

꿈을 향한  
따뜻한 동행

The initiatives for our better future



### Significance of this Report

This is the third Report prepared by Incheon International Airport Corporation for the continued communication with its stakeholders. It was named the Social Responsibility Report to reflect IIAC's commitment to fulfilling its social responsibilities as a member of society. IIAC strived to share opinions with the stakeholders through their participation, and major issues related to IIAC and its activities and efforts for socially responsible management are contained in this Report.

### Reporting Framework

The 2010 Incheon International Airport Corporation Social Responsibility Report was prepared in accordance with the Global Reporting Initiative (GRI) G3 Guidelines, and was categorized into mandatory reporting issues and materiality test issues, taking into account IIAC's internal materiality and external mandatory reporting issues.

### Reporting Period and Scope

This Report covers the period from January 1st 2007 to December 31st 2009, and contains operational activities and performances throughout all of IIAC's businesses. \*Some performances include data from the first half of 2010.

### Assurance of the Report

IIAC ensures the credibility of the 2010 Incheon International Airport Corporation Social Responsibility Report through an external expert. The independent assurance was undertaken to preserve the consistency, precision and integrity of the Report and to reflect materiality and responsiveness throughout the Report.

### Characteristics of this Report (Difference from previous reports)

**First\_** The 2010 Incheon International Airport Corporation Social Responsibility Report was constructed in a hybrid report form for a thorough and in-depth review of the strategic characteristics and conformity. Issues of interest were identified focusing on stakeholders. This was because IIAC's current social responsibility tasks were drawn for each stakeholder group and thus such hybrid form would be conducive to a more detailed description of the existing activities.

**Second\_** In preparing the 2010 Social Responsibility Report, material issues that stakeholders want to know about, IIAC's major merits, and the conformity with GRI and its role to serve as a Global Compact Communication of Progress was taken into account. In particular, among the various issues related to IIAC, social interest and corporate significance were reflected, and the requirements in order for the Report to serve as a Communication of Progress for the UN Global Compact were included as well.

**Third\_** The details of the 2010 Social Responsibility Report were based on a storyline that goes "Introduction - IIAC's approach method - activities and performance," and described in a consistent manner by each section. This will enhance the Report's readability and help stakeholders better understand the Report and bring closer communication.

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## GRI G3 Guideline Application Level and How to Participate

### Declaration of GRI G3 Application Level

The 2010 Incheon International Airport Corporation Social Responsibility Report was prepared according to the GRI G3 Guideline, and satisfies the qualitative and quantitative requirements of Level A of the G3 Guideline. Thus, IIAC declares the 2010 Incheon International Airport Corporation Social Responsibility Report to be in accord with Level A of the GRI G3 Guidelines.

### How to participate in IIAC's Social Responsibility Management

Additional information regarding IIAC's Social Responsibility management can be accessed through its homepage ([www.airport.co.kr](http://www.airport.co.kr)) at any time, where this Report is available in PDF file. Your valuable opinion and suggestion on this Report can be relayed to IIAC through the address below or by filling out the questionnaire. We are grateful for your interest in IIAC's Social Responsibility Report. The Environment Report is also available at our homepage in PDF file.



# 꿈을 향한 따듯한 동행

The initiatives for our better future

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## CEO MESSAGE

Dear Stakeholders,

I am Chae Wook Lee, President & CEO of Incheon International Airport Corporation.(IIAC)

Owing to your interest and support, IIAC was the 2nd busiest airport in international cargo transportation and 12th in international passenger traffic in 2009, despite worldwide economic recessions and decline in flight demands. We also exceeded 5 million in transfer passengers for the first time since opening, boosting transfer rate from 12% to almost 20%.

