances functions. BOD is assembled when the majority of the current members are present and resolutions are passed by a majority vote by the current members. In addition, board members with vested interest in specific resolutions are not allowed to vote for the said resolutions, thereby ensuring transparent decision making. Results and minutes of BOD meetings are all recorded and, excepting classified and other exceptional information, disclosed to the general public through the IIAC website or ALIO (disclosure system for government offices).

Remuneration and evaluation
IIAC’s President & CEO is evaluated per Ministry of Strategy and Finance’s public corporation performance evaluation and organization head business performance evaluation. The President and CEO may serve additional terms or be replaced depending on the results of evaluation. Performance-based pay is capped at 120% of basic salary. In addition, executive directors are evaluated per public corporation performance evaluation and management contract execution, and are evaluated on the basis of efforts and contribution to realizing the company’s business goals. Performance-based pay for executive directors is capped at 100% of their previous year’s basic salary.
Ethical Management

Ethical management vision and strategy
At IIAC’s business operation, ethics is not a value that is subject to compromise. IIAC strives to spread the ethical culture building a global airport corporation by realizing a “Global Clean Airport.” Through the implementation of ethical management, IIAC’s ethical management vision is the “creation of global ethical corporate culture by spreading integrity.” Annual goals and executive initiatives are established and carried out to enhance performance management and executive capabilities. In addition, IIAC is establishing itself as a world-leading ethical airport corporation by communicating the aims of ethical management to internal and external stakeholders in order to firmly establish and spread the ethical culture.

Ethical management implementation organization
The Integrity and Ethics Team at IIAC leads the implementation of IIAC’s ethical management activities. Major decisions regarding ethics are made by the Anti-corruption Practice Group, a high-level review organization. The on-site implementation of ethical culture is led by working level ethics officers in each department. In 2015, the Honorary Chief Officer of the Code of Conduct, an HOD (head of department) level organization, was newly established to enhance the implementation function. Meanwhile, IIAC is going beyond its internal organization and maintaining close coordination between IIAC’s ethics manager and its on-site business partners, sharing information and supporting the implementation of ethical management, in order to ensure that the culture of ethical management firmly takes root throughout the airport.

Ethical management program
Participatory program to establish ethical culture
IIAC has participatory ethics program including but not limited to idea contests and quizzes in order to raise employee awareness on ethical management and facilitate implementation. In 2015, IIAC held idea contests to improve weak points in ethical management. A total of 35 ideas were submitted, of which six were selected and awarded. In addition, all IIAC members signed a pledge to anti-corruption and ethics compliance to reaffirm IIAC’s commitment to comply with ethics regulations. IIAC also publishes anti-corruption and ethics newsletters three times a year. Meanwhile, IIAC is motivating employees to improve upon their ethical practices and participate in creating a culture of anti-corruption through the Anti-corruption Mileage System, which includes implementation of anti-corruption measures in organizational KPIs.

Training program for expansion of ethical culture
IIAC conducts systematic ethics training to develop a sense of ethics among employees. In particular, IIAC places additional emphasis on ethics training for high-level officers to internalize an ethical culture. IIAC provides life-cycle anti-corruption training including group training for new employees, recently promoted employees, and managers, as well as phased anti-corruption training for assistant managers, managers, senior managers, and pending retirees. In particular, anti-corruption training with CEO, tailored to IIAC, was held for the first time in 2015. External lecturers were invited in addition to internal training programs as employee training materials to expand the ethical culture throughout the entire airport.

IIAC conducts systematic ethics training to develop a sense of ethics among employees. In particular, IIAC places additional emphasis on ethics training for high-level officers to internalize an ethical culture. IIAC provides life-cycle anti-corruption training including group training for new employees, recently promoted employees, and managers, as well as phased anti-corruption training for assistant managers, managers, senior managers, and pending retirees. In particular, anti-corruption training with CEO, tailored to IIAC, was held for the first time in 2015. External lecturers were invited in addition to internal training programs as employee training materials to expand the ethical culture throughout the entire airport.

Evaluation result of the integrity

<table>
<thead>
<tr>
<th>Category</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrity at executive-level employees</td>
<td>9.52</td>
<td>9.81</td>
<td>9.86</td>
</tr>
</tbody>
</table>

IIAC monitors and evaluates its ethical management taking internal and external evaluations into consideration. For internal integrity evaluation, IIAC selects employees 9.92 9.81 9.86 2013 2014 2015 for evaluation by Civil Rights Agency. In 2015, Integrity survey results by Civil Rights Agency (comprehensive integrity level) refined its evaluation process by newly incorporating external anti-corruption survey results in addition to internal surveys. IIAC prepares plans for improvement based on evaluation results and duly reflects such plans in the subsequent year’s business plan. The implementation of such plans is backed by the CEO.

Monitoring, evaluation and feedback

Monitoring, evaluation and feedback
IIAC monitors and evaluates its ethical management taking internal anti-corruption survey results into account and also the results of the anti-corruption and prevention evaluation conducted by the Anti-corruption and Civil Rights Commission. In 2015, IIAC refined its evaluation process by newly incorporating external anti-corruption survey results in addition to internal surveys. IIAC prepares plans for improvement based on evaluation results and duly reflects such plans in the subsequent year’s business plan. The implementation of such plans is backed by the CEO.

Grand prize
2015 Grand prize in Korea Ethical Management Awards

No.1
Korea’s Most Admired Companies
Ranked No. 1 in SOC division for 2 consecutive years
Stakeholder Engagement

Stakeholder communication channel
IIAC is creating Incheon International Airport’s true value through communication and cooperation with its stakeholders. IIAC is ensuring the completeness of its CSR activities through interactive communication with stakeholders and taking note of stakeholder opinion. IIAC is striving to achieve a mutually beneficial culture based on this mutual trust. IIAC subdivides its stakeholders into groups according to value streams derived from its business activities. Stakeholder groups are defined depending on the impact and materiality on management. Different communication channels are used for each stakeholder group, depending on their characteristics. Communication takes place based on understanding and consideration for each party’s needs.

Stakeholders

- The People / National Assembly
  - Value: Balanced public and corporate interest
  - Direction: Open channel
  - Communication: Issue briefing and disclosures
  - Period: As needed

- Government
  - Value: Policy compliance / Enhance airport competitiveness
  - Direction: Cooperative policy implementation
  - Communication: Homepage, Corporate news letter, Business report, Investor relations, ALIO
  - Period: Monthly, As needed, As needed

- Media
  - Value: Management and operation overview
  - Direction: Press release
  - Communication: Volunteers, Committee for specialized business for local schools
  - Period: As needed, Three times/year

- Local community
  - Value: Win-win development including local community contributions
  - Direction: Periodic meetings
  - Communication: Volunteers, Committee for specialized business for local schools
  - Period: 10 times/year, As needed

- Airport users including passengers
  - Value: Convenience, various entertainment
  - Direction: Tailored service
  - Communication: VOC customer committee, OIS
  - Period: Quarterly, As needed

Value Streams

- Value participation
  - Employees / family
    - Value: Sustainable growth
    - Direction: In-depth sense of pride
    - Communication: Conversation with CEO, Vision workshop, VOE, Labor-management meeting, HR Ombudsman
    - Period: As needed, As needed, As needed
  - Local community
    - Value: Win-win development including local community contributions
    - Direction: Periodic meetings
    - Communication: Volunteers, Committee for specialized business for local schools
    - Period: 10 times/year, As needed

- Value creation
  - Business partners
    - Value: Win-win cooperation
    - Direction: Create sense of unity
    - Communication: Meeting with representatives, Middle management meeting, On-site management meeting with 3rd tier business partners, Communication workshop
    - Period: Annual, Quarterly, Biannual

- Value consumption
  - Employee / family
    - Value: Sustainable growth
    - Direction: In-depth sense of pride
    - Communication: Conversation with CEO, Vision workshop, VOE, Labor-management meeting, HR Ombudsman
    - Period: As needed, As needed, As needed
  - Local community
    - Value: Win-win development including local community contributions
    - Direction: Periodic meetings
    - Communication: Volunteers, Committee for specialized business for local schools
    - Period: 10 times/year, As needed
  - Business partners
    - Value: Win-win cooperation
    - Direction: Create sense of unity
    - Communication: Meeting with representatives, Middle management meeting, On-site management meeting with 3rd tier business partners, Communication workshop
    - Period: Annual, Quarterly, Biannual

- In-house retailers
  - Value: Stable airport operation
  - Direction: Share future development strategy
  - Communication: Service improvement committee, Airline operation committee, Business facility operation meeting, Free-trade zone operation committee
  - Period: Quarterly, As needed
Stakeholder survey overview

Survey overview
To accommodate the increased demand for stakeholder participation, IIAC conducted a stakeholder survey to collect major stakeholder groups’ opinion about IIAC’s CSR. The survey was designed to understand the importance of issues (on a 5-point scale) regarding trends, impacts, and internal competence. The results of the survey have been reflected in the identification of major issues, CSR strategies, and initiatives.

Number of samples

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Samples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>288</td>
</tr>
<tr>
<td>Business partners/contractor companies</td>
<td>60</td>
</tr>
<tr>
<td>Employees</td>
<td>120</td>
</tr>
<tr>
<td>In-house retailers/logistics companies</td>
<td>20</td>
</tr>
<tr>
<td>Environmentalists</td>
<td>20</td>
</tr>
<tr>
<td>Local community</td>
<td>22</td>
</tr>
<tr>
<td>Airline/ground staff</td>
<td>18</td>
</tr>
</tbody>
</table>

Survey results
The most important issue in the trend category was the “higher demand for corporate transparency and ethical management” with a score of 4.63. In the impact category, the most important issue was “anti-corruption” with a score of 4.55. The most important issue in the resources & capability category was “relationship and trust with key stakeholders” with a score of 4.40.
2016 SR Stakeholder Committee

IAIC is creating a relationship of affirmation and trust with its stakeholder groups as more importance is being placed on “stakeholder participa- tion.” Starting in 2012, IAIC has been holding annual stakeholder commit- tee to share the results of the various CSR activities carried about by IAIC. The Corporation also strives to reflect the opinions of its stakehold- ers in its CSR strategy and activities. In the 2016 SR stakeholder commit- tee, external experts in the field of IAC’s various CSR activities reviewed the major issues for IAIC’s CSR and had an in-depth discussion about the measures to be taken by IAIC for strategic CSR activities. In addition, II- AC’s CSR group and CSR manager participated as internal panel to explain and communicate IAC’s CSR policy and direction.

Notable opinions from the 2016 SR Stakeholder Committee

Global Corporate Citizenship Envisagement Forum

Joo-Hyeon Kang, CEO

Joo Arko has implemented the “Self Check-in” and the “Self Bag-drop” service in concert with MCT. From an allurius perspective, we are very satisfied with the effects of these services as our customers can proceed directly to the immigration gates without stopping by the designated counter. However, the utilization rate of these services remains low, and there is a need to make further improvements. From a customer perspective, these services are necessary for customer convenience, they must be offered before decreasing staffing at the airport, and they must be provided at the same quality level as services offered at other airports.

UNIES

Hyun-cheol Jeong, Director

While service and security are both important issues, we know from recent experience that the importance of security should be further emphasized on issues related to customers. In Incheon International Airport, safety is not only a concern but also a point of view. We believe it would be valuable to evaluate service growth if IAIC can create a platform for small and medium enterprises and apply a different rent payment system. Under this plat- form, the duty-free store would be able to provide related services. Further- more, there is a need for policies that can manage airport operation to win-win growth if IAIC can create a platform for business partners as well.

SR Stakeholder Committee

Corporate Governance

Materiality Assessment

SR Area Participant Area of Expertise

Customer service

Ok-Jin Lee, Manager

Airport service quality management, Improve customer service and safety

Safety and security

Hyun-cheol Jeong, Director (UNIES)

Airport service quality and safety

Growth and development

Won-shil Hong, Deputy general manager, Life Office

Flight safety partners, securing foundation for future growth

Win-win growth

Sang-whee Lee, Team leader (Korea Green Foundation)

Expansion of social responsibility among business partners, enhance competitiveness

Local community participation

Sang-whee Lee, Team leader (Child Fund)

Local community service activities

Environmental management

Gyung-Sang Oh, Director, Korea Green Foundation

Superior INC sponsored environmental film festival

Difficultical

Ji-hyeong Oh, Director, Deloitte Korea

Internationalization of ethical management including anti-corruption and Ombudsman

IAIC Overview

Corporate Social Responsibility

Stakeholder Engagement

SR Committee

Location:

Date:

Incheon International Airport (West Wing), 2nd Floor, Construction Management Center

Thursday, June 30, 2016

Subject:

Review of IAIC’s CSR activities and proposals for improvement

Korea Commission for Corporate Partnership

Tae-yong Cho, General manager

Corporation and win-win growth is becoming increasingly important for both private and public sector. In order to manage the corporate partnership with IAIC, the corporate partnership issue is discussed in detail. While the current system, i.e., the airport rent agreement is the CSR aspect, IAIC’s corporate part- nership business is focused on performance sharing. We believe IAIC’s win-win growth program will be in- creased more effectively if pushed to normal business. In that case, IAIC’s business performance can contribute to the growth of business partners. In addition, Korea Commission for Corporate Partnership is man- aging the Corporate Partnership Fund. If IAIC is participating in the fund, we would like to expand IAIC’s role in the expansion of its corporate partnership in the service sector.

Korea Green Environment Foundation

Su-jong Kang, Team leader

IAIC and Korea Green Environment Foundation started its corporate cooperation in 2007 through the photo exhibitions and forums. Since 2012, IAIC has been supporting the “Social Environment Film Festival” which aims to increase public awareness of environmental issues. IAIC is also taking various initiatives to utilize its environmental resources and involves in various initiatives. Therefore, we believe it is necessary for IAIC to take the role of IAIC CSR program expert to support such events.

IAIC’s Ombudsmen

Ji-hyeong Oh, Director

When it comes to a company’s fulfillment of corporate social responsibility, ethical management is one of the most basic building blocks. Instead of corruption are difficult to remedy, increase public awareness of environmental issues. IAIC is also taking various initiatives to utilize its environmental resources and involves in various initiatives. Therefore, we believe it is necessary for IAIC to take the role of IAIC CSR program expert to support such events.

SR Committee Members

2016 Stakeholder Committee Members

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Committee Overview

Social Responsibility Report 2016

Stakeholder Engagement

Corporate Governance

Materiality Assessment

SR Stakeholder Committee

Corporate Social Responsibility

Stakeholder Engagement

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Materiality assessment process
Selection of key issues in the preparation of SR report is an important activity that enables efficient and systematic reporting of CSR issues. IIAC analyzed its internal and external environment based on the sustainability context, materiality, completeness, and stakeholder inclusiveness principles recommended by the GRI G4, in order to identify major CSR issues that should be considered in its business activities. Through this process, IIAC identified issues that are most important to IIAC and its stakeholders.

**Materiality Assessment**

**STEP 1**
Identification of CSR Issues

- Benchmarking: Understand important issues for similar domestic and foreign companies by analyzing sustainability reports.
- Analysis media data: Identify relevant issues by reviewing 3,511 news articles from January through December 2015 to analyze external perception of IIAC.

**STEP 2**
Prioritization of Material Issues

- Relevance assessment: Identify a total of 45 issues by evaluating the relevance of issues identified by internal/external environment analysis, diagnosis, and stakeholder participation.
- Significance assessment: Select a total of 36 key issues by prioritizing relevant issues based on on-line stakeholder survey conducted from May 25 through June 7, 2016.

