2022

Incheon Housing & City Development Corporation

ESG Report

Urban regeneration with citizens,
Housing-welfare-leading public corporation, iH

2022 ESG Report

인천도시공사

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About this report

Report features

The 2022 ESG report of the Incheon Housing and City Development Corporation (iH) is the corporation's first publication of an ESG report. Based on its vision of urban regeneration and being a leading public corporation in housing welfare, iH aims to become a first-class public corporation and includes its economic, social, and environmental value creation objectives and achievements in the report. iH will continue to publish ESG reports annually to communicate with stakeholders about its efforts and achievements in ESG management.

Reporting Period

· January 1, 2022 to December 31, 2022
· Qualitative performance: some activities in the first half of 2023 may be included if deemed relevant
· Quantitative performance: data from three years (2020-2022) is reported to observe trends over time

Reporting Scope

· iH (Incheon Housing and City Development Corp.) headquarters
· Financial information: The 'Local Public Enterprises Act and the Standards for Settlement of Local Public Enterprises' are followed, and matters not specified in the 'Local Public Enterprises Act and the Settlement Standards for Local Public Enterprises' follow the accounting standards for general corporations.
· Social/Environmental information: scope of reporting for each information is separately indicated in case of data collection limitations.

Reporting Standards and Principles

This report was prepared in accordance with GRI Standards and also reflects sustainability accounting standards (SASB), reporting standards of the Task Force on Climate-related Financial Disclosures (TCFD), ISO 26000, UN Global Compact's Ten Principles, and UN SDGs 17 Goals.

Third-party Verification

This report was independently verified by third-party experts who did not participate in the selection and preparation of the key reporting issues. The verification process ensures the objectivity, fairness, and reliability of the content included in the report. Information on the verification methodology, related standards, verification results, and other relevant information regarding the verifier can be found on the 95-96 page.

For Questions

For additional information and comments on this report, please contact us at the address below.

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INTRO

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CEO Message

"We will create a world-class city of happiness for our citizens in Incheon"

Respected stakeholders,

Incheon Housing and City Development Corporation (hereinafter referred to as iH) aims to contribute to improving the quality of life for citizens and developing local communities through urban development projects, including the acquisition and development of housing and land, leasing and management operations, and urban regeneration projects. Since its establishment in 2003, iH has been practicing ESG (environmental, social, and governance) management under the name of sustainable management for a long time. Starting from the declaration of ESG management in December 2021, iH became a member of UNGC (UN Global Compact) in April 2022 to expand the scope of ESG management and strive to establish an ESG management system that meets global standards.

We promise to focus on the following four strategies to continue our unwavering commitment to ESG management.

First, as a public corporation, we will actively respond to the policies of the government and Incheon City by pursuing a balanced profit business and non-profit business. In addition to profitable new city development and small to medium-sized land development projects, we will also strive to redirect the profits from these revenue businesses towards downtown revitalization and residential welfare projects for downtown residents and vulnerable populations. In particular, iH will play a pivotal role by actively participating in Incheon City's priority projects, focusing on the original downtown regeneration project and housing welfare project.

Second, we will proactively manage financial and investment risks. In 2021, iH recorded a net profit of approximately KRW 300 billion, and in 2022, we also recorded a net profit of KRW 140.3 billion, improving our debt-to-equity ratio. Furthermore, by introducing AMC operations and REITs structures since 2021, we have been growing into a real estate-specialized, comprehensive platform company, and are working to reduce financial risks. In the future, we plan to strengthen our financial management policies, such as by establishing a financial management task force and adjusting the investment timing of existing and new projects, to proactively manage risks. In addition, according to the outlook for the recovery of the real estate market, we try to be fully prepared to establish the foundation for iH's future business.

Third, we will contribute to achieving carbon neutrality and improving building energy efficiency. iH has also established a medium-to-long-term low-carbon development strategy. Based on it, we are implementing a zero-energy residential complex in the Geomdan housing construction project within the AA10-1BL district, and promoting the "Incheon small but strong SME R&D Special Zone" project to create an eco-friendly industrial complex and establishing a public-interest solar power plant. In the future, we will strive to establish new eco-friendly businesses, including implementing a green remodeling project for aging public rental housing through BIM-based smart construction technology, promoting renewable energy generation, and accelerating carbon credit trading businesses.

Fourthly, we will strive to create an ethical management and fair trade environment. Recently, iH has strengthened its human rights management by adding a "White" system (mediation and conflict resolution) to its existing "Red" (whistleblowing for corruption) and "Green" (forecasting of potential issues) systems, and has worked to establish an integrated ethical management system by building a records management system (RMS). In the future, iH plans to prevent recurrence by analyzing and diagnosing vulnerable areas of corruption and implementing tailored prevention measures for each type of corruption vulnerability. We will also enhance our compliance with integrity and ethical management through the establishment of relevant internal regulations and the strengthening of our internal compliance system.

Through the commitments made by Incheon Housing and City Development Corporation thus far, we aim to fulfill our role and responsibility as a public enterprise, actively and proactively responding based on change, innovation, and communication, and moving forward together with all stakeholders.

Thank you.

Dong-am Jo 조 동 암
The 12th President of Incheon Housing and City Development Corporation

iH INTRODUCTION

Company Overview

iH contributes to creating a vibrant Incheon where people and cultural industries coexist. By revitalizing historically and culturally significant areas, redeveloping industrial spaces, and regenerating residential areas that have fallen into disrepair, iH is promoting various businesses to establish eco-friendly Green New Deal infrastructure based on digital technology, such as zero-energy and smart residential buildings, to lead the wave of the fourth industrial revolution in the post-COVID era. iH designs a sustainable smart city that provides safe, convenient, and happy living, and leads urban development in Incheon.

Financial Status (As of the end of 2022)

	Capital	Assets
Authorized Capital	KRW 47.5 trillion	KRW 90.072 trillion
Paid-in Capital	KRW 28.527 trillion Cash : KRW 2.109 trillion Physical Assets : KRW 26.418 trillion	

Vision and Core Values

(Management Strategy and Implementation System)

Core Values

Mission: Urban space regeneration for improved quality of life of citizens Contribution to local community development

Vision: for urban regeneration with citizens Leading public enterprise for residential welfare

Guiding principle: Creativite mind, proactive behaviour, cooperative workplace

Management Goals and Strategies

Management Goal **"i-BEST"** - becoming a first-class public enterprise through management excellence.

Incheon & Mutual cooperation
Coexistence with local communities and revitalization of local construction business
- Fostering and supporting local businesses and SMEs
- Reinforcement of internal and external communication and win-win cooperation
- Governance-oriented, consumer-centered business promotion
- Expanding the participation rate of local businesses

Business strategy & Expert capacity
Strategic management Business strategy & sustainability management
- Strengthen smart business management and performance system
- Promotion of sustainable financial soundness
- Business innovation and employee competency enhancement
- Management based on the latest technology and strategy

Eco-friendly & smart future
Eco-friendly and smart future urban development
- Timely implementation of new and major development projects
- iH-type digital, green, human new deal infrastructure establishment
- Systematic implementation of regionally tailored urban regeneration

Social responsibility & Human rights management
Enhancing social responsibility and humarn rights management
- Budgeting and support for mutually beneficial development with the local community
- Establishment of advanced labor-management and human rights culture
- Improvement and operation of social contribution programs
- Implementation of happy housing welfare project service for the underprivileged

Transparency ethics management
Establishment of a transparent business system and citizen participation management
- Leaping forward as a first-class public corporation with integrity
- Establish disaster safety management system and strengthen prevention activities
- Strengthening work safety and transparency through clear regulation operation

Name	iH Incheon Housing and City Development Corporation
President	Dong-am Jo
Related law	Local Public Enterprise Act Article 49, Establishment and Operation Regulations of Incheon Housing and City Development Corporation
Purpose of Establishment	To contribute to the improvement of citizens' quality of life and the development of local communities through urban development projects.
Shareholder	Incheon Metropolitan City 100% (Paid-in Capital: KRW 2,852 billion as of the end of 2022)
Address	42, Injudae-ro 914beon-gil, Namdong-gu, Incheon, Republic of Korea
Phone Number	032-260-5000

CI

The iH logo, which combines the initials of Incheon and Housing in a shape resembling a roof that protects against rain, symbolizes the role of the corporation in ensuring the housing stability and welfare improvement of Incheon citizens. It also represents the meaning of connecting people, cities, and regions, like a bridge, which ultimately leads to the happiness and smiles of citizens.
The shape of a flower blooming when people come together represents iH's transformation through integration, as well as the creation of a globally attractive city of Incheon through harmony and cooperation between the corporation and citizens.

Brand

WELLCOUNTY

A combination of the words well-being and county
represents a community in the city that seeks to create a rich residential culture through communication and exchange, rediscovering the meaning of the forgotten community in the city. It is an apartment brand that enjoys state-of-the-art systems and natural spaces and pursues the warm and affectionate human relationships of Incheon's residential culture.

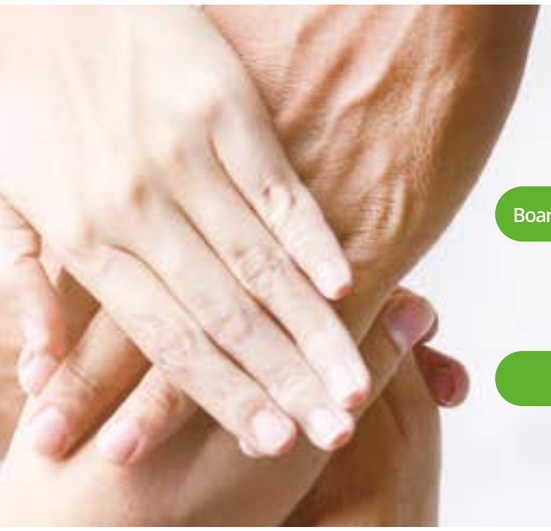
It is a space that makes our lives more abundant
The symbolic motif logo design depicts an image of falling into a luxurious life in the graphic located at the top of the wordmark, while the wordmark at the bottom is a modern and luxurious design with a light design.

HAEDREAM

Symbol of dreams and hopes:
Haedream is a brand that symbolizes dreams and hopes, and it represents the dreamy Incheon that gives a never-setting sun, giving customers a sense of dream and hope. It is a nature-friendly brand that emphasizes the importance of environmental sustainability.

A space that connects each other:
The symbol-type logo design that uses the main initial H of Haedream represents the meaning of 'a space that connects each other' with the H gathering together in the form of a bridge. The overall calm brown and warm gray tones convey a stable and comfortable feeling. The logo design emphasizes the importance of connection and community, which aligns with the brand's vision of creating a comfortable and connected living environment for its residents.

ORGANIZATIONAL CHART



HISTORY TIMELINES

2003~

05. 2003.
Establishment of Incheon Housing and City Development Corporation

2004~2006
Pre-Sale of Songdo Welcounty 1, 2, 4

04. 2004.
Declaration of Environmental and Cultural Management

11. 2005.
Sale of Nonhyeon Welcounty

07. 2006.
Founded a Handball Team

05. 2008.
Groundbreaking of Songdo Sondo Arena Park

2009~

05. 2009.
Groundbreaking of Songdo Global Campus and Geomdan General Industrial Complex

07. 2009.
Opening of Tomorrow City

05. 2010.
Groundbreaking of Dohwa District Urban Development Project

03. 2012.
Groundbreaking of Guwol Asiad Athletes Village

12. 2012.
Completion of Youngjong Sky City Phase 1

2014~

04. 2014.
Completion of Administration Town and JST

02. 2015.
Agreement on Public-Private Partnership for Social Housing

06. 2016.
Opening of Incheon Housing and City Development Corporation Call Center

11. 2016.
Opening of SaengdongGam 1st Village

03. 2018.
Opening of Incheon Metropolitan City Urban Regeneration Support Center

12. 2018.
Declaration of Human Rights and CS Management

2019~

03. 2019.
Completion of Dohwa District Urban Development Project

08. 2019.
Certification of Safety and Health-Management System (KOSHA18001), Completion of "Seoun" General Industrial Complex

09. 2019.
Completion of "Seoun" General Industrial Complex

12. 2019.
Commencement of Newstay, the first "Private Participation Rental REIT" (PPRREIT) in Korea

07. 2020.
Construction of the 7th phase of the Gwol ASIAD Athletes Village began

09. 2020.
Achieved a management rating of 'Grade A' from the Ministry of the Interior and Safety

2021~

01. 2021.
iH changed its English company name

02. 2021.
Incheon Metropolitan City Housing Welfare Center opened

05. 2021.
Acquired the first business license for operation of AMC as a local public enterprise

07. 2021.
Development of Korea's first Smart City app (Nest IEUM)

09. 2021.
Korea's first ESG bond issuance by a local public company

12. 2021.
Declaration of ESG management

2022

01. 2022.
Completion of Geomdan New City Phase 1 and Establishment of Future City Lab

04. 2022.
Completion of Publicly Supported Private Rental Housing for Urban Renewal Project and Private Rental Housing Support (The Sharp Bupyeong Central City)

04. 2022.
Joined the United Nations Global Compact

12. 2022.
Won the Innovation Excellent Case Award for Local Public Institutions in 2022

We design a safe and convenient smart city

iH has evolved into a comprehensive real estate platform that encompasses housing construction, urban development, urban regeneration, residential welfare, real estate finance, and asset management. We are building an eco-friendly green infrastructure based on digital technology to plan a livable space to live and strive to become a top-tier public enterprise that leads the way in ensuring citizens' housing stability and happiness.

Urban Development Projects

Carrying out various development projects, such as the creation of public housing districts for stable housing for low-income citizens and the development of luxury urban areas. At the same time, iH is also working to create an economic hub city with active communication and exchange, including the establishment of economic free zones and eco-science industrial complexes. In addition, iH strives to enhance the value of its assets and promote the improvement of the quality of life for Incheon citizens through fair and transparent compensation procedures in the process of urban development.

Gumdan New Town

Housing Construction Business

Provides high-quality apartments at a reasonable price in excellent locations to ensure a comfortable living environment for low-income families and those in need of housing. With the goal of providing a balanced and high-quality living environment, iH timely pursues housing supply projects that comply with government and Incheon city policies to achieve stable housing for low-income families.

Incheon Gumdan AA 27BL Publicly Supported Private Rental REIT Construction Project

Urban regeneration project

We are carrying out urban regeneration projects to revitalize deteriorating urban spaces due to population decline, changes in industrial structure, uncontrolled urban expansion, and aging housing environments, with the aim of improving the quality of life of residents. In order to promote the economic, social, physical, and environmental vitality of Incheon, we strengthen local capabilities and introduce new functions utilizing local resources to provide citizens with a pleasant living environment.

Housing construction business
The # BuPyeong Central City, Dong Incheon Station Park Prugio

Modern Architectural Heritage Regeneration Project No.1
Connection with the Port "Link" opened in 1977

Residential welfare projects

Residential welfare projects are designed to provide stable housing for low-income households, creating a happier present and a better future together. We are supplying more housing to income groups in a tailored manner, from newly constructed rental homes to purchasing existing multi-unit homes and providing security deposits for leases, to ensure that more citizens can have a warm home.
From move-in to move-out, we provide a variety of residential welfare services and improve aging facilities to ensure the continued happiness of our residents. We aim to create a better living environment for everyone.

Mobile unit work

Green remodelling completed (inside the units)

Asset Management Business

We discover and promote new businesses, such as Incheon city policy projects and investments in special purpose companies (SPCs), real estate investment trusts (REITs), and funds. We contribute to the balanced development of the city and the enhancement of local economic vitality by activating public REITs projects. iH operates three REITs that perform the role of an asset management company (AMC) responsible for building and managing rental housing, selling leased properties, and performing other asset management functions.

* AMC (Asset Management Company): A company that engages in the construction, leasing, operation, and management of rental housing, as well as conversion to sales, as part of its asset management activities.

Project Name	Project Scale	Business duration	Asset size (Unit: billion won)
Dohwa Publicly Supported Private Rental REIT (4BL)	520 units	2014~2026	1,301
Dohwa Publicly Supported Private Rental REIT (5.6-1BL)	2,105 units	2015~2026	4,719
Dohwa Public Rental REIT (6-1BL)	548 units	2015~2028	1,072

Budget Status by Project

(as of 02. 28. 2023)

	Number of business projects		Business cost (Unit: billion won)	
Urban Development Projects	18	19.6%	185,495	39.3%
Housing Construction Projects	22	23.9%	47,870	10.1%
Urban Regeneration Projects	13	14.1%	29,628	6.3%
Residential Welfare Projects	9	9.8%	3,256	0.7%
Asset Management Projects	23	25.0%	203,854	43.2%
Other Projects	7	7.6%	1,767	0.4%
Total	92		471,870	

* This is the total budget for both new and ongoing projects

INTRODUCTION OF iH BUSINESS

The Future City Lab

The Future City Lab was established to support efficient local R&D governance and meet the needs of Incheon citizens for sustainable future management through differentiated R&D initiatives. Based on the experience and expertise accumulated thus far, we aim to establish a medium-to-long-term corporate research institute, and carry out various research projects such as supporting Incheon's customized policies linked to business, exploring new growth drivers in response to changing environments, and developing technology for future city and construction projects.

Discovering iH's sustainable technology projects

Total of 57 projects

- 18 projects — iH cities and complexes
- 12 projects — energy
- 12 projects — housing and construction
- 15 projects — environment

vision

iH Sync Tank for creating future value in business base

3 main goals

Alignment with the 2030 medium-to-long term management strategy Differentiated research as an implementing agency for projects

Support for customized Incheon policy linked to business	Support for Future Management Infrastructure and New Business Ideas	Support for key business projects, future technology development
Support for R&D future management foundation to prepare for Incheon's future	R&D to explore new growth engines	Customized R&D for future technology development

Research Areas

01 Supporting Future New Businesses and Management

02 Supporting Policy based on Business Foundation

03 Supporting Core Business and New Technologies

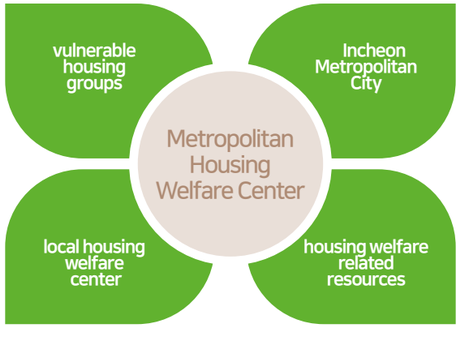
04 R&D Governance Operation

Ongoing Projects

No.	Research Projects for 2022	Area
1	Research on Basic Planning and Commercialization Plan for iH Future North-South Cooperation Project	Future New Businesses and Management Support
2	Research on Basic Planning for iH Future City and Housing Promotion Strategy	
3	Research on Sustainable iH ESG Management Plan	
4	Incheon City Government Research Network (ICReN)	R&D Governance
5	Education for Mongolian Urban Development Professionals (1st Session) in 2022	
6	Collaboration Research with Incheon Research Institute (2022 Hwanghae Peace Forum)	
7	Industry-Academia Cooperation for Incheon Future City Policy and Project Support (Incheon Future City Forum at Incheon National University)	
8	Incheon Urban Experts Network (Incheon Society Incheon Future Dream Project, Season 1)	
9	Incheon Urban Experts Network (Incheon Society Incheon Future Dream Project)	

Metropolitan Housing Welfare Center

The Metropolitan Housing Welfare Center plays a role as a specialized consultation and information center for housing issues, providing solutions to various problems that may arise in the housing environment. Through the collaboration of public and private resources, it serves as a partner in resolving housing issues and eliminating blind spots in housing for the citizens of Incheon.



Business Areas

- Establishing a residential welfare safety net
- Conducting surveys on residential conditions and making policy recommendations
- Coordinating external resources
- Providing counselling on housing issues and residential welfare services

Main Tasks

- Establishing and operating an integrated system for providing housing welfare information, counselling, and case management
- Identifying blind spots in housing welfare and developing related policies
- Training housing welfare professionals and educating residents on housing welfare
- Promoting housing improvement for vulnerable households
- Promotional activities for housing welfare and establishment and operation of housing welfare network
- Conducting surveys on the housing and living environment of vulnerable groups such as the disabled, elderly, and low-income households
- Conducting research and investigation to improve housing welfare
- Other tasks deemed necessary for promoting housing welfare by the market

The Metropolitan City Regeneration Support Center

The Metropolitan City Regeneration Support Center was established to build a community through various local resources in which residents become the owners and to transform the local community economically, socially, physically, and environmentally. It performs various support programs for successful urban regeneration, including supporting the establishment of resident communities, operating urban regeneration universities, and conducting resident participation projects.

Business Areas

- Enhancing Urban Regeneration Capacity
- Urban Regeneration Project Support
- Resident Participation Projects
- Establishing Governance
- Promoting Urban Regeneration

Strategic Tasks

- Widely promoting urban regeneration that everyone can easily understand
- Supporting capacity building for resident-led urban regeneration
- Supporting policy and projects that are focused on the field
- Establishing governance to support on-site urban regeneration

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2022 ESG Highlight

2021.5

The first among regional public companies

to obtain a license for a REIT asset management company.

iH REIT Business Plan

※ Note: The plan is subject to change depending on the business content, schedule, and agreement with relevant agencies.

1st phase (3 REITs in 2021)	Dohwa private/public rental housing REITs (3)
2nd phase (7 REITs in 2022)	- Dohwa private/public rental housing REITs (3) - Geomdan, Geomam, and Yeongjong private rental housing REITs (3) - Geomam land compensation REIT
3rd phase (9 REITs after 2023)	- Dohwa private/public rental housing REITs (3) - Urban public housing complex REITs in Jemulpo and Gulpocheon stations - Geomdan, Geomam, and Yeongjong private rental housing REITs (3) - Geomam land compensation REIT

A regional public corporation is pursuing a diversified funding approach and a stable housing initiative through an asset management company (AMC) in accordance with the Real Estate Investment Trusts (REITs) Act.

2022.3

Energy-saving and Environmentally friendly housing evaluation-related

Designated as a specialized evaluation agency

Review of energy-saving plans Designated as a specialized agency

In March 2022, iH was designated as a specialized institution for evaluating energy-saving plans for eco-friendly housing. From May 2022, iH has been supporting approval tasks for compliance with design conditions and mandatory design standards in the fields of architecture, machinery, and electricity when applying for private housing construction projects in the Incheon area. iH is proving the public interest and professionalism of the approval tasks in collaboration with SH Seoul Housing & Communities Corporation and GH Gyeonggi Housing & Urban Development Corporation, both of which are local public corporations in the Seoul metropolitan area.

Category		Agency Name	After Change: Private Business
New-Agency	1st (Public)	Gyeonggi Housing & Urban Dev. Corp. Incheon Housing and City Development Corporation	Gyeonggi-Incheon (Service area)
	1st (Private)	Korea Institute of sustainable design and Educational Environment Korea Productivity Center Quality Assurance Korea Research Institute of Eco-Environmental Architecture	Nationwide
	2nd (Private)	Korea Institute of Building Energy Technology Korea Conformity Laboratories Korea Green Building Council	

2022.11

iH became the first local public enterprise

to launch a Map service for • real estate supply information

A map service of real estate supply information.

http://landmap.ih.co.kr

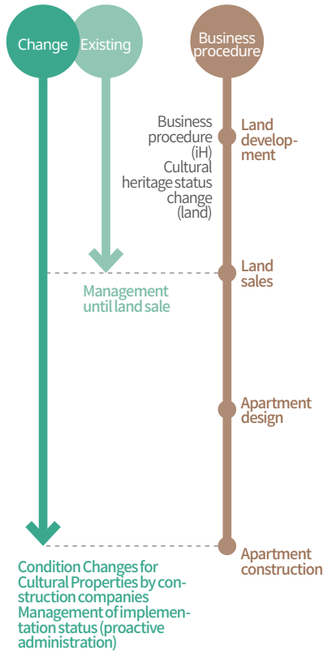
iH has launched a real estate supply information Map service, which is the first of its kind among local public enterprises. Through this service, citizens can easily check their interest information on the map, from the district-level plans in the business districts implemented by iH to the supplied stores. Additionally, a smart system has been introduced that searches for suitable properties when specific conditions such as the zoning district, supply purpose, and area are entered. This system has been designed to make it convenient for citizens to find information with just a click, instead of having to make phone calls or visit in person.

2022.12

Initial Achievement of Urban Development Corporation

iH Manualization of Cultural Heritage Phenomenon Change

The first urban development corporation to manualize "Condition Changes for Cultural Properties" for iH's land development projects.
iH manages the implementation status of construction companies' cultural heritage status changes for land sold by iH.



iH is protecting the development sites through the management of implementation status by introducing the cultural heritage status change process manual for the first time.

2022

iH Management Innovation External Sharing and Diffusion

Received 3 Innovation Awards

Selected as Outstanding Innovation Local Public Enterprise

Hosted by the Ministry of Interior and Safety, organized by the Local Public Enterprise Evaluation Institute

Won Innovation Excellent Case Award for Local Public Institutions in 2022

Sponsored by eKorean Economy

Received the 2022 Comprehensive Grand Prize for Local Autonomy Innovation in South Korea

2022

iH has achieved a historic milestone by

winning four social contribution awards within one year

Social Contribution Awards from outside

Won the "Happy Sharing" Award for Social Contribution Excellent Companies in the Co-prosperity Growth category
• Received the Co-prosperity Growth Committee Chairman's Award (February 2022)

Won the Social Contribution Award in the 13th KCCI · Forbes Urban Regeneration Division for five consecutive years (April 2022)

Received the Honorary Medal in Commemoration of the 117th Anniversary of the Establishment of the Korean Red Cross (October 2022)

Received the Commendation from the Minister of Gender Equality and Family in 2022 (May 2022)

ESG Management Strategy

iH declared 2021 as the first year of ESG management and established a strategic system to create sustainable value. Afterwards, iH established ESG management strategies and related tasks from a medium to long-term perspective, and built its own sustainable management model by reflecting the social value pursued by the company.

ESG Strategy Framework and Implementation

Vision	Sustainable improvement of Incheon citizens' quality of life through environmental sustainability, community engagement, and responsible governance.		
Goal	Providing optimized social value through ESG management for diverse stakeholders. * Stakeholders - Internal members, local communities, related agencies and partners, citizens of Incheon, and the city of Incheon.		
추진 방향	Environment	Society	Governance
	Realization of carbon-neutral and eco-friendly management for future generations	Inclusive growth for social responsibility and shared value creation	Establishment of a transparent management system to secure continuous reliability
Strategic Tasks (9):	Responding to carbon neutrality and expanding investments	Contribution to the local community and actively solving social problems	Establishing ESG management system
	Promotion of renewable energy projects	Enhancement of disaster and safety management system	Expansion of quantity and quality of information disclosure
	Expansion of eco-friendly techniques and their implementation	Creation of a good working environment (인권경영)	Advancement of ethical management systems

ESG Roadmap

iH has established its own sustainable ESG roadmap in three stages from 2021 to 2025, reflecting the social values that the company has pursued.

