



# Sustainability Report

# Contents













#### About the Korea Cadastral Survey Corp.

- 08 CEO Message
- 11\_ Efforts for UN Global Compact
- 12\_ 2010 Highlights News
- 14\_ Activities of Interested Parties
- 16\_ Materiality Test
- 18 Introduction of KCSC
- 22 Corporate Governance
- 24 Operation Structure
- 26\_ Chances and Challenges
- 28\_ Managerial Objective

#### **Economic Performance**

- 32 Economic Value of KCSC
- 34\_ Major Public Benefit Projects
- 38\_ Establishment of Global Competitiveness

#### Social Performance

- 46\_ Customer Satisfaction Management
- 52\_ Contributions to Community
- 55\_ Employee Satisfaction

#### **Ethical Performance**

66\_ Ethical Management

#### **Environmental Performance**

- 74\_ Configuration of Green Spatial Information
- 76\_ Environmental Management

#### Appendix

# Report Information

#### Meaning Report

KCSC has published Sustainability Report to report the management activities so that it can acquire a foundation of trust and support among interested parties, and based on this develop further into a sustainable organization that creates new value. Through this report containing the management strategies and activities pursued from the economic, social and environmental aspects, we have internally shared the understanding for sustainable management, and externally revealed ourselves and strengthened communication with interested parties.

#### Criteria and Target of Report

The Sustainability Report of KCSC was prepared according to the 'GRI (Global Reporting Initiative) Guideline G3', and the utmost priority was placed on procuring accuracy and objectivity of the data. This report was drafted for interested parties that may be directly or indirectly affected by the management activities such as employees, government institutes, local society, customers, vendors, NGOs, etc. A third party verification agency has verified that this report was drafted according to the G3 guideline standards.

#### Range of Report

This report makes a report on the sustainability activities and performances of the headquarters and branches, and for overseas projects, project activities per project were reported. The period for this report is from January 1, 2010 to December 31, 2010. When past statistics are needed for comparison, performance of three years from 2008 to 2010 were reported, and materials drafted based on the current day of report has separately stated the standard date.

#### Period of Report

This report is the third sustainability report continuing from the previous year showing the economic, social and environmental activities and performances of KCSC. Sustainability Reports will be published annually to report the sustainability activities and performances of KCSC.

#### Provision of Additional Contents and Information

The contents found in this report can be checked at our homepage (www.kcsc.co.kr).

If you need additional information or have any questions about the report, please contact the representative at the following contact information.

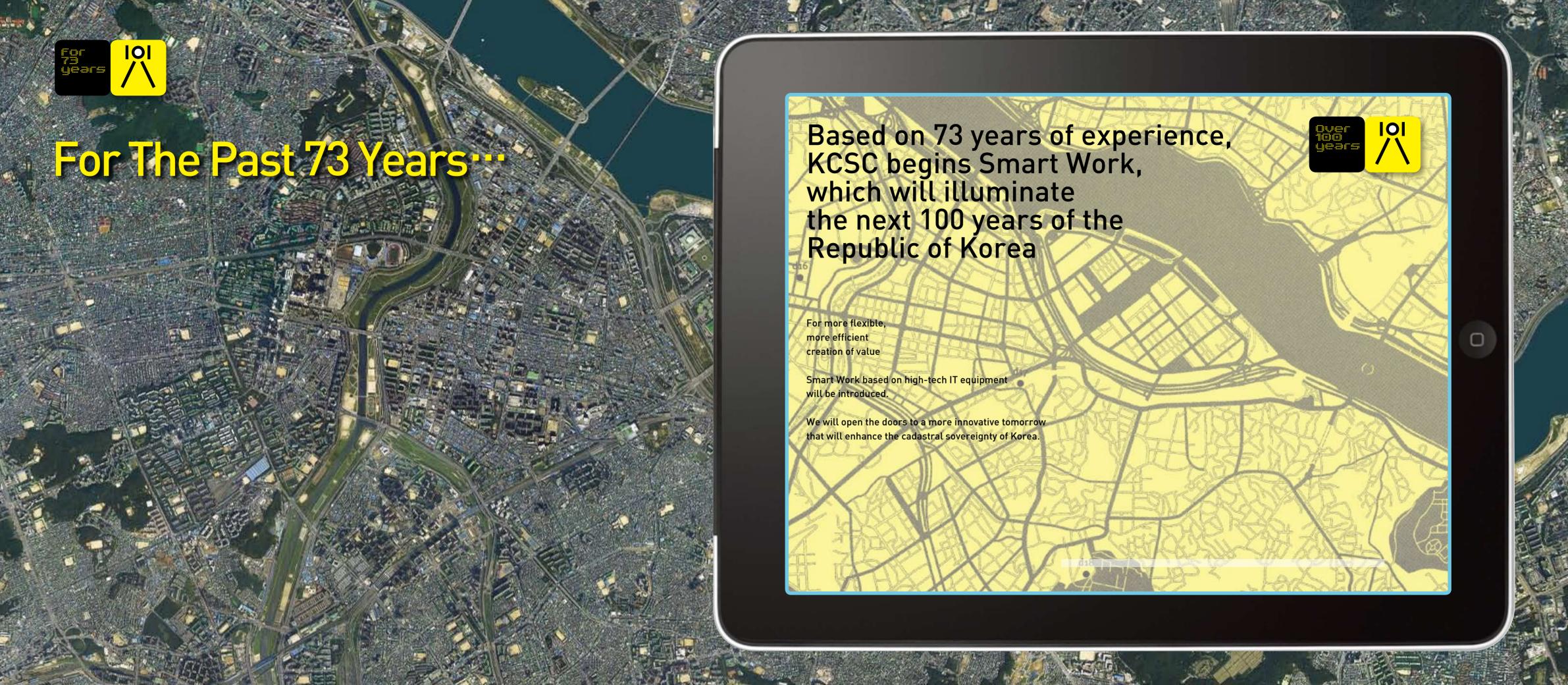
141 Uisadang-ro [45 Yeoido-dong], Yeongdeungpo-gu, Seoul 150-911 Management Dept., Planning Office, Korea Cadastral Survey Corp.

TEL: 02) 3774-1070~8

FAX: 02) 3774-1089



We are a public spatializing in cadastral information services that have protected the property rights of the people and provided national spatial information to offer accurate and efficient spatial information on the land of Korea.





**CEO Message** 



#### We will lead the "Creation of Smart Land Information."

Greetings.

First of all, I am very happy and honored to be able to report the management activities and performance of Korea Cadastral Survey Corp., to all of our interested parties.

For the past 73 years, KCSC has strived to fulfill its duties as a public organization which is in charge of the protection of the people's property rights and to efficiently administer the national territory.

This year, we are conducting company-wide innovation by selecting HOPE (High-tech High-touch, Ownership mind, Public interest, and customer Expectation) management as the core values to become a global leader who creates Smart Land Information and promotes a cadastral system and the spatial information industry.

KCSC will continue to conduct its spatialized social contribution activities unique to the corporation such as reducing survey fees for the low-income class and making free surveys for areas hitten by disasters on the other hand, we'll create continue to a base for sustainable growth with private and public organizations.

To do this, KCSC will first increase R&D investments and concentrate on developing key personnel to obtain the best technologies and capacities.

Second, we will strive to become active individuals and organization that innovates work through self-motivated development and work, in our a harmony of authorities and responsibilities.

Third, we will make a dignified corporation by escalating a warm corporate culture that is considerate of vulnerable places, together with honest and fair handling of work.

Fourth, all employees will establish a productive and creative corporate culture through free flowing communication and cooperation both inside and outside of the company to create new corporate values.

All of these efforts by KCSC is a firm resolution to take a bold step towards a new history of 100 years, and is also an honest promise to our interested parties.

We hope that this will be used by everyone who reads this report as a medium for enhancing understanding our efforts for sustainability.

Thank you.

March 201

President Kim, Young-Ho 9. H. Kim

#### 

#### We will lead the "Creation of Smart Land Information."

Greetings.

First of all, I am very happy and honored to be able to report the management activities and performance of Korea Cadastral Survey Corp., to all of our interested parties.

For the past 73 years, KCSC has strived to fulfill its duties as a public organization which is in charge of the protection of the people's property rights and to efficiently administer the national territory.

This year, we are conducting company-wide innovation by selecting HOPE (High-tech High-touch, Ownership mind, Public interest, and customer Expectation) management as the core values to become a global leader who creates Smart Land Information and promotes a cadastral system and the spatial information industry.

KCSC will continue to conduct its spatialized social contribution activities unique to the corporation such as reducing survey fees for the low-income class and making free surveys for areas hitten by disasters on the other hand, we'll create continue to a base for sustainable growth with private and public organizations.

To do this, KCSC will first increase R&D investments and concentrate on developing key personnel to obtain the best technologies and capacities.

Second, we will strive to become active individuals and organization that innovates work through self-motivated development and work, in our a harmony of authorities and responsibilities.

Third, we will make a dignified corporation by escalating a warm corporate culture that is considerate of vulnerable places, together with honest and fair handling of work.

Fourth, all employees will establish a productive and creative corporate culture through free flowing communication and cooperation both inside and outside of the company to create new corporate values.

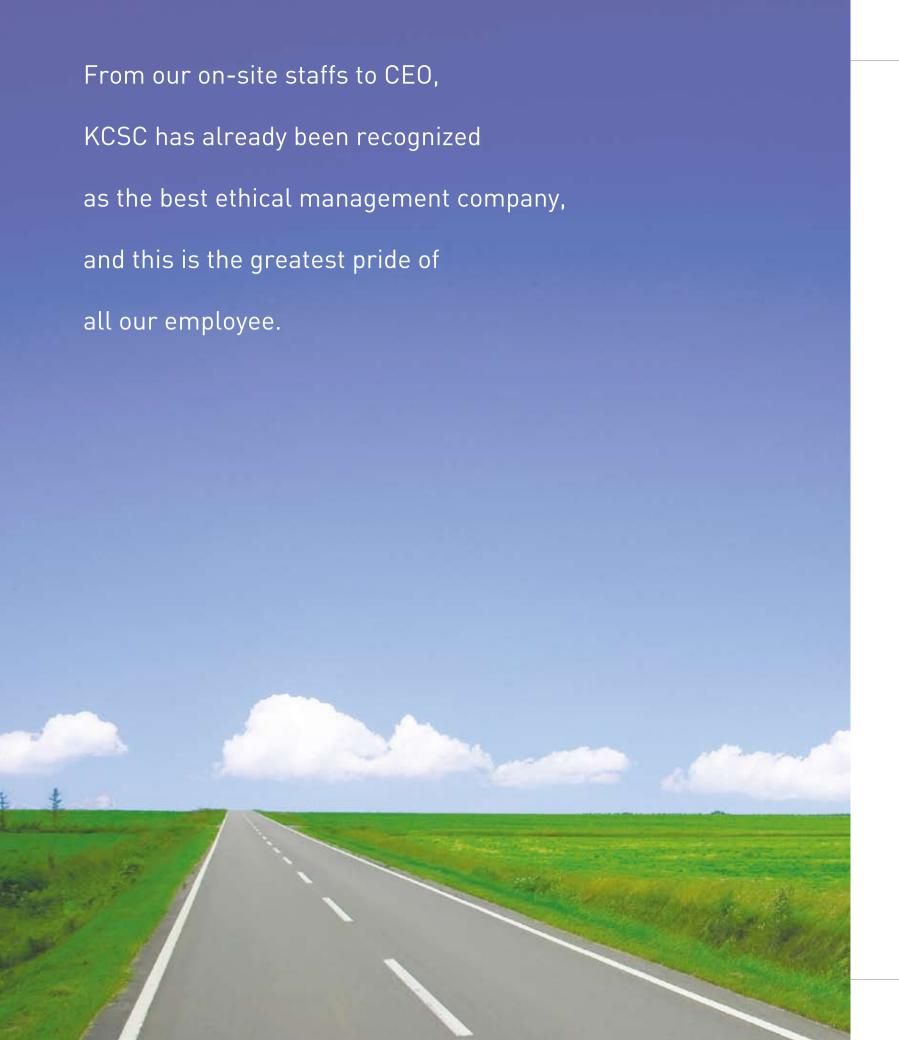
All of these efforts by KCSC is a firm resolution to take a bold step towards a new history of 100 years, and is also an honest promise to our interested parties.

We hope that this will be used by everyone who reads this report as a medium for enhancing understanding our efforts for sustainability.

Thank you.

March 2011

President Kim, Young-Ho 4. H. Kim



## Efforts for UN Global Compact

KCSC has joined the UN Global Compact, in June 2007 which is a pledge for the company to voluntarily perform economical, environmental and social responsibilities and we are striving to voluntarily observe the 10 main principles on human rights, labor standards, environment, and anti-corruption. KCSC understands that ethical management is the fundamental basis for the sustainability of a company, and has thus made various efforts such as participating in UNGC symposiums and submitting reports on sustainability to the UN Global Compact. KCSC will continue to strive to become a global company through mutual trust and respect by communicating our interested parties, and we pledge to transparently disclose our Sustainability Report.

# **Global Compact 10 Principles**



#### **Human Rights**

- Principle 1. The Corporation shall support and respect human rights protection as internationally declared
- Principle 2. The Corporation shall make all efforts not to be involved in infringement upon human rights.

#### Compliance and Basis

- Enact ethics charter
- Human rights education
- Operate a complaint handling system
- Code of Conduct Article 43 (Prohibition against sexual harassment), Article 49 (Compliance of international business standards)



#### Labor Standards

- Principle 3. The Corporation shall support the freedom of association and practical recognition of collective bargaining rights.
- Principle 4. The Corporation shall exclude all forms of forced labor.
- Principle 5. The Corporation shall effectively abolish child labor.
- Principle 6. The Corporation shall not engage in discrimination at times of hiring and during work.
- Operate labor-management meetings
- Equal employment policyPrevent discrimination and imp
- Prevent discrimination and improve treatment of non full-time employees
- Abolish forced labor and child labor
- Code of Conduct Article 48 (Labor-Management harmony), Article 14 (Exclusion of favors)



#### **Environment**

- Principle 7. The Corporation shall support preventive approaches for environmental issues.
- Principle 8. The Corporation shall step forward in taking more environmental responsibilities.
- Principle 9. The Corporation shall promote environment-friendly technology development and its dissemination.
- Efforts to conserve energy
- Use energy-conserving machines
- Recycling and reusing
- Code of Conduct Article 47 (Environmental Protection)
- Environment conservation ethics standards



#### **Anti-Corruption**

Principle 10. The Corporation shall strive to stop all forms of corruption such as dishonest acquisition and bribery.

- Anti-corruption, transparent and ethical management activities
- Code of Conduct Articles 5, 8, 15, 16, 21, 23, and 24
- Code of Conduct for Ethics

# 2010 Highlight News

## Innovation



#### Kim Young-ho inaugurated as 22<sup>nd</sup> CEO

Kim Young-ho, former vice minister of the Ministry of Public Administration and Security, was appointed as the 22<sup>nd</sup> CEO of KCSC on September 17, 2010. In his inaugural speech, Kim stated, "We should have the best capacities and evolve ourselves to uplift our class and communicate

freely." On this day, a farewell ceremony was also held for former CEO Lee Sung-yeol, who completed his three year term, and this was the first time in the history of KCSC where the CEO inauguration and farewell ceremony was held at the same time.



#### Design of New Headquarter

The winning design of the headquarters of KCSC, which will move to the Jeonbuk Innovation City by 2012, was selected. KCSC opened a screening commission for the design contest on August 5, 2010 and announced the winning piece. The selected design stands seven stories

high with one underground floor. It has a total floor area of 11,297m<sup>2</sup>, together with facilities such as an office, auditorium, PR hall, survey equipment inspection area, and sports facilities.

#### Economy



#### Active Overseas Projects

KCSC actively conduets to overseas projects. It spreads its field in Azerbaijan, Jamaica and Turkmenistan. As well by adding the overseas project in Laos, Cambodia and Morocco in the 2010 overseas projects, this overseas projects will be focused as a new strategic business.



# Challenging the Cadastral Reform Project Again

With cadastral reform projects being selected as projects for pre-feasibility investigations by the government in March 2010, a green light was given for conducting the businesses of KCSC. However, despite the company-wide efforts to pass the pre-feasibility investigations, they were unable to overcome some obstacles, and must challenge it again in 2011.







#### Achievements in Anti-Corruption and Clean Policies

In 2010, KCSC made continuous efforts to establish anti-corruption and clean policies. KCSC practiced clean policies such as 1) construction of an anti-corruption and clean organizational culture, 2) malcing practice movement with the CEO, 3) establishing a transparent culture through system reforms, 4) conducting internal regulations and anti-corruption effect analysis, 4) establishing codes of conduct and promoting report-making, and 5) enhacing transparent ethical education. In result, KCSC received a

'excellent' grade in the anti-corruption policy evaluation.



# Opening of Labor-Management Joint Workshop to Realize a Fair Society

KCSC declared the 'Labor-Management Cooperation Proclamation to Realize a Fair Society' being the first among public corporations from November 4-5, 2010, and solidified its will to practice fair management. CEO Kim Young-ho, labor

union chairman Cho Tae-geun, executives, directors, and managers of the labor union attended the event and held a 'Labor-Management Cooperation Proclamation' signing ceremony, vowed to establish feasible labor-management relations that fits the fair society such as realization of anti-corruption and transparency, practicing ethical management, and promoting social contribution activities based on trust and harmony.





#### Jang Sun-jae Repeats Victory at Asian Games

Jang Sun-jae, a member of KCSC Cycle Team, who won three gold medals at the Doha Asian Games, competed again at the Guangzhou Asian Games and again won two gold medals.



#### Many Events for Employees and Families

Drawing contest for employees' children and KCSC Camp with Dad were held.



#### ■ 'Land and People' Wins 2010 Korean Communication Awards

'Land and People', KCSC newsletter, won the Minister of Culture, Sports and Tourism Award for the public sector at the '2010 Korean Communication Awards'.



#### ■ PR For KCSC on TV

A documentary called 'Myeongdong Cathedral in 3D' on Pyeonghwa TV and at 'Experience Life' on KBS1TV introduced the works of KCSC.



#### \*##

# **Activities of Interested Parties**

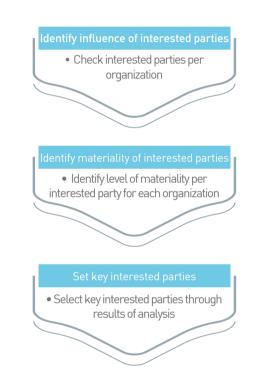
#### Perspective on Interested Parties

KCSC understands interested parties as those groups or individuals who effect or are affected by the corporation. Among them, KCSC assesses the influence or level of importance to KCSC and has set the government, customer, vendors, community, and employees as the five main interested parties. It has composed and operated communication channels to perform continuous involvement activities for each interested party, and their key opinions are reflected in the strategies of KCSC, of which the performances are reported. During such process, we are confident that the Sustainability Report is recognized as an important method for communication with interested parties and that it will enhance the sustainability of KCSC during the course of selecting and managing activities of key interested parties. By connecting the issues and activities acquired through communication with interested parties about the sustainable management of KCSC, its efficiency and value are being increased.

#### Key Interested Parties and Core Values

The key interested parties of KCSC are the government, customers, vendors, community and employees. These key interested parties influence the managerial activities of KCSC on an economical, environmental and social aspects. Thus, a systematic ally selected standards of key interested parties are established to communicate

with them. KCSC reflects issues deduced through communication activities and has set the core values of interested parties. Such core values are the basic principles for establishing and operating sustainable management by KCSC, and it is beig developed into sustainable management strategies.