**STEP 3**
Validation and Review

- Review whether the final 36 issues are important to IIAC through internal task force and management report. Establish reporting plans after finalizing reporting scope, boundary, and period.

Key CSR issues
IIAC designated 10 trend issues with an average significance above 4.1, 19 impact issues with average significance above 4.0, and seven resources & capability issues with average significance above 4.2 as key CSR issues. The contents of the report align the selected key issues and IIAC’s strategies. In 2016, internal and external stakeholders were highly interested in trends such as “higher demand for corporate transparency and ethical management,” “increased demand for product and service safety,” and “win-win growth in business partners” IIAC’s stakeholders thought resource and capabilities such as “relationship and trust with key stakeholders,” “organizational facility for providing products and services,” and “social support for IIAC’s business” as areas that needed to be improved upon. Analysis of level of interest and materiality of impact issues based on GRI G4 aspect indicated that “anti-corruption” was the most important issue, followed by “compliance of social regulations,” “customer safety and health,” and “customer privacy protection.”

**Key resources & capability issues**
- Relationship and trust with key stakeholders
- Facilitating manufacturing and processing services
- Securing social support for IIAC’s business operations
- Personal competencies, experiences, and well-being for innovation in relation with IIAC governance system, approach to risk management, ethical values
- Ability to understand, develop, and reuse IIAC’s strategies
- Base and foundation development of IIAC
- Loyalty and desire to improve processes/services

**Key impact issues and identification of contents**

<table>
<thead>
<tr>
<th>Impact Issues</th>
<th>Management/CSR (IIAC’s Aspect)</th>
<th>Sustainability</th>
<th>Capacity</th>
<th>Access</th>
<th>Impact Context</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Anti-corruption</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>GRI Approach to CSR</td>
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<td>Compliance with social regulations</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Social Accountability &amp; Environmental Responsibility</td>
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<td>3</td>
<td>Customer safety and health</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Social Responsibility</td>
</tr>
<tr>
<td>4</td>
<td>Customer privacy protection</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Social Responsibility</td>
</tr>
<tr>
<td>5</td>
<td>Support management</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
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<tr>
<td>6</td>
<td>Market position</td>
<td>Internal</td>
<td>Strategic</td>
<td>Global Hub</td>
<td>Increase Passenger and Cargo Through</td>
</tr>
<tr>
<td>7</td>
<td>Anti-discrimination</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>8</td>
<td>Compliance with product and service regulations</td>
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<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>9</td>
<td>Competitiveness with environmental regulations</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
</tr>
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<td>10</td>
<td>Employment</td>
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<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>11</td>
<td>Organizational strategy and planning</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>12</td>
<td>Development of productive support systems and communication</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Human Resource Management</td>
</tr>
<tr>
<td>13</td>
<td>New management</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
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<tr>
<td>14</td>
<td>Business planning and evaluation</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
</tr>
<tr>
<td>15</td>
<td>Effective use of airports and facilities</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
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<tr>
<td>16</td>
<td>Effective use of airports and facilities</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
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<tr>
<td>17</td>
<td>Sustainable growth</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
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<tr>
<td>18</td>
<td>Material and quality</td>
<td>Internal</td>
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<td>Responsible Corporation</td>
<td>Strategic Management</td>
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<tr>
<td>19</td>
<td>Customer safety and health</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
</tr>
<tr>
<td>20</td>
<td>Customer privacy protection</td>
<td>Internal</td>
<td>Strategic</td>
<td>Responsible Corporation</td>
<td>Strategic Management</td>
</tr>
</tbody>
</table>

**Materiality matrix**

- **Significance of impact on IIAC**
  - 1: Not considered
  - 2: Considered but not important
  - 3: Considered moderate
  - 4: Considered important
  - 5: Considered very important

- **Materiality assessment steps**
  - Step 1: Identification of CSR issues
  - Step 2: Prioritization of Material issues
  - Step 3: Validation and Review
IIAC is beginning a new journey to create a more sustainable and a better world amidst the varying customer needs, intensifying competition, and an increasingly unstable environment.
Strategy

OPERATIONAL EXCELLENCE

Why Is It Important?
Sustainable airport operation begins with providing customers various conveniences and cultural experience and a clean airport based on top-class safety and security system. IIAC is enhancing its safety service by establishing zero-defect safety management and aviation security system while maximizing customer convenience by creating a smart airport through continued innovation and change. In addition, IIAC is enhancing its service value through various cultural facilities and programs and services. IIAC is also operating a green airport through preemptive response to climate change and implementation of eco-friendly policy. Incheon International Airport strives to become an airport that satisfies all stakeholders through safety and convenience.

Our Strategy
- Upgrade zero-defect safety management system
- Proactive aviation safety
- Upgrade aviation security response
- Upgrade customs clearance service and shorten customs clearance time
- ICT-integrated customs clearance process
- Efficient facility management and upgrade facility operation
- Improved customer satisfaction through enhancing CS cooperation system
- Minimizes airport GHG emissions and environmental footprint

Next Step
- Enhance oversight of airline and ground staff and establish aviation security operation plan for terminal 2
- Reduce immigration clearance time through service upgrades and make improvements to terminal operations to improve customer convenience
- Establish and implement facility improvement plans to prevent recurrence of delayed baggage
- Establish and implement improvements to improve service quality
- Establish implementation strategy to reduce carbon emission and improve eco-friendliness of Incheon International Airport
- Enter into arrangements with Incheon Metropolitan City and public institutions in the Incheon area to cooperate on environmental reform

Our Strategic Focus Areas
Issue 1. Safe Airport
Issue 2. Smart Airport
Issue 3. Eco-friendly Airport

1.03

Performance

<table>
<thead>
<tr>
<th>Safety/Security accidents</th>
<th>Delayed/baggage</th>
<th>Immigration clearance time (95% of passengers served)</th>
<th>Ranking in AOC</th>
<th>GHG emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 incidents</td>
<td>11PPM</td>
<td>41 minutes/26 minutes</td>
<td>11 consecutive years of No.1</td>
<td>166,891 tCO2eq</td>
</tr>
</tbody>
</table>

Number of corrective point-outs in the safety check of the air transportation (unit: instances)

2010 1.11
2011 1.05
2012 0

Establish airport epidemic prevention system as the gateway of the country

In addition, IIAC designated and conducted trainings for new disaster safety managers at IIAC, business partners, and airlines. IIAC also began to offer a professional course in disaster management (BCP association) to improve disaster safety managers’ expertise. By enhancing internal safety checks on Incheon International Airport, a national infrastructure, IIAC responded flawlessly to special inspections including national safety inspection and aviation safety inspection and received 0 corrective orders for the first time since the opening of the airport. Through advance upgrades to proactive disaster prevention system, IIAC maintained its A rating in the disaster management assessment by the Ministry of Public Safety and Security for six consecutive years, enabling passengers and the Korean people to feel safe at the airport.

Upgrade proactive disaster prevention system

Public expectation and requirements regarding safety are increasing while risk factors to aviation safety are also on the rise due to increased air traffic. IIAC upgraded its disaster prevention system focusing on initial response capabilities to secure the golden time. With the paradigm for disaster management shifting from a reactive one to a proactive one, IIAC updated its emergency plans, prepared individual response protocol for different disasters, entered into large-scale medical support agreement with Inha University Hospital, and revised outsourcing contracts with business partners to enable timely emergency response during holidays and night hours.

In addition, IIAC designated and conducted trainings for new disaster safety managers at IIAC, business partners, and airlines. IIAC also began to offer a professional course in disaster management (BCP association) to improve disaster safety managers’ expertise. By enhancing internal safety checks on Incheon International Airport, a national infrastructure, IIAC responded flawlessly to special inspections including national safety inspection and aviation safety inspection and received 0 corrective orders for the first time since the opening of the airport. Through advance upgrades to proactive disaster prevention system, IIAC maintained its A rating in the disaster management assessment by the Ministry of Public Safety and Security for six consecutive years, enabling passengers and the Korean people to feel safe at the airport.

Establish airport epidemic prevention system as the gateway of the country

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**Strategy 1. Operational Excellence**

**Our Strategic Focus Areas**

1. Safe Airport
2. Smart Airport
3. Eco-friendly Airport

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### Aviation safety

**Efforts to achieve 3 million safe flights**

IAIC is enhancing its safety management activities as the likelihood of accidents is increasing due to increased air traffic. IAIC improved its navigational aid to further enhance safety during take-off and landing. Advance impact analysis prior to aircraft take-off has enabled IAIC to guarantee safety of aircraft during flight. IAIC is also paying close attention to risk management in facility and operational aspects through joint inspection with airport employees and voluntary safety reporting. In addition, IAIC is upgrading its airport operation through safety management by incorporating cutting edge technologies, such as control demonstration with simulators. Also, IAIC is training safety professionals through an international aviation safety training program. IAIC was commended for its efforts and achievements at the Air Navigation Safety Assessment by Ministry of Land, Infrastructure, and Transport. In December 2015, IAIC achieved 3 million flights.

### Development of airport digital map

IAIC utilized cutting-edge IT and GIS (Geographic Information System) to become the first airport operator to create AMDB (Airport Mapping Database). The AMDB creates a 3D rendering of the airport facility to assist aircraft operation. In the AMDB, a 3D rendering of spatial shape as well as geometric information of objects including runway, taxiway, and buildings are made available through precision ground survey and high resolution digital imagery. In addition, the AMDB is a precision database with detailed information including the function and characteristics of facilities which meets ICAO standards. The AMDB's accuracy and precision was also certified by the Korean Association of Surveying and Mapping in the Public Survey Performance Evaluation. The AMDB effectively created a basis for aircrafts to quickly and safely move on ground during inclement weather or night time.

### Expansion of airport capacity

While air traffic was constantly increasing, Incheon International Airport's capacity remained at 63 aircrafts per hour. Incheon International Airport is in need of a balance between airport facility and capacity following the 3rd Phase Construction. IAIC increased future airport capacity by working in concert with the government to secure additional airspace capacity in anticipation of future increase in aviation demand. IAIC researched the expansion of the Military Demarcation Line P-518 through the National Airspace Committee. IAIC, Ministry of Land, Infrastructure, and Transport, and regional aviation agencies formed a joint group and established the Simultaneous Independent Approach Flight procedures. In addition, IAIC analyzed aviation facilities and procedures and conducted research to review the airport's handling capacity. In order to expand airport capacity, IAIC acquired operational methods from leading airports and created optimized operation plan for Incheon International Airport. As a result of such efforts, Incheon International Airport's no-fly zones in the airspace in the vicinity of the Military Demarcation Line were removed for the first time since 2008. IAIC also prepared flight and control procedures for the 2nd and 3rd runways and verified that its capacity of operating 70 flights per hour.

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### Facility safety

**Improved aviation safety facility**

IAIC strives to provide world-class aviation safety service by maintaining optimal aviation safety system performance and non-stop operation of aviation and power system. Incheon International Airport’s instrument landing system has a CAT-IIIb rating, which enables safe landing and take-off with just 75 meters of visibility even in case of inclement weather such as heavy rain and fog. IAIC systematically monitors pavement defects to ensure timely repair. IAIC also established emergency repair system that enables aircraft landing and take-off within 60 minutes of runway damage. Power plant facilities in the airport have been disaster-free, accident-free, and running non-stop for 15 years. A total of 23 facilities to prevent environmental pollution, including wastewater reuse facility, resource recovery facility, etc. are managed more strictly than the standard established by the laws relevant to the environment. Thanks to such efforts, IAIC achieved 130,000 hours of non-stop aviation safety facility operations.

**Proactive climate change response**

IAIC is recognized for being a leader in climate change response with its proactive establishment of climate change response plans to minimize risk of natural disasters. In 2013 and 2014, prior to the formal introduction of climate change response plans, IAIC conducted preliminary research activities including the climate change impact analysis tailored to airport facilities, external consulting, training, and workshops. Since 2015, IAIC assessed the climate change risks, developed detailed action plans, and upgraded facilities accordingly.

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### Secure aviation safety during snowfall

Threats to aviation safety due to snowfall have become increasingly frequent as observed in the temporary closure of Jeju Airport and runway overrun at the New York Airport. IAIC established mid-long term plans for snow removal equipment as a part of response to climate and external environmental change. IAIC employed high-performance, tractor-type snow removal equipment, multi-function high-speed blowers, and eco-friendly deicers. In addition, IAIC formed a Snow Removal Response Team comprised of members from the aviation agency, airlines, and ground staff and assigned functions and roles to each entity in order to enhance response capability in case of snowfall. As a result of such efforts, snow removal operations were shortened by 15% compared to last year to 18.4 minutes, improving aviation safety and timeliness of aircraft operations during snowfall.
Enhancement of airport security to prevent illegal entries

In January 2016, two Chinese nationals and one Vietnamese national illegally entered Korea through Incheon International Airport, which is a significant incident. The incident occurred due to the lack of proper management, such as gaps at the departure gates and automatic immigration clearance at the arrival gates. In order to address this issue, Incheon International Airport worked in concert with the Ministry of Justice (Immigration Office) to improve security cooperation, enhance CCTV monitoring, and improve facility and security personnel competence in order to enhance airport security. In addition, Incheon International Airport installed 12 security shutters at the departure and arrival areas on the 3rd and 1st floor of the airport's passenger terminal, respectively.

Meanwhile, Incheon International Airport has a 24-hour monitoring and alert system. In case an unattended baggage or suspicious item is found, a joint investigation team comprised of working level personnel, Incheon International Airport explosive ordnance team, and mobile strike force are called to the site to inspect the surrounding area, take X-rays of the baggage, and detect explosive ordnances as a preliminary measure. In addition, counter-terrorism organizations including special forces are located in the vicinity in preparation of emergencies. In case of illegal entries, personnel are immediately called to the scene to perform investigation and make sure the area is safe.

Zero and the People's safety through continued cooperation with security agencies.

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Operational Excellence

Strategy 1.

Fast track services for handicapped persons and persons of social merit

IAIC is providing fast track services to the handicapped, pregnant, elderly, as well as persons of social merit, which account for 8.4% of total passengers. While such persons already had separate entrance to departure areas, the introduction of the fast track service enables these people to go through security check and immigration clearance all at once. IAIC actively distributes fast track passes to the handicapped during peak hours and installed over-sized signage and sticker sheets to enhance the visibility of the fast track service. In addition, various publicity activities are being conducted, including providing information at the counters. Starting from July 1, 2016, IAIC included persons over 70 years of age in the elderly category (previously persons over 80 years of age were considered elderly). In addition, fast track passengers are now able to be accompanied by three persons (previously two). Furthermore, persons of national merit, people who took part in the 1.18 democracy movements, and holders of the Korea Priority Card also became eligible for the fast track service. Such increase in persons eligible for the fast track service is expected to assist handicapped persons and persons of social merit. Fast track services reduce the departure process time to an average of five minutes. Through the fast track services, IAIC is not only fulfilling its social duties, but also reducing overcrowding in other departure points as well.