IIAC won 1st place in the Airports Council International's initiative, Airport Service Quality survey for 5 consecutive years, which has never been accomplished before, and contributed to enhancing Korea's status in the international community. Over 5,000 people have visited us since the opening of Incheon International Airport to learn the construction and operating know-how. The brand "Incheon International Airport" is now understood to stand for "the best" for people in the airport business of the world. Capitalizing on this brand power, IIAC provided consulting support to Erbil Airport in Iraq, and exported its airport operating know-how to airports in Russia, Nepal and the Philippines as well.

The many accomplishments achieved during the 9 years since Incheon International Airport's opening was made possible by the passion and effort of the 35,000 airport personnel who never ceased to innovate and change. The only unchanging truth in this world is that "everything changes." This era of fast-paced changes will belong only to those who actively spearhead a new paradigm of the coming future rather than those who merely adjust to the flow. Under this basic belief, IIAC has started the engine of the new strategy Global IIAC 2015. This project will make IIAC an airport the nation is proud of, an airport travelers around the world would want to visit, an airport others want to benchmark, where Korean culture and art can be experienced from every corner, and an airport where all employees are happy and proud to be a part of.

The only unchanging truth in this world is that "everything changes."  
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paradigm of the coming future rather than those who merely adjust to the flow.

Based on the vision “Building a specialized airport corporation to lead the global airport industry,” IIAC will build a logistics infrastructure through the Phase 3 airport construction and aggressive marketing of connecting flight business, will further enhance its world best services, and strengthen its competitiveness as a hub. Furthermore, IIAC will speed up its overseas business and embark on the airport city development, securing the basis for future growth. IIAC will maintain optimal safety and security system that is crucial to operating an airport, further improve the efficiency of the facilities and their operation, and build an environment-friendly airport operating system that conforms to the new green growth paradigm.

The past, present and future of IIAC lie in the context of its relationship with the stakeholders. Thus, fulfilling its social responsibility as a corporate citizen so that society may continue its sustainable growth may well be the core of IIAC’s sustainability management.

Fulfilling the social responsibilities that arise from a corporation’s existence and operation, providing inspiration that surpass stakeholders’ expectation and thereby winning the respect and trust of the stakeholders and society is the destination of socially responsible management that IIAC envisions. In order to become a globally respected corporation, IIAC has selected and is implementing social responsibility management areas including; honesty and trust through ethical management; human resources management where happy people make a happy workplace; contributing to the local community; consistent and stable growth and value creation; and fulfilling corporate responsibility by building a strong future-oriented foundation.

We will continue to follow the philosophy of UNGC and its 10 principles in order to grow together with our stakeholders, and we pledge to abide by the social responsibility commitments made in this report. We hope that this report will help the customers and stakeholders to understand and support our dreams and passion for the future, and that this report will be a catalyst in further fostering a truthful and transparent communication.

CW Lee 

October 2010

President & CEO, Incheon International Airport Corporation



The dream of a global specialized airport corporation that leads the world's airport business - this is a dream that will elevate Korea's global status, and it is a dream that we all share to build a happy future for humanity and society. Together with its stakeholders, IIAC strives to build a green airport to pass down to our children, fulfilling its responsibilities as a corporation through sustainable growth in a culture of transparent and ethical management. Going beyond social responsibility, Incheon International Airport Corporation is flying high to spread the beautiful scent of life.

# Sustainability Management



## Our Challenges and Vision 2015

With a challenging spirit and passion, Incheon International Airport's Corporate Social Responsibility management will continue, to grow with the society, communicate with the people, and be in harmony with nature.