Section	Government	Customer	Vendor	Community	Employees
Interested Parties	National Assembly     Central Government     Local Government	Applicants and users for cadastral survey services	<ul> <li>Cooperative partners and businesses</li> </ul>	• Civic organizations / NGO	<ul> <li>3,724 people</li> <li>Head office, Training Institute, Research Institute</li> <li>branch offices</li> <li>local offices</li> </ul>
Win-Win Cooperative	Company that fully completes the role as a public organization	Company that can be trusted by customers	Company that others want to continue to work with through win-win cooperation	Respected company that performs socially responsible management	Best place of work to realize capacities and dreams
Social Responsibility Management	Public institute with goal to pursue public benefit	Representative public institute for cadastral information services	Joint growth through fair and transparent transactions	Win-win strategy that respects the economical, environmental and cultural characteristics of the community	Improve quality of life for employees and provide opportunity for self- realization

#### Communication with Interested Parties

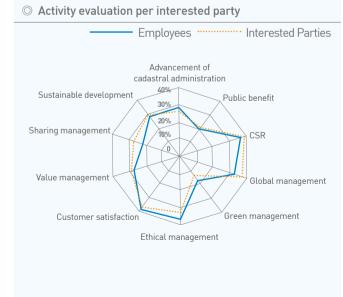
Communication was made with the interested parties categorized into five groups using various methods. A channel was organized for communication activities considering the characteristics of the interested parties, and at the respective department, issues of high concerns were once again checked through the participation activities. Through this, it was possible to prevent conflicts that could occur during management activities and procure transparency and reliability, while setting the direction for activities of KCSC. In particular, through the VOC management system and internet customer participation center, timeliness is being enhanced through channels that receive opinions in real time. In the future, by strengthening communication activities, we will make an environment that could more assertively reflect the opinions of interested parties.

Section	Government	Customer	Vendor	Community	Employees
Communication Channel	KCSC Homepage     Regular board meetings     Anti-Corruption and Civil Rights Commission     Sustainability Report     National Policy Audit     Management Performance Report	KCSC Homepage [management announcement, customer suggestion]     Monthly journals and newsletters     Monthly newsletter 'Land and People'     Customersatisfaction survey     PCSI     Happy Call     Sustainability Report     Monitoring System	KCSC Homepage     Digital Land Expo     Transparency Survey     Sustainability Report	<ul> <li>KCSC Homepage</li> <li>Jidori Volunteer Corps</li> <li>1 Company 1 Village Sisterhood</li> <li>Cadastral survey contests</li> <li>Sustainability Report</li> <li>Community meetings</li> <li>Seminars related to surveys</li> <li>Customer- satisfaction surveys</li> </ul>	KCSC Homepage     Labor- management associations / meetings     Labor Union homepage     Employee satisfaction investigation      Speaking with the CEO     Employee Debates     We-land Suggestion System     Sustainability Report

#### Interested Parties Surveys

KCSC handed out surveys to interested parties to evaluate the sustainability activities in 2010. It was possible to identify the level of sustainable management of KCSC through this survey, and it was also an opportunity to check the different perspectives on major issues between employees and outside interested parties. In addition, by deducing the major issues related to sustainable management, a materiality test was conducted to organize the report.





# iality Test

# **Materiality Test**

#### Materiality Evaluation Process

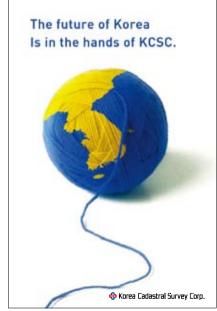
In order to fill the contents of this report, KCSC conducted a materiality test. In order to set the most important topics that should be included in this report, the following structuralized approach method was used.



#### Determine Report Contents

KCSC selected key issues in six fields through the materiality evaluation process. KCSC has unveiled the policies and activities of the corporation related to the key issues selected through this report.





#### Contents of KCSC Sustainability Report

# • Strengthen land administration trust

- Business diversification
- Develop cadastral survey technologies
- Research development of laws and policies
   Develop and enter foreign projects

#### Employees

- Evaluation and reward system
- Improved welfare
- Training and career development
- Reformed organization culture
- Labor-management culture

#### Customers

- Customer-oriented service
- System for receiving customer suggestions
- Evaluation and improvement of customer satisfaction management
- Protection of customer information

# Sharing Management

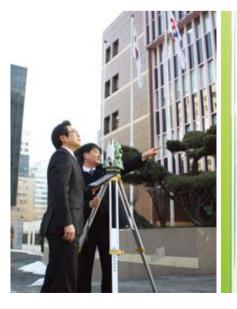
- Spatialized social contribution activities
- Donations to marginalized classes
- Environment protection activities
- Activities in connection to the community

#### orporate Ethics

- CEO leadership
- Effective operation of policies and organization
- Strengthen ethical capacities
- Evaluation and reward for ethical management

#### Environmen<sup>.</sup>

- Reduced energy usage
- Purchase of environment-friendly goods
- Practicing of environment-friendly management
- Reduced use of resources





# Introduction of KCSC

KCSC will strive for a today that is better than yesterday, and furthermore, a tomorrow that is better than today.

The path taken by KCSC.

#### Purpose of Establishment

The goal of KCSC is in protecting the rights to property of the people and contributing to the development of cadastral survey technologies and improvement of cadastral systems by effectively pursuing projects according to laws on cadastral and measurement waterway surveys.

#### Foundation of Establishment

Laws on cadastral and measurement/waterway surveys Article 58 (Establishment of KCSC)

- 01. KCSC shall be established to conduct research on cadastral surveys and cadastral systems, as well as to construct a cadastral information system
- 02. KCSC shall be a corporate body
- 03. KCSC shall be established by registration of establishment at the place of its main office.
- 04. Items necessary for the registration of establishment of KCSC shall be as determined by Presidential Decree.

#### Corporate Overview

Section	Corporate Overview
Corporation Name	KCSC (Korea Cadastral Survey Corporation.)
Establishment Date	January 24, 1938
No. of Employees	3,724
Total Assets	291.03 Billion KRW
Total Liabilities	147.32 Billion KRW
Equity Capital	143.71 Billion KRW
Total Sales	407.06 Billion KRW
Address of Head Office	141 Uisadang-ro [45 Yeoido-dong], Yeongdeungpo-gu, Seoul 150-911

#### History

1938 ~ 1960	1961 ~ 1980	1981 ~ 2003	2004 ~ 2008	2009 ~ 2010
Jan 24, 1938 Established the Joseon Cadastral Foundation  May 1, 1949 Changed name to Korean Cadastral Foundation  May 21, 1953 Fostered cadastral survey technology center and installed training institute  Dec 31, 1960 Regulation of basis for conducting cadastral survey operations by proxy by the State Council Decree 176	Jan 1, 1962 Supervision changed from Minster of Finance to Minister of Internal Affairs  Dec 29, 1969 Revised statute to direct appointment of directors and executives by the Minister of Internal Affairs  Nov 6, 1976 Designated as proxy institute for cadastral survey operations by the Cadastral Act  Jul 1, 1977 Revised Statute by the revision of the Cadastral Act, and changed name	Dec 18, 1981 Moved the KCSC training center to Yongin, Gyeonggi-do  Apr 1, 1994 Installed Cadastral Technology Research Center  Mar 1, 1999 Integrated the Cadastral Technology Training Center and Research Center as the Cadastral Technology Training and Research Center  Nov 29, 2003 Acquired ISO 9001 Quality Management	Jan 1, 2004 Changed to spatial corporation, KCSC by the Law on Cadastral Survey  Dec 16, 2004 Acquired outstanding company certification by the Korea Service Quality  July 1, 2005 Opened the Cadastral Research institute  Feb 29 2008 Transferred department from the Ministry of Public Administration and Security to the Ministry of Land, Transport and Maritime Affairs	Jan 23, 2009 Published 70 year history of KCSC  Jun 9, 2009 Enacted laws on cadastral survey and waterway surveys  Sep 10, 2009 Won spatial award in the National Production Awards  Sep 8, 2010 Design of new head office building
	to Korea Cadastral Survey Corp. Foundation	System Certification		

#### Main Businesses

Cadastral Survey	Cadastral survey such as cadastral triangulation, partitioning, restoration of boundaries, confirmation, etc according to the laws on Topographical waterway suruey & Cadastre
International Exchange	Overseas projects on cadastral systems, cadastral surveys, and international exchange
Education/ Research	Support projects on research and education on cadastral systems and cadastral surveys
Producing Maps	Producing cadastral-related maps such as cadastral maps and forestry maps
Cadastral Projects	Items related to cadastral reform and cadastral incompatible area projects
Cadastral Information	Provision and use of cadastral information services using cadastral maps and electronic files



#### **Organization Structure**

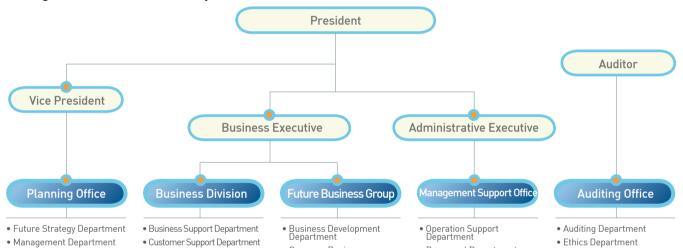
As of January 1, 2011, KCSC has 2 offices, 2 divisions, 1 business group and 15 departments and it is composed of 12 branch offices in cities and provinces around the nation and 185 local offices in other cities, gun and gu, with the Cadastral Training Institute and Cadastral Research Institute. There are a total of 3,724 employees (as of Dec 31, 2010), made up of four executives, 3,460 technicians, and 86 office workers.

• Information Management Department

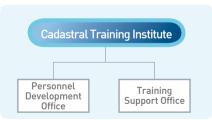
Introduction of KCSC



#### Organization Chart (January 1, 2011)



#### Cadastral Training Institute

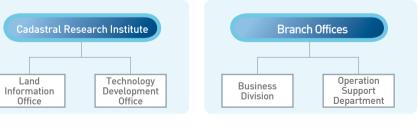


#### Cadastral Research Institute

Overseas Business Department

• Cadastral Advancement Department

#### Branch Offices (12)



• Personnel Department

Financial Department

• Welfare Department

#### local offices

• PR Department

Total	Seoul	Busan	Incheon	Gyeonggi	Gangwon	Chungbuk	Daejeon/ Chungnam	Jeonbuk	Gwangju/ Jeonnam	Daegu/ Gyeongbuk	Ulsan/ Gyeongnam	Jeju
185	14	5	4	31	17	11	17	14	24	26	20	2

#### Location of Head Office and Branch Offices



Gangwon Branch office O Head Office · Seoul Branch office Incheon Branch office O O Gyeonggi Branch office O Chungbuk Branch office O Daejeon · Chungnam Branch office O Jeonbuk Branch office Daegu · Gyeongbuk O Branch office O Gwangju · Jeonnam OBusan Branch office Branch office Ulsan · Gyeongnam O Branch office

• Seoul Head office	Busan Branch office	Incheon Branch office	Gyeonggi Branch office
30 114 Gil Bongeunsa-ro (164-6 Sam-	129 Geumgang-ro (439-2 Oncheon	28 Baenamu 3-gil (1094-15 Guwol	170 Ingye-ro (1116 Ingye-dong),
seong-dong), Gangnam-gu, Seoul 135-090	1-dong), Dongnae-gu, Busan 607-834	3-dong), Namdong-gu, Incheon 405-824	Paldal-gu, Suwon, Gyeonggi-do
02)550-7925	051)554-7704	032)426-9018	442-835 031)250-0901
Gangwon Branch office	Chungbuk Branch office	Daejeon · Chungnam Branch office	Jeonbuk Branch office
74 Huseok-ro (67-9 Hupyeong 2-dong),	271 Yeche-ro (Sachang-dong 242-1),	6 Boramaeseo-ro (653 Tanbang-dong),	250 Baekjae-ro (1558 Inhu-dong
Chuncheon, Gangwon-do 200-955	Hongdeok-gu, Cheongju, Chungbuk	Seo-gu, Daejeon 302-223	2-ga), Deokjin-gu, Jeonju, Jeonbuk
033)250-5321	361-832 043)264-1854	042)479-2115	561-832 063)240-2740
Gwangju · Jeonnam Branch office	Daegu · Gyeongbuk Branch office	Ulsan · Gyeongnam Branch office	Jeju Branch office
102 Sangmu Jungang-ro (1213-2	8 Igokdong-ro (1252-1 Igok-dong),	6 532 beon-gil (104-2) Shinwol-dong)	92 Shindae-ro (303-3 Yeon-dong),
Chipyeong-dong), Seo-gu, Gwangju	Dalseo-gu, Daegu 704-928	Changidae-ro, Uichang-gu, Changwon,	Jeju-si, Jeju-do 690-814
502-827 062)370-8403	053)550-2900	Gyeongnam 641-060 055)250-5310	064)746-0803

Jeju Branch office

# Corporate Governance

We have constructed a foundation for sustainable management through management by the most transparent executive board

#### Members of Executive Board

Section	Position	Name	Background
	President	Kim Young-ho	<ul> <li>1st vice-minister of the Ministry of Public Administration and Security</li> <li>Secretary general of the Civil Service Commission</li> <li>Governor of administration of Chungcheongbuk-do</li> </ul>
Executive Director	Vice President	Kwak Jeong-wan	Business executive of KCSC     KCSC Gyeonggi-do Office regional director
Executive Director	Business Executive	Lee Min-seok	Director of KCSC Cadastral Research Institute     KCSC Gangwon-do Office regional director
	Administrative Executive	Lee Ho-gu	<ul> <li>Administrative manager of the National Geographic Information Institute</li> <li>Administrative director of Busan Land Management Office</li> <li>Bookkeeper of Auditing Office of the Ministry of Land, Transport and Maritime Affairs</li> </ul>
	Ex Officio	Yang Geun-woo	Current cadastral planning manager of Ministry of Land, Transport and Maritime Affairs
	Appointee	Choi Han-guk	Current supervising researcher of Risk Management Research Center     Navy brigadier general
N. Forestine	Appointee	Kwak Chae-gi	Current professor of administration at Dongkuk University College of Politics and Administration     Associate professor at Chonnam National University College of Public Administration
Non-Executive Director	Appointee	Lim I-taek	<ul> <li>Current professor of cadastral studies at Mokpo National university</li> </ul>
	Appointee	Jeon Ha-seong	<ul> <li>Current CEO of Yeoi Legislation Policy R&amp;C</li> <li>Vice chairperson of Korea Communications Standards Commission</li> <li>Secretary general of National Assembly Secretariat</li> </ul>
	Appointee	Park Dong-hyeon	Current administrative manager of Gangwon-do Green Land     Committee member of Gangwon-do Provincial Council (Gangwon-do Council Tourism and Construction Committee)

#### Auditor

Section	Position	Name	Background
Full Time	Auditor	Jung Yeon-seok	Vice speaker of the Grand National Party

#### Corporate Governance of KCSC

KCSC is a quasi-government organization with the goal of protecting the properties of the people and to contribute in the development of cadastral survey technologies and cadastral policies by efficiently pursuing projects on cadastral surveys and waterway surveys in accordance with the relevant laws.

#### Operation of Executive Board

The executive board, which is the highest decision-making entity, that reviews and determines important matters for management, is composed of 10 members (4 full-time, 6 non full-time members) currently as of Dec 31, 2010, and non full-time members account for 60% of the executive board. In pursuit of Article 18 Clause 4 of the 'Act on Operation of Public Institutions', the CEO also holds the position of chairman of the executive board.

#### Executive Board Meetings

	Section	2008	2009	2010	Compared to previous
	Convened Meeting	8	11	12	1 (increased)
	Operation Committee	2	5	4	1 (decreased)
Meeting	On-site Executive Board	-	1	1	-
	Executive Board Workshop	-	-	1	1 (increased)
	Non Full-time Executives Meeting	-	-	2	2 (increased)
Attendand	ce Rate of Non Full-time Executives	90.7%	92.9%	95.8%	2.9% (increased)

#### Number of Speeches of Non Full-time Executives

Section		2008	2009	2010	Compared to previous year
Screening Cases		32	44	42	2 (decreased)
Reported Cases (incl	uding Operation Committee)	8	19	23	4 (increased)
Time f	or each Case	16minutes	22minutes	22minutes	-
No of Chaochas	Full time / Non full time	77 / 118	128 / 223	104 / 225	2 (increased)
No. of Speeches	Percentage of speeches	60.5%	63.5%	68.4%	4.9% (increased)
	Revised decisions	4	11	11	-
Pavisad Dasisians	Revision rate	12.5%	25.0%	26.2%	1.2% (increased)
Revised Decisions	Number of management proposals	3	8	16	8 ((increased)

#### Stronger Expertise and Independence of Non Full-time Executives

KCSC has reinforced the checks, monitoring and preventive audits on its internal executives to prevent possible corruptions from occurring. In addition, based on the independence of non full-time executives, conflicts of interested parties within the executive board are being prevented, while the efficiency and expertise of the executive board is being enhanced through the spatial committee. In order to procure efficiency and transparency in appointing executives, the Executive Recommendation Committee regulations were enacted to make reforms in the procedure for appointing executives.

#### **Executive Recommendation Committee**

The Executive Recommendation Committee is being operated for transparent procedures for appointing executives. This Committee selects persons with abundant knowledge and experience in the economic, environmental, social, business, and legal sectors as executives. The Committee is, by principle, organized by the vote of the Executive Board two months prior to the end of the term of the executive, and through the attendance of private committee members representing academia, legal sector, press, labor union, and employee opinions, as well as all non full-time executives, the impartiality and objectiveness of the appointment procedure is being enhanced.

Position	Appointment Procedure
CEO	Recommendation of Executive Appointment Committee (multiple) ► Recommendation for appointment by the Minister of Land, Transport and Maritime Affairs ► Appointed by the President
Auditor	Recommendation of Executive Appointment Committee (multiple) ▶ Screening by Public Institute Operation Committee ▶ Recommendation for appointment by the Minister of Strategy and Finance ▶ Appointed by the President
Full-time Executive	Recommendation of Executive Appointment Committee (multiple) ► Appointed by CEO
Non Full-time Executive	Recommendation of Executive Appointment Committee (multiple) Appointed by the Minister of Land, Transport and Maritime Affairs

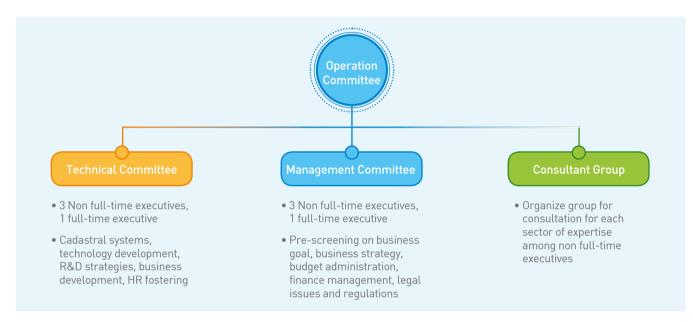


.....

# **Operation Structure**

#### Operation Committee per Expertise

In order to pursue feasibility of policy decisions, KCSC has established an operation committee per expertise (technical committee, management committee) and a consultant group (legal, lawsuits / HR administration / finances / cadastral system survey / legal education) under the supervision of the executive board, and the operation committee has direct responsibilities over the corporate performance such as in the economic, environmental and social sectors.