Publicity of the fast track service, provided exclusively for the handicapped and the social merit

IAIC also conducts biannual on-site ground staff check and training to reduce the time required for this process. IAIC is expanding services for handicapped persons by newly installing the F2 check-in counter baggage conveyor and dualizing the A1 check-in conveyor. IAIC’s BHS operates its on-site personnel by utilizing the three levels (Yellow, Orange, and Red) depending on the concentration of connecting baggage, which requires a high level of focus and a sense of urgency, and flexibility. Incheon’s BHS operates its on-site personnel by utilizing the world’s first “peak forecasting system” to establish a timely baggage handling system. In addition, IAIC expanded its facilities by newly installing the F2 check in counter baggage conveyor and dualizing the A1 check in conveyor. IAIC also conducts biannual on-site ground staff check and training to reduce the time required to claim baggage. In 2015, Incheon International Airport maintained a world class 11PPM delayed baggage rate. In January 2016, delays in repairs to motor control equipment in the underground tunnel resulted in baggage handling delays, which delayed the departure of 159 aircrafts and resulted in 5,200 pieces of delayed baggage, causing inconvenience to both passengers and airlines. IAIC deeply regrets poor initial response, operation, and emergency on-site response that aggravated the situation. In response, IAIC established comprehensive plans and implemented various measures to prevent similar incidents from occurring in the future.

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Customer privacy protection
Incheon International Airport, as a national information communication security facility, strictly adheres to information protection regulations. IIAC established the PIMS to enhance customers' personal information protection. IIAC minimizes collection and retention of customers' personal information to protect personal information. In order to stop reckless collection of social identification numbers, IIAC stopped collecting identification numbers for six tasks, including for security pass requests and for paying costs for facility uses. In addition, personal information retention period for four tasks, including electronic bidding and VOC, has been modified. Furthermore, IIAC expanded customers' self-determination rights by minimizing personal information to be provided mandatorily. IIAC conducts tailored biannual training for those in charge of managing personal information and also systems managers. Mandatory on-line courses are provided to all employees. In 2015, IIAC scored 90.3 points at the Ministry of Interior's personal information management (other affiliated organizations averaging 87.48 points) and was awarded an 'Excellent' rating. Since the opening of Incheon International Airport, there have been zero cyber infringements.

Airport of culture and arts
Culture and arts contents
IIAC aims to develop Incheon International Airport as a venue to introduce Korea and communicate with the world. To achieve this aim, Incheon International Airport conducts traditional cultural exhibitions and culture and arts programs, thereby improving customer service while fulfilling its responsibility as a public organization. Cultural performances including Korean traditional music, classical music, and K-pop as well as the "Walk of the Royal Family", which recreates the royal procession of the Joseon Dynasty are made available 365 days a year at key points in passengers’ routes. Such performances help to spread the word about Korea's culture throughout the world. In 2015, roughly 7,400 performances took place and audiences of such performances increased by 2.2%. Audience for the "Walk of the Royal Family" increased 9.5% compared to the previous year. Meanwhile, Incheon International Airport hosts the "Incheon International Airport Sky Festival", an outdoor cultural event open to the 40,000 Incheon International Airport employees and domestic and foreign visitors alike. Some 23,000 people visited the 12th annual Sky Festival in 2015.

Culture and arts contents at Incheon International Airport

<table>
<thead>
<tr>
<th>Classification</th>
<th>Content</th>
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<tbody>
<tr>
<td>Cultural performance</td>
<td>Millennium Hall cultural performances, Small Classical Music Festival, Korean Traditional Music Performance at Korea Center for traditional culture</td>
</tr>
<tr>
<td>Exhibition</td>
<td>Korea Culture Street, Korea Culture Exhibitions, Korea Culture Museum</td>
</tr>
<tr>
<td>Experience</td>
<td>Korea Center for traditional cultural artifacts, Walk of the Royal Family (photo time)</td>
</tr>
</tbody>
</table>

Development of customer tailored contents
In response to increasing Chinese tourists and foreigners visiting Korea due to the popularity of the Korean Wave, IIAC is diversifying its performance contents and developing tailored contents. IIAC jointly hosted the “2015 Korean Wave Fashion Festival” with Incheon Tourism Organization and Kyung-in Broadcasting, which included fashion shows, award ceremonies, and Korean Wave performances at the Incheon International Airport Passenger Terminal. Fashion shows featuring traditional Korean attire, airport outfit, celebrity brands and performances featuring Korean traditional music, operatic pop, and K-pop grabbed the attention of domestic and foreign audiences alike. A K-Beauty booth was also featured.
Energy management implementation organization

IIAC established the GHG reduction and Energy Saving Committee to effectively manage its GHG emission and energy saving activities. This committee is held on a quarterly basis and establishes and implements low-carbon eco-friendly strategies and plans, conducts analysis and assessment of progress, and discusses climate change responses and energy saving to reduce carbon footprint. In addition, the Energy Management Working Level Committee, organized to systematically manage energy usage and reduction, updates the progress of each department’s energy saving efforts and methods. The working level committee meets every quarter.

GHG reduction and energy saving committee

<table>
<thead>
<tr>
<th>Committee Name</th>
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<td>Energy Management Team</td>
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<tr>
<td>Energy Manager's Diary</td>
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<tr>
<td>Energy Management Advisory Committee</td>
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Publication of Green Report

IIAC is engaged in various initiatives to manage and improve its low-carbon, eco-friendly management activities. Since 1999, IIAC has been publishing the annual “Green Report” to share its activities with stakeholders. Detailed information on the issue of “eco-friendly airport” and related activities and achievements can be found in the Green Report uploaded on the IIAC website.

Proactive response to GHG emission trading scheme

In response to the emission trading scheme which became effective in 2015, IIAC established mid-long-term plans to achieve the emission target as well as the execution plan for its GHG reduction plans. In 2015, IIAC set its emissions target at 174,586tCO2eq and improved energy efficiency and expanded infrastructure to achieve this target. IIAC replaced coolers and electric motors to improve efficiency and installed Energy Storage System (ESS). IIAC also replaced 63% of the lightings in passenger terminals, traffic center, and auxiliary buildings with high efficiency LED lightings. In addition, IIAC identified 37 company-wide energy-saving initiatives and reduced emissions by 4,929tCO2eq through the energy saving activities. IIAC is conducting on-site inspection and providing guidance on energy saving and establishing plans to introduce in-house Energy Saving Evaluation to further improve energy saving performance. IIAC is also establishing procedures for purchasing and selling emission rights and managing energy saving performance of major energy-consuming departments by allocating energy saving targets. IIAC is cooperating with its business partners and in-house companies to reduce GHG emissions. As a result, Incheon International Airport’s GHG emissions in 2015 was 168,891tCO2eq, exceeding its goals by 3.26%. IIAC was selected as an exemplary organization for achieving GHG targets by the Ministry of Land, Infrastructure, and Transport, for two consecutive years. IIAC also received awards at the Climate Change Grand Leader’s Award and hosted the Climate Change External recognition of IIAC’s achievements continued with the Prime Minister’s Commendation at the Energy Efficiency Awards hosted by the Ministry of Trade, Industry, and Energy.

Energy saving activities with tenant companies and business partners

IIAC is extending its energy saving initiatives from IIAC itself to the tenant companies, thereby expanding the scope of energy saving initiatives to the entire airport. Energy managers were designated for each tenant company facility to set and manage energy saving targets. Energy Saving Evaluation System was introduced and included in the service evaluation to improve the effectiveness of energy saving initiatives. In addition, IIAC improved energy efficiency at the airport by mandating LED lighting by tenant companies in the business facilities. A total of 89 tenant companies replaced 14,111 lightings with LED lightings. Meanwhile, IIAC conducts biannual training on energy management for tenant companies to provide inspection and guidance as well as share future plans for energy saving. IIAC also prepares and distributes “Energy Saving Best Practices” which details outstanding energy saving performances in the past five years to share the collective accomplishments to date. To provide further motivation for energy saving, IIAC held energy saving idea contest and selected and rewarded 10 best practices. Tenant companies with exemplary energy saving performance were awarded as well. In 2015, cooperation with resident companies accounted for 1,272 MWh of energy saving and 594tCO2eq of GHG emission reduction, representing a 5.7% reduction compared to the previous year.

Resolving environmental civil complaints on airport operation

IIAC is implementing noise reduction program covering Bukdo-myeon, the area within the noise range of the Incheon International Airport. The noise reduction program, which provided sound proof and cooling facilities as well as subsidies to TV license fees to local residents, covered 10 households in an area of 30.88km². Starting from 2016, according to the policy change of the Ministry of Land, Infrastructure and Transport, the program will be expanded to cover 50 households in an area of 34.13km². Program budget will also be increased from a total of KRW 2.8 billion over 5 years to KRW 14.1 billion over 5 years. Furthermore, the President & CEO visited and hosted a meeting with the local community to ensure a wide range of communication. IIAC also cooperated with local governments to host information sessions and committees. IIAC hosts regular airport noise task force meetings to receive input from local community members and experts to efficiently carry out its noise reduction program.

Indoor air quality certification

In order to provide airport customers with a pleasant indoor environment, IIAC established internal standards regarding indoor air quality that are stricter than national regulations (80% of national standards) based on the ‘Indoor Air Quality Management Act for the multiple-use facility, etc.” IIAC also installed real-time indoor air quality measurement centers to constantly monitor indoor air quality. To maintain optimal indoor air quality, IIAC operates its HVAC system reflecting the monitoring results. IIAC also pays close attention to facility management, including periodic replacement of filters. Indoor air quality at Incheon International Airport is measured by an external agency on a quarterly basis to ensure objectivity in evaluation. IIAC sets targets for particulate matters at 16.7% of the standards set forth in environmental rules and regulations. IIAC received indoor air quality certification from the Korean Standards Association due to the superior indoor air quality and excellence in management.
Incheon International Airport’s Low-carbon, Eco-friendly Value Creation

INPUT

Energy consumption
IIAC is conducting technical diagnosis of energy consuming facilities to improve energy consumption efficiency. IIAC is enhancing its basis for energy sufficiency by expanding renewable energy usage.

- **Unit consumption (consumption/revenues):** 0.0018 TJ/KRW million
- **Electricity:** 0.0015 TJ
- **Medium temperature water:** 0.0003 TJ
- **Others:** 0.0000 TJ

Water resource consumption
IIAC aims for efficient usage of water resources and minimal water pollutant discharge.

- **Water usage:** 1,058,210 m³
  - Unit consumption (㎥/No. of passengers): 21.5 L/passenger

Investment in environment
IIAC continues to invest in the environment to minimize and prevent environmental footprint of Incheon International Airport operation and IIAC’s business activities. IIAC is establishing an eco-friendly organizational culture by encouraging the use of green products.

- **KRW 45.6 billion (Environmental investment)**
- **KRW 7.6 billion (Green products purchased)**

OUTPUT

Waste production
IIAC operates resource disposal facilities capable of processing general waste as well as designated waste. IIAC also operates high efficiency fluidized incinerator facility.

- **Designated waste:** 1,172 tons
- **Construction waste:** 1,088 tons
- **General waste:** 15,756 tons

Water resource recycling
Waste water produced in the airport is treated at the waste water treatment center within the International Business Center. The heavy water created at the waste water treatment center is used as cleaning agents for rest rooms, cooling and cleaning agents for machinery, and irrigation.

- **Waste water produced:** 4,809,813 m³
  - **Recycled amount:** 3,426,172 m³ (71% Recycling rate)

Waste disposal
IIAC is developing ways to reuse waste as products. IIAC is reducing the use of materials needed in airport operation by reuse and recycling of waste materials. IIAC is also installing an Eco-factory capable of creating recycled goods.

- **Recycled materials:** 25,357 tons (88.39% recyle rate)
  - **Incinerated:** 10,118 tons
  - **Buried:** 1,121 tons

GHG emissions
IIAC is optimizing GHG emission management by understanding direct and indirect emissions from Incheon International Airport operation, as well as emissions by tenant companies, airlines, ground staff, and passengers.

- **Direct emissions:** 10,921 TCO₂eq
  - **Total emissions:** 163,991 TCO₂eq
- **Indirect emissions:** 47,999 TCO₂eq
- **Unit emissions (TCO₂eq/KRW million):** 0.0973

De-icing and Anti-icing solution disposal
IIAC collects all waste from de-icing and anti-icing agents, which are environmental hazards, by installing De-icing PADs capable of processing such waste materials.

- **Processed:** 5,070 tons

Indirect emissions
IIAC is optimizing GHG emission management by understanding direct and indirect emissions from Incheon International Airport operation, as well as emissions by tenant companies, airlines, ground staff, and passengers.
### Issue 4: Increase Passenger and Cargo Demand

#### Strategies to increase passenger demand

- **Timely response to changes in market conditions**
  - Implementation of comprehensive measures to recover from decreased demand due to the MERS outbreak
  - Designate and attract strategic target airlines, crews, passengers etc.
  - Close cooperation with government to increase capacity in new markets
  - Overhaul airport usage fee

- **Create passenger-friendly environment**
  - Efficient operation of limited slots to overcome capacity limitations and continuously generate demand
  - Improve passenger experience

- **Focus core competence on increasing connecting passengers**
  - Increase airport usage for LCC
  - Implement differentiated strategies for different types of connecting passengers

#### Performance

- **Total passengers (domestic + international)**
  - 2013: 41.48 million
  - 2014: 48.72 million
  - 2015: 49.28 million

- **International passengers**
  - 2013: 40.79 million
  - 2014: 44.91 million
  - 2015: 48.72 million

- **LCC passengers**
  - 2013: 4.88 million
  - 2014: 6.18 million
  - 2015: 7.83 million

#### Next Step

- **Continue to attract target airlines and routes**
- **Provide world-class infrastructure and business environment for convenient international travel**
- **Attract routes and logistics to China, Middle East, and U.S.**
- **Improve aviation and logistics at Incheon International Airport**
- **Expand the aviation and logistics business to create new platforms for income growth**
- **Expand the aviation and logistics business to create new platforms for income growth**
- **Create passenger-friendly environment**
- **Generate potential connection demands by proactively responding to changing paradigms**

### Issue 5: Enhance Hub Competitiveness through Increased Connections

#### Why Is It Important?

Incheon International Airport’s continued growth and development is not only directly related to IIAc’s growth and development, but it is also related to Korea’s national competitiveness. In order to increase aviation demand and enhance hub network competitiveness, IIAc is expanding its business areas from the traditional passenger and logistics business to creating new platforms for income. Incheon International Airport established itself as a central airport in Northeast Asia, ranked 3rd in international cargo and 8th in international passengers, and connecting 90 airlines to 186 cities in 54 countries. However, IIAc refuses to become complacent with its current accomplishment and is implementing even more diversified initiatives to strengthen its aviation network for a New Leap Forward.

#### Strategies to increase passenger demand

- **Timely response to changes in market conditions**
  - Implementation of comprehensive measures to recover from decreased demand due to the MERS outbreak
  - Designate and attract strategic target airlines, crews, passengers etc.
  - Close cooperation with government to increase capacity in new markets
  - Overhaul airport usage fee

- **Create passenger-friendly environment**
  - Efficient operation of limited slots to overcome capacity limitations and continuously generate demand
  - Improve passenger experience

- **Focus core competence on increasing connecting passengers**
  - Increase airport usage for LCC
  - Implement differentiated strategies for different types of connecting passengers

#### Performance

- **Total passengers (domestic + international)**
  - 2013: 41.48 million
  - 2014: 48.72 million
  - 2015: 49.28 million

- **International passengers**
  - 2013: 40.79 million
  - 2014: 44.91 million
  - 2015: 48.72 million

- **LCC passengers**
  - 2013: 4.88 million
  - 2014: 6.18 million
  - 2015: 7.83 million

#### Next Step

- **Continue to attract target airlines and routes**
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- **Expand the aviation and logistics business to create new platforms for income growth**
- **Create passenger-friendly environment**
- **Generate potential connection demands by proactively responding to changing paradigms**
Attract new airlines and routes

IIAC is generating passenger demand through tailored marketing activities for key target airlines, routes, and passengers. IIAC participates in route-concerning conferences with regional target FSCs to attract them to Incheon International Airport. IIAC also participated in CAPA LCC conference to meet with the LCCs and conduct marketing activities. In 2015, three new carriers were introduced to Incheon International Airport (Alitalia, Un, and Cambodia Angkor Air) and 25 new routes were opened.

