

aT
for **Tomorrow**
2015 Sustainability Report



Introduction to this report

This is the 8th sustainable management report published by Korea Agro-Fisheries & Food Trade Corporation, since its first publication in 2008, in order to develop its vision, strategies and activities for sustainable management and communicate with stakeholders in a transparent manner.

Preparation guideline

This report was prepared in line with GRI G4 Guideline for sustainable management reports in order to comply with internationally recognized reporting criteria.

Period and scope of reporting

This report describes economic, environmental and social activities and their subsequent performance of the head office and its domestic branches between January and December, 2015 and will be published on a regular basis. For issues deemed significant, the report refers to relevant information by the time of its publication.

Verification of the report

This report was subject to the third party verification by Korea Productivity Center and reflected supplements and improvements recommended by the third party.

Enquiry for the report

For additional information on our sustainable management and internal/external activities, please visit our website (www.at.or.kr) or contact us with the following information:

- Address : Korea Agro-Fisheries & Food Trade Corporation, 227, Munhwa-ro, Naju-si, Jeollanam-do (Postal Code: 58217)
- Phone : +82 61 931 1325
- Fax: +82 61 931 1399
- E-mail: yuri028@at.or.kr
- CS Management Department

Table of Contents

Introduction

CEO Message	02
2015 Highlight	04
Agricultural, Fishery and Food Industries, and aT	06
Corporation Profile	08
Management Strategy	09
Governance Structure	10
Risk Management	11
Ethical Management	12
System for Participation by Stakeholders	14
Evaluation of Importance	16

Business 19

Stable Procurement of Reliable Quality Food	20
Making New Growth Engines for Agricultural Products	25

Sustainability 31

Employee Satisfaction	32
Mutual Development	35
Investment and Development of Local Communities	37
Customer Satisfaction	40
Environmental Management	43

Operation & Achievement 47

Financial Performance	48
Sustainable Management Performance	49

Appendix 51

Awards, Prizes and Subscription to Associations	52
UNGC Advanced Level 23 Principles	53
Verification Notes	54
GRI G4 Correspondence Table	56

CEO Message



Creating New Values for Agricultural, Fishery and Food Industries in Korea

Korea Agro-Fisheries & Food Trade Corporation

 CEO

Dear all our customers,

I would like to express our deepest thank to those who are involved in agricultural, fishery and food industries for their continued support and interest in our organization.

Since its establishment in 1967, aT has been committed to increased incomes for farming and fishery households and balanced development of national economy by stabilizing demand and supply of major agricultural products, supporting export of our agricultural and fishery products, promoting food industries and developing various projects with a calling to be responsible for what we eat. We have changed our name to Korea Agro-Fisheries & Food Trade Corporation (aT) with a new vision as a 'public corporation specialized in global promotion of our agricultural, fishery and food industries with public trust' in January, 2012 and have strived for achieving this new vision to the present.

We faced a new change as we relocated our office to Naju-Jeonnam Innovation City and we were awarded with the best grade 'A' as a quasi-governmental organization by the Government Management Evaluation in 2015 since we have established our stable field management system and has been highly recognized by the public for our public services and overall management evidenced by not only 'Korea Sharing Awards', 'Best Records Management Organization (Presidential Prize)' but also Korea Distribution Awards, National Productivity Awards and Korea Ethics Management Awards.

Most of all, we would like to thank our stakeholders for their continued support and we will not be satisfied with what we are now but continue to promote our strategy of 'New Export', 'New Distribution' and 'New Demand and Supply' to open a new era for agriculture so that we can fulfill our social responsibility as a public corporation leading the national agricultural, fishery and food industries and realize continued development.

First, we will advance to open an 'Era of Exporting 10 Billion USD of Agricultural, Fishery and Food Products' by our 'New Export' strategy to respond to this liberalization era.

Now we are facing an era of liberalization in every corner of the world through multi-directional FTAs under global economic recession. We have focused all of our competences on new markets such as China and Halal Food with a belief that there is a chance within crisis to expand our infrastructure for export to China by opening a distribution center in Qingdao, establishing a branch in Chengdu and launching a food market in connection with the online giant, 'Alibaba' and we are heading to expand our export in Halal Food markets by establishing branches in Indonesia and in Abu Dhabi (UAE) respectively in 2013 and 2015. Now we will once again strive for establishing our 'New Export' strategy for focusing on core markets, establishing new markets, removing non-tariff barriers such as quarantines and renovating business systems based on our previous experience and performance so that we can open an 'Era of Exporting 10 Billion USD of Agricultural, Fishery and Food Products'.

Second, we will make 'New Distribution' paradigm rooted in our business by new ideas and conceptual shift.

We will open an era of 'New Distribution' by providing necessary political support so that we can cope with rapidly changing distribution trends such as extended online trades and expanded direct trades and local food. We will enhance our cyber exchange which had achieved sales of 2.4 trillion KRW in the last year since its launching in 2009, to improve competitiveness of the producers and expand direct trades between producers and consumers. Above all, we will open an era of 'New Distribution' in which both producers and consumers will be happy by creating more distribution channels such as 'Smart Studio' which support individual distribution through social marketing.

Third, we will be committed to 'New Stable Demand and Supply' of agricultural products.

Demand and supply of agricultural products is highly dependent on various factors such as climate change, harvesting conditions, global economy, exchange rate and oil price. We will introduce a Contracting Cultivation System to stabilize demand and supply of sensitive items such as cabbages and radish which heavily influence the consumer prices, and realize stable demand and supply management by integrated demand and supply management system, pre-emptive management of purchasing reserves, timely purchasing and sales of nationally traded agricultural products.

Lastly, we will enhance the added values of agriculture and fishery by 'promoting the sixth industry' together with food industry.

In order to enhance the added values of agriculture and fishery, it is essential to promote the 'sixth industry' by creative convergence of production, processing, distribution and culture. aT will be committed to facilitating the promotion of the sixth industry for our agriculture and fishery and making them highly value added by actively promoting our food industry such as creating new demands for traditional food, upsizing the foodservice industry and promoting international businesses. Furthermore, in the course of these processes, we will enhance our career matching programs between companies and young people, enhance our startup incubating programs such as 'aTorang' and 'aTium' and foster young people to be global agricultural talents so that we can revitalize our society with new hope and energy.

We promise to all of our stakeholders that we will lead the way to enhance competitiveness of our agricultural, fishery and food industries and aim at mutual development together with you while having a clear mission supported by your interest in this ever changing environment. In addition, we will comply with 'UN Global Compact for Corporate Social Responsibility' to which we have subscribed in 2007 and be a public corporation that leads sustainable management.

So your continued support and interest in our sustainable management activities will be much appreciated.

Best regards,

2015 Highlight

January

- (1.12) Opening Ceremony of the Business Lounge for Export Companies in aT Center
- (1.16) 2015 New Year's Greetingscelebrations at the Korea Agro-Food Marketing & Trade Export Forum
- (1.26) MOU with Incheon Metropolitan City



April

- (4.2) Halal Talk Concert
- (4.6) Starting Ceremony for the 2nd Young Agro-Food Fellowship
- (4.29) Launching Ceremony for Korea-China FTA Business Plaza



February

- (2.4) Discussion for Extended Economic Cooperation between aT and Shandong Province government in China
- (2.4) MOU with Daegu Metropolitan City
- (2.9) MOU with Hallasan Group in China
- (2.9) Agro-Food Vision Forum with Students
- (2.25) Signing Ceremony for Master Franchise Agreement



May

- (5.20) Opening Ceremony for 'Korea Market' in Alibaba T-mall
- (5.27) Establishment Ceremony for aT Gangnam-daero Flower Road



March

- (3.5) MOU with Cosmos Drugstore in Japan
- (3.24) aT Advisory Board Meeting
- (3.26) MOU with Jeonnam Provincial College
- (3.27) MOU with Korea Food Service Industry Association



June

- (6.10) aT Love Sharing Team Volunteering at Pear Farms in Naju
- (6.17) MOU with the National Forestry Cooperative Foundation
- (6.30) 6th Private and Public Joint Export Development Meeting



Introduction

Business

Sustainability

Operation & Achievement

Appendix

July

- (7.6) Press Group Tracking Event to Celebrate 'A' Grade by Government Management Evaluation
- (7.21) Management Meeting with Female Leaders in Agricultural Organizations
- (7.27) Supporting event for Multicultural Families' Home Visits



August

- (8.17) Photo Ceremony For seniors with Corporate Social Responsibility
- (8.21) Starting Ceremony for the 2nd Global K-Food Supporters
- (8.28) Opening of the aT Distribution Center in Qingdao, China



September

- (9.3) Opening Ceremony of aT Office in Abu Dhabi, UAE
- (9.10) Opening Ceremony for the 2015 Korea Food Show



October

- (10.19) MOU with Korea Food Service Industry Association in Jakarta, Indonesia for Creating Jobs
- (10.27) Opening Ceremony for the 22nd Korea Orchid Craft Exhibition
- (10.29) Agricultural Product Direct Trade Festival



November

- (11.10) Ethics and Integrity Week Event
- (11.20) Opening Ceremony for the Agricultural Vision Exhibition Hall
- (11.20) Kimchi Sharing for Farming Households and the Disadvantaged



December

- (12.16) Opening of 'Chandeulmaru', a Regional Specialty Store in Yongsan Station, Seoul
- (12.22) Opening Ceremony of Smart Studio



Agricultural, Fisheries and Food Industries

Innovating Distribution

- Supporting direct and fair trade of agricultural products
- Fostering distributors in production areas
- Consigned management of public wholesale markets
- Guiding and fostering wholesale markets
- Operating flower marketing center
- Operating cyber exchange center
- Examining distribution conditions of agricultural products
- Operating ABC projects such as Smart Studio

Promoting Export

- Promoting export leading organizations
- Operating an export council
- Establishing export networks
- Participating in international Food Exhibitions
- K-Food Fair
- Inducing international buyers
- Investigating export information
- Offering financial support for export companies

50 Years of aT, Korea Agro-Fisheries & Food Trade Corporation

Establishing foundation for agricultural and fishery industries and finding out possibility for growth

+ 1967 to 1979

- Agriculture & Fishery Development Corporation (AFDC) established (1967)
- Korea Refrigeration established (1968)
- Korea Dairy Processing established (1969)
- Korea Trading established (1970)
- Food research institute established (1973)
- Building completion ceremony for Hanam factory of Korea Dairy Farming (1973)
- Relocated corporation office (1974)
- New Seoul Building in Seodaeun-gu to Korea Refrigeration Building in Nonsong-dong
- Loan agreement with BDO for 13 million USD (1974)
- Established a monument for Korea-New Zealand Pilot Dairy Farm (1975)
- Privatized food processing factory (business office) (1977)
- Started Agricultural Product Price Stabilization Project Team (1978)
- Partnership agreement with Nestle in Switzerland (1978)

+ 1980 to 1989

- Relocated food research institute to a new building (1980)
- Completed construction of agricultural and fishery product market (1982)
- Opened a data room for information on agricultural and fishery product distribution (1983)
- Opened Agro-Food Marketing Training Institute (1985)
- Food show for products developed for the Olympic Games (1985)
- Exported 2,000 tons of purchased garlic to Singapore for the first time (1986)
- Legal description changed to Agricultural and Fishery Marketing Corporation (1987)
- Completed construction of fruit package production plant in Dalseong-gun, Gyeongsangbuk-do (1988)
- Established a labor union (1989)

+ 1990 to 1999

- Held the first certified auctioneer qualification test (1990)
- Opened Flower Marketing Center (1991)
- Held a general meeting to establish KTDC (Korea Trade and Distribution Center) (1992)
- Opened a logistics center in Junggwe-dong (1994)
- Started to export kiwi juice to China and Canada (1995)
- Started to provide KATI service (1995)
- Started construction of Korea Agro-Fisheries Trade Center (aT Center) (1998)
- Developed ginseng characters (1999)
- Held Korea-China Conference for Development of Agricultural Product Distribution (1999)

+ 2000

- Held Seoul International Food Expo
- Opened online trade agency system
- Started to air kimchi TV ads for the first time in Japan
- Started to provide mobile service for price information of agricultural products

+ 2001

- Privatized Nonyangjin Fisheries Wholesale Market
- Started to air TV ads for exporting oysters to Japan for the first time
- Started to provide voice information service for trading agricultural products
- Established integrated management information system and knowledge management system

+ 2002

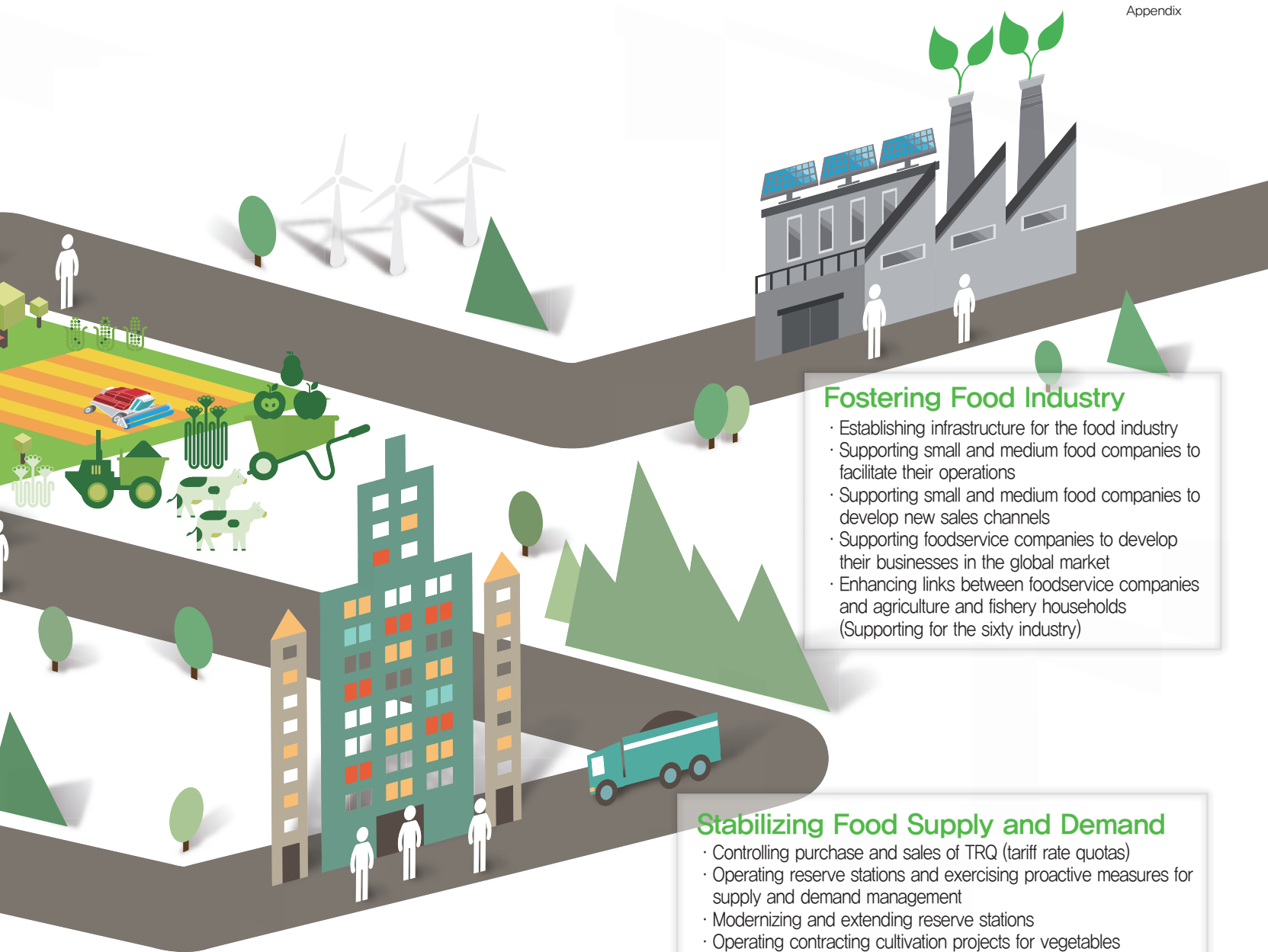
- Opened aT Center and relocated the head office
- Provided Korean ginseng and export products to the national World Cup team
- Supported 400,000 tons of rice to North Korea as a loan
- Opened flower auction house in Flower Marketing Center

+ 2003

- MOU with Taiwan External Trade Development Council
- Started to provide service for distribution information of agricultural products
- Held the 1st photograph contest for agricultural exports
- Established electronic tender system for reserved agricultural products

+ 2004

- MOU with a culinary education institute, Le Cordon Bleu in France
- Achieved export of 2 billion USD for agricultural products
- Won the first ranking for customer satisfaction among government-invested organizations
- Opened aT Center in Shanghai



Fostering Food Industry

- Establishing infrastructure for the food industry
- Supporting small and medium food companies to facilitate their operations
- Supporting small and medium food companies to develop new sales channels
- Supporting foodservice companies to develop their businesses in the global market
- Enhancing links between foodservice companies and agriculture and fishery households (Supporting for the sixty industry)

Stabilizing Food Supply and Demand

- Controlling purchase and sales of TRQ (tariff rate quotas)
- Operating reserve stations and exercising proactive measures for supply and demand management
- Modernizing and extending reserve stations
- Operating contracting cultivation projects for vegetables
- Investigating international grain information

Accelerating distribution improvement and export promotion

+ 2005

- Reorganized the CI and determined its abbreviation as "aT"
- Achieved the first ranking for integrity evaluation against government-invested organizations
- Started to perform loan handling for fishery development funds
- Agro-Food Marketing Institute certified to ISO 9001, quality management system

+ 2006

- Opened aT offices in Taipei and Qingdao
- Participated in tender for purchasing MMA rice for the first time
- Started to export agricultural products with GAP certification
- Awarded Presidential Prize for information disclosure and for integrity level

+ 2007

- President Roh Moo-hyun visited "aT Gallery"
- Introduced e-Auditing System for the first time among public institutions
- Started to provide information service for GAP certification
- Awarded Prime Ministry Prize for contribution to anti-corruption

+ 2008

- Completed construction of a reserve station in Pyeongtaek
- Selected as the best organization for integrity among public institutions
- Established direct and fair trade center for agricultural products
- Started consigned management for Agricultural Product Wholesale Market in Chuncheon

+ 2009

- Launched Cyber Exchange Center for agricultural products
- Achieved grossing export of 100 million USD
- Held a general meeting to establish Rice Export Council
- Achieved direct trade of 1 trillion KRW for supported direct trade businesses

+ 2010

- Achieved flower export of 100 million USD
- Obtained a license for its cyber exchange system for agricultural products
- Designated as an organization responsible for stable supply and demand of vegetables
- Opened statistical information system for food industry
- Fostered Korean Marketing Board for export leading organizations

+ 2011

- Awarded Presidential Prize for public procurement of small and medium company products
- Selected as an excellent organization by Government Management Evaluation for public institutions
- Newly established new growth business headquarters for future growth
- Achieved fresh vegetable export of 1 billion USD
- Promoted price stabilization of core agricultural products and basic food

+ 2012

- Legal description changed to Korea Agro-Fisheries & Food Trade Corporation
- Achieved export of more than 100 million USD for 13 agricultural products
- Opened business support center for agricultural and fishery products
- MOU with Korean Air to develop new markets for fresh vegetables
- Organized supply and demand situation monitoring room

+ 2013

- Completed extended construction of Agro-Food Marketing Training Institute
- Established branch offices in Paris and Jakarta
- Started to operate Private-Public Joint Supply and Demand Control Committee
- Established aT Creative Space for customer communication
- Established direct trade support center for distribution innovation

+ 2014

- Relocated aT head office to Naju Innovation City
- Started auctioning of Korean primrose for the first time in Korea
- Trade volumes of the cyber exchange center exceeded 2 trillion KRW
- Created jobs for youth by establishing YAFF (Young Agri-Food Fellowship)
- Established a branch office in Chengdu to develop markets for China's inland regions

+ 2015

- Launched Korean Agricultural Product Hall for Alibaba B2B2C11; Trail in China
- Opened a distribution center in Qingdao and branch offices in Abu Dhabi and Hanoi
- Selected as an excellent organization by Government Management Evaluation (A Grade)
- Awarded Presidential Prize for Korea Sharing Awards
- Opened Smart Studio, aT orang and book cafe

New vision, new management strategy and innovation Making a greater leap with relocation to Naju

Corporation Profile

General Status

Legal Description	Korea Agro-Fisheries & Food Trade Corporation
President	Kim Jae-su
Purpose of Establishment	Contributing to increased incomes for farming and fishery households and pursue balanced development of national economy
Type of Organization	Quasi-Governmental Organization with Consigned Duty
Date of Establishment	December 01, 1967
Total Assets	1,062 Billion KRW
Total Turnover	315 Billion KRW
Net Profits	5.1 Billion KRW
Number of Employees	666
Physical Address	227, Munhwa-ro, Naju-si, Jeollanam-do

Korea Agro-Fisheries & Food Corporation Profile

Main Functions and Roles



Supporting globalization of our Korea's agricultural and fishery products. We are fully committed to supporting achieving domestic and global recognition for our Korea's quality agricultural and fishery products, to be recognized not only in Korea but also all over the world.