단계별 로드맵

Stage 1 (2021)	Stage 2 (2023)	Stage 3 (2025)
Declaration and implementation of ESG management	Strengthening ESG management capabilities	Expansion and leadership in ESG management
Hosted an ESG management declaration ceremony	Improved ESG management strategy and execution system	Advancement of ESG management system to global standards
Issued ESG social bonds as the first local public enterprise	Joined the UN Global Compact	Establishment of ESG performance evaluation and reward system
Establishment of ESG basic strategy system	Publication of Sustainable Management Report (annually)	Strengthening ESG information disclosure infrastructure
Created a dedicated ESG organization (ESG Innovation Department)	Establishment and operation of ESG Committee	Enhancing external stakeholder cooperation system
	Strengthening ESG capabilities of employees	

ESG Committee

To strengthen ESG management effectiveness and achieve results, iH has established an ESG committee and created a dedicated team. The ESG committee holds regular meetings twice a year, once in the first half and once in the second half, to focus on the company's major ESG issues.

Item	Content
Role	Deliberation, resolution, and advisory on major ESG management strategies, plans, and current issues
Composition	(Chairman) non-executive director, Head of Management Division, and three external ESG experts
Operating Method	Regular meetings twice a year (first half and second half) with additional meetings as necessary → The first regular meeting is scheduled for the first half of 2023.

The primary decision-making items for the ESG Committee are:

1) Significant policy decisions related to ESG management
2) Matters related to the annual ESG management plan
3) Revision of the ESG Committee operating guidelines
4) Other matters that require deliberation and resolution

ESG Bonds

Issuance and Management of ESG Bonds

iH issued ESG bonds worth KRW 100 billion and KRW 150 billion in 2021 and 2022, respectively. The proceeds from the ESG bond issuance are allocated and used for funding and refinancing suitable projects, including investment costs within six months of borrowing.
We use systematic and transparent financial management and internal systems to regularly manage and operate the outstanding ESG bond balances. Unused funds from the proceeds are managed as cash or cash assets in accordance with the budgetary standards of the Ministry of Public Administration and Security and internal fund management regulations until We are fully utilized.

| ESG Bond Issuance Progres |

Process

- Issuance of KRW 100 billion in ESG bonds for the first time as a local public enterprise ('21.9.)
- Announcement of fund execution status and effect on iH's website ('21.10.~'22.1.)
- Issuance of additional ESG bonds worth KRW 150 billion ('22.4.)

Performance

Category	2021	2022
Target Business	GyeYang Techno-Valley New City Development Project Public Housing Construction Project	Geomam PLACIA Development Project
Issuance Amount	KRW 100 billion	KRW 150 billion

Expected Effects

- Expansion of the social responsibility of public enterprises by combining financial factors (revenue, operating profit, etc.) and non-financial factors (environment, society, etc.), and promoting sustainable co-development and co-growth in cooperation between the public and private sectors.

Transparent Information Disclosure for Bond Management

Investor Information Notice	· Regular: Once a year · Ad hoc: When there are changes · Issuance Method: iH homepage and Socially Responsible Investment Bond Site of Korea Exchange
Main contents of the notice	Information on social bond issuance, an overview of projects where the issuance amount is distributed, the use and status of unallocated issuance funds, Social impact resulting from the implementation of selected projects, changes in the social bond management system, etc.

Use of Funds

iH evaluates and selects projects related to the following areas for execution using funds raised through social bonds.

Eligible Fields for Social Bond Investment

ICMA Classification	Social infrastructure facilities and support for social and economic development that are easily accessible at low cost
	Low-cost housing for the underprivileged
iH Corporation Classification	Urban planning facilities projects (roads, parks, green spaces, flood control facilities, etc.)
	Construction, purchase, operation, and management of public housing under the Special Act on Public Housing (public lease, and sale and pre-sale of public housing)
Related Projects (Example)	Urban Planning Facilities Projects (Roads, Parks, Green Spaces, Flood Control Facilities, etc.)
	- Public Housing Projects under the "Special Act on Public Housing" (Public Housing Construction Projects, Public Housing Purchase Projects, Public Housing-related Projects) ※ Public Housing: Leased or pre-sale apartments with a size smaller than the National Housing Size defined in Article 2, Paragraph 1 of the Special Act on Public Housing.

Evaluation and Selection Process for Projects

Project Identification	Identification of suitable projects through discussions with the planning and project departments.
Project Evaluation and Selection	The project department examines the identified projects to determine whether they are suitable for social bond investment, and reviews the social impact of the project. The financial management department considers the financial feasibility and financial situation of the company, and ultimately selects the final project.
Budget Allocation and Execution	The financial management department and the project department collaborate to allocate an appropriate budget for projects each year and determine whether to invest in the suitable projects.
Post - management	The financial management department and the project department review the investment project list and deciding whether to modify, add, or delete the projects on the list.

Materiality Assessment

The materiality assessment is a process used by iH to identify ESG-related issues that require prioritized management and disclosure. This process aims to capture the business risks and opportunities of the company. Through the materiality assessment, iH identifies significant ESG issues and applies them to monitor ESG trends and manage business risks. Furthermore, iH plans to reflect the strategic tasks that align with the major ESG issues in the next year's ESG management strategy. The materiality assessment was conducted in February 2023 based on an internal and external environmental analysis, creating a pool of issues to be addressed through media research, benchmarking with similar organizations in the industry, and stakeholder surveys.

Step 1 Internal and External Environmental Analysis

External Environmental Analysis

Sustainable management standards :
GRI Standards, MSCI (Home Building), SASB (Home Builders), TCFD, ISO 26000, and UN SDGs are sustainable management standards and evaluation criteria both domestically and internationally

Media research analysis :
A total of 151 effective articles related to iH's economic, environmental, and social issues were identified from media coverage in 2022

Benchmarking analysis of reporting issues in similar companies and industries :
Sustainable management reports of three public agencies and corporations in the same industry were used for benchmarking.

Internal Environmental Analysis

iH's medium- to long-term strategic tasks, ESG management promotion system, and business performance, among others.

Step 2 Issue Pool Configuration

Define issue identification and scope for each issue pool

	#	Issue	Description
Economic Issues	1	Business Promotion through Strategic Management	Strengthening environmentally friendly businesses, executing tasks, and improving the business promotion system
	2	Urban Development and Public Housing Construction	Promoting custom public housing projects and enhancing urban competitiveness
	3	Citizen Housing Stability and Welfare Improvement	Improving housing welfare and stability for citizens through urban regeneration
	4	Improvement of Corporate Governance	Establishing a healthy board of directors, fair process of appointing executives, and disclosing transparent information to improve corporate governance
	5	Asset Management for Balanced Urban Development	Promoting new policies and investments to achieve balanced urban development through effective asset management, including public REITs projects
Environmental Issues	1	Climate Change Response	Responding to climate change through efficient energy use and reducing greenhouse gas emissions
	2	Activities to Reduce Environmental Impact	Reducing negative impacts from business activities such as resource/energy use and pollutant emissions
	3	Construction of Green Infrastructure and Expansion of Green Business	Efforts to construct eco-friendly infrastructure within local communities
Social Issues	1	Talent Management and Fair Recruitment Policy	Providing fair recruitment processes, promoting social equality in hiring, implementing evaluation and compensation systems based on performance
	2	Creation of a Good Working Environment	Improving employee satisfaction through the creation of a work-life balance and offering welfare benefits
	3	Reinforcement of Safety Management in the Construction Industry	Establishing safety management systems and preventing disaster accidents
	4	Strengthening Community Participation and Cooperative Growth	Operating community participation activities and social contribution programs for co-prosperity with the local community
	5	Efforts for Fair Trade and co-prosperity	Establishing fair trade policies and supporting partner companies
	6	Anti-Corruption and Ethical Management	Complying with ethical guidelines and implementing anti-corruption activities
	7	Customer Satisfaction Management	Improving customer satisfaction through effective administration and complaint response
	8	Active Communication with Stakeholders	Seeking and communicating with stakeholders' opinions and forming networks to address concerns from the community

Step 3 Materiality Asessment

Evaluate the degree of materiality of each issue based on priority by analysing the business importance and stakeholder interest.

Assessment of 'Business Relevance' (horizontal axis)

Calculated by combining benchmarking within the industry and results of internal stakeholder surveys

Assessment of 'Stakeholder Impact' (vertical axis)

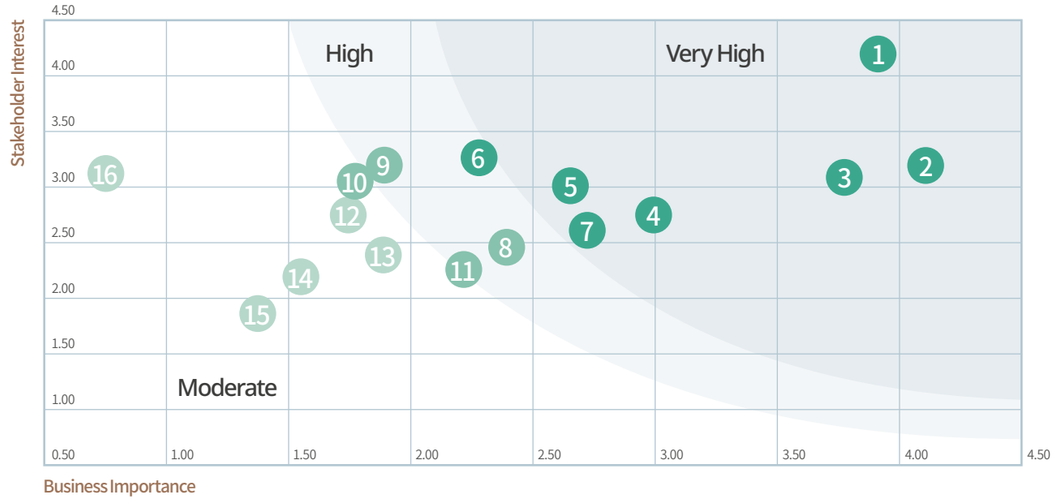
Calculated by combining media analysis, international standard analysis, and results of external stakeholder surveys

Step 4 Reflecting Evaluation Results

Incorporating assessmentresults into the report by categorizing the issue pool into three levels

Very high — Extremely significant issues
high — Significant issues
moderate — Somewhat significant issues

We analyzed 16 issues in the process of evaluating their significance and represented them in a diagram. As a result, issues such as community engagement and cooperation, urban development/housing construction, and strengthening safety management in the construction industry were identified as the most significant issues in order of importance.



NO	Category	Issue	Materiality level	Stakeholder Impact: Employees	Local Community	Investors	Business Partners	Advisory and Cooperative Organizations	Report Page
1	Social	Strengthening community engagement and cooperation for co-prosperity	Very High	O	O		O		63-65, 84
2	Economic	Urban development and housing construction for stable living of low-income households and regional development.			O	O	O	O	12-13
3	Social	Reinforcement of safety management in the construction industry		O			O	O	44-46, 85
4		Anti-corruption and ethical management		O			O	O	74-77, 86
5		Customer satisfaction management		O	O				62
6	Environmental	Establishment and expansion of green infrastructure		O				O	38, 40-41
7	Social	Fair trade and efforts for co-prosperity	High	O			O		60-61
8		Talent management and fair employment policies		O	O				52-56
9	Environmental	Response to climate change		O	O		O	O	36-37
10		Activities to minimize the environmental impact of operations		O	O		O	O	37, 40-41
11	Social	Creation of a pleasant work environment		O					58
12	Economic	Urban regeneration projects and housing welfare for a comfortable living environment	Moderate			O			12-15, 30-33
13	Social	Active communication with stakeholders		O					24-25
14	Economic	Asset management, such as REITs, for balanced urban development				O			13, 18
15		Strengthening business management system reflecting ESG strategy		O	O	O	O	O	20
16		Improvement of corporate governance		O					72-73

Identification and Communication with Stakeholders

Identification of Stakeholders

iH has identified and defined stakeholders related to its business by analyzing and categorizing them, with a focus on promoting active participation in two-way communication with stakeholders to pursue high-level ESG management. In order to leap forward as a leading global company in ESG management, iH has matched optimized social values.

Issue and Response Strategies

Customer	Incheon City	• Ensuring publicness • Securing fiscal integrity • Land and housing supply • Anti-corruption, integrity, etc.	➡	• Ensuring the sustainability and public nature of business activities • Ensuring stable operation and discovering new businesses • Securing ongoing business capabilities • Establishing a transparent management system
	Project beneficiaries	• Smooth land and housing supply • Achieving residential welfare	➡	• Continuously pursuing stable business operations • Expanding public projects • Enhancing brand and awareness
Employees		• Welfare promotion • Learning and growth • Improving labor environment	➡	• Improving non-monetary benefits and welfare systems • Ensuring stable operations of the organization • Rationalizing evaluation and compensation systems • Supporting competency enhancement programs
Construction companies and subcontractors		• Transparent management • Inclusive growth	➡	• Ensuring transparent and fair business processing • Strengthening cooperative relationships with construction companies and subcontractors

Communication Channels with Stakeholders

iH is making efforts to expand stakeholder participation by utilizing various communication channels, including CEO-led events and education, to share the company's vision/strategy, management system, and philosophy internally and externally.

Item	Programs for Communication	Key Contents
Internal Communication	Operation of executive meetings	• Sharing management issues such as strategy meetings, management meetings, current issue meetings, and expanded executive meetings
	Operation of Organization Culture Task Force (TF)	• Promoting organizational culture building activities for participation and communication in establishing a sustainable management foundation
	Operation of labor-management director system	• Attending board meetings and events, addressing internal issues and resolving field problems
	Real-time broadcasting of meetings	• Establishing a viewing system for all employees, including expanded executive meetings, special lectures, etc., through the operation of real-time video systems
External Communication	Incheon City	• Attending Incheon City's meetings with the mayor and other public companies to share management issues
	Incheon City Council	• Sharing the company's vision, management goals, and strategies during work reports and administrative audits
	Collaboration with related organizations	• Joint responses to legislative amendments, such as expanding investment limits, through discussions with related organizations
	Gathering public opinions and operating citizen monitors	• Establishing a communication channel with customers through operating a customer feedback system and citizen policy proposals

Stakeholder Interview

Kyungbae Kim,
Professor, Department of Architecture at Inha University

"Coexistence of old and new for urbandevelopment and creating youth employment as a pillar of local development."

As an Incheon citizen, I am actively serving as a clean citizen auditor for iH. Through my activities as a clean citizen auditor, I believe that iH's modern architecture asset regeneration project 'Link 1977' has played a very important role in creating Incheon's urban identity and generating new youth employment opportunities. In the future, I hope that iH will continue to support the discovery and cultivation of local talents, and help Incheon's young people to grow as core talents who can develop the region.

Jongbae Kim,
Councilor, Incheon Metropolitan City

"Providing a role in promoting regional balance and enhancing community communication"

iH plays an important role in the development of Incheon through housing supply, urban regeneration, and urban infrastructure construction. iH's business functions as a condition to reduce regional disparities and promote harmony among generations. In this process, iH should continue to reflect on its original purpose of establishment and its role in the local community. Additionally, it is hoped that iH can become a central focus in resolving new challenges facing Incheon, such as promoting regional balance, ensuring safety, and accommodating a growing multi-ethnic population.

Yoo Do-Kwon,
Site Office Manager of Samhwan Corporation Business Zone

"Cooperation between the business partner companies for mutual benefit, and support for safety and environment"

The construction industry has faced high demands for safety from stakeholders. Partner companies of iH also need an integrated perspective on ESG management, including safety and compliance. To this end, cooperation between the partners for mutual benefit and support for safety and environment are crucial. A guiding role is needed to spread iH's existing on-site safety systems to partner companies. Additionally, there should be continued consideration for diverse working conditions, and the implementation of advanced management systems through training and the adoption of smart technologies.

Shin-won Kang,
Executive Director at Incheon Bus Transportation Cooperative

"Efforts to strengthen proactive response capabilities to various risks through communication with stakeholders are necessary"

ESG factors are crucial for all business areas of iH. For instance, the labor-management director system, which was introduced in 2022, should involve the participation of worker representatives in the board of directors to improve management plans and outcomes. In the future, iH should analyze closely the real estate market and economic environment to anticipate and mitigate potential risks in project implementation. Effective communication with stakeholders is vital to achieve these goals.

Soo-hyun Park,
Guwol Asiad 7th Complex resident

"Continued efforts needed for housing support to vulnerable populations like elderly and single-parent households."

Thanks to iH's youth housing, I was able to achieve independence at an affordable cost. As it was my first time dealing with a real estate contract before moving in, I had a lot of things I didn't know, but iH staff provided meticulous assistance, allowing me to smoothly handle administrative tasks. I am grateful to iH for providing youth welfare housing services, and I hope they will continue to make efforts to support not only youth but also diverse vulnerable groups such as the elderly and single-parent families in the future. I also hope that efforts to eliminate preconceptions about rental housing will continue.

Kyohyun Jeong,
Chairperson of the iH Labor Union

"emphasizes the importance of transparent communication for fair evaluation and performance distribution among employees. "

iH is striving to strengthen its governance structure and direction in line with the organization's values. Through the 'iH Whistle (Red, Green, White)' system, the corporation has achieved remarkable results in anti-corruption management. In the process of developing this corporate culture, the labor union has established a labor-management cooperation committee with a focus on practical matters and is uncovering issues that employees are concerned about. Throughout this process, iH must continue to secure and develop high levels of transparency and integrity to ensure fair evaluation and distribution in all aspects of work.

Dongmin Jang,
Professor, Department of Architectural Engineering at Cheongwoon University

"Balanced development for future generations and citizen communication are key to the sustainability of Incheon city"

Among the metropolitan cities in South Korea, Incheon has seen population growth due to job creation through business attraction. In line with this, iH requires close cooperation with institutions and companies to achieve the goals of "building a first-class city" and "strengthening the sustainability of Incheon city." In terms of urban development, we must utilize historical and cultural resources while considering the needs of future generations. In urban regeneration projects, we need to provide opportunities for local residents to participate and establish a symbiotic network with small business owners in the city center.

Kyung-Jeong Heo,
Chief of Incheon City Hall's Environmental and Climate Policy Office

"Strengthening communication with stakeholders on environmental management"

Incheon has industrial complexes such as Namdong Industrial Complex, which require high levels of environmental management. In order to address environmental issues, Incheon Metropolitan City is working with iH to develop the Gyeomdan 2 General Industrial Complex into a special zone for small but strong SMEs in Incheon Seo-gu, and is making efforts to improve the environment. iH's business areas should consider domestic environmental laws and international standards, and secure a long-term vision to be managed in an integrated manner within the organization. In addition to enhancing its capacity for industrial infrastructure development, iH should also create representative success stories for operating eco-friendly industrial complexes through communication with various stakeholders.

Business Performance

2022 iH Business Performance _28
Special Performance 01 _30
Special Performance 02 _32

2022 iH Business Performance

iH The status of business promotion

* The overall status
(As of March 31, 2023, Unit: billion won)

Category		Total	Urban Development Projects	Construction Projects	Urban Regeneration Projects	Housing Welfare Projects	Asset Management Projects	Other Projects
Total	Number of Projects	91	18	21	13	9	23	7
	Project Cost	471,813	185,495	47,738	29,682	3,356	203,775	1,767
New	Number of Projects	33	5 (Including Gowol 2 Public Housing Zone Development Project)	16 (Including Geomdan Housing Construction Project (AA10-1BL))	5 (Including Dong Incheon Station Area Mixed Development Project)	0	7 (Including Jeompo Station Urban Public Housing Mixed Project Development REITs)	0
	Project Cost	191,061	58,185	38,159	10,252	0	84,465	0
Pro-jects	Number of Projects	58	13 (Including Geomdan New Town Develop-ment Project)	5 (Including Geomdan Housing Construction Project (AA16BL))	8 (Including The Shop Bucheon Central City Housing Construction Project)	9 (Lump-sum rent housing, Real estate leasing and sales business)	16 (Including Dohwa Public Support Private Rental REITs)	7 (Including iHUG Vibrancy, Dream Bookstore, etc.)
	Project Cost	280,752	127,310	9,579	19,430	3,356	119,310	1,767

* (New business) Pre-licensing stage of business required by relevant laws: Feasibility study stage (such as conducting a feasibility study for new investment projects) / Initial licensing stage (such as designating the area and obtaining approval for the business plan)

Creating a Residential Environment where Ordinary People can Live in Peace

Proposal for the designation of Guwol 2 public housing zone

➡ Additional supply of 18,000 units within Incheon through the provision of new residential land (11,000 units for public housing and 7,000 units for private housing)

Supply of public housing in Geomam Plaza

➡ 2,864 units for public rental and 1,729 units for public sale

iH's medium to long-term public rental housing supply plan

➡ Plan to supply a total of 49,220 units of public rental housing by 2030

Actively complying with the government's policy to expand public housing supply

➡ Plan to supply a total of 75,108 units of public housing (sales, rental) by 2030

iH 2030 Housing Construction Plan" to actively respond to housing supply expansion policies for stable housing of low-income individuals

➡ A total of 20,989 units, consisting of 13,914 units for sale and 7,075 units for rental

In conjunction with the public-led project 3080+, promote the development of mixed-use public housing complexes in downtown areas around Jemulpo Station and Gulpocheon Station.

Sustainable and eco-friendly energy healthy city construction

Building a human energy city integrated platform in the Geomdan New Town

➡ Building a city integrated platform for the comprehensive management of safety and disaster situations in the city
Achieving a town energy self-sufficiency rate of 100%

➡ Constructing a 2.64 MW renewable fuel cell power plant

Sustainable and eco-friendly energy healthy city construction

Building a human energy city integrated platform in the Geomdan New Town

➡ Building a city integrated platform for the comprehensive management of safety and disaster situations in the city
Achieving a town energy self-sufficiency rate of 100%

➡ Constructing a 2.64 MW renewable fuel cell power plant

Strong fiscal decentralization for local fiscal autonomy

Selection of excellent proposals through a citizen proposal contest and subsequent budget allocation

➡ Actively reflecting excellent proposals in the budget and enhancing feedback on project performance

Establishment of a communication channel with residents

Active collection of opinions from stakeholders through expanding resident participation and establishing communication channels among citizens, government, and public sectors.

➡ Holding customer participation meetings, such as resident committees for each project area
➡ Formation and operation of a compensation negotiation committee among citizens, government, and public sectors
➡ Establishment of a communication channel for the Green remodeling of aging public rental housing

Tourism development of marine resources such as the ocean, islands, and tidal flats

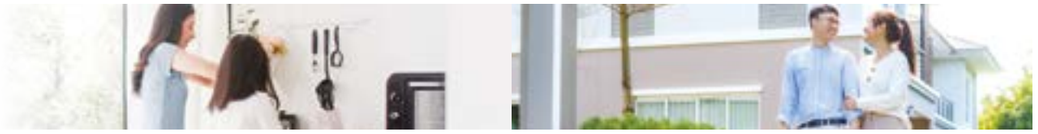
Development of Incheon Yongyu District Urban Development Project

➡ Creating local attractions that connect natural resources (ocean, tidal flats, sunsets, etc.) with cultural and artistic spaces

Generating employment opportunities and promoting industrial development in connection with Incheon International Airport

Establishing a basic development plan for the airport economic zone (July 2021)

➡ Including Yeongjong Sky City, Aviation General Industrial Complex, and the 3rd reserve site as targets for attracting aviation-related industries (MRO, etc.) and constructing a specialized city for UAM (urban air mobility)



Promoting urban regeneration projects for enhancing urban competitiveness and improving quality of life

Supply of public rental housing in the central city area

➡ Supply of public rental housing in coordination with the city's policy project, "Our Home, 10,000 Units"

Promotion of the "Biryong Gonggam 2080" urban regeneration New Deal project

➡ Development of SOC(Social Overhead Capital) such as Biryong-Ddeul, Large Nest, Open Nest and improvement of living environment(themed street, widening narrow road, etc)

Promotion of the "Jemulpo Station-J" urban regeneration New Deal project

➡ Development of SOC(Social Overhead Capital) such as Young Square, Jemulpo-Damso

New call for urban regeneration project proposals and implementation

➡ Preparing a call for proposals for a machine industry complex innovation district for urban regeneration

Revitalization of residential areas for creating a better living environment in the central city area

➡ Completion of construction of "The Sharp Bupyeong Central City" residential complex
➡ Completion of construction of "Park Prugio" residential complex near Dongincheon Station

Supply of 20,000 custom-built public rental housing units

Push for a new candidate site for Guweol 2 public housing

➡ Incheon City will supply 11,100 units of public housing (6,000 of which are public rental housing) Geomam PLACIA Development project

Geomam PLACIA Development project

➡ 2,864 units of public rental housing and 1,729 units of pre-sale of pub housing

Geomam PLACIA Development project

➡ Public rental (3,297 households) ➡ Long-term lease (4,529 households)

Geomam PLACIA Development project

➡ A total of 7,194 homes

Reducing the burden of housing for young people and newlyweds

Supplying tailored rental housing (purchase and lease out) from 2021 to 2024

➡ A target of 4,000 units of pre-sale and 2,800 units of leases by 2024

Expanding the supply of housing for young people and newlyweds in 2021

➡ A target of 4,000 units of pre-sale and 2,800 units of leases by 2024
Expanding the supply of housing for young people and newlyweds in 2021

➡ A target of 1,000 units, including expanding the supply for newlyweds (350 units), young people (50 units), and single-person households (100 units)

Focus on enhancing competitiveness in key industries to revitalize the industrial economy

Development of Incheon small but strong SME R&D Special Zone development project

➡ A 1.49km² area in Seo-gu, Incheon has been designated as a small but strong enterprise (SME) specialized zone for information and communication technology (ICT), and convergence environmental pollution treatment and management by the Ministry of Science and ICT

Pursuit of Gye-Yang Techno Valley development project

➡ Establishment of a master plan for advanced city development and project promotion in collaboration with LH corporation

Incheon Local Industrial Park Management Tasks

➡ Active administrative support for company registration and facility installation
➡ Implementation of a smart industrial complex management system to enhance management and support for tenant companies

Creating a 'culture and arts special district' that integrates artist residences and flea markets

Establishing a culture and arts platform for artists in the Yongyu district, including residences and spaces for creation and commerce

Creating a 'culture and arts special district' that integrates artist residences and flea markets

Establishing a culture and arts platform for artists in the Yongyu district, including residences and spaces for creation and commerce

Commencing early construction of the Greater Seoul Metropolitan Area Express Railway(GTX-B) line

Advancing a multi-use development project for the GTX-B station transfer center

➡ Considering developing the surrounding areas in conjunction with the multi-use transfer center project

Relocating three military bases, including the Third Supply Unit, and closing military railways

Finalizing participation plans for the military base relocation project and carrying out new project procedures

Special Performance 01

Perspective view of The Sharp Bupeong Central City

Land use plan

Legend

- Development zones
- Cadastral lines
- Land use lines
- Residential land for multi-unit housing
- Land for parks
- Land for green spacesment zones
- Land for roads
- Land for religious purposes

Project Overview

Project Overview	90 Yeolmuleuro, Bupyeong-gu, Incheon Metropolitan City
Location	28 buildings in total, with a basement level 2 and 49 above-ground levels
Project Duration	2006 ~ 2022
Site Area	145,782.47㎡
Building Area	32,539.68㎡
Floor Area	725,890.10㎡
Floor Area Ratio/ SiteCoverage Ratio	332.02% / 20.18%

Project History

Feb-07	Development plan and designated development zone announced by LH
06-Nov-09	LH published "approval for the approval for the implementation of the project"
28-Dec-15	There was a change in project developer designation from LH to iH
19-Jun-16	POSCO Construction was selected as the construction company
08-Mar-17	The management disposition plan was approved
23-May-17	The relocation of residents began
Jun-17	Demolition work started
01-Nov-18	Demolition was completed, and construction work began
Apr-22	Project completion

Supply size

Type of Residential Units (area size of exclusive use space, m²)	18	35	59	69	84	Total
Total Number of Units	463	204	2,557	1,970	484	5,678

Revitalizing the aging existing urban center in Bupyeong to offer a pleasant residential environment

The Sharp Bupyeong Central City housing construction project

Revitalizing the aging existing urban center in Bupyeong to offer a pleasant residential environment

The Sharp Bupyeong Central City housing construction project is a residential environment improvement project covering an area in Sipjeong-dong, Bupyeong-gu, which includes the construction of sales and public rental housing and urban infrastructure such as parks. It is a leading project model for the improvement of residential environments through application the linkage of publicly supported private rental housing. The project is expected to play a crucial role in regenerating the urban center by providing practical small and medium-sized apartment units for low-income households, improving the surrounding road facilities, and developing urban infrastructure such as parks to enhance living conditions for residents in aging urban areas.