#### Organization of Consultant Group per Area of Expertise of Non Full-time Executives

Consultation Sector	Consultant Executive
Law, legislation, organization, National Assembly	Jeon Ha-seong
Cadastral administration, government policy	Yang Geun-woo
Politics, administration, public policies	Kwak Chae-gi
Spatialist and real estate management	Lim I-taek
Finance, budget, economy	Choi Han-guk
Local government and Spatial information	Park Dong-hyeon

#### Major Consulting Performance

#### Consulting Performance

- Pursue legislation of cadastral Reform project
- Diagnosis of integration and abolition of local offices
- Promotion system
- Pursue overseas projects
- Internal/external environmental change analysis consulting
- Establish mid-term management goal
- Review mid-term liquidity
- Performance management system

#### Achievement

- Draft proposal to pursue cadastral reform
- Diagnosis integration/
   abolition level of local office
- Improve promotion system
- Enact regulations on operations of overseas offices
- Set direction for promoting advancement and management efficiency
- Establish mid-term plan linked with the mission, vision and key values
- Establish mid-term financial
- Improve performance management system

#### Appropriateness of Operation of Executive Board

Evaluation of executive board performance is performed according to the 'efforts and achievements for promoting the functions of executives and auditors' in the management evaluation of public institutes, and for the evaluation of non full-time executives, the duty performance of the respective executive, whose term has come to an end (2 years), are assessed and then submitted to the Ministry of Strategy and Finance. Depending on the results of the institute evaluation (B rating) and CEO evaluation (average) in the public corporation evaluation, the CEO's incentive of 0% to 200% is determined, and the vice president is assessed on leadership/strategy, the business executive on main business sectors, and administration executive on management efficiency, and they receive incentives depending on the score and difficulty from the government management evaluation results.

#### Sharing of Executive Board Information

In order to satisfy the rights to knowledge of interested parties and to enhance transparency of the operation of the executive board, the profile of executives and minutes of board meetings are posted for anyone to see at KCSC homepage (www.kcsc.co.kr). In addition, management information is also shared through the company intranet We-Land, in which employees can post their opinions.

#### Operation of Auditing Office

KCSC is diligently participating in audits by the Board of Audit and Inspection, The Ministry of Land, Transport and Maritime Affairs, and inspection of government offices. Furthermore, an auditing office, which is independent from the corporation's decision-making and execution entity, is in operation to perform self-audits on work and management, in our efforts for internal regulation and to enhance the level of transparency. For work audit, a general audit is performed for the head office, branch offices, and local offices, and the pointed-out items and examples are arranged by type and reflected in the business activities. Daily audits strengthen regulation for the business plans and execution phase through pre-inspections on major projects. In particular, since July 2008, an e-auditing system was constructed so that it could be used for preventive audits for risks at all times.

#### Daily Inspection Status

Year	No. of Inspections	Issuance of Opinion
2008	282	5
2009	315	4
2010	324	5

#### Work Audit Accident Prevention Performance

Year	Accidents	Reprimands
2008	2	2
2009	0	0
2010	0	0

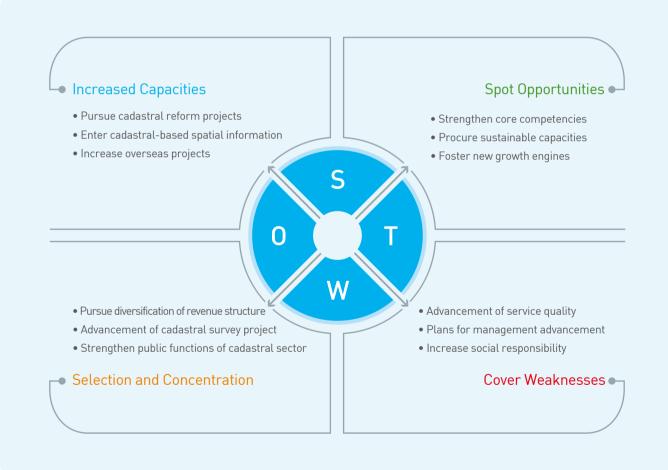




# Chances and Challenges

#### **Business Environment Analysis**

The market environment is rapidly changing due to the reduction of personnel and organizations in accordance with the government's forceful push for advancement of public companies, the reduction of general workloads caused by the severe depression in the real estate market, and fierce competition with private surveying companies. Due to the increased investment in the public construction sector such as the early order of the government's SOC project, there is a growing demand for cadastral survey services. In addition, as 'low carbon green growth' has established itself as a new paradigm and vision for national development, KCSC is also working hard in constructing an infrastructure for the spatial information industry.



# Vision 2020

**MISSION** 

**VISION** 

**CORE VALUES** 

Global leader in the cadastral system and promotion of spatial information industry

Through advancement of cadastral system and fostering the spatial information service industry we will procure world-class competitiveness in cadastral and spatial information sectors.

#### We create land information to make a happier future By fulfilling the government's responsibilities that private companies cannot perform such

as providing optimal land spatial information, promoting the spatial information industry, strengthening trust in land administration, and protecting property rights via operation of cadastral systems and surveying the national territory, KCSC has created a sustainable land use environment, and has constructed a cyber territory in order to contribute to national economical development and improve the quality of life for the people.

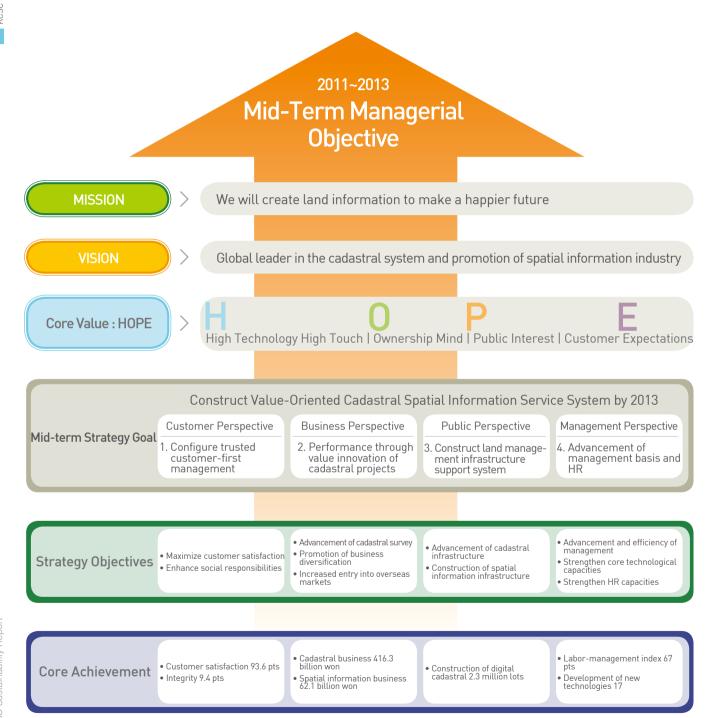
#### Global leader in the cadastral system and promotion of spatial information industries

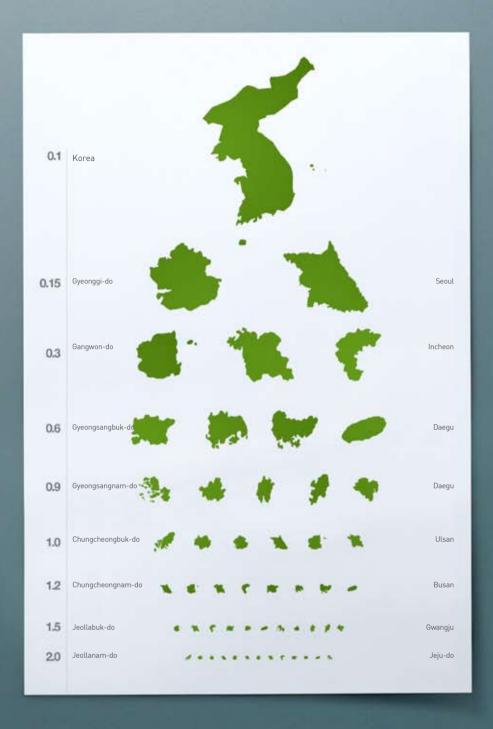
- 01. In order to create a sustainable land use environment, we will advance the cadastral system and foster the spatial information service industry.
- 02. We will procure world-class competitiveness in cadastral and spatial information sectors.

# KCSC gives HOPE to The Nation, Customers and Employees Pursue happiness through high technologies Technology of KCSC Passionate work innovation Example of key personnel of KCSC Satisfaction and trust to customer Service-oriented mindset of KCSC Volunteer and devotion to the nation and society KCSC's code of conduct 🚱 Korea Cadastral Survey Corp.



# Managerial Objective



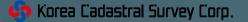


We accurately measure our national territory.

# We are Rulers of the Ruler

KCSC, an expert in cadastral surveys with 72 years experience, is constructing optimal territorial space information through accurate cadastral surveys and systematic cadastral management.

We are drawing the happy future of Korea.





# Economic Value of KCSC

In addition to fulfilling government responsibilities that private companies cannot perform such as protecting the property rights of the people, contributing to the development of cadastral systems and leading the promotion of the spatial information industry, and the original purpose of KCSC to also contribute in the development of the national economy, KCSC is increasing public benefits for various interested parties and creating new values. In order to return this to the society, KCSC is making profits every year without financial support from the government, and using it as financial resources for reinvestment.

#### Survey Business

The survey business sector is the core business of KCSC and it is a technical service of conducting surveys after being employed by individuals, the government, and institutions. KCSC will continue to create economic value through various survey businesses, and also improve the quality of the services so that the performance can be used for increasing customer value.

#### Enhance Efficient Execution of Business

Continuous efforts were made to find new areas of improvement from the perspective of establishment and processes of resource distribution and operation planning, and in order to connect the business goal and resource distribution, personnel and equipment were rearranged according to the workload. Also, in order to remove the source of the cause of errors and enhance accuracy of surveys, two-way communication with customers are being performed, and precision is being heightened through introduction of the latest equipment, acquisition of new technologies, and systemization of handling procedures. Furthermore, to efficiently provide cadastral information to the nation and public institutions, while increasing businesses in the future, new contents are being developed, and other methods of business diversification are being pursued.

#### Advancement of Business Environment

In order to lay the foundation for the cadastral reform project, digital cadastral construction pilot projects are being pursued in 17 districts, and cadastral measuring control point based on the world survey sector is being revamped, while on-site surveys and reform surveys were registered on the cadastral survey system. In the future, we will strive for nation-wide digitalization so that it will be possible to present accurate surveys via the cadastral reform





# **Execution of Research Tasks**



#### Research Project

With the government's policy to promote the spatial information industry and increase the competitive system for the cadastral sector, the need for support research for pursuing new projects and research for the strengthening of KCSC's competitiveness has become urgent. Thus, KCSC is striving to procure sustainable growth engines for the corporation in the future by promoting research for technological development of cadastral survey and development of laws and policies.

#### Selection of Basic Research Tasks

It was found that there were nine research tasks suggested by the KCSC employees and outside institutions and 147 research tasks from surveys from the branch and local offices. After discussions among working-level employees of the research tasks and review by the research institute, a preliminary research plan was drafted, and afterwards, the first and second research task selection committee by internal and outside expert groups were conducted. Taking into consideration the connection with mid and long term strategies of KCSC and future growth engines, four basic research tasks were selected.

#### Execution and Evaluation of Research Tasks

The 2010 executed research tasks were a total of 24 areas including four basic research tasks, eight policy/commission research tasks, six regular research tasks, and six consigned research tasks. The research task execution evaluation was assessed by categorizing into the start, middle and final research screening commission by the research screening committee organized by internal and outside experts.

#### Use of Research Tasks

Various activities are being conducted in order to enhance the use of completed research tasks and to reinforce internal and external PR. Every year, approximately 400 research task reports and 2,850 academic journals for both the first and second half of the year are distributed to KCSC and related institutes. Furthermore, we are strengthening industry-academic-research cooperative systems by participating in academic conferences and hosting of research achievement seminars, while sharing major research achievements. In addition, we are conducting consigned research tasks for establishing the basic infrastructure that establishes the policies of the central and local governments, such as organizing borders for developing ubiquitous national standard technologies, construction of spatial information, development of equipment, converting street name addresses, pilot construction of grave management system, and cadastral advancement system projects.



# Major Public Benefit Projects

KCSC is striving to realize social public values. Through the implementation of advanced survey (3D), we have preserved and restored cultural properties and flood DB management system to lead the enhancement of disaster handling abilities, and by investigating and measuring unregistered lands in coastal areas, we have procured precise cadastral data to contribute to the efficient management of coastal areas. Aside from this, in addition to its outstanding natural scenery, precise surveys were made on natural caves with high value for preservation and increase support to tourism industries. Furthermore, systematic grave surveys are being conducted, while also participating in reforming the national funeral administration system, and are faithfully executing the social responsibilities given to KCSC.

# 3D Cultural Properties Modeling for Preservation and Restoration of Cultural Properties

KCSC has conducted 3D cultural properties modeling to manage cultural properties and prepare for disasters. 3D cultural properties modeling is a process of acquiring 3D information of cultural properties using a laser scanner and constructing a system. Thus, it is possible to restore cultural properties that were damaged due to various disasters such as fire and damage, and therefore used in managing cultural properties.

#### Panoramic view of Sungnyemun



#### Myeongdong Cathedral in 3D



#### 3D Cultural Heritage Modeling Achievements

KCSC has signed a safety diagnosis work agreement to review the ground safety for the restoration of Sungnyemun damaged by fire and constructed a 3D DB. In addition, a 3D survey on Cheongnyeongpo, Gangwon-do, where Danjong, the 6th king of the Joseon Dynasty was sent to exile, and placed it in the cultural properties management DB.

#### Participation in Advancement Plans for Funeral Systems through Surveys on Graves

In order to reform the funeral administration system, KCSC and the Ministry of Health and Welfare jointly led the project. By integrating the Ministry's e-Sky System and KCSC's Survey Information Management System (SIMS), they are proceeding with policies to discourage burials and encourage cremations for the purpose of efficient use of the land. The Ministry and KCSC signed an MOU for surveys on graves to fundamentally respond to social issues such as encroachment of the land and damage to the environment due to the increase of number of graves and negligent management, while conducting pilot projects in five cities and townships across the nation in 2010. Based on the national survey through the pilot project, systematic construction of graves and information related to graves are provided, which will be an opportunity for advancement of the funeral culture.

# Grave advancement plan chart Ministry of Health & Welfare City / Province Branch offices City · Gun · Gu Local Office Survey Institute

# Advancement of Funeral System and Creation of Jobs for Senior Citizens

During the national grave status survey, jobs for senior citizens (survey on details such as installers and relatives for preparing funeral tablets) were created, and since the work cooperation agreement for advancing the funeral culture, a pilot project was conducted for five months from February to June 2010 and placed survey results of 47,050 graves in a database. It is scheduled to annually conduct national surveys on this in the future.

## Major Public Benefit Projects of KCSC

# Pursuing Preventive Management System

Construction Project against Floods

This is a supporting project for mapping out flooded areas by conducting guick and accurate on-site surveys and measurements against disasterhit areas in order to establish a guick damage repair plan in the case of being hit by natural disasters such as typhoons, heavy rains or tsunamis. In addition, flooding traces are marked on semi-permanent structures to store flooding damage in the past as historical records, while letting residents know that it was hit in the past by disaster to heighten their awareness. Through this, residents can uplift their ability to respond to disasters, and therefore the flooding mark survey is being conducted. In pursuance of Article 21 of the Natural Disaster Response Act, KCSC was designated as the institution in charge of mapping flooded areas by the Disaster Reduction Association, and is constructing a flooded area management system DB by surveying and measuring flooded areas, providing basic information for disaster management to the national institutes (National Emergency Management Agency, local governments, etc).

#### Status

Draft Year	Local Government	Area
2008	19 areas	15km²
2009	26 areas	23km²
2010	15 areas	8km²

#### Flooding Mark Management System



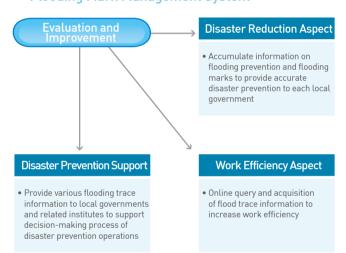
#### Need for Flood Mark Survey

Construct flooded area DB to provide basic information on disaster management to national institutes

Enhance awareness and response abilities against disasters

Establish quick disaster relief plans

#### Expected Effects of Advancement of Flooding Mark Management System



#### Advancement of Flooding Mark Management System

KCSC has conducted system advancement projects for the flooding mark management system. As part of the advancement project, web-based Silverlite technologies were applied to provide interface convenience unlike other GIS systems. In addition, it has become possible to perform flood mark drafting operations using the total survey system without the need of separate procedures or systems during on-site surveys. In the future, when this flooding Mark Management System advancement project is completed and KCSC successfully performs the policy to support on national disasters and disaster prevention operations, it will not only fulfill its responsibilities as a public organization, but also firmly establish its role as an institute for drafting flooding mark charts.

2010 KCSC Sustainability Report

#### Coastal Water Surface Survey and Disaster Prevention Project

KCSC surveys and measures unregistered lands in the coastal areas of the country and acquires and manages them as government property to support efficient coastal area management. Since the pilot project in 2006, the southern coastal area is being surveyed and measured, and will continue to other parts every year. In 2010, the ocean survey, status measurement and envelopment surveys on 1,843 lots across an area of 1,490,523m² was completed. Thus, beachside land managed as shared water area was registered in the registry making it possible for efficient use, development and preservation of coastal areas. Furthermore, by procuring precise cadastral data, the effective value of the coastal management information system is growing.



# ● Ocean Survey Project System ◆ Korea Cadastral Survey Corp. (Branch offices / Local Off



Research service for categorization of management type



- 2006 2 local governments
- 2007 20 local governments
- 2008 8 local governments
- © 2009 4 local governments
- 2010 3 local governments



#### 2006 Pilot Project

#### Ordered By: Ministry of Land, Transport and Maritime Affairs

• Taean, Chungnam; Buan, Jeonbuk

#### 2007 Project Year 1

- Ordered By: Ministry of Land, Transport and Maritime Affairs
- Incheon, Gyeonggi, Chungnam, Jeonnam (20 local governments)
- Newly registered (Taean, Chungnam; Gwangyang, Jeonnam)

#### 2008 Project Year 2

- Ordered By: Korea Hydrographic and Oceanographic Administration
- 8 local governments in Jeollanam-do
- Newly registered

#### 2009 Project Year 3

#### Ordered By: Korea Hydrographic and Oceanographic Administration

- 4 local governments in Jeollanam-do
- Newly registered

#### 2010 Project Year 4

- Ordered By: Korea Hydrographic and Oceanographic Administration
- Jeollanam-do 3 local governments in Jeollanam-do
  - Newly registered

# Increased Tourism Industry Support with Cave Surveys

Due to the characteristics of past surveys focusing mainly on surveys above ground, underground cave surveys have been shunned and avoided due to the need for expensive equipment and difficulty of survey due to constricted spaces. KCSC will provide highly accurate 3D positioning using high-precision survey equipment for underground caves with high value for preserving natural monuments and to promote the tourism industry in order to champion for the efficient management of caves, making global tourist attractions of cultural properties, protecting property rights and founding of new industries for the development of the national industry.