Establishing an optimized distribution system for agricultural products. We are establishing a distribution system in which both that satisfies producers and consumers will be happy and realizes fair trade practices, can be realized.



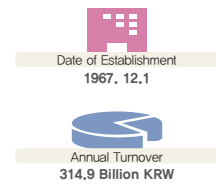
Striving for stable food supply. We are stabilizing consumer prices for food that is fundamental to our lives and serving as a breakwater/buffer system to reduce shock from sudden fluctuations in the ever-changing global agricultural market.



Leading the advancement of our Korea's food industry. We are securing infrastructure to promote our Korea's food industry taking it as and developing our new growth engines for future agricultural and fishery industries so that deliver Korea's traditional foods to the global platter, everyone in the world can enjoy our traditional food on their tables.

Background and Purpose

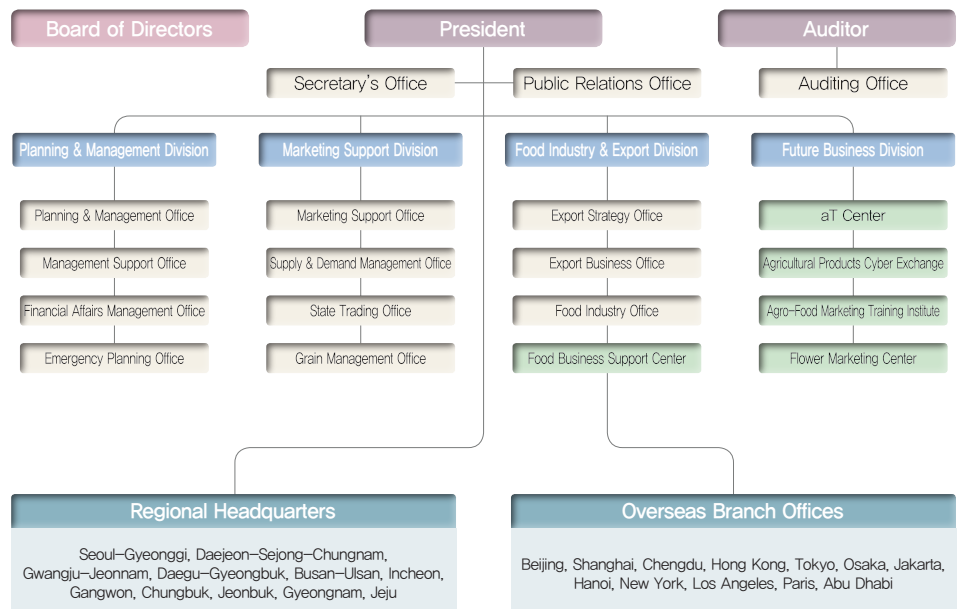
Korea Agro-Fisheries & Food Trade Corporation was established as the Agriculture & Fishery Development Corporation in 1967 with the purpose of reducing the economic gap between agricultural and industrial industries. After its expansion and reorganization to the Agricultural and Fishery Marketing Corporation in 1996, the entity has enhanced its distribution infrastructure business and expanded its scope of businesses to export promotion. Since then, the entity has established a new vision as 'a public corporation specialized in global promotion of our agricultural, fishery and food industries with public trust' and changed its name to 'Korea Agro-Fisheries & Food Trade Corporation' in 2012. We have focused on differentiated and specialized structure and functions to offer a wide cover of support for food industry which will become serve as the new growth engine for our Korea's agricultural industry. We will be sincerely and continuously committed to our social responsibility and pledge to be an increasingly more reliable public organization.



Vision and Slogan

Vision	'A Public Corporation Specialized in Global Promotion of Our Agricultural, Fishery and Food Industries with Public Trust'
Core Value	Yes, aT!
YES	Positive Thinking That 'Everything Is Possible'
EXCELLENCE	Professional Attitude/Excellence that Strives to Realize the Best Quality
SURPRISE	Attitude/Desire and the Matching Attitude to Impress/Delight Customers and Internal and External Interested Parties/Stakeholders
ACTION	Proactive Attitude to Practice/Work with a Sense of Ownership
TRUST	Establishing Trust Based Relationships Among Customers and Internal and External Interested Parties/Stakeholders

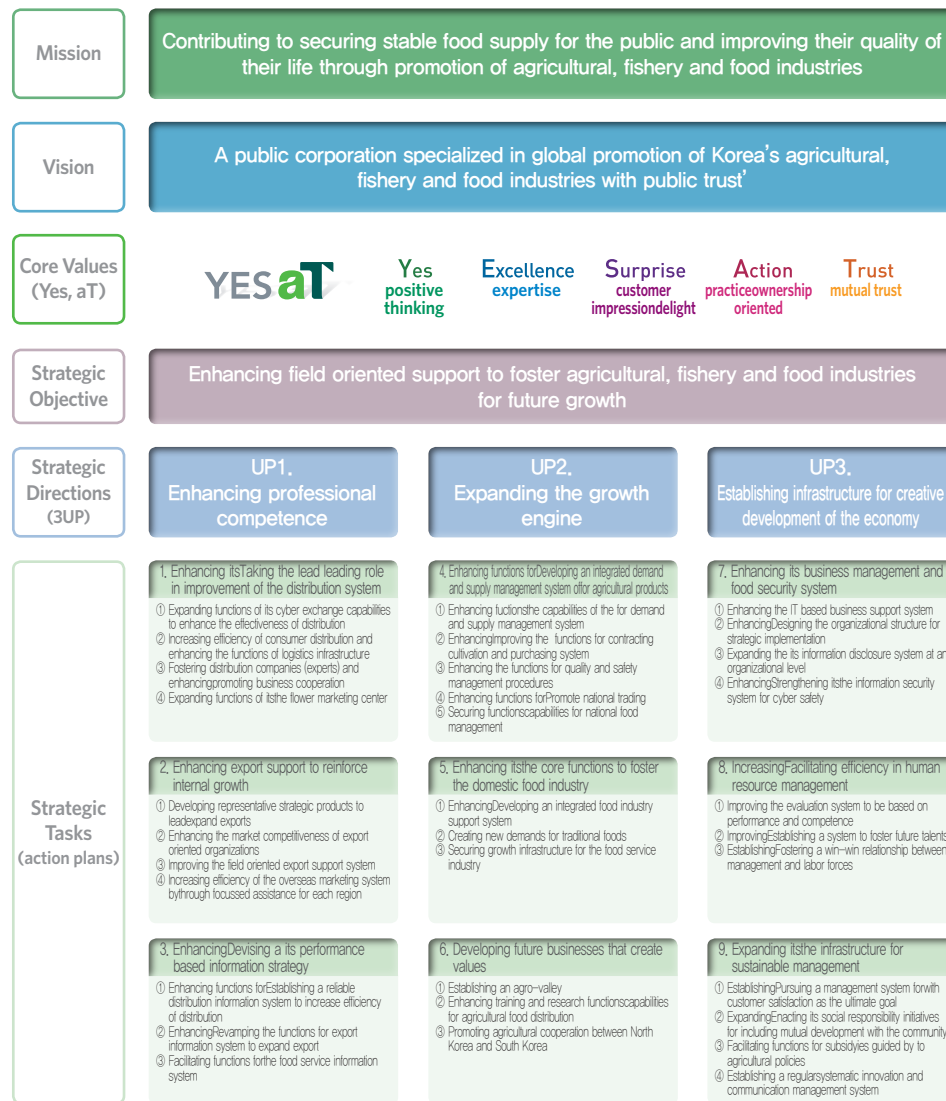
Organizational Structure: 4 Divisions, 14 Offices and 5 Centers and Institutes / 11 Regional Headquarters / 12 Overseas Branch Offices



Management Strategy

aT Strategy and Core Values

aT has established its mission to contribute to 'securing stable food supply for the public and improving quality of their life through promotion of agricultural, fishery and food industries' with a vision as a 'public corporation specialized in global promotion of our agricultural, fishery and food industries with public trust'. and aT has continuously strived for successful completion of the 9 strategic tasks and 33 targets established based on its 5 core values and 3 strategic directions.



Governance Structure

aT has established a governance structure managed by the Board of Directors to enhance professionalism and promote efficiency of management.

Organizational Structure and Roles of the Board of Directors

The Board of Directors is a supreme decision-making body responsible for the overall management of aT. The board has 4 executive directors including the president and 5 non-executive directors. The Board of Directors maintains its number of non-executive directors at a level of at least 50% of the total number so that the non-executive directors can monitor and control the management.

The president is appointed by the national President subject to recommendations from the Executive Advisory Board and resolutions from the Steering Committee of Public Bodies and executive directors are appointed by the the Minister of Agriculture, Food and Rural Affairs with fair and objective appointment procedures based on laws and regulations in order to secure qualification and expertise of the management.

Non-executive directors are appointed by the Minister of Agriculture, Food and Rural Affairs subject to open recruitment and recommendations from the Executive Advisory Board. Candidates are selected from various industries including agricultural, social and economic areas among those with sufficient experience and qualifications so that the Board of Directors can be run in a professional manner.

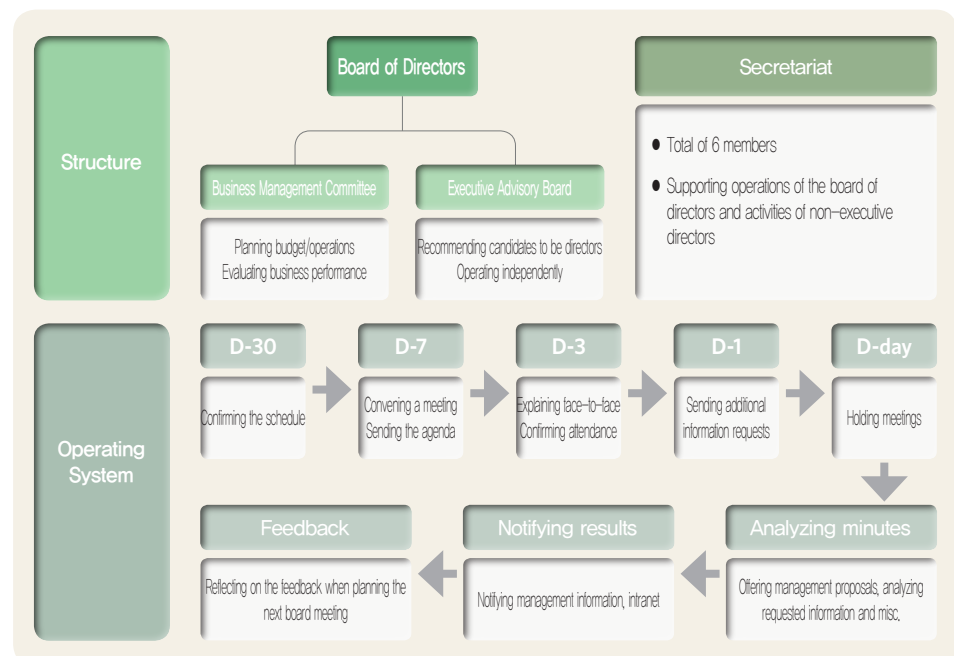
aT has two subcommittees under its Board of Directors. Out of these the 'Business Management Committee' provides advice for overall business management and the 'Executive Advisory Board' respectively recommends candidates for the position of executive directors in order to enhance the efficiency in decision-making. In addition, the committees also pursue performance through flexible operations such as meetings in writing to deal with emergencies and vivid policy discussions to cope with core issues. The corporation is also committed to promoting understanding and seeking for development in agricultural and food industries by holding on-site board meetings to promote field experience.

Function	Name	Organization
Executive Director	Kim Jae-su	President (Chairman)
	Kim Jin-yeong	Vice President (Planning Director)
	Kim Dong-yeol	Distribution Director
	Yu Chung-sik	Food Export Director
Function	Name	Expertise
Non-executive Directors	Ha Tae-jong	Agricultural research and distribution training
	Noh Jae-seon	Agricultural economy, demand and supply management
	Kim Gyeong-yeop	International trading and finance
	Kim Jun-bong	Agricultural production, agricultural management
	Na Seung-ryeol	Agricultural policies, quality control

(As of December 31, 2015)

■ [Board of Directors Operation] Performance

Index	Unit	2013	2014	2015
Number of meetings held	Time	12	15	13
Number of agendas reported	Number	26	21	23
Attendance rate	%	97.2	85.8	95.5
Rate of addresses by non-executive directors	%	75.6	77.7	79.5
Attendance rate of non-executive directors	%	98.3	82.3	98.3



Risk Management

Introduction

Business

Sustainability

Operation & Achievement

Appendix

aT preemptively manages different types of business-related risks such as unstable supply and demand of agricultural products in Korea and other countries due to climate change. In addition, it also develops detailed tasks, roles and measures in times of emerging risks to ensure organized and prompt response and thereby minimize damages. aT pursues this proactive approach so that it can fulfill its mission of stabilizing public life and increasing incomes of farming households.

Enterprise Risk Management System

aT has developed a detailed plan of 'Risk Management Guidelines' as part of its enterprise risk management (ERM). It has classified possible risks by their characteristics and established control procedures to ensure effective measures. The vice president has been assigned as CRO (chief risk officer) in order to manage risks in day-to-day activities. Emergency task forces such as the Risk Management Committee consisting of the president and executive directors are organized in times of emergency situations.

Types of Risks

aT has classified its enterprise risks into 4 different categories into the areas of management, disasters, negative press reports and stakeholders for its various businesses. 'Management Risks' cover credit risks, liquidity risks, import risks and export risks while 'Disaster Risks' are risks caused by natural disasters such as storms, floods and heavy snow, acts of terrorism involving explosives, kidnapping of overseas personnel and cyber terrorism. 'Negative Press Reports' are cases in which the reputation and reliability of the corporation can be damaged by negative press reports. Conflicts among in areas such as import of MMA rice and national trading items, strikes by farmers with respect to operation of its major businesses such as the flower marketing center, and strikes and conflicts by intermediate wholesalers and cargo handling labor unions. Various departments are assigned for managing risks related to their domain according to their work

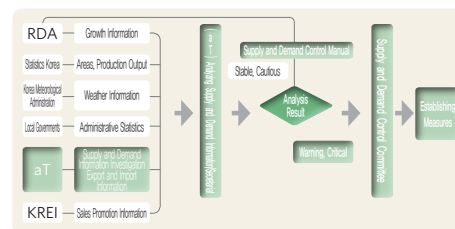
procedures. The emergency planning room of the corporation operates a risk management planning committee for overall risk management.

Types of Risks	Description
Management Risks	Credit Risk
	Liquidity Risk
	Risk by Changes to the Business Environment
	Import Risks
	Export Risks
Disaster Risks	Storms, Floods and Heavy Snow
	Terrorist Strikes in Exhibition Halls
	Kidnapping of Overseas Personnel
	Cyber Terrorism, Network Problems
	Strikes for Imported Rice
Conflicts Among Stakeholders	Rejection to Auctioning by Intermediate Wholesalers
	Strikes by Cargo Handling and Transport Labor Unions
Negative Press Reports	Press Reports Damaging the Corporation's Reliability

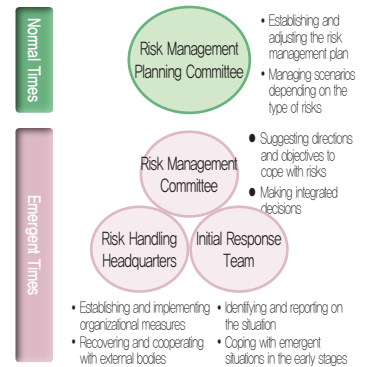
Risk Management for Supply and Demand of Major Agricultural and Food Products

As supply and demand of agricultural products gets more unstable due to conditions such as climate change, aT focuses on risk management to ensure stable supply and demand of agricultural products. Especially in 2015, aT pioneered the drive for integration and analysis of supply and demand information that was scattered among different organizations and organized a committee to promote proactive measures to control supply and demand. These initiatives resulted in price stabilization effect worth 669.3 billion KRW for 5 major items (dried red pepper, cabbage, radish, onion and garlic). aT will continue to establish effective and proactive supply

and demand measures aided by accurate analysis of supply and demand for major items to minimize risks to the public and farming households.