Poly Artwork (Upcycled Art Using Sipjeong's Cultural Heritage)

By upcycling the cultural heritage collected from the Sipjeong 2 district, we have recreated artwork to be displayed throughout the apartment complex. This artwork, known as "poly," serves as a reminder of the past and adds a touch of history to the various spaces within the apartment.

Improvement of Infrastructure Facilities

Efforts have been made to create a safe living environment by redeveloping roads and infrastructure facilities around the Shipjeong-dong project site.

before after

- Widening of Igyubo Road from 8m to 20m
- Improvement of infrastructure facilities, such as water supply and drainage, electricity and communication

- Widening of Yeolumul Road from 26/30m to 35 /36m
- Improvement of infrastructure facilities through underground power lines, installation of heat wire, and low-noise construction techniques

Special Performance 02

Perspective view of Dongincheon Station Park Prugio

Land use plan

Project Overview

Project Overview	185 Songrim-dong, Dong-gu, Incheon Metropolitan City
Location	12 buildings in total, with a basement level 4 and 48 above-ground levels
Project Duration	2006 ~ 2023
Site Area	61,575.50 ㎡
Building Area	11,043.09 ㎡
Floor Area	318,440.28 ㎡
Floor Area Ratio/ SiteCoverage Ratio	359.81% / 17.93%

Supply size

Type of Residential Units (area size of exclusive use space, ㎡)	21.4030	36.9590	41.8570	59.8701	59.6045	70.1725	84.6973	84.7472	Total
Total Number of Units	48	48	47	1,072	694	171	205	110	2,395

Project History

21-Apr-08	Announcement of urban redevelopment district designation
19-Sep-08	Appointment of project developer (Donggu → iH)
01-Dec-15	Residents' meeting at Songlim Elementary School (hosted by Incheon City)
02-May-16	Approval of development zone designation and a changed plan (change of business model, etc.)
28-Dec-16	Approval for project execution plan (changed)
09-Dec-17	Meeting of landowners
29-Dec-17	Announcement of management and disposition plan approval
28-Feb-18	Conclusion of real estate sales contract
07-Jan-19	Start of demolition work after completion of relocation
09-May-19	Commencement of apartment construction
22-Aug-22	completion approval (building)
29-Aug-22	move-in commencement
Apr-23	approval of development project completion (scheduled)
May-23	moving notice (scheduled)

Dong Incheon Station Park Prugio Palace housing construction project

Revitalizing the aging existing urban center in Dong Incheon to offer a pleasant residential environment

The Dongincheon Station Park Prugio housing construction project is a residential environment improvement project that encompasses an area in Songrim-dong, Dong-gu. The project involves the construction of public rental housing, parks, parking facilities, and other urban infrastructure, in addition to the sale of private housing units.
Together with The Sharp Bupyeong Central City housing construction project, it is a leading model of an Integrated Project for Housing Environment Improvement through Publicly Supported Private Rental Housing. Despite the deteriorating and poor living conditions in the Songrim-dong and Songhyeon-dong area, the project was stalled for a long time until iH successfully raised funds for real estate investment trusts, allowing for the provision of multi-unit housing and expansion of urban infrastructure such as roads and parks.
As a result, the project is an important example of combined publicly supported private rental housing development that improves the overall living conditions of the residents. The area is a mix of traditional and modern culture, where landmarks such as shanty towns that have transformed into apartment complexes, such as Sudoguksan and Baedari, coexist, and it is now a new landmark of Incheon Dong-gu with 2,562 households.

Changes in Residential Environment Improvement Projects and Urban Regeneration

Over the course of more than half a century, the residential environment in this neighborhood has not significantly improved. As the local population has decreased, the number of abandoned buildings has increased and there were highly unfavorable conditions, including the presence of dangerous structures. The redevelopment discussions that began in the 2000s ironically made the neighborhood even more desolate, despite residents' expectations. iH has actively sought to incorporate residents' opinions through bi-directional communication initiatives, such as construction meetings, to create a new image of DongIncheon based on communication with local residents from the demolition stage.

Overview of the Project Site Before Demolition

Explanation Session for Residential Environment Improvement Project near Songlim Elementary School

Construction Meeting for Residential Environment Improvement Project near Songlim Elementary School

Infrastructure Improvements

The roads and infrastructure around the development site in Songrim-dong have been redeveloped to create a safe living environment in Songrim-dong.

before after

- Widening of Hwadojin Road (from 20m to 28m)
- Improvement of infrastructure, such as water and sewer, electricity, and communication public parking lot

- Construction of a public parking lot
- Improvements to local resident parking infrastructure and facilities

ESG Performance

Environment _36

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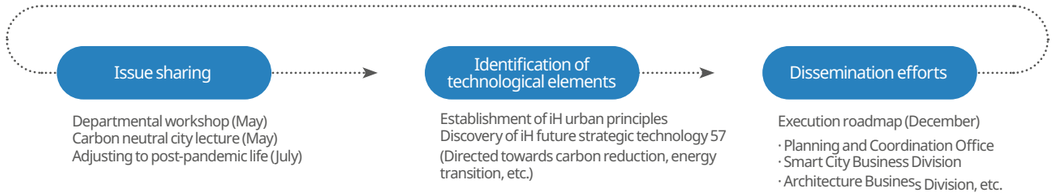
iH Carbon Neutrality Strategy and Response

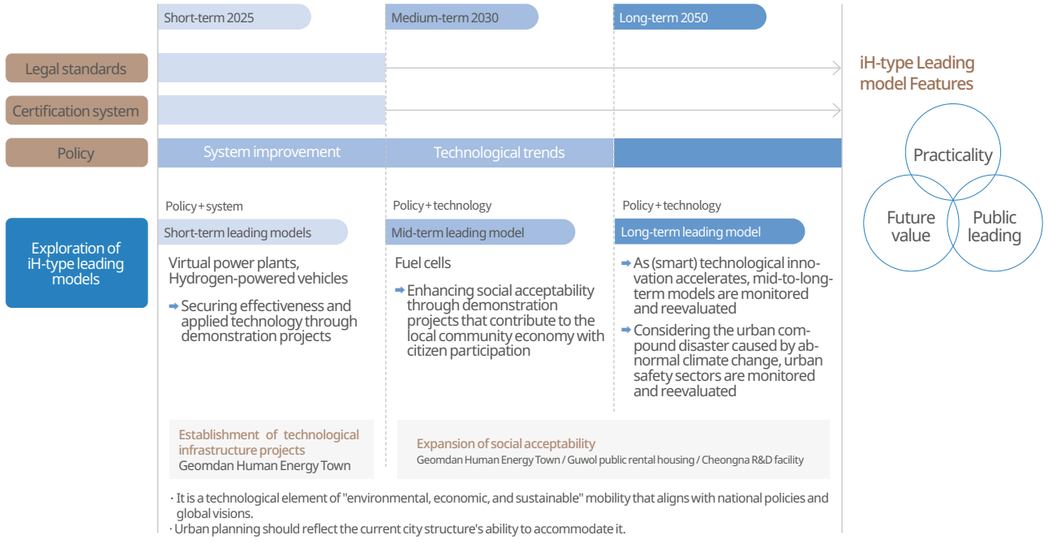
iH is conducting multidimensional research and approaches to cope with the climate, economic, and social crises caused by the rapid changes in social and environmental mega-trends. In particular, iH deeply sympathizes with and recognizes the fact that the carbon issue, which has been raised globally, is considered a threat to all humankind and no organization can evade responsibility.
In order to play a role in the national efforts for carbon neutrality, iH has established the "iH 2050 Carbon Neutrality Scenario" and laid the groundwork to contribute to the national greenhouse gas reduction goal by 2030(NDC: Nationally Determined Contribution).

Key Achievements

- Establishment of step-by-step roadmaps and practical solutions that can contribute to the Incheon city carbon neutrality scenario
- Discovery and dissemination of future strategic technologies applicable to core businesses in various fields (such as urban and architectural) that match the characteristics of a real estate specialized company, and can be immediately applied

iH carbon neutral process





Eco-friendly management

Eco-friendly management systems

iH has established a policy of "harmonious local development in which people and the environment coexist to enhance the quality of life for citizens and achieve community development" in order to implement a local government that leads a pleasant environment. In response to the demand for active efforts to respond to environmental construction and environmental regulations in external business environments, iH is promoting environmentally friendly urban construction and environmental-related new businesses through the establishment of iH-type digital, green, and human New Deal infrastructure. In July 2004, iH obtained and maintained ISO 14001 (environmental management system) certification for the design, development, construction, and operation and management of housing and civil engineering projects. To achieve carbon neutrality and eco-friendly management for future generations, iH has selected active carbon-neutral responses, expansion of eco-friendly investment, promotion of renewable energy businesses, and expansion of the introduction and application of eco-friendly techniques as the three major strategic tasks in the field of eco-friendly management and is implementing them.

Establishment of greenhouse gas reduction and resource circulation center

iH is actively striving to reduce greenhouse gas emissions through facility improvements such as LED light replacements and installation of heat-blocking films, along with behavior improvements such as complying with heating and cooling temperatures and blocking standby power. In June 2021, a 31.5 kW solar power generation facility was installed and operated on the roof of the annex, and an environmentally friendly resource circulation center was created by maintaining and managing a geothermal cooling and heating system for the annex. In addition, in February 2021, iH established a plan to create an eco-friendly resource-circulating office and identified practical tasks for three categories: "office without disposable products", "office without wasting resources", and "environmentally friendly office operation." We introduced an electronic fax system to prevent unnecessary fax reception and realized a paperless office, saving 12,644 sheets of paper annually.

Purchasing green products

"Green products" refer to products that have been certified with environmental labels, such as the environmental mark certification (GR mark), according to Article 2, Paragraph 5 of the Basic Law for Low Carbon and Green Growth. These products aim to reduce environmental pollution while minimizing resource and energy consumption, while also being of high quality and economically viable. iH has actively executed the purchase of eco-friendly construction materials and products by conducting training and internal promotions on green product purchases through the invitation of experts.

Designation as a specialized organization for evaluating energy-saving eco-friendly homes

In March 2022, iH was designated as a specialized organization for evaluating energy-saving plans for eco-friendly homes. Since May 2022, it has been evaluating compliance with design conditions and mandatory requirements of "Energy-saving Eco-friendly Housing Construction Standards" for private housing construction project applications in Incheon region. iH has been demonstrating the public interest and expertise in approval work in collaboration with GH Gyeonggi Urban Corporation, a regional public corporation in the Seoul metropolitan area.

Green business

Promotion of new businesses using renewable energy

iH is promoting renewable energy generation projects for ESG management and business diversification. In June 2021, iH signed a memorandum of understanding with Korea Southern Power Co. for the construction of a public-interest solar power plant, and has been operating two types of power generation projects: self-generation and leasing-type self-generation, in which iH uses the produced electricity directly and leases the installation space for the solar power plant to Korea Southern Power Co. iH is also striving to establish a foundation for green energy businesses such as green wind power and hydrogen fuel cells, in addition to solar power.

Expected effects

Annual reduction of approximately 340tCO_2 in greenhouse gas emissions
➡ It will have the same effect as creating approximately 32.6 hectares of forest (based on 30-year-old trees)

Establishment of a foundation for stable management through a leading response to a future carbon-neutral society

Promotion of renewable energy generation projects

Feasibility study and development strategy for renewable energy generation projects on four planned sites

- Feasibility study: considering economic viability, linkage with infrastructure, and community acceptance.
- Development strategy: considering the use of excess hydrogen (at Cheongra R&D site), utilization of waste heat from fuel cells, and linkage with local heating systems.

The planned project sites are

The stages of project planning and development include

Feasibility study and evaluation of project viability	Feasibility study and evaluation of project viability (from Jan 2022 to June 2023)
	Development of a project implementation strategy
	Decision on project implementation and priority
	Signing of MOUs with power suppliers and other relevant parties
Obtaining necessary permits and approvals	Changes to the overall development plan due to the Cheongna R&D site
	Approval for the renewable energy generation project
	Environmental impact assessment
Implementation of the project	Establishment of a special purpose company (SPC)
	Public tender for engineering, procurement, and construction (EPC) contractors
	Design and construction of the project
Operation and management of the project	Completion of the project
	Commercial operation

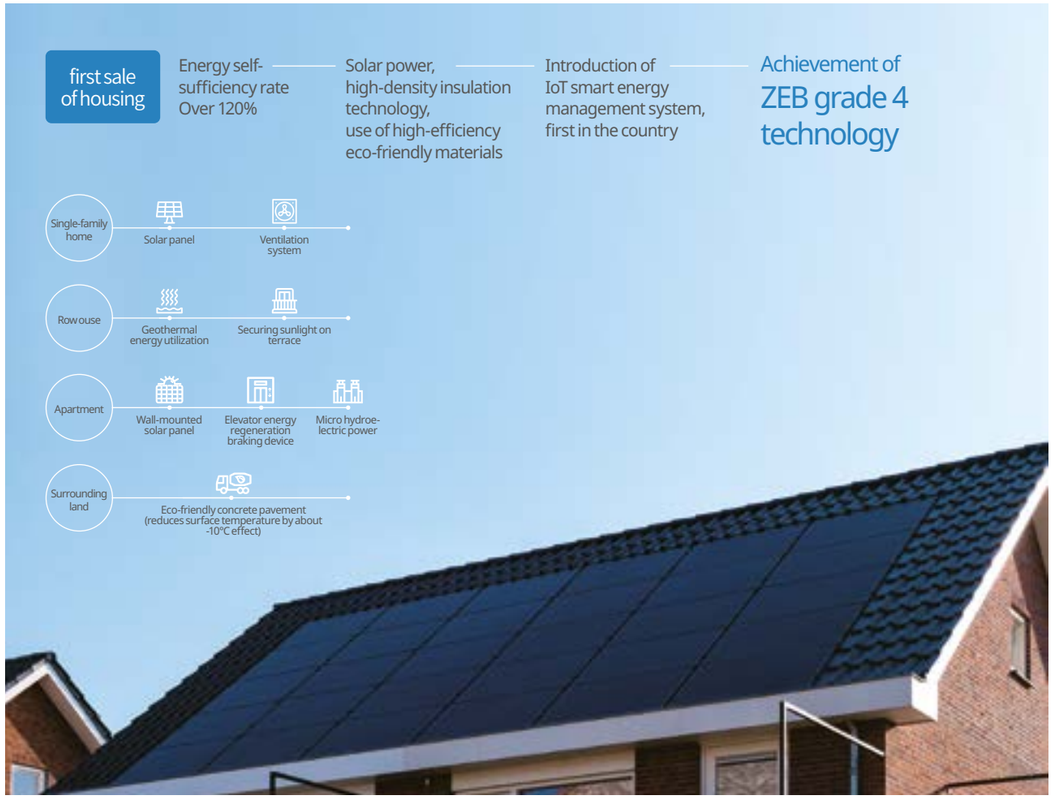
Promotion of carbon emissions trading using renewable energy

In conjunction with a project being initiated by a local government agency, iH held a conference on carbon emissions trading in November 2022 to discuss the economic and feasibility aspects of the carbon emissions trading business. iH plans to acquire carbon emissions allowances through this project. In December 2022, iH submitted a plan for a public electricity usage business using solar power generation equipment to the Korea Energy Agency. The project includes a total of 569.25 kW for three apartment complexes, namely Cheonghak Apartments (60 kW), Yeonsu Apartments (180 kW), and Sunhak Apartments (329.25 kW).

Design of zero-energy smart residential complex

iH plans to construct a demonstration city called energy self-sufficient "Human Energy Town" by 2027, with a total area of 147,000 square meters consisting of 1,226 households including detached, row house, and apartment units in the Geomdan new town. All homes in Human Energy Town will be built to achieve ZEB(Zero Energy Building grade) 4 or higher, with an energy self-sufficiency rate of over 120%. To achieve ZEB grade 4 technology, various passive and active design techniques will be applied, such as solar power, high-density insulation technology, and high-efficiency eco-friendly materials.
This is the first time that a zero-energy building design has been applied to a residential complex planned for sale. Detached houses will feature rooftop solar panels and high-performance ventilation systems with high heat recovery rates. Row houses will actively utilize geothermal energy, and each unit will have a terrace to maximize sunlight exposure. Apartments will utilize advanced energy-related technologies such as wall-mounted solar panels, elevator regenerative braking systems (generating electrical energy during descent), and micro hydroelectric power (using the potential energy of water level difference in a reservoir). The surrounding land will be paved with eco-friendly concrete to lower surface temperature by around 10°C.
The energy (heat, electricity) used and produced by residents in Geomdan Human Energy Town will be distributed and sold using a smart energy management system that utilizes IoT (Internet of Things) technology, which is being introduced for the first time in South Korea.

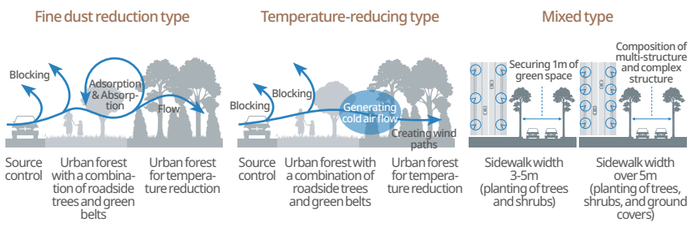
Core elements of Human Energy Town, scheduled for construction in 2027



Building green infrastructure

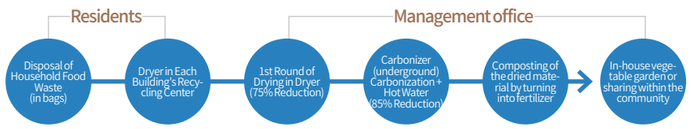
Green infrastructure development for iH urban forests

The "iH urban forest" provides an efficient response to climate change by mitigating urban heat island effects and reducing fine dust, while also providing beautiful landscapes. We have developed "urban heat island reduction type urban forests" that alleviate urban heat island effects and generate cool air, as well as "fine dust reduction type urban forests" that block and reduce fine dust. In the future, we plan to apply a total of 10 tree planting models, categorized into "early effect models" that generate fine-dust-mitigation effects by planting seedlings from the early stages of development, and "growth models" that expect gradual mitigation effect improvement through 10 years of tree growth and management. The application of the developed tree planting models to the already established urban forests has shown a maximum temperature reduction of 2.25°C and a maximum reduction effect of 4.69 ㎍/㎥ in fine dust. Based on the calculation formula for CO2 absorption, it is estimated that there will be a reduction effect of 13-101㎏CO2 per 100㎡ annually.



Establishing an environmentally friendly food waste disposal system

Food waste, which is one of the causes of carbon emissions, has been causing problems such as increased disposal costs, odor, and water pollution. iH has firstly applied a new concept processing system to realize carbon reduction through food waste generated in public housing. Food waste is put into dryers installed in each apartment building, and when its volume decreases, it is transferred to a carbonizer to be converted into compost. The waste heat generated during this process is used to produce hot water, saving operating costs, and the byproduct is recycled as fertilizer.



※ Residents of each building in the Guwol A3BL area have been utilizing the dryers to reduce their food waste, and the resulting waste is being composted using a plasma carbonizer.

Utilization of idle green spaces for the Geomdan wastewater treatment plant

In consideration of the population increase due to the influx of residents into Geomdan New Town, iH is pursuing a phased expansion of the wastewater treatment plant. In March 2022, the completion of the 1st and 2nd phases of the 23,000㎥/d facility secured 1.73 times more processing capacity compared to the previous facility. In addition, by undergrounding the facility, the odor has been minimized, and on the surface, a soccer field (little league baseball field), a multi-purpose field (2 fields), and two tennis courts were created according to the residents' opinions.

Expansion of electric vehicle charging facilities

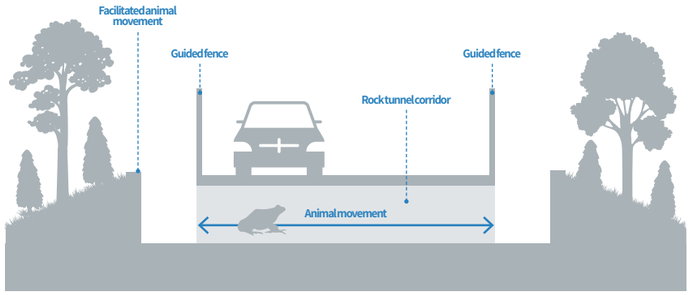
According to the " Ordinance on Promoting the Deployment and Utilization of Electric Vehicles in Incheon Metropolitan City (June 2017)," the scope of mandatory installation of electric vehicle charging facilities has been specified. iH is promoting the distribution of environmentally friendly electric vehicles by supplying additional charging facilities beyond the mandatory standards. In 2022, charging facilities were installed in the Guwol public rental housing, Geomdan AA16BL, Geomdan AA10-1BL, and Songdo Global Campus areas.

Eco-friendly urban development

Creating habitats for wildlife and protecting endangered species

iH is working to improve the residential environment that is closely related to the health of residents and neighboring communities, such as air, water, waste, noise, vibration, odor, and sunlight. In particular, We are proactively addressing the issue of endangered species due to urban development, creating ecological corridors for wildlife habitat construction, and building learning and relaxation spaces for citizens, striving to create an eco-friendly Incheon city.
The ecological corridor for wildlife habitat was created in response to the increasing occurrence of climate change indicator species, the Korean toad, being killed on Bangchuk-ro in Gyeyang-gu, Incheon. In addition, since the discovery of the endangered wild animal, II-class boreal digging frog, in Geomdan new town area in 2020, iH has been monitoring and creating alternative habitats from 2021. As a result, the number of individuals increased from 8 in 2021 to 21 in 2022, showing a 263% increase.

[Ecological Corridor Underground Section Diagram]



Soil Pollution Improvement

iH discovered soil pollution caused by TPH in the Okryeon-dong 620-10 area, and carried out purification on a site with an area of 27,460㎡. As a result, the soil environment was improved from the initial contamination level of 14,820mg/kg to 713mg/kg, which is 35% of the purification standard of 2,000mg/kg.

Fine Dust Reduction and Water Reuse - Water Space Environmental Design

Since 2020, iH has added and established the fine dust prevention facility item in the environmental management plan. In the case of the Geomdan New Town region, iH installed fine dust guidance signs and mist automatic sprayers in Community parks 4, 5, and 6, as well as children's parks 5 and 6. In Community parks 3 and 6, we created a water space by introducing the concept of "low impact development" by installing a rainwater reuse pond and a water tank.

Environmental Complaint Response for Noise, Vibration, and Fine Dust

In 2021, in response to the exceeding of water quality standards at one site in the Geomdan New Town, iH increased the capacity of the aeration equipment and added disinfectant. We are also conducting quarterly monitoring. To minimize environmental complaints regarding noise, vibration, and fine dust in the Geomdan New Town and the Geomam PLACIA area, iH has pursued measures such as installing solar soundproof panels, adjusting working hours, covering explosive blasting sites, and installing washing machines and watering vehicles.