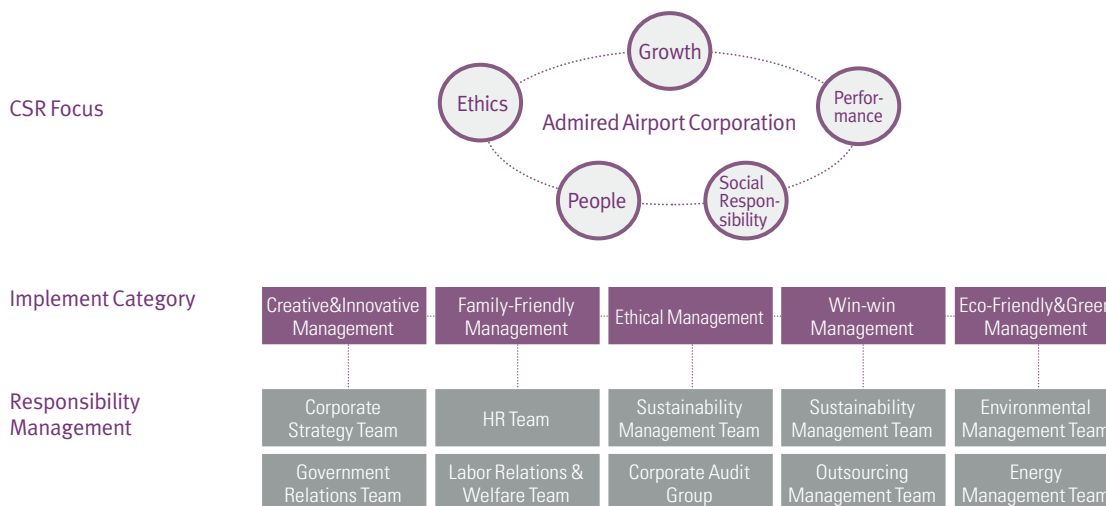
### Shortening Immigration Procedures

IIAC provides service that moves the customers based on optimal airport operation expanding the best facilities, thereby enhancing its competitiveness. IIAC is also building a basis for continued growth by enhancing efficiency through advancement in management techniques and adding corporate value by venturing overseas. Through these efforts, IIAC will realize a new paradigm that surpasses conventional value standards through global networking and complex support that fulfill all of the customers' needs, and create IIAC's unique value and inspiration, playing its role as a leading airport corporation.



### Social Responsibility Management

Based on 5 management principles of ethics, growth, performance, human talent, and social responsibility, IIAC is implementing CSR (Corporate Social Responsibility) management that focuses ethical management, creative & innovative management, family-friendly management, local community contribution, and eco-friendly & green management. IIAC strives to become a global airport corporation that is admired by the stakeholders and society by fulfilling the social responsibilities that arise from its existence and operations, and by providing value and inspiration that surpass the stakeholders' expectation.



# Corporate Governance

IIAC is enhancing transparency of its corporate governance to realize social responsibility management and sustainable growth. The decision-making system centering on the board of directors is being reinforced and the expertise of non-executive directors enhanced, adding transparency to our corporate governance.

## Shareholders & Capital Structure

IIAC was established as a public enterprise in accordance with the Incheon International Airport Corporation Act. In accordance with the Act on the Management of Public Agencies and commercial law, IIAC operates within the context of a balanced decision-making system and transparent and responsible management. Its shares are wholly owned by the Korean government, and as of the end of 2009, IIAC's paid-in capital amounted to KRW 3,617.8 billion.

## Composition and Operation of the Board of Directors

IIAC's Board of Directors (BOD) is comprised of 7 non-executive directors and 6 executive directors. The BOD is the final decision-making body that deliberates and determines IIAC's key issues on management and execution, including management goals and budget assessments. With the appointment of a senior non-executive director as chairperson, the clear and unbiased decision-making process of the BOD is ensured. The overall performance of the BOD is assessed through annual internal and government evaluation. Compensation is based on the performance evaluation results against the government's managerial evaluation and management goals.