Risk Management System

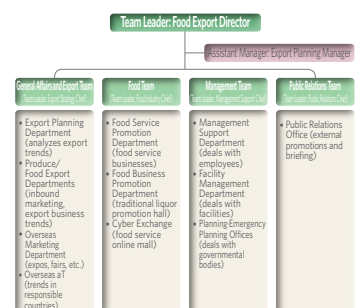


Risk Management Task Force

Index	Department	Major Tasks
Overall Management	Emergency Planning Office	<ul style="list-style-type: none"> Department that is responsible for overall management Department that is responsible for natural disaster relief and terrorist situations (explosives)
	Planning & Management Office	<ul style="list-style-type: none"> Department that is responsible for overall management Department that is responsible for natural disaster relief and terrorist situations (explosives)
	Management Support Department	<ul style="list-style-type: none"> Responsible for risk caused by changes in the business environment
	Human Resources Department	<ul style="list-style-type: none"> Responsible for risk caused by liquidity
	Financial Affairs Management Office	<ul style="list-style-type: none"> Responsible for risk caused by negative press reports
Specific Tasks	Public Relations Office	<ul style="list-style-type: none"> Responsible for risk caused by negative press reports
	National Trade Office	<ul style="list-style-type: none"> Responsible for unexpected events related to imports (increase in international grain price) Responsible for risk caused by strikes by the shipping industry
	Grain Management Office	<ul style="list-style-type: none"> Responsible for risk arising from farmers' protests against imported rice
	Export Strategy Office	<ul style="list-style-type: none"> Responsible for unexpected events in exports caused by foreign exchange fluctuations and safety issues related to exported grains Responsible for risk caused by terrorism and kidnapping against overseas personnel
	IT Support Department	<ul style="list-style-type: none"> Responsible for risk caused by cyber terrorism and network problems Supporting for organizing a situation room
	aT Centre	<ul style="list-style-type: none"> Responsible for risk caused by terrorism with explosives and safety issues in its exhibition halls Subscribing to fire insurances for aT Centre
	Flower Marketing Center	<ul style="list-style-type: none"> Responsible for risk due to rejection to auctioning by intermediate wholesalers

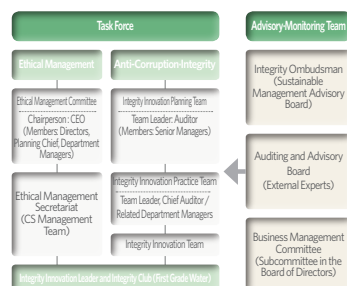
Case: Task Force Operation for MERS in 2015

<MERS Response Watch Team Organization>



Ethical Management

Ethical Management Committee Structure

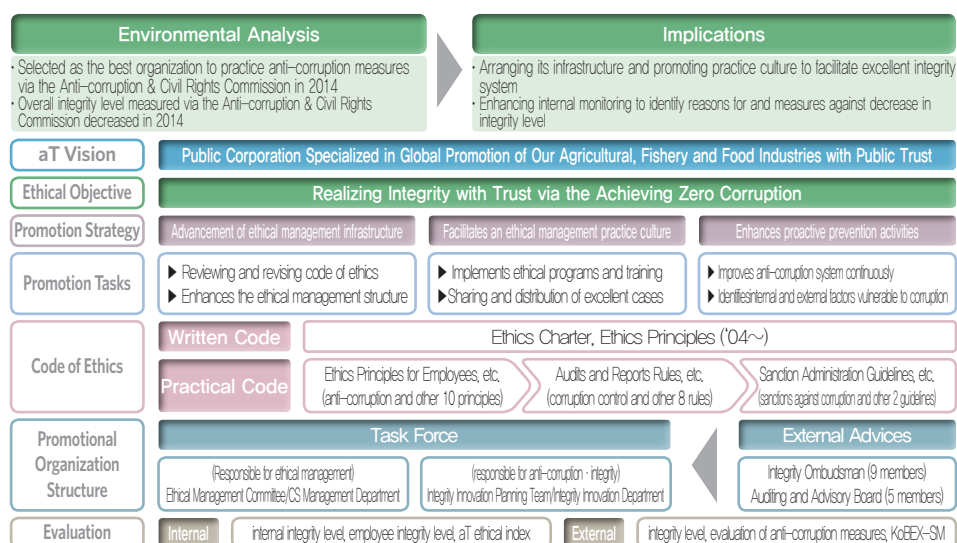


Ethical Management Structure

aT has established objectives for ethical management in line with its core values and its vision to be a public corporation with public trust. In addition, aT is pursuing the establishment of an integrity ecosystem by actively disseminating its ethical organization culture to the public and other related organizations.

Ethical Management Promotion System

aT aims at achieving 'integrity with trust by achieving zero corruption' and is developing and fine-tuning an ethical management system to achieve the goal. aT has established its promotional strategy covering advancement of ethical management infrastructure, enforcement of an ethical practices culture and enhancement of proactive prevention. aT operates an ethical management promotion system in order to implement this strategy.



Enhanced Ethical Management Infrastructure

aT continues to improve its ethics infrastructure, through measures such as continually fine-tuning its code of ethics and engaging practice groups to ensure that ethical management is an integral part of daily operations. aT has revised its personnel management rules to meet the social demands to prohibit unfair advantages for governmental officials. The revised rules enable a consistent system to materialize criteria for employee behaviors and strengthen disciplinary actions against corruption. aT has also improved its expertise in ethical management by establishing an internal ethics research group to identify rooms for improvement and secure its applicability, enhance anti-corruption monitoring and facilitate its integrity ombudsman.

Prevention of Ethical Risks

aT continues to improve its anti-corruption system to prevent ethical risks. In 2014, it introduced an electronic system to stipulate a provision that requires all employees shall return the excess of their payment for external lectures in order to reinforce its reporting system for external lectures. In addition, aT established a guideline for its reporting system against corrupt acts in order for the effective operation of anonymous reporting and prepared infrastructure for the anonymous reporting system while extending the scope of informants to improve accessibility to reporting and improving awareness of the employees by continued training and promotion.

Integrity Ombudsman System*

Since 2013, aT is operating an integrity ombudsman system (sustainable management advisory board) consisting of relevant experts. In 2015, aT increased the number of advisory board members in the field of ethical management (8 to 9) while having three ombudsman meetings to draw a total number of 26 improvement tasks and apply them to its management.

Efforts to Facilitate a Culture of Ethics

Ethical Management Practice Programs

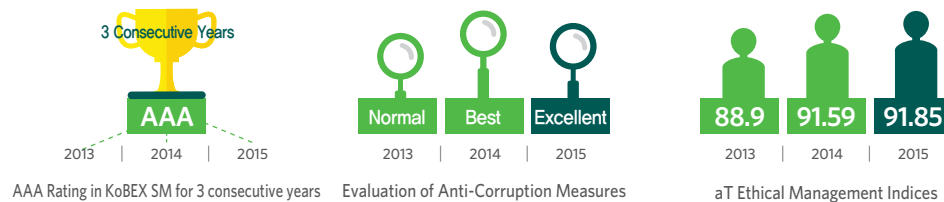
aT strives for not only preparing legal and systematic means but also facilitating ethical management as its unique culture by encouraging all its employees to practice integrity. Through the strong leadership for integrity by its CEO, aT is building up a sense of empathy for integrity at its organizational level and encourages its employees for voluntary practice of integrity. It is committed to provide cultural ethics programs such as integrity theaters, ethics music radio and integrity club called First Grade Water while facilitating practice and settlement of ethical management in its daily operation by integrity warning and ethics brand postings. aT will continue to further extend its ethical management culture and commitment to practice so that it can strengthen the infrastructure for ethical organization culture.

Enhanced Ethics Training

aT provides ethics training customized for employees with different functions and task characteristics. It develops and promotes persuasive and practical training with contents based on actual cases. In addition, given the differences in ethical dilemmas encountered by different functions, it provides ethics training for each function to improve the quality of training and offers training on matters such as correct contracting procedures and misuse of business cards for employees whose works such as contracting and accounting are vulnerable to corruption so that it can exercise proactive control against potential factors causing corruption. aT also tries to spread the sense of integrity not only to its employees but also to external interested parties. It provides training for domestic customers to prevent illegal distribution of agricultural products and contribute to establishment of safe food supply system while contributing to interested parties for suppliers and international customers to strive for the sense of integrity through integrity training and integrity campaigns.

Ethical Management Monitoring and Evaluation

aT enhanced its monitoring function by both quantitative and qualitative improvement of the internal evaluation system. aT established indicators for aT ethical management activities and performance of its businesses vulnerable to corruption to be integrated into its existing aT ethical management indexes which were weighed by internal awareness surveys to reflect different business characteristics and thus enhance the effectiveness of the evaluation. In addition, it extended the existing integrity level applicable to senior executives only to employees with grade 2 or lower, thus enhancing the scope of its monitoring to identify internal weaknesses. Such effort was rewarded by Korea Ethics Management Awards given by Korea Ethics Academy for 2 consecutive years and Sustainable Management Awards for Productivity given by the Ministry of Trade, Industry and Energy and highly recognized by external organizations.



(White Rice Cake Sharing Event by CEO During aT Ethics Week)



(Main Page of the aT Ethical Management Website)



(Awards for the Integrity Contents Contest)



(Winning of the Korea Ethics Management Awards)

System for Participation by Stakeholders

Definition of Stakeholders

Customers that have contacted aT at least once or may affect or be affected by aT's decisions in future have been classified as follows focusing on values.



Organization of Stakeholders

aT's interested parties include not only its business customers involved in food export, distribution, supply, demand and industrial promotion but also a variety of other customers involved in its operation through its management advisory board such as academic societies, governmental and public organizations and media.

aT addresses major issues applicable to customer needs by preparing communication channels for open communications with each stakeholder. aT will continue to care for their voices, improve the customer oriented system and implement its policy of delighting the customer.

Communication Channels for Interested Parties



Evaluation of Importance

Priority Evaluation Process

Evaluation of importance was carried out in order to identify various expectations and interests posed by internal and external interested parties, effectively cope with issues related to sustainable management and apply them to management. Evaluation of importance was done in compliance with stages to determine significant aspects and boundaries recommended by the GRI Guidelines and was organized based on significance of each aspect affecting aT's businesses and influence with impact on evaluation and decision-making of interested parties.

[Stage 1] Identifying sustainable management issues

aT has performed analysis of not only internal performance data but also media and benchmarking in order to identify its sustainable management related issues. aT has found out 37 related issues as a result of the analysis.

Major analysis results

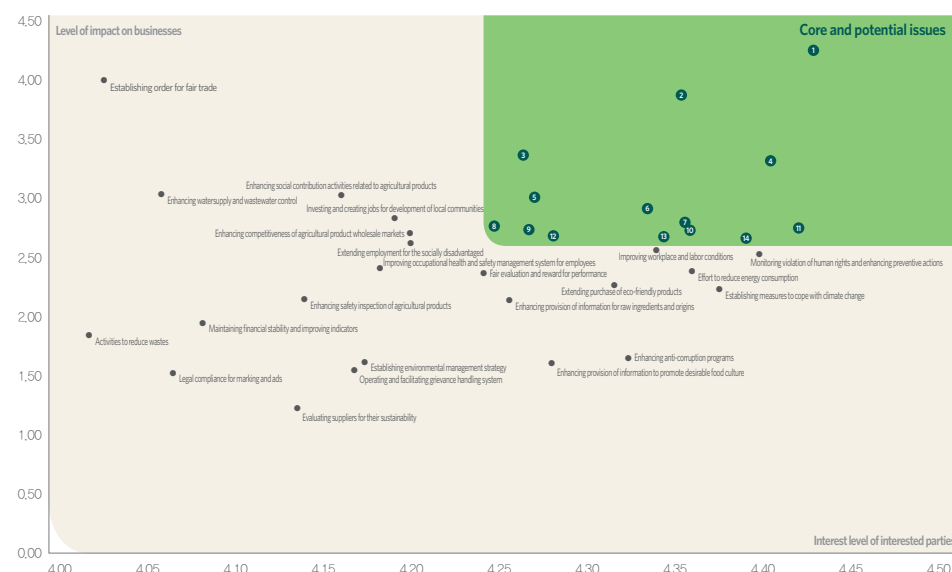
Internal Data	Management policy, 2016 management objectives, business plan and evaluation
Media	Analysis of 361 press reports related to sustainable management among 500 reports on aT in 2015 - Social (39%) and economic (32%) issues occupied significant part of the press reports
Benchmarking	Comparison with and analysis of issues from model public organizations and private companies with excellent sustainable management performance in food related industries
Survey	Survey regarding sustainable management was carried out for its employees and external interested parties - 617 employees, 109 interested parties

[Stage 2] Determining priority

aT has selected core issues taking into account interest levels of interested parties and impact on its businesses and then prepared matrix for evaluation of importance based on those issues.

Influence + Significance issues with high priority

- ① Securing new growth engine by promoting new businesses
- ② Establishing infrastructure to foster food industry
- ③ Enhancing global competitiveness of agricultural products
- ④ Facilitating direct trade of agricultural products
- ⑤ Contributing to stable supply and demand of agricultural products and price stability
- ⑥ Improving employee benefits and conditions
- ⑦ Realizing sound organizational culture
- ⑧ Fostering talents by providing various training programs
- ⑨ Prohibiting unfair discrimination in employment and employee conditions
- ⑩ Win-win cooperation and mutual development with suppliers
- ⑪ Enhancing social contribution activities based on employee participation
- ⑫ Effort to improve customer satisfaction
- ⑬ Enhancing privacy protection
- ⑭ Encouraging distribution of eco-friendly agricultural and fishery products



[Stage 3] Verifying and reviewing effectiveness

Sustainable management report was organized based on core and potential issues from the results of importance evaluation. Each issue is defined based on reporting boundaries against it and its impact is managed accordingly.

Core Issues	Reporting Boundary				GRI Aspect	Reporting Position
	Customer	Supplier	Employee	Local Community		
Securing new growth engine by promoting new businesses		●		●	Economic performance	Business - Acquisition of New Growth Engine for Agricultural Products
Establishing infrastructure to foster food industry		●		●		
Enhancing global competitiveness of agricultural products				●		
Facilitating direct trade of agricultural products	●			●	Economic performance	Business - Stable Procurement of Reliable Food
Contributing to stable supply and demand of agricultural products and price stability	●			●		
Improving employee benefits and conditions		●	●		Training and education Diversity in labor-management relationships and equal opportunity	Sustainability - Employee Satisfaction
Realizing sound organizational culture			●			
Fostering talents by providing various training programs			●			
Prohibiting unfair discrimination in employment and employee conditions			●			
Win-win cooperation and mutual development with suppliers		●	●	●	Evaluation of labor practices for suppliers	Sustainability - Mutual Development
Enhancing social contribution activities based on employee participation			●	●	Local communities	Sustainability - Investment and Development of Local Communities
Effort to improve customer satisfaction	●		●		Product and service labeling Customer privacy protection	Sustainability - Customer Satisfaction
Enhancing privacy protection	●		●			
Encouraging distribution of eco-friendly agricultural and fishery products			●	●	Energy Emission	Sustainability - Environmental Management



Business

Business



Principle

Stable supply of safe food

Customer interest and needs for food safety are increasing and it is very important to take proactive measures in supply and demand control of agricultural products as there is always instability in the market due to production changes and price fluctuation caused by abnormal climate. As an organization specialized in distribution improvement and supply and demand management of agricultural products, aT will open an era of new distribution that makes everyone happy with scientific and organized supply and demand control of agricultural products and continued improvement of distribution structure.



2015 Core Performance

Index	Policy & Responsibility	Goal & Target
Safe School Food	<ul style="list-style-type: none"> Electronic system for school food procurement Establishing a cooperative system among related organizations Enhancing follow-ups 	Enhanced safety of school food
Expansion of New Distribution Channels Including Direct Trade	<ul style="list-style-type: none"> Extending local food direct markets Enhancing support including training and promotion 	Reduced distribution costs
Supply of Safe Reserved Agricultural Products	<ul style="list-style-type: none"> Establishing aT Hygienic safety management system Improving and broadening reserve stations Establishing an integrated reserve system 	Enhanced safety for reserved agricultural products
Improved Supply and Demand Stability for Agricultural Products	<ul style="list-style-type: none"> Operating a proactive supply and demand control system Upgrading the supply and demand control system New contracting cultivation system 	Proactive supply and demand control
Establishment of a National Food Management System	<ul style="list-style-type: none"> Preparing infrastructure for food security Coping with rice tariffication 해인국물공급선대변화 	Improved ability for national grain management

Stable Procurement of Reliable Quality Food

● Our Approach

Proactive Supply and Demand Control, Continued System Innovation

aT has promoted a variety of projects for improved distribution and stable supply and demand so that it can realize 'supply of safe food that the public can trust'.

First, through its cyber exchange, aT established the 'eaT system', an electronic procurement system for school food to prevent unfair practices in the supply of school food ingredients and improve transparency in school food administration. In particular, it developed a 'System for Early Detection of Food Poisoning' in cooperation with Korea Drug and Food Safety Administration and reduced the incidence rate of food poisoning by 52% in 2015. It has also successfully reduced cost of distribution for agricultural products and increased the number of local food direct markets so that producers and consumers could enjoy more benefits.

aT has been focused on safe and hygienic management of reserved agricultural products in response to the public drive for hygiene and safety and enhanced government policy for food safety. aT has implemented 7S activities, establishing the 'aT Hygienic Safety Management System for Reserved Agricultural Products' and 'Next-generation Integrated Information System for Reserved Food'. These measures have enabled real time tracking and stock management of reserved agricultural products from their purchasing to release while improving and extending 12 agricultural product reserve stations to other regions in order to ensure hygienic, safe and efficient supply of reserved agricultural products.

aT has established organized supply and demand management systems such as the Integrated Supply and Demand Information System, Supply and Demand Control Committee and Supply and Demand Control Manual for proactive measures against unstable supply and demand of agricultural products. We promoted a variety of measures to stabilize supply and demand for various items and periods in a timely manner in 2015, thus reducing the price fluctuations of 5 major vegetables by 4.1% compared to that of the last year. As an organization specialized in supply and demand, we initiated new projects for contracting cultivation that enabled effective supply and demand control through vegetable production stages.

Last year, aT strengthened its status as an organization specialized in national food management by an amendment to the Enforcement Ordinance of the Grain Management Act (July, 2015) and successfully performed an "APTERR" demonstration project which reserved rice for emergency preparedness. aT has thus been recognized as a core part of national food management. aT has been contributing to stabilization of rice prices by focusing its competence on adjusting sales volume of imported rice during the harvest season and preventing illegal distribution of imported rice. In addition, aT has honed its capabilities to predict major parameters that affect the international grain market while securing various grain supply markets and enhancing its ability to utilize future markets so that it could be fully committed to its mission of ensuring stable food supply for Korea and mankind.