Special Performance 03

The Future of Geomdan New Town Development Project by iH

Project Overview

Project Location	Maejeon-dong, Dangha-dong, Wondang-dong, Bullo-dong, Seo-gu, Incheon	Implementation Period	Feb 2009 - Dec 2023
Project Area	11.106㎢ - Phase 1 - 3.594㎢, Phase 2 - 0.715㎢, Phase 3 - 6.796㎢	Project udget	KRW 8.3868 trillion - Korea Land and Housing Corporation 50%, iH 50%
Planned Population	187,076 people / 76,695 households (168 people/ha)	Developers	iH, Korea Land and Housing Corporation, Incheon Metropolitan City Completion of final Phase 3 in Dec 2022 (Phase 1 completion in Dec 2021, Phase 2 completion in Dec 2022)

Implementation of Zero Energy Buildings through Solar Energy

- Installation of 996kW solar facilities in Geomdan AA16BL
- Achieved Grade 5 Zero Energy for residential and non-residential buildings
- Introduction of LID (Low-impact development) techniques such as rainwater utilization and use of grassed swale
- Establishment of efficient energy management plan through smart energy system

Urban Forest Development and Rooftop Greening (Geomdan AA16 / Pedestrian-friendly road development)

- Provision of creative play spaces through urban forest restoration
- Creation of waterfront spaces and provision of education programs
- Rooftop greening* to secure vegetation and soil layers for insulation and reduction of urban heat island effects

* Rooftop greening targets: 362.11㎡ (1 senior center, 1 community center, and 1 day care center)

Creation of forest playgrounds

Creation of waterfront spaces and provision of education programs

Smart city exclusive app, Nest IEUM

- Main Features :
Introduction of Geomdan New Town, Resident Support Services, Occupancy Status, Demand-Responsive Bus (I-MOD), Complaints, Large Waste Disposal Reporting, Anabada(Conserve. Share. Exchange. Reuse), Surveys, Smart App Services, Public Transportation Information, K-Disinfection, Safe Paths, Park Information, and more
- 20,300 downloads and 8,992 users in 2022

App Screen | Occupancy Status | I-MOD Reservation | Convenience Information for Daily Life

Electric Vehicle Charging Facilities in Residential Buildings

	Geomdan AA16BL	Geomdan AA10-1BL
Status of possession	21 rapid chargers 84 normal chargers	18 rapid chargers 70 normal chargers
Expansion of application	15 additional rapid chargers	178 additional socket type chargers

Installation of Smart Crosswalks for Pedestrian Safety of the transportation disadvantaged

- Analysis of road paths and safety facilities reinforcement around elementary schools for transportation disadvantaged individuals

Floor traffic lights | Safety signals | Security CCTV | Voice guidance for the visually impaired
Auxiliary devices for voice guidance | Unmanned surveillance cameras | Braille blocks | Focused lighting on crosswalks

I-MOD (Incheon-Mobility On Demand) BUS

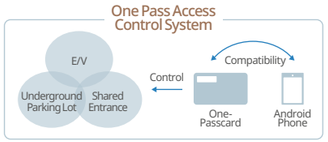
- I-MOD Bus is a Demand-Responsive Bus service in which residents can select their starting and destination bus stops through a user app, and the bus then uses AI algorithms to quickly travel the most efficient route to transport passengers to their destination. Currently, two I-MOD buses with a capacity of 16 passengers each are in operation, running on an internal loop route to and from Gyeyang Station during commuting hours.

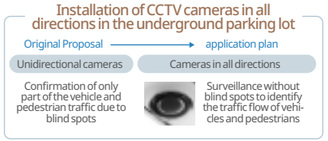
Development of Underground Facilities GIS Management App

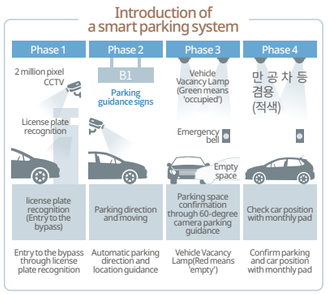
- App developed for the integrated safety network of 7 underground facilities (water supply, sewage, gas, electricity, communication, heating, and oil) in Geomdan New Town
- Management of the city's safety and disaster situations through an integrated platform

Smart Home, Smart Mobility

- 10 Smart Infrastructures installed, including security CCTV cameras.
- 1 Bus Information Terminal (BIT) installed to provide information on air quality and bus arrival times.
- Implementation of Remote Control for Smart Home
  - Providing integrated control through wall pads, smartphone apps, and voice assistants
  - Obtained 'Special Grade' for Ultra High-Speed Information and Communication, and 'AAA Grade' for Home Networks.







Disaster and Safety Management

Safety Management System

iH prioritizes safety as the CEO's top priority and operates a dedicated safety management team under the CEO. The company has established a system for operating and managing related safety policies, building a safety culture, and strengthening worker-centered safety management policies. In 2022, iH was designated as a 'priority agency for safety management' due to the expansion of its construction business, and the company has implemented the two-track strategy of 'establishing a safety management system' and 'implementing safety management tasks' in compliance with the safety management guidelines for public institutions.

Target

2022 Mission
Establishing a safety-centered culture to ensure citizen safety and create safe workplaces

Zero accidents

- Strengthening the operation of safety and health management systems
- Developingdisaster preparedness manuals and early response systems
- Enhancing the professionalism and effectiveness of safety inspections
- Raising safety awareness through expanded safety-related events, promotions, and training in safety and health

Strategy Track 1 : Establishing and enhancing the safety management system and accident prevention

To establish a strong foundation for accident prevention, response, and monitoring, iH has established and operates a safety and health management committee and an industrial safety and health committee to gather diverse opinions. Furthermore, starting in 2022, iH has promoted the disaster safety management organization to a direct report to the CEO, and enhanced the organization's structure with seven dedicated staff members to lead the effort.

Safety and Health Management Committee

Term:
2 years (renewable)

Meetings:
Regular - once every 6 months
Ad hoc - as needed

Chairman: CEO

Secretary: Head ofdepartment in charge of the committee

iH (up to 3 members)	Construction Co (2 members)	Workers (up to 2 members)	Experts (up to 3 members)
· Ex-Officio: CEO and Head of Safety Management · Department · Designated: Department presenting the agenda	· Civil construction contractor (1 member) · Architectural construction contractor (1 member)	· Worker representative or recommended by representative (up to 2 members)	· University professor-Certified safety and health professional · Doctor of Engineering or related field

Agenda	Advisory matters
Criteria for the composition and operation of the committee	Progress report on agenda items for the current year's committee meetings
Actions taken and measures for preventing recurrence in the event of a major disaster	Important matters related to worker safety and health
Annual safety basic plan and performance	Industrial accident prevention plan and performance
	Industrial accident status report
	Improvement plans and performance related to comments from the Ministry of Labor

Safety and Health Management Committee

Term:
3 years (renewable)

Meetings:
Regular - once every quarter
Ad hoc - as needed

Composition: Equal representation of management-side and labor-side members

Chairman: CEO and Labor Union representative (alternating)

Secretary: Head of department in charge of the committee

Management-Side	Labor-Side
· Head of Management DIvision(appointee) · Head of Residential ·Business Division (appointee) · Head of Safety Management Office (appointee) · Safety Manager (ex-officio) · Health Manager (ex-officio)	· Head of Admin Department (appointee) · Head of Organization Department (appointee) · Head of Women's Department (appointee) · Operating Member 1 (appointee) · Operating Member 2 (appointee)

Roles	Performance
Establishing industrial accident prevention plans	Four meetings held in 2022: January, June, September, and December
Providing safety and health education for workers	Main agenda items: Discussion and decision-making on matters related to worker safety and health, including the establishment of industrial accident prevention plans
Conducting workplace environment inspections, including measuring and improving the work environment	
Managing the health of workers, including conducting health check-ups	
Investigating the causes of major disasters and establishing measures to prevent their recurrence	

Enhancement of disaster safety system

iH Disaster Emergency Situation Room

- Continuous monitoring of construction sites for preventing worker safety accidents
- Conducting online safety inspection meetings

Utilization of drones for safety management

- Operation of 4 drones
- Deployed when access to safety blind spots is necessary
- Monthly regular inspection of structures and other facilities

Strategy Track 2 : Implementation of Safety Management Tasks

iH emphasizes prevention as the top priority for safety accidents and is enhancing the ability to respond to risks on-site through the establishment of safety management manuals, safety meetings, professional education, and simulation training.

체계

ISO 45001 Safety and Health Management System

- Development of safety and health management manual
- Biweekly meetings for safety inspections of construction sites
- Building a contingency plan suitable for the company's circumstances
- Development of measures to prevent recurrence in the event of occupational accidents
- Development of action plans for different disaster situations
- Reinforcement of capacity to respond to extreme weather and large-scale disasters
- Obtained ISO 45001 certification for international safety and health management system on May 28, 2021

* Certification scope: design, development, construction, and operation management of housing construction and civil engineering projects

Mock drills and responses

We have established a risk response system connected to smart devices on the construction site, centered around a comprehensive disaster situation room, and conducted joint disaster response drills.

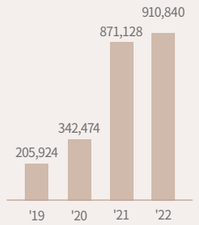
- Conducted joint training with the construction safety management office and construction companies
- Situational response for fire, falling, heat-related illnesses, and other emergencies

Normal situation	Situation Monitoring	Disaster response
· Provision of on-site information (maps, CCTV) · Constant briefing and management of facility information · Real-time disaster broadcasting and weather information	· Control of on-site CCTV through linkage · Monitoring through drones and smart helmets	· CCTV control in case of disasters · Patrol reporting and system transmission · Video conferencing capabilities

During disaster preparedness situations, we effectively managed the site to prevent damage to the workplace. We achieved the following results

Alert notification	+	Warning notification	▶	Implementation performance
· Internal announcement and SMS notification to responsible personnel · Deployment reporting and reporting every 2 hours		· Internal announcement and SMS notification to responsible personnel · Deployment reporting and reporting every 2 hours · TF team mobilization, deployment, and situation reporting		· Preemptive response in case of warning (Heavy rain 7, Heavy snow 1) and alert (Heavy rain 4) →No damage to the workplace · On-site patrol and prevention measures for hazardous areas

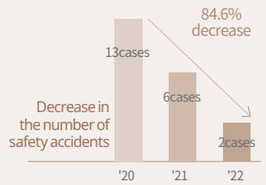
Safety-related budget status
(in KRW 1,000)



Disaster reduction excellent company certification

Ministry of Public Administration and Security, Nov.2022

Safety accidents



Assessment of safety management level of construction companies participating in construction projects of the Ministry of Land, Infrastructure and Transport

74 Points (average, '21) ➡ 86 Points (excellent, '22)

Smart safet helmet

- Elimination of Blind Spots for Safety and close monitoring of workers
- Possession of 12 helmets

CCTV

- Connected to the Disaster Emergency Situation Room for on-site monitoring
- Installation of 18 cameras

Safety and Health Inspection and Activities

iH conducts regular safety and health compliance inspections twice a year through an external expert organization and works with relevant departments to improve any issues found.

Conducting safety and health compliance inspections	Identifying issues	Requesting improvement from each department regarding identified issues	Tracking and managing the implementation of improvements
· Checking compliance through external experts	· Identifying issues regarding safety and health compliance	· Requesting improvement plans and results from each department	· Conducting improvement compliance checks through departmental inspections

Safety Inspection (Safety Day Operation)

iH designates the 4th day of every month as 'Safety Day' and conducts monthly training, safety campaigns, and safety promotion activities based on quarterly safety themes such as winter season and thawing season. In addition, iH has conducted on-site and facility inspections at 128 locations for each season (regular, winter, thawing) and hired external experts and auditors to conduct joint inspections to ensure professionalism. In 2022, 460 issues were identified during safety inspections, and 454 of them, accounting for 98.7%, were improved.

Site Inspection for Construction Site Safety and Accident Prevention Management

Thawing season construction site safety inspections

iH Safety Patrol System

The term "patrol" in the industrial safety and health industry refers to the process of inspecting priority work areas with a high risk of accidents and fatalities. In 2022, iH conducted monthly safety inspections of small-scale construction projects with a budget of less than KRW 5 billion and conducted periodic and ad-hoc inspections of Class-III facilities. By using this process, iH was able to detect physical and functional defects that could potentially impair the functions of the target facilities at an early stage. Additionally, the safety rating, repair/reinforcement measures for structural safety, and causes of defects were investigated, which ultimately helped prevent safety accidents in advance.

Customized Site Safety Management for Workers

iH prioritizes the safety and prevention of accidents at construction sites by implementing management that considers the health, employment status, and communication level of workers. With the increasing number of foreign workers at construction sites, iH recognizes the potential for safety accidents due to communication issues and is actively promoting suitable guidance and campaign activities tailored to the nationalities of foreign workers. Additionally, iH conducts safety activities for vulnerable groups of workers on-site, such as new workers and elderly workers.

Joint Inspection for Construction Site Completion

iH selected 12 construction sites, including important structures and underground facilities, and conducted joint inspections with partner companies to ensure structural safety.

Target	Details	Conducted
Underground facilities	GPS surveying	6 times for each
Strength measurement	Schmidt hammer test	6 times for each
Reinforcing steel bar arrangement	Non-destructive testing equipment (reinforcing steel bar detector)	6 times for each

Training

All seven safety managers completed 100% of the required training

Classification	Training	Completion
Statutory training	New employee training for disaster safety (management)	1person
	New employee training for disaster safety (practitioners)	5person
Non-mandatory training	1-day workshop: Industrial Safety and Health Act and Major Accident Penalty Act	7person

Classification	Training	Completion
Statutory training	CEO Safety and Health Management Training	1person
	New Safety Manager Job Training	1person
	New Health Manager Job Training	1person

Establishment of Disaster Prevention Measures for Small-Scale Construction Sites

Small-scale construction projects (less than KRW 12 billion in budget) often lack specialized personnel for safety management, which has become a social issue. In line with the policy of "Thorough Safety Management for Prevention of On-Site Accidents," iH established disaster prevention guidance policies for small-scale sites and conducted disaster prevention guidance for each category of construction work.

Performance

- Established disaster prevention guidance policies for small-scale sites (Dohwa 2, 3 Resident Center construction project)
- Conducted disaster prevention guidance for each category of construction work based on the progress of the construction project

Achievements

- No on-site safety accidents occurred in 2022

New budget allocation for disaster prevention measures in 2022

Costs	2022 budget mount (in KRW 1,000)
Commission fees for fire protection equipment and electrical safety management outsourcing	14,115
Purchase of safety equipment (drones, rebar detectors, etc.)	29,600
Cost of disaster prevention technology guidance and regular safety inspections	44,020

Innovation in Management

Organizational System for Building a Culture of Innovation

iH manages its own innovation process and performance with stakeholders' perspectives on management innovation. It has established a plan based on the guidelines of the Ministry of Administration and Safety, promoting citizen participation in the selection, evaluation, and confirmation of innovation projects.

Establishment of innovation governance and the designation of an innovation control team

- **CEO (Innovation Management Committee)** — Innovation Control Tower
- **Innovation Management Department** — ESG Innovation Department
  - **External Network** — Citizen Participation Group, Resident Participation Budget, etc.
  - **Innovation Project Promotion Department** — Company-wide Innovation Project Implementation
  - **Innovation Leader** — 21 innovation leaders

Designation of General Department (Responsible Person): Appointment of 4 leaders for overall innovation management. Four department heads appointed (Head of Management Division, Planning and Coordination Office, ESG Innovation, and one staff member)

Management Innovation Committee
- Composition: Chairman (CEO), Members (Audit Committee, Head of divisions)
- Role: Final decision-making on innovation initiatives and performance evaluation
- Frequency: Monthly, to check progress of initiatives

ESG Innovation Division
- Performs the role of innovation control tower such as committee organization and operation, support for execution organization, and analysis of implementation status

Support Organization
- Provides practical opinions on innovation leaders' achievements and participates in innovation evaluation.
- Promotes innovation projects by field and manages performance on a semi-annual basis

Citizen Participation Innovation Team
- Composition: 10 citizen members
- Roles: collecting opinions on the necessity and effectiveness of innovation, and participating in innovation evaluations including innovation projects and contests.

A comprehensive innovation plan that satisfies both the organization and the market

Proactive planning based on the guidelines of the Ministry of Interior and Safety [Top-Down]

[Bottom-Up] Development of innovation tasks by department and establishment of an external evaluation system

4 Fields + 13 Strategies + Selection of 45 Innovation Tasks

Online Training	Operation of 5 innovative courses from the "e-Learning Training of Local Public Enterprise Evaluation Institute" A total of 248 people completed the training
Autonomous Learning Organization (COP)	Diversification of recruitment types (job-oriented learning type | II, problem-solving type) Support for additional areas related to the fourth industrial revolution, guest lecturers, etc. A total of 5 learning organizations with 42 members, with a budget of 81 million won (an increase of 7 million won or 575% compared to the previous year)

Proposals System

iH establishes innovation leaders and identifies departmental innovation projects according to the PDCA (Plan - Do - Check - Act) process. Opinions on the projects are collected through innovation conferences and from innovation leaders, and citizen evaluation is added to finally select the projects. Additionally, every six months (twice a year), progress is reviewed, excellent cases are selected, and rewarded and disseminated.

Process

General proposal / Special proposal → Proposal submission → Review by related department → Proposal task force → Proposal review committee → Recognition and implementation

Innovation project management: Identification and implementationof departmental innovation projects → iH innovation competition → Recognition and application in actual work

Innovation projects selected through participation of citizens and employees

Category	[External] Citizens	[Internal] Employees
Project development	Gathering opinions on innovative plans from citizens	Development of departmental innovation projects
	Request for opinions on the iH homepage - Posting of 2022 innovation guidelines and internal excavation projects	Open call for departmental innovation project ideas - A total of 49 projects were developed
Project selection	Final selection of '45' 2022 iH innovation projects	
	Evaluation of projects by innovation task force, innovation leaders, and citizen evaluation committee - A total of 31 evaluators, including 21 innovation leaders and 10 citizen evaluators, evaluated the proposed projects.	

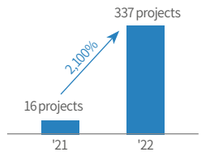
Establishment of evaluation criteria for special proposals

iH's special proposal system deals with research related to management innovation such as cost reduction, improvement of work methods, and new technologies. In 2022, the "special proposal evaluation form" was established based on innovation and feasibility.

Check on the progress of innovation initiatives

The relevant departments check their progress every six months and support those who are not performing well to complete their projects. Through innovation leader meetings and project progress checks, three out of four poorly performing projects in the first half of 2022 were improved and successfully completed.

Number of identified key innovation projects



Information management and disclosure

Establishment of record management system

We are promoting the electronic management of all materials related to work performance to establish a work continuity basis from the past to the present and the future. Based on the Public Records Management Act and KS X ISO 15489-1 (national standard), we have established a five-year plan for record management and are pursuing the establishment of a record management environment in accordance with national standards (NAK) and relevant laws and regulations.

5-year plan for establishing iH records management system

Detailed project implementation schedule						
Establishing a foundation for records management			System Stabilization and expansion			Establishment and Diffusion
2018	2019	2020	2021	2022	2023	2024~
Establishment of records management system and development of regulations		Development of records management standards		Creation of administrative information datasets		Improvement of utilization
			Full-scale investigation of records	Digitization of records		
			Establishment and operation of records management system (RMS)			Advanced development of RMS

Establishment of Records Management System

Relevant laws: Article 4 of the Enforcement Decree of the Public Records Management Act (management of registration information for electronic record production system)

Number of records subject to transfer: 53,313 files

Number of records subject to permanent preservation: approximately 100,148 files

- ➡ Establishment of internal regulations related to records management
- ➡ Establishment of a Records Management System (RMS)
  : Electronically managing the entire process of record production, acquisition, viewing, and disposal
- ➡ Selection of important records for permanent preservation, and establishment of a database and digitization of information resources: listing, scanning, and preservation work
- ➡ Expansion of internal and external services for records management
  : Strengthening credibility of record viewing and utilization through compliance with reliability/security standards

Expansion of Scope of Electronic Records Management through Participation in National Archives Pilot Project

Based on the Public Records Management Act Enforcement Ordinance Article 34 (Management of Administrative Information Dataset)

iH + National Archives of Korea

- ➡ Analysis of Administrative Information Dataset System - Selection of 4 out of 9 total systems
- ➡ Cooperation with National Archives of Korea
- ➡ Analysis of iH management system
- ➡ Interview on records and computer systems
- ➡ Training on administrative information dataset

National Archives of Korea + iH

- ➡ Completed development of iH record management standards using reference model of other city development

Expansion of the scope of electronically managed records

Smart Asset Management System (Real Estate Supply Information Map)

iH has built a smart asset management system to overcome information asymmetry in real estate permits within development zones and provides sales information during bids and announcements within the development zones. We have created an equal opportunity foundation for anyone to obtain information on the supply timing and permit information of each necessary parcel of land within the development zone.

Progress Process

In April
The service policy for Smart Asset Management System (Enhancement) was established, and orders and initiations were completed.

In October
The system was opened and monitored for iH employees.

In November
The system was opened and monitored externally

The system was stabilized and inspected

In February
We expanded customer contact opportunities and improved PR through press releases and website announcements

Main Screen of the System

http://landmap.ih.co.kr

Human Rights Management

iH is committed to pursuing human rights management that reflects diverse perspectives by reflecting stakeholder opinions. We have obtained and manage human rights management system certification, and further supplement post-processes for victim protection by setting specific standards for redress procedures in case of harm.

Stages of Human Rights Management

Implementation Direction	Establishment of human rights management promotion system	Strengthening of human rights management implementation system	Fostering a culture of respect for human rights internally and externally
Medium-to-Long-Term Roadmap	Introduction period (2018)	Establishment period (2019 ~ 2020)	Leap period (2021 ~ 2023)
Key Tasks	➡ Establishment of human rights management system ➡ Establishment and proclamation of "human rights management declaration" ➡ Development of human rights management guidelines ➡ Establishment of human rights management committee	➡ Organizational restructuring ➡ System establishment Regular human rights impact assessment ➡ Establishment of measures to prevent human rights violations	➡ Certification of human rights management system ➡ Continuous promotion of human rights management ➡ Feedback on performance evaluation ➡ Improvement of measures for remedying human rights violations

Organizations for Promoting Human Rights Management

Human Rights Management Committee	Management Support Division	Audit Office
External: 5 people including certified labor attorneys Internal: 4 people including management executives and labor union representative	Overall management of human rights management	Complaints and remedies for human rights violations
	Planning and Coordination Office	**Other Related Departments**
	Overall management of ESG management	Implementation of human rights management tasks

A human rights management declaration in collaboration with stakeholders

Based on the standard model of the National Human Rights Commission, iH reviewed 134 items in 8 categories, surveyed citizens' opinions, and added the opinions of employees to formulate the human rights management declaration. iH has also defined the meaning of human rights and protection targets and established detailed guidelines accordingly.

Declaration of human rights management

We, as a public corporation leading urban regeneration and housing welfare, pledge to respect and protect human rights in all our management activities. To fulfill this mission, we declare the practice of human rights management that guarantees human dignity and values, and we will strive to uphold this declaration as the behavioral norms and value judgments that our employees must comply with, in order to respect and protect human rights.

First, we support and comply with international standards and norms, such as the UN Universal Declaration of Human Rights, with regard to human rights.
Second, we do not discriminate against anyone based on gender, age, education, region, religion, disability, nationality, or any other reasons in employment and activities, and we make efforts to establish a working environment of mutual respect.
Third, we guarantee the freedom of association and collective bargaining of our employees and strive to establish a cooperative labor-management culture.
Fourth, we prohibit forced labor and comply with all labor principles related to working hours, safety, health, and other relevant laws and agreements.
Fifth, we respect the human rights of all stakeholders, including employees, partner companies, and local residents, and actively support and strive to practice human rights management.
Sixth, we make efforts to respect and protect the housing stability and property rights of Incheon citizens.
Seventh, we guarantee citizens' right to access information and make efforts to protect personal information acquired in the course of our business.
Eighth, we do our utmost to prevent human rights violations in advance, and in the event of such violations, we actively strive to provide timely remedies.
Ninth, we comply with domestic and international environmental regulations, and make efforts to promote industrial safety and health to provide a safe and hygienic environment for our employees and the public.

Human Rights Impact Assessment (HRIA)

Institutional Human Rights Impact Assessment

iH recognizes the responsibility to stakeholders in its organizational operations and business processes, and conducts regular human rights impact assessments. To improve employee understanding of human rights impact assessments, iH provided training on human rights impact assessment indicators to a working group of 17 people in the human rights management department, and increased the practicality of the assessments through on-site inspections and interview participation.

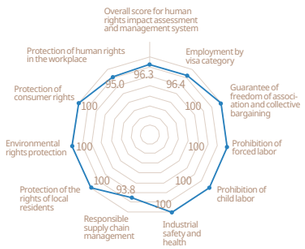
P — Previous year review and plan
- Reviewed 15 improvement tasks : 12 completed
- Identified 3 long-term improvement tasks

D — Human rights risk assessment
- Institutional operation : personnel, safety, etc.
- Major projects : Identified human rights risks in urban development projects

C — Checklist development and evaluation
- Institutional operation : Evaluated 87 items in 11 areas with 189 detailed indicators
- Major projects : Evaluated 27 indicators in 7 areas
- Training and evaluation

A — Analysis and follow-up
- Identified 12 improvement tasks : Established action plans
- Results of the evaluation are made public

Institutional operation impact assessment score: 97.9% (325 out of 332 points)



Categories	Areas for Improvement	Improved results
Establishment of a human rights management system	① Gathering opinions on the revision of the human rights management committee's declaration ② Monitoring signs of human rights violations through surveys ③ Reporting on the results of human rights management practices as necessary	❶ Revised (draft) of iH's human rights management declaration proposed at the human rights management committee meeting ❷ Conducted an investigation on the status of human rights (June 22) ❸ Reported on human rights management performance
Non-discrimination in employment	④ Promoting equal opportunities for employees on childcare leave in terms of promotions	❹ Revised the 'Personnel Regulations' to include promotion evaluations for employees taking childcare leave, without any negative impact on their career advancement
Ensuring industrial safety	⑤ Need for management of office workers in addition to safety management at the workplace	❺ Conducted ergonomic risk assessments for all employees
Responsible supply chain management	⑥ Stipulating the obligation to protect human rights in contracts with contractors ⑦ Demanding correction in case of human rights violations by contractors ⑧ Periodic training for contractor companies	❻ Required the "Worker's Rights Protection Compliance Pledge" to be signed at the time of contracting ❼❽ Conducted integrity training for supervisors, construction project managers, primary subcontractors, and partnering companies
Protection of human rights in the workplace	⑨ Conducting a pre-training survey to assess the level of understanding and provide customized training recommendations ⑩ Developing job positions suitable for people with disabilities to comply with mandatory employment regulations	❾ Conducted human rights training after conducting an internal human rights sensitivity assessment ❿ Operating a disabled sports team and recruited Goalball players (in collaboration with the Disabled Sports Association)
Housing welfare programs	⑪ Providing training on preventing human rights violations of residents in housing projects ⑫ Monitoring to prevent personal information violations of employees in the ethics counseling process	⓫ Distributed materials for responding to human rights violations and established an emergency contact system ⓬ Conducted monitoring through meetings with stakeholders of management offices

Employee human rights awareness survey results

Period
June 22, 2022 (Wed) to June 29, 2022 (Wed)
Online survey conducted

Survey items
human rights awareness, respect for and violations of human rights, importance of human rights management, and grievance procedures

I am familiar with the procedures for addressing workplace harassment: 85.7%

I acknowledge that the iH system for addressing harassment is in place: 93.9%

Counseling support for emotional laborers to prevent human rights violations

Emotional laborer mental health check-up
➡ Emotional laborer mental health check-up rate: 65% (282 out of 436)
- 1:1 counseling for high-risk stress groups(a total of 8 sessions)

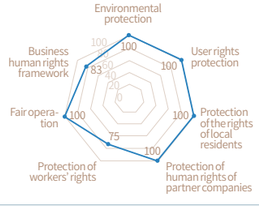
Human rights management activities for partner companies

- Requesting a pledge to protect human rights when signing contracts (ongoing)
- Regular monitoring and meetings with partner companies to protect human rights
- Grievance procedures and reporting systems disseminated to partner company employees

Human Rights Impact Assessment in Business Fields

In 2021, iH conducted a human rights impact assessment on its housing welfare project, and in 2022, it expanded its assessment to include urban development projects to identify potential risks and recognize vulnerable groups. Going forward, iH plans to progressively expand its human rights impact assessment to include major business areas.