#### **Underground Cave Survey Performance**

KCSC has conducted surveys on Socheon Cave and Billemot Cave in Jeju, and make detailed illustrations such as the ground plan and side view of the underground cave using 3D scan data editing for efficient cave management. Furthermore, KCSC will conduct cave surveys throughout Jeju-do to strive to provide accurate information for the efficient management of natural caves.

faior Public Benefit Pro

# Establishment of Global Competitiveness

As a national public organization, KCSC is engaging in overseas projects putting utmost priority on pursuing public interests and enhancing the national image by teaching Korea's advanced cadastral systems and survey techniques to countries with weak cadastral systems and land registration rates. Also, in order to overcome the limitations of the domestic cadastral survey market, KCSC has strategically pursued overseas projects throughout the world from 2005 to procure new growth engines. The international society including the UN recognizes cadastral systems as a musthave social infrastructure for national economic development and sustainable national land resource management, and thus, high amounts of support and interest are being given to lesser developed countries and CIS (Commonwealth of Independent States). In order to become a global company that meets the national policy direction of strengthening international exchange, KCSC will actively partake in ODA (Official Development Assistant) projects for underdeveloped and developing countries, and will strengthen the organization's capacities to procure international competitiveness.

#### Reinforced System for Pursuing Overseas Projects

In order to reinforce the system for pursuing overseas projects, KCSC is continuously searching for new channels of cooperation with overseas cadastral-related organizations. In 2010, cadastral and spatial information experts from Mongolia, Vietnam, Jamaica and Algeria visited KCSC, showing great interest in the highly developed cadastral system and survey technologies of Korea. During this visit, in-depth discussions on mutual cooperation plans and development directions in the cadastral sector were held. In particular, through such continuous exchange and cooperation with overseas institutes. KCSC has been able to acquire major business plans of the respective country as well as information needed in land registration businesses, while disseminating the outstanding cadastral systems of Korea and the advanced surveying technologies of KCSC to discover new overseas business opportunities and construct social networks. Through this, KCSC is jumpstarting its activities to heighten its international awareness.

20	009	20	10
Goal Performance		Goal	Performance
4 countries (30 people)	5 countries (44 people)	4 countries (30 people)	4 countries (46 people)



#### Establishment of Cadastral and Spatial Information

From December 2008 to December 2010, KCSC has established a cadastral improvement project plan for Azerbaijan and conducted consulting operations and cadastral public employee training. This project is in cooperation with the Korea International Cooperation Agency and includes projects such as land registration consulting, pilot surveys, system develop, education, etc. In addition, a contract for the second land administration management project worth 5 million dollars was signed with the Jamaican government in April 2010, and a 'Jamaica office' composed of three cadastral experts of KCSC and local manpower was opened. Through this, land registration projects in three states of Jamaica (St. Elizabeth, Manchester, Clarendon) are being conducted, and in 2010, surveys on 2,900 sites were performed.

20	009	20	10
Goal	Performance	Goal	Performance
2 nations (1.5 billion)	1 nations (1.25 billion)	2 nations (2.5 billion)	2 nations (2.18 billion)

#### Pioneering Overseas Market Activities

In order to procure a source of momentum for growth, KCSC is actively engaging in entering foreign markets through PR on its cadastral technologies and knowhow, in addition to businesses found based on ODA funds of the Korea International Cooperation Agency. In 2010, two cadastral experts were sent to Oman in the Middle East (Oct '09 ~ Apr '10) and performed marketing activities to create overseas businesses in various aspects such as computerization of cadastral maps, land registration, and measurement of new urban developments. In addition, experts were sent to Mongolia, Tanzania and Vietnam to locate cadastral survey markets that are expected in the future and are also striving to sign an MOU with SwedeSurvey of Sweden.





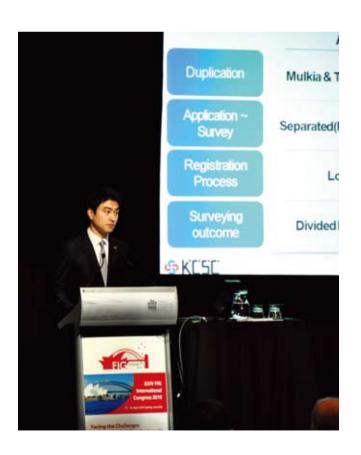
# 0010 VCCC Cictoriotoria, Doggt

# Participation in International Conferences

#### Participated in FIG (International Federation of Surveyors); Formed Global Network

The FIG International Congress 2010 was held at the Sydney Convention Center in Australia joined by over 2,200 people from over 100 countries. KCSC dispatched a delegation of five members including the CEO to form a social network with persons around the world in the cadastral and surveying sector, while presenting a thesis to heighten the status of Korea. At this Congress, the delegation from KCSC participated in key decision-making areas such as voting on changing the meeting group, voting on the revision of the FIG statue and internal regulations, and appointment of the branch commissioner. In particular, it exercised voting rights as the representative of the Korean Federation of Surveyors for appointing the next chairperson of FIG (2011-2014). In addition, under the theme of 'Facing the Challenges-Building the Capacity' of this Congress, there were approximately 800 papers published in the 150 technical and invitation sections, workshop area, etc. KCSC, representing Korea, published papers titled 'Effective Cave Management Plan using Cadastral Surveying', 'Effective Land Registration Process Plan (Morocco case)', and 'Use of Network-RTK using VRS for Cadastral Surveying of Island Areas'. In particular, the paper titled 'LiDAR Use Plan for 3D Modeling and Restoration of Cultural Properties' was the center of attention among participants from different parts of the world.

Section	Period	Place
	2014 (scheduled)	Malaysia
FIG Congress	2010. 04.	Australia
. 10 001.g. 000	2006. 10.	Germany
	2002. 04.	USA
	2011.05 (scheduled)	Morocco
	2009. 04.	Israel
FIG Working Week	2008. 06.	Sweden
	2007. 05.	Hong Kong
	2005. 04.	Egypt
	2011. 09 (scheduled)	Austria
	2010.09	Czech Republic
FIG Commission	2009. 10	Malaysia
7 Annual Meeting	2008. 09	Italy
	2007. 05	Korea
	2006. 10	Slovenia





Overseas Business

Morocco 👩

Mongolia

O Lao PDR

Vietnam

Cambodia

Algeria

**Q**Uzbekistan

Azerbaijan

• 2008 Executed and completed local survey

Nigeria

Bulgaria

Azerbaijan 🕥

Turkmenistan

Madagascar



• 2007 KOICA cadastral survey training, surveyor

Morocco











Benin	Nigeria	Jamaica
2006 Interview with the president of Benin     2007 Onsite survey of project feasibility     Agreed on MOU for development of cadastral sector	Negotiating cooperation for cadastral project	Nov 2009 Agreed on MOU with Jamaican government Apr 2010 Agreed on land administration management project contract (5 million dollars)  Apr 2010 Began land administration management project (2010-2012)
Madagascar	Mongolia	Lao PDR
Attended Korea-Madagascar Economic Cooperation Forum (introduced cadastral system of Korea)	2005 Agreed on exchange and cooperation, and MOU for cadastral sector with land survey and map making committee     2008 Basic discussions for ODA project     2010 Strengthened cooperation to pursue ODA project again	2006 Agreed on MOU with national land development corporation in the land development sector     2006-2007 Began topographical survey for paving road [155km]



# Customer Satisfaction Management

## We aim at becoming a company that gives customers happiness beyond satisfaction

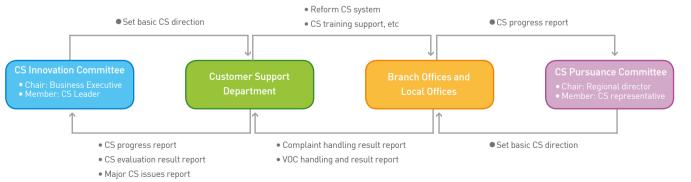
#### **Definition of Customers**

Customer relations in the cadastral survey service industry are different from typical customer relations. Therefore there are limitations on how much KCSC can satisfy customers in each business segment. Customers are becoming diversified, going beyond general customers depending on the character of the project, ranging from value-creating customers that operate the cadastral survey service market through research and education on cadastral systems and development of survey technologies, to value-affected customers who use the results of the developed surveying technologies. Furthermore, we are also taking into consideration potential-value customers who may potentially use cadastral survey services in the future. KCSC is striving to provide customized information to the different customer groups and is geared towards rational and balanced development of the cadastral system.

#### Classification of Customers and Service Features

Classification	Definition	Features
Value-creating Customer	Subject for operation of the cadastral survey market, research and education on cadastral systems, and development of survey technologies	Provide latest cadastral information and policy legislation data to make the nation's living standards higher  Set fair and transparent personnel policy standards, encourage welfare and benefits
Potential-value Customer	Subject that has the potential to utilize results such as the cadastral survey market and research and education on cadastral systems in the future	Various support of cadastral academic society and related schools, fulfill role as special corporation for cadastral survey companies such as industry-academic cooperation and also realize win-win policies
Value-purchase Customer	Subject that uses or is affected by the results or performance of cadastral survey technology development	Provide services such as performance level on-site issuance and maintain friendly relations.  Operate various committees to amicably resolve land disputes and provide follow-up management
Value-affected Customer	Subject that is directly or indirectly affected during the course of designing, executing or decision-making on development of cadastral survey technologies	Participation in management of corporation through consulting when establishing major policies or pursuing projects     Open management by providing materials according to the CEO management plans and current issues of corporation

#### CS Promotion Flowchart

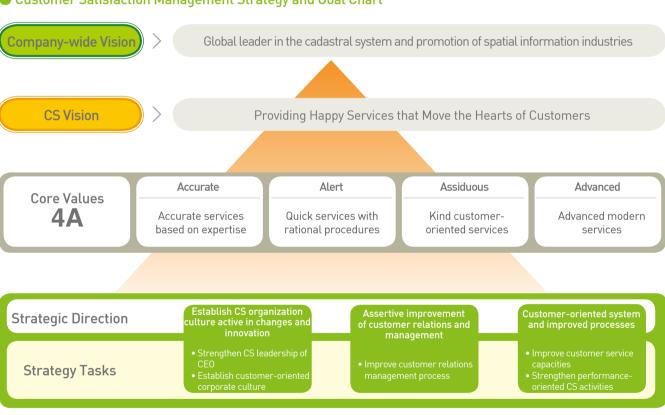


#### Customer Satisfaction Management

KCSC has constructed and operated a company-wide customersatisfaction management system with the aim of maximizing customer satisfaction by providing customized services according to the customer group under the CS Vision of 'Providing Happy Services that Moves the Hearts of Customers'. In order to provide systematic and effective services that meet the needs of different customers, an innovation task group composed of CS leaders was organized to improve the overall CS activities of KCSC and is continuously improving services. In addition, by procuring an employee-wide sharing and participation channel through study groups (CoP), educational programs and questionnaires, we have established a base for changing, and innovating, the CS organizational culture



#### Customer Satisfaction Management Strategy and Goal Chart



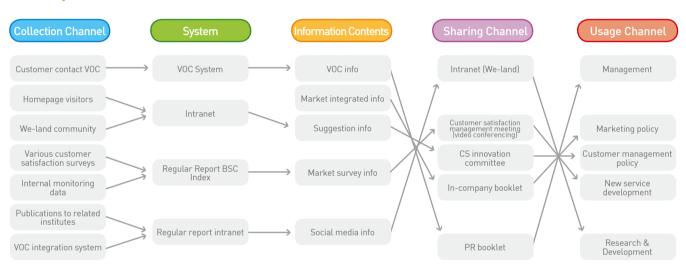
#### **Diversification of Customer Satisfaction Channels**

By providing customized services needed by customers and preventing complaints from occurring while minimizing customer complaints for cadastral survey services offered by the corporation, KCSC is striving to become a company trusted by customers.

#### VOC (Voice of Customer)

By operating a support system that can reflect customer demands in its management, KCSC is striving to provide better satisfaction by improving all services from the worksite to the services used by customers. VOC (Voice of Customer) quickly and efficiently receives, handles, analyzes, and evaluates the integrated management system that is disbursed into various on and offline media. In addition, all employees monitor the contents in order to prevent reoccurrence of similar customer complaints and improve the quality of work. So KCSC will provide better services, furthermore company-wide customer satisfaction management.

#### VOC System Chart







## **Customer Participation Center Homepage**

#### Cadastral Survey Consulting

We handle questions of customers related to cadastral survey in real time. A total of 815 were handled in 2009 and 445 in 2010.

#### Cadastral Survey Consulting

Year	2009	2010	Fluctuation
Cases	815	445	370↓

#### Open Complaint Handling Center

By disclosing the handling process of objections by customers to the survey performance in real time via the internet, we are striving to address customer complaints and enhance the reliability of KCSC. Through this, compared to 2009, the total number of complaints was reduced.

#### Open Complaint Handling Center

Year	2009	2010	Fluctuation
Cases	58	51	7↓

#### Customer Suggestion Center

In order to assertively reflect the customers' various requests, policy development ideas and participation in management, we are operating a customer suggestion center. Furthermore, we also provide a place for customers to write down their experience of the cadastral survey services or share the opinions such as on employees that they would compliment.

#### Customer Suggestion Center

Year	2009	2010	Fluctuation
Cases	56	32	24↓





## **Efforts to Improve Customer Services**

#### Services that seek out customers

In order to realize more efficient customer-oriented services and to improve customer conveniences and give actual help, we provide on-site services where we come to customers who live in remote areas or islands with poor transportation, or the infirm and disabled. We went to meet our customers 20 times in 2010.

#### Cadastral Survey Result Map Delivery System

For customers who want to be delivered the results after completing surveys that they have requested, we provide detailed explanations on survey results and answers to questions. In the cadastral survey result map delivery system, we personally delivered 38.420 cases.

#### Disclosure of Information on Services and Evaluation

As a method for minimizing complaints, we have constructed survey results and related materials DB and we publish a book of complaints in order to share the knowhow of representatives who actually come into contact with customers. There were no legal violations on the information of services and no legal violations against customer health or safety from the cadastral survey services of KCSC. In addition, there were also no violations against regulations or rules, and there were no fines levied on KCSC for violation of laws or regulations. There is an internal guideline for information for advertisements and promotions distributed by KCSC, and until now, there have been no cases of violations related ads, promotions or sponsorships.

Customer Information Privacy In order to safely and legally manage customer information, KCSC has established and enforced a self-designed personal information protection plan, and in order to strengthen technical protection during the collection, storing and transmitting of personal information, KCSC has installed hacking prevention systems and firewalls. There have been no reports related to the disclosure of personal information.





#### Various Surveys for **Customer Satisfaction**

KCSC is always listening to the suggestions of customers. Through various satisfaction level surveys including customer satisfaction level surveys, we are listening to the opinions of customers and reflecting them in our management activities

#### Happy Call for Maintaining Service Quality

By regularly measuring and managing satisfaction levels for cadastral survey services, KCSC uses it as basic materials to procure competitiveness, and it has also established plans to enhance customer satisfaction through customer needs analysis and finding areas for improvement.

#### Customer Satisfaction Survey

KCSC has made efforts to improve customer satisfaction service qualities through objective surveys on customer satisfaction service levels conducted by the government and through reform activities. Through such efforts, results of the 2010 customer satisfaction level survey grew by 3.4 points compared to the previous year to 92.3 points, and has thus played a positive effect on improving the corporate image. KCSC will continue to strive to have the best services among public institutions.

#### Phone Answering Kindness Survey

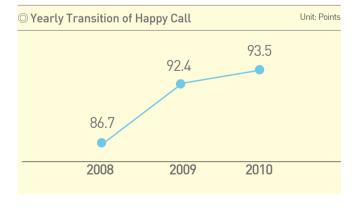
This survey is conducted for employees in order to cover weaknesses by evaluating the attitude of handling customers. From the results of the survey, awards are given to outstanding employees and to employees who ranked poorly, level-up training is provided. For the past three years, there has been a continuous increase in the score for the level of phone kindness, and the average score in 2010 was 92.0 points, a 1.2 point increase compared to the previous year.

#### Happy Call (Follow-up Satisfaction) Survey

KCSC examines follow-up satisfaction levels of customers related to the overall cadastral survey services. Whether or not the service standards are complied with are checked through a checklist containing kindness at time of requesting survey, kindness during on-site surveys, on-time delivery, and overall satisfaction. Through this, KCSC aims at finding areas to improve in order to offer better customer-oriented services. For the past three years, there has been a continuous climb in the score, and the average score in 2010 was 93.5 points, a 1.1 point increase compared to the previous year







# Contributions to Community

We fully practice social services unique to KCSC.

# Social Contribution Activities via Sharing Management

There is no difference in rank or class for sharing love. With the corporate social responsibilities being more and more emphasized, all of the employees of KCSC are taking the initiative in their roles and social responsibilities as a public corporation. Company-wide social contribution activities are taking place to practice sharing management, love for rural areas, and love for environment, while making a bright and healthy society for the people and the community so that everyone can live happily together without overlooking anyone.

#### Special Social Contribution Activities of KCSC

Social Contribution Activities via Distinct Operations | As part of the spatialized social contributions unique to KCSC, cadastral survey fees in disaster-struck areas are reduced in order to fulfill its social responsibilities as a public corporation in times of national hardships. This can solidify relations with the local community and prevent land border disputes among interested parties in the disaster-hit areas. In addition, KCSC also conducts 'Sharing Happiness Survey' in which cadastral surveys are conducted free-of-charge to improve the residential environment of the marginalized class such as those in the low-income bracket, households with children as head of the house, and senior citizens living alone, though which it conducts specialized social contribution activities through its unique operations of cadastral surveys, and thus we have been able to expect an improved image to the people.

#### Social Contribution Performance Using Cadastral Survey

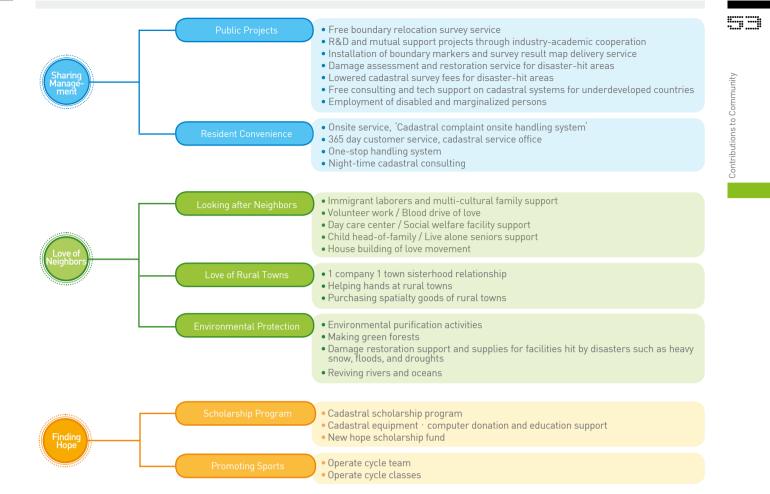
Section	Cases	Amount (thousand won)
2010 Performance	13,826	6,598,899

#### Jidori Volunteer Corps

The 'Jidori Volunteer Corps', which was launched in July 2006, is composed under the principle of one institute, one volunteer corps, with the CEO as its leader. There is a total of 200 volunteer corps with 3,700 employees around the nation, and they are actively practicing the art of sharing love by helping needy neighbors and lending their hands at farming and fishing towns at different parts of the country. In addition, through partnerships made by networks with organization such as local governments and civic groups, we are cooperating with government policies and serving the people through prompt repair support for areas hit by disasters and reducing survey costs for government-led projects related to farming, and thus striving to conduct social contribution activities that correspond to cadastral information services.