Evaluation

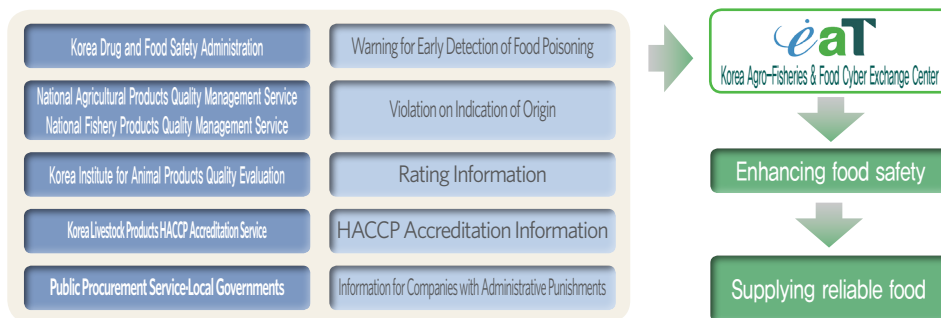
Index	Indicators	2015 Performance
Safe School Food	Enhanced safety in school food	Established and operated the eaT system / Established a cooperative system with Korea Drug and Food Safety Administration and National Agricultural Products Quality Management Service Reduced the incidence rate of food poisoning in schools : ('14)4,315 → ('15)1,989(52%↓)
Expansion of New Distribution Channels Including Direct Trade	Reduced distribution costs	Local food direct markets : ('13)3 → ('15)103 / Reduced distribution cost (40,000 KRW per household in 2015) 2015 Korea Distribution Awards
Supply of Safe Reserved Agricultural Products	Enhanced safety for reserved agricultural products	Improved reserve stations (3 regions) / Established the Next-generation Integrated Reserve Management System Reducing consumer complaints by 52% from 238 to 115 cases in 2015
Improved Supply and Demand Stability for Agricultural Products	Proactive supply and demand control	Executed new contracting cultivation projects for radish and cabbage / Operated an online and mobile supply and demand control system Reduced price fluctuations for 5 vegetables in 2015 : ('14)15.9 → ('15)11.8%(4.1%↓)
Establishment of the National Food Management System	Improved ability for national grain management	Established grounds for amendment to the Grain Management Act (July, 2015) / Enhanced flexible supply of imported rice and prevented illegal distribution Diversified national grain supply channels and enhanced supply capabilities

Securing Public Trust by Improving the Distribution Structure

Enhanced Safety in School Food through the Cyber Exchange

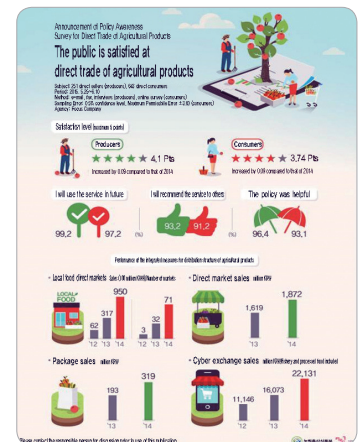
aT operates an electronic procurement system called 'eaT system' to prevent unfair elements in purchasing school food ingredients by face-to-face contracting and improve transparency in school food administration. Last year, aT established a 'system for early warning of food poisoning' together with Korea Drug and Food Safety Administration, establishing school food safety network by enhancing food safety information sharing among government organizations and other related organizations to prevent food poisoning and additional spreading of ingredients causing food poisoning and managed food ingredient suppliers in an organized manner by sharing origin certifications and violation information with National Agricultural Products Quality Management Service, National Fishery Products Quality Management Service and Korea Institute for Animal Products Quality Evaluation. Such effort reduced incidence rate of food poisoning in schools by 52% compared to that of the last year (4,315 in 2014 to 1,989 in 2015) and such cooperation with Korea Drug and Food Safety Administration, National Agricultural Products Quality Management Service, National Fishery Products Quality Management Service and Korea Institute for Animal Products Quality Evaluation was recognized as an excellent example for the Government 3.0. As of the late 2015, aT's eaT system is available for 7,946 schools and 6,159 suppliers in 17 cities and provinces and the number is still increasing. aT will continue to enhance its cooperation with related organization for information sharing and establish stronger and safer food safety network coping with ever changing food environment while focusing on establishing joint investigation system with related organizations and follow-ups so that it can realize 'Stable Procurement of Reliable Food'.

■ Cyber Exchange School Food Safety Network

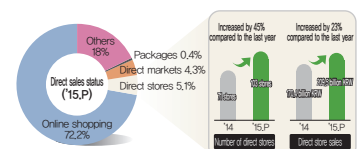


Establishment of New Distribution Channels by Extended Direct Trade

aT exercises its effort in various ways to extend direct trade of agricultural products so that producers and consumers together can enjoy more benefits by reducing levels and cost of distribution. It actively promoted local food direct markets in which farming households can be the principal agent in distribution increasing the number of markets from 3 in 2012 to 103 in 2015 and provided support to different types of locations for tourism, production areas and mutual benefits by designating 37 locations for regular direct markets. In addition, aT also led new direct trade channels and spread excellent cases by direct trade idea contest and direct trade contest while enhancing software support such as training, exchange with consumers and promotion to facilitate the businesses of existing producers so that this trend of direct trade can be continued as an alternative distribution channel for continued development. As a result of establishing new distribution channels, distribution cost for each household was reduced by 40,000 KRW in 2015 which is bigger than that of the last year by 18% and such effort to support direct trade and facilitate local economy was recognized by the 20th Korea Distribution Awards held by Korea Chamber of Commerce & Industry.



■ Number of Direct Stores and Sales Increase





■ Number of customer complaints reported against quality of reserved agricultural products

2013	2014	2015
316	238	115

■ Aerial View of New Reserve Stations

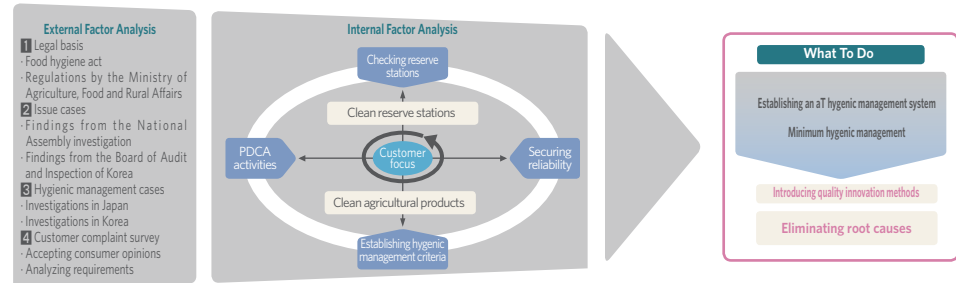


Improved Supply of Safe Reserved Agricultural Products

Enhanced Function for Improving the Quality and Safety of Agricultural Products

aT pursues enhanced customer satisfaction through hygienic and safe management of reserved agricultural products. aT has made it a top priority to catch up with the enhanced food safety management policy and increased interest in hygiene and safety of imported agricultural products by the government. To this end, we have established the 'aT Hygienic Safety Management System' to ensure food hygiene and introduced the 'Regular Hygiene and Safety Inspection System for Reserved Agricultural Products' based on 7S activities. We are providing training for those involved in reserve projects (5 times per year) to spread innovation activities for hygienic and safety management of reserved agricultural products, establishing pest control criteria for reserved agricultural products and improving existing systems centered on export advisory groups. Such effort led to visible performance such as improvement in the result of the hygienic management evaluation for reserve stations from 78 points in 2014 to 87 points in 2015 and decrease in customer complaints from 238 in 2014 cases to 115 cases in 2015 by 52%.

■ Approach Process to Establish Hygienic Management System



Improvement and Extension of Reserve Stations

aT is planning to modernize 12 old reserve stations with low temperature facilities for safe and efficient storage and supply of reserved agricultural products and extend such stations to 5 logistics hubs in Korea. aT succeeded in starting construction of stations in 3 locations in 2015 and will complete construction in 2 locations in 2016 while also completing construction of stations in other regions gradually. Improvement and extension of reserve stations will enable aT to increase the storage capacity (69,000 tons to 86,000 tons) and supply quality agricultural products to the public, thereby contributing to securing national food resources.

Establishment of the Next-Generation Integrated Reserve Information System

aT established its next-generation 'Integrated Reserve Information System' in 2015. With the system, aT could activate the infrastructure to promote proactive supply and demand control by real time tracking and stock management from the entire cycle from purchasing to release of reserved agricultural products. In particular, the system has enabled one-stop services covering online confirmation of the verification results and TRQ import recommendations in connection with related organizations such as the National Agricultural Products Quality Management Service and National Tax Service. aT will enhance the efficiency of reserve management projects by reducing social costs through the electronic system that covers 739,000 tons and 8,000 project cases related to import recommendations while supplying safe reserved agricultural products.

Enhanced Stability in Supply and Demand of Agricultural Products

Establishment of a Proactive, Integrated Supply and Demand Control System

aT is operating an organized supply and demand control system that covers the full range of management from predicting supply and demand to promoting measures for proactive response to unstable supply and demand. Since 2013, aT has operated a supply and demand control committee and manual by item while diversifying supply and demand businesses covering isolation from the market. In 2015, aT established an online integrated supply and demand information system to enhance real time monitoring of data related to supply and demand. The system collects production information from different organizations related to supply and demand and visualizes the information identifying supply and demand conditions in real time so that it can prepare accurate supply and demand management measures. In 2016, aT is planning to develop a mobile tracking system and will continue to enhance system based supply and demand control and make customized information available for producers, distributors and customers. aT has achieved the performance milestone of reducing price fluctuations for 5 vegetables down by 4.1% to 11.8% compared to the yearly average of 15.9% by timely supply and demand measures by item and period. The measures included purchasing of cabbage and radish, isolation of reserved onion from the market, early TRQ introduction and increasing quantity of garlic and onion and releasing reserved quantity based on its organized supply and demand control system, despite the difficult situations in 2015.

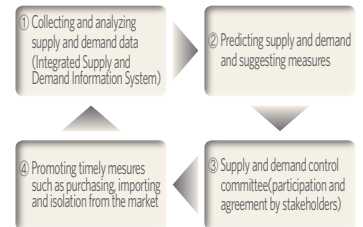
【Cases of Promotion for Supply and Demand Measures by Item】

Item	Prediction of Supply and Demand	Promoting Measures
Dried Red Pepper	Potential price decrease due to excessive supply	Purchased 7,000 tons (October to November)
Cabbage	Excessive supply in winter, reduced production in spring	(January to February) Isolation of 40,000 tons, purchased 2,000 tons (April to May) Released reserved purchases
Radish	Excessive supply in winter, reduced production in spring	Purchased winter radish in April, released in May to June
Onion	Excessive storage, reduced production of onions(price drop in February to March, increase in April to May)	Extended release after mid April of 10,000 tons of reserved onion (isolation from the market)
	Price jump during harvesting seasons due to reduced production	TRQ early introduction and increasing quantity
Garlic	Price jump during harvesting seasons due to reduced production	Releasing reserves, TRQ increasing quantity

Enhanced Supply and Demand Control Function through Contracting Cultivation

In 2015, aT promoted new contracting cultivation projects for effective supply and demand control right from the production stage so as to optimize its functions and roles as an organization specialized in supply and demand control. In order for establishing the infrastructure of this project, aT established new contracting cultivation models and implementation measures while securing project personnel and budget (10 billion KRW) by discussion with the government. aT will promote the project to stabilize market balance of cabbage and radish in 2016. As aT enters into contracts with fixed unit price taking into account production cost by participating as a direct contracting party and operates a customized supply-demand system by securing consumers in advance, it is equipped to support stable farming of producers and reduce price fluctuations of vegetables. In addition, aT can use part of the quantity from contracting cultivation as reserved quantity for with the government reserve project, and thereby enhance its response to emergencies caused by unstable supply and demand. aT will extend applicable items up to 5 covering dried red pepper, garlic and onion and expand the scope of the reserve project up to 10% of the production quantity to enhance the stable supply of reliable food during emergencies.

Supply and Demand Control System



Private-Public Joint Supply and Demand Control Committee

- Preparing supply and demand management measures through participation and agreement by stakeholders
- Organization : 20 members from among producers, consumer groups, distributors, academia and government

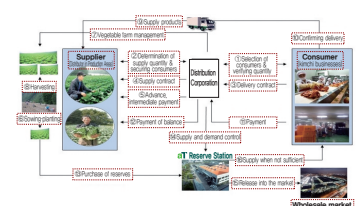
Committee Meetings and Agendas

2013	2015
8 meetings (21 agendas)	8 meetings (23 agendas)

The Online Integrated Supply and Demand Information System



aT Contracting Cultivation System





Establishment of a National Food Management System

Reinforcement of aT's Status as an Organization Specialized in National Food Management

Last year, aT prepared its infrastructure to serve as a control tower for imported rice as the amendment to enforcement ordinance of the Grain Management Act (July, 2015) established the legal basis for aT to expand its functions in the grain management area. This amendment enabled aT to resolve problems including inconsistency and unavailability of items during purchasing, stock management issues and reduced efficiency caused by the situation in which control for imported meal rice and imported processed rice was divided between aT and local governments respectively. In addition, the government recognized aT's competence in grain management and additionally stipulated that the government will consign aT to be responsible for "APTERR project in emergency". Thus, aT has successfully completed its demonstration project of transferring 30,000 tons of rice in 2015.

Protection of the Domestic Rice Industry After Tariffication

In response to rice tariffication in 2015 aT has assigned and imported appropriate quantities for types of grains and their purposes through a variety of investigations and analyses to reflect them in TRQ import control by estimating demand for imported rice. In addition, aT adjusted sales volume of imported rice during the harvesting seasons and focused its competence on stabilizing sales of domestic rice by amending the Grain Management Act to prevent distribution of mixed rice of domestic and imported variants and enhancing training to prevent illegal distribution. As such, aT strives for preventing trade conflict among different countries and protecting the domestic rice industry despite of difficult situations of market opening, increased rice production and reduced rice consumption.

Preemptive Response to Grain Price Fluctuation

aT has the capabilities to exercise organized information management necessary for importing agricultural products and for national trading projects. This requires identifying international trends of major crops such as rice, beans, corns and buckwheat and analyzing trends of the international markets for other crops to facilitate stable introduction of international crops and respond efficiently to recurring food crises due to price fluctuations in international crops. In this regard, aT has been able to provide such information to the government and other related organizations and enhance advance monitoring against price fluctuations. In particular, aT has carefully observed and investigated market trends in China which have a great influence on our market and used such information for balancing domestic supply and demand control and ensuring stable introduction of national trading items. In addition, aT imported 500 tons of buckwheat produced by a Korean company located in the Littoral Province where major producers do not have their presence, in order to diversify origins free from influences by major producers and contribute to stable supply and demand in Korea. aT also imported 1,000 tons of beans from the futures market in the United States, as part of its strategy to secure various markets in response to price fluctuations, enhance its ability to predict major parameters affecting the international market and analyze futures market while focusing its competence on stable supply of reliable food.

Making New Growth Engines for Agricultural Products

● Our Approach

Development of New Markets, Enhancement of Export Competitiveness / Development of Creative Convergence Hub for Foodservice, Agricultural and Food Industries

aT is promoting a variety of projects to enhance market competitiveness of Korea's agricultural, fisheries and food products in response to expanded market opening such as FTAs, aT strives to secure a continued growth engine for agricultural and fishery industries by overseas marketing of the products, currently focusing its marketing drive on the rapidly growing child and infant food market in China. Other initiatives include opening a Korea food store in 'Alibaba Tmall', the biggest online shopping mall in China, establishing a branch office in Abu Dhabi as a bridge to enter Halal food markets with a size of 1.3 trillion USD, having the first K-Food Fair in the Middle East, operating antenna shops and participating in international expos to enhance the export marketing in China and the Middle East, aT also has opened a distribution center in Qingdao, established a logistics support system for export companies in connection with Korean Air and the Creative Economy Innovation Center and helped to resolve non-tariff barriers for each country through localization support for efficient export and logistics of agricultural and food products, aT has also optimized its consultancy and training functions through aT Biz Lounge and China Desk together with fostering leading organizations for enhanced market competitiveness of export companies.

aT has served as a business hub for small and medium business food products and food service companies, developed new growth engines to "practice agriculture as they did in the 6th industry", held "Direct Trade Production Area Fair" in cooperation with local governments and food service companies, and focused on fostering "excellent restaurant areas" which can combine local specialty food cultures and agriculture, aT promotes mutual development through 'convergence of experience and tourism industries' by establishing sales networks in connection with the traditional liquor gallery and Korail and actively operates training to foster experts in emerging Halal food markets together with facilitating 'agricultural product start-ups' so that it can focus its enterprise competence on job creation in agricultural and food industries.

In addition, aT operates the ABC Center in response to concerns about relocation of agricultural organizations to local regions, aT restructured its aT Center in Yangjae-dong, Seoul to start an incubating base for agricultural and food industries and established a creative convergence hub for facilitating communications and cooperation in agricultural and food businesses to be recognized as an example of Government 3.0 innovation models.



Evaluation

Index	Indicator	2015 Performance
Extended Territories for Export of Agricultural and Food Products	Expanding export in strategic markets Increasing strategic export items Improving quality of export	Export to China: 1,361 billion USD (5%↑ compared to 2014) / GCC export: 383 million USD (75%↑) Laver export exceeding 300 million USD Number of items with export of 50 million USD or more: 23 in 2010 to 33 items in 2015 Number of countries with export of 100 million USD or more: 11 in 2010 to 15 countries in 2015
SOC Improvement for Export of Agricultural and Food Products	Efficient logistics	Opened a distribution center in Qingdao, establishing a cold chain / Increased export of fresh vegetables using joint air transport by 55% Increasing export products using overseas joint logistics centers by 58% (compared to 2014)
Enhanced Competitiveness of Export Companies	Enhancing export competitiveness by providing customized information	Increasing export to FTA countries by 4.6% (compared to 2014) Increasing consumer satisfaction for providing integrated core information & selected as an excellent example for Government 3.0
Promotion of the 6th Generation Industry by Fostering Food Industries	Holding direct trade production area fairs Designating food service industry areas Fostering traditional food brands	Held production area fairs 9 times, achieving direct trade of 12.7 billion KRW / Newly designated 19 locations for food service industry areas Selecting a total of 40 excellent brands
Start-up Training in Agricultural and Food Industries	Start-up trainings for agricultural and food product companies Training for Halal food markets	Opened start-up training courses for agricultural and food products (247 participants completed the courses) Opened expert courses for export to Halal markets (68)
Creative Convergence of Agricultural and Food Products	Promoting creative convergence businesses (ABC Center)	Smart studio: supporting stage 1 distribution / aTorang: incubating for young start-ups in food service aTium: incubating for young start-ups in horticulture / aT book cafe: information hub for agricultural and food products Agricultural and Food Products Vision Exhibition Hall: experience in history of agricultural and food products / Operating Biz Lounge for agricultural and food companies



Principle

Future Industrialization of Agricultural and Food Industries

With the globalization of the economy such as the extension of FTAs, unification of the global food culture and the emergence of the internalization era, agricultural and food industries became representative ones for future as a core issue in the global economy and culture by connection with advanced sciences and creative convergence with various cultures. As an organization specialized in support of agricultural and food product export and promotion of the food industry, aT will take its role as a leader of fostering agricultural and food industries as future industries by enhancing their global competitiveness and realizing the sixth industry.



2015 Core Performance

Index	Policy & Responsibility	Goal & Target
Extended Territories for Export of Agricultural and Food Products	<ul style="list-style-type: none"> Focusing on markets in China Developing the Middle East markets Extending to new consumption demand 	Increasing exports
SOC Improvement for Exports of Agricultural and Food Products	<ul style="list-style-type: none"> Improving the export logistics system Supporting resolution of non-tariff barriers Innovating the business support system 	Efficient logistics system
Enhanced Competitiveness of Export Companies	<ul style="list-style-type: none"> Supporting companies to develop global markets Enhancing product competitiveness One-stop information service 	Enhancing export competitiveness by providing customized information
Promotion of the 6th Generation Industry by Fostering Food Industries	<ul style="list-style-type: none"> Holding direct trade production area fairs Fostering food service industry areas Facilitating market for traditional foods 	Facilitating the 6th Generation Industry in with special focus on food service industry
Fostering Start-ups in Agricultural and Food Industries	<ul style="list-style-type: none"> Start-up training for agricultural and food industries Training for entering strategic markets 	Contributing to job creation
Creative Convergence of Agricultural and Food Products	<ul style="list-style-type: none"> Establishing the Creative Convergence Hub for agricultural and food industries 	Developing aT Center in Yangjae-dong as an agricultural business hub



Making New Growth Engines for Agricultural Products

Extended Territories for Export of Agricultural and Food Products

aT took prompt actions such as operation of MERS situation team and enhanced development of new markets including China and Halal markets by increasing the number of countries with export of more than 100 million USD from 11 in 2010 to 15 in 2015 by 36% and increasing the number of products with export of more than 50 million USD from 23 in 2010 to 33 in 2015 by 43% despite of internal and external difficulties such as global economic recession and MERS.