Efforts to increase cargo demand

Incheon International Airport is a world-class airport that processes the 3rd largest volume of international cargo in the world. Incheon International Airport serves as the forefront of Korea’s exports and imports, accounting for 95% of Korea’s international air cargo and 23% of total exports and imports. Since opening, Incheon International Airport’s international cargo throughput increased at an average 6.2% per annum. By successfully operating the airport Free Trade Zone, Incheon International Airport became one of the major logistics hubs of Asia. However, recent trends show intensifying competition from other airports and declining transshipment. To counter this trend, IIAC established strategic tasks to increase cargo demand and transshipment demands.

Development of airport Logistics Complex conducive to generating cargo throughput

Despite increasing occupancy in the airport logistics complex, generation of new cargo throughput has been on a standstill. To overcome this trend, IIAC is aiming to attract manufacturers and logistics companies involved in e-commerce transportation, a possible source of generating new cargo throughput. IIAC concluded an investment agreement with Statechaeipak Korea in an effort to attract manufacturers capable of generating consistent goods movement. In addition, IIAC attracted five new logistics companies including CALT Logis, a logistics system developer, to increase high value-added goods movement. Occupancy rates in phase 1 and 2 airport logistics complex increased drastically to 93.4% and 77.3% respectively. Based on this increase in occupancy rate, IIAC is developing 30,000 pyeong (roughly 99,000 sqm) of phase 2 Logistics Complex in advance and is planning for additional expansion in connection with phase 4 masterplan.

Vitalization result of the airport logistics complex

<table>
<thead>
<tr>
<th>Year</th>
<th>Logistics Complex 1</th>
<th>Logistics Complex 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>81.2</td>
<td>4.5</td>
</tr>
<tr>
<td>2014</td>
<td>84.0</td>
<td>104.8</td>
</tr>
<tr>
<td>2015</td>
<td>93.4</td>
<td>77.3</td>
</tr>
</tbody>
</table>

Number of companies (based on the accumulation of the relevant year) 18 21 26
Diversify transportation by solidifying existing connections and developing new connections

To solidify existing connections, IAC enhanced marketing activities to the four major connecting countries (the U.S., Japan, China, and the Philippines), conducting activities such as presentations, familiarization tours, and media advertisements. In addition, IAC capitalized on the rapidly growing LCCs, developing transit products such as codeshares. IAC also carried out various promotions for LCCs in an effort to increase demand from LCCs.

In addition, IAC proactively created demands by expanding the paradigm of connecting passengers to include stopover passengers*. IAC provided services that connected airports and hotels to cater to the needs of stopover passengers. In the future, IAC will continue to develop stopover products and increase connection demand for those traveling to and from China and Japan through tailored marketing activities. IAC will continue to differentiate its services with its competition by developing medical transit products, utilizing Korea’s high-quality medical service, and stopover products in concert with the Paradise Integrated Resort scheduled to open in March 2017.

* Codeshare: a practice that an airline not flying airplanes to the route operated by its partner airline takes a portion of the seats of the partner’s airplane through an agreement for its own business, that is, one aircraft being operated by two airlines.

** Stopover passengers: Passengers staying for more than 24 hours at an intermediate destination.

Efforts to increase connection demand

Increase transit passengers through incentives and additional promotion

In 2014, transit passengers at Incheon International Airport decreased by 460,000 compared to the previous year, raising concerns and negative perceptions about Incheon International Airport’s capacity as a hub. In order to achieve the national goal of a “Top 5 Air Transport Country” by 2020, IAC cooperated with stakeholders including the government, airlines, and travel agencies and set a common goal of “increasing transit passengers” at Incheon International Airport. IAC subsequently implemented four key tasks to increase connection to achieve the goal of 10 million transit passengers by 2020: To enhance price competitiveness, which is a key factor in transit decisions, IAC implemented a new transit incentive system considering actual connections in 2015. With the goal of increasing aviation demand in Incheon International Airport in 2016, IAC is providing even more effective incentive programs for airlines by selecting core connections and strategic routes. IAC also attempted to increase connection demand through various promotions including Free Transit Guides for Chinese and Japanese tourists, Familiarization tour for future medical tourism, and Free Transit Tours and other services combining lounge access. Due to IAC’s efforts, number of connecting passengers, which was declining for 18 consecutive months, rebounded in March 2015. In 2015, total connecting passengers increased to 7.42 million, representing a 2.3% increase year-over-year. In addition, Incheon International Airport was named the “Best Connecting Airport” by UK’s Skytrax for two consecutive years and the “Best Airport” by TTG (Travel Trade Gazette) for three consecutive years, reflecting credit on Incheon International Airport’s capacity to serve as a connecting airport.

Increasing transit passengers

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Expanding stopover products

A Chinese Passenger Mr. A’s family is connecting (stopover for 2 nights and 3 days) at Incheon before departing to the United States

Travel itinerary: Shanghai (China) – Incheon (stopover, 2 nights) – Los Angeles (US)

1. Mr. A’s family arrives at Incheon International Airport

2. After arriving at Incheon International Airport, Tour schedule based on the stopover program

3. Conclude stopover tour program

Depart for Los Angeles (final destination)
**Strategy**

**SUSTAINABLE GROWTH**

### Why Is It Important?

IIAC considers earnings from airport operations as well as non-aviation earnings through diversification of business model to be equally important elements of its strategy. IIAC and Incheon International Airport's sustainability. IIAC will solidify Incheon International Airport's position as a Mega Hub Airport by securing stable source of earnings through exporting airport operations knowhow to foreign airports; constructing value-oriented airport city combining shopping, leisure, and business, as well as the successful completion of the second passenger terminal construction.

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#### Our Strategy

- **Mid/long-term development strategy for 3rd phase premier airport construction and the second opening of Incheon Airport**
- **Enhance competitiveness and the scope of overseas business and win more project orders**
- **Attract more investments to commercial facilities**
- **Return profits to society by improving investment environment for the Air-City**
- **Improve investment environment to attract investment for the Air-City and expand aviation safety and customer service infrastructure**

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#### New Infrastructure Expansion

**Expected infrastructure at Incheon International Airport in 2017**

<table>
<thead>
<tr>
<th>Million Passengers</th>
<th>Million Cargo</th>
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<tbody>
<tr>
<td>72</td>
<td>5.8</td>
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</table>

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#### Performance

- **3rd phase construction progress, 47.2% complete**
- **Cumulative overseas business revenues USD 92.96 million**
- **Concessions revenues KRW 2.2572 trillion**

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#### Next Step

- Develop preventive measures against delays in 3rd phase construction project
- Expand overseas business by winning new orders for projects while maintaining an integrated Overseas Business Risk Management System
- Provide stable operational platforms for domestic and small/medium enterprises at airport business facilities and form working committees among IIAC, conglomerates, and small/medium enterprises
- Improve investment environment to attract investment for the Air-City and expand aviation safety and customer service infrastructure

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#### 3rd Phase premier airport construction

**Incheon International Airport's 3rd phase construction project**

As the growth of the global aviation industry, FTA, and the expansion of open sky agreements are expected to increase aviation demands, airports are investing in large scale development projects to increase their respective market shares amid intense competition in the aviation industry. Incheon International Airport is continuing to invest in its airport facility to further enhance its hub competitiveness. The Airport will have invested KRW 4.993 trillion in phases from 2009 through 2017 to expand its airport infrastructure, including the second passenger terminal and aprons. The successful completion of the 3rd phase construction project will be an important milestone for Incheon International Airport as a hub airport, as the new infrastructure will enable the airport to serve a total of 72 million passengers and process over 1,000 flights per day upon completion. By completing 3rd phase construction project by 2017, Incheon International Airport will be able to fully support the 2018 PyeongChang Winter Olympics.

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#### Green airport

Incheon International Airport is implementing its unique and eco-friendly 3rd phase construction project to create a Green Airport. To create “An Airport inside a Park”, IIAC expanded green areas, built waterfront space, and eco-friendly structures to integrate ecology, culture, and relaxation. With plans to create a green landscape throughout the airport, IIAC will increase green areas by 126% from 1,643,000㎡ to 3,714,000㎡ and increase the number of plants from 70,000 to 110,000. In addition, IIAC will create a resource-saving waterfront space by installing eco-friendly hydropower facilities. IIAC is also in the process of developing plans to use heavy water and rain water to increase the efficiency of water resource utilization. Furthermore, IIAC will integrate green space with architecture design, by creating an indoor landscape area bigger than the one in the 1st passenger terminal and placing air-filtering plants and hydropicnic areas.

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#### Eco airport

To create a low-carbon and clean “Eco-airport”, IIAC will increase the use of renewable energy sources, including solar PV and geothermal energy. IIAC will also strive to increase energy efficiency by making full use of natural lighting and improving heat insulation in buildings. IIAC also plans to create an airport that is 40% more energy efficient than previous terminals, produces less carbon footprint, and utilizes more renewable energy. IIAC is applying both passive (eco-friendly architecture methods utilizing architectural elements such as lighting, ventilation, and insulation) and active (eco-friendly architecture methods utilizing cutting edge eco-friendly equipment) design in constructing a low energy airport. In addition, IIAC seeks to install PV power plants on unused land (80,000㎡) near the airport and PV* and BIPV** modules on the roofs of the second passenger terminal and its façade. Thus, IIIACS plans to install the PV power generating facility of about 4MW.

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* PV (Photovoltaic): the device changing the light energy into electric energy
** BIPV (Building Integrated PV): the eco-friendly construction technique of generating energy on the outer surface, such as glass, doors, windows, etc., by integrating the PV power generation module with construction materials
Smart airport
IIAC will create a customer-centric smart airport service utilizing cutting-edge ICT technology to upgrade existing systems. Self-zones where customers can use the Self Check-in and Self Bag-drop services are placed in the center of Departure hall. IIAC also introduced an open search information sharing system that allows passengers to enter the security screening area without having to wait after consigning their baggage. In addition, IIAC will establish an integrated information system, which will serve as an information hub connecting airport systems. The number of systems connected will be increased from 45 to 60 systems and message processing capacity will be increased from 1.3 million to 2.7 million per day.

Enhance overseas business

Overseas business strategy
IIAC is engaging in overseas projects with the mid-term vision of establishing a stable source of revenues through overseas markets. IIAC is providing high value-added overseas consulting services, capitalizing on the airport operation knowhow that led to 11 consecutive years of No. 1 rating in ASQ and the lessons learned from the successful completion of 1st – 3rd phase construction work. Starting with the Iraq’s New Erbil International Airport operation consulting in 2009, IIAC won 25 overseas contracts in 12 countries, with cumulative contract amount of USD 92.96 million. IIAC will utilize its overseas business experience to diversify its business area beyond consulting to include consignment operations, BOT (Build, Operate, and Transfer), PPP, and M&A of overseas airports. IIAC will also expand its business to include South America, Middle East, and West Asia.

Entry into European markets
In 2015, IIAC entered the European market for the first time with the airport operation consulting for the Istanbul New Airport in Turkey. IIAC began to establish networks from 2012 onwards to identify business opportunities in Europe. IIAC was able to win the contract through strategic and comprehensive preparation, knowing the intensity of the competition and high entry barrier in European markets, presence of high risks, and their needs for advanced technology in order to build one of the biggest airports in the world.

Through this contract, IIAC will provide consulting services in establishing operation strategy, organization structuring, establishing training plans, providing a comprehensive test run, and operational support after opening of the airport over the course of 65 months. This contract, which will allow IIAC to recognize revenues of KRW 7.4 billion over five years, served as an opportunity to prove IIAC’s competitiveness on a global arena against industry leaders such as Germany and Singapore.

Record of awarded orders in overseas projects
IIAC has achieved totally awarded orders of USD 9.296 million for 25 items in 12 countries since Arbil Airport project in 2009.
Strategy 3: Sustainable Growth

Our Strategic Focus Areas

Future Growth

Enhance

Sustainable Growth

BESt pRAC tICE

BEST PRACTICE

21,869

22,572

2015

2014

2013

% increase

% decrease

Results of business facility operations (Conversion units) from KRW 110 million

- Sums of duty free, food, and drink sales, department store, underground-level business rights, convenience store, transit hotels, and transit amenities, rental tax receipts, and internet cafe sales

Fig. 2: Sales Comparison

- Air City Development
  - Phase 1 (IBC-I): 1,083,200 m²
  - Construction area: 110,000 m²
  - B.C.: 5,880,000
  - IBC-II: 2,174,500 m²

South retailing base

IBC-I District

IBC-II District

IBC-III District

Fig. 1: Plan of airport city development

Development of areas surrounding the airport

Construction of an advanced-concept new airport city

Airports are becoming more than just a place where aircraft land and take off. Rather, they are becoming an industry that creates added value through logistics, culture, tourism, and business. IAC is proactively and strategically responding to this trend and is engaged in the development of an Airport City to make Incheon International Airport a major tourism/business hub in Northeast Asia. To achieve this aim, IAC completed the development of IBC-I and IBC-II areas surrounding a runway (airport villages) as golf courses. Currently, IAC is attracting investment to IBC-I, IBC-II, and IBC-III as one of its core business. The successful completion of IBC development is expected to enhance airport support functions as well as generate additional aviation demand and contribution to national and local economic development.

Direction of airport city development

Currently, the Airport City features 4 hotels (roughly 1,700 rooms) and 4 business facilities (roughly 1,900 rooms), a 27-hole public golf course, motorboat training facility, and Asia’s first BMR driving center surrounding the IBC-I (Phase 1) district. The adjacent IBC-I (Phase 2) district will feature “Paradise City,” Korea’s first casino resort currently being developed by Paradise Co., Ltd. with total investment amount of KRW 1.5 trillion. When completed, IBC-I will become a Korean casino integrated resort featuring casinos, conventions, culture, shopping, hotels, and is adopting the new Korean wave. In particular, connection to passenger terminals and basins on the southern parts via Maglev trains is expected to provide easy access to transit passengers.

IBC-II, to be developed in the future, is a 1 million pyeong (3.3 million sq.m) parcel of land that is less than 10 minutes’ drive from Incheon International Airport. In February 2016, Inspire Integrated Resorts Co., Ltd., a joint venture by Mohegan Sun, the largest casino operator in the western hemisphere, and KCC, was selected as the developer by the Ministry of Culture, Sports, and Tourism. Inspire Integrated Resorts is scheduled to construct the 2nd district of IBC-II (Phase 2) with scheduled completion in 2020, which will feature a 21,869 room high-end lodging facilities, theme parks, water parks, aquarium, and other recreational facilities as well as a foreigners-only casino and an arena seating 15,000. IBC-III is expected to play a leading role in attracting foreign tourists and generate aviation demand through synergies with Paradise City. With the 2nd passenger terminal scheduled to open in 2018, IBC-II will serve support functions, providing employees and customers of terminal 2, with venues to rest and recharge. IBC-III is currently in negotiations to house 4 hotels, 4 business facilities, and 3 residences.