\*In 2010, 26,172 people participated in the Jidori Volunteer Corps in a total of 11,025 separate occasions to engage in social contribution activities for the weak and marginalized classes, as well as their community. The unique volunteer activities of KCSC will continue to grow in the future.

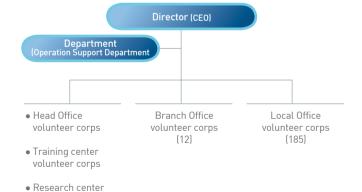




#### Support to Needy Neighbors and Marginalized Classes

	Section	Times	Persons	Amount (thousand won)
So	cial welfare facilities	7,488	13,825	303,124
Ch	ild head of families	204	2,067	16,498
Liv	ve alone seniors	22	412	7,394
Fa	milies with disabilities	14	146	1,740
Ali	ienated neighbors	737	1,857	29,594
Do	nation of goods	18	270	7,333
Sc	holarship grants	196	978	13,240
Di	saster restoration	2	34	-
Bl	ood donation	163	163	-
	ıral town support and ral goods purchases	221	940	26,624
Et	С	2,156	6,210	94,614
То	tal	11,221	26,902	500,161

#### ■ Task Force Organization Chart (as of January 1, 2011)



volunteer corps



# **Activities for a Society of Togetherness**

Community Interest Activities for a Society of **Togetherness** 

KCSC utilizes the nation-wide network of the 'Jidori Volunteer Corps' made under the principle of 1 institute, 1 volunteer corps throughout the nation, to strive to provide volunteer services that meet the demands of the community. Employees voluntary purchase tickets to local cultural events and festivals, and the company band "Land and People" give free performances or sponsor events in order to take the initiative to interact with the community. The local community was sponsored together with a TV program at the end of the year, and in order to support exchange with farming areas, mileage on the corporate credit card was cashed out for purchasing local foods or were given as donations. In addition, through partnerships with NPOs and other public institutes, KCSC is engaging in more specialized and constructive directions. We will continue do our best to support the community and to show a constructive appearance for the coexistence between urban and rural areas.

#### More Support Activities for Education Scholarship Programs and Promotion of Sports

Through the scholarship program, KCSC fosters talented individuals in the cadastral sector, as well as the socially marginalized to fulfill its social responsibilities as a public institute. Scholarships such as development encouragement scholarship, children's scholarship, academic achievement scholarship, and new hope scholarships were granted. In particular, through the 'new hope scholarship' program, college students with families under financial hardships are selected for scholarship, and thus efforts are continuously made to foster talents. Moreover, in order to create a new corporate culture and to fulfill its social responsibilities, it has launched a cycle team, which is not a popular sports venue, in November 2006. The cycle team, which is composed of one coach and six athletes, won three gold medals at the 2006 Doha Asian Games, and won two gold medals at the 2010 Guangzhou Asian Games. And by winning and ranking high in other various domestic and international competitions, they are leading in elevating the status of the nation.

#### Cadastral Scholarship Support

Year	Persons	Amount (thousand won)
2008	486	463,387
2009	488	454,789
2010	469	452,447



#### 2010 Cycle Team Achievements (International Competitions)

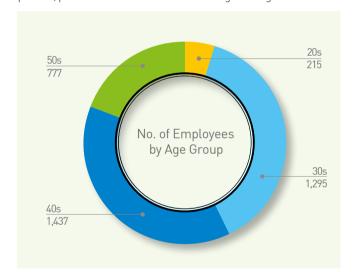
Tournament	Period	Venue	Ranking
30th Asia Cycle Championships (Dubai, UAE)	Apr 8 ~ Apr 17	- Men's individual pursuit (4km) - Men's team pursuit (4km) - Madison	Jang Seon-jae 1st place (3rd win)
2010 Tour de Korea	Apr 22 ~ May 2	- 8 sections (Yeongju ~ Yangyang) - KOM (mountain section)	Choi Jong-gyun 1st in heat Choi Jong-gyun 2nd overall
2010 Tour de Hokkaido	Sep 14 ~ Sep 20	- Individual (Time) - Individual (Point)	Choi Jong-gyun 3rd Choi Jong-gyun 7th
2010 Tour de Seoul (DMZ)	Oct 22 ~ Oct 24	- 2 sectors (Pyeonghwa Dam ~ Tongil) - Group Point	Jang Chan-jae 1st 3rd in group
16th Guangzhou Asian Games	Nov 12 ~ Nov 17	- Men's individual pursuit (4km) - Men's group pursuit (4km)	Jang Seon-jae 1st (gold) Jang Seon-jae 1st (gold)

# Employee Satisfaction

#### KCSC is constructing the best foundation by assertively foster and develop our employees.

#### Status of employees

As of the end of December 2010, the number of employees is 3,724 (excluding short-term part-time employees). Due to the character of the corporation, the percentage of female employees is low, but it has continuously grown in the past five years. Moreover, due to the increasing ratio of female laborers, it is expected that the ratio of highranking female workers will also grow. The average years worked continuously worked is 17 years, and the average age is 43. However, due to the increase of hiring new employees, it is expected that the average age will also drop. Over 4,000 people tied together with passion, professionalism and love are working hard together.



#### Personnel per Position (as of Dec 31, 2010)

Section	2008	2009	2010
Total	3,949	3,828	3,724
Executives	5	5	4
Regional director	13	14	14
Class 1	13	9	34
Class 2	149	152	128
Class 3	334	341	361
Class 4	833	829	804
Class 5	1,835	1,797	1,711
Class 6	400	352	346
Class 7	160	143	187
Technician	66	49	40
Assistant	141	137	95

#### Employment System

KCSC observes the principle of open competition employment, and it has abolished restrictions on gender, age and education in its personnel regulations and is increasing its employment opportunities for capable human resources so that they may fully utilize their abilities. In order to enhance the fairness and objectivity of employment, blind interviews and a variety of other selection methods are used. Furthermore, there is a human resources regis tration sregistration system in the homepage so that it can receive applications of persons with expertise, skills or certifications so that it could utilize necessary human resources in whichever sector they need at any time.

#### Gender Equality Employment Goal

As part of social equality HR management plans to hire persons based on abilities and not gender, gender equality employment goal systems have been implemented. In 2010, the female new employment target rate is set at 30% and from 2011, it will be set at 20%.

#### Employment of Social Minorities

In order to fulfill its ethical and social responsibilities as a public company, KCSC has implemented social equality employment systems that allot the disabled and persons who won national orders of merit at a certain percentage for employment. In addition, 5% of employees are being hired among persons from Jeollabukdo province, which is where KCSC will move to. KCSC is planning to continue to expand employment of social minorities in the future.

#### Employment of Social Minorities

Section	2008	2009	2010
Disabled employees	86	96	106
Female ratio	8.60%	8.50%	9.10%
Provincial employee rate	83.00%	77.40%	68.9%
Science & Engineering backgrounds	36	25	41
Persons of national merit	2	10	5
			i

#### Intern Employees

In pursuance of the government's plans for creating jobs for youths in the public sector, KCSC began internship programs from 2009. There are no restrictions on academic background and gender, and 189 interns were hired in 2010, who were not currently enrolled in school, and in 2011, the intern program will be operated within a range of 4% of the capacity.

#### Preventing Discrimination of Non Full-time Employees and Improving treatment for them

Non-full time employees are employed to handle certain operations, and by clearly defining the work of full-time and non full-time employees according to the work and onsite assistant personnel management guideline, unfair treatment is prevented to advance. Furthermore, in order to handle the complaints and hardships of non full-time employees, departments and representatives for each branch are designated to offer a hardship handling system. In pursuance of the general non-full time employees in the public sector of the government, as of December 1, 2007, persons who have worked for two straight years (146 persons) were rehired as full-time employees.

#### Non Full-time Employees

Year	Full-time	Non Full-time
2008	3,949	74
2009	3,828	218
2010	3,724	251

#### Promotion System based on Abilities

By reforming the irrational promotion management method based on rank and years or work, the range of subjects for promotions was expanded so that promotions could be possible in the event that an employee has the abilities and qualities needed for promotion and when they diligently achieve a work goal. In order to enhance the objectivity and fairness when selecting candidates for promotions, the work handling performance, in addition to the work performance, work experience and capacity, were measured to operate various screening standards. No discrimination is placed on academic background, gender and hometown in determining employee training, personnel shifts, promotions and positing according to the employee code of conduct to offer fair standards.

#### Strengthened Connection of Internal **Evaluation and Remuneration Functions**

KCSC reflects the performance evaluation of employees regularly and reflects it in the personnel evaluations, while linking work performance and bonuses in order to provide capacity and performance based personnel administration. Executives and directors sign management agreements in pursuance of the management contract standard plans suggested by the government, and for the director of the Cadastral Training Institute, Cadastral Research Institute and regional directors of branch office, a management performance contract, in which the annual performance evaluation results are reflected in the reappointment of the regional directors. For employees above general managers, bonuses are given based upon individual capacity evaluations, and individual contribution levels for members of the department. For contract-based employees, contracts are extended, or they are given awards or overseas training. Through such methods, KCSC is constructing a performance-oriented corporate culture

#### Ability-based Performance Evaluation System

Subject	Evaluation System
Executive, Regional Director	Executive performance contract system     Regional director reappointment qualification screening system     Regional director management performance contract system     Integrity evaluation
Team Leader	Capacity evaluation and individual performance evaluation     Work performance contract system     Local office director performance evaluation     Integrity evaluation
Team Member	Individual contribution evaluation per department     Survey team leader performance evaluation     Researcher/instructor/contract worker performance evaluation
Others	Capacity-base evaluation     Individual phone kindness survey     Management performance evaluation per institute     Individual capacity evaluation



# We operate a global leader-type Human resources fostering program

#### Fostering Human Resources

In order to achieve the vision of 'Global leader in the cadastral system and promotion of spatial information industry', KCSC has judged that the most important matter is to foster global leadertype human resources. Various educational and training programs are offered to accumulate core capacities of employees so that they may improve their work capacities, as well as for their own self-development.

#### Training and Education

The entire course of technical training was fully revamped into the 'Blended Learning' course to offer training and education in connection with cyber education, and KCSC is planning to supplement courses that have not yet been developed in cyber education through sequential development of contents. Furthermore, for the establishment of an educational service for localization of technical education and for the prompt dissemination of technologies through the promotion of work training, in-company instructors equipped with both theoretical knowledge and experience are being fostered and fully utilized.

#### \* Blended Learning

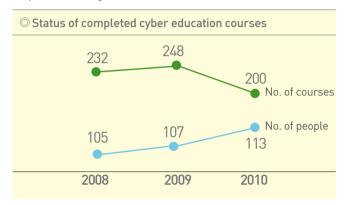
Educational and training method where offline training is conducted after completing online course



#### Cyber Education

Recognizing the importance of education through reading, KCSC established cyber reading education courses in 2008 to proliferate voluntary reading courses. While becoming aware of

the importance of the changes in the business environment and the need for self-development, KCSC expects that it will foster human resources that can contribute in the development of the corporation through academic research activities.



#### Fostering of International Cadastral Experts

KCSC is fostering core personnel needed for pioneering foreign markets and for international exchange, while also systematically fostering global human resources needed for expanding business fields.

#### Status of Training for Fostering International Cadastral Experts

Туре	2008	2009	2010
Overseas business experts	15	14	40
Overseas training	2	4	2



The study program for retiring employees is being operated to improve work relations and enhance confidence for those expecting to retire and employees before and after retirement in order to provide systematic support for reemployment, starting up businesses, or preparing for retirement so that they may contribute to creating social value in different parts of society. Through more assertive PR and support, it is expected that more employees will utilize this program.

#### Senior Business Startup School

Contents of Support	Consulting	Training
Support Period	Any Time	2 Weeks

#### Training Hours Completed per Person

The average training hours per person in 2008 was 82.5 hours (11.7 days), 98.4 hours in 2009, and 111.6 hours in 2010, which is a 11.4% increase compared to the previous year.



#### Results of Survey on Employee Satisfaction of **Education and Training**

In order to minimize the inconveniences of students and enhance the education effect, KCSC is conducting surveys on employee satisfaction of education and training courses. Questionnaires are handed out on the satisfaction of the contents and method of lectures, satisfaction on the use of equipment and materials, helpfulness when performing work, systemization of curriculum, appropriateness of curriculum composition and education period. satisfaction of public facilities, etc.

#### Results of employee satisfaction in education and training

Target Score

Final Score

2008 2009 2010	84 87 87	86.9 86 88
86.9	87 86	Final Score Result Score 87
2008	2009	2010



# Improving Quality of Life

#### Salary System

Employees above class 3 including executives receive annual salaries and employees lower than class 3 receive wages based on salary classes. Incentives are given according to capacities and performance, and there is no difference in base salary among male and female employees. Wages are similar to other quasigovernment agencies, and the wage for new employees at 40 hour work weeks is 1,310,000 won, which is 145.1% of 902,880 won, which is the legal minimal wage.

#### Welfare and Benefits Expenses

Joined four major social insurances (health insurance, employment insurance, occupational health and safety insurance, national pension), expenses-allowance, vacation allowance for parents, scholarship fund support for middle and high school, student loans for college students, mortgage loans, use of condos and resorts, subscription to group insurance, selective benefits systems, and a variety of other welfare and benefits to provide a better working environment for the employees, and the support is given equally to full-time and non full-time employees.

Туре	2008	2009	2010
Welfare & Benefits Expenses	74.9 billion won	71.4 billion won	68 billion won
Average welfare & benefits expenses per person	18.62 million won	18.31 million won	17.21 million won

#### Regular Health Examinations

General health examinations are given every year for the health administration of employees. Employees can choose the examination type (A, B, C) that includes precision inspection, and special cancer examinations in addition to the basic examination supported by the National Health Insurance Corporation. Suppor is also provided so that family members of employees and retired employees can also receive examinations with the same conditions (at their own expense), and ERP system is used to strengthen preventive health administration systems through systematic management according to the examination results, in order to put more efforts in managing human resources.

#### Construction of Selective Labor Welfare System

In order to increase employee satisfaction with a limited budget, the welfare card was connected to a selective welfare system where the individual can freely select the welfare that they want among a list of pre-designed welfare items, in order to realize a user-oriented labor welfare system.

#### Retirement Pension System

KCSC has set the 'implementation of retirement pension systems' as its mid-term management goals, and in order to execute this, it is planning to systemize it through labor-management discussions and selecting its retirement pension business. The retirement wage reserves calculated in pursuance to the Labor Standard Act will deposit 30 days average wage for each year work.

#### Number of Retirees

Туре	2008	2009	2010
No. of Employees	3,949	3,827	3,724
No. of Retirees	155	155	95
Retirement Rate	3.93%	4.05%	2.60%



#### Operation of Disaster Prevention and Risk Management Programs

In the event that employees are injured, become sick, or die at work, KCSC handles the case as prescribed by the Industrial Accident Compensation Insurance Act. In the event that the inpatient and recovery expenses exceed the insurance coverage of the industrial accident compensation insurance and group insurance, KCSC makes up for the difference. Furthermore, since on-site operations take up most of the work due to the characteristics of work at KCSC, it temporarily suspends operations in extreme weather conditions or when there is a heavy blanket of yellow dust blowing from China.

#### No. of Accidents related to work such as injuries and work-related illnesses (no. of approved cases)

Туре	2008	2009	2010
No. of Accidents	3	8	9
No. of Employees	3	8	9

#### Operation of Complaint Handling System

A joint labor-management complaint handling committee is operated in order to handle the complaints of employees. Furthermore, by operating offline channels such as a personnel consultation office and various online channels such as in-company bulletins (We-Land) and labor union bulletins. KCSC is preventing causes of employee complaints in advance.

When there is a complaint, the complaint is reported to the complaint handling committee in writing or verbally, and the received complaint is handled by the complaint handling committee within 10 days, notifying the employee of the results. In the case of matters that cannot be handled by the complaint handling committee, they are handled through discussions and negotiations with the labor-management association. KCSC will continue its efforts to enhance employee satisfaction by actively handling complaints of employees whenever they occur.

KCSC observes the regulations on human rights and labor conditions explicated in the regulations and collective agreements on child labor and forced labor as prescribed in the Korean Labor Standard Act and ILO (International Labor Organization), and also observes the principles of the UN Global Compact. There have not yet been any reported cases of violating the child labor and force labor principles.



# Virtuous Circle of Labor-Management

# Filled with Dreams and Hopes. We can Spin the Pinwheel of Win-Win! Shinbaration 2010

#### Labor-Management Cooperation

For the first time since the establishment of the KCSC labor union in 1987, the labor and management established new labormanagement relationships after overcoming the waves of both internal and external changes, and conducted labor-management partnership programs to strengthen the competitiveness of KCSC such as changing the organizational culture creatively by fostering human resources with western feasibility and capacities, as well as improvement of the organizational structure to improve productivity, heighten service quality and create jobs. Soon after the appointment of the new CEO, a labor-management cooperative proclamation was declared containing the will of the labor and management to create a fair society, and based on this, the 2011 mid-term management goal was established to continue mutual cooperation for a joint goal of labor and management.



#### Labor-Management Association

A labor-management association was organized to improve the joint profits of labor and management through participation and cooperation, and regular talks and meetings are being held between the executive board and labor representatives. The labor-management association is composed of seven members including the KCSC CEO and chairperson of the labor union, and by reporting the management performance and work progress at every meeting, management information is shared and various contributions to improving labor conditions, improving productivity, reforming safety, health and work environments, and improving laborer welfare.



# Advancement Strategy of Labor-Management



managemen participation

The KCSC labor union was established in August 1987 and it is a member of the Korean Collaboration of Trade Unions, Public Transportation Federation. In 2010, 3,036 employees have joined the labor union, and thus, the percentage of the number of membership to trade unions to the total number of employees is 81.6%. Joining the labor union is of an 'open-shop' type, and labor hour exemption systems have been rationally adopted and operated with the execution of the time-off system on July 1, 2010.

#### Labor Union



# A Social Performance

#### Status of Labor Union Membership

\*\*No. of employees based on total employees as of Dec 31 of the respective year.

Section	2006	2007	2008	2009	2010
No. of Employees	3,829	3,975	3,949	3,827	3,724
Criteria for joining union	Class 3 employees or lower with no appointed position	Class 3 employees or lower with no appointed position	Class 3 employees or lower with no appointed position	Class 3 employees or lower with no appointed position	Class 3 employees or lower with no appointed position
No. of union members	2,469	2,663	2,829	2,958	3,036
No. of full-time union members	4	4	4	4	7 (persons exempted from labor hours)

#### Major Revisions of Collective Agreement

Collective Agreement	Before Revision	After Revision
Article 18 (Treatment of full-time union members)	4. Treatment for upper-level organizations, association groups, and delegations shall be equal to that of full-time executives	Abolished
Article 63 (Long-term Service Vacation)	KCSC shall provide the following long-term service vacations to employees who have worked at the company for consecutive years.  1. 10 years or longer: 3 days  2. 15 years or longer: 5 days  3. 20 years or longer: 7 days  4. 25 years or longer: 10 days	Abolished
Article 82 (Family Event Expenses)	KCSC shall provide the following family event expenses for labor union members.  1. Death:  A. Self: 3 million won  B. Spouse: 2 million won  C. Parents of self or spouse: 500 thousand won  D. Children: 500 thousand won  2. Marriage:  A. Self: 500 thousand won  B. Children: 300 thousand won  3. 70th birthday of parents of self or spouse: 300 thousand won (time of payment shall be determined by KCSC)	Abolished



2010 KCSC Sustainability Report

We provide value for customers, community and employees
and are practicing corporate social responsibilities
through social contribution activities
by utilizing the unique characteristics of KCSC.