The human rights impact assessment score for the business sector was: 96.3% (52 out of 54 points)



Operation of Human Rights Management System

Since 2021, iH has been obtaining human rights management system certification through external professional organizations to ensure reliability. Through regular system audits, we proactively identify potential human rights risks and immediately address any non-compliance or concerns.

Certification of human rights management system to enhance credibility

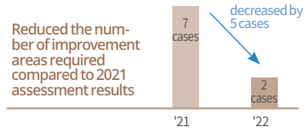
Achievements
Obtained human rights management system certification for two consecutive years

Complication
- Strengthening of ESG external evaluations
- CEO's expressed commitment to strengthen human rights management in overall management activities, including cooperation with stakeholders

Answer
- Need to strengthen understanding of 'stakeholders' as required by the human rights management system
- Reflection of iH characteristics in the human rights management declaration and revision of the human rights management rules

Situation
- Objective verification and identification of potential human rights risks through iH's specialized human rights management organization is necessary
  - ➡ Internal guidelines and manuals related to human rights management
  - ➡ Awareness of internal human rights management
  - ➡ Results of human rights education and training

Reduced the number of improvement areas required compared to 2021 assessment results



Employee participation in improving awareness of human rights culture

Operation of Human Rights Management Group (for all employees)
Implementation of human rights education (twice)

Showing human rights films: twice

Supporting human rights reading activities: twice

Activities to prevent non-human rights violations

Statutory training

Tailored separate training was provided to high-ranking officials, including facility managers, in accordance with the 2022 Guidelines for Violence Prevention Training. Case-based training was conducted, reflecting the characteristics of management and field personnel, which helped to establish a response system.

Process for handling incidents when they occur

Report and awareness of incidents	filing complaints, recognition		
Counseling	Overview of the incident and victim demands identified through consultation with the informant and victim ⇒ Determine the initial resolution method based on victim demands		
	If the victim only wants to be separated from the perpetrator	If the victim wants a reconciliation or an apology from the perpetrator	If the victim wants the issue to be addressed through a company-level investigation
Investigation	Omission of investigation	Reporting to CEO after brief investigation	Formal investigation
Measures when harassment is confirmed	Write a counseling report and take appropriate action after reporting to the CEO	Deliver the victim's demands to the harasser and reach an agreement	Disciplinary action against the harasser
Monitoring	Monitoring the implementation of agreed-upon actions and any subsequent harassment against the victim		

All employees received 4 rounds of violence prevention education

Encouragement for online education completion (6 to 12 months)

Participation rate for 2022 education (470 graduates): 98%

Newly opened high-level sexual harassment and sexual violence prevention education in 2022

Participation rate (26 out of 28): 92.8%

reports of sexual harassment or sexual violence in the first half of 2022

ZERO

Designation of a sexual harassment complaint officer

A sexual harassment complaint officer has been designated and has completed 100% of the specialized education within six months of the designation.

Department	Name	Education Completion	Gender
Management Administration Division	Kim** (Assistant GM)	June 2022	Male
Management Administration Division	Lee** (GM)	June 2022	Male
Management Administration Division	Oh** (GM)	June 2022	Female
Labor Union	Moon** (Office head)	2021	Male

Talent management

iH practices talent management for sustainable growth. We strive to ensure equal opportunities through transparent, shared, and fair recruitment processes and personnel systems. To enhance the capabilities of employees for various business projects, we provide mandatory statutory education and job training. We operate a performance-based evaluation system for compensation and promotion. Additionally, we promote systems and activities to establish a communication-based organizational culture and a constructive labor-management relationship.

Core Competencies

- **Public value deliverer** — A public value deliverer that provides trusted value to customers
- **Urban creation expert** — A city creation expert who pursues the highest competitiveness
- **Change innovator** — A change innovator who actively challenges future values

Organizational management

iH is conducting organizational diagnosis and examination to establish a stable workforce management plan. Through organizational diagnosis, iH sets directions to move forward and establishes HR function strategic models for each organizational structure.

Organizational diagnosis and evaluation process

1 Structural analysis
Conduct analysis on the basic structure, hierarchical structure, and functional distribution of each department

2 Investigation
Conduct investigations through employee interviews, internal surveys, and other methods of collecting opinions

3 Issue sharing and discussion
Hold strategic meetings, labor-management negotiations, management meetings, and department head discussions to share and discuss issue

4 Outcome
Develop a plan for job restructuring and Personnel management plan

New Tasks

- Strengthening the function of responding and promoting new businesses
- Enhancing synergy and efficiency through interdepartmental collaboration
- Strengthening functions for exploring new business areas
- Enhancing professional skills in key business and functional areas

Organizational operational system

2022 Organizational Operations Plan

Improvement of organizational efficiency in 2022
- Expansion of the organization due to large-scale business projects
- Enhancement of synergy effects through integration between departments
- Streamlining of support departments for organizational efficiency
- Expansion of digital work environment

Strengthening Core Competencies
- Enhancement of social value such as ESG management
- Specialization in urban regeneration and housing projects
- Strengthening of expertise in each function

Securing Future Growth Engines
- Enhancement of real estate finance business capabilities
- Strengthening of response to future new business
- Expansion of future environmental research organization

Direction of Personnel Management
- Systematic prediction of personnel demand through internal/external organizational diagnosis
- Strengthening of business promotion momentum through expanded personnel allocation to core projects
- Enhancement of fair and transparent personnel management based on two-way communication

HR Function Strategy

HR Backbone: Establishing a consistent personnel system and a foundation for integrated operation between systems

- **Promotion** → Optimal talent selection by position and job
- **Movement/Placement** → Establishment of personnel rotation cycle; Development of a movement system based on career readiness
- **Evaluation** → Enhancing a culture of performance management; Strengthening leadership in performance management at the site
- **Internal Diagnosis** → Pursuing fair compensation taking into account organizational and individual performance
- **Monitoring** → Advising on education aimed at career development based on performance orientation

Personnel Committee Operation

iH operates a personnel committee that includes external experts to ensure a rational and fair personnel system in regards to major personnel management matters such as recruitment, promotion, and disciplinary action.

Composition of Personnel Committee

- **Expertise**
  - Appointment of external members with extensive experience in personnel management
- **Representativeness**
  - Enhancing representation of women by constituting 3 out of 5 external members as women
  - Securing representation by involving department managers from each headquarter department
- **Fairness**
  - Full participation of all external members in the deliberation and decision-making of important matters

Composition of the Personnel Comm

4 internal members (department heads) and 5 external members (professors and labor lawyers)

Job position management

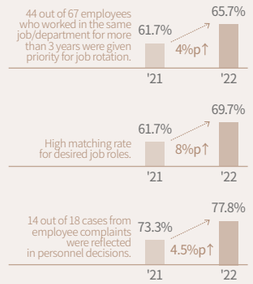
iH follows the management principle of considering various factors, such as career and job responsibilities, to assign positions that reflect the autonomy and will of employees. iH also adheres to the principle of pre-disclosing personnel plans and promotes fair and efficient organizational management through regular personnel appointments.

Personnel Assignment Principles
- Comprehensive consideration of work experience, job training, and other factors
- Internal recruitment for key positions (Safety Manager, Future City Research Director, Asset Management Director)

Assignment Criteria
- Rotation principle for employees who have worked in the same department/job for 3 or more years
- Exclusion of specialized professions (lawyers, accountants, etc.) from rotation
- Consideration of desired job positions for career development
- Consideration of personnel placement for employees with grievances

Personnel Plan Notice
- Adherence to principles of prior disclosure of personnel policies, etc.
- Improvement of personnel predictability through regular scheduling of personnel changes and long-term organizational restructuring

Achievements



Performance management

iH is strengthening its performance management system by linking it with external evaluations such as government management evaluations and prioritizing the management of key projects. It operates organizational performance indicators based on external evaluation indicators and key business by department, and holds monthly management committee meetings to strengthen periodic monitoring of the progress and performance of key projects. iH also conducts annual evaluations for performance measurement of each organization unit, and reflects the results in individual comprehensive evaluations and differential bonus payment according to evaluation grades, focusing on building a performance-oriented organizational culture.

Organizational performance management system through various performance indicators at the organizational level

Common indicators (20%)	Department indicators (80%)	Criteria for bonus points and penalty points(±α)
Company-wide participation required for issues such as integrity, social contribution, and education	(Designated) Linked to government management evaluation indicators (Unique) Departmental key projects and infrastructure	Special requirements for achieving management goals, etc.

Enhancing performance evaluation through prioritized monitoring of major projects and annual evaluations

- Monthly operation of management committee
- Mid-term evaluation of performance indicators (once a year)
- Annual evaluation and analysis of organizational performance

Performance-focused culture driven by Performance-based compensation

Award for Excellent Department	Individual evaluation linkage	Compensation payment linkage	Collection of opinions for system improvement
Selection and reward payment for outstanding departments by evaluation group	Reflect in the comprehensive evaluation* of individuals	Differentiated payment according to performance evaluation, and reflection of salary increase rate	Deriving improvement plans through collection of improvement opinions

* Comprehensive evaluation of individuals (for those of Grade 2 or lower)= Work evaluation (competence evaluation/performance evaluation) 70% + Organizational performance evaluation 10% + Multidimensional Personnel Evaluation 20%
* In the work performance evaluation, 80% of individual performance evaluation is reflected in organizational performance evaluation

Empowerment of Women's Capabilities

iH is making efforts to guarantee women's participation and leadership, prevent career gaps, and implement gender equality by establishing a roadmap to expand female managers and improving female representation and talent development.

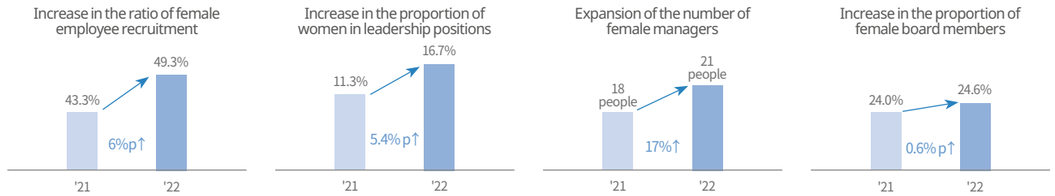
Promotion of Female Talent Development

- **Blind hiring**
  Mandatory placement of female interviewers when forming interview panels
  Prevention of gender discrimination through prior education for interviewers
- **Position Assignments**
  Priority Placement of Female Talent in Organizational Restructuring
- **Education**
  Promotion of female talent development education

Enhancement of Women's Representation

- **Promotion without discrimination**
  Expansion of female managers by 3 (18 → 21) through the operation of a gender equality system
- **Professional development**
  Expansion of one female member in the Personnel Committee and one in the Industrial Safety and Health Committee

Achievements in Strengthening Women's Capabilities



Internal customer satisfaction

The overall internal customer satisfaction, which measures the satisfaction of iH employees, improved by 3.2% from 74.2 points in 2021 to 76.6 points in 2022. Starting in 2022, iH held quarterly TF meetings with employees to create a corporate culture together, and broadcasted expanded executive meetings live every month to share the CEO's message throughout the company, which resulted in an improvement in the internal satisfaction of organizational culture from 68.2 points in 2021 to 71.5 points in 2022. Additionally, iH enhanced its video conference systems by implementing wireless microphones, user-friendly software, and expanding the use of touch-based video conference equipment. iH also improved the working environment for employees by remodeling the lounge area and building a new waste separation facility, leading to an improvement in the internal satisfaction of the working environment from 79.2 points in 2021 to 81.3 points in 2022.

Results by item

Major items	Job satisfaction	Job performance	Promotion and career development	Working environment	Education and support	Organizational culture	Overall satisfaction
Score	83.9	76.8	70.3	81.3	80.5	71.5	79
YoY growth	2.1↑	3.4↑	2.9↑	2.1↑	3.6↑	3.3↑	3.3↑

Achievements in Improving Working Environment

➡ iH is currently carrying out projects for the advanced integration and operation of the information system in eight different fields, including project-based budget accounting, CDP, and work automation.

➡ Introduction and advanced development of smart video conferencing systems
- Establishment of video conferencing rooms, including 6 locations for executive meetings (June)
- Construction of a recording room in the media room.
- Introduction of electronic FAX for a smart office environment
- Implementation of a FAX transmission and reception system that can be connected to the iH portal.

Fair and transparent talent recruitment

To enhance the transparency and fairness of recruitment, iH operates a pre-employment screening committee to check procedures and processes, and the security of the recruitment agency. In addition, iH has developed its proprietary competency-based selection tool and standard interview questions based on job descriptions. Based on this, iH was certified as a fair recruitment excellent organization in 2022.

Establishment of fair and transparent recruitment screening process

Before recruitment
- Conducting pre-employment screening committee meetings
- Consulting with local government on recruitment plans
- Security checks of recruitment agencies
- Developing measures to address any irregularities

Written Test
- Security reinforcement through recruitment agency
- Auditor's participation in printing and packaging of written test papers
- Test scores of candidates kept confidential from interviewers

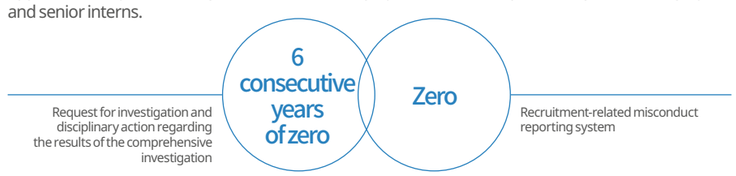
Documents
- Reception of proof documents related to qualifications
- Verification of validity and fulfillment of qualification criteria

Interview
- More than 50% of external interviewers consisting of field experts
- Three times the number of interviewers selected as a pool of external interviewers
- Structured interview techniques and precautions provided for professional interviewers
- Internal interviewers excluded for applicants with experience working in the company
- Interview numbers given on the day of the interview

After recruitment
- Disclosure of familial employment status of current employees in the company
- Statistical data, such as passing score and number of successful candidates, disclosed on the company website
- Punishment for any recruitment irregularities

Balanced recruitment considering social equity

In 2022, iH hired a total of 69 talents (28 new employees, 9 experienced hires, 12 fixed-term professional employees, and 20 interns) and met the statutory ratios for social equity by hiring local talents, people with disabilities, and high school graduates. In particular, iH exceeded the statutory employment rate for people with disabilities (3.6%) by hiring more than two employees (3.9%), and expanded opportunities by introducing various forms of employment such as high school graduate employees and senior interns.



Acquisition of Fair Hiring Excellent Institution Certification

Korea Management Certification Institute, June 2022

Operation of Volunteer and Housing Welfare Counseling Team using Senior Interns

- Implementation of Happy Elderly Work Program utilizing elderly know-how
- Provision of senior employment opportunities for improved quality of life
- Enhancement of social responsibility through the creation of elderly jobs

Participation in Senior Employment National Support Project

Decrease in business costs
Increase in senior job opportunities
➡ Creation of 40 senior jobs in 2022

Business agreement with Korea Senior Manpower Development Center

Employment promotion for vulnerable groups

	Recent 3 years	2022 performance (Compared to average)
Youth employment	26 people	28 people (2people↑)
Experience-type youth internship recruitment	13 people	20 people (7people↑)
Disabled employment	2 people	6 people (severe cases considered, 4people↑)
Employment of public assistance/ low-income bracket	0.3 people	2 people (1.7people↑, first time)
Multicultural family employment	0.3 people	2 people (1.7people↑, first time)
Employment of job support target	1.7 people	4 people (2.3people↑)

Diversification of employment opportunities through the introduction of various forms of work

➡ hiring a total of 110 people in 2022

Category	Performance (Recruitment)	Expected Effect	Remarks
Regular Employee	Regular (Newly Hired) - 28, Experienced hire - 10	Expansion of employment opportunities through new job creation	-
Experiential jobs	Experiential Internship - 20	Experience-based jobs that offer young people the opportunity to gain hands-on experience	-
Fixed-term professionals:	12 new contract employees	Creation of specialized jobs related to entrusted projects	100% hiring through pre-screening process
Senior employment	40 jobs created for middle-aged and older workers	Fulfillment of social responsibility through job creation for seniors	Identification of suitable jobs for seniors (volunteer groups, counselors)

Establishing a foundation for hiring more high school graduates

➡ Identification of job opportunities for hiring high school graduates (Selected 120 out of a total of 428)

➡ Development of NCS job skill descriptions for high school graduates (9 job categories)

Education and training

iH provides various education programs for developing future leaders with expertise on changing business environments and enhancing job competencies, and conducts statutory education for all employees. In 2022, we increased the education budget and provided in-house education programs based on job title/position to support employees in growing into capable professionals.

Basic direction

Organizational capabilities for achieving management goals response to environmental changes
- Education for ESG management realization
- Education for digital competency enhancement
- Education on organizational culture and core values

Leadership development for proactive response to environmental changes
- Selection of candidates for overseas long-term education and training
- Education for urban regeneration, real estate finance, and mediation professionals
- Enhancement of professional leadership and women's leadership

Improvement of work skills and development of job experts
- Implementation of education on urban regeneration manuals
- Education on real estate finance related to expansion of AMC and REIT business areas
- Implementation of job-specific education
- Strengthening education for obtaining job-related professional certifications

Training for the implementation of HRD system

Category	Contents	Performance
iH Value Track (Organizational and life values)	Organizational culture and core value education	8 sessions, 218 people
	CS education	371 people
	Statutory education	"Integrity 471 people, Human rights 122 people, Violence revention 526 people,Safety and health 1,367 people"
	ESG management capacity strengthening	2 sessions, 609 people
	Digital competence strengthening	5 sessions, 85 people
iH Talent Track (Future Leaders)	Long-term education	Domestic (5 people) and overseas (1 person)
	Leadership education for managers	48 people
	Customized promotion education for grade 4 and 6 employees	39 people, other employees-17 people
	Experiential internship education for new employees	48 people
	Training for professional employees	46 people
iH Expert Track (Business Skills and Professionalism)	Training for professional drone operators	18 people
	Training in budget/accounting and report writing	18 people
	• Training for Professionalism - Urban regeneration specialist training - In-house training based on urban regeneration manual - Housing and welfare specialist training - Training for North-South exchange and cooperation professionals - Introduction and practical course on real estate finance - Qualification acquisition courses related to job	8people 66people 18people 5people 50people 46people
	• Strengthening self-directed learning - Operation of learning groups - Self-directed learning through e-learning - Support for self-development through correspondence education	15 people from 3 organizations

Improving expertise in overseas projects education

Conducting urban development specialist training for Mongolia

- ➡ Training contents: Development project process (total 8 subjects)
- ➡ 15 local practitioners from the Mongolian Ministry of Construction and Urban Development and related agencies
- ➡ Satisfaction level : 4.3 out of 5

ESG management internalization training

Date	Lecture theme	Target audience(%)
May 31, 22, 2 hours	Making a sustainable world through ESG management	297 out of 453 participants (65%)
Sep 6, 22, 2 hours	Sustainable management 101: What & Why	312 out of 507 participants (62%)

Customized ESG training for practitioners

· Workshop for mid-level managers of local public corporations and institutions (May)
- Completion by the ESG Innovation Department Head

· ESG management understanding course (August, September)
- Completion by one practitioner and others

Expansion of education budget

Category	2020	2021	2022
Education Expenses (in KRW million)	397.9	569.4	761.3
Per capita education expenses(unit: KRW 1,000)	1,124	1,506	1,917
Number of trainees(unit: people)	4,946	6,852	11,557
Overall satisfaction score(unit: points)	76.7	78.05	84.19

Effective Communication for a Healthy Organizational Culture

iH conducts internal employee satisfaction surveys based on members' opinions and external consulting diagnoses, identifies improvement tasks, and implements them to create a better organizational culture. In this process, the "iH Promise" has been established, and efforts are being made to create a good working environment through task identification and improvement activities to enhance corporate culture.

Corporate Culture Diagnosis

To overcome the reduced sense of unity and restore empathy among employees due to continued remote work caused by COVID-19, iH has formed a Corporate Culture Task Force and conducted regular (6 times per year) and ad hoc meetings. 18 improvement tasks were selected through external diagnosis.

Organizational Culture Diagnosis

Different perspectives based on departments, positions, and job types were identified.
(Low organizational cohesion and interaction, discovery of experience-based work tendencies)

Goals and Slogan Development

Goal: iH, a entrepreneurial culture created by professionals who recreate the urban space of Incheon

Slogan : Hi~ iH, Move Together iH

Online/Offline monitoring

(Online) Labor-management council, labor-management working-level council, Labor-Management Cooperation Committee
(Offline) Ongoing suggestion system using MIS

After collecting preliminary opinions from each department, a survey was conducted with a total of 248 out of 396 participants

'iH Promise' 10 commitments derived

The Promises of iH Members:

- iH people who cherish and respect each other
- iH people who provide clear and concise instructions and carry out tasks promptly and accurately
- iH people who encourage and support each other
- iH people who strive for better solutions than the current ones
- iH people who are proud to be part of a family

iH people who cherish and respect each other

- iH that respects and cares for you
- iH that listens to your opinions
- iH that recognizes your hard work
- iH that supports your growth
- iH that you can trust and adheres to principles.

Results of Improvement Tasks

Short-term tasks ← → Mid- to long-term tasks

- Celebration of founding anniversary
- Encouraging participation of employees to foster company culture
- Improvement of work style
- Efficiency improvement of work
- Improvement of work
- Establishment of organization related to company culture
- Promotion of cultural activities
- Vision workshop for all employees
- Establishment of communication channels
- Operation of communication program
- Sharing of work tasks and activation of clubs or interest groups
- Improvement of lunch culture
- Improvement of mentoring program
- Improvement of personnel system
- Rewards and welfare benefits
- Establishment of shared office space
- Program for mutual understanding and respect strengthening
- Operation of program for retired employees

Collaborative organization: Collaboration Point System

To promote a culture of working together, we have introduced a "Collaboration Point System" and applied incentives for each department/employee. The collaboration points system is designed to create a "company that collaborates in visible ways" to achieve joint organizational goals and activate altruistic motivation.

Operation of collaboration point system from January to June in 2022 and rewards in September

All departments: Request for review of basic and special point allocation to the general department (first half)

▶ **General management department (Planning and Coordination Office)**: Final approval after review and end-of-month aggregation (first half)

▶ **Head of the All-Department team**: Evaluation committee for the first half-year Collaboration Point (in August)

Award results

Identified in 2022: 3 items for improvement and 3 items for new development

- Departments 8 / KRW 2.4 million won
- Individuals 6 / KRW 3 million won

Developing organization : Support system for Community of Practice (CoP)

iH establishes and supports CoP to create a proactive research and learning environment. It provides a platform for discussion on work-related issues and common interests, and supports activity expenses to enable members to enhance their capabilities and grow together.

Performance of CoP operation in 2022 (3 organizations and 15 participants in total)

Recruitment type	Community of Practice	Purpose of establishment	Membership	Key achievements
Work-based learning type I	Hangmujigyeong	To create a learning and growth environment at iH by continuously acquiring job-related knowledge	5 members	Passed the first-round certification exam for real estate agents (2 members) Passed the first-round certification exam for urban planners (1 member)
	Hakbulgai	Job-specific learning and certification acquisition	5 members	Enhancing job competencies through learning
Work-based learning type II	Saengnogongsa	To strengthen iH's new growth momentum by securing data analysis and utilization capabilities	5 members	Participation in Ministry of the Interior and Safety's idea contest

Balance between work and life

iH is committed to complying with the government's guidelines for a balanced welfare system for work and life, and realizing a family-friendly management by operating paid leave and promoting flexible work. We are also creating a balanced organization between work and life by revising personnel regulations to improve conditions for parental and family care leave.

Goal Ensure a flexible and smart way of working that allows for a harmonious balance between work and life.

Tasks	Creating a happy workplace	Creating a flexible work environment	Support for childbirth and childcare
Current situation	➡Creating a happy workplace ➡Operation of Family Love Day ➡Support for family leisure activities ➡Operation of year-round recreational facilities ➡Employee's family event support ➡Promoting stable living through fund-lending program ➡Mental health diagnosis and counseling	➡Flexible working hours and telecommuting system ➡Encouragement to use annual leave ➡Encouragement to use long-term employment leave	➡For pregnancy : Shortened working hours during pregnancy, prenatal checkup leave, infertility treatment leave, etc. ➡For childbirth : Spouse childbirth leave, pre/post-natal leave, childbirth congratulatory payment ➡For childcare : Parental leave, reduced working hours for childcare, family caregiving leave, parental leave

Support for Pregnancy, Childbirth, and Childcare

iH has revised its personnel regulations to allow parental leave and family care leave takers to be eligible for promotion. In addition, encouraging male employees to take parental leave has also led to an increase in the number of leave takers.

Recognized from the Minister of Gender Equality and Family

Certified Family-Friendly Company

Pregnancy	➡Shortened working hours during pregnancy : Reduce working hours by 2 hours per day within 12 weeks of pregnancy or over 36 weeks of pregnancy
	➡Prenatal check-up leave : 1 day off for every 4 weeks of pregnancy before 28 weeks of pregnancy, 1 day off for every 2 weeks of pregnancy between 29 and 36 weeks of pregnancy, and 1 day off per week after 37 weeks of pregnancy.
	➡Infertility treatment leave : Up to 3 days per year (1 day paid leave for the first time)
Maternity Leave	➡Spouse's childbirth leave : 10 days of paid leave (within 90 days from the date of childbirth, can be used twice)
	➡Pre/postnatal leave : 90 days of paid leave
	➡Childbirth congratulatory payment : KRW 20,000 payment
Childcare	➡Parental leave : 3 years of leave for childcare of children under the age of 8 or in elementary school second grade or below.
	➡Hiring a substitute for parental leave : Hiring in the same job category to minimize work vacancies.
	➡Childcare leave : Annual 2 days of paid leave for child hospital visits, events, etc.
	➡Parental leave : Annual 5 days of paid leave for childcare of children under the age of 4

Employee Benefits

Employee Benefit System

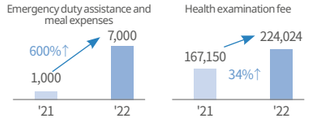
We operate an appropriate employee benefits system for our employees in accordance with relevant laws and regulations, and provide equal support to converted workers.