IBC-III development is also contributing to IAC’s goal of generating 1 million additional transit passengers by 2020. Development of an integrated resort is expected to create a virtuous cycle increasing transit tours, stopovers, and aviation demand from origin to destination, thereby increasing connections at Incheon International Airport. Incheon International Airport will establish itself as a leader in the new Airport City paradigm by enhancing its hub competitiveness by contraction in integrated resorts. Paradise city, scheduled to open in 2017 and the passenger terminal 2, scheduled to open in 2018, as well as IBC-II will play an instrumental role.

Create a global business environment

Enhance quantitative and qualitative competitiveness of business facilities

IAC periodically researches customer needs in order to create an optimal shopping environment and select brands and merchandise based on customer demands. In the case of duty free stores, business partners are selected on the basis of variety of brands offered, strategic arrangement of sales floor, clipping convenience, BI management, and other unique experiences offered. IAC is also creating concessions that are capable of increasing customer convenience and revenues at the same time, by responding to high customer demand such as low-budget restaurants and fast food joints. Meanwhile, IAC is continuously working to enhance the quality of its customer service to ensure qualitative improvements as well as quantitative improvements of its business facilities. Through rearrangement of categories and store locations, customers are now able to maximize their shopping opportunity at Incheon International Airport’s duty free stores. The food and beverage facilities took various customer tastes into consideration, and also brand recognition and pricing to offer various products at reasonable prices, thereby maximizing customer satisfaction. In addition, IAC is also working towards maximizing business partnerships with small and medium enterprises by helping small and medium enterprises make entry into duty free business. IAC allocated business rights to 4 duty free stores to small and medium enterprises and added shops for domestic and handwork products in order to promote win-win growth.

In 2015, Incheon International Airport led the global airport concessions industry with revenues of KRW 2.2572 trillion. In addition, customer satisfaction regarding the airport’s business facility improved for three consecutive years (2013 80.3 points → 2014 82.9 points → 2015 82.9 points), and complaints received in VOC regarding food and beverage in the airport decreased 33% compared to the previous year. Thanks to reasonable prices, optimal shopping routes, and world-class service, Incheon International Airport’s duty free stores have been selected as the “best airport duty free stores” by the American edition of Business Traveler for six straight years, by the Asia-Pacific edition for five straight years, by the Chinese edition for three straight years. Incheon International Airport’s duty free stores have been named ‘Airport Duty Free of the Year’ for three consecutive years by U.K. Frontier magazine.

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Strategy 4. Responsible Corporation

Why Is It Important?

IIAC, as an airport corporation striving to grow with the People, is creating a sustainable future while fulfilling its social responsibilities. IIAC is enhancing its organizational competitiveness through a culture of trust and innovation while maintaining a sustainable organization with a corporate culture that respects individuals’ strengths and uniqueness. IIAC is sharing its values with its business partners as constituents of a bigger airport family and striving to grow with its business partners. IIAC is also cooperating with the local community and is spreading the culture of sharing for those who are in need. IIAC will earnestly look after its employees, partners, and the local community even as it continuously strives to grow into a global hub airport.


Ideal employee type

Global Hub Airport Hub Talent of the Globe!

Ideal employee type:

- Active: People who readily embrace challenges
- Innovation: People with an insatiable sense of curiosity and dream about the world
- Respect: People who can respect the company and customer as a member of a top-tier public company

Fair and equitable human resource management

IIAC respects diversity and human rights, and does not discriminate on the basis of gender, age, and religion in its hiring process. IIAC also observes labor laws to prevent child labor and illegal labor. In addition, in accordance with its hiring and human resource regulations, IIAC provides equal opportunities and fair evaluation to all of its employees. Within the same paygrade, all compensation and welfare benefits are provided equally to all genders.

Open hiring process

IIAC has a systematic NCS-based hiring process. IIAC’s jobs have been mapped to NCS categories and job descriptions have been formulated based on necessary skill sets. IIAC’s hiring process, starting from employment notices, application screening, written examinations, and interviews, all incorporate the NCS-based processes. In particular, IIAC removed the GPA section in the application form to evaluate candidates based on competence. Furthermore, IIAC expanded the persons eligible for written examinations from 40 times to 50 times of the final recruits to ensure adequate opportunity for more candidates. IIAC holds blind interviews to enhance the fairness in its hiring process and hires candidates based on merit by evaluating candidates’ skill sets necessary to fulfill their job descriptions.

Performance

<table>
<thead>
<tr>
<th>HR performance management index</th>
<th>Employees working flexible hours</th>
<th>Satisfaction in business partnership program</th>
<th>Performance sharing</th>
<th>Community service hours</th>
<th>Total amount for social contribution</th>
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<tbody>
<tr>
<td>4.40</td>
<td>13%</td>
<td>93.3 points</td>
<td>KRW 6.7 billion</td>
<td>4,159 Hours</td>
<td>KRW 8.712 billion</td>
</tr>
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</table>

Next Step

- Internalize core functions through increased staffing and efficient personnel management upon agreement with government
- Develop mid/long-term labor management-related improvement plans
- Take various measures including increased communication to maintain relationships with business partners
- Continuously expand social contribution activities with community service related to local needs
- Establish and implement core social contribution program aligned with industry characteristics and core competence

Our Strategy

- Selection of various candidates through open hiring process
- Human resource development and equitable human resource management
- Mutually beneficial labor management relations
- Win-win growth culture
- Prevention of unfair trade practices
- Strategic social contribution aligned with corporate strategy

Efficient human resource management

IIAC seeks to hire and train global value-creators. Key words that define IIAC’s employees are “active,” “innovation,” and “respect.” IIAC seeks to hire people who readily embrace challenges, have an insatiable sense of curiosity about the world, and have respect for the company and customers as a member of a top-tier public corporation. IIAC equitably selects people who meet the company’s criteria to achieve the company’s mission and business goals.

Ideal employee type

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Socially equitable hiring

IIAC is expanding its hiring of socially disadvantaged persons to fulfill its responsibilities as a public corporation. IIAC reflected the government’s socially equitable hiring goals in its hiring plan and hired five women who have experienced career breaks through the corporation’s “Return-ship” program. IIAC also hired six candidates from veterans’ families, low-income households, and multi-cultural families (two interns and four new hires) by assigning additional points in the hiring process. In addition, IIAC is creating jobs for new hires out of high school and fostering these candidates through 1:1 mentorship program and encouraging a balance of work and education.

Reasonable evaluation and compensation

IIAC’s evaluation process has been transparent, fair, and equitable based on a system of meritocracy. The company believes that employees are motivated and engaged when they feel that their work is valued and recognized. Therefore, IIAC has implemented various performance management systems to ensure that employees are fairly evaluated and rewarded. The company’s performance management system includes individual performance evaluations, team performance evaluations, and organizational performance evaluations. The performance evaluations are based on MBO and personal goals, and the progress and achievements are freely communicated between team leaders and team members to facilitate goal achievements and ensure objectivity in evaluation. A 5-level grading curve is applied in evaluation to bring about competition and personal development. Individual grading is used as a basis to differentiate profit sharing amounts, pay raises, promotions, and other monetary and non-monetary compensation. In addition, employees identified as high performers are provided with additional training and education opportunities while underperformers are encouraged to improve their performances. As such, IIAC is implementing an organizational culture based on meritocracy. Meanwhile, IIAC’s employee compensation is comprised of basic salary, performance pay, and other allowances. All employees are assigned a pay band in their basic salaries and one of five job functions based on job classification.

Enhance airport-specific competency

IIAC is establishing a mid/long-term human resource development masterplan to continuously develop and improve its employees’ competence. With the goal of developing “value-creators with international competitiveness,” IIAC is implementing four strategic human resource development directions: organizational change and innovation, improved job competency, global aviation training institution, and improved HRD infrastructure.

<table>
<thead>
<tr>
<th>Employees at IIAC (unit: persons)</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>1,091</td>
<td>1,154</td>
<td>1,154</td>
</tr>
<tr>
<td>Permanent</td>
<td>1,075</td>
<td>1,070</td>
<td>1,070</td>
</tr>
<tr>
<td>Non-permanent</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overtime</td>
<td>5</td>
<td>30</td>
<td>27</td>
</tr>
<tr>
<td>Voluntary</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of employment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender equality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Women in permanent hires</td>
<td>2162 (21.3%)</td>
<td>2023.2%</td>
<td>2713 (23.5%)</td>
</tr>
<tr>
<td>Men in managerial positions</td>
<td>904.8%</td>
<td>904.8%</td>
<td>904.8%</td>
</tr>
<tr>
<td>Social equity (gender)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>15</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>National Institute</td>
<td>4</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Local hires</td>
<td>22</td>
<td>31</td>
<td>17</td>
</tr>
<tr>
<td>Age groups</td>
<td></td>
<td></td>
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<tr>
<td>20’s</td>
<td>526</td>
<td>536</td>
<td>536</td>
</tr>
<tr>
<td>30’s</td>
<td>418</td>
<td>418</td>
<td>418</td>
</tr>
<tr>
<td>40’s</td>
<td>454</td>
<td>516</td>
<td>516</td>
</tr>
<tr>
<td>50’s</td>
<td>147</td>
<td>147</td>
<td>147</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>881</td>
<td>271</td>
<td>271</td>
</tr>
<tr>
<td>Female</td>
<td>271</td>
<td>881</td>
<td>881</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training budget per employee (unit: KRW 10,000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
</tr>
<tr>
<td>228</td>
</tr>
<tr>
<td>130</td>
</tr>
</tbody>
</table>
Use record of flexible working system and part time work

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engaged members</td>
<td>26</td>
<td>30</td>
</tr>
<tr>
<td>Flexible working hours</td>
<td>77</td>
<td>73</td>
</tr>
<tr>
<td>Compulsory work</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Optional work</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Discretionary work</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Remote work</td>
<td>235</td>
<td>235</td>
</tr>
<tr>
<td>Smart work</td>
<td>21</td>
<td>21</td>
</tr>
</tbody>
</table>

Maternity leaves

<table>
<thead>
<tr>
<th>Category</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (persons)</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Male</td>
<td>45</td>
<td>48</td>
</tr>
<tr>
<td>Female</td>
<td>55</td>
<td>52</td>
</tr>
<tr>
<td>Married women</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Single women</td>
<td>70</td>
<td>70</td>
</tr>
</tbody>
</table>

Family-friendly working environment

IIAC creates and supports a family-friendly culture that enables its employees to balance work and family. IIAC implemented the 119 dinner campaign and family days to create a culture conducive to family life. IIAC also implemented the “change over plan” (enabling transition from maternity leave to child-rearing leave), installed nursery homes at the workplace, and reduced working hours for pregnant employees. In addition, IIAC is encouraging its male employees to also take parental leave to lessen the burden of child care.

Win-win labor management culture

Labor union overview

IIAC Labor Union was established in 1995 and is a member of the Federation of Korea Public Industry Trade Union in the Federation of Korean Unions. Persons eligible for membership are employees with job levels 3 or lower. Of the total 959 persons eligible for membership, 957 (99%) persons have joined the labor union. IIAC is in compliance with domestic and foreign labor laws and always consults the labor union prior to making changes to business or organization that will bring about a material change to working conditions and employment.

Strategies for advancing labor management relations

IIAC updated its strategies for advancing labor management relations to carry out government policy initiatives and boost employee morale while fulfilling its social responsibilities. The goal of labor-management strategy is to create “a labor-management relationship that is beneficial to the employees, corporate, and the People.” To achieve this goal, IIAC identified four strategic tasks: 1) upgrading and implementing labor-management relations strategy, 2) creating output through sound labor-management relations, 3) promoting constant labor-management communication and improved relationship management, and 4) active implementation of government policy initiatives.

Labor-management communication

To ensure consistent communication between the labor and management, IIAC established various communication channels including official meetings such as the Labor-management meeting and Labor-Management Representatives meeting. Other channels include top-down, bottom-up, two-way, and off-line communication channels. In particular, IIAC opened the “Online Proposal Bulletin” to enable open communication regarding irrational customs, inefficient systems, work, and culture. Likes and dislikes functions and response functions available on the bulletin make it easier for employees to use. IIAC is also actively conducting various activities to improve labor-management relations.

Progress of sound labor management relations

IIAC is working to prevent labor-management conflicts by forming a common understanding between labor and management. IIAC’s labor-management fulfilled its responsibility as a public corporation by establishing and implementing optimized salary peak program in advance in response to the government’s introduction of Salary Peak Program for Public Corporations. In addition, to boost employee morale after the implementation of normalization measures for reckless management, IIAC implemented various innovative campaigns and systems. These new measures include the 337 Campaign, compressed workweek, reassignment of work, and promoting employee engagement.

Ocidental health and safety

IIAC is implementing various support programs to improve employees’ occupational health and safety. IIAC established the Occupational Health and Safety Committee, jointly run by the labor and management, which makes key decisions regarding employee health and safety, in order to prevent industrial accidents and provide a safe work environment. In addition, safety education is provided to employees for at least one hour each month on the Safety Check Day (more than 3 hours each quarter). IIAC provides professional services including annual medical check-up and biannual complete check-up, follow-up examination for selected employees, and consultation with doctors. In addition, IIAC introduced the EAP to measure and manage employees’ stress levels (8 times a year) to care for employees’ mental health as well.
Win-win growth and partnership

Win-win growth

In order to promote the strategic win-win growth in connection with the company-wide vision and goal, IAC has reorganized its strategy into New Vision for the Win-Win Growth and Long-Term Strategies. The new vision of the win-win growth is the Global Airport Corporation, Sharing the Growth with Small and Medium Enterprises (SMEs). In three main categories, Constructing the Growth Ladder, Establishing Fair Trade Practices, and the Expansion of Win-Win Growth Culture, 15 specific tasks have been selected.

Implementation

IAC is carrying the activities forward with the Administration Group dedicated to implement win-win growth strategies. The Administration Group’s implementation actions are in accordance with the long-term strategic plan for win-win growth, strengthening cooperation with stakeholders through the joint consultative body. IAC reflects Win-Win Growth Indices in the employee performance assessment and provide actual remuneration for the result of win-win growth promotion. In addition, IAC strives to expand the win-win growth culture by making CEO’s determination to promote win-win growth known to the public.

New vision for the win-win growth

<table>
<thead>
<tr>
<th>Evaluation result of public institution’s win-win growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good</td>
</tr>
<tr>
<td>62</td>
</tr>
</tbody>
</table>

| The evaluation result of the Win-Win Growth Committee |

Building the growth ladder

1. Enhance the leadership by making SMEs
2. Strengthen the platform for SMEs to participate in the service business
3. Share the success story with world SMEs

Settle the fair trade

1. Establish the support system for SMEs
2. Engage in a series of consultations with the business partners
3. Establish the volunteer Task Force for compliance
4. Engage with the SMEs providing consultation

Enhance the win-win growth culture

1. Modify the win-win growth culture with business partners
2. Open the online environment for business partners
3. Provide the win-win business culture through the internet
4. Enhance the joint research and development with SMEs
5. Enhance the financial resources for investment towards SMEs

Strategy 4. Responsible Corporation

Win-win growth

Customized operation of the partnership program

IAC has been identifying and dealing with the difficulties and complaints of business partners by utilizing field-focused communication channel. In order to meet the demands for employment stabilization and work condition improvement for the employees of the business partners, IAC has introduced the Customized Partnership Program for the employees of the small and medium businesses for resolving the discrimination of welfare benefits, thereby reinforcing social responsibilities for indirect employment. IAC has improved the treatment of nonpermanent employees by raising the basic salary and putting an end to the intermediary exploitation, and also enhanced occupational stability by reinforcing employment succession. IAC is reducing the gap of the welfare benefits between itself and the business partners by providing direct welfare benefits, such as trainings at home and abroad, access to the rest and recreation center, etc., and giving eligibility to the children of employees for IAC-operated Childcare Center. Meanwhile, IAC provides health benefits to the employees of the business partners, by covering the cost for comprehensive medical check-ups, influenza vaccinations, and providing access to Health Counseling Center. Thanks to such endeavor of IAC, partnership program satisfaction rate was 93.3 points in 2015, an increase compared to the previous year, and IAC maintains the employment stability while recording the 0.9% of the turnover rates.