# Ethical Management

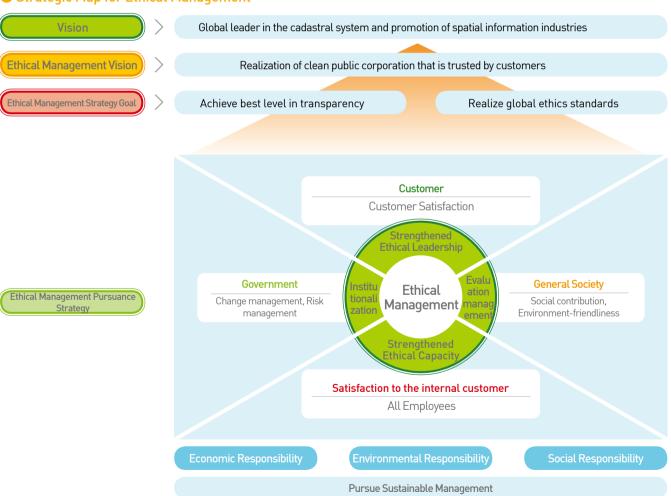
#### We will strive to become a fair and transparent public corporation

#### Achieve the Best Level in Transparency among Public Institutes

In order to achieve the mid-term goal of becoming the best in transparency among public institutes by 2013, KCSC is continuously improving the system by strengthening socially responsible management and establishing new corporate cultures. Results of the 2010 transparency survey of the Anti-Corruption and Civil Rights Commission was 9.05 points, which is a 'good rating' (good outside transparency 9.00, good internal transparency 9.18).

Furthermore, in the anti-corruption policy evaluation that assesses the appropriateness and effectiveness of transparency policies of the institute was given a 'very good' rating. However, rather than being satisfied with such ratings, KCSC established an ethical management goal and pursuance strategy in link with its vision and management objective according to the firm principles for ethical management and social responsibilities, while pursuing continuous improvement of the transparency level to procure customer trust. KCSC will continue to strive to become a fair and transparent public corporation and a healthy institute.

#### Strategic Map for Ethical Management



Roadmap by Stage

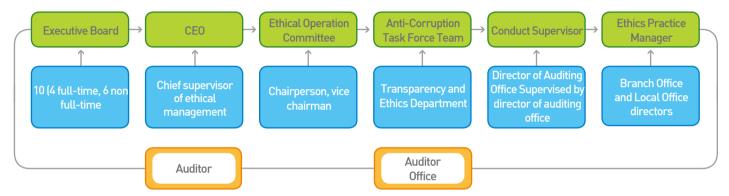
management

incentives

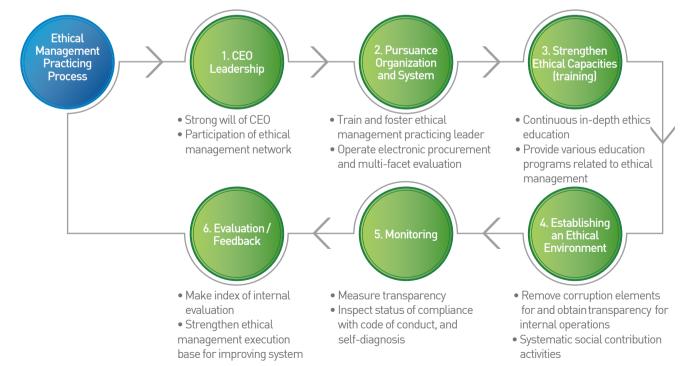
#### Establish ethical corporate culture Reinforce ethical Ethical management of corporate image (2010) global standards (2011~) • Establish integrated ethical • Realize global standard ethical Achieve best level of management system management transparency and integrity • Strengthen practice and PR of ethical

- Realize social responsibility management
- Reinforce social contribution Construct and realize performance management and sustainable management system
- Environmentally and socially responsible management
- Strengthen win-win partnership with interested parties

#### • Ethical Management Supervision Organization Chart



#### 6 Phase Practicing Process



#### ■ CEO Leadership

As the strategic management system for achieving the vision, the will to exercise an executive board for practicing ethical management was drafted in a work transparency contract to convey and spread such will both inside and outside of the company, and through this KCSC is constructing an organizational culture that sets an example starting from the top of the company. Furthermore, KCSC is striving to observe international ethics standards by joining the UN Global Compact and attending the world congress. It is also practicing transparent management by sending transparency letters and disclosing expenses for operations (monthly).

#### ■ Ethical Management Driving Organization and System

By designating an organization in charge of company-wide ethical management, areas needing improvement that are weak ethically are sought after and customary practices of internal regulations are continuously being addressed and reformed. Ethical expertise is being procured through the Ethical Operation Committee and an Ethical Management Practicing Leader Organization is being constructed for ethics compliance guiding activities. Also, risk factors for corruption is being removed in advance by upward adjusting the positions of ethical management practicing leaders, producing 100% clean card systems at all offices and workplaces, operation of e-procurement systems, and implementation of e-auditing systems. In addition, a CEO Hotline and Helpline were installed to open an Irregularity Reporting Center at the homepage in order to resolve the ethical dilemmas of employees.

#### ■ Buildup of Ethical Capacities (training)

Problem-solving type action learning ethical management education programs of various methods for practical education effects are being conducted. Through remote online education, KCSC is operating special courses such as ethical management together with CS education to heighten the mindset for ethics, and specialized education for marketing representatives related to contracts. Furthermore, an information room was opened and is currently operating for sharing the performance of practicing ethical management and for information exchange.

#### ■ Establishing an Ethical Environment

E-pledges for practicing transparency through intranet popup windows for preventing corruption factors, procuring transparency in internal processes, and enhancing ethical mindsets for employments are conducted, while work feasibility of HR management via multi-faceted evaluation systems and sharing ethical management data via ethical management guide CoP, etc are performed for expanding such practice and exercise programs. Moreover, social contribution activities unique to KCSC that reflects its character of work are being performed. Also, transparent contract systems for the compliance of work transparency responsibilities of directors and executives are conducted to offer countermeasures in the case of violations, and also, an Ethics Day is designated every month to establish a transparent organization culture, on which ethical management events such as slogans, ideas and example contests are held, or awards given.

#### Monitoring and Feedback

A Clean Report Center where instances of violations of public interests can be reported is under operation for the purpose of prevention ahead of time. Also, for pursuing and proliferating ethical management, the practice effort index and social contribution activity evaluation index is measured, while constructing a dimensional and integrated inspection system for pre-mid-post stages in conjunction with the transparency execution evaluation, daily auditing and follow-up audits to regularly monitor the execution status of ethical management.

#### Ethical Management Evaluation and Compensation

By reforming the evaluation index related to the ethical management of employees, the system devices were reinforced through methods such as evaluation of ethical management activities and compensation. Ethical management practicing efforts are directly reflected in the executive board management contract, and employee work evaluations. In addition, transparency efforts, ethical management execution performance, and efforts to fulfill social responsibilities are evaluated in the internal evaluations of each institution, and in the case of violation of the code of conduct, this system deducts 100% from the ethical management score. Moreover, a 'Clean Cadastral Award' is offered to enhance customer respect, compliance with ethical standards, social contribution, and transparency in the ethical sector. By doing so, employees with outstanding ethical capacities and who have set an example in executing his or her work, are being selected and rewarded in the ethics awards.

#### • Ethical Management Education Program

Section	Course	Education Days	Target	Persons
	Time to do practice, Ethical Management	30 days	All employees	1,489
Online Education	Anti-Corruption and Civil Rights Commission transparency education	15 days	Directors and contract-related employees	489
	Self inspection on ethical compliance Enterprise Portal (We-Land)		All employees	3,586
Offline Education	Ethical management	11days	New employee, etc	360
Special Education	Transparency practice education with CS training	3days	Managers and survey team leaders	1,123

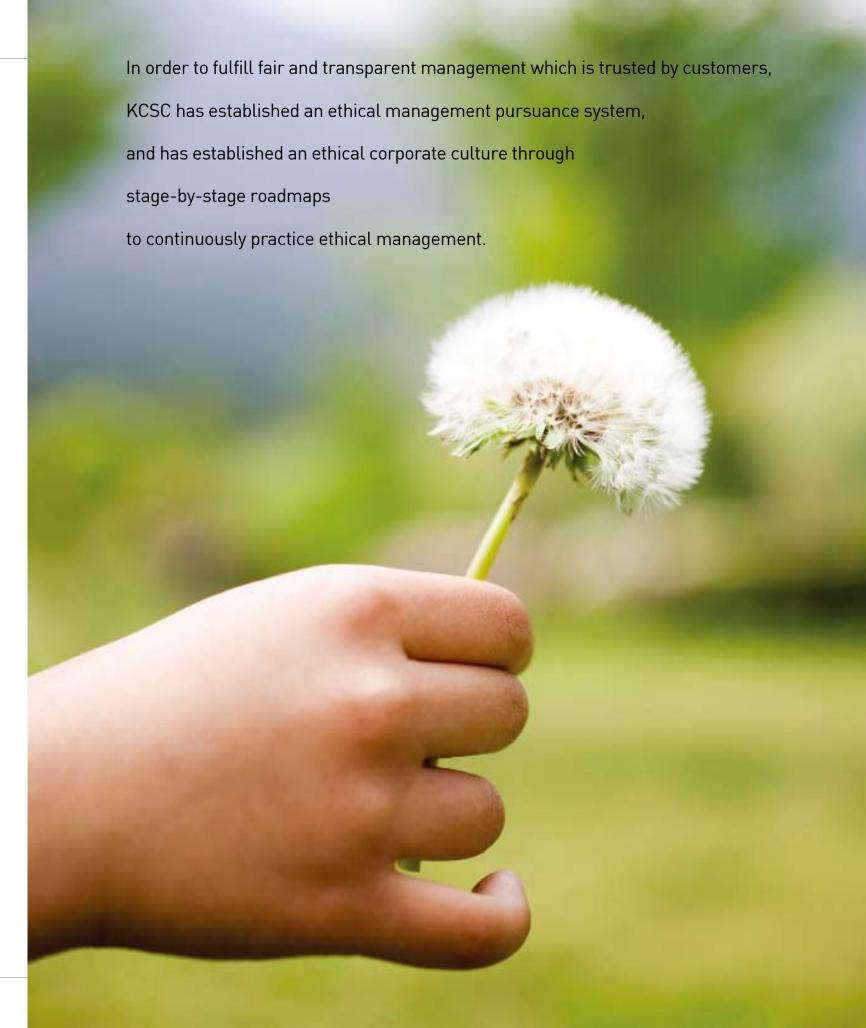






#### Major Activities of KCSC Ethical Management

Month	2007	2008	2009	2010
January		Self-diagnosis of ethical standards law (year-round)	Participated in UN Global Compact anti-corruption symposium	Attended transparency training session for executives
February	Conduct transparency execution evaluation system		Attended UN Global Compact world congress     Held proclamation ceremony for audit charter	Attended anti-corruption policy workshop     Opened expenses used for operations
March		Attended UN Global Compact anti-corruption symposium	Held ethical operation committee Attended environment symposium Held ethical management workshop for each branch offices	Conducted cyber transparency education     Conveyed CEO's will for transparency inside and outside of the company
April	Ethical management workshop for each branch office	Ethical management training for new employees	Ethical management training for new employees     Attended ethical management workshop	Held ethical operation committee
Мау	Ethical management workshop for each branch office     Establishment of pursuance plans for strengthening ethical management	Proclamation ceremony for practicing sustainable management Completed construction of E-audit system Constructed e-procurement system	Conducted transparency survey on employees to improve upon weak areas against corruption	Clean model superior award Proposal of ethical management theme Conduct transparency survey on employees Self-diagnosis for ethics compliance
June	Ethical management workshop for each branch office     Join UN Global Compact	Attended UN Global Compact Asia Conference     Ethics spatialization training for contract representatives	Attended corporate ethics workshop for proliferating ethical management culture	Attended corporate ethics workshop for proliferating ethical management culture
July	Ethical management workshop for each branch offices	• 1 <sup>st</sup> ethics leader course, ethics manager training	UNCG business leader breakfast meeting     1 <sup>st</sup> ethics leader course training	Implemented code of conduct authentication for employees     Begin broadcasting transparency song     Established plans for becoming outstanding institute for anti- corruption and transparency
August	Ethical management workshop for each branch office	• 2 <sup>nd</sup> ethics leader course, ethics manager training	Attended breakfast meeting with UN Secretary General Ban Ki-moon	Opened anti-corruption and transparency e-poster
September	Held 1 <sup>st</sup> Ethical Management Committee     Notified main pivotal projects for ethical management	Inspect execution of employee on code of conduct	Special award for green production sector at the national production awards     Attended public organization management seminar	Operate anti-corruption evaluation system     Strengthen internal public interest reporting system
October	Special education for ethics practicing manager     Signed executive work transparency contract	• 3 <sup>rd</sup> ethics leader course, ethics manager training	Inspect execution of employee on code of conduct     3 <sup>rd</sup> ethics leader training course	Ethics operation committee     Self-diagnosis on corporate transparency
November	Conduct transparency practicing campaign	Attended 'Sustainable management of Asia' conference     Diagnosis on perception of ethical management, KCSC-E index     Ethical management training for families of executives     Signed work transparency contract for executives     E-agreement for practicing company-wide transparency	<ul> <li>Diagnosis on perception of ethical management, KCSC-E index</li> <li>Signed work transparency contract for executives</li> <li>E-agreement for practicing company-wide transparency</li> </ul>	Held anti-corruption and transparency practicing contest     Signed work transparency contract for executives     E-agreement for practicing company-wide transparency     Diagnosis on perception of ethics
December		Transparency evaluation of employees Transparency evaluation of executives Clean cadastral awards Held ethics operation committee	Operate We-Land 'ethical management guide' banner Transparency evaluation of executives Revised personnel system such as reprimand standards	Self-diagnosis on social contribution     Ethics operation committee     Transparency evaluation of executives     Selection as good transparency institutes     Selection as very good institute for corruption prevention policy evaluation





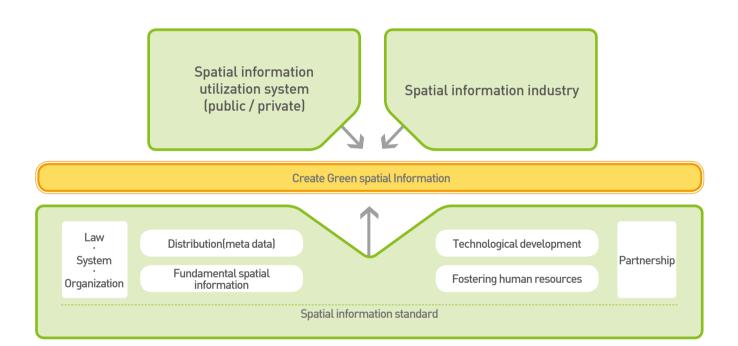
# Configuration of Green Spatial Information

## We have a growth engine for a sustainable national information industry and creating an outstanding spatial information society.

#### Achievements

Creating a national spatial information policy makes it possible to establish a spatial information base and to promote the public and private sectors using such base. This is made by creating a sustainable green spatial information society. In addition the system for both the public and private sectors to utilize, we also have organized a spatial information infrastructure such as spatial

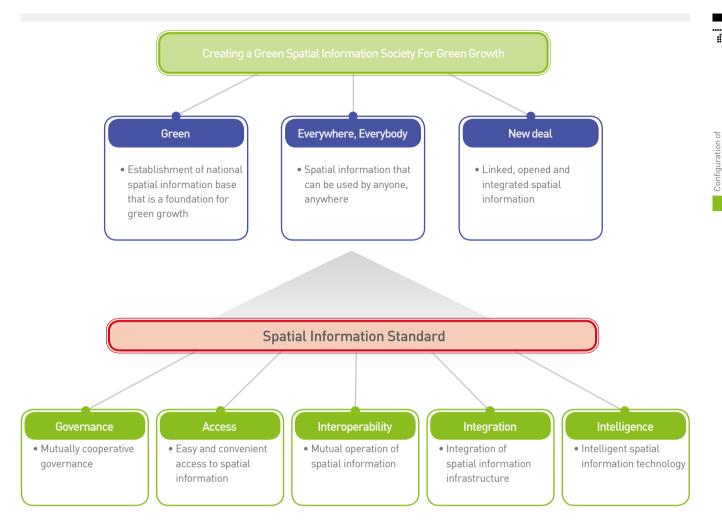
information standards, spatial information distribution (metadata, etc), spatial information technology, human resources, partnerships and organizations. Also, by responding early to the innovation of the e-government's administrative system, KCSC, a cadastral informationization institute, has pursued quality improvement projects for national spatial information data.



# Efforts of Spatial Information Executor to Create a Green Spatial Information Society

In addition to governmental policies for promoting the spatial information industry, KCSC has so far acted as a balancer that expands the roles and functions of the private sector, which has been relevantly inactive in the green growth and green spatial information areas. In order to apply the green formula of growth

and distribution that is possible to balance preservation and development of land, great efforts are being made so that the integrated and common services based on cadastral information can be used as core information in spatial information industries such as GPS, navigation and internet map services. KCSC will diligently fulfill its role to help in improving the individual quality of life through spatial information in life, though it may not be conspicuous.



#### Pursue vision of improving the quality of life for the entire nation

In accordance with the vision of the national spatial information, 'create a society where all people can share and utilize spatial information at anytime, anywhere in order to enhance the green competitiveness to improve the quality of life', it is pursuing projects that can improve the quality of life of the people as a key task according to the vision of 'Global leader in the cadastral system and promotion of spatial information industries'. In particular, KCSC aims at making use of proper real estate information possible, and becoming a firm base for improving reliability and expanding official functions through unification of real estate administration information that can broaden communication with various interested parties. Through maximization of accuracy of surveys and work efficiency, KCSC is pursuing projects such as reorganization of cadastral records, improving quality of continuous cadastral maps, and supporting the construction of GIS-based building integration information, while also providing a turning point for business diversification of utilizing spatial information.



10 KCSC Sustainability Report

# Environmental Management

An environmental preservation and environment-friendly management system is being established for the green growth of Korea.

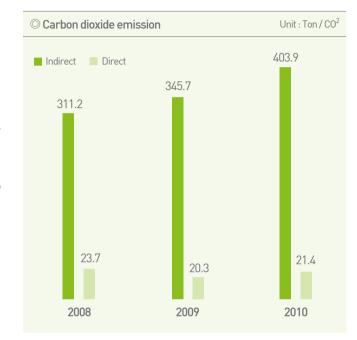
With the environmental issue of global warming and destruction of the o-zone becoming an international issue in the late 1980s, reducing the amount of raw materials used, as well as energy and hazardous materials, that could directly or indirectly affect climate changes became perceived as an effective method for low-carbon, green growth. KCSC is continuously striving to reduce wastes, chemicals, and pollution from each of its organs. In addition, by assertively conducting policies and campaigns for conserving energy and resources, KCSC is also cutting costs and preserving the environment. KCSC will continue to minimize adverse effects to the environment in the community through various environmental activities, and also construct an environmental management system to preserve the environment worldwide.