Category	Contents	Achievements
Employee Welfare Fund	Provided employee loans through an internal welfare fund	Implemented welfare benefits without discrimination for conversion workers → Applied the same welfare benefits as existing employees
Scholarship for college student children of employees	Provided scholarships for college student children	
Management-labor Agreement	Professional employees can join labor union members	
Health Checkups	Provide free annual health checkups for employees (Family members can use the same benefits as employees)	
Condolence Expenses Support	Provide condolences, congratulations, comfort money, and condolence flowers/supplies	
Resort Facilities Use	Provide employees and their families with free use of resort facilities	
Performance Bonus	Provide performance bonuses to all employees without discrimination	
Welfare Points /Group Insurance	Provide employees with accident insurance (actual expense insurance) and welfare points	

Self-development and family support system

Category	Content
Self-development education	When employees need time for their own self-development
Overseas long-term education	Establishment of international professional courses for cultivating specialized personnel
Domestic long-term education	Network formation process for enhancing iH's competitiveness and academic research, among others
Study abroad and companion leave	For those who are studying abroad, on training, or working with their spouse
Long-term care leave	For cases where long-term care is needed due to physical or mental disability
Health examination	Leave for family care needs due to illness, aging, etc.
Family care leave	Condolence expenses support

Employee welfare budget (unit: KRW 1,000)



Labor-management relations

Labor-Management Relations for co-growth and Cooperation

iH is establishing goals and tasks for the creation and implementation of a healthy labor-management relationship for co-growth and cooperation. In 2022, a new committee was established for reconciliation and co-growth in accordance with the decision of the labor-management council, thereby promoting the internal stability of the operation by performing the functions of the labor-management operations council in two parts.

Operation of the Labor-Management Agreement

Labor-Management Council

Established in 2022

- **Labor-Management Operations Council**: Coordination of decisions made by the labor-management council for the economic distribution of labor systems and improvement of the working environment
- **Labor-Management cooperation committee**: Enhancing communication among members, resolving internal conflicts from labor-management perspective, and expanding participation in social value

▸ Performance of the Labor-Management Cooperation Committee in 2022

Formation and hosting of the Labor-Management Cooperation Committee (2 times)
- Development of strategies for co-growth
- Establishment of an annual labor-management communication and social value program
- Reporting of achievement and discussion on the plan of the following year

Communication channels between labor and management

Channel	Operating content
Communication channel	Sharing contents of expanded executive meetings
Labor-management representative hotline meeting	Establishment of a hotline for urgent internal and external issues
Public sector joint labor-management issues	Exploring the direction of labor-management relations in response to government policy changes
Labor-management workshop for executives	Joint workshop for improving organizational culture and resolving issues between labor and management
Meeting with labor on-site	Listening to difficulties and suggestions from workers at the project site
Personnel dispute counseling room	Counseling for personnel and labor environment grievances

System for preventing labor-management conflicts

1. **Labor-Management Affairs Committee Labor-Management cooperation committee** — Practical discussions on legislation, distribution, internal services, participation, and conflict resolution
2. **Labor-Management Council** — Discussion based on the opinions of the members on employment rules, wages, etc.
3. **Board of Directors (including worker representatives)** — Strengthening binding force through decision-making by the highest decision-making body
4. **Revision of collective agreements, etc.** — Revision of collective agreements and employment rules wil3. I only reflect decisions made by the Board of Directors

Labor-Management Negotiations

iH is improving working conditions through regular labor-management negotiations held four times a year, and since the first quarter of 2022, a labor-management cooperation committee has been established to activate labor-management communication and external social activities. In addition, labor and management are working together to promote organizational integration and improve working conditions for professional employees.

Time(date)		Major Agenda	Agenda Type	Attendance Rate	Performance
1st Quarter (May 30)	Workers' side	➡Introduction of annual leave carryover system (draft)	Resolution	Workers 5 / Employers 5 (100% attendance)	➡Establishment of grounds for annual leave carryover system ➡(Originally) 200 hours (2 days per month) -> (changed) 400 hours (4 days per month) ➡Establishment of labor-management cooperation committee
	2nd Quarter (June 28)	➡Increase working time allotted to serve as a labor director ➡Establishment and operation plan of labor-management cooperation committee (draft)			
2nd Quarter (June 28)	Workers' side	➡Review of payment of performance evaluation grade for professional employees (draft)	Resolution	Workers 5 / Employers 4 (100% attendance) *1 person retired	➡Payment to be made after the 2023 budget is established ➡Maximum 5 days of annual leave may be carried over
	4th quarter (12.12)	➡Review of introduction of annual leave carryover system (draft)			
3rd Quarter (September 28)	Workers' side	➡Revision of employee code of conduct (draft) ➡Proposal for sustainable management ➡Revision of management regulations for professional employees (draft)	Discussion	Workers 5 / Employers 4 (100% attendance)	➡Deletion of regulation requiring a report to be submitted when an employee leaves work early ➡Consent of employees required when changing the company name 'iH' and continued operation of 'Future City Research Institute' ➡Revision of regulations to be pursued after reflecting the 2022 revised budget ➡Recording of attendance/leave when participating in external lectures (reviews, etc.)
	Employers' side	➡Revision of employee code of conduct (draft)			
4th quarter (12.12)	Workers' side	➡Implementation of CPR training for all employees (proposal)	Discussion	Workers 5 / Employers 4 (100% attendance)	➡Wage agreement signed (Government guideline compliance: increase within 2.8%, single rate increase)
	Employers' side	➡Report on the results of the Labor-Management Cooperation Committee meeting in the second half of 2022			

Fair trade

Fair Trade and Transparent Corporate Management without Corruption

To create a corruption-free company, iH operates a transparent transaction system in compliance with the OECD Anti-Bribery Convention and the trend of strengthening external sanctions against corruption. During the bidding process, iH demands a pledge to comply with the integrity contract from employees and bidding participants. In addition, iH has introduced a site exclusion policy for corrupt acts of partner companies through the iH employee code of conduct, and implements sanctions against corrupt acts among partner companies and replaces corrupt subcontractors.

Employees	Prohibition of unfair demands using a dominant position in the pre-transaction process (such as requesting bribes, forcing unfair conditions, interference in management)	Prior notification when a direct interest relationship occurs	Ban on contracts with corporations where former iH executives have been employed within the past 3 years	Prohibition of contracts with companies owned by employees or their family members, and limitation of contracts with companies established by former employees or those who have been reemployed for 2 years
Prospective contractor	Prohibition of unfair practices that impede free competition (such as maintaining bid prices, collusion to secure specific individuals for winning bids, agreements and resolutions with other companies)	Prohibition of providing direct or indirect favorsin the pre-transaction process	Legal action in case of unethical behavior discovered during the pre-transaction process	Protection for whistleblowers and adherence to company ethical guidelines

Establishment of a system for voluntary compliance with fair trade regulations

Operation of a subcontract management system

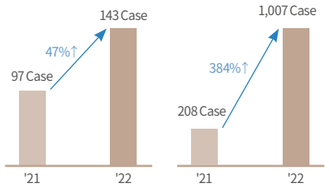
- Ensuring transparency in subcontract payment through the use of G2B subcontract management system

Strengthening the internal supervision system for subcontract transactions (aiming for zero illegal subcontract transactions by 2022)

- Designation and operation of a subcontract ombudsman, and checking and follow-up measures for illegal subcontract transactions
- Establishment of an online center for reporting illegal subcontract operations
- Establishment of a rights protection system by reducing communication barriers between subcontractors and iH

Implementation of the Clean Contract System

- Request of integrity and compliance pledge and revision of accounting regulations



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Improvement of cooperative contract practices

Eradication of unfair ordering and bullying through the institutionalization of self-diagnosis checklists (related complaints ZERO)

- Institutionalization of diagnostic procedures (incorporation of checklists into ISO contract work manuals, by January 2022)

Check on the status of improvements in subcontracting operations

- Announcement of companies exceeding 3 subcontracting contracts per year (13 companies) throughout the company (no companies with more than 4 annual contracts)
- Request for confirmation of subcontracting restrictions, pledge of compliance with integrity contracts, and confirmation of subcontracting restrictions for special relationships

Strengthening and implementation of fair burden sharing for electronic stamp duty

- The status of implementing improvement recommendations for internal regulations and anti-corruption assessments of company regulations in the urban development sector
- Continued fair burden sharing for stamp duty with guidelines for correction and refund of overpayments or erroneous payments (18 cases of refunds due to overpayment or erroneous payment)

Status of Electronic Property Tax Refund
- 65.57% increase in amount YoY

Year	Number of Cases	Amount
2021	196	KRW 6.1 million
2022	275	KRW 10.1 million

Co- Growth and Cooperation

Expansion of Local Construction Company Participation

iH selects and provides incentives for local subcontracting and outstanding local companies to enhance the competitiveness of its partner companies and revitalize the local economy.

※Proposal for Improvement of Restrictions on Subcontracting Participation: Prohibition of mandatory local subcontracting and mandatory local subcontracting exceeding 70%
※Criteria for Selecting Recommended Companies by iH: Construction capacity, Technical capacity, Sincerity (collaboration, compliance with instructions, etc.), Integrity (prohibition of wage arrears, offering gifts, etc.).

Promotion of Local Subcontracting

- Recommendation to use local companies for 70% or more
- Commendation of outstanding prime contractors
- Participation in large-scale construction groundbreaking meetings and signing of co-growth and cooperation agreements.

Relaxation of Restrictions on Participation in Subcontracting

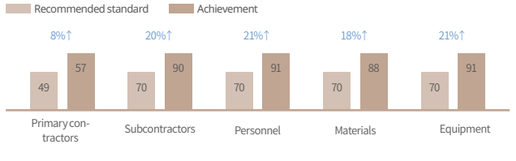
- Allocation to local companies through joint contracts (for projects of KRW 10 billion or more)
- Guarantee of 49% or more local participation

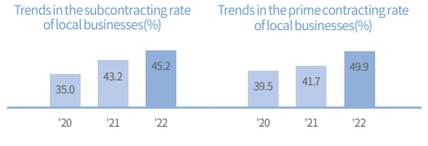
Selection and Operation of Outstanding Local Companies

- Top 30% construction companies in terms of construction capacity
- 478 companies selected by iH (2019-2022)

Utilization rate of local companies for Ordering public agencies (%) after 2021

Exceeded the recommended standard of local governments





Performance sharing program

iH supports the development of technology products for small and medium-sized enterprises in the Incheon area through an annual call for performance-sharing projects. The call is open to technologies related to civil engineering, transportation, landscaping, environment, disaster prevention, architecture, electrical, and communication. iH provides 70% (up to 70 million won per project, including VAT) of the total development cost for the projects selected as final supported projects. Successful completion and registration of the project as a pilot purchase product or innovative product will result in iH prioritizing the purchase for 2 years from the agreement completion date, thereby supporting small and medium-sized enterprises in opening up sales channels.

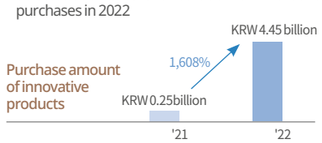
Operation of Co-prosperity Portal

Construction companies and partner companies can promote their "new technology and materials/methods" and "untact company promotion plaza" through iH's co-growth portal. iH selects and discloses "iH-selected new technology" for cost-saving and high-quality technology and materials that are confirmed through iH's new technology evaluation committee.

Support for cooperative growth

Expansion of innovative product public procurement

- Establishment of guidelines for material design and innovative product procurement procedures
- Formation of a task force to activate priority purchases
- Selected as an excellent institution for innovative purchases in 2022



Geomdan Smart City Living Lab (support for startups and resident idea demonstration projects):

- Implementation of Incheon Technopark and Smart X-City demonstration projects: Support for three startups
- Implementation of three resident ideas as demonstration projects: Support of up to KRW 130 million per company

Realization of rent and advertising fees

- Improvement of calculation method for delinquent rent payment: an annual interest rate of 6% applied (with a temporary additional 3%)
- Support for rent and advertising fees to overcome COVID-19
  Discounts for rent (50%) and advertising fees (25-35%): a total of KRW 3.596 billion in discounts
- Deferred payment of rent and advertising fees for rental and advertising businesses

Customer Satisfaction Management

iH pursues customer satisfaction management and provides high-quality customer service through citizen participation. In addition, iH has established a customer service pledge, operates a manual for responding to major customers, and performs tasks such as call center operation and customer satisfaction surveys.

Customer Satisfaction Survey

iH analyzes vulnerable areas for each project to establish a service direction and discovers projects with excellent customer satisfaction. iH conducts its own customer satisfaction surveys, divided into categories such as housing management, regional education, regional development projects, and community projects, and shares the results throughout the organization to concentrate on improving weaknesses.

Conducting self-customer satisfaction survey * CS department → Company-wide sharing (analysis of weak areas VOC, response measures, etc.) * All departments → Focus on improving weak areas, customized project promotion * All departments → Establishing communication and feedback system (responding to customer satisfaction survey in management evaluation) * All departments

Category	Housing Management Project	Local Education Project	Local Public Proposal Project	Local Development Project
Key Service Quality	Convenience/Comfort/ Accessibility	Convenience	Convenience	Convenience/Reliability/ Responsiveness
Key VOC	Improvement of aging facilities through repairs and replacements, and parking, etc.	Expansion of cultural content, improvement of occupancy conditions	Repairs/replacements of aging facilities, expansion of support for socially vulnerable groups, prompt response	Creation of pleasant environment, communication and compromise, prompt response, maintenance of reliable partnership
Main Improvement Areas	Prompt response to complaints and improvement of residential environment	Continued project management	Tailored project development for customer satisfaction	Compliance with fairness in contracts/collaboration

Type-specific CS education

	2021	2022
New employee customer service training	28 people	28 people
Business unit-specific CS coaching	All employees	All employees
Conflict management education for executives	66 people	63 people
Conflict management education for complaint handling department staff	15 people	15 people
Complaint handling education for contract employees	45 people	45 people

Proactive Complaint Handling

We are handling customer complaints promptly by analyzing major issues and complaints related to external factors such as frequent and collective complaints due to changes in the external environment, and deriving improvement measures through company-wide sharing.

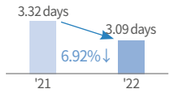
Analysis of monthly customer service performance → Monthly trend analysis of complaints, sharing of major issues and improvement plans throughout the company → Identification and improvement of service decline factors by department → Improvement of service quality

Recent 3-year complaint handling status

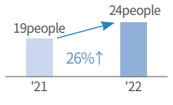
Classification	2020	2021	2022
Average processing time (days)	3.23	3.32	3.09

* According to the regulations, the processing time for complaints is 3 days for simple cases, 5 days for regular cases, and 7 days for complex cases.

Average processing time for complaints



Excellent employees in terms of customer satisfaction



Proactive Administration Promotion

iH is improving the work environment to prevent passive administration towards customers due to risks such as minimizing risks and nonchalant work attitudes.

1 Prevention of Passive Administration

To minimize inconvenience to citizens caused by passive administration, iH operates a channel for complaints and suggestions, and the auditing department investigates and manages the received cases. In 2022, there were 12 reports of passive administration, and the processing time decreased by 2.2 days compared to the previous year to an average of 4.8 days.

2 Establishment of a Proactive Administrative Activity Environment

To minimize passive work processing due to legal risks, iH has established regulations and processes related to administrative activities. In 2022, 252 legal consultations related to work were applied to enable employees to make legal decisions appropriately.

3 Citizen Participation Group Operation

iH's Citizen Participation Group is working together to establish a structure for selecting, executing, and evaluating priority projects for the company's business. In addition, through the evaluation of the priority projects of the proactive administration by the Citizen Evaluation Group, internal improvements of the company are being derived.

Community Development and Support

Social Contribution System

iH operates its social contribution activities under the principle of "communication with citizens and tailored social contribution in connection with ESG management" to fulfill its social responsibility as a leading local public company. Under the vision of "iHUG, Infinite Sharing," iH carries out social contribution activities with three main strategies: community development, citizen action, and sustainability.

Vision and Strategies

Social Contribution Brand **iHUG**

IHUG is a composite word of iH, which stands for Incheon Development Corporation, and HUG, which symbolizes endless sharing.

Social Contributionnion: **Infinite generosity**

Strategies:
- Local Coexistence iHUG
- Citizen Participation iHUG
- Sustainability iHUG

Specific Objectives:
- Establishing cooperation among government, civic society, and business for co-growth
- Customized social contribution activities centered on customers and stakeholders
- Exploring and expanding ESG leadership programs with citizen participation

Business Plan (2022)
- 21 projects in 3 areas
- Budget of KRW1.171 billion

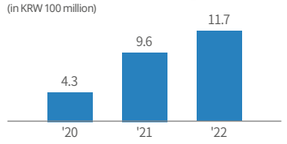
Donation fund

We operate a donation fund to expand our social contribution activities, and we also have a matching gift program where the company matches the amount of money donated by employees.

Category		2020	2021	2022
Budget (in KRW 1,000)		439,400	966,200	1,171,000
Matching gift (employee donation)	Amount (in KRW 1,000)	30,475	33,130	35,400
	Number of participants	227	264	266

Employee donations + Company donations

Social contribution budget
(in KRW 100 million)



Social contribution awards

4 external awards achieved

- Feb: 2022 Happy Together Social Contribution Excellent Company Co-prosperity Growth Committee Chairman's Award
- April: 2022 Korea Chamber of Commerce and Industry·Forbes Social Contribution Award in Urban Regeneration Category, awarded for 5 consecutive years
- May: Minister of Gender Equality and Family Commendation for Family Policy Contribution
- Oct: Korean Red Cross Society Honorary Medal for the 117th anniversary of its establishment

2022 Happy Together Social Contribution Excellent Company Co-prosperity Growth Committee Chairman's Award

2022 Korea Chamber of Commerce and Industry·Forbes Social Contribution Award in Urban Regeneration Category, awarded for 5 consecutive years

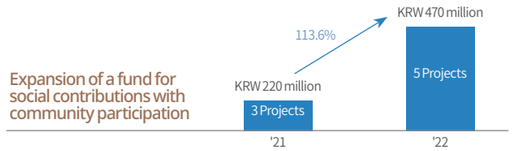
Minister of Gender Equality and Family Commendation for Family Policy Contribution

Korean Red Cross Society Honorary Medal for the 117th anniversary of its establishment

Support for Local Community Growth

We have been developing various activities to strengthen the competitiveness of Incheon's socially-economically vulnerable businesses through diverse supports amidst the COVID-19 crisis. Additionally, we contribute to the growth of the community by supporting cultural and artistic experiences for local citizens.

Expansion of a fund for social contributions with community participation



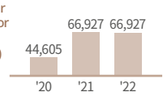
Support for Local Economic Vitalization

Through iH's 'Value Creation Portal', we introduce and promote products of 246 social enterprises and contribute to the revitalization of the local economy through the 'Happy Sharing' project for the local community and support for youth social enterprises.

Social Enterprise Promotion and Introduction Platform

Value Creation Portal

Recent 3-year trend in visitor numbers (unit: people)



- Provides information on companies and job openings
- Includes online shop links and event features

Support for Matching of Goods for Incheon Local Small Business Owners and Vulnerable Residents

Happiness Sharing Program

- Support for local small business owners to purchase goods
- Delivery of goods to local vulnerable residents

Public-Private Cooperation - Support for Youth Social Enterprises

Support for nurturing youth social entrepreneurs

Provision of education for entrepreneurs and coaching for business management through cooperation with the Incheon Social Economy Support Center

- Provision of education for entrepreneurs and coaching for business management through cooperation with the Incheon Social Economy Support Center
- Operation of "COCOA (Co-working Cooperation Azit)"

Social economy youth startup space 'Cocoa'

Contribution to the Cultural Growth of Local Residents

iH collaborated with NPOs and NGOs to organize a healing concert called "Finding Happiness" for cultural outcasts and Incheon citizens. In addition, in accordance with the results of the 2021 resident participation project, iH implemented the "Healthy Citizen Farmer Program," which provides farm experiences and plant growing kits for public housing tenants and citizens.

iH Healthy Citizen Farmer Program

Providing farm experiences and plant cultivation for Incheon citizens' rural cultural experiences
• 1,359 farm experience participants and 2,403 households participated in the rural experience kit

Finding Happiness Cultural Event

Supporting citizen happiness and artist activities through local community cultural and art social contributions
• 3 events, with a total of 89 iH employees and Incheon citizens participating

Peace Garden Project

Establishing a peace garden for Incheon citizens' safety and North-South cooperation
• 2nd peace garden project (Incheon Nanjeong Peace Education Center)

iH Environmental Steward

Ecological protection and cleanup activities with citizens
• 3 events, with a total of 89 iH employees and Incheon citizens participating

Supporting vulnerable populations and local improvement

Children and Youth

iH has provided support for Incheon's children and youth who are in the blind spots where government support is insufficient. The number of vulnerable children supported increased by 196% from 52 in 2020 to 154 in 2021, and the number of supported local children's centers increased by 200% from 2 to 6.

Do Dream

Support for children with upcoming facility protection end dates, including vocational certification and academic expenses, and support for settling in iH youth rentals (13 people)

Ddiddim Seed Bank

Support for living expenses after facility protection ends for children (40 people)

iHUG I Am Me

Support for English education gaps and social support networks for children from single-parent families (76 children and 30 college student mentors)

Support for low-income family children

iH scholarship and support for gifted youth (total 22 people)

Dream Bookstore

Improvement and support for quality children's books in the library of an aged children's center (Support includes renovating two new locations and providing equipment/computer support for four locations undergoing facility maintenance)

Medical support

Support for medical expenses and blood donations for children with leukemia and pediatric cancer (3 children)

Low-income households with housing instability

Support for vulnerable residents in public housing

iH welfare program for housing 1: Job creation

Hiring senior citizens over 60 to provide services to residents

- Household care: Providing household services for elderly or disabled residents who have difficulty moving around and living alone
- Housing welfare counseling: Checking on the well-being of socially excluded residents and addressing resident requests
- Household care: Providing services for 30 households (Hiring 30 senior citizens)
- Housing welfare counseling: Operating from 2 PM to 12 AM on weekdays (Hiring 10 senior citizens)

iH welfare program for housing 2: Community

Tailored programs considering the characteristics of resident generations

- Sharing side dishes (448 households) and daily necessities (398 households)
- Supporting the livelihood, housing, medical, education, and medical equipment needs of families in crisis (3 households)
- Alcohol addiction recovery program and treatment support (503 people)
- Counseling and treatment for high-risk individuals for suicide at the Life Love Apartments (63 people)

Support for vulnerable groups and revitalization of local communities

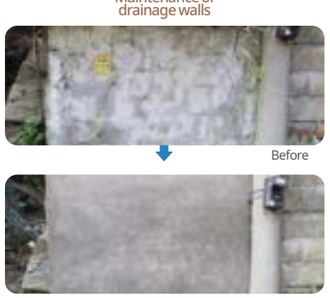
iH collaborates with administrative welfare centers and welfare institutions to objectively select vulnerable groups, including North Korean defectors and multicultural families, and strives to support the disadvantaged in the local community.

Support for multicultural family settlement	Collaboration with Incheon City and related agencies to support the settlement of multicultural families
Support for North Korean defectors	Support for stable settlement of for North Korean defectors in the local community
Free meal support	Participation and support in food service for the elderly living alone, homeless people, and others
Warm Winter Gathering	Delivery of kimchi for the winter and donation of coal to vulnerable groups
Designation of "Love for the Local" Day in traditional markets	Purchase of goods from traditional markets to revitalize the local community and support vulnerable groups

Improvement of vulnerable areas in the local community:

iH is working on infrastructure improvements to ensure safety in areas where there is a need for improvement in the quality of life of residents, particularly in areas with aging, informal settlements in Incheon. In 2022, a free repair and construction work was made for high-risk areas of Sipjeong-dong, Bupyeong-gu, Incheon, at the address of 35 San.

Maintenance of drainage walls



Maintenance of drainage walls and ensuring a passage

Formation of a platform for solving local problems with external stakeholders

iH is working to establish a platform for solving local problems through collaboration and MOU agreements with various external stakeholders. In addition, it is expanding its R&D network for solving local problems. It is also discussing current issues and support plans from a mid- to long-term perspective to secure the urban sustainability of Incheon Metropolitan City.

Building a network and collaboration with industry, academia, and research institutions

Classification	Institution	Collaboration plan (MOU, etc.)	Details
Regional revitalization	Incheon City Research Network	Discussion on activating ESG management in public sector in Incheon	Seminar participation
	LH Collaboration Forum	Discussion of current housing issues in Incheon City	Forum participation
	Incheon Society	Collaboration agreement on policy and business support for Incheon region	Joint media PR
	Cheongwoon University	Collaboration agreement for sustainable management and business support	Joint research
Future development of Incheon	Korean Regional Economic Institute	Research and exchange agreement for sustainable urban and regional development	Joint seminar
	Ministry of Construction and Urban Development, Mongolia	Agreement to strengthen cooperation through information and technology sharing, consulting, etc.	Provision of education
	Incheon Metropolitan City	The Carbon Neutrality Conference of Incheon, a leading creative city in the future environmental industry	Forum presentation
	Incheon Research Institute	Operation of the Hwanghae Peace Forum for supporting policies and projects related to inter-Korean cooperation	Forum participation
	Incheon Cultural Heritage Foundation	Mutual cooperation agreement for regional revitalization and creative urban development	Review of cooperative business
	Incheon National University	Agreement for policy and business support for the future city of Incheon	Joint forum
	Inha University	Public solicitation of KOICA overseas cooperation projects for developing Incheon's overseas businesses	Consulting

- Establishment of concentrated governance and collaboration projects within the region for the recognition and resolution of local issues - Networking among a total of 10 institutions, including 2 external and 8 local organizations
- Promotion of collaboration among academia, public institutions, and research institutions
- Enhancement of the status of newly established research organizations and strengthening of their role as a regional research platform through participation in external academic conferences, presentations, and discussions

The Carbon Neutrality Conference of Incheon

Local sports development and activation of corporate sports

iH Handball Team

iH established a men's handball team on July 12, 2006, to promote local sports development and activate sports for the unemployed. The iH Handball Team has achieved excellent results in many competitions, such as national sports competitions, Handball Korea League, and unemployed handball competitions. In the 2021-2022 SK Handball Korea League, the team achieved third place, and in October 2022, they won the national sports competition.

Disability Sports Team

Through a partnership with the Incheon Disability Sports Association and the Korea Employment Agency for the Disabled, iH established a new goalball team for visually impaired athletes. The team provides employment opportunities and economic support to disabled athletes, and iH strives to fulfill its social responsibility as a local public enterprise. The team consists of one coach and three athletes with severe disabilities.