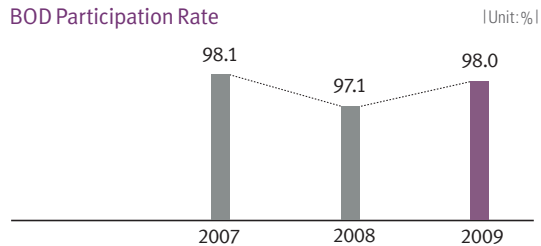
## Strengthening the BOD

The IIAC Board of Directors actively employs the expertise of the executive directors in airport construction and operation, and the non-executive directors' expertise in management, economy, and legal matters. In 2009, 51 Board of Directors meetings were held, in which 36 decisions were made and 15 reports reviewed. The decision-making system centering on the Board of Directors is taking firm root, where the Board performs its function as a decision making and monitoring body including evaluation of mid-to-long-term management plans and budgets, and providing managerial support through advisory activities.

## Increasing Non-executive Directors' Participation and Expertise

IIAC has adopted 54 managerial opinions from the non-executive directors in policy-building and business operations. The three subcommittees - Auditing Committee, Planning & Budget Committee, and Executives Committee - are making full use of the non-executive directors' expertise. Furthermore, IIAC helps to enhance their understanding of government policy and airport industry by arranging informal gatherings, visits to airport worksites, and airport-related information that is provided via e-mail and the IIAC website.

BOD Participation Rate



2009 Satisfaction Rate of BOD Operations

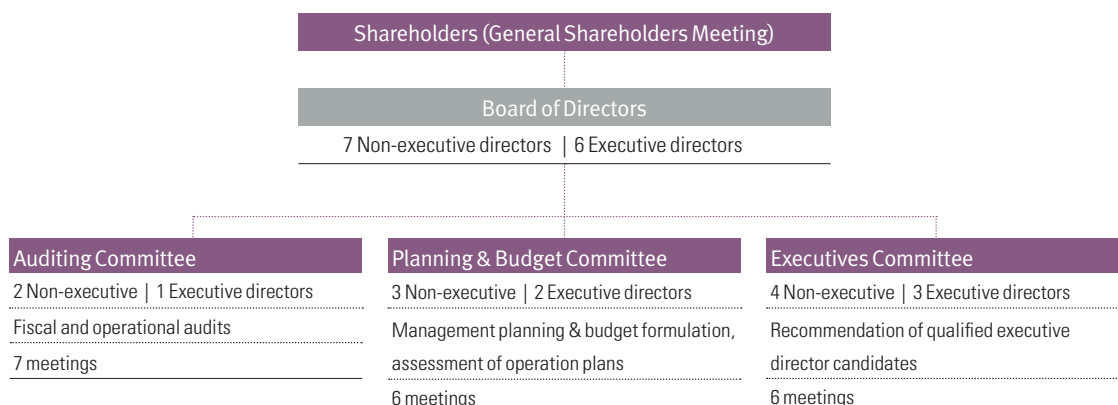
1<sup>st</sup> Grade

Integrity Evaluation Result

9.0 point

increase compared to previous year 0.4 point

## IIAC's Corporate Governance and Activities of Subcommittees



## Clean Airport through Expanding the Culture of Integrity

IIAC strives for a transparent and just “Clean Airport” by systematic implementation of the ethical management system. With the CEO taking the initiative, IIAC fosters ethical awareness to the employees and business partners, and strives to be a global specialized airport worthy of trust and respect by spreading the culture of ethics throughout the airport.

### CEO's Strong Ethical Leadership

Through the strong leadership of the CEO who is also the Chief Ethics Officer, IIAC is enhancing the ethics awareness of all employees. IIAC was the first to introduce the One-Strike Out system, and obligatory reporting of unethical deeds. The CEO sends out a consistent message for ethics and stresses its importance through internal and external channels - monthly morning assembly, working-level committee, ethics committee, invitation lectures, and media – emphasizing ethics and vigilance of all employees. In 2009, he donated all his external lecture fees to the internal volunteer group and actively participated in volunteer work as well, setting an example for everyone. Through direct and consistent delivering the message of ethics, he provides positive motivation to practice ethical management.

### Ethical Management Strategy and System

IIAC's ethical management goal is to “build a clean airport that is trusted by the stakeholders.” The three strategies being implemented to this