Management and technology support for business partners

In order to support the management innovation of the business partners, IAC diagnoses the productivity of SMEs and provides consulting based on such diagnosis. In addition, IAC selects outstanding staff members of business partners and gives them capacity building benefits, by offering opportunities to take part in the Benchmarking training (304 staff members), Aviation security capacity building training (48 courses), the Service capacity building training (10 courses), and foreign language courses. These efforts are provided to business partners so that they can learn operations skills from domestic and foreign airports. At the same time, in order to expand sustainable management, IAC is supporting ethical management, green management, and conflict management of partner companies, enhancing its social responsibility as a corporate citizen.

Vitalization of the service-evaluation-type performance sharing (SLA, SPA)

IAC introduced the Service Level Agreement (SLA) in 2007 and, since then, have been sharing the performance between IAC and the business partners on the service quality. Based on the result of the SLA evaluation, IAC provides annual incentives to the excellent business partners in service performance. In 2015, IAC endowed 15 excellent-performance companies with the benefit of a 2-year contract extension along with an SLA incentive of KR₩ 650 million. In order to expand performance sharing with the business partners, IAC introduced the service-evaluation-type Service Performance Agreement (SPA) in 2014, in connection with IAC’s management performance, and depending on the evaluation result, shared some portion of the operating profit. In 2015, IAC signed agreement with 41 business partners to induce work innovation and service upgrade. The evaluation was conducted twice a year, and the partner companies’ performance indices on service, satisfaction, and special performances were categorized into Excellent, Normal, or Unsatisfactory. Based on the evaluation outcomes, IAC endowed KR₩ 6.7 billion, 0.8% of its operating profit, to the partner companies. The incentive amounts were differential, based on the companies’ performance.
Fair trade

Implementation strategy of the fair trade

In order to prevent the unfair trading practices at the time of bidding and signing contract, IIAC has introduced and is carrying out various fair trade systems per different stages of the contract implementation process. Prior to bidding and signing contract, IIAC conducts pre-monitoring under which IIAC previews fair trade violations and issues based on the Voluntary Fair Trade Compliance Program (CF). IIAC is spreading fair trade practices by applying standard contracts varying by business sectors, and encouraging subcontractor participation by amending the joint contract system. In the contract implementation stage, IIAC conducts post-monitoring of the Voluntary Fair Trade Compliance Program, and investigates compliance and unfair practices. When necessary, IIAC orders corrective measures. The Unfair Contracts Prevention Team conducts intensive investigations during the holiday season and at the end of the year, to order corrective measures at construction sites. Knowing there are limitations to internal investigations, IIAC actively makes use of external experts to enhance the effectiveness of investigations. Once the contract is completed, IIAC monitors the fairness and transparency of the contract conclusion procedure and the administration by carrying out the Integrity Call aimed at the counterparty of the contract. Thanks to its diverse efforts, in 2015 IIAC became the first public corporation to acquire A-grade in the Voluntary Fair Trade Rating conducted by the Fair Trade Commission.

Monitoring system for subcontractor payments

IIAC has a real-time system for monitoring timely subcontractor payments for the 3rd Phase Construction works. However, it has been pointed out that the system should not be limited to the 3rd phase constructions, but extended to other projects as well. Furthermore, other concerns included the fact that payment monitoring system, subcontractor payment and evaluation criteria are linked due to the lack of transparency. In 2015, there were 0 cases of delayed or insufficient payments, and the system is evaluated to have improved subcontractor payment system practices.
Our Strategic Focus Areas

Result of the social contribution activities

Building trust with the local communities

IAIC has been continuously carrying forward a community-based social contribution project for building trust and common values with the local residents. In 2015, IAIC conducted intensive social contribution activities in the areas of education, environment, culture, and social welfare, which are common concerns in the community. These activities contributed to enhanced quality of life for local residents, and setting up a communication channel between IAIC and the local communities.

Major activities

<table>
<thead>
<tr>
<th>Education</th>
<th>Environment</th>
<th>Social Welfare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aiming at fostering future talents, IAIC is operating a local talent nurturing program in different phases, ranging from child care to university education. Under the ‘specialized project for local schools’, which is a representative educational contribution program, has been endowing a total of KR₩600 million to 17 schools annually through the third phase project (2014–2016). IAIC has increased the instructor workshops from the previous once to twice, by expanding communication with the teachers in charge and carried out working level meetings. In addition, in order to induce active involvement, IAIC held an essay contest, and the satisfaction level of the program was improved compared with the previous year. IAIC supported KR₩2.5 billion of operating expenses to ‘Hanuel High School’, the autonomous public high school established for the development of the airport surrounding region and for the improvement of the living conditions of the airport employees. IAIC plans to donate a total of KR₩10.8 billion for 5 years from 2016 to 2020. Meanwhile, IAIC has created a family-friendly working environment by being the first public corporation to establish and operate the ‘Airport Childcare Center’, together with the business partners. Furthermore, Incheon Airport Scholarship has been awarded to a total of 67 students in local elementary/middle/high school and aviation universities, which amounted to KR₩130 million. Such efforts have improved educational conditions and helped foster the future generation.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In association with the ‘Forest for Life’, IAIC has created the ‘World Peace Forest’ of about 472,910㎡ in the surrounding areas of the Airport New Town. From then on, IAIC has been continuously supporting the local residents’ activities of building the forest, and is striving to communicate with the local residents under the theme of forests, and to foster an urban environment that puts people and nature in harmony. In 2015, IAIC donated KR₩70 million for 443 trees of the civic commemoration plantings, development of a symbolic space, spring/ autumn forest festival, and training programs, etc. Thanks to such activities, IAIC has been recognized for contributing to the vitalization of local communities by creating resident centered green areas by the Korea Forest Service, and was awarded the 2015 Urban Green Movement Excellent Corporation award.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support of specially equipped vehicle</td>
<td></td>
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</tr>
</tbody>
</table>

Empathy with the people

As a public institution for the People, IAIC is launching social contribution activities covering all the People and all the areas in Korea. While actively identifying target recipients in a blind spot, IAIC is carrying out a total of 9 projects including but not limited to incurable diseases, free translation services, multi-cultural families, sports promotion, governmental cooperation, contest exhibit, and bazaar. In addition, by striving to associate with its business, IAIC actively supports social contribution activities of Incheon International Airport, actively joined by both the passengers and the People.

[Make-a-Wish with Incheon Airport - Sponsoring scheme of the incurable disease patients]

IAIC operates ‘Make-a-Wish with Incheon Airport’ a program joined by airport users to sponsor children suffering from incurable diseases. IAIC, in collaboration with the Korea Make-A-Wish Foundation, calculates the donation amount according to the total number of passengers (KR₩50,000 per 10,000 passengers), thereby engaging every Incheon Airport passenger in this social contribution activity. In 2015, by donating KR₩210 million according to the estimate of 416 million passengers, IAIC supported the wish fulfillment of 104 children and medical treatment of 4 children suffering from the incurable diseases.

Furthermore, IAIC actively leads the way for improving the awareness on children suffering from incurable diseases by carrying out public information campaign and the publicity activities targeting the airport users. Such efforts help to bring the smile back for children suffering from incurable diseases, letting them take another step forward towards their dreams and hopes.

[bibb camp support - Customer's talent donation]

Bibb (before babel brigade) is a talent sharing activity which allows volunteers proficient in foreign languages to offer their translation skills through mobile phones, free of charge. IAIC entered into an agreement with the bibb Korea Corporation in 2009 and supports them for financing the language barrier at Incheon Airport. In addition, IAIC carries out publicity activities on the bibb service targeting the airport users during the peak season. IAIC endeavors to eliminate the language and cultural barriers at Incheon Airport, doing so by appointing 150 interpreters of excellent quality. Furthermore, the bibb service smartphone application is introduced in the Incheon Airport Guide App, providing convenient access. In 2015, a total of 723 participants took part in the bibb camp.

[bibb camp support - Supporting the culture and arts for the multicultural youth]

In collaboration with ‘Montant’, a social enterprise established by IAIC as a project in 2011-2014, IAIC began the ‘Youth Music Camp’; a music camp for multicultural youth nationwide. The music camp provides opportunities to understand the similarities and differences of one another through music, and also helps the youth study creatively and find their distinct for art, as well as nurture an open mind for understanding different ethnicity, culture and environment. In 2015, the number of participant increased drastically to 200 compared with 140 in the previous year, and a total of more than 400 youths joined the camp for the last 3 years.

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Global social contribution

By carrying forward IAC’s global social contribution activities in association with its global projects, IAC is developing the Creating Shared Value activities for expanding its overseas projects and creating the economic values, as well as enhancing the value of the global village’s citizens.

[Global social contribution activities in association with overseas projects]

IAC has signed an arrangement with CQPNV Corporation, the international relief organization, for carrying out international relief activities, and has run the social contribution activities by deploying 58 overseas volunteers, along with KRW 170 million of donation. The Overseas Volunteer Team of Incheon International Airport Family participated in the labor service for improving the educational environment of the local orphanage and other educational service targeting children, for 4 nights and 6 days in Jakarta, Indonesia. In addition, in Palawan and Tondo area of Philippines, IAC provided service for improving the education and educational environment. At that time, IAC arranged the University Student Supporters Corp to participate in the service to give the participants opportunities to experience the overseas service and gain international experience, thereby contributing to development of the global human resources. IAC will keep on expanding the scope of the social contribution activities to contribute to both global and domestic society.

[Training the aviation personnel of developing countries]

Using the world-class aviation training system, IAC operates the fellowship training programs for the aviation personnel of developing countries. Based on the know-how accumulated until now as a global airport corporation, IAC is contributing to the development of the world aviation industry, while fostering aviation experts in developing countries. In 2015, IAC has carried out 8 aviation training programs, targeting 114 trainees coming from 36 countries.

Expansion of the sharing culture

IAC is leading the expansion of the sharing culture through the social contribution activities harmonized by both the Labor and Management. The Volunteer Corp of IAC’s operating responsibility with both CEO and Labor Head acting as joint heads, who designate the coordinator of each department for enabling autonomous operating system get settled in early stage. The scope of the volunteer activities are expanded to the labor service, beyond the mere support of material resources, such as neighborhood, love of culture, love of environment, disaster relief, etc.

[Activities for expanding the sharing culture]

“The Runway Teacher” program, started in 2013 to raise dream and hope among the local children using the aviation knowledge and talent of the IAC employees, was rebranded as “Runway of Hope” in 2015 through an agreement between IAC and the Jung-gu Office of Incheon Metropolitan City. The Runway of Hope Project, also joined by the Green Umbrella Child Fund Korea and the two institutions mentioned above, has helped children adapt to new semester beginning at school, by providing school supplies for the new semester and one-on-one mentoring services. Meanwhile, in order to help community childcare centers having difficulty in securing the operating budget, IAC has utilized Incheon Airport’s SNS channels. The purpose of this SNS campaign was to donate to the affiliated childcare center in proportion to the number of ‘Like It’ and ‘Retweet’. In addition, IAC has operated various programs for expanding the sharing culture, such as supporting local children through ‘Like Family’, IAC, which is a program that paired IAC employees with children to offer one-on-one support. IAC has been leading the social responsibility and business of IAC employees, while having achieved external recognition. IAC was awarded the top honor for 9 consecutive years in the SDC sector of the 2015 Enterprises Respected in Korea, the top honor for 6 consecutive years in the 2015 Sustainability Index of Korea, Citation from the Minister of Health and Welfare in the 2015 Korea Sharing National Grand Prize, Citation from the Prime Minister in the 3rd Korea Enterprises Loved by the People, and etc.

Our Strategic Focus Areas

Global social contribution

[Image 42x562 to 168x621]

Social Responsibility Report 2016

Runway of hope

Performance of the sharing activities by the employees

Number of volunteers (Unit: person)

1,666

1,481

1,244

2013 2014 2015

Length of service time (Unit: hour)

7,287

4,119

2013 2014 2015

What is the CSV (Creating Shared Value)?

It is the concept introduced in the article which Michael E. Porter presented in Harvard Business Review in 2011. It refers to a business strategy (business model) in which the business activity itself creates social value and pursues economic profit at the same time.

How is the IAC’s CSV carried forward?

Through the competition for job creation at the Incheon International Airport, IAC improves the service of the Incheon International Airport and, simultaneously, contributes to the social job creation.

What results have been achieved?

Through the Competition for job creation at the Incheon International Airport, IAC has provided various opportunities to start the businesses of social and shared economy necessary for improving the service quality of the Incheon International Airport. In 2015, IAC developed the competition into an event attracting high level of interest through various publicity activities, attaining the competition rate of 3.2:1. By awarding KRW 140 million to the whole 20 teams and providing professional consulting and the incorporation to the 10 teams of business start-up sector, IAC achieved 10 start-ups (incorporation) and 54 social job creations. In addition, after closing of the competition, IAC supported the pro bono to the 15 requesting teams to support the their sustainable growth.

How is it developed?