Agreement on the operation of the disabled sports team → Employment contract for the disabled sports team → Operation of the iH goalball team

- Exceeded two individuals in comparison to the statutory employment rate of persons with disabilities (3.6%) (reached 3.9%).
- Team Composition:
  - Coach : 1people
  - Severe disabilities : 3people

2022

- Oct
  - 19 to 24
  - ➡ "Bronze Medal" at the 42nd National Disabled Sports Competition
- Sep
  - 10 to 17
  - ➡ "3rd Place" at 2022 Goalball League
- Aug
  - 28
  - ➡ "3rd Place" at the 2nd National Blind Goalball Championship, hosted by the Governor of Chungcheongnam-do
- Jun
  - 30
  - ➡ Agreement on the operation of the Disabled Sports team (iH ↔ Incheon Disability Sports Association ↔ National Employment Agency for the Disabled)
  - ➡ Employment contract for the Disabled Sports Department (Coach and players)

Special Performance 04

iHUG Saengdonggam (vitality)

Resident-led urban regeneration and social contribution

"Vitality" is iH's representative urban regeneration social contribution project that breathes life into the community through landscape improvement in selected downtown areas through resident participation. The project aims to activate the community and address the lack of infrastructure such as residential environments, parks, and rest areas through voluntary participation of residents and collaboration with iH, local governments, and social welfare organizations to create synergies through tailor-made projects for residents. Since the start of the first "Vitality" project in 2016, iH has completed eight projects, including "Yonghyeon-dong iHUG Vitality 8" (4 resident council meetings) and "Namchon Dorim-dong iHUG Vitality 9" (5 resident council meetings) in October 2022.

Improvement of neglected downtown environments

- Increase stability by repairing old fences or facilities
- Improve residential satisfaction by creating shared spaces and rest areas

Providing customized residential services for residents

- Encourage resident participation and actively listen to their opinions from planning to completion

Strengthening the self-sufficiency of resident councils

- Improve the ability to solve local problems through better communication with neighbors
- Create jobs through support for independent resident council projects

Status of "Vitality" Project

Category	Year	Target Area	Location	Project Cost (KRW 1,000)
1st Project	2016	Wonkwang-iburi-maeul	Dong-gu	40,000
2nd Project	2017	Manbuk-jeopgyeo-ngmaeul	Dong-gu	40,000
3rd Project	2018	Manbu-maeul	Nam-dong-gu	40,000
4th Project	2019	Hwasujeong-won-maeul	Dong-gu	50,000
5th Project	2020	Juyeomgol-maeul	Michuhol-gu	70,000

Category	Year	Target Area	Location	Project Cost (KRW 1,000)
6th Project	2021	Mansu 6-dong	Nam-dong-gu	60,000
7th Project	2021	Yonghyeon 1.4-dong	Michuhol-gu	60,000
8th Project	2022	Gwankyodong	Michuhol-gu	60,000
9th Project	2022	Namchon Dorum-dong	Nam-dong-gu	60,000

2016 1st maeul

Wongwangiburi Village, Dong-gu

2017 2nd maeul

Manbukjeopgyeong Village, Dong-gu

2018 3rd maeul

Manbu Village, Nam-dong

2019 4th maeul

Hwasujeongwon Village, Dong-gu

2020 5th maeul

Juyeomgol Village, Michuhol-gu

2021 6,7th maeul

Mansu 6-dong, Nam-dong

Yonghyeon 1.4-dong, Michuhol-gu

2022 8,9th maeul

Gwangu-dong, Michuhol-gu

Namchon Dorim-dong, Nam-dong gu

Special Performance 05

iH's Restoration Project of Kim Soo-geun's Architecture "Ieum 1977"

As the demand for public roles in preserving disappearing modern architectural assets grows, iH launched the restoration project "Ieum 1977" for the building designed by the late architect Kim Soo-geun, located in Jung-gu Gaehangjang. The project set its direction on utilizing architectural assets and successfully carried out the first local cultural regeneration project with citizens as a local public enterprise.

Project Overview

Location	66 Sinpo-ro 39beon-gil, Jung-gu, Incheon, South Korea(Songhak-dong 1ga 2-4)
Scale	Land area of 628㎡(190 pyeong), Total floor area of 206㎡(60 pyeong)
Period	2020 to 2027
Contents	Development and operation of the " Gaehangjang Ieum 1977" regional hub space utilizing the Gaehangjang architectural asset

Achievements

An average of 30 visitors per day and participation of 400 people in program

- Contribution to the perfect preservation of architectural assets and the development of local culture
- Establishment of a foundation for passing down Incheon's modern architectural cultural assets to future generations, which were at risk of being lost

Development Direction and Achievement

Development Direction

Establishment of regional hub space (Hardware)	+	Influx of creative class (Humanware)	+	Creation of local culture (Software)
Establishment of a communication hub for utilizing the cultural assets of modern architecture		Establishment of a sustainable cultural ecosystem through the influx of local talents (planners, artists, architects, etc.)		Establishment of local partnerships for supporting cultural content and activities

2022 Achievements

Operation of free programs for opening and citizen participation

Architecture School	+	Talk Talk World	+	Everywhere in 1977
6 times, 94 participants		7 times, 107 participants		3 times, 150 participants

Noon Time Date	+	3355 Meal Meeting	+	Grass Yoga
5 times, 122 participants		11 times, 55 participants		4 times, 30 participants

Establishment of regeneration partnership with Incheon City, Jung-gu, and other partners

Collaboration partners	Event Name
Jaemulpo Renaissance Planning Team, Incheon City Hall	Development of a historic walkway at the GaeHangjang, Network for Revitalization of Port City Incheon
Incheon Port Creative City Activation Network Jung-gu Office of Culture and Tourism	Nighttime tour of cultural heritage at Incheon Port
Korea Tourism Organization	Support for tourism company testbed project in Smart Tourism City

Value of Ieum 1977

Historical value

- The opening of Korea's ports began with the Treaty of Ganghwado in 1876, followed by Busan, Wonsan, and Incheon (in 1883) and the establishment of the Foreign Concessions
- Among the concessions was "Sechangyanghaeng" established with German capital, and the executive of the company, "Hermann Hinkel", resided there and his house was called "Hinkel Mansion"

Local value

- Songhak-dong, where Ieum 1977 is located, served as a gateway for Western modern culture and architecture into Korea as an international city 130 years ago
- It is the area that connects the Japanese Concession to the Foreign Concessions and to the Freedom Park as a heritage of modern ports

Architectural value

- A detached house designed by the late Kim Soo-geun, a representative architect in Korea, completed in 1977
- The representative work of the 1970s, reflecting the philosophy of "Architecture is a poem that light and brick build."

Expected outcomes

Local development

- Attracting tourists through the operation of a hub space
- Establishing a hub for networking within the Gaehangjang

Implementation of Incheon City policies

- Participation in the Gaehangjang activation task force and collaboration with the public sector (Jemulpo history walk project by the Incheon City Regeneration Content Division)
- Creating synergies with other projects within Gaehangjang, such as the cultural heritage night walk and the Incheon history data center

Improvement of citizenwelfare

- Gathering local opinions through participation and pilot programs, and utilizing the site as an business incubation hub space for young people

Sound governance structure

iH is striving to be a fair and transparent organization in response to the high public demand for transparency in the management of public enterprises. The iH Board of Directors organizes and operates according to relevant regulations, and decides on iH's management strategies, operating policies, and other initiatives.

Board of Directors

iH's board of directors consists of 12 members, including 5 appointed non-standing directors (including the chairman of the board), 2 employee directors, 2 ex officio non-standing directors, and 3 standing directors. Appointed directors are appointed by the mayor of Incheon through a public recruitment and executive recommendation committee in accordance with the Local Public Enterprise Act, while ex officio directors are appointed by the mayor of Incheon in charge of related departments and bureaus according to iH's articles of incorporation.

Name	Position	Gender	Tenure	Appointment criteria
Kim Heon-su	Chairman, Non-Executive Director	Male	Mar. 15, 2021 to Mar. 14, 2024 Chairman: Nov 2022 to present	●
Lee Seung-woo	CEO, Executive Director	Male	Jan. 11, 2021 to Jan. 10, 2024	●
Seo Kyung-ho	Executive Director	Male	Jan. 11, 2021 ~ Jan. 10, 2024	●
Seo Gang-won	Executive Director	Male	Jan. 11, 2021 ~ Jan. 10, 2024	●
Kim Beom-su	Non-Executive Director (ex-officio), Director of Budget and Planning, City of Incheon	Male	Jul. 29, 2022 ~ Present	●
Choi Do-soo	Non-Executive Director(ex-officio) Director General of Urban Regeneration and Greenery Division, City of Incheon	Male	Jul. 12, 2021 - Present	●
Lee Byoung-ryul	Non-Executive Director	Male	Mar. 15, 2021 - Mar. 14, 2024	●
Hong Kyung-sun	Non-Executive Director	Male	Dec. 6, 2021 - Dec. 5, 2024	●
Yoo Moon-ok	Non-Executive Director	Male	Apr. 15, 2022 - Apr. 14, 2025	●
Hwang Hyo-jin	Non-Executive Director	Male	Oct. 10, 2022 - Oct. 09, 2025	●
Kim Dae-won	Worker Director, iH General Manager	Male	Jan. 17, 2020 - Jan. 16, 2023	●
Oh Su-jin	Worker Director, iH General Manager	Female	Dec. 20, 2021 - Dec. 19, 2024	●

The relevant laws and regulations: ● Article 58 of the Local Public Enterprises Act, ● Article 10 of the iH Articles of Incorporation

Performance in the last three years (2020 to 2022):

40
Board of Directors meetings
· 13 meetings in 2020
· 14 meetings in 2021
· 13 meetings in 2022

81.7%
Attendance rate at Board of Directors meetings

122
Agenda items

95.1%
Average approval rate of Aoriginal proposals

Fair Appointment of Executives

iH appoints executives according to the standards set by laws, regulations, articles of association, guidelines, and regulations. It forms an independent recommendation committee composed of external members consisting of 2 members from Incheon Metropolitan City, 3 members from the Incheon Metropolitan City Council, and 2 members from iH Board of Directors. The recommendation committee follows systematic evaluation criteria to ensure job suitability and fairness, and reviews the eligibility of candidates by checking disqualification reasons

Composition	Recruitment noticetice	Qualification screening	Recommendation of candidates
Executive Recommendation Committee: 7 members	Notice period of 15 days or more	Document screening and interview	Recommendation of candidates and selection of candidates

Relevant Regulations

· Laws: Article 58 of the Local Public Enterprises Act, Article 56-4 of the Enforcement Decree of the Local Public Enterprises Act
· Ordinances and Articles of Incorporation: Ordinance on the Establishment and Operation of iH, Articles of Incorporation of iH
· Guidelines and Regulations: Standards for Personnel and Organizational Operation of Local Public Enterprises, Operating Regulations of the Executive Recommendation Committee

Labor Director System

iH operates a labor director system to guarantee the rights of employees' human rights and labor rights. The labor directors directly participate in iH's management process. The labor directors serve a term of 3 years, and iH has appointed 1 male and 1 female labor director each to promote gender equality.

Fair trade

Fair Trade and Transparent Corporate Management without Corruption

To create a corruption-free company, iH operates a transparent transaction system in compliance with the OECD Anti-Bribery Convention and the trend of strengthening external sanctions against corruption. During the bidding process, iH demands a pledge to comply with the integrity contract from employees and bidding participants. In addition, iH has introduced a site exclusion policy for corrupt acts of partner companies through the iH employee code of conduct, and implements sanctions against corrupt acts among partner companies and replaces corrupt subcontractors.

Employees	Prohibition of unfair demands using a dominant position in the pre-transaction process (such as requesting bribes, forcing unfair conditions, interference in management)	Prior notification when a direct interest relationship occurs	Ban on contracts with corporations where former iH executives have been employed within the past 3 years	Prohibition of contracts with companies owned by employees or their family members, and limitation of contracts with companies established by former employees or those who have been reemployed for 2 years
Prospective contractor	Prohibition of unfair practices that impede free competition (such as maintaining bid prices, collusion to secure specific individuals for winning bids, agreements and resolutions with other companies)	Prohibition of providing direct or indirect favors in the pre-transaction process	Legal action in case of unethical behavior discovered during the pre-transaction process	Protection for whistleblowers and adherence to company ethical guidelines

Establishment of a system for voluntary compliance with fair trade regulations

Operation of a subcontract management system

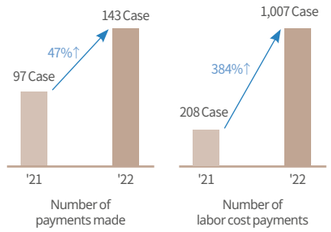
➡ Ensuring transparency in subcontract payment through the use of G2B subcontract management system

Strengthening the internal supervision system for subcontract transactions (aiming for zero illegal subcontract transactions by 2022)

➡ Designation and operation of a subcontract ombudsman, and checking and follow-up measures for illegal subcontract transactions
➡ Establishment of an online center for reporting illegal subcontract operations
➡ Establishment of a rights protection system by reducing communication barriers between subcontractors and iH

Implementation of the Clean Contract System

➡ Request of integrity and compliance pledge and revision of accounting regulations



Improvement of cooperative contract practices

Eradication of unfair ordering and bullying through the institutionalization of self-diagnosis checklists (related complaints ZERO)

➡ Institutionalization of diagnostic procedures (incorporation of checklists into ISO contract work manuals, by January 2022)

Check on the status of improvements in subcontracting operations

➡ Announcement of companies exceeding 3 subcontracting contracts per year (13 companies) throughout the company (no companies with more than 4 annual contracts)
➡ Request for confirmation of subcontracting restrictions, pledge of compliance with integrity contracts, and confirmation of subcontracting restrictions for special relationships

Strengthening and implementation of fair burden sharing for electronic stamp duty

➡ The status of implementing improvement recommendations for internal regulations and anti-corruption assessments of company regulations in the urban development sector
➡ Continued fair burden sharing for stamp duty with guidelines for correction and refund of overpayments or erroneous payments (18 cases of refunds due to overpayment or erroneous payment)

Status of Electronic Property Tax Refund
- 65.57% increase in amount YoY

Year	Number of Cases	Amount
2021	196	KRW 6.1 million
2022	275	KRW 10.1 million

Co- Growth and Cooperation

Expansion of Local Construction Company Participation

iH selects and provides incentives for local subcontracting and outstanding local companies to enhance the competitiveness of its partner companies and revitalize the local economy.

※ Proposal for Improvement of Restrictions on Subcontracting Participation: Prohibition of mandatory local subcontracting and mandatory local subcontracting exceeding 70%
※ Criteria for Selecting Recommended Companies by iH: Construction capacity, Technical capacity, Sincerity (collaboration, compliance with instructions, etc.), Integrity (prohibition of wage arrears, offering gifts, etc.).

Promotion of Local Subcontracting

- Recommendation to use local companies for 70% or more
- Commendation of outstanding prime contractors
- Participation in large-scale construction groundbreaking meetings and signing of co-growth and cooperation agreements.

Relaxation of Restrictions on Participation in Subcontracting

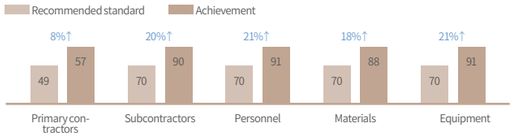
- Allocation to local companies through joint contracts (for projects of KRW 10 billion or more)
- Guarantee of 49% or more local participation

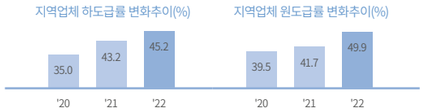
Selection and Operation of Outstanding Local Companies

- Top 30% construction companies in terms of construction capacity
- 478 companies selected by iH (2019-2022)

Utilization rate of local companies for Ordering public agencies (%) after 2021

Exceeded the recommended standard of local governments





Performance sharing program

iH supports the development of technology products for small and medium-sized enterprises in the Incheon area through an annual call for performance-sharing projects. The call is open to technologies related to civil engineering, transportation, landscaping, environment, disaster prevention, architecture, electrical, and communication. iH provides 70% (up to 70 million won per project, including VAT) of the total development cost for the projects selected as final supported projects. Successful completion and registration of the project as a pilot purchase product or innovative product will result in iH prioritizing the purchase for 2 years from the agreement completion date, thereby supporting small and medium-sized enterprises in opening up sales channels.

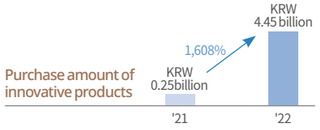
Operation of Co-prosperity Portal

Construction companies and partner companies can promote their "new technology and materials/methods" and "untact company promotion plaza" through iH's co-growth portal. iH selects and discloses "iH-selected new technology" for cost-saving and high-quality technology and materials that are confirmed through iH's new technology evaluation committee.

Support for cooperative growth

Expansion of innovative product public procurement

- Establishment of guidelines for material design and innovative product procurement procedures
- Formation of a task force to activate priority purchases
- Selected as an excellent institution for innovative purchases in 2022



Geomdan Smart City Living Lab (support for startups and resident idea demonstration projects):

- Implementation of Incheon Technopark and Smart X-City demonstration projects: Support for three startups
- Implementation of three resident ideas as demonstration projects: Support of up to KRW 130 million per company

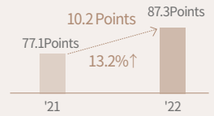
Realization of rent and advertising fees

- Improvement of calculation method for delinquent rent payment: an annual interest rate of 6% applied (with a temporary additional 3%)
- Support for rent and advertising fees to overcome COVID-19
  Discounts for rent (50%) and advertising fees (25-35%): a total of KRW 3.596 billion in discounts
- Deferred payment of rent and advertising fees for rental and advertising businesses

Establishment of anti-corruption team and implementation of preventive education

iH has designated officials responsible for code of conduct, prevention of solicitation, reporting of public interest, support for reporting of bullying victims, and conflict of interest prevention to establish a tight system for prevention and operation of conflicts of interest. iH also designates departmental integrity guards among its operational staff to participate in the task of preventing conflicts of interest. In December 2021, iH established a public-private cooperation system called the "Clean Cluster" consisting of 4 private, 5 related agencies, and 3 internal employee clusters.

External anti-corruption rate



External Cleanliness Postcards for improving external transparency for compensation, tenants, etc

Opinion gathering related to corruption and inconvenience issues.

Sent to a total of 6,482 people.
(First half: 3,901 people,
Second half: 2,854 people)

Details of Clean Cluster operation in 2022

- Incheon Metropolitan City Clean Society · Public-Private Cooperation (twice a year)
- Gyeongin Public Institutions Exchange Cooperation (once a year)
- Incheon Public Institutions Audit Organization Cooperation (once a year)
- Jeju Development Corporation Audit Cooperation (twice a year)
- Nonhyeon Police Station in Incheon (once every half year)
- Labor union meetings/communication meetings (as needed)

Training for Professional Auditors (100% completion as planned)

Category	Number of Participants	Training Institution
Chief Auditor (Full-time Auditor)	1	Board of Audit and Inspection
New Employee Basic/ Advanced Course 2	2	Board of Audit and Inspection
Special Judicial Police Investigation Introduction	(Completion by all) 11	Incheon City
Improvement of Audit Interview Skills	2	External

Anti-corruption and Integrity Training for Professionals (100% completion as planned)

Category	Number of Participants	Completion Rate(%)	Training Institution
Senior Officials' Anti-corruption and Integrity Training	4	100	Integrity Training Institute
Conflict of Interest Prevention Law Training	401	99.8	In-house
New Employee Integrity Training	28	100	In-house
Self-Study on Areas Vulnerable to Corruption	372	86.5	In-house
Cyber Integrity Training	370	86.8	Integrity Training Institute

CEO-led anti-corruption management activities

For anti-corruption management activities, the CEO sent a CEO integrity message to all employees. In September 2022, an e-Integrity message was sent to iH partners (590 people), informing them of the prohibition of solicitation and the need to report it. In the same month, an e-Integrity message was sent to retired employees (20 people), and a total of 6,485 customers were sent a clean postcard for external integrity improvement.

The CEO's key message for anti-corruption management in 2022 is as follows

Strict compliance with conflict of interest prevention
Report immediately to the audit department!

Prohibition of solicitation related to work duties
Neither give nor receive!

Be cautious in areas vulnerable to corruption
Let's not make the same mistake twice!"

Monitoring, evaluation, and feedback

Monitoring, evaluation, and feedback activities for ethical management include holding an Integrity Policy Committee once a year and conducting monthly discussions on anti-corruption and integrity at the Audit Department. iH has also developed an ethical management index (comprised of four key indices integrity, corruption, compliance, and abuse of power) to monitor its performance. Fair reward and punishment systems are applied to employees with regards to ethical management issues, including penalties (-2 to -30 points) for violations of the Code of Conduct, conflicts of interest, improper budget management, and abuse of power. In the performance evaluation process, the "integrity mileage" score (4%) and "integrity rating" (at a 4-5 point level) are considered. iH has also established a "Chungryum Influencer" award system, with 10 individuals and 9 departments being awarded in 2022.

Integrated Reporting Center (March 2022)

- 8 reporting centers, 1 counseling room (Conflict of Interest Reporting Center)
- Online/offline reporting
- Anonymous reporting (help line)

iH Anti-Corruption and Integrity Integrated Reporting Center
- Anonymous reporting of irregularities
- Reporting of public official corruption
- Reporting of corrupt behavior
- Reporting of public harm (acts against public interest)
- Reporting of violations of the Anti-Corruption and Bribery Act
- Reporting of fraudulent claims (public finance, welfare/subsidies, budget waste)
- Reporting of conflict of interest
- Reporting of abuse of power/victim support center
- Reporting of real estate speculation
- Disclosure of disciplinary actions related to corrupt behavior
- Protection of Whistleblowers

Internal and external control system

iH's control system is divided into internal control and external control. In addition to establishing regulations for reporting criminal acts related to employees' work and punishing those who engage in bribery or unfair practices, iH has also built a prevention-focused internal control system and established an external control system to comply with the government's conflict of interest prevention law and to create a fair trading environment by eradicating abusive practices.

Internal Control

Level 1 (Audit Office)
- Whistle System
  - Red (Anonymous Reporting)
  - Green (Preventive Measures)
  - White (Communication and Conflict Resolution)

Level 2 (Department)
- Control over managers
- Self-Inspection
- Integrity Guardian (Promotion and Sharing of Integrity Culture)

Level 3 (Audit Office)

Preventive Audit
- Routine Audit
- Corruption Influence Assessment
- Monitoring
- Special Inspection
- Regular / Ad hoc Inspection

Post Audit
- Comprehensive Audit
- Performance Audit
- Specific Audit
- Financial Audit
- Daily prior Audit

+ External Control

- Non-standing Board of Directors
- Subcontractor Ombudsman(Newly established)
- Integrity Policy Committee
- External Advisory Bodies
- Audit Review Committee
- Complaint/Reporting System
- Citizen Auditor for Integrity

Reporting system

iH Anti-Corruption and Integrity Reporting Center (internal and external conflicts of interest, etc.)

Reporting ⬇ Tips

Audit department

(if necessary, investigation and reporting to relevant agencies)

Internal control activities

Audit		Supervision
Comprehensive	Daily audit	Regular inspection
Specific audit	Financial audit	Special inspection
Performance audit	Duty audit	Ad-hoc inspection

Penalties for Violations of Ethics

- Administrative/Financial Sanctions
- Notification to Relevant Departments
- Status-Based Sanctions (Caution, Warning, Disciplinary)
- Personnel Penalties
- Rewards (Auditing Merit, Clean Influence)

Post-Monitoring (Audit Office)

Audit Office

Reinforcement of Clean Management System

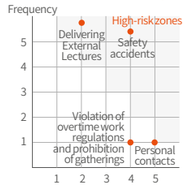
Introduction of Clean Management Compliance

Based on the compliance pilot project of the National Human Rights Commission, we are promoting the introduction of a step-by-step clean management compliance system. Accordingly, we have carried out organizational and system restructuring, strengthened internal control, mapped corruption risks, and identified improvement tasks. By utilizing the Pareto analysis technique, we have established a pre-analysis anti-corruption management system, resulting in a reduction of corruption-prone incidents and accidents by approximately 58.8% compared to the previous year.

○ Cause analysis

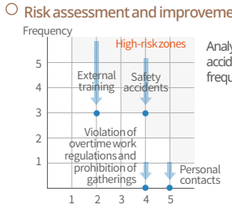
· Collection and analysis of the number/types of incidents and accidents from the previous year

○ Risk assessment and improvement activities



- Analysis of incident and accident types by frequency and risk level
  - external training, safety accidents, overtime work violations, gathering prohibitions, personal contact

○ Risk assessment and improvement activities



Analysis of incident and accident types by frequency and risk level

Comprehensive measures to establish a conflict of interest prevention system

➡ Establishment of a professional committee for conflict of interest prevention
➡ Establishment of regulations for conflict of interest prevention for public officials (May 16, 2022)
➡ Appointment of a conflict of interest prevention officer

Results of risk monitoring for risk of cognitive conflicts

Risk of conflict of interest in 2022

Society at the level of public concern
- Real estate speculation
- Leaks of public finances
- Solicitation prohibition

ZERO

Incidents compared to the previous year

2021 17 cases → decreased by10 cases → 2022 6 cases

- External lectures 8cases → 4 cases
- Safety accidents 6cases → 2 cases
- Other accidents 3cases

Approximately 64.7 % decrease

Special Performance 06

The Brand for Autonomous Anti-Corruption System

'iH Whistle'

iH, as the first local public enterprise, has developed an autonomous anti-corruption audit system called "iH Whistle." While traditional audit activities have mainly focused on detecting and punishing corruption incidents after they occur, this system has shifted the audit approach to a two-way and continuous method that emphasizes preventive measures, such as conflict resolution and early detection of corruption and fraud.