Focus on China and Halal Markets for Diversified Export Markets

aT has fostered milk powder products as the biggest export products to China with a unique marketing concept 'appropriate for Asian infants' and opened Korean store in 'Alibaba Tmall', the biggest online shopping mall in China for the first time in the world achieving promotional effect worth 20 billion KRW in a year. In addition, aT opened a distribution center in Qingdao and exercised effort to realize export of grapes, kimchi and rice as soon as they were agreed in quarantine negotiation, thus resulting in increased export to China (Great China Region) by 5% with a volume of 1,361 billion USD in 2015 compared to the last year while establishing a new branch office in Abu Dhabi to develop Halal food markets and hold the first K-Food Fair in the Middle East, thus increasing export to Halal markets by 7.5% with a volume of 383 million USD in 2015 compared to the last year.



(Food Expo in Saudi Arabia for Halal Markets
[November, 2015])



(Korean Booth in the world's biggest food
expo, FOODEX Japan)



(The President is explaining successful cases
of exporting via aT's air transport)

Antenna Shops*

Pilot stores operated with purpose of monitoring potential markets, investigating demands and determining feasibility for developing markets for new products prior to their actual sales

Development of Export Growth Engine

aT has organized 'export committees for 22 different agricultural and food products' to prevent export of low quality products and promote joint marketing in overseas markets. In addition, since 2009, aT has promoted a project to foster leading organizations for marketing boards of fresh vegetables inducing contracting cultivation between export companies and producers and supporting production infrastructure for quality and safe agricultural products. In 2015, aT fostered Korea Pear Export which is a consortium of 13 cooperatives as a leading organization to focus on export of pears to the United States.

Advancement of Overseas Marketing

aT held Global K-FOOD Fairs which combine export counseling (B2B) and consumer experience events (B2C) in 7 different cities of 5 countries including China and Vietnam in 2015 contributing to export consultation of 120 million USD and enhanced global awareness of our agricultural and food products. In addition, since 1992, aT has recruited promising export companies in Korea so that they can participate in major international food expos and participated in such expos as Korean booth 46 times in 2015 offering chances to develop international buyers, collect overseas market information and promote their products so that small and medium businesses can increase their exports up to 16 million USD in 17 locations of 11 different countries including China, Southeast Asia, Central and South America and Europe, and develop new markets. aT also continue to promote optimization of export logistics system including support for joint overseas logistics center. In 2015, aT entered into an MOU with Korean airlines in order to maintain vegetables fresh for long distance and reduce logistics cost. aT extended items and routes applicable to special fares when exporting fresh vegetables (5 items and 20 routes) contributing to development of new export channels for fresh vegetables. Such effort resulted in increased use of joint overseas logistics center by 55% and airlines for transport of fresh vegetables by 58%.

Promotion of the 6th Generation Industry by Fostering Food Industry

Enhanced Development of Food Services Industry

aT has established a cooperative network with local governments and food service industry and operates "Direct Trade Production Area Fairs (for Food Service Companies)" for promoting an efficient distribution structure and mutual development with agriculture in food services industry. In 2013, aT held its first fair in Hamyang-gun and Sangju-si and continued to hold 9 fairs in 13 different locations including Mungyeong, Uiseong, Naju and Muan in 2015, realizing direct trade worth 12.7 billion KRW for mutual development of agriculture and food service industries. In addition, aT also designates 'Excellent Food Service Areas' to facilitate local food consumption in connection with agriculture and food services and has so far fostered 19 locations including 'Pyeongchang Hyoseok Culture Buckwheat Village', 'Hamyang Healthy and Long Life Food Special Zone' and 'Busan Myeongnyun First Street' to facilitate the 6th Generation Industry in connection with agriculture and food services.

Promotion of Traditional Foods and Liquors

aT promotes the 6th Generation Industry with convergence of agriculture with the concept of 'Experience and Tourism' by operating 'Traditional Liquor Gallery' promoting quality traditional liquors and establishing a traditional food sales network. aT pursued these initiatives in cooperation with Korail together with 'Visiting Brewery' and 'Makgeolli Wanderers', focusing on marketing through opinion leaders in Korea and in other countries by holding shows for traditional liquors and kimchi to select 32 brands for liquor shows and 8 brands for kimchi shows in 2015. These shows have contributed to developing premium brands for Korea's traditional foods and liquors. In addition, aT also implemented smart marketing using mobile messengers and online media to enhance consumer accessibility and promote a variety of projects, thus resulting in sales increase of related small and medium businesses by approx. 17% compared to the previous year.



Traditional Liquor Gallery in Insa-dong

Support to Small and Medium Businesses for Agricultural and Food Products

As an integrated information provider, aT provides information related to governmental support and export including support projects by 21 related organizations while establishing food service information portal (The Oesik) to resolve a variety of problems due to increased start-ups and exports supporting stable management of food service businesses. In addition, aT Biz Lounge works as a business hub, offering office areas for customer convenience and corners to promote and introduce overseas hit products and new ones.

Start-up Training for Agricultural and Food Industries

Start-up Founders' Training for Agricultural and Food Product Businesses

aT newly established '2015 start-up training for agricultural and food products' and fostered 247 trainees completing the course so that it can contribute to 'job creation related to agricultural and food products' in response to social demands for 'youth unemployment'. This move is expected to contribute to 'job creation related to agricultural and food products' in response to social demands for bridging 'youth unemployment' and 'reemployment of baby boomer generations'. The training programs consist of common courses and professional courses with common courses offering information related to start-up support systems and procedures, successful cases, funding strategies and marketing methods and other various start-up related information. The professional courses provide opportunities to prepare business plans and receive feedbacks from industrial experts in three different areas of distribution, food and export so that trainees can minimize trials and errors when they actually establish their own start-ups. In addition to this, aT offers diversified follow-up programs to optimize the training effect, delivering various in-depth interactions with the academia, talk shows and start-up idea contests and holding briefing sessions for start-ups by guest lecturers. aT will continue to offer opportunities for start-up candidates to obtain clear information and effective training so that they can successfully establish their own start-ups and facilitate the related industries.



Start-up training for agricultural and food products
(lecture demonstration)



Start-up training for agricultural and food products
(completion ceremony)

Halal Market Expert Training

aT operated an 'Expert Training Course for Export to Halal Markets' in 2015 in order to foster experts for tapping into emerging Halal markets and create jobs through development of Halal food. The training courses include theoretical and practical training and discussions necessary to enter Halal markets so that trainees could acquire a wide range of practical skills for Halal markets. In particular, the courses were highly recognized for their usefulness as they offered opportunities for trainees to develop export strategies for Halal markets and obtain organized knowledge of the market which was somewhat vague to them, enabling effective application to their practices. Further, aT will establish intensive training courses in 2016 to provide more professional and organized training for Halal markets.



Halal market training course
(completion ceremony)



Halal market training course (field visit)

Special Page

ABC Center for Creative Convergence of Agricultural and Food Products

Since relocation of agricultural organizations to local regions, aT established ABC Center (Agriculture Business Center) in response to concerns about urban declines due to relocation of agricultural organizations by developing The aT Center in Yangjae-dong (Seoul) as a start-up incubating base for agricultural and food industries and a creative convergence hub for opening, sharing, communication and cooperation in agricultural and food businesses.

aTorang

Incubating center for young start-ups in the food service industry

- Purpose : Creating jobs for young people and minimizing start-up risks through food service start-up incubation
- Method : Offering facilities and equipment for free, providing experience in start-up planning, marketing and service
- Status(2015) : Operating 15 teams per year

aTium

Incubating center for young start-ups in horticulture

- Purpose : Supporting start-ups and promoting flower consumption through horticulture start-up incubation
- Method : Offering start-up spaces for free, supporting promotional marketing, start-up mentoring
- Stores (2016) : Bottleshock (flowerpot handicraft, design), Keojimpine (emotional flower shop)

Smart Studio

Demonstration project for the stage 1 distribution

- Purpose : Establishing the stage 1 distribution platform for agricultural and food products
- Method : Supporting direct trade contents (pictures, media images), production and social media marketing (website, SNS, livecast, blogs), following the path of producer → online media → consumer
- Status (2015) : Produced 31 promotional contents

BIZ Lounge

A business hub for agricultural and food companies

- Purpose : Providing a one-stop business lounge for small and medium food businesses
- Method : Counseling for export information and difficulties, consultancy for food service companies, Halal desk, offering business spaces, etc.
- Status(2015) : Provided counseling and consultancy for 2,911 cases

aT Book Cafe

A metropolitan hub for agricultural and food product information

- Purpose : Providing open access to metropolitan consumers for agricultural and food products
- Method : Collecting and offering publications, data and books related to agricultural and food products, offering avenues for open information exchange through services such as seminars
- Status (2015) : 21,500 visitors in a year (62 in a day)

Agricultural and Food Products Vision Exhibition Hall

Experience in history of agricultural and food products

- Purpose : Experience hall to promote the history, culture and future value of national agriculture
- Contents : History of agricultural development in Korea and concept of agriculture of the future, etc.
- Displays : Chronological graphic panels and LCD videos

aT Creative Space

- Purpose : Receiving customer ideas related to agricultural and food products, serving as a public communication space
- Contents : Creative idea suggestion box, information for related organizations and direct call kiosk, aT Live information corner, etc.
- Status (2015) : Received 104 ideas



aTorang



Smart Studio



aT BIZ Lounge



aT Book Cafe



Agricultural and Food Products Vision Exhibition Hall



Sustainability

Employee Satisfaction



Approach

aT shares its core value of “Yes aT” with all its employees, serving as a public corporation specialized in global promotion of Korea’s agricultural, fishery and food industries with public trust.

aT continues to pursue employee satisfaction through a wide range of efforts including competence and performance based individual reward system, advanced labor and management relationships, fostering women talents, socially balanced employment, and establishing a happy workplace in which work and family can stay together in harmony.



Risk & Opportunity

aT has strived for prevention of issues related to thoughtless and inhumane management and huge differentiation in salaries that may frustrate its employees. Agreement between different generations and pain sharing have led to quick and successful stabilization of the corporation and settlement of the salary peak model.

In 2014, aT internally took into account employees moving without their families to introduce flexible working system and operated one-on-one mental counseling through its employee assistance program (EAP) so that they can adjust themselves to changed work environment in an early and stable manner.



2015 Performance

aT has realized a workplace without labor-management disputes for the past 27 years based on its management philosophy of total communications while enhancing training to develop individual competences, extend employment of female talents, operate flexible work system to keep work and family in harmony and switch all temporary jobs with full-time equivalent works into full time jobs for stable employment. Such effort was recognized by 2015 Labor-Management Culture Awards from the Ministry of Employment and Labor.



2016 Plan

aT will implement an hour-selecting work system (for childrearing and core time work) which has been developed from the flexible working system in order to create a happy work environment and enhance employee satisfaction. In addition, aT will introduce life-cycle educational programs for employees to develop their individual competences, improve the corporation’s individual evaluation system and facilitate performance based evaluation.

In addition, aT will continue to hire and extend local employees to contribute to local communities and become a corporation preferred by its employees and the public.



Key Figures

	Unit	2013	2014	2015
Training performance	Number of Persons	568	584	618
Female employment rate	%	51	43	65
Flexible work system use rate	Number of Persons	42	62	117
Rate of switching temporary jobs working as full time to full time (non-fixed term) jobs	%	58.3	83.3	100
Local talent employment rate	Number of Persons	22	26	33

* Source : 2015 Government Management Evaluation Report

Sound Labor–Management Relationship

Advanced Labor–Management Relationship

Mid- and Long-Term Strategic Roadmap for Establishing the Advanced Labor–Management Relationship

aT has established a strategy for advanced, future oriented labor–management relationship as part of the guidelines to realize sustainable management. The strategy includes a mid- and long-term roadmap driven by 4 strategic tasks such as organized implementation of the strategy and realization of reasonable and legitimate labor–management partnership and 9 implementation tasks such as preventive control for conflicts and establishment of happy workplace.

Promoting a Win–Win Labor–Management Culture

aT has realized a workplace that has thrived without labor–management disputes for the past 27 years, based on its management philosophy of open communications through operating various communication channels, fostering labor–management experts and enhancing employee training. Such effort was recognized through being selected as a corporation with excellent labor–management culture in 2014 and 2015 Labor–Management Culture Awards by the Ministry of Employment and Labor.

Introduction of the Salary Peak System

Based on aT's win–win labor–management culture, an agreement was made to eliminate gaps between different levels. 6 rounds of regular labor–management discussions, workshops and employee voting led by the labor union were made and, by the majority agreement, the salary peak system was introduced in August, 2015.

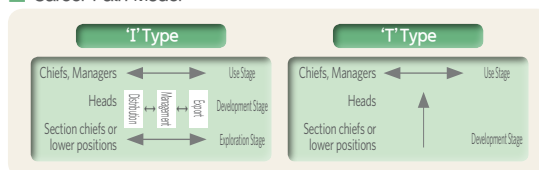
Performance Based Annual Salary System

Since its introduction of the annual salary system in 2003, aT has operated a competence and performance based annual salary system. aT encourages sound internal competition and sustainable management for its organizational development by facilitating a “reasonable performance culture” through differentiated performance based salaries along with a basic increase rate.

aT Human Resource Development System

aT employs talents with the capabilities to lead the future of agricultural and food products by their expertise areas and fosters such talents through training and transference based on the career path model of the exploration stage, development stage and use stage.

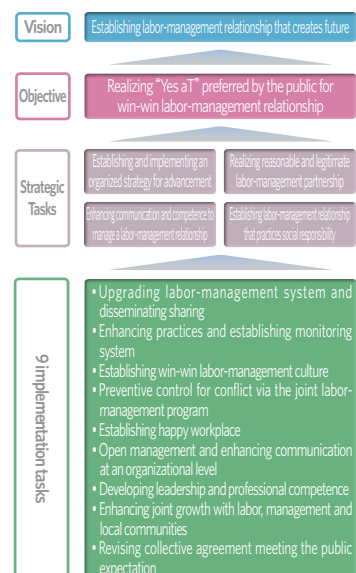
Career Path Model



Fair Performance Evaluation Based on Competence

aT reflects results of MBO C.C. in annual salary evaluation in order to achieve its management objectives and strategies, enhancing individual evaluation to realize reasonable reward system. Practical coaching by department managers beyond formal assessment enhances individual performance. In addition to this, functions for chiefs or higher positions are recruited based on individual performance and competence so that employees can exercise their aptitude and competence to the maximum and generate organizational performance.

Strategic Structure for Advanced Labor–Management Relationship



Labor–management seminar for introduction of salary peak system

Qualified Talents



aT completion ceremony for youth internship



Supporting program for women employees to improve their competences

Index	Description
Leadership training to foster female managers	<ul style="list-style-type: none"> Annual support for long-term female leadership training: 2 in 2015 * Ewha Leadership Development Course
Special lectures	<ul style="list-style-type: none"> 2015 special invitational lectures by female leaders * Professor Mun Hyo-eun : Female leadership that will lead our future
Support for academic pursuits	<ul style="list-style-type: none"> Bachelor's degree : 5 in 2015 Master's degree : 4 in 2015

Status of the Flexible Work System

	Index	2013	2014	2015
Regular Working Hours	Regular Working Hours	2	4	8
	Staged commuting	40	40	50
	Hour-selecting	-	12	52
	Focused working	-	-	-
Flexible Work System	Discretionary working	-	-	-
	Home-working	-	-	-
Remote Work System	Smart working	-	6	7
	Total	42	62	117

Socially Balanced Employment

Extended Employment for Qualified Talents and the Disadvantaged

aT defined 3Ps for its qualified talents to lead the future of agricultural and food products, employing and fostering talents who will achieve its mission and vision together. In 2015, aT promoted NCS based employment focusing on job competences extending chances for applicants to attend written tests and employed a wide range of talents with challenges and communications.

In addition, aT does not accept discrimination in employment due to gender, age, religion, educational background, physical disability and place of birth and strictly comply with the Labor Standard Act, employment rules and ILO guidelines which prohibits forced labor and child labor.

In addition, aT actively employed young, local talents and those with war veteran merits to facilitate socially balanced employment for the disadvantaged resulting in new employments of 45 young talents, 33 local talents and 2 individuals with war veteran merits while newly developing 5 functions (accounting, reserve station management, administrative support, etc.) to employ talents with high school graduation.

aT established infrastructure to create more jobs in cooperation with local universities by signing MOU with them, aT also employs female talents for 65% to foster female leaders, operates training programs for employees to improve their competences and have 4 new employees with hour-selecting work system as full time jobs to facilitate employment of females with discontinued careers so that it can strive for gender equality.

100% Switching of Temporary Jobs with Full-Time Equivalent Works to Full Time Jobs

aT switched 100% of the temporary employees who are committed to regular and continued jobs to full time ones in order to ensure stable employment of temporary jobs while eliminating discrimination from full time employees and ensuring their basic life by increasing their basic annual salaries, offering the same training opportunity for improved conditions of temporary employees.

Life with Evenings

Since relocation to local region, aT actively promoted flexible work system for those moving without families due to various changes to workplace and organizational culture and reflected their use rate in internal management evaluation while having family day events and automatic shutdown of desktops so that employees can enjoy both life with work and family in harmony by making 'happy workplace'.

Employee Safety

aT operates a variety of programs that offer emotional stability and prevent accidents to improve workplace conditions for employees, aT support one-on-one mental counseling programs and special lectures to release stress through its EAP while striving for employee healthcare by offering in-house fitness center and supporting club activities.

Special Page

Presidential Awards for Sharing Mentoring

Young Agri-Food Fellowship (YAFF) : New Concept Exchange Community for Youth in Agricultural and Food Industries

aT operates Young Agri-Food Fellowship 'YAFF' to establish a global network of 2,200 agricultural talents from all over the world based on CEO's idea in response to the national task for youth employment. YAFF consists of 2,200 university students who dream of working in agricultural and food industries with various educational backgrounds such as majors in management, agriculture related ones, trade, languages and engineering, and 550 students are from renowned universities in 8 different countries including the United States, China, Japan and Hong Kong. aT offers practical opportunities in connection with its unique projects so that they can experience practices in related companies and they are dreaming of 'global talents in agricultural and food industries' communicating through SNS and sharing their practical know-how.

aT's effort has been highly recognized and was awarded by the Presidential Prize for 2015 Korea Hope Mentoring Sharing Awards.

aT's Customized Job Matching for Young People

aT offers a variety of opportunities for youth to experience employment in practice as an organization leading the development of agricultural and food industries. aT offers opportunity for them to visit strong small and medium companies in Korea and participate in employment briefing while providing chances for them to participate in international food expos and other promotional events held in foreign countries as staff members for practical experiences.

aT's Strengths "Food Company Infrastructure" & Youth Network (YAFF) Matching to Create Jobs for Youth

Training in Korean Food Companies, Global Internships

aT has offered an opportunity for local talents to meet local companies and provided training for 49 young talents in cooperation with 28 strong small and medium companies from all over the country in order to eliminate 'mismatching employment' in which youth want to work in large companies while small and medium companies suffer from lack of applicants. aT also offered global internships to 6 young talents in 4 different countries (China, Singapore, Vietnam and the Philippines) so that young students can develop their international careers.