IAC implements follow-up management for the selected enterprises in order to set up this event as a continuously cooperative case rather than a one-time event. As [The Competition for Job Creation at the Incheon International Airport] has been selected as the representative CSV, IAC will plan and carry forward the project for the win-win shared value creation by finding promising start-ups in service innovation, which will help to enhance the service competitiveness of Incheon International Airport. In order for the promising service innovation enterprises to provide their innovative services at the Incheon International Airport, IAC plans to accelerate mentoring, support in-housing, arrange funding, company-wide publicity, etc. In addition, IAC will expand the Competition for job creation at the Incheon International Airport into an open-innovation platform in order for more service and R&D enterprises in the region to participate. In this context, this competition will establish itself as a representative CSV of Incheon International Airport.
## Major Awards and Organization Memberships

### Major Awards

<table>
<thead>
<tr>
<th>Category</th>
<th>Date</th>
<th>Awards</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operations/service</td>
<td>Aug. 27, 2015</td>
<td>2015 itSMF Best Service Award (public sector)</td>
<td>Korea IT Service Management Forum</td>
</tr>
<tr>
<td></td>
<td>Nov. 10, 2015</td>
<td>Prime Minister’s Award at the Government IT Competition Evaluation for Best Practice</td>
<td>Ministry of Government Administration and Home Affairs</td>
</tr>
<tr>
<td></td>
<td>Nov. 21, 2015</td>
<td>Best Award at the Competition Evaluation for Best Practices in Land and Transport</td>
<td>Ministry of Land, Infrastructure and Transport</td>
</tr>
<tr>
<td></td>
<td>Nov. 18, 2015</td>
<td>Best Work of the Year Award at the Human Resource Development Program</td>
<td>FTS ROM</td>
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<tr>
<td></td>
<td>Apr. 18, 2016</td>
<td>Asia Pacific Area Award at the Airport Passenger Service Quality Awards 2016 (the First Prize)</td>
<td>ACI World</td>
</tr>
<tr>
<td></td>
<td>Apr. 28, 2016</td>
<td>Large Project Award at the Airport Passenger Service Quality Awards 2016 (the First Prize)</td>
<td>ACI World</td>
</tr>
<tr>
<td></td>
<td>Mar. 11, 2015</td>
<td>The World’s Best Airport for Traveling Passengers Award at the Skytrax World Airport Awards</td>
<td>Skytrax</td>
</tr>
<tr>
<td></td>
<td>Mar. 11, 2015</td>
<td>The World’s Clearest Airport Award at the 2015 Skytrax World Airport Awards</td>
<td>Skytrax</td>
</tr>
<tr>
<td></td>
<td>Jun. 05, 2015</td>
<td>2015 the Best Mobile App Awards (unexpected)</td>
<td>BITTA</td>
</tr>
<tr>
<td></td>
<td>Jun. 05, 2015</td>
<td>Grand Prize of the 2015 Internet Eco Awards (expected)</td>
<td>BITTA</td>
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<tr>
<td></td>
<td>May 21, 2015</td>
<td>Presidential Citation for the Excellent Initiatives at the Korea Disaster and Safety Management Training</td>
<td>Ministry of Public Safety and Security</td>
</tr>
<tr>
<td>Environment</td>
<td>Oct. 07, 2015</td>
<td>2015 Climate Change Grand Leaders Award</td>
<td>Climate Change Center</td>
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<tr>
<td></td>
<td>Oct. 01, 2015</td>
<td>Grand Prize of the Green Report ‘International ARC Awards’</td>
<td>Mercomm INC, USA</td>
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<tr>
<td></td>
<td>Dec. 20, 2015</td>
<td>REDUCE Award at the Clean Report KUS ‘CPU Vision Awards’</td>
<td>League of American Communications Professionals (LACP)</td>
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<tr>
<td></td>
<td>Nov. 05, 2015</td>
<td>Outstanding Enterprise at the Involvement of the City Greening Movement</td>
<td>Korea Forest Service</td>
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<tr>
<td>Business Management</td>
<td>Nov. 10, 2015</td>
<td>Citation of the Minister of Trade, Industry and Energy at the Large, Medium and Small Enterprises Win-win Growth Awards</td>
<td>Ministry of Trade, Industry and Energy, Small and Medium Business Administration</td>
</tr>
<tr>
<td></td>
<td>Mar. 30, 2015</td>
<td>ICAO TRAINAIR PLUS STP Best Implementation Award</td>
<td>ICAO</td>
</tr>
<tr>
<td></td>
<td>Feb. 26, 2015</td>
<td>2015 Most Respected Enterprise in Korea</td>
<td>Korea Management Association Consulting</td>
</tr>
<tr>
<td></td>
<td>Sep. 09, 2015</td>
<td>Silver Prize at “Korea Environmental Preservation Association”</td>
<td>Korea Environment Preservation Association</td>
</tr>
<tr>
<td></td>
<td>Nov. 05, 2015</td>
<td>Korea Sustainability Development Index (KSDI) Sustainability Index</td>
<td>Korea Sustainability Development Index (KSDI)</td>
</tr>
<tr>
<td></td>
<td>Nov. 15, 2015</td>
<td>2015 Korea Sustainability Report (KSI): Korea Reader/Choice Awards</td>
<td>Korea Sustainability Development Index (KSDI)</td>
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<tr>
<td></td>
<td>Oct. 15, 2015</td>
<td>2015 SMEK Awards</td>
<td>Social Responsibility and Management Quality Institute</td>
</tr>
<tr>
<td></td>
<td>Oct. 15, 2015</td>
<td>2015 Korea Management Grand Prize</td>
<td>Korea Management Association Consulting</td>
</tr>
<tr>
<td></td>
<td>Oct. 28, 2015</td>
<td>2015 GSMA (Sustainability Report Award)</td>
<td>Korea Management Association Quality Assurance</td>
</tr>
<tr>
<td></td>
<td>Nov. 17, 2015</td>
<td>2015 Good Enterprise of Korea</td>
<td>Korea Standards Association</td>
</tr>
<tr>
<td></td>
<td>Nov. 19, 2015</td>
<td>Governmental Award at the 3rd Beloved Enterprises in Korea</td>
<td>Ministry of Public Safety and Security</td>
</tr>
<tr>
<td>Marketing</td>
<td>Mar. 10, 2015</td>
<td>Excellent Cargo Service Airport in Asia</td>
<td>Air Cargo World</td>
</tr>
<tr>
<td></td>
<td>May 29, 2015</td>
<td>Korea Logistics Awards</td>
<td>Korea Logistics Society</td>
</tr>
<tr>
<td></td>
<td>Oct. 30, 2015</td>
<td>Presidential Citation at the Korea Logistics Awards</td>
<td>Ministry of Land, Transport and Tourism, Korea Integrated Logistics Association</td>
</tr>
<tr>
<td></td>
<td>Sep. 09, 2015</td>
<td>World’s Best Airport Duty Free Shop Award at the Business Traveler Asia</td>
<td>Business Traveler Asia</td>
</tr>
<tr>
<td></td>
<td>Sep. 10, 2015</td>
<td>World’s Best Airport Duty Free Shop Award at the Business Traveler Asia Asia-Pacific</td>
<td>Business Traveler Asia Asia-Pacific</td>
</tr>
<tr>
<td></td>
<td>Oct. 21, 2015</td>
<td>2015 Airport Duty-Free Shop of the Year Award by Frontier Magazine</td>
<td>Frontier Magazine</td>
</tr>
<tr>
<td></td>
<td>Oct. 01, 2015</td>
<td>The 2015 Best Airport of the Year by TTG Travel Awards</td>
<td>TTG Asia Media</td>
</tr>
</tbody>
</table>

### Organization Memberships

<table>
<thead>
<tr>
<th>Year</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995</td>
<td>Korea Environmental Preservation Association</td>
</tr>
<tr>
<td>2001</td>
<td>Korea Civil Aviation Development Association</td>
</tr>
<tr>
<td>2002</td>
<td>Air Cargo Council International (IATA)</td>
</tr>
<tr>
<td>2003</td>
<td>Environment Challenge of Commerce &amp; Industry</td>
</tr>
<tr>
<td>2005</td>
<td>Korean Federation of Industry</td>
</tr>
<tr>
<td>2006</td>
<td>Korea Aviation Industry Association (KIAA)</td>
</tr>
<tr>
<td>2007</td>
<td>International Chamber of Commerce (ICC) Korea Chamber of Commerce &amp; Industry (KCCI)</td>
</tr>
<tr>
<td>2008</td>
<td>The Korea Association of Public Administration (KAPA)</td>
</tr>
<tr>
<td>2009</td>
<td>Korea Economic Institute of America</td>
</tr>
<tr>
<td>2011</td>
<td>Korea Institute of Industrial Economics and Sciences</td>
</tr>
<tr>
<td>2012</td>
<td>Korea Institute for Economic Research (KIER)</td>
</tr>
<tr>
<td>2013</td>
<td>Korea Environment Valuation Association, ISO 14041/14040</td>
</tr>
<tr>
<td>2014</td>
<td>Korean Society of Civil Engineers, Korea Agriculture Society, Natural Resources Council</td>
</tr>
<tr>
<td>2015</td>
<td>Korea Society of Civil Engineers, Korea Agriculture Society, Natural Resources Council</td>
</tr>
</tbody>
</table>
### Summary of Consolidated Balance Sheet

<table>
<thead>
<tr>
<th>Category</th>
<th>End of the 17th period</th>
<th>End of the 16th period</th>
<th>End of the 15th period</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Current assets</td>
<td>345,812,140,775</td>
<td>254,544,646,677</td>
<td>235,127,143,882</td>
</tr>
<tr>
<td>1. Cash and cash equivalents</td>
<td>56,921,728,360</td>
<td>22,177,904,680</td>
<td>6,081,143,993</td>
</tr>
<tr>
<td>2. Current financial assets</td>
<td>1,407,939,697</td>
<td>2,237,193,668</td>
<td>49,831,246,124</td>
</tr>
<tr>
<td>3. Trade receivables and other receivables</td>
<td>223,646,121,372</td>
<td>192,260,971,112</td>
<td>104,375,105,250</td>
</tr>
<tr>
<td>4. Inventories</td>
<td>18,110,780,144</td>
<td>10,875,311,391</td>
<td>8,457,115,320</td>
</tr>
<tr>
<td>5. Income tax assets for the year</td>
<td>201,677,151</td>
<td>48,421,856</td>
<td>-</td>
</tr>
<tr>
<td>6. Non-current financial assets</td>
<td>5,462,245,033</td>
<td>6,645,342,168</td>
<td>5,625,398,717</td>
</tr>
<tr>
<td>II. Non-current assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Non-current financial assets</td>
<td>9,989,469,732</td>
<td>7,628,574,105</td>
<td>3,594,180,749</td>
</tr>
<tr>
<td>2. Non-current trade receivables and other receivables</td>
<td>77,745,140,943</td>
<td>61,376,995,540</td>
<td>61,376,995,540</td>
</tr>
<tr>
<td>3. Tangible assets</td>
<td>8,281,156,446,917</td>
<td>7,274,951,806,896</td>
<td>6,889,660,868,882</td>
</tr>
<tr>
<td>4. Real estate investment</td>
<td>362,210,586,236</td>
<td>325,050,490,985</td>
<td>327,635,171,807</td>
</tr>
<tr>
<td>5. Goodwill</td>
<td>177,388,445,930</td>
<td>150,805,916,780</td>
<td>36,845,519,780</td>
</tr>
<tr>
<td>6. Intangible assets other than goodwill</td>
<td>18,268,767,950</td>
<td>33,915,167,852</td>
<td>61,194,895,998</td>
</tr>
<tr>
<td>7. Affiliates and equity of joint investment</td>
<td></td>
<td></td>
<td>1,234,223,593</td>
</tr>
<tr>
<td>8. Deferred income tax assets</td>
<td>126,811,616,665</td>
<td>121,268,217,656</td>
<td>117,680,537,504</td>
</tr>
<tr>
<td>9. Non-current non-financial assets</td>
<td>12,901,355,511</td>
<td>12,934,776,120</td>
<td>12,934,776,120</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>9,811,311,845,520</td>
<td>8,256,031,601,912</td>
<td>7,628,574,105,521</td>
</tr>
</tbody>
</table>

**Liabilities**

<table>
<thead>
<tr>
<th>Category</th>
<th>End of the 17th period</th>
<th>End of the 16th period</th>
<th>End of the 15th period</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Current liabilities</td>
<td>588,058,050,911</td>
<td>414,010,645,640</td>
<td>720,435,146,677</td>
</tr>
<tr>
<td>1. Trade payables and other payables</td>
<td>197,275,414,579</td>
<td>88,572,568,241</td>
<td>156,534,951,249</td>
</tr>
<tr>
<td>2. Current financial liabilities</td>
<td>81,146,147,848</td>
<td>34,654,318,147</td>
<td>8,864,322,319</td>
</tr>
<tr>
<td>3. Income tax liability for the year</td>
<td>161,756,247,231</td>
<td>124,069,118,298</td>
<td>111,127,439,879</td>
</tr>
<tr>
<td>5. Current provisions</td>
<td>1,269,357,913,320</td>
<td>13,236,613,870</td>
<td>11,864,798,054</td>
</tr>
<tr>
<td>II. Non-current liabilities</td>
<td>2,573,664,349,719</td>
<td>798,671,061,461</td>
<td>1,501,784,603,658</td>
</tr>
<tr>
<td>1. Long-term trade payables and other payables</td>
<td>914,715,955,331</td>
<td>347,717,335,816</td>
<td>316,622,059,011</td>
</tr>
<tr>
<td>2. Non-current financial liabilities</td>
<td>1,213,857,614,923</td>
<td>570,336,668,305</td>
<td>1,196,494,648,807</td>
</tr>
<tr>
<td>3. Non-current non-financial liabilities</td>
<td>133,068,322,183</td>
<td>41,657,704,743</td>
<td>48,366,139,599</td>
</tr>
<tr>
<td>4. Employee benefits obligation</td>
<td>9,717,445,000</td>
<td>12,085,707,540</td>
<td>1,671,408,714</td>
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<tr>
<td>5. Non-current provisions</td>
<td>9,826,849,682</td>
<td>2,213,668,354</td>
<td>371,195,257</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>2,862,241,490,330</td>
<td>2,093,770,406,790</td>
<td>1,837,361,901,395</td>
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<tr>
<td>I. Paid-in capital</td>
<td>3,617,041,480,000</td>
<td>3,617,041,480,000</td>
<td>3,617,041,480,000</td>
</tr>
<tr>
<td>II. Retained earnings (losses)</td>
<td>2,093,346,869,422</td>
<td>2,337,860,618,451</td>
<td>1,095,293,613,543</td>
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<tr>
<td>III. Other components of equity</td>
<td>144,773,493</td>
<td>1,357,677</td>
<td>-</td>
</tr>
<tr>
<td>IV. Equity attributed to the owner of the parent entity</td>
<td>6,976,796,542,915</td>
<td>6,935,945,466,326</td>
<td>5,932,149,533,049</td>
</tr>
<tr>
<td>V. Non-controlling interest</td>
<td>17,868,738,240</td>
<td>1,358,350,720</td>
<td>2,006,402,873</td>
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<tr>
<td><strong>Total capital</strong></td>
<td>6,994,979,833,872</td>
<td>6,949,386,061,805</td>
<td>5,932,149,533,049</td>
</tr>
<tr>
<td><strong>Total capital and liabilities</strong></td>
<td>9,977,221,724,202</td>
<td>8,256,031,601,912</td>
<td>7,628,574,105,521</td>
</tr>
</tbody>
</table>
Third Party’s Assurance Statement

To the Readers of Incheon International Airport Corporation Social Responsibility Report 2016:

Foreword
Korea Management Association Registration Inc. (hereinafter “KMAR”) has been requested by of by Incheon International Airport Corporation (hereinafter “IIAC”) to verify the contents of its Social Responsibility Report 2016 (hereinafter “the Report”). IIAC is responsible for the collection and presentation of information included in the Report. KMAR’s responsibility is to carry out assurance engagement on specific data and information in the assurance scope stipulated below.

Scope and standard
IIAC describes its efforts and achievements of the corporate social responsibility activities in the Report. KMAR performed a Type 2, moderate level of assurance using AA1000 AS (2008) as an assurance standard. KMAR’s assurance team (hereinafter “the team”) evaluated the adherence to Principles of Inclusivity, Materiality and Responsiveness, and the reliability of the selected GRI G4 indices as below, where professional judgment of the team was exercised as materiality criteria.

- G4 Reporting Principles
  - General Standard Disclosures
  - Specific Standard Disclosures
- Generic DMR of each of Following material Indicators of Aspects
  - Materiality and Impact
  - Inclusivity
  - Materiality
  - Responsiveness
- Foreword
- Our conclusion
- Recommendation for improvement
- Our independance

Recommendation for improvement
We hope the Report is actively used as a communication tool for stakeholders and recommendation for improvements.

- Improvement of stakeholder needs responding process: To establish effective sustainability management strategies, constantly diversifying stakeholder needs should be recognized with precision. It is desired that regularly review the appropriateness of implementation of the responding process - including identification and prioritization of stakeholders through materiality assessment - and improve the process.