#### **Energy Consumption**

The energy used by KCSC in 2010 was a total of 230Toe that includes direct energy using district heating and LNG (Liquefied Natural Gas) and indirect energy from electricity. A total of 425 tons of CO2 was emitted as greenhouse gas from the head office. Through company-wide efforts to conserve energy, we will do our best to protect the environment and reduce energy consumption

#### Energy consumption per Person (total volume)

Year	2008	2009	2010
Electricity(kmh)	699,698	777,302	908,092
District gas(Gcal)	253,31	243,86	251,78
LNG(m³)	10,641	9,132	9,614
Water and sewage(m³)	3,416	3,080	3,364
Total energy use(TOE)	187	201	230
Employees at head office(persons)	117	142	156
Total per person (TOE/persons)	1.59	1.41	1.47

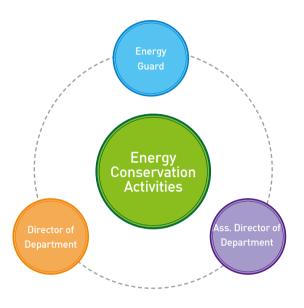


#### Efforts for efficient energy use

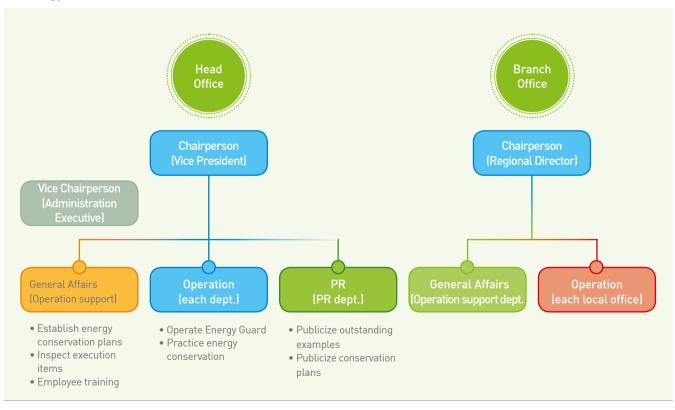
- Efforts for efficient energy use
- Switch office lighting to LED products
- Replace over 30% of office lighting devices to LEDproducts by 2012
- Install LED lighting fixtures in construction of new office building (30%)
   In late 2009, all incandescent lights in buildings switched to LED products
- Operate new renewable energy in office building
- Subject: Ulsan/Gyeongnam Branch Office building
- Contents: Reduce energy consumption by 20-30% from heat use geothermal energy
- Continued investment in new renewable energy sectors in new office buildings
- New building for head office: Geothermal and solar power
- Wonju, Hwaseong Local Offices: Solar power facilities
- Installation of PC standby power and circuit breaker device
- -Installed auto-sleep mode and circuit breaker devices for 20 desktops at head office
- Reduction effect: 0.34kw per machine per day, 125kw per year

## **Energy Conservation System**

Energy conservation education is conducted to enhance the awareness of employees on the importance of energy and an energy conservation committee has also been organized and is in operation. In the future, efforts to strengthen energy efficiency will be made such as in conducting energy diagnosis and feedback from energy companies, partitioning of heating/cooling areas in the head office, review and application of ventilation plans to minimize heating and cooling devices, and management of standby power. The energy conservation committee has strongly expressed their will to put into practice energy conservation. It is operated in all work areas including the branch offices, and it evaluates the performance of annual energy use, as well as setting goals for energy conservation. The committee operates an Energy Guard for each team, and internal goals on energy conservation are set and put into practice. In addition, roles for education and PR are granted to put continuous energy conservation into everyday practice.



#### Energy Conservation Committee



0 KCSC Sustainability Report

# Efforts for Efficient Use of Energy

KCSC is striving to cut costs and reduce carbon emissions through efficient use of energy under the vision of 'efficient use of energy' in energy management

#### Removal of Incandescent Lights

By pursuing the substation of incandescent lights in buildings, which have high energy consumption, with LED lights, energy efficiency was maximized, and by 2012, over 30% of all lighting devices of KCSC will be replaced with LED lights.

#### Adjustment of Electricity Contract Amount

As part of the energy supply management plans, the size of office buildings, number of users, and load were closely identified and the contracted power was reviewed. By doing so, buildings with relatively excessive contracted power were adjusted, and by adjusting the amount to a total of 215kw, it was possible to cut electricity costs by 13,287,000 won per year.

#### Application to change electricity use via cooperation with KEPCO of the respective region

Section	Beginning	After	Adjusted Amount
Total of Electricity Contract Amount	664kw	449kw	△215kw

#### Introduction of Geothermal Energy Equipment

KCSC applied a cooling/heating system using geothermal energy, which is a new renewable energy, in the construction of the Ulsan/Gyeongnam branch office to positively participate in the development and implementation of alternative energy for the government. Also, for the new head office building to be built in Jeonju, designs are being made to implement new renewable energies and to make it a class 1 energy efficiency building.

#### Efforts to Practice Green Life

- Promote 'Bicycle Riding Boom'
- Promote nation-wide 'bicycle riding boom' using the KCSC cycling team and promote an environment-friendly image for KCSC
- \*Distribution of green growth poster (800)
- Continued operation of Green-day
- Designate every Wednesday as day of practicing green life for family-friendliness and conservation of resources at work
- Environment Guard and Environmental Protection Activities
- As part of company-wide social contribution activities, pursue Environment Guard activities (11 times per year)
- ※ Environment Guard: Report to authorities when discovering illegal activities including environmental pollution (☎128)
- Pursue local environmental protection activities using the organization and work characteristics
- Introduction and Operation of Hybrid Car for Work
- Car model: Avante LPi
- -Traveled distance: 9.197km
- Effects: Compared to regular vehicles, fuel reduction effect of 50.1 liters
- Clean Street Campaign
- Target: Major streets around the nation (790 streets)
- Contents: 12,574 participants
- Period: Sep 2010-Dec 2010 (once a month)







# Financial Status

#### Overlook on Finances

Due to the continuation of the stagnating real estate market caused by the global financial crisis, the work performance was relatively poor. However, with the increase of work ordered from the government such as the 4 Rivers Project and Housing projects, and business diversification such as 3D industry and finding new businesses to tap into, KCSC achieved 100.0% of its yearly goal.

[Unit: KRW]

	Sector	2008	2009	2010
	I . Current Asset	78,661,372,904	94,236,391,300	71,495,697,229
	(I)Quick Asset	77,380,938,163	92,994,625,469	70,538,217,762
	(2) Inventory Asset	1,280,434,741	1,241,765,831	957,479,467
	I. Noncurrent Asset	159,940,976,702	168,169,766,994	219,534,433,342
Assets	(I) Investment Asset	18,895,707,362	19,576,448,291	25,647,972,563
	(2)Tangible Asset	137,175,870,355	144,599,764,066	189,456,858,846
	(3) Intangible Asset	22,247,275	19,350,827	22,395,953
	(4) Other Noncurrent Asset	3,847,151,710	3,974,203,810	4,407,205,980
	Total Assets	238,602,349,606	262,406,158,294	291,030,130,571
	I . Current Liabilities	23,808,653,561	30,815,754,044	29,069,622,474
Liabilities	I. Noncurrent Liabilities	130,609,563,774	119,816,129,448	118,247,063,451
	Total Liabilities	154,418,217,335	150,631,883,492	147,316,685,925
	I . Original Property	10,000,000,000	10,000,000,000	10,000,000,000
	I. Profit Surplus	74,184,132,271	101,774,274,802	133,713,444,646
	(I)Original Purpose Business Reserve	14,216,599,457	18,762,831,407	31,503,766,098
Capital	(2) Unsettled Profit Surplus	59,967,532,814	83,011,443,395	102,209,678,548
-	A. Surplus carried over from previous term	50,023,415,214	55,421,300,864	70,270,508,704
	B. Net profit in term	9,944,117,600	27,590,142,531	31,939,169,844
	Total Capital	84,184,132,271	111,774,274,802	143,713,444,646

#### Profits and Losses

[Unit: KRW]

Sector	2008	2009	2010
I . Business Profit	392,511,790,183	403,287,041,743	407,061,988,626
(I)Survey Fee Income	392,511,790,183	403,287,041,743	407,061,988,626
I. Business Expenses	379,094,369,569	370,387,256,136	367,831,619,099
(I)Work Expenses	328,174,103,233	331,589,799,129	327,320,078,476
(2) Management Expenses	50,920,266,336	38,797,457,007	40,511,540,623
II. Business Performance	13,417,420,614	32,899,785,607	39,230,369,527
${\mathbb V}.$ Income other than from business	6,589,723,775	6,592,314,449	6,955,120,283
$\ensuremath{\mathbb{V}}$ . Expenses other than for business	7,914,223,739	7,976,425,085	8,200,154,396
	12,092,920,650	31,515,674,971	37,985,335,414
Ⅶ. Corporate taxes	2,148,803,050	3,925,532,440	6,046,165,570
VII. Current Income	9,944,117,600	27,590,142,531	31,939,169,844

#### Statement of retained earnings

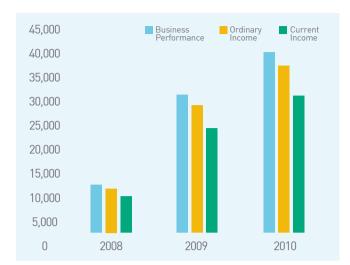
[Unit: KRW]

Sector	2008	2009	2010
I . Profit surplus before use	59,967,532,814	83,011,443,395	102,209,678,548
(I)Surplus carried over from previous term	50,023,415,214	55,421,300,864	70,270,508,704
(2) Profit after correcting errors from previous term	-	-	-
(3) Current Income	9,944,117,600	27,590,142,531	31,939,169,844
${\mathbb I}$ . Import of voluntary reserve, etc	8,226,125,467	8,190,953,078	8,732,542,723
(1) Original Purpose Business Reserve	8,226,125,467	8,190,953,078	8,732,542,723
II.Sum(I+I)	68,193,658,281	91,202,396,473	110,942,221,271
$\mathbb{V}.$ Liquidated amount of Surplus	12,772,357,417	20,931,887,769	20,891,490,240
(I) Original Purpose Business Reserve	12,772,357,417	20,931,887,769	20,891,490,240
V . Surplus carried over to next term	55,421,300,864	70,270,508,704	90,050,731,031

#### Yearly Business Performance

[Unit: Million KRW]

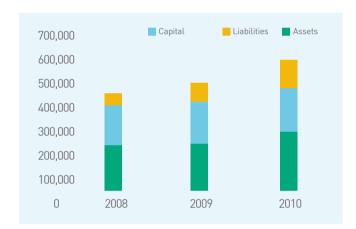
		LOTTIN	
Sector	2008	2009	2010
Business Profit	392,512	403,287	407,062
Business Performing	13,417	32,900	39,230
Ordinary Income	12,093	31,516	37,985
Current Income	9,944	27,590	31,939



#### Assets, Liabilities and Capital

[Unit: Million KRW]

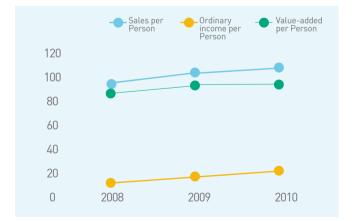
Sector	2008	2009	2010
Assets	238,602	262,406	291,030
Liabilities	154,418	150,632	147,317
Capital	84,184	111,774	143,713



#### • Sales, Ordinary Income, Value-added

[Unit: Million KRW]

Sector	2008	2009	2010
Sales per Person	95.88	103.43	106.70
Ordinary income per Person	2.95	8.08	9.96
Value-added per Person	87.13	93.60	94.50



#### • Finances, Management Index

[Unit: Million KRW1

LOUIT: MILLION KKW	]
Fluctuation (A-B)	

Е	valuation Item	2008	2009 [B]	2010 [A]	Fluctuation (A-B)
	Current Ratio	330.39	305.81	245.95	△59.86
	Debt Ratio	184.43	134.76	102.51	△32.25
Safety	Interest compensation ratio compared to sales profit	-	-	-	-
	Equity ratio	35.28	42.60	49.38	6.78
	Sales Profit Ratio	3.42	8.16	9.64	1.48
	Sales Net Profit Ratio	2.53	6.84	7.85	1.01
	Total Asset Net Profit	4.20	11.01	11.54	0.53
	Equity Net Profit Ratio	12.55	28.16	25	△3.16
Profitability	Sales Cash Flow Ratio compared to Total Asset	2.83	15.59	12.66	△2.93
	Sales Ratio compared to Financial Expenses	-	-	-	-
	Sales Ratio compared to Wage	84.35	79.19	75.83	△3.36
	Sales Ratio compared to Sales Cost	83.61	82.22	80.41	△1.81
	Sales Increase Ratio	8.40	2.75	0.94	△1.81
	Sales Profit Increase Ratio	△12.57	145.20	19.24	△125.96
Growth Activity	Current Income Increase Ratio	28.36	177.45	15.76	△161.69
•	Total Asset Increase Ratio	1.74	9.98	10.91	0.93
	Asset Turnover Ratio	1.66	1.61	1.47	△0.14
	Total Capital Investment Efficiency	150.79	145.68	130.28	△15.40
Productivity	Facilities Investment Efficiency	293.19	289.69	237.99	△51.70
	Labor Income Percentage	92.82	87.51	85.63	△1.88
	Wage Increase Ratio per Person	11.82	1.28	-1.22	△2.50
	Value-added Increase Ratio per Person	11.38	7.42	0.96	△6.46



# Evaluation of Outside Organizations and Membership Status

#### Awards and Certifications (2006 ~ 2010)

Year	Contents	Supervision
2006	Selected as outstanding institute for finance and profit sector in 2005 management performance evaluation	Ministry of Planning & Budget
2006	Won a spatial award in the Korean Magazine and Press Awards for 'Land and People'	Korea Magazine Association
2006	Grand Prize in customer service innovation at the 14th Korea Customer Satisfaction Awards	KMAC
2006	Grand Prize in customer service innovation at the 14th Korea Customer Satisfaction Awards	KMAC
2006	Awarded for in-depth intelligence model in the public sector at the 8 <sup>th</sup> Intelligent Management Awards	Maeil Economy Newspaper- Boozallen
2006	Selected as Good Transparency Institute	Anti-Corruption & Civil Rights Commission
2006	Acquired recertification for good company in Korea service quality	Ministry of Knowledge Economy
2006	Acquired recertification for ISO9001 management quality	Korea Productivity Center
2008	Won Stevie Award in the advertisement and media sector of the 2008 International Business Awards (IBA)	IBA
2008	Grand prize in global networking at the 2008 Global Leader Awards	Korea Economy Newspaper
2009	Won 2009 National Productivity Awards (green productivity sector)	Korea Productivity Center
2010	Awarded at Korea Technology Innovation Awards (new technology sector)	Korea Economy Newspaper
2010	Awarded in printed newsletter sector at Korea Communication Awards (public sect)	Korea Company Newsletter Association

#### Membership in Association and Groups

Year	Association or Group	Activities
1981	FIG (International Federation of Surveyors)	International technological information exchange and cooperation, surveyor training
1989	Institute of Internal Auditors	Auditor training and information collection, exchange with domestic and foreign auditors
2006	Accident Reduction Measures Association	Attend meetings on accident management, and cooperation with local governments
2006	Korea Association for Service	Collect latest information on customer satisfaction management, benchmarking of other institutes, exchange through workshops
2007	UN Global Compact	Attend workshops and symposiums related to human rights, labor, environment, and anti-corruption

# Glossary

- GRI (Global Reporting Initiative) Organization established centering on UNEP and CERES, which is an international environmental association of the US, in 1997 and is based in Amsterdam, the Netherlands. Since the publication of the 'GRI Guideline' for sustainable management reports in June 2000, the 'GRI G2 Guideline' was issued in May 2002 and 'G3 Guideline' in October 2006. The GRI Guideline is the most commonly used as a sustainability report guideline in the world.
- UN Global Compact Voluntary agreement under the UN established Kofi Annan, former secretary general of the UN, at the Davos Forum in Switzerland in January 1999. It is made up of a total of 10 principles on human rights, labor, environment, and anti-corruption based on the world human rights declaration, International Labor Organization declaration, RIO declaration and the UN anti-corruption agreement. KCSC joined this in June 2007.
- **Boundary Restoration Survey** Survey for restoring boundary registered in cadastral records and it requires installation of marking of points. This survey is normally used when newly constructing, expanding or renovating buildings, or when wishing to check the boundary with surrounding land.
- Cadastral Status Survey Survey to locate by comparing structures, topography or locations of landmarks with borders registered in cadastral maps or forestry maps. This is applied for when beginning construction and for inspection upon completion of construction, or when wishing to check the cadastral survey for area in the vicinity
- **Subdivision Survey** Survey conducted for dividing land in one let registered in the cadastral records into two or more lots.
- Registration Conversion Survey Survey for registering land registered in forest records or maps into cadastral maps. Survey normally made when the land registered in the forest map is changed in character and when wanting to register it in the land registry.
- New Registration Survey Survey conducted for newly registering land that is not registered in the cadastral records.
- Control point Survey Survey conducted for installing control points, which is the base point for detailed cadastral surveys, and is a frame survey equal to cadastral triangulation surveys.
- Cadastral Triangulation Survey Survey of finding the ground plan, angle, length and breadth coordinates through triangulation methods for the location of the base point, which acts as the framework for newly establishing cadastral triangulation points and cadastral triangulation assistant points, as well as for control point surveys and detailed surveys. It requires high precision and is an important survey standard for cadastral surveys.
- **Graphical Cadastral Survey** The cadastral map or forest map of land boundaries are registered in a graphic, which is kept at the office having jurisdiction. It is a cadastral system that

relies entirely on the illustration for border points of land, and it determines the boundaries of lands in the illustration.

- Base Point Survey Operation for setting the base point to grant the horizontal location of land or to grant the dimensions of the vertical height.
- Automatic Drawing System Since 1977, KCSC has processed various drawings and illustrations related to cadastral operations in the automatic system to provide accurate cadastral surveys in order to improve customer services
- Drawing DB Project In order to resolve the problems of preserving and managing the original form and to have accurate cadastral survey data resulting from new cadastral drawings, approximately 750,000 drawings were placed in a digital DB in a five year project from 1999 to 2003. By integrating land registries and cadastral drawings, a basis for using as basic information in national geographic information projects was established.
- Continuous Cadastral Drawing Construction Project This project is for constructing separate digital cadastral drawings that were made through the cadastral drawing DB project into a continuous form. This project is being conducted exclusively by KCSC under the supervision of the Ministry of Land, Transport and Maritime Affairs. It will be used as important drawings for basic materials of land policies and for legislation of GIS policies.
- World Geodetic System This is a world center coordinates systems used by integrating the center of world mass at a center by all the nations of the world, and it is a system for conducting surveys, making maps and for global information service (GIS).
- Cadastral Reform Operation for resolving issues of cadastral inconsistencies that are causing confusion in cadastral management by bringing about structural obstacles in promoting land use and protecting the property rights of the people, and remodeling of existing cadastral systems in order to make reforms into an efficient cadastral management system by enhancing the restoration abilities for land boundaries and by clearly marking lots.
- Spatial Information Industry Industry for producing, managing, processing or distributing spatial information or providing services for, or constructing, systems by integrating with other industries.
- **3D(Three Dimensions, Three Dimensional)** (Three Dimensions, Three Dimensional): 3D coordinate measuring device using scanning methods. Instead of the 1 point collimation methods of total stations in the past, numerous laser beams are projected in small intervals on the surface of the object of measurement, in which 3D coordinates are obtained. Afterwards, by compatibility with high-tech laser measurement devices or total stations that acquires the form of the object intuitively, 3D coordinates of the object is acquired, and measured by modeling.