Good Job, Good People Campaign

aT conducts a campaign called "Good Job, Good People" together with domestic and international companies and organizations to create and extend jobs. YAFF has an ultimate goal to spread a sense of social empathy for creating jobs and to create youth jobs by talent matching with various excellent companies.



President Prize for Spreading Sharing Culture



Starting Ceremony for the 2nd YAFF



YAFF Online Community



Visiting Strong Small and Medium Agricultural and Food Companies



Global Internship (Vietnam)



Good Job, Good People Employment Agreement
(Woongjin Food)



Participating in International Food Expos

Mutual Development



Approach

aT is committed to increasing incomes for farming households and facilitate balanced development of national economy by smooth distribution of food from producers to consumers. In order to achieve this, aT involves in front and rear industries in agricultural and food sectors for establishing production infrastructure to enhance competitiveness of small and medium food companies, develop sales channels for their products through its domestic and international organizations and facilitate consumption.



Risk & Opportunity

There are a lot of difficulties in agricultural and food industries that are intertwined like a vicious cycle preventing mutual development such as small sizes, funding problems, lack of sufficient personnel and unfair trading. aT promotes projects for mutual development by using its unique characteristics, establishing promotional strategy for mutual development and selecting promotional tasks to cut off such cycle.



2015 Performance

aT not only performed activities for management improvement (consultancy, etc.) and new sales channels (KakaoTalk marketing, etc.) through its unique projects but also introduced new programs to spread mutual development culture and establish ecosystem for mutual development. aT has established infrastructure for mutual development such as aTorang, food service start-up training and Smart Studio, promotional contents production support center while striving for spreading the sense of mutual development between agriculture and businesses through win-win management advisory board and win-win cooperation contest.



2016 Plan

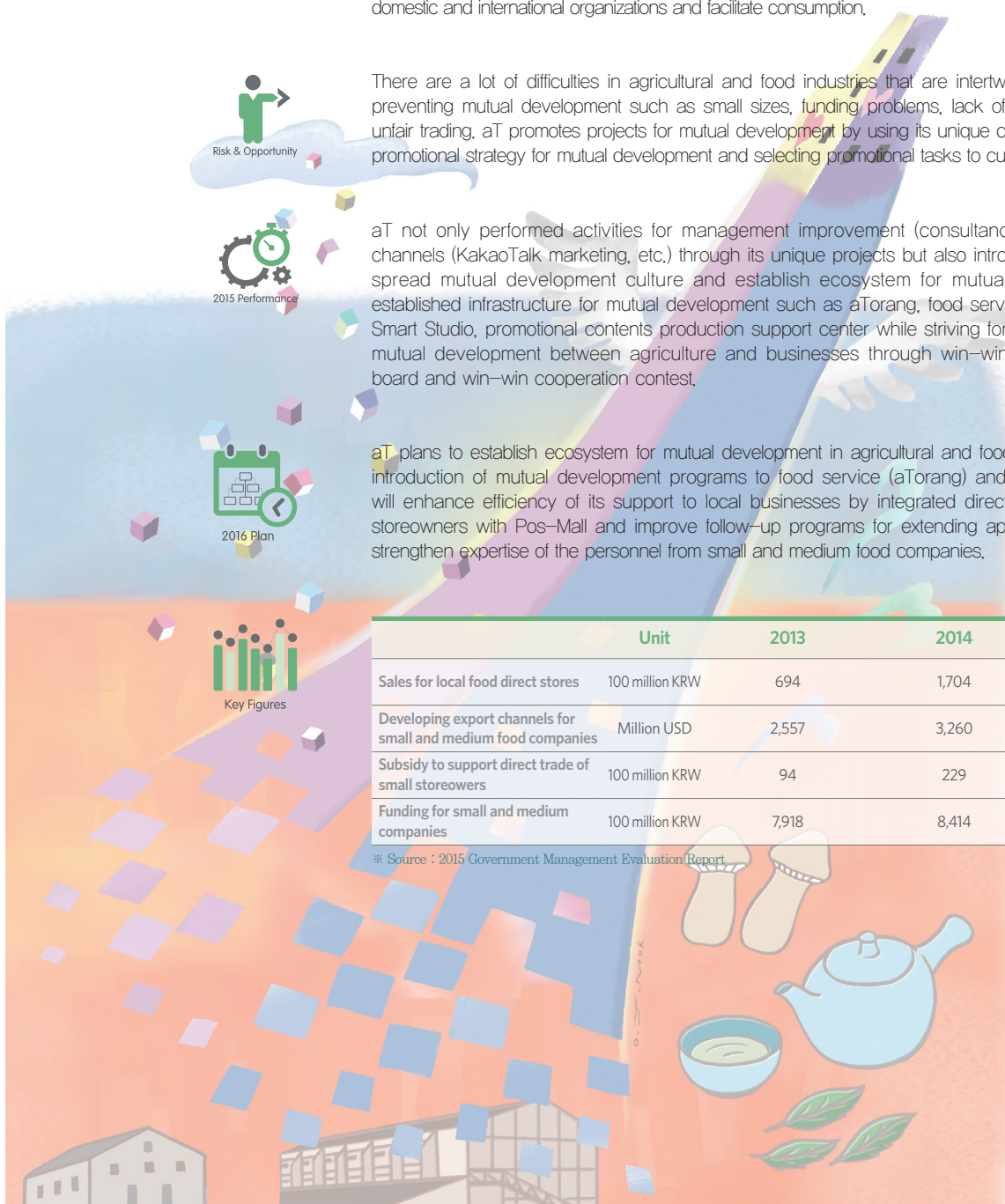
aT plans to establish ecosystem for mutual development in agricultural and food industries by extending introduction of mutual development programs to food service (aTorang) and horticulture (aTium). aT will enhance efficiency of its support to local businesses by integrated direct trade support for small storeowners with Pos-Mall and improve follow-up programs for extending applicability after training to strengthen expertise of the personnel from small and medium food companies.



Key Figures

	Unit	2013	2014	2015
Sales for local food direct stores	100 million KRW	694	1,704	2,095
Developing export channels for small and medium food companies	Million USD	2,557	3,260	3,649
Subsidy to support direct trade of small storeowners	100 million KRW	94	229	364
Funding for small and medium companies	100 million KRW	7,918	8,414	8,839

* Source : 2015 Government Management Evaluation Report



Establishment of Ecosystem for Mutual Development in Agricultural and Food Industries

Improvement of Small and Medium Food Companies : Health Examination

Company Diagnosis : as people need health examination, companies also need their health status to be diagnosed and appropriate measures. aT promotes customized consultancy services (436 companies) for improvement and regional win-win cooperation fairs (13 local governments, 23 fairs).

Funding Support : aT seeks for facilitating business management for small and medium food companies by improving their political financial support. In 2015, a total of 883.9 billion KRW was offered for increased interest rates applied to funding for farming policies (3% to 1.8%) and credit rating for funding was decreased (grade 3 to grade 6) to support sufficient liquidity for small and medium food companies.

Fostering Human Resources : aT operates training courses for those involved in food and distribution areas (95 courses, 9,531 participants) in order to enhance expertise of existing personnel and foster future talents while offering university students opportunity to visit strong local businesses and experience their work (approx. 2,200 students) giving positive images of small and medium companies.

Support in Sales Channels for Small and Medium Food Companies : Growing Muscles

Small Storeowners : aT enhances quality and price competitiveness of small storeowners by supporting their direct trade (36.4 billion KRW) through POS devices to secure competitiveness of local businesses despite of expansion of hypermarkets and food service franchises.

Hypermarkets : aT support overseas marketing of small and medium food companies using its network with international distributors (17 countries, 50 companies). aT exercises a variety of promotional means (240 times) by reflecting governmental images into their underrated brand awareness and sales so that they can have more opportunities.

KakaoTalk : aT enhances accessibility to small and medium food companies by using various channels such as opening dedicated store for small and medium companies (29 companies, 264 products) on KakaoTalk, the largest SNS service in Korea.

Spreading Mutual Development Culture: Nutrients

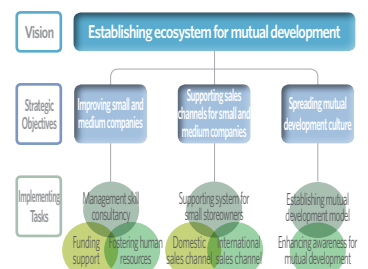
Mutual Development Model : aT utilizes its aT Center to provide mutual development programs for small and medium companies and potential start-up founders. There are programs such as aTorang (food service), aTium (horticulture) and Smart Studio for one-person distribution to minimize trials and errors for start-ups.

Spreading Mutual Development Culture : aT promotes excellent cases of leading companies and spreads win-win atmosphere in agriculture by operating agriculture-business win-win cooperation booths (9 companies, 25 booths) at Korea Food Show (KFS) and holding win-win cooperation contests (10 companies).

■ Mutual Development Structure



■ Mutual Development Strategy Map



Investment and Development of Local Communities



Approach



Risk & Opportunity



2015 Performance



2016 Plan



Key Figures

aT sincerely perceives corporate social responsibility and focuses on harmony with local communities after its relocation to local region. In addition, aT creates social sharing values by actively combining its unique business functions and competences of its employees concentrating on true sharing practices.

Recently, social contributions by companies are changing from materialistic donation and volunteering to value seeking activities to be in harmony with the society. In particular, sustainable growth of local communities and positive and continued communications to achieve this becomes increasingly important. When companies neglect this, they might have risks to lose its infrastructure for social support. If companies get interested in resolving social problems, they will enjoy opportunity to contribute to development of local communities and, at the same time, increase their own business values.

aT utilized its business competences to provide hope mentoring for local students and farming and fishery households, support for rural families in crisis to realize mutual development with local communities. In addition, aT enhanced its ability to practice social contribution programs through its continual improvement of those programs and increased scope of activities covering increased participation rate by its employees.

In 2016, aT will operate a variety of programs based on its unique businesses in order to create sharing values (CSV) while sincerely practicing its existing CSR activities. aT will continue to enhance its sharing for agriculture and agricultural communities and strive for spreading its communications with the public, promoting sustainable social contribution activities matching with recent social contribution trends.

	Unit	2013	2014	2015
Donation	100 million KRW	3.2	3.7	2.8
Participation rate by employees in volunteering	%	66.4	61.7	79.1
One Department One Representing Program	Number	25	26	31

aT CSR 3.0 for Sustainable Social Contribution Activities

aT has established CSV promotion structure by enhancing social contributions using its organizational competences. aT wants to achieve sustainable social contribution activities by creating social values through its unique business competences, interests in local communities and sharing activities. In particular, aT focuses on job creation in agricultural and food industries and development of local communities. aT will be an organization making our society happy by creating sharing values based on its corporate social responsibility.

■ aT CSR 3.0 Promotion Structure



CSV Activities Utilizing Unique Businesses

Hope Mentoring

aT provides hope mentoring for small farming households using its business competences of each departments. Grain Management Office suggested the 6th industry model for buckwheat by mentoring in connection with contracting cultivation (cultivation areas increased from 136,5ha in 2009 to 662ha in 2015 by 3.8 times). Gangwon Regional Headquarters realized the first export of tomato farming households by offering them export know-how in connection with its work related to Chuncheon Wholesale Market Management Office while continuing to support horticulture by sisterhood with farming households and offering information for cultivation.

Support for Social Enterprises in Agricultural and Food Industries

aT supports economic independence of social enterprises in agricultural and food industries. In 2015, aT has established local food direct stores in connection with 53 cooperatives in order to expand sales channels for social enterprises, operated social enterprise hall in cyber exchange B2C mall and exempted their entering fees while inviting social enterprises to Korea Food Show (KFS) for export consultation, and other support activities, thus those social enterprises (9 companies) achieved increased sales by 21% compared to those of the last year.

Contribution Activities for Local Communities

Support for Families in Crisis



Support for Families in Crisis

Since its relocation to local region, aT has found out families in crisis and support them in Gwangju-Jeollanam region. In 2014, aT has cooperated with 6 local organizations such as Jeollanam-do Social Welfare Council to support basic life for 32 households in Naju (22 million KRW) and, in 2015, aT increased the number of cooperating organizations up to 11 and number of households for support up to 65 (92 million KRW) so that it can actively establish close relationship with local communities and practice sharing.

Social Contribution Activities for Inspiring Patriotism to Celebrate the 70th Anniversary of Korean Liberation



Taking Photos event for Senior Citizens

aT provides talent donations by its employees to celebrate the 70th anniversary of Korean Liberation for photography of senior citizens to 'remember faces of those contribute to the liberation and industrialization'. aT visited 350 senior citizens with national merits in rural areas to take their pictures and present picture frames. In addition, aT continues to establish a garden hill in the memorial park for Na Wol-hwan, who participated in independence movements, clean the park for continued management, install large-sized flowerpots in Naju Student Independence Movement Memorial Hall and clean the hall while landscaping and managing historical sites for independent movements.

Social Contribution Activities in Connection with Regional Headquarters



Supporting Party for Multicultural Family Home Visits

aT organized 'aT Love Sharing Group', a volunteering team by employees to support lunch for 75 children in 11 different locations all over the country during their summer and winter vacations. In addition, aT gives roses and carnations to disadvantaged senior citizens in rural areas during spring and support such senior citizens for visiting local festivals during summer, makes rice cakes together with them during autumn and donates heating supplies during winter. aT also supports multicultural families to visit their homes together with Korean Red Cross and increased the number of supported families up to 10 households with 40 members in 2015 so that it can help those increasing multicultural families in rural society both emotionally and materially.

Customer Satisfaction

aT has been committed to enhanced agricultural and food products competitiveness and increased incomes for farming and fishery households supporting them from production to distribution and export, and securing stable food supply with the ultimate goal to be a public corporation specialized in global promotion of our agricultural, fishery and food industries with public trust.

There are growing needs for improved public services as the customer needs become more complicated. In addition, given the characteristics of aT's unique businesses to improve distribution structure for agricultural products, stabilize supply and demand, promote export and foster food industry, unstable supply and demand due to climate change and changes to trading environment such as FTAs can be a risk and its relocation to local region may cause lack of sufficient accessibility to those who live in metropolitan areas.

aT reduced public burden based on its innovation system, practicing it at an organizational level, improving distribution structure for agricultural products and creating jobs for youth in agricultural and food industries while enhancing public services by making its aT Center in Yangjae as a metropolitan business hub for agricultural and food products and contributing to reduced governmental cost by preventing grain import reporting with reduced price.

In 2016, aT will further enhance innovation system with a slogan of New aT to create new values in our agricultural and food industries for customer satisfaction. First of all, aT will focus on improvement of employee status through mid- and long-term innovation roadmap. In addition, it will improve its communication with customers by introducing aT happy call services in connection with its major businesses and promoting 'customer visit day' for each month and, lastly, aT will improve its services through improvement of systems and innovation of work processes based on customer VOC.



Approach



Risk & Opportunity



2015 Performance



2016 Plan

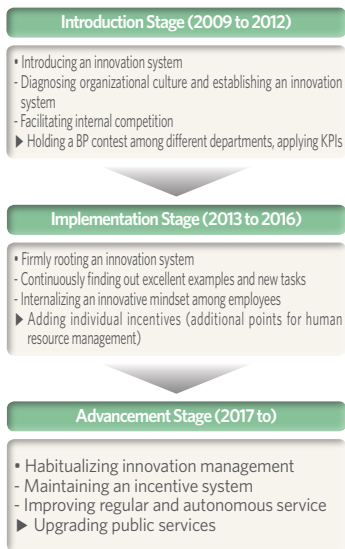


Key Figures

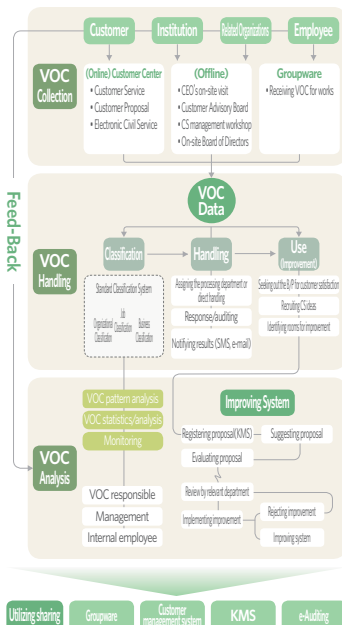
	Unit	2013	2014	2015
Customer Satisfaction for Public Organizations(External Assessment)	Grade	Excellent	A Grade	A Grade
Customer Satisfaction for Public (Internal Assessment)	Pts	92.1	91.7	93.1
Internal Customer Satisfaction (External Assessment)	Pts	91.1	91.2	95.8



aT 중장기 경영혁신 추진체계



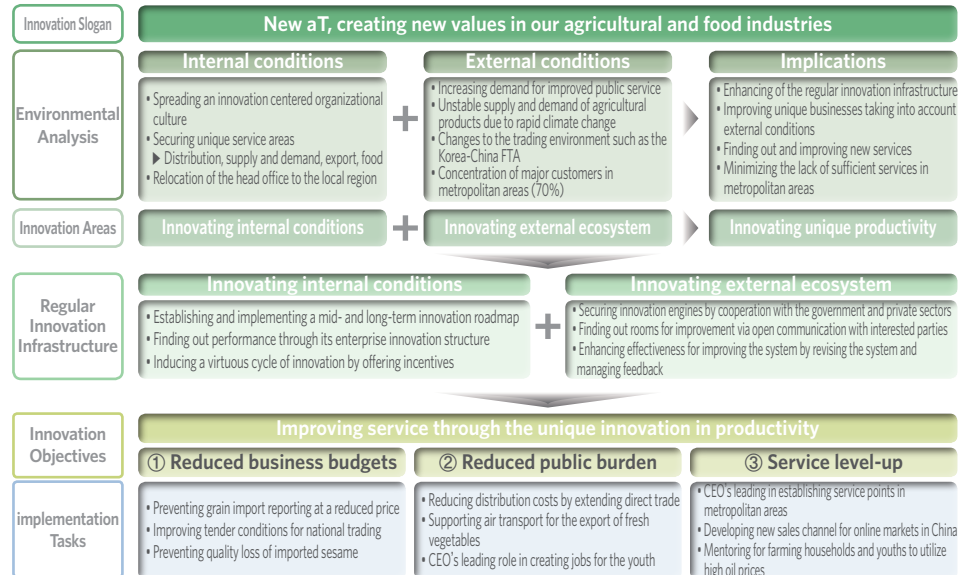
VOC Collecting Process



Enhanced Customer Satisfaction

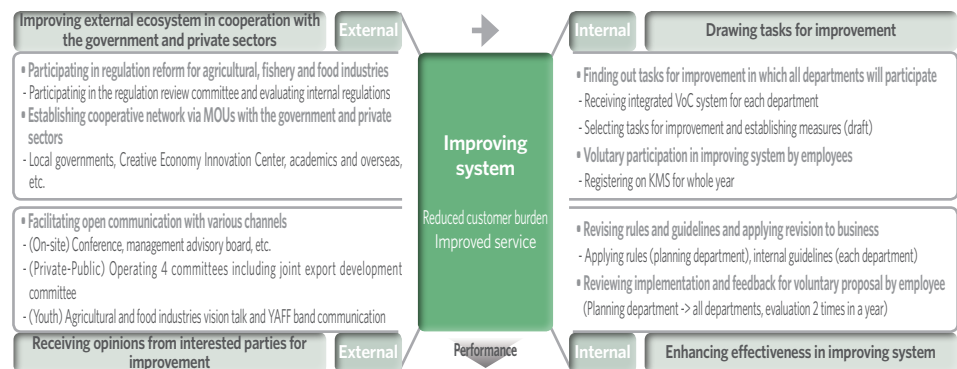
Establishment of Innovation System for Enhanced Public Services

aT is establishing the following innovation system under CEO's strong commitment to customer oriented management innovation:



Facilitating Communication with Various Channels

aT is committed to open communications with various internal and external channels in order to improve customer satisfaction and secure driving engine for its innovation. aT continues to improve customer oriented system by receiving opinions from interested parties and finding out internal tasks for improvements.



Improving VOC Collection and Analysis Process

In 2015, aT enhanced its relationship of each department with customers by connecting internal management evaluation indicators with VoC management indicators. In addition, aT now receives online opinions every month and listens to on-site voices from customer visits to improve its system and reflect in its businesses. As a result, aT achieved A grade in customer satisfaction for public organizations for 9 consecutive years since 2007.

Enhancing Protection of Customer Information

aT has separated its internal and external networks completely in order to prevent leakage of internal information and hacking fundamentally for enhanced protection of customer information and security, thus blocking malicious code completely and automatically detecting any private information stored in individual PCs for encryption while establishing the following leakage preventing system for every possible path with which private information may be released for more enhanced privacy protection.

Leakage Path	PC (2009)	Website (2014)	E-mail (2015)
Blocking Method	Media Control	Private Information Filtering	Prevention of Leakage for Private Information

Facilitating Communications with Customers

Extended Disclosure to the Public for aT Production Information

Providing One-Stop Service for Export of Agricultural and Food Products

aT provides export information with which companies can cope with ever changing export environment in a timely manner. Since Korea-China FTA became in effect, aT has prepared measures to enter the markets in China by investigating potential export items for each province and city in China, market trends in countries with which Korea made FTAs, Halal, Kosher, dairy processed food and other premium food market trends with in-depth information while providing one-stop information service by means of mobile export statistics search, e-mails, mails and other means customized for various information channels. As aT has successfully provided overseas market information customized for each export company and joint investigation results among export companies for target markets, 93.1% of the consumers expressed that they were satisfied at its system.

Result of Consumer Satisfaction Survey for Export Information

(Unit : person)									
Index	Market Statistics	Market Trends	Competitor's Product	Distribution Structure	Customs Quarantine	Tariff and Tax	License, Approval and Registration	Labeling Additives	Total
Much satisfied	58	52	52	48	39	34	36	30	349
Satisfied	41	32	43	32	28	16	31	32	255
Neutral	3	4	10	7	3	4	7	4	42
Dissatisfied	0	0	1	0	0	0	0	1	2
Much dissatisfied	0	0	1	0	0	0	0	0	1
Total	102	88	107	87	70	54	74	67	649

- For overseas market investigation data, it was indicated that 93.1% were at least satisfied, 6.5% at neutral position while 0.4% were dissatisfied.
- Items with result in which respondent was at least satisfied include market statistics (97%) followed by customs quarantine (96%), market trends (95%), tariff and tax (93%), labeling additives (93%), distribution structure (92%) and license and approval (91%) and competitor's product (89%).



Mobile Export and Import Statistics System

Distribution Information

aT produces price information of domestic agricultural and fishery products and support development of new businesses by private companies by utilizing extended distribution information from cooperation with local governments, press media and other related organizations, big data and Open APIs. aT provides price information services in connection with 26 different external organizations and aT price database to private companies while successfully establishing greenhouse control system for horticulture facilities. *Companies using the system: Noroo Korbis, KT Institute of Convergence Technology, etc. aT disclosed its price information database related to agricultural and fishery products for enhanced utilization by private companies and the public and contributed to the establishment of the distribution order for agricultural products. Such effort was recognized by 2015 Mobile Awards Korea for the public service category.

- ① Mobile Awards Korea 2015 Grand Prize for the public service category (Digital Chosun Ilbo)
- ② 2015 Korea Mobile Awards Excellence Prize for the public service category (Money Today)



Mobile Awards Korea 2015

Information Sharing and Distribution Through Excellent Business Performance Contests

aT holds excellent business performance contests every year to select creative ideas from employees and departments to identify excellent performance and spread them. Selected excellent performances are published as a case study (aT's Happy Change) and distributed and selected employees are listed on the Hall of Fame (Proud aT Person) for external distribution while rewards being given to such employees and departments with premium in their human resource evaluation and incentive systems encouraging employees to focus on business innovation and suggest new ideas.



Excellence and casebook (aT's Happy Change)

Environmental Management



Approach



Risk & Opportunity

aT leads environmental protection in combination with its unique businesses. aT has reduced logistics energy by improving distribution system for domestic agricultural products, constructing eco-friendly reserve stations, providing training for eco-friendly agricultural products and purchasing green products for its diversified efforts for energy saving.

The existing distribution structure for agricultural products in Korea requires multilevel distribution process from producers to consumers and has logistics backflow as northbound and southbound distribution take place at the same time causing unnecessary environmental cost and carbon emission. Thus, aT can reduce environmental cost during the distribution process by simplifying distribution structure with eco-friendly warehousing and logistics and distribution of agricultural products through its Cyber Exchange.



2015 Performance

aT reduced fuel consumption required for intermediate distribution by 3.7 million liters in a year through its cyber exchange. While constructing reserve stations in 4 different locations, aT applied eco-friendly construction materials and facilities to actively meet the eco-friendly recommendations by the government. It also installed low-temperature storages that does not damage ozone layer to obtain green certifications. In addition, aT operates green product purchasing month event once in a year to encourage its employees to purchase green products while promoting the governmental policy for green agricultural products and certifications and providing training to foster experts in distribution of green agricultural products.



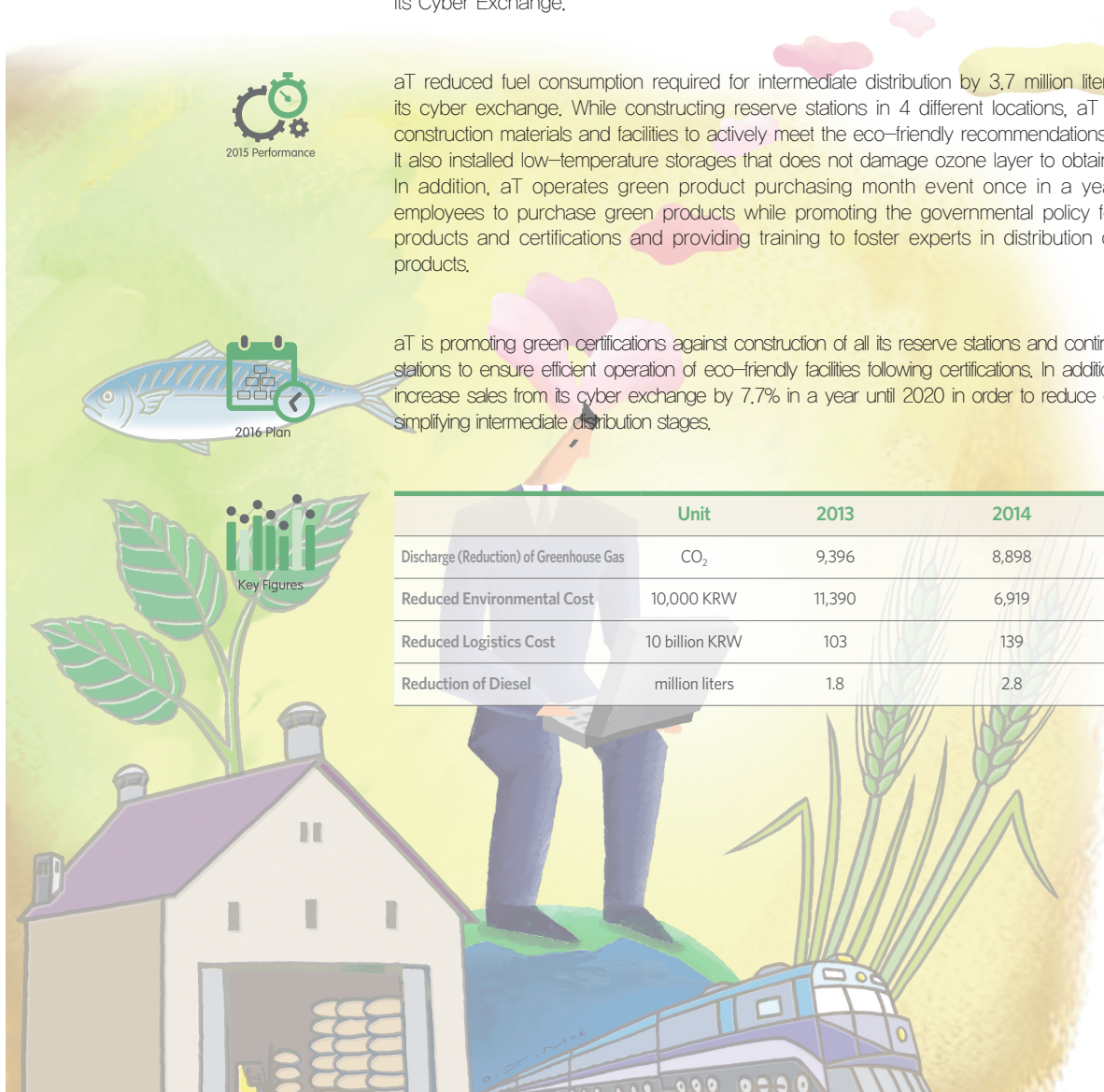
2016 Plan

aT is promoting green certifications against construction of all its reserve stations and continuously manage such stations to ensure efficient operation of eco-friendly facilities following certifications. In addition, aT will continue to increase sales from its cyber exchange by 7.7% in a year until 2020 in order to reduce environmental cost by simplifying intermediate distribution stages.



Key Figures

	Unit	2013	2014	2015
Discharge (Reduction) of Greenhouse Gas	CO ₂	9,396	8,898	8,524
Reduced Environmental Cost	10,000 KRW	11,390	6,919	9,561
Reduced Logistics Cost	10 billion KRW	103	139	145
Reduction of Diesel	million liters	1.8	2.8	3.7



Improving Reserve Stations

Constructing Eco-Friendly Reserve Stations

National certification system certifying a green technology or a promising green project to clearly stipulate the object and scope of supporting green investment and concentrate on investment according to Low Carbon Green Growth Basic Act. While constructing reserve stations in 4 different locations, aT applied eco-friendly construction materials and facilities to actively meet the eco-friendly recommendations by the government. It also applied eco-friendly refrigerant (R134a) that does not damage ozone layer at all to low-temperature storages while designing overall reserve stations as green buildings, thus planning to obtain green certifications. In addition to this, it applied complete LED lighting for energy saving and used products with green certifications to their main facilities for installation. Further, aT will use rainwater for landscaping and auxiliary water resources.

Support for Distribution of Eco-Friendly Agricultural Products

aT continues to strive for reducing carbon emission during the distribution of agricultural products. Existing distribution system caused unreasonable distribution processes in which northbound logistics and southbound logistics move at the same time. aT has paid attention to this point and switched its center of intermediate distribution process from offline to online environment so that eco-friendly agricultural products can be delivered from producers to consumers fast while keeping them fresh and at the same time reducing the food mileage (absolute distance) of the agricultural products.

For the year of 2015, aT has reduced 3.7 million liters of fuels required for intermediate distribution by operating its cyber exchange resulting in reduced cost for CO₂ of 8,524 tons and 95.61 million KRW for environmental cost.

Typical Distribution System for Agricultural Product and Environmental Saving Cost



Training for Distribution of Eco-Friendly Agricultural Products

aT provides training for distribution of eco-friendly agricultural products to those involved in related areas including producer associations, farming households and production area distributors. aT provides training with various contents covering policy directions for eco-friendly cultivation, certification systems for eco-friendly agricultural products and their certification criteria, quality control for each distribution stage, marketing strategies and commercialization strategy for each distribution channel so that aT can foster experts in eco-friendly agricultural products.

Encouraging to Purchase Green Products

aT operates green product purchasing month event once in a year to encourage its employees to purchase green products while providing trainings for prior purchasing of recommendations by the government, preparing contracting manuals and offering consultancy for purchasing contracts.

Green Certification*

Certification system based on the Framework Act on Low Carbon Green Growth to utilize and promote promising green technology as new growth engine for energy saving and resource reduction

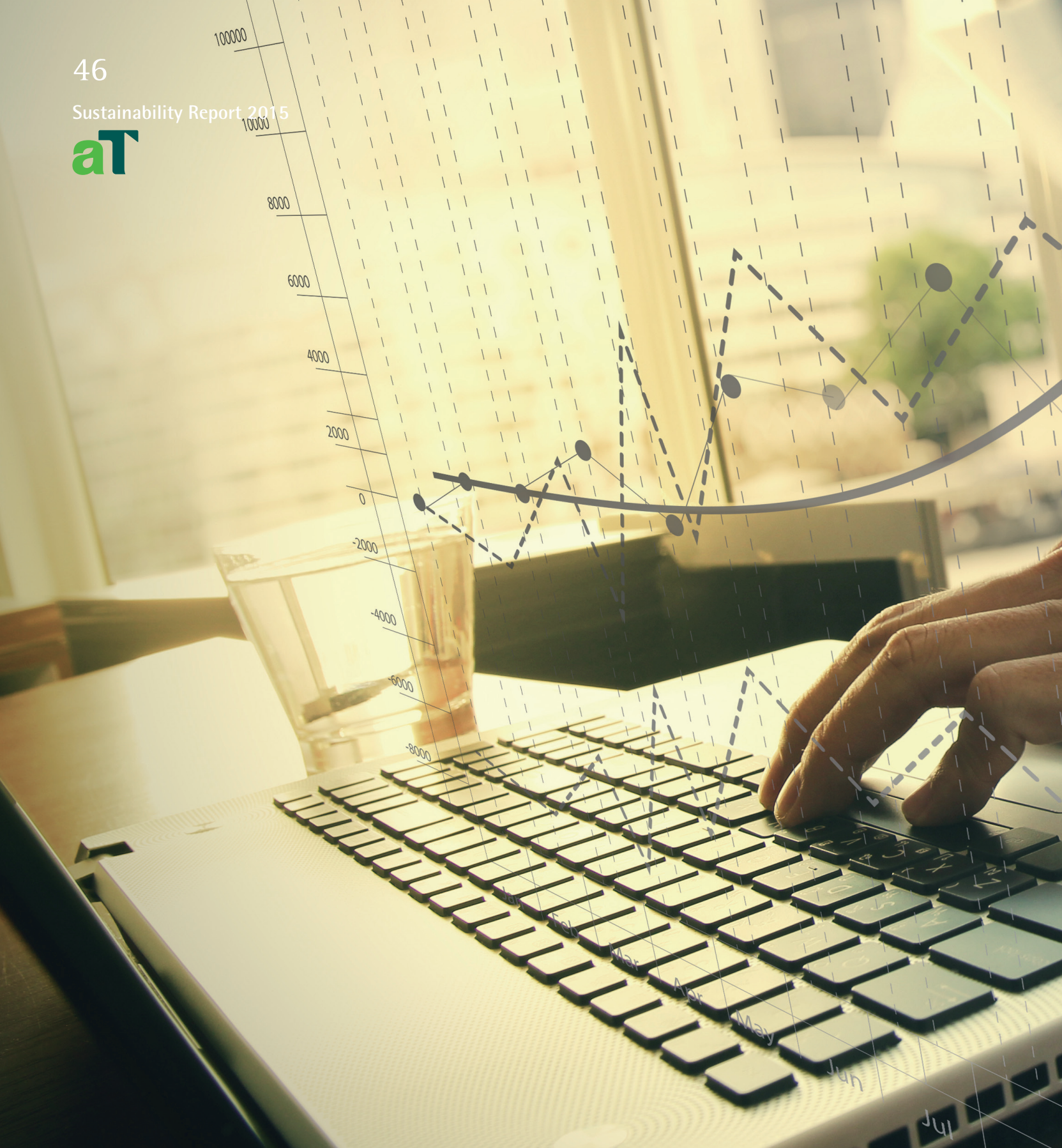
2015 Reduced Environmental Cost

Index	Price	Unit	Remark
Reduced Logistics Cost	145	10 billion KRW	Intermediate distribution cost (4.1% of the B2B sales)
Fuel Cost	49	10 billion KRW	34% of the logistics cost
Reduction of Diesel	3.7 million	Liters	1,300 KRW/liter (diesel)
CO ₂ Emission	8,524	tCO ₂	Based on IPCC emission calculation *IPCC: Intergovernmental Panel on Climate Change
Reduced Environmental Cost	9,561	10,000 KRW	10,000 KRW/tCO ₂ * Average price for KRX

* IPCC Emission Coefficient Based Carbon Calculator
(Source: Korea Energy Agency)



Eco-Friendly Agricultural Product Distribution Management Course



Operation & Achievement

Operation & Achievement



Financial Performance

Consolidated Financial Statement

(Unit: million KRW)

Index	2013	2014	2015
Current asset	804,111	574,960	486,093
Non-current asset	531,725	607,210	578,392
Total asset	1,335,836	1,182,170	1,064,485
Current liabilities	685,691	620,343	465,556
Non-current liabilities	421,032	381,630	413,572
Total liabilities	1,106,723	1,001,973	879,128
Capital	130,440	68,338	68,338
Earned surplus	97,501	110,879	115,246
Accumulated other comprehensive income	1,153	980	1,773
Non-controlling interests	19	-	-
Total equity	229,113	180,197	185,357
Total liabilities and equity	1,335,836	1,182,170	1,064,485

Consolidated Statement of Comprehensive Income

(Unit: million KRW)

Index	2013	2014	2015
Sales revenue	288,621	299,919	315,774
Cost of sales	262,385	275,976	294,746
Gross profit	26,236	23,943	21,028
Selling and administrative cost	16,868	13,925	16,291
Operating profit	9,368	10,018	4,737
Non-operating profit	6,918	15,307	3,420
Non-operating expenses	2,332	1,189	1,421
Income before income tax expenses	13,954	24,136	6,736
Income tax expenses	4,232	4,906	2,186
Net income	9,722	19,230	4,550

Financial Statement

(Unit: million KRW)

Index	2013	2014	2015
Current asset	793,707	573,404	485,869
Non-current asset	541,556	605,088	575,865
Total asset	1,335,263	1,178,492	1,061,734
Current liabilities	686,475	618,125	463,631
Non-current liabilities	417,487	380,180	413,607
Total liabilities	1,103,962	998,305	877,238
Capital	130,440	68,338	68,338
Earned surplus	101,428	112,437	117,321
Accumulated other comprehensive income	-567	-588	-1,163
Total equity	231,301	180,187	184,496
Total liabilities and equity	1,335,263	1,178,492	1,061,734

Statement of Comprehensive Income

(Unit: million KRW)