2014~ Red Whistle

Preventing orruption

Introduction and operation of an anonymous reporting system for public corruption and corrupt practices
➡ Prevention of corruption and bribery incidents through anonymous reporting
➡ Removal of budget waste elements and resolution of citizen complaints
➡ Thorough protection of whistle blowers to activate a reporting culture

Reporter
Reporting ⇅ Result confirmation
Red Whistle
Real-time notification ⇅ Handling of reported cases
iH

Performance in 2022

Investigated and responded to **30 Cases**

⇒ Conducted surprise inspections and issued warnings based on anonymous reports
⇒ Prevented recurrence of similar cases
⇒ Conducted periodic checkups

2021~ Green Whistle

(Internal conflict management and counseling system for communication)

A preventive audit system that focuses on self-resolution first and investigation later
➡ Interdepartmental communication and conflict resolution role
➡ Expansion of scope beyond integrity to organizational culture improvement
➡ Improving work efficiency through internal conflict resolution

1st Step Audit Office	Selection of target for inspection (Notification of departments targeted for healing)
2nd Step Healing target implementation department	Self-inspection according to the whistle forecast, Healing and improvement, Notification of cooperative measures
3rd Step Audit Office, etc	Improvements through healing target inspection meeting, feedback on measurement results

Performance in 2022

8 Cases of disciplinary actions

13 Cases of preliminary measures

- Inspections of cold weather concrete and ready-mix concrete
- Inspection of personal information management status
- Inspection of appropriateness of off-site and overtime work
- Investigation of illegal transfer of public rental housing, etc.
- Inspection of appropriateness of family allowances
  ⇒ Revision of regulations (1 case), Self-inspection (10 times)

2022~ White Whistle

Communication and conflict resolution

Internal conflict management and counseling system for communication
➡ Encouraging internal self-healing through sharing vulnerable areas and other company cases
➡ Two-way proactive prevention
➡ Reduction of disciplinary action for self-reporting by violators

1st Step Application	Employees who are experiencing conflicts
2nd Step Approval	Confirmation of the conflict details and approval
3rd Step Execution	Conflict parties and intermediate role players participate (less than 4 people)

White Whistle (Conflict resolution)

- Separate reporting for the applicant is unnecessary
- The participants other than the applicant can remain anonymous during the process

Performance in 2022

13 Cases reconciliation and adjustment

⇒ Management Evaluation, Personnel Disaster , Organizational operation, Customer service complaints, etc.

Selected as an excellent case by the Korea Transparency Institution in 2022 and presented as an excellent case in a workshop on April 22, 2022.

ESG FACT SHEET

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ESG DATA _81

Key Financial Information

Key Economic Performance

Category	Unit	2020	2021	2022
Sales	KRW million	1,393,771	1,223,380	1,038,360
Operating profit	KRW million	176,762	408,002	277,680
Net income	KRW million	76,147	303,666	140,360

Key Financial Performance

Category		Unit	2020	2021	2022
Assets	Current assets	KRW million	6,978,601	7,042,056	7,053,731
	Rental housing assets	KRW million	523,134	534,591	832,032
	Non-current assets	KRW million	1,317,001	1,226,361	1,121,469
	Total assets	KRW million	8,818,737	8,803,009	9,007,232
Liabilities	Current liabilities	KRW million	2,835,452	2,952,738	2,931,459
	Non-current liabilities	KRW million	3,362,242	2,959,761	3,057,970
	Total liabilities	KRW million	6,197,694	5,912,500	5,989,429
Equity	Capital stock	KRW million	2,852,717	2,852,171	2,852,717
	Capital surplus	KRW million	-382,223	-382,223	-382,223
	Accumulated other comprehensive income	KRW million	64,685	64,685	181,620
	Retained earnings	KRW million	85,863	355,329	365,690
	Total equity	KRW million	2,621,042	2,890,508	3,017,803
Debt-to-equity ratio (D/E ratio)		%	236.46	204.55	198.47

ESG DATA

Environmental Performance Indicators

Energy consumption		Unit	2020	2021	2022
Total		TJ	9.2	10.46	11.02
Electricity			7.97	9.32	9.81
Fuel	LNG		0.17	0.30	0.26
	Gasoline		0.54	0.36	0.46
	Diesel		0.51	0.47	0.48

Greenhouse gas emissions	Unit	2020	2021	2022
Total greenhouse gas emissions	tCO2eq	451.11	503.12	556.95
Greenhouse gas emissions (Scope 1)		63.56	56.77	73.77
Greenhouse gas emissions (Scope 2)		387.55	446.35	483.18
Reduction rate of greenhouse gas emissions for the year	%	37.96	48.41	55.05

Water and waste	Unit	2020	2021	2022
Water Usage	ton	3,949	4,391	3,565
Waste Disposal	ton	7.96	18.28	25.71

Environmentally friendly vehicle operations		Unit	2020	2021	2022
Eco-Friendly Vehicle Ownership	1st Category (Electric/Hydrogen)	No. of Cars	4	8	18
	2nd Category (Hybrid)	No. of Cars	37	37	33
Ownership of Conventional Vehicles		No. of Cars	11	10	9
Percentage of Eco-Friendly Vehicle Ownership		%	78.85	81.82	85.00

Green product purchases	Unit	2020	2021	2022
Total Purchase Amount	KRW million	3,913	9,681	15,413
Green Product Purchase Amount	KRW million	2,573	4,859	3,885

* Note: In 2022, there was a decrease in orders for green materials due to the nature of the construction project.

Environmental law violations	Unit	200년	2021	2022
Environmental law violations	No. of Cases	0	1*	0

* On October 13, 2021, there was a fact that a fine of KRW 1.5 million was imposed for violating the Act on Promotion of Recycling of Construction Waste.

Social Performance Indicators

New Hiring Status

New hiring		Unit	2020	2021	2022
Total		Prs	72	74	80
Regular Employee	Male	Prs	20	23	16
	Female	Prs	9	7	12
	Total	Prs	29	30	28
Non-fixed term	Male	Prs	7	4	5
	Female	Prs	4	6	4
	Total	Prs	11	10	9
Fixed-term contract employee	Male	Prs	21	16	23
	Female	Prs	11	18	20
	Total	Prs	32	34	43

Diverse hiring		Unit	2020	2021	2022
Regular Hiring	Disabled	Prs	1	3	6
	Creation of elderly jobs*	Prs	56	64	40

* Creating jobs for seniors through the Center for Elderly Workforce Development for indirect employment with support

Job Turnover Status

Voluntary job turnover status		Unit	2020	2021	2022
Voluntary job turnover status	Job turnover employees	Prs	7	10	8
	Job turnover rate	%	1.8	2.4	1.8

Employee Status

Employee status		Unit	2020	2021	2022
Total		Prs	453	480	488
Regular employees	Male	Prs	271	286	295
	Female	Prs	81	87	97
	Total	Prs	352	373	392
Non-fixed term contract employee	Male	Prs	26	26	30
	Female	Prs	15	14	16
	Total	Prs	41	40	46
Fixed-term contract employee	Male	Prs	47	45	42
	Female	Prs	13	22	8
	Total	Prs	60	67	50

Status of Female Employees and Managers

Status of female employees and managers		Unit	2020	2021	2022
Female employees	Total	Prs	96	103	114
	Executive	Prs	0	0	0
	Regular employee	Prs	96	103	114
Percentage of female employees		%	24.43	24.88	26.03
Female managers (Grade 4 and above)		Prs	17	18	21
Female managers ratio		%	12.1	12.8	14.9

Labor Union Membership Status

Labor union membership status	Unit	2020	2021	2022
No. of Eligible members	Prs	310	316	330
No. of Union members	Prs	292	304	318
Membership rate	%	94	96	96

Pay System

Compensation and benefits system		Unit	2020	2021	2022
Average salary of male employees	Executive	KRW thousand	114,650	116,417	120,457
	General employee	KRW thousand	78,729	81,555	81,588
	New hires	KRW thousand	27,473	27,473	27,473
Average salary of female employees	Executive	KRW thousand	-	-	-
	General employee	KRW thousand	54,289	65,990	63,901
	New hires	KRW thousand	27,473	27,473	27,473
Ratio of Female Employees' Average Salary Compared to Male Employees'	General employee	%	68.96%	80.91%	78.32%
	New hires	%	100.00%	100.00%	100.00%

Employee Welfare Status

Employee welfare expenses	Unit	2020	2021	2022
Executive	KRW thousand	4,230	8,800	8,800
Regular employee	KRW thousand	774,400	822,800	862,400
Non-fixed term contract employee	KRW thousand	50,400	75,600	96,600
Non-regular employee	KRW thousand	43,000	56,900	62,200

Per capita welfare expenses	Unit	2020	2021	2022
Executive	KRW thousand	2,115	2,200	2,200
Regular employee	KRW thousand	2,200	2,200	2,200
Non-fixed term contract employee	KRW thousand	1,400	1,890	2,100
Non-regular employee	KRW thousand	1,075	1,388	1,352

Flextime and Long-term Leave Performance

Flextime and long-term leave status		Unit	2020	2021	2022
Flextime	No. of employees using	Prs	100	121	118
	Usage rate	%	25.45	30.56	26.70
Long-term leave *	No. of days used	Days	139	115	360
	No. of times used	No. of Occurrences	27	23	62

* Employees with over 10 years of tenure are eligible for 10-20 days of annual leave

Parental leave and Maternity leave

Parental leave usage	Unit	2020	2021	2022
Total parental leave takers	Prs	24	24	15
Female parental leave takers	No. of Days	14	14	4
Male parental leave takers	No. of Occurrences	10	10	11

* 2020, 2021: Based on Clean Eye Disclosure, 2022: Based on the number reported to the Ministry of Employment and Labor

Maternity leave usage	Unit	2020	2021	2022
Total Users	Prs	11	7	3
Maternity leave takers	Prs	6	1	0
Spousal maternity leave takers	Prs	5	6	3

Talent Development

Enhancement of employee capabilities	Unit	2020	2021	2022
Total training expenses	KRW Million	398	569	761
Training hours per employee	Hours	102	124	138
Training expenses per employee	KRW Thousand	1,124	1,506	1,917

Human Rights Management Training

Human rights management status		Unit	2020	2021	2022
Human rights management status	Total number of trainees	Prs	351	373	359
	Completion rate of education	%	95	96.10	98
Report of human rights violation		No. of Occurrences	0	0	0

Safety Management Education

Safety-related performance		Unit	2020	2021	2022
Safety education	No. of trainees/participants	Prs	450	480	488
	Completion rate	%	100	100	100
Disaster safety professional training	No. of trainees/participants	Prs	3	3	7
	Completion rate	%	100	100	100
No. of industrial accident fatalities		Prs	0	0	0

Information Protection and Management

Information protection and management		Unit	2020	2021	2022
Information security training	Total number of trainees	Prs	375	370	450
	No. of people who completed the training	%	94	90	99
Cybersecurity breach		No. of Cases	0	0	0
개인정보 유출 발생		건	0	0	0

Information Disclosure

Information disclosure performance	Unit	2020	2021	2022
Public data release	No. of Cases	12	13	20

Revitalization of Local and Social Economy

Local procurement performance for regional and socioeconomic revitalization	Unit	2020	2021	2022
Purchases of products from individuals with severe disabilities	KRW million	677	974	602
Purchases of products from small and medium-sized enterprises	KRW million	82,314	72,748	93,324
Purchases of technology development products	KRW million	2,941	3,130	5,109
Purchases of products from social enterprises	KRW million	1,086	1,575	3,083
Purchases of products from women-owned enterprises	KRW million	-	-	6,591

Contribution to Local Community Performance

Volunteer activities and donation amount		Unit	2020	2021	2022
Volunteer activities	Total Participants	Prs	324	333	348
	Total Participation Hours	Hours	1,508	1,680	1,866
	Participation Hours per Person	Hours	4.65	5.04	5.36
Donation amount (Business expenses)		KRW million	439	966	1,171

Corporate Governance Performance Indicators

Board of Directors

Composition and status of the board of directors		Unit	2020	2021	2022
Composition type	Standing director	Prs	2	5	5
	Non standing director	Prs	7	6	7
Gender	Male	Prs	9	10	11
	Female	Prs	0	1	1
Operation of the board of directors	No. of Meetings	Meetings	13	14	13
	Attendance rate of non standing directors	%	73.6	70.5	74.7
Agenda	Resolution	No. of Occurrences	34	45	41
	Non-Resolution	No. of Occurrences	0	1	1

Ethical Management

Ethical management performance		Unit	2020	2021	2022
Comprehensive Integrity index*		Grade	-	-	3
Perceived cleanliness		Grade	3	4	4
Efforts for Cleanliness		Grade	2	2	2
Ethics/Integrity training**	Total number of trained persons	Prs	314	384	409
	No. of trainees who completed the course	%	95.4	99.5	99.8

* The overall integrity rating was newly reorganized in 2022, and the ratings were not announced in 2020 and 2021
** It refers to the training on conflict of interest prevention for existing employees and integrity training for new employees

APPENDIX

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UNGC, TCFD, SASB _ 91
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UNGC support declaration _94
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Strategy, Policies, and Practices	2-22	지속가능 개발 전략에 관한 성명서	8-9, 20	
	2-23	정책 이행 약속	7, 91	
	2-24	정책 약속 내재화	20, 24, 73	
	2-25	부정적 영향 저감 프로세스	50, 73, 75-77	
	2-26	고충 제기 및 자문 요청 메커니즘	73, 75-77	
	2-27	법률 및 규정 준수	81	
Stakeholder Engagement	2-29	이해관계자 참여 방식	24-25, 66	
	2-30	단체 협약	59, 83	

Material Topic

Category	Indicator	Disclosure	Reported Page
Disclosure of Major Topics	3-1	Process to determine material topics	22
	3-2	List of material topics	22
	3-3	Management of material topics	23

Topic Standards

Category	Indicator	Disclosure	Reported Page	Remarks
Economic Performance	201-1	Direct economic value generated and distributed	13, 80	
	201-2	Financial implications and other risks and opportunities due to climate change	36-41, 43	
	201-3	Defined benefit plan obligations and other retirement plans	-	· iH website Management Disclosure - Compensation regulations · Disclosure of 2022 audit report (50p)
	201-4	Financial assistance received from government		Disclosure of 2022 audit report (61p)
Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Compliance with the Minimum Wage Act as of 2022
	202-2	Proportion of senior management hired from the local community		All senior executives (board members) are 100% domestic (Korean) nationals
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	12-13, 28-29, 44-46	
	203-2	Significant indirect economic impacts	36-41, 43-46	
Procurement Practices	204-1	Proportion of spending on local suppliers	61	
Anti-corruption	205-1	Operations assessed for risks related to corruption	75-77	
	205-2	Communication and training about anti-corruption policies and procedures	75	
	205-3	Confirmed incidents of corruption and actions taken	75-77	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	0건
Tax	207-1	Approach to tax		· iH website Management Disclosure - The accounting regulations ·Disclosure of 2022 audit report(14-26p)
	207-2	Tax governance, control, and risk management		
	207-3	Stakeholder engagement and management of concerns related to tax		
	207-4	Country-by-country reporting		

Category	Indicator	Disclosure	Reported Page	Remarks
Energy	302-1	Energy consumption within the organization	81	
	302-4	Reduction of energy consumption	38,81	
	302-5	Reductions in energy requirements of products and services	38,81	
Water and Effluents	303-3	Water withdrawal	81	
Biodiversity	304-3	Habitats protected or restored	40-41	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	41	
Emissions	305-1	Direct (Scope 1) GHG emissions	37-38,80	
	305-2	Energy indirect (Scope 2) GHG emissions	37-38,80	
	305-5	Reduction of GHG emissions	37-38,80	
Waste	306-3	Waste generated	81	
Employment	401-1	New employee hires and employee turnover	55, 82	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	58, 84	
	401-3	Parental leave	58, 84	
Labor/Management Relations	402-1	Minimum notice periods regarding operational changes	57	
Occupational Health and Safety	403-1	Occupational health and safety management system	44-46, 58	
	403-2	Hazard identification, risk assessment, and incident investigation	44-46	
	403-3	Occupational health services	50, 58	· iH website Management Disclosure - Employment regulations, Employee benefits regulations
	403-4	Worker participation, consultation, and communication on occupational health and safety	44-46	
	403-5	Worker training on occupational health and safety	46	
	403-6	Promotion of worker health	46	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	45-46	
	403-8	Workers covered by an occupational health and safety management system	45-46	
	403-9	Work-related injuries	85	
	403-10	Work-related ill health	-	· No incidents occurred

Category	Indicator	Disclosure	Reported Page	Remarks
Training and Education	404-1	Average hours of training per year per employee	85	
	404-2	Programs for upgrading employee skills and transition assistance programs	56	
	404-3	Percentage of employees receiving regular performance and career development reviews	52-53	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	55, 72, 82	
	405-2	Ratio of basic salary and remuneration of women to men	83	
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	51, 77	
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	49, 59	· iH website Management Disclosure - Labor union status
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	-	· Not Applicable
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		· Not Applicable
Security Practices	410-1	Security personnel trained in human rights policies or procedures		· Not Applicable
Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples		· Zero cases of infringement
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	63-65, 68-69	
	413-2	Operations with significant actual and potential negative impacts on local communities	-	· Not Applicable
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	60-61	
	414-2	Negative social impacts in the supply chain and actions taken	-	· Not Applicable
Public Policy	415-1	Political contributions		· Not Applicable
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories		·iH website Management Disclosure - Development work regulations
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		· Not Applicable
Marketing and Labeling	417-3	Incidents of non-compliance concerning marketing communications		
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	85	· No incidents occurred

UNGC(UN Global Compact)

Category	Principle	Content	Reported Page
Human Rights	1	Businesses should support and respect the protection of internationally proclaimed human rights; and	49-51
	2	make sure that they are not complicit in human rights abuses.	49-51
Labour	3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	59
	4	the elimination of all forms of forced and compulsory labour;	49, 53, 58
	5	the effective abolition of child labour; and	49, 55
	6	the elimination of discrimination in respect of employment and occupation.	52-55
Environment	7	Businesses should support a precautionary approach to environmental challenges;	36-41
	8	undertake initiatives to promote greater environmental responsibility; and	36-43
	9	encourage the development and diffusion of environmentally friendly technologies.	39-43
Anti-Corruption	10	Businesses should work against corruption in all its forms, including extortion and bribery.	74-77

TCFD(Taskforce on Climate-related Financial Disclosures)

Category	Principle	iH Activity	Reported Page
Governance	Describe the board's oversight of climate-related risks and opportunities	The ESG committee reviews and makes decisions on the direction, goals, challenges, and opportunities related to environmental, social, and governance issues, including climate change adaptation, among others	20
	Describe management's role in assessing and managing climate-related risks and opportunities		
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	ESG management strategy system established through risk and opportunity analysis, ESG roadmap established, and promotion of green business (environmentally-friendly new business) pursued	20, 36-41
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning	Identifying and addressing risks based on ESG management strategies and internal/external business environments	20-21, 36-41
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	-	-
Risk management	Describe the organization's processes for identifying and assessing climate-related risks	Development of a Step-by-Step Roadmap and Action Plan for Contributing to Incheon City's Carbon Neutrality Scenario	36-41
	Describe the organization's processes for managing climate-related risks		
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Assessing and responding to risks based on ESG management strategies and internal/external business environment	20, 36-41
Metrics and Targets	Disclosure the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	KPIs for ESG strategy system	20, 36-41
	Disclosure Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	iH greenhouse gas emissions, reduction amount, and reduction plan	20, 36-41
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Establishment of goals for carbon neutrality in 2022, application of eco-friendly technology in supplied houses, iH greenhouse gas emissions and reduction, reduction plan	20, 36-41, 43

SASB(Sustainability Accounting Standards Board)

Topics	Accounting Metrics	iH Activity	Reported Page
Land Use & Ecological Impacts	Number of (1) lots and (2) homes delivered on redevelopment sites	Urban regeneration project	68-71
	Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	-	-
	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations		
	Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction		73
Workforce Health & Safety	Total recordable incident rate (TRIR) and fatality rate for (a) direct employees and (b) contract employees	Implementation check and inspection activities for safety and health measures	44-46, 85
		Safety and Health Management Committee, Industrial Safety and Health Committee	
Design for Resource Efficiency	Number of homes that obtained a certified HERS® Index Score and average score	Design of zero energy smart residential complex	39, 42-43
	Percentage of installed water fixtures certified to WaterSense® specifications	Design of water space environment for rainwater reuse	41
	Number of homes delivered certified to a third-party multi-attribute green building standard	Design of zero energy smart residential complex	39, 42-43
	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	Design of zero-energy smart residential complex, creation of urban forests, rooftop greening, development of eco-friendly cities, construction of green infrastructure	37-43
Community Impacts of New Developments	Description of how proximity and access to infrastructure, services, and economic centers affect site selection and development decisions	Promotion of urban public housing complex projects at Jeompo and Gulpocheon stations in the city center, in conjunction with the 3080+ policy	29-33
		New Deal urban regeneration project for new development, solicitation, and implementation	
	Number of lots and homes delivered on infill sites	-	-
	Number of homes delivered in compact developments and average density		
Climate Change Adaptation	Number of lots located in 100-year flood zones		
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	ESG management strategy based on risk and opportunity analysis, establishment of ESG roadmap, promotion of green business (environmentally friendly new business)	20, 36-39

Certifications and Awards

Certification Status

Certification Date	Certification Details	Certifying Organization
07. 2004	ISO 9001 (Quality Management System, scope: Design, development, construction, and operation management of housing and civil engineering projects)	Korea Productivity Center
	ISO 14001 (Environmental Management System)	
12. 2016	Family-friendly Public Agency Certification	Ministry of Gender Equality and Family
05. 2021	ISO 45001 (Occupational Health and Safety Management System)	Korea Productivity Center
11. 2021	Certification of Human Rights Management System	Korea Management Certification
06. 2022	Fair Hiring Excellent Organization Certification for iH	Korea Management Certification
06. 2022	Certification of Best Residential Service Rating	Korea Real Estate Agency
11. 2022	Excellent Disaster Reduction and Management Company Certification	Ministry of the Interior and Safety

※ The ISO (International Organization for Standardization) certification date is based on the initial certification, and is renewed every 2 years thereafter

Awards and Recognition

Award Date	Award Details	Awarding Organization
02. 2022	Social Contribution Award for Co-Growth (Chairman's Award) in the Happy Together Campaign	Committee for Co- Growth
02. 2022	Award for Excellent Residential Welfare Activities	Korea Housing and Welfare Forum
04. 2022	Social Contribution Award in Urban Regeneration Sector at the 13th 2022 Korea Chamber of Commerce and Industry-Forbes Social Contribution Awards	Korea Chamber of Commerce and Industry, JoongAng Ilbo
05. 2022	Commendation from the Minister of Gender Equality and Family for Contributions to Family Policies in 2022	Ministry of Gender Equality and Family
06. 2022	2022 Korea Ethics Management Award	Korea Ethics Management Association
07. 2022	ESG Public Institution Award for National Sustainable Management Excellence in Comprehensive Division	The Korean Journalists Association
10. 2022	Honorary Badge for 117th Anniversary of the Founding of the Korean Red Cross	Korean Red Cross
12. 2022	Excellent Case Study Award for Local Public Institution Innovation	Ministry of Public Administration and Security
12. 2022	Grand Prize for Korea Local Government Innovation in Comprehensive Category	e-Daily
12. 2022	Grand Prize for Korea Urban Corporation Category	e-Daily

UN GC support declaration

UN Global Compact membership

In April 2022, iH became a member of UNGC (UN Global Compact). We will comply with the 10 principles of UNGC throughout all our business activities, strengthen our ESG management system to meet global standards by 2025, and generate ESG management performance by submitting annual compliance reports.

The 10 Principles of the UN Global Compact

Category	Details of Principles
Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and Principle 2: make sure that they are not complicit in human rights abuses.
Environment	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle 4: the elimination of all forms of forced and compulsory labour; Principle 5: the effective abolition of child labour; and Principle 6: the elimination of discrimination in respect of employment and occupation.
Anti-Corruption	Principle 7: Businesses should support a precautionary approach to environmental challenges; Principle 8: undertake initiatives to promote greater environmental responsibility; and Principle 9: encourage the development and diffusion of environmentally friendly technologies.
반부패	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Independent Assurance Statement

To readers of iH Incheon Housing and City Development Corporation 2022 ESG Report

Introduction

Korea Management Registrar (KMR) was commissioned by iH Incheon Housing and City Development Corporation to conduct an independent assurance of its 2022 ESG Report (the "Report"). The data and its presentation in the Report is the sole responsibility of the management of iH Incheon Housing and City Development Corporation. KMR's responsibility is to perform an assurance engagement as agreed upon in our agreement with iH Incheon Housing and City Development Corporation and issue an assurance-statement.

Scope and Standards

iH Incheon Housing and City Development Corporation described its sustainability performance and activities in the Report. Our Assurance Team carried out an assurance engagement in accordance with the AA1000AS v3 and KMR's assurance standard SRV1000. We are providing a Type 2, moderate level assurance. We evaluated the adherence to the AA1000AP (2018) principles of inclusivity, materiality, responsiveness and impact, and the reliability of the information and data provided using the Global Reporting Initiative (GRI) Index provided below. The opinion expressed in the Assurance Statement has been formed at the materiality of the professional judgment of our Assurance Team. Confirmation that the Report was prepared in accordance with the GRI standards 2021 was included in the scope of the assurance. We have reviewed the topic-specific disclosures of standards

which were identified in the materiality assessment process.

➡ GRI Sustainability Reporting Standards

➡ Universal standards

➡ Topic specific standards

- GRI 205: Anti-Corruption
- GRI 305: Emissions
- GRI 401: Employment
- GRI 403: Occupational Health and Safety
- GRI 404: Training and Education
- GRI 405: (Diversity and Equal Opportunity
- GRI 413: Local Communities

As for the reporting boundary, the engagement excludes the data and information of iH Incheon Housing and City Development Corporation's partners, suppliers and any third parties.

KMR's Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement:

➡ reviewed the overall Report;

➡ reviewed materiality assessment methodology and the assessment report;

➡ evaluated sustainability strategies, performance data management system, and processes;

➡ interviewed people in charge of preparing the Report;

➡ reviewed the reliability of the Report's performance data and conducted data sampling;

➡ assessed the reliability of information using independent external sources such as Financial Supervisory Service 's DART and public databases.

Limitations and Recommendations

KMR's assurance engagement is based on the assumption that the data and information provided by iH Incheon Housing and City Development Corporation to us as part of our review are provided in good faith. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. To address this, we referred to independent external sources such as DART and National Greenhouse Gas Management System (NGMS) and public databases to challenge the quality and reliability of the information provided.

Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with iH Incheon Housing and City Development Corporation on the revision of the Report. We reviewed the Report 's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the GRI Standards 2021. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

Inclusivity

iH Incheon Housing and City Development Corporation has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

Materiality

iH Incheon Housing and City Development Corporation has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

Responsiveness

iH Incheon Housing and City Development Corporation prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of iH Incheon Housing and City Development Corporation's actions.

Impact

iH Incheon Housing and City Development Corporation identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

Competence and Independence

KMR maintains a comprehensive system of quality control including documented policies and procedures in accordance with ISO/IEC 17021·2015 - Requirements for bodies providing audit and certification of management systems. This engagement was carried out by an independent team of sustainability assurance professionals. KMR has no other contract with LiH Incheon Housing and City Development Corporation and did not provide any services to iH Incheon Housing and City Development Corporation that could compromise the independence of our work.

KMR SRV1000 Sustainability Committee Assurance AA1000 Licensed Report 000-129/V3-KN494

April 30th, 2023, Seoul, South Korea

CEO E. J Hwang

This report is printed on eco-friendly paper.

Urban regeneration with citizens,
Housing-welfare-leading public corporation, iH

Incheon
Housing & City
Development Corporation