# Third Party Assurance Opinions

#### To Employees of KCSC and Interested Parties

#### 1. Assurance Outline

The Korea Productivity Center Quality Assurance (KPCQA) requested verification of the 2010 sustainability report by KCSC, and after conducting verification, the following assurance report is issued. This report was prepared by collecting information related to KCSC, and thus, KCSC shall be held liable for the contents of the report. The significance of this assurance is in presenting a third party assurance report opinion from an objective perspective to check whether the report contents had appropriately collected and listed information, without major errors, according to a logical process during the course of drafting the report.

#### 2. Independence of Assurance

KPCQA and the assurer has not participated in activities for the purpose of profit-making of KCSC and has no interest in KCSC, and therefore, maintained independence for this assurance.

#### 3. Scope of Assurance Engagement

This report describes the efforts and achievement of the sustainable management activities (economic, social and environmental sectors) of KCSC, and therefore, the scope of assurance engagement are limited to confirm the contents of such sectors.

- Assurance of economic sector: Whether the financial information appropriately extracted outside auditor reports for the financial statement.
- Assurance of social / environmental sectors: Whether the information occurring from policies/operations were appropriately described

#### 4. Criteria of Assurance

Assurance for this report was performed according to the following standards.

- AA1000 Assurance Standard (2008)
- GRIG3 social responsibility report guideline

#### 5. Assurance Procedure Works Undertaken

- Identifying interests and requests of interested parties; review of feedback from interested parties
- Review press literature related to the various social responsibilities, ethics and environmental safety of KCSC
- Employee interviews on the sustainability report of KCSC
- Review of performance management system and performance data on financial and non-financial performance indices
- Review of informationization process of data from each local office and company-wide data management

#### 6. Findings

The assurer reviewed the contents in the report draft based on review and search of data and documents, visiting department, and employee interview to suggest an opinion, and after making some necessary editing, the final issue was reviewed.

- Economic Performance
- It was compared with the 2010 financial statement of KCSC, and the data contained in the report is appropriate.
- Social / Environmental Performance
- The information contained in the social and environmental section for the scope of assurance is found to be appropriately described and no major errors were found.
- Responsiveness
- The assurer has checked and reviewed the data related to internal and outside interested parties of KCSC, and identified the range of the report and interests of the interested parties and checked whether it was reflected through the materiality test. The assurer has checked that major issues on sustainability of KCSC were all included, and did not discover any contents that could be a problem in decision-making processes for major issues listed in this report.
- Reliability

The assurer reviewed the internal decision-making system, operation process, collection of various data, and the management system of KCSC, and checked samplings, but did not find any basis to suppose that there are any major errors in the data and information contained in this report

#### 7. Issued for Further Consideration

The assurer, in hopes that the report issued by KCSC is widely utilized as a communication method with interested parties and a tool for improving sustainable management performances, recommends the following.

- Systemization of participation mechanism of interested parties in each sector, and increased participation in the drafting procedure of the report
- Set sustainable performance index in all areas of management, and systematically manage them.
- Increase efficiency of handling financial / social / environmental performance data

March 2011 Korea Productivity Center Quality Assurance



Director, Chung, Suk-jin Suhjin Chung

# GRI Contents Index

Section	GRI G3	Index Contents	KCSC Index	Page	Reporting
Strategy and	d Analysis				
	1.1	Proclamation of final decision-maker on correlation of			
		reporting organ and strategy with that of sustainability	CEO Message	08	•
	1.2	Description on major effects, risk factors and opportunity	Chances and Challenges of KCSC	26, 27	•
Organizatio					:
	2.1	Name of Organization	Co. Name	18	•
	2.2	Main brand, products and servicesMajor business		19	•
	2.3	Organization structure of reporting organization	Business structure	20	•
	2.4	Location of head office / branch offices	Location of head office / branch office	21	•
	2.5	No. of countries of major business places with a reporting	Location of head office /		•
		organization, Name of countries dealt with in the report having	branch office,	21, 42	
		correlation with the sustainability issue	overseas projects		
	2.6	Features and legal form of possession structure	Company overview	18	•
	2.7	Target market (by region, business field, customer/beneficiary type)	Location of head office / branch office	21	•
	2.8	Scope of reporting structure	Business overview,	18, 20	•
			business structure,		
			organization chart		
	2.9	Major changes of scope, structure of possession	-		N/A
		structure during the reporting period			
	2.10	Awards during the reporting periodAwards and certifications		84	•
Reporting M	edium Vai				
	3.1	Period for Report	Scope of report and period range	2	•
Poport	3.2	Most recent report and publication date	Recent report date and report cycle	2	•
Report Profile	3.3	Report cycle	Recent report date and report cycle	2	•
Tronte	3.4	Contact for questions on report and related contents	Additional contents	2	•
	3.5	Definition process of report contents	Materiality test	16, 17	•
	3.6	Scope of report	Scope of report	2	•
	3.7	Detailed restrictions on report range or report scope	Scope of report	2	•
C	3.8	Reporting standards for items that have a big influence on the	Standard and target of	2	•
Scope and Borders for		comparability of periods or organizations	drafting report		
Report	3.9	Data measuring method and calculation standards	Standard and target of drafting report	2	•
перы	3.10	Effects and reasons for rewriting information presented	-		N/A
		in previous reports			
	3.11	Change of range or borders of report compared to previous report periods	-		N/A
RI Checklist	3.12	Chart that shows the location of standard announcement items in the report	GRI Contents Index	88,~91	•
Assurance	3.13	Policies and activities for outside assurance of the report	3rd person assurance report	86, 87	•
Structure of	Governan	nce, Responsibilities, Participation			
	4.1	Corporate governanceCorporate governance of KCSC		22	•
	4.2	Multiple positions of executives such as chairperson of the executive board	Operation of executive board	22	•
	4.3	Number of constituents that are independent or executives	Members of executive board	22	•
Structure of		in the executive board			
Governance	4.4	Mechanism where shareholders or employees give or advice or	Sharing information of	25	•
		suggest directions to the executive board	executive board		
	4.5	Compensation of executive board	Performance evaluation of	25	•
		members and performance of organization	executive board		

Section	GRI G3	Index Contents	KCSC Index	Page	Reporting level
	4.6	Reinforced process/operation committee per field of expertise to prevent conflicts of interested parties within executive board	Independence and expertise of operation of executive board	23	•
	4.7	Process that determines the standards for qualifications and	Executive recommendation		
	4.7	expertise of executive board members	committee	23	•
Structure of	4.8	Missionset internally, statement of core values, code of conduct,	Mission, vision and strategy		
Governance	4.0	and principles	of KCSC	27, 28	•
	4.9	Procedure for executive board to identify economic, environmental	Evaluation of executive		
		and social performances, and for supervising its management	board performance	24, 25	•
	4.10	Process for evaluating the performance of executive board	Evaluation of executive		
		3 1	board performance	24, 25	•
	4.11	Check if principles and approach methods for prevention were adopted,	Efforts to practice UN Global		
		and description on adoption method	Compact	11	•
Responsibility	4.12	Outside initiative joined or supported such as economic/	Efforts to practice		
for outside		environmental/social charters and principles	UN Global Compact	11	•
initiatives	4.13	Membership in association or national and	Membership in associations		
		international policy organizations	and groups	84	•
	4.14	List of participating interested party's groups	Categorization of interested parties	14	•
	4.15	Standards for distinguishing and selecting interested	Selection standard of interested		
		parties for participation	parties and major issues	14	•
Participation	4.16	Participation method of interested parties such as participation type,	Communication with		
of interested		participation frequency of interest party groups, etc	interested parties	15	•
parties	4.17	Key themes and interests suggested by the participation of interested	Communication with		
		parties, and methods to handle them	interested parties	15	•
Economic Inc	dex	,	'		
	EC1	Creation and distribution of direct economical value	Work status	80~83	•
	EC2	Financial influence of climate change and risks and	Pursuance of preventive management		
		opportunities of business activities	system construction project for flooding	35	
			Coastal public water surface status		•
			survey and preventive projects	36	
	EC3	Range of pension support	Retirement pension program	59	•
	EC4	Reception of government funding	-		N/A
	EC5	New employee wage rate compared to the legal minimum wage of	Wage system		
		major business places	3 ,	59	•
Market	EC6	Local purchase policies, customs and rates of major business areas	-		0
Position	EC7	Employee procedures for priority hiring of local persons, and high-	-		
		ranking managers of local origins at major business areas			0
Indirect	EC8	Infrastructure investment focused on public interest and service	Spatial public welfare projects and	34~37	
Economic		support activities and effects	contribution to community by KCSC	52~54	•
Effect	EC9	Understanding and description of indirect economic ripple effect	Spatial publicwelfare projects by KCSC	34~37	•
Environment	al Index	3	, , , , ,	0.07	
Raw	EN1	Use of raw materials based on weight or volume	_		N/A
Materials	EN2	Rate of using renewable energy	-		N/A
	EN3	Direct energy consumption per primary energy source	Energy consumption amount	76	•
	EN4	Indirect energy consumption per primary energy source	Energy consumption amount	76	•
	EN5	Conserved energy through conservation and improved efficiency	Company-wide efforts to conserve energy	77~78	•
Energy	EN6	Efforts to supply products and services based on energy-efficiency or	Company-wide efforts to	77~78	
	,,0	renewable energy, and energy saving through each project	conserve energy	11~10	•
	EN7	Indirect energy conservation project and performance	Practices for conserving energy	76, 78	•
	EN8	Total intake per supply source	Energy consumption amount	76, 78	
Water	EN9	Water supply source greatly affected by intake	Energy consumption amount		•
water	EN10	Total amount and ratio of water that was reused	-	76	•
	EN11	Location and size of land that is possessed, leased or managed in areas, or			0
	LINII	surrounding areas, of protected areas or areas having high bio-diversity value			N/A
р:		and the first of the control of the			
Bio-	ENITO				
Bio- Diversity	EN12	Effects on bio-diversity through activities, products or services in protected areas or areas having high bio-diversity	-		N/A



Section	GRI G3	Index Contents	KCSC Index	Page	Reporting level
	EN13	Protected or restored habitats	-		N/A
Bio-	EN14	Bio-diversity management strategy, current measures, future plans	Efforts for practicing green life	78	•
Diversity	EN15	Number of endangered species designated by the international nature	-		
Diversity		protection federation and by the Korean government in the area			N/A
		affected by the business, and its level of endangerment			
	EN16	Total emission of direct and indirect green gas	Energy consumption amount	76	•
	EN17	Emission of other indirect greenhouse gas	Energy consumption amount	76	•
Air exhaust.	EN18	Green house gas reduction project and performance	Efforts for efficient energy use	76	•
waste water,	EN20	Emission of o-zone destroying substances	-		N/A
wastes	EN21	Emission of major air pollutants such as NOX and SOX	-		N/A
	EN22	Emissions of wastes by type and treatment method	-		0
	EN23	No. of cases of major pollutant leaks, and amount leaked	-		0
	EN24	Transportation, import, export and handling amount of wastes as prescribed	-		
Air exhaust,		by Basel Convention I, II, III, VIII, and rate of wastes exported overseas			N/A
waste water,	EN25	Water area affected due to outflow of sewage from reporting organization,	_		
Air exhaust, waste water, wastes  Air exhaust, waste water, wastes  Products and services		and name of related habitat, scope, protection status, and value of bio-diversity	_		N/A
	EN26	Environmental influence reduction effect and performance of		N/A   N/A	
Products and	LIVEO	products and services			N/A
services	EN27	Recycling ratio of sold products and related wrapping	_		NI/A
Lawcompliance	EN28	Fines and non-financial reprimands due to violation of environmental laws	_		-
	EN29	Major environmental effects due to transportation of products and	Practicing energy conservation		IVA
	LINZ/	raw materials, and moving of employees	Tracticing energy conservation	76, 78	N/A
	EN30	Expenses and investments for environmental protection	Purchase of environment-friendly goods	70	
	LINGO	Expenses and investments for environmental protection	Turchase of environment-mentity goods	/3	U
Labor Illuex	LA1	Employment type, employment contract, and personnel by region	Employment system		
	LA1	No. of employees who quit job and ratio	No. of retirees		
Employment	LA3	1 1		59	•
	LA3	Benefits offered only to full-time employees and not temporary	Improving quality of life	59, 60	•
	LA4	or time-based employees	Labaronia	// //	_
		Ratio of employees applicable for collective bargaining	Labor union		
ment relations	LA5	Minimal notification period for major changes in business	Notification of major changes in business	61	•
	LA6	Employee ration represented by the joint labor-management	Labor union	62	•
		health and safety committee			
loh health and	LA7	No. of Work-related accidents such as injuries,	No. of work-related accidents such as	60	
		work-related illnesses, lost days, absents, etc	injuries and work-related illness		
Surety	LA8	Education, training, consulting, prevention and risk management programs	Accident prevention and risk	60	
		to support employees, families and the community about severe illnesses	management		
	LA9	Health and safety issues that are subject to official agreement	Main contents of collective bargaining	62	
		with the labor union		02	
	LA10	Annual average training hours per person according to employee type	Training hours per person	58	•
Education and	LA11	Work training and education program for continuous	Programs for retired employees	58	•
		employment and retirement support		J0	
ti dii iii ig	LA12	Ratio of employees subject to regular evaluations and career	No. of non full-time employees,	56	•
		development screening	Capacity-based promotion system	36	
Diversity	LA13	Composition of executive board and employees		22 55	
and equal		Executive boardmembers, personnel per position		22, 55	•
opportunity	LA14	Ratio of base wage between male and female employees per employee range	Quality of life - Wage system	59	•
Human Right	s Index				
	HR1	Cases and ratio of major investment agreements that include human	-		NI/A
nvestment and		rights protection clauses or that have passed human rights screening	-	-	N/A
procurement	HR2	Human rights screening ratio of major suppliers and contracted companies		-	0
practices	HR3	Employee education on human rights policies and procedures related to work	Ethical management training program	68, 69	•
Non discrimination	HR4	Total cases of discrimination and ensuing measures	- 3. 5	-	N/A
Freedom of	HR5	Work areas judged to have the potential for severely violating the freedom of	Operation of complaint handling system		•
assembly and collective bargaining	-	assembly and collective bargaining, and measure to ensure such rights	. , , , , , , , , , , , , , , , , , , ,	60	
	LID/	Business areas with high risk of child labor occurring, and	Operation of complaint handling system		•
Child labor	HR6	Dusiness areas with high risk of child table occurring, and			

Section	GRI G3	Index Contents	KCSC Index	Page	Reporting level
Forced labor	HR7	Business areas with high risk of forced labor occurring, and measures taken to prevent forced labor	Operation of complaint handling system	60	•
Security	HR8	Ratio of security representatives who completed human rights and procedures training in relation to their duties	-	-	N/A
Rights for native residents	HR9	Cases of infringing upon the rights of native residents, and ensuing measures taken	-	-	N/A
Social Index					
Local society	S01	Evaluate the effects on the local society at the start, operation and ending stages of work activities, and features, range and effectiveness of the management program	-	-	0
	S02	No. of businesses analyzed to have risk of corruption and its ratio	-	-	0
	S03	Ratio of employees who received training on anti-corruption policies	Ethical management	68. 69	
Corruption		and procedures	training program		
	S04	Measures against corruption	Ethical management evaluation	48	•
			and compensation	60	•
Public policies	S05	Position on public policies, establishment of public policies, and participation in lobbying activities	-	-	0
	S06	Total amount of cash or in-kind donations per nation to political	-	_	N/A
		parties, politicians or related institutes			IN/A
Hindering of competition	S07	No. of legal dispositions on unfair competition activities or monopolie, and its results	-	-	N/A
Legal compli- ance	S08	No. of fines and non-financial reprimands due to violation of laws and regulations	-	-	N/A
Product Resp	onsibility	/ Index			
Customer health &	PR1	Life-cycle stage that evaluates health and safety effects of products and services with the purpose of improvement, ratio of conducting evaluations for major products and services	-	-	N/A
safety	PR2	No. of violations against laws and regulations related to customer health and safety for life-cycle stage of products and services	-	-	N/A
Product	PR3	Product and service information type needed for procedures, ratio of major products and services that correspond to such information conditions	Customer category and service features	46	•
and service	PR4	No. of violations against laws and regulations related to product and service information and labeling	-	-	N/A
labeling	PR5	Oustomer satisfaction related activities such as results of customer -satisfaction evaluation surveys	Customer satisfaction survey	51	•
Marketing	PR6	Regulations, standards and rules compliance program related to marketing communication such as advertising, promotions and sponsorships	Disclosure of information on services and evaluation	50	•
commun- ication	PR7	No. of violations against regulations, standards and rules related to marketing communication such as advertising, promotions and sponsorships	Disclosure of information on services and evaluation	50	•
Information protection	PR8	Violations against customer privacy and no. of complaints related to loss of customer information	Customer information protection	50	•
Legal compli- ance	PR9	Amount of fines due to violations of laws and regulations related to the supply of products and services	Customer information protection	50	•

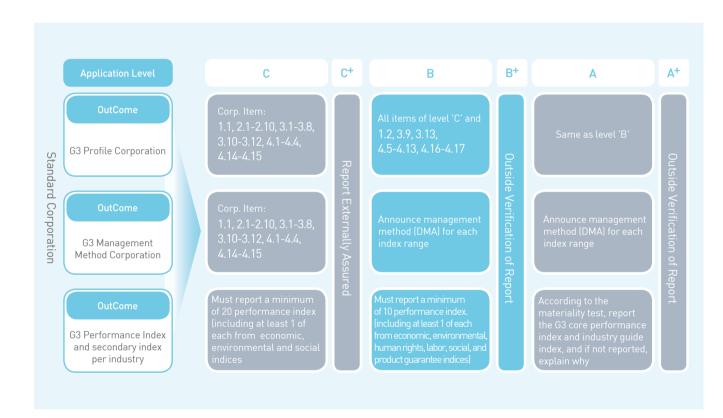
#### **Efforts for Continuous Improvement**

KCSC has set the main objective of publishing this report to become a corporation that is trusted and respected by interested parties, and began to issue this report since 2008. Efforts were made by receiving advice and consultation from internal and outside interested parties to plan and draft this report, but there are still some areas that are lacking as a report that meets the expectations and interest levels of interested parties. In future reports, we will more assertively collect the opinions of internal and outside interested parties to report the performance index as presented by the G3 guideline, which is an international standard for guidelines, and thus strive to establish more sustainable management for KCSC.

#### Level of Application of GRI G3 Guideline

KCSC has drafted the 2010 sustainability report to satisfy all the conditions that meet the B<sup>+</sup> level of the G3 Guideline application level, as determined by GRI. Through verification of the Korea Productivity Center Quality Assurance, it has been confirmed that this report's G3 application level is B<sup>+</sup>.







This report can be downloaded as a PDF file at our homepage (www.kcsc.co.kr).

If you want more detailed information on the sustainable management activities and performance introduced in this report, please contact our representative (02-3774-1970~8).

We appreciate your interest in the sustainable management activities of KCSC.

Production KCSC Planning Office / Management Department

**Supervision** Planning Office Chief, Hyeok-jin Kwon /

Management Department Director, Eul-sik Shin

Planning and Writing Management Department, Kwang-Jae Jeong, Bit-Na-Ri Kim

Tel: 02-3774-1070~8

Design and Publication IR Kudos (www.irkudos.co.kr)

Tel: 02-6011-2000

Environment-friendly paper was used in the production of this report.