Index	2013	2014	2015
Sales revenue	288,405	299,610	314,964
Cost of sales	263,495	276,476	294,682
Gross profit	24,910	23,134	20,282
Selling and administrative cost	13,925	12,702	14,951
Operating profit	10,985	10,432	5,331
Non-operating profit	6,606	14,108	3,356
Non-operating expenses	1,703	2,789	1,421
Income before income tax expenses	15,888	21,751	7,266
Income tax expenses	4,310	4,890	2,199
Net income	11,578	16,861	5,067

Sustainable Management Performance

Social

Index	Unit	2013	2014	2015
KoBEX SM	-	AAA Grade	AAA Grade	AAA Grade
Anti-corruption competitiveness evaluation	-	Normal	Best	Excellent
Integrity evaluation	Pts	8.3	8.24	8.38
Customer satisfaction for public organizations	Grade	Excellent	A Grade	A Grade
Internal customer satisfaction	Pts	91.1	91.2	95.8
Monitoring of response to customer calls	Pts	93.7	91.1	91.2
Training cost per person	1,000 KRW	1,069	937	1,281
Training hours per person	Hr	94.4	100.9	104.9
Number of females with managers or higher positions	No.	66	64	64
Turnover rate	%	1	2.3	1.2
Number of employees - male	No.	449	450	431
Number of employees - female	No.	151	144	174
Number of employees - total	No.	600	594	605
Number of employees - disabled	No.	18	20	18
Number of overseas recruitments	No.	33	42	44
Labor union participation rate	%	100	100	100
Effort to meet the governmental recommendation - small and medium company products	million KRW	20,274	56,769	43,130
Effort to meet the governmental recommendation - social enterprises	million KRW	483	697	517
Effort to meet the governmental recommendation - female enterprises	million KRW	1,752	1,865	4,518
Effort to meet the governmental recommendation - products by the severely disabled	million KRW	339	430	369
Effort to meet the governmental recommendation - green products	million KRW	1,946	1,151	656
Effort to meet the governmental recommendation - products by those rehabilitating Veterans Village with national merits	million KRW	339	499	56

Environmental

Index	Unit	2013	2014	2015
Electricity	MWH	15,638	15,582	14,669
	tCO ₂ eq	7,291	7,265	6,839
	TJ	140.7	140.2	127.8
Gas	tCO ₂ eq	1,857	1,471	1,534
Gasoline	Liter	58,315	38,405	35,195
	tCO ₂ eq	130	84	79
Diesel	Liter	44,136	29,248	27,000
	tCO ₂ eq	118	78.03	72.06
Indirect greenhouse gas emission	tCO ₂ eq	7,291	7,265	6,789
Direct greenhouse gas emission	tCO ₂ eq	2,105	1,633	1,735
Greenhouse gas emission	tCO ₂ eq	9,396	8,898	8,524

*Source: 2015 aT Greenhouse Gas Reduction Performance Report (Submitted to the Ministry of Environment)



Appendix



Appendix



Awards, Prizes and Subscription to Associations

Awards and Prizes

Date	Awards	Given by
'15.02	2014 Anti-corruption Policy Evaluation 'Best Organization'	Anti-corruption & Civil Rights Commission
'15.04	KAMIS Price App 'Mobile Awards Korea 2015 Grand Prize in Public Service Category'	Digital Chosun Ilbo
'15.06	2014 Government Management Evaluation for Public Organizations A Grade	Ministry of Strategy and Finance
'15.08	Korea Best Management Awards (Global Management Category)	Maeil Business News
'15.09	Appreciation Plaque for Contribution to Food Service Development and Business Improvement for Small Storeowners	Busan Excellent Food Service Area
'15.09	National Productivity Award (Sustainable Management)	Ministry of Trade, Industry and Energy
'15.10	Presidential Prize for 2015 Korea Sharing Awards	Ministry of Health and Welfare
'15.10	Appreciation Plaque by Korean Red Cross	Korean Red Cross
'15.11	2015 'Korea Ethics Management Awards'	Korea Ethics Academy
'15.11	'2015 Korea Mobile Awards' Excellence Prize for Public Service Category	Money Today
'15.12	Korea Distribution Awards Promotion of Local Economy	Korea Chamber of Commerce & Industry
'15.12	Best Records Management Organization (Presidential Prize)	Ministry of the Interior
'15.12	2015 Minister Prize for Labor-Management Culture Awards	Ministry of Employment and Labor

Subscription to Associations

Index	Association	Purpose
Economy	Korea Productivity Center (KPC)	Collecting information for enhancing management and productivity, training
Economy	Korea Management Association (KMA)	Management information exchange and training
Economy	Korea Distribution Association	Information sharing in industrial policy for food distribution areas
Economy	Korea FAO Association	Exchange and use of international agricultural information
Economy	Overseas Agri-Development Service	Network and information exchange for overseas agriculture
Economy	Korea International Trade Association	Facilitating export and import works and collecting international information
Economy	Korea Meat Trade Association	Information exchange for export of animal products
Economy	Korean Federation of Fishery Industry	Information exchange and promoting development for fishery industry
Social	East-Asia Agricultural Association of Korea	Finding policies for agricultural development and information exchange
Social	Korea 4-H Association	Information exchange for rural development and growth
Social	Auditing Forum for Public Organizations	Information exchange for integrity and anti-corruption
Social	Auditing Council for Public Organizations in Gwangju-Jeonnam Innovation City	Information exchange for integrity and anti-corruption in the innovation city
Social	Korean Society for Quality Management	Network and information exchange for enhancing quality competitiveness
Economy	Distributors Forum for Agricultural and Food Products	Exchange and information sharing for agricultural and food product distribution industry

UNGC Advanced Level 23 Principles

	Principles	GRI G4 Index
1	Describes discussions regarding strategic aspects of implementing Global Compact by the management and the board of directors	G4-1
2	Explains decision-making process and governance structure system for sustainability	G4-34
3	Describes participation by all important interested parties	G4-24 - G4-27
4	Describes activities to support a wide range of UN objectives and issues	G4-15, G4-16
5	Describes strong initiatives, strategies or policies in human rights	
6	Describes management system effective in integration of principles related to human rights	G4-11, G4-15, G4-16, HR4
7	Describes effective monitoring and evaluation mechanism for principles related to human rights	
8	Applies standardized performance indicators (including GRI) to human rights	
9	Describes strong initiatives, strategies or policies in labor	
10	Describes management system effective in integration of principles related to labor	G4-10, LA1 - LA3, LA9 - LA11, LA12
11	Describes effective monitoring and evaluation mechanism for principles related to labor	
12	Applies standardized performance indicators (including GRI) to labor	
13	Describes strong initiatives, strategies or policies in environmental management	
14	Describes management system effective in integration of environmental principles	EN3, EN6, EN15, EN16, EN19, EN22, EN23
15	Describes effective monitoring and evaluation mechanism for environmental management	
16	Applies standardized performance indicators to environmental management	
17	Describes strong initiatives, strategies or policies in anti-corruption	
18	Describes management system effective in integration of principles related to anti-corruption	G4-56, SO3 - SO5 G4-56,
19	Describes effective monitoring and evaluation mechanism for integration of principles related to anti-corruption	
20	Applies standardized performance indicators to anti-corruption	
21	Explains implementation of Global Compact principles within value chains	G4-12
22	Provides information regarding the corporation profile and its operational environment	G4-3 - G4-16
23	Includes a high level of transparency and disclosure	G4-28 - G4-33



Verification Notes

Dear all stakeholders of Korea Agro-Fisheries & Food Trade Corporation,

Korea Productivity Center (hereinafter referred to as “Verifier”) was requested to carry out a third-party verification of ‘2015 Sustainable Management Report (hereinafter referred to as ‘Report’)’ by Korea Agro-Fisheries & Food Trade Corporation and presents its verification notes as follows:

Responsibility and Independence

Korea Agro-Fisheries & Food Trade Corporation is solely responsible for information and opinions described in this Report. Verifier is responsible for verification notes. As an independent verification body, Verifier did not participate in preparation of this Report and has no interest with Korea Agro-Fisheries & Food Trade Corporation which may compromise its independence.

Verification Criteria

Verifier carried out its verification in accordance with the type 1 verification at a moderate level based on AA1000AS (2008). In addition, it also verified conformity to inclusivity, materiality and responsiveness in accordance with AA1000APS (2008) and confirmed whether the Report complied with GRI G4 Guideline or not.

Limitation

This verification was carried out against the performance of 2015 in accordance with abovementioned criteria and the reliability of the performance described in the Report was confirmed as follows. Verifier reviewed public notice submitted to the government in order to verify information in the Report and some of the data were verified by sampling-based on-site verification. On-site verification was limited to the head office and therefore the result may differ in future by additional verification procedures.

Verification Method

This verification was carried out in accordance with the following method. The Report was verified whether it conformed to requirements against Core Option in GRI G4 Guidelines. Based on GRI G4 Guidelines, reporting contents and compliance with the quality principles were verified. Selection of material issues and descriptions in the Report was verified for their adequacy by media research and benchmarking analysis. On-site verification at the head office confirmed support for major data and information while evaluating internal process and system.

Verification Result

Verifier confirmed that Korea Agro-Fisheries & Food Trade Corporation had applied its sustainable management activities and their performance in a fair and sincere manner. In addition, it was also confirmed that the Report conformed to the requirements against Core Option in GRI G4 Guideline.

For General Standard Disclosures, it was confirmed that the Report was prepared in compliance with the requirements against Core Option and for Specific Standard Disclosures, DMA (Disclosure on Management Approach) and indicators were reviewed against material issues drawn from decision-making process of reporting items.

Inclusivity : Participation by stakeholders

Korea Agro-Fisheries & Food Trade Corporation had its stakeholders participate in the discussion of issues related to sustainable management. It was confirmed that the Report distinguished customers, employees, governmental/public organizations, partners, media/NGOs and local communities as its interested parties and issues related to sustainable management were monitored through communication channels for each interested party. In future, this participation system for interested parties should allow the corporation to use interests and expectations collected from these communication channels at its organizational level.

Contents	Material Aspect
Stable Procurement of Reliable Food	Economic Performance
Acquisition of New Growth Engine for Agricultural Products	
Employee Satisfaction	Training and Education Labor/Management Relations Diversity and Equal Opportunity
Mutual Development	Supplier Assessment for Labor Practices
Investment and Development of Local Communities	Local Communities
Customer Satisfaction	Product and Service Labeling Customer Privacy
Environmental Management	Energy Emissions Effluents and Waste Transport

Contents	DMA & Indicators
Stable Procurement of Reliable Food	DMA, G4-EC1
Acquisition of New Growth Engine for Agricultural Products	
Employee Satisfaction	DMA, G4-LA9, G4-LA10, G4-LA11, G4-LA4, G4-LA12
Mutual Development	DMA, G4-LA14
Investment and Development of Local Communities	DMA, G4-S01
Customer Satisfaction	DMA, G4-PR5
Environmental Management	DMA, G4-EN3, G4-EN6, G4-EN15, G4-EN16, G4-EN19, G4-EN22, G4-EN23, G4-EN30

Materiality : Selection and Reporting of Material Issues

It was confirmed that Korea Agro-Fisheries & Food Trade Corporation has identified issues related to its sustainable management and businesses by means of global standards related to sustainable management, media analysis, internal data analysis and benchmarking, and its evaluation of importance selected core issues according to the impact level to its businesses and interest level by its interested parties. In addition, those selected core issues were structured by two issues in its businesses and five ones in its sustainability applied to the Report.

Responsiveness : Organizational Response to Issues

It was confirmed that Korea Agro-Fisheries & Food Trade Corporation strived for its responsiveness to specific topics by developing its Report with 7 topics and detailing external environment, internal process, promotional strategy, major performance and future plan.

Recommendation

Verifier highly recognizes various efforts and performance by Korea Agro-Fisheries & Food Trade Corporation to enhance its sustainable management and recommends the following so that it can improve the Report and the level of the sustainable management.

- Participation system for interested parties should draw issues related to sustainable management based on the outcomes of the various communication channels operated on a regular basis. In order for this, it is required to have a promotional organization for integrated management of issues and it is recommended to manage, share, cope with and achieve performance for such issues to reflect them in the Report.
- It is expected to establish sustainable management strategies, mid- and long-term plan and tasks in order to disclose the performance on a continued basis.



April, 2016

Hong Soon Jick, CEO of Korea Productivity Center

Kim Dong-su,
Center Director

Lee Gi-hwan,
Team Leader

Park Tae-ho,
Team Leader

Yoo Jeong-a,
Researcher

Korea Productivity Center Sustainability Management Department is a verification body officially recognized by AccountAbility, a global standard developer of AA1000 and is eligible for independent verification. In addition, its verifier group consists of professionals experienced in sustainable management consultancy and verification and qualified by appropriate training.

* AA1000AS (2008): AA1000 Assurance Standard (2008), a global verification standard published by AccountAbility which provides a methodology to report sustainable management issues by evaluating organizational operation against management performance, compliance with principles and reliability of performance data.

* AA1000APS (2008): AA1000 AccountAbility Principles Standard (2008), global verification principles published by AccountAbility which provides a framework on which AA1000 Standard is based.

GRI G4 Correspondence Table

General Standard Disclosures

● Complete reporting ● Partial reporting ○ No reporting N/A not applicable

Indicators	Indicators	Reporting level	Page
Strategy and Analysis			
G4-1	Statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	●	2-3
Organizational Profile			
G4-3	Name of the organization	●	8
G4-4	Primary brands, products, and services	●	6-7
G4-5	Location of the organization's headquarters	●	8
G4-6	Number and names of countries where the organization operates	●	8
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	●	8
G4-9	Scale of the organization	●	48
G4-10	Size of human resources	●	49
G4-10	Total number of employees	●	49
G4-12	Organization's supply chain	●	36-37
G4-13	Significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain	●	10, 48
G4-14	Whether and how the precautionary approach or principle is addressed	●	11
G4-15	List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	●	52
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations to which the organization the organization subscribes	●	52
Identified Material Aspects And Boundaries			
G4-17	All entities included in the organization's consolidated financial statements or equivalent documents but not covered by the report	●	8
G4-18	Process for defining the report content and the Aspect Boundaries, how the organization has implemented the Reporting Principles for Defining Report Content	●	16-17
G4-19	List of all the material Aspects identified in the process for defining report content	●	16-17
G4-20	Aspect Boundary within the organization for each material Aspect, limitation regarding the Aspect Boundary within the organization	●	About this Report, 8
G4-21	Aspect Boundary outside the organization for each material Aspect, limitation regarding the Aspect Boundary outside the organization	●	About this Report, 8
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	●	About this Report
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	●	About this Report
Stakeholder Engagement			
G4-24	List of stakeholder groups engaged by the organization	●	14-15
G4-25	Basis for identification and selection of stakeholders with whom to engage	●	14-15
G4-26	Organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	●	14-15
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	●	14-15
Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided	●	About this Report
G4-29	Date of most recent previous report, if any	●	About this Report
G4-30	Reporting cycle (such as annual, biennial)	●	About this Report
G4-31	Contact point for questions regarding the report or its contents	●	About this Report
G4-32	'in accordance' option the organization has chosen	●	56-58
G4-33	External Assurance Report, if the report has been externally assured	●	54-55
Governance			
G4-34	Report the governance structure and its composition including the role of the highest governance body in evaluating economic, environmental and social performance	●	10
G4-38	Composition of the highest governance body and its committees	●	10
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	●	10
Ethics and Integrity			
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	●	12-13

Specific Standard Disclosures

● Complete reporting ● Partial reporting ○ No reporting N/A not applicable

Indicators	Indicators	Reporting level	Page
Economic category			
Economic Performance			
	DMA	●	20, 25
G4-EC1	Direct economic value generated and distributed	●	48
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	○	-
G4-EC3	Coverage of the organization's defined benefit plan obligations	○	-
G4-EC4	Financial assistance received from government	○	-
Indirect Economic Impacts			
	DMA	●	38
G4-EC7	Development and impact of infrastructure investments and services supported	●	38-40
G4-EC8	Significant indirect economic impacts, including the extent of impacts	●	36-37
Environmental category			
Energy			
	DMA	●	44
G4-EN3	Energy consumption within the organization	●	49
G4-EN4	Energy consumption outside the organization	○	-
G4-EN5	Energy intensity	○	-
G4-EN6	Reduction of energy consumption	●	49
G4-EN7	Reductions in energy requirements of products and services	○	-
Emissions			
	DMA	●	44
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	●	49
G4-EN16	Indirect greenhouse gas (GHG) emissions	●	49
G4-EN17	Other indirect greenhouse gas (GHG) emissions	○	-
G4-EN18	Greenhouse gas (GHG) emissions intensity	○	-
G4-EN19	Reduction of greenhouse gas (GHG) emissions	●	49
G4-EN20	Emissions of ozone-depleting substances (ODS)	○	-
G4-EN21	NOx, SOx, and other significant air emissions	○	-
Effluents and Waste			
	DMA	●	44
G4-EN22	Total water discharge by quality and destination	●	44-45
G4-EN23	Total weight of waste by type and disposal method	●	44
G4-EN24	Total number and volume of significant spills	○	-
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	○	-
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharge of water and runoff	○	-
Transport			
	DMA	●	44
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce	●	44-45



Specific Standard Disclosures

● Complete reporting ◐ Partial reporting ○ No reporting N/A not applicable

Indicators	Indicators	Reporting level	Page
Social category			
Subcategory: Labor practices and decent work			
Employment			
	DMA	●	32
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	●	34, 49
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	●	34
G4-LA3	Return to work and retention rates after parental leave, by gender	●	49
Labor/Management Relations			
	DMA	●	32
G4-LA4	Minimum notice periods regarding operational changes	●	33
Training and Education			
	DMA	●	32
G4-LA9	Average hours of training per year per employee by gender, and by employee category	●	49
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	◐	34
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	◐	49
Diversity and Equal Opportunity			
	DMA	●	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	●	34, 49
Supplier Assessment for Labor Practices			
	DMA	●	36
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	◐	37
Subcategory: Human rights			
Freedom of Association and Collective Bargaining			
	DMA	●	32
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	◐	33
Subcategory: Society			
Local Communities			
	DMA	●	38
G4-SO1	Percentage of operations with implemented local community engagement, impact assessment, and development programs	●	39-40
G4-SO2	Operations with significant actual and potential negative impacts on local communities	○	-
Anti-corruption			
	DMA	●	12-13
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	●	12-13
G4-SO4	Communication and training on anti-corruption policies and procedures	●	12-13
G4-SO5	Confirmed incidents of corruption and actions taken	●	13
Subcategory: Product responsibility			
Product and Service Labeling			
	DMA	●	41
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	○	-
G4-PR4	Total number of incidents on non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	N/A	N/A not applicable
G4-PR5	Results of surveys measuring customer satisfaction	●	42
Customer Privacy			
	DMA	●	41
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	N/A	N/A not applicable



aT's CI

aT' CI has a combination of a small letter 'a' and a capital letter 'T'. The small letter 'a' illustrates a feeling that a new sprout is popping out indicating aT's development and productive image that grows from a small thing to a big one.

A spoon-like shape together with CI symbolizes aT's role that it is responsible for supply of safe food to people. The capital letter 'T' symbolizes the towering image of its aT Center representing a global public corporation to offer the best quality of service.

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aT's Social Media



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This report was printed on eco-friendly papers with soy ink.



for **Tomorrow**