Our independance
With the exception of providing third party assurance services, KMAR is not involved in any other IIAC business operations that are aimed at making profit in order to avoid any conflicts of interest and to maintain independance.

CEO  Ki Ho Park
August 1, 2016

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ISO 26000 Implementation Assessment

Assessment standard
As a part of service received from the Korean Agency for Technology and Standard, Korea Standard Association ("We") has developed the assessment checklist of the implementation level for the social responsibility based on ISO 26000, the international standard for the social responsibilities. This assessment report is the result of assessing IAC’s corporate social responsibility process and performance by 7 core subjects in accordance with our assessment checklist.

Assessment scope
We have assessed the process, implementation, performance, etc. for fulfilling the social responsibility of IAC. To this end, we have assessed its long-term strategy and performance activities, stakeholders’ involvement, social responsibility activities, etc.

Assessment method
We have performed the following activities for collecting appropriate details based on the assessment criteria of the ISO 26000 implementation level.

- Examine the internal data related to IAC’s activities and performance of the corporate social responsibility
- Carry out interviews with persons in charge of each corporate social responsibility issue of IAC

I. Assessment result by process of ISO 26000 social responsibility
In the process of issuing the corporate social responsibility report for responding to the higher expectations for corporate social responsibility and sharing IAC’s corporate social responsibility activities and performance with the stakeholders, we have implemented the assessment based on the ISO 26000, the international standard of the social responsibility. IAC has specified the social responsibility initiações and strategic goals, newly established in 2016 for the systematic promotion and management of the social responsibility. Also, IAC has set up the department in charge and continuously communicated by holding SR Stakeholders Committee jointly by the stakeholders of each area once a year regularly. These efforts are considered to be encouraging. We recommend that in the future IAC enhance the social responsibility to the value chain of the organization and have the capability to gradually grasp and cope with the influence of the future generation gradually.

<table>
<thead>
<tr>
<th>Assessment result of the social responsibility process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awareness about Social Responsibility</td>
</tr>
<tr>
<td>Identification of Stakeholders and Their Participation</td>
</tr>
<tr>
<td>Analysis of Core Topics and Issue of Future</td>
</tr>
<tr>
<td>Identification and First Value of Strategies and Plans</td>
</tr>
<tr>
<td>Analysis of Core Topics</td>
</tr>
<tr>
<td>Improvement</td>
</tr>
<tr>
<td>Verification</td>
</tr>
<tr>
<td>Communication</td>
</tr>
</tbody>
</table>

II. Assessment Result by ISO 26000 seven core subjects

Organizational governance
In order to regard the corporate social responsibility as an axis of the company-wide strategic direction and internalize it, IAC operates the SR Committee composed of the CEO and the management group for examining the overall policy, direction and main performances of the corporate social responsibility in order to strengthen the governance system of the social responsibility in the future, we recommend that IAC reorganize the SR Committee under the Board of Directors, foster the culture enabling the principle of social responsibility to be implemented and monitored throughout the organization, and share the result of the examination with the members of the organization.

Human rights
It is outstanding that IAC has prepared for its own assessment criteria and proceeds with the due diligence related to the human rights including its organization and the affiliates, the ethics management. The human rights criteria are included in the evaluation items of the service performance agreement (SPA) with the business partners and thus are used when selecting and managing the business partners. Furthermore, IAC expedites enhancing right awareness by holding the female employees workshop (meeting by position level, general meeting, etc.) and meeting with high-school-graduate employees. We recommend that in the future, the education for enhancing awareness of human rights be expanded more, including all the employees related to the airport operation.

Labor practices
As the safety, work environment and welfare issue for the staff members of IAC and about 40,000 employees of the business partners striving for the airport operation are standing out as big issues, IAC recognizes the importance of job security and labor environment, and implements the relevant policy and various activities. IAC’s labor practice was evaluated outstanding across the board, and we recommend that IAC inspect the safety and security more thoroughly together with the employees of the airport operation and reinforce the system for management of the mental health.

Environmental
IAC has established the low-carbon, eco-friendly management vision of the "Global Leading Low-Carbon, Eco-Friendly Airport" considering analysis and outlook of the greenhouse gas emission, and has organized and operates the Promotion Committee on Greenhouse Gas Reduction and Energy Saving for reducing the greenhouse gas and managing the energy saving efficiently. However, as the greenhouse gas emission increases due to construction of the second passenger terminal and increase of passengers, there has been a controversy on the fineemission at the construction site. We recommend that IAC continuously reinforce the endeavor for prevention of the environmental pollution and reduction of the greenhouse gas emission followed by the construction of the second passenger terminal.

Fair operating practices
It is highly rated that IAC operates the ethical management system under the vision of "Creating a Global Ethical Cultural Corporation through Expansion of Integrity", respects the partnership program with its business partners in order to spread the culture of win-win growth, and expands support for capacity building of the airport employees. In the future, it is necessary for IAC to identify the business area and sector vulnerable to corruption and eager in preemptive prevention, and introduce an actual solution for expanding and internalizing the CSR of the airport employees, including the business partners.

Consumer issues
The customer’s safety & health and support of service is highly rated. For example, IAC has completed the disabled facilities for those with disabilities, mounted the cart lamp, provides service for the hearing-impaired persons, and has changed the children's facilities in the airport into the safe and eco-friendly ones across the board. Furthermore, we recommend that IAC implement education periodically for enhancing the awareness of the passengers, the airlines, and airport employees for use of the sustainable airport.

Community involvement and development
It is highly rated that IAC reflects the priorities necessary for the region based on the agreement with the local governments, such as Incheon Metropolitan City, Jung-gu Office, etc. when deciding the social contribution activities. Also, IAC operates the social contribution program based on the voluntary involvement of the employees, and strives to expand the participants, such as civil servants of the local governments, airport users, etc. as well as the employees of the IAC. We recommend that IAC relaunch its social contribution program according to introduction of the sustainable development goals (SDGs), and introduce the performance management system.

III. Assessment Conclusion
As a result of ISO 26000 response level assessment, IAC has been assessed to be on the SR-Step 4 by achieving 344 out of 380 in the process, 905 out of 940 in the performance, a total score of 949. IAC has established a long-term strategy plan for a new leap forward for the next 20 years, and carries various social responsibility activities forward to respond to expectation and requirement of the stakeholders. We expect that, in the future, implementation of IAC’s corporate social responsibility will lead to visible performance creation, which will then be shared by all the stakeholders of IAC as a means of more direct communication. Thus, we look forward to IAC becoming the global leading airport and the representative public corporation in Korea.

June 2016
Chairman of the Korean Standards Association
Soo-hyun Bank
### General Standard Disclosure

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description</th>
<th>ISO 26000 Reference</th>
<th>Assurance</th>
<th>SDG Mapping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting周期 (such as annual, biennial)</td>
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<tr>
<td>Date of most recent previous report</td>
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<tr>
<td>Significance changes from previous reporting period in the Scope and Aspect Boundaries</td>
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<tr>
<td>Process for defining the report content and the Aspect Boundaries</td>
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<tr>
<td>List of entities included in the organization’s consolidated financial statements or equivalent documents</td>
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<tr>
<td>Summary of organizational profile</td>
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### Stakeholder Engagement

<table>
<thead>
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<tbody>
<tr>
<td>Identifying Material Aspects and Boundaries</td>
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<tr>
<td>Memberships of associations (such as industry associations) and national or international advocacy organizations</td>
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<tr>
<td>Percentage of total employees covered by collective bargaining agreements</td>
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<tr>
<td>Employment type, contract, and regional labor force status</td>
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<tr>
<td>Number and names of countries where the organization manages operating sites or which are related to sustainable topics</td>
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<tr>
<td>Nature of ownership and legal form</td>
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<tr>
<td>Scale of the organization</td>
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### Specific Standard Disclosures

<table>
<thead>
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<tr>
<td>GHG Emissions</td>
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<td>Water</td>
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<td>Waste</td>
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### Compliance

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<tbody>
<tr>
<td>Employment</td>
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<tr>
<td>Labor-Management Relations</td>
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<tr>
<td>Occupational Health and Safety</td>
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</table>
### Sustainable Development Goals of IIAC

The Sustainable Development Goals (SDGs) agreed by all of the 193 UN members on September 2015 is the development satisfying the needs of the present as well as those of the future generation, and it is composed of 17 goals and 169 sub-goals to be attained by the International society for 15 years from 2016 to 2030. IIAC actively supports the US Sustainable Development Goals for changing the world we live in into a better one, and desires to contribute realization of the sustainable development goals by grasping the future business opportunities and reinforcing the sustainability value in response to the challenges of the sustainable development.

#### 1. The end of poverty
- **Goal 1**: No poverty
- **Goal 2**: Zero hunger
- **Goal 3**: Good health and wellbeing
- **Goal 4**: Quality education
- **Goal 5**: Gender equality
- **Goal 6**: Clean water and hygiene
- **Goal 7**: Affordable and clean energy
- **Goal 8**: Decent jobs and economic growth
- **Goal 9**: Industry, innovation and infrastructure
- **Goal 10**: Reduced inequalities
- **Goal 11**: Sustainable cities and communities
- **Goal 12**: Responsible consumption and production
- **Goal 13**: Climate action
- **Goal 14**: Life below water
- **Goal 15**: Life on land
- **Goal 16**: Peace and justice, strong institutions
- **Goal 17**: Partnership for the goals

#### 11. Fostering the sustainable cities and resilience
- **Goal 11**: Sustainable cities and communities
- **Goal 12**: Responsible consumption and production
- **Goal 13**: Climate action
- **Goal 14**: Life below water
- **Goal 15**: Life on land
- **Goal 16**: Peace and justice, strong institutions
- **Goal 17**: Partnership for the goals

#### 12. Establishment of peace, justice and system
- **Goal 16**: Peace and justice, strong institutions
- **Goal 17**: Partnership for the goals

### GRI G4 & ISO 26000

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-Category</th>
<th>Sustainable Development Goals of IIAC</th>
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<td><strong>SDG 2</strong>: Zero hunger</td>
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<td></td>
<td><strong>SDG 17</strong>: Partnership for the goals</td>
<td><strong>Goal 17</strong>: Partnership for the goals</td>
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</tbody>
</table>

#### Compliance

- **G4-LA03**: Total number of incidents of discrimination and corrective actions taken
- **G4-SO2**: Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other attributes of diversity
- **G4-SO8**: Number of persons physically or economically displaced by the airport on its behalf by governmental or other entity, and compensation provided
- **G4-SO9**: Percentage of operations with implemented local community engagement, impact assessments, and development programs
UNGC Advanced Level

IIAC is determined to carry out its corporate social responsibility, comply with the 10 principles in the 4 sectors of human rights, labor, environment and anti-corruption followed by joining the UN Global Compact on March 2007, and reports the compliance record. The UN Global Compact has elaborated the Communication on Progress (ICP) regulation to the Advanced Level for encouraging implementation of corporate social responsibility and promoting communication with the stakeholders. This corporate social responsibility report contains the content of implementation for 21 criteria required by the Advance Level of the UN Global Compact. UNGC Advanced Level means it declares and makes public that the sustainability governance and management process have been introduced and reported based on the 'blueprint for corporate sustainability leadership' and 'UN Global Compact Management Model' for the performance and public notice of the corporate sustainability.

No. Summary of criteria GRI Reporting contents
1 Describe the corporate functions and business units G4-4, 6, 8 IIAC Overview
2 Explain the implementation of the Global Compact Principle in the value chain G4-12 Corporate social responsibility strategy, win-win growth and partnership
3 Describe robust commitments, strategies or policies in the area of human rights
4 Describe effective management systems to integrate the human rights principles G4-56, 592 Ethical management
5 Describe effective monitoring and evaluation mechanisms of human rights integration
6 Describe robust commitments, strategies or policies in the area of labor
7 Describe effective management systems to integrate the labor principles G4-4A1-3, 9-11 Human resource management
8 Describe effective monitoring and evaluation mechanisms of labor principles
9 Describe robust commitments, strategies or policies in the area of environmental management
10 Describe effective management systems to integrate the environmental principles G4-DA1, 10-15, 16-25 Realization of the eco-friendly airport
11 Describe effective monitoring and evaluation mechanisms for environmental management
12 Describe robust commitments, strategies or policies in the area of anti-corruption
13 Describe effective management systems to integrate the anti-corruption principle G4-56, G4-592, AO6 Ethical management
14 Describe effective monitoring and evaluation mechanisms for the integration of anti-corruption
15 Describe core business contributions to US goals and issues G4-EC1-2, G4-EN9, 18 Corporate social responsibility strategy, win-win growth and partnership
16 Describe strategic investments and social contribution activities (philanthropy) G4-EC7 Community involvement and investment
17 Describe political advocacy and involvement of the public policy G4-EC15-20 IIAC Overview
18 Describe partnerships and collaborative activities G4-12 Win-win growth and partnership
19 Describe CED commitment and leadership G4-1 CED message
20 Describe the decision-making process and governance system for the corporate sustainability G4-34 Governance
21 Describe involvement of the all of the important stakeholders G4-24-27 Stakeholder Engagement

Reader Survey

Thank you for reading the IIAC’s corporate social responsibility Report. In order to make better Corporate Social Responsibility report in the future, we very much welcome inputs regarding the 2016 Corporate Social Responsibility Report from diverse stakeholders, including readers. Please fill out the following form and send it to the following contact information either by mail or fax.

1. To which group do you belong?
   - Customer
   - Executives and staff member
   - Government
   - Local resident
   - Business partner
   - NGO and civic group
   - Specialized institution
   - Others

2. How did you come to know about this report?
   - Homepage of IIAC
   - Media source like newspaper
   - Web surfing
   - Employees of the IIAC
   - Seminar/lecture
   - Others

3. For what purpose do you use this report? (Multiple replies available)
   - To get information on the IIAC
   - To understand the corporate social responsibility activities of the IIAC
   - To compare and analyze the features of the industry to which the IIAC belongs
   - For the purpose of research and education
   - Others

4. Among the following, what is the most interesting issue in this report? (Multiple replies available)
   - Strategy 1: Operational Excellence
   - Strategy 2: Global Hub
   - Strategy 3: Sustainable Growth
   - Our Approach to CSR
   - Strategy 4: Responsible Corporation

5. What is, if any, the part you think need to be supplemented? (Multiple replies available)
   - Strategy 1: Operational Excellence
   - Strategy 2: Global Hub
   - Strategy 3: Sustainable Growth
   - Strategy 4: Responsible Corporation
   - Our Approach to CSR
   - Others

6. Has this report been helpful for you to understand the corporate social responsibility activities of the IIAC?
   - Very helpful
   - Helpful
   - Average
   - Not helpful
   - Not helpful at all

7. How is the evaluation of this report?
   - Comprehensibility of information
   - Accuracy of information
   - Quantity of information
   - Design
   - Very satisfactory
   - Satisfactory
   - Average
   - Not satisfactory
   - Not satisfactory at all

8. Please freely write your opinion on the corporate social responsibility activities of IIAC and overall composition and content of the report.
The Initiatives for our Better Future

Contact Information

If you have further information regarding this report or any questions, please contact us via the following contact information.

Homepage: http://www.airport.kr
Address: 424-47 Gonghang-gil, Jung-gu, Incheon 22382, Republic of Korea
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Tel: 82-32-741-2107~8
Fax: 82-32-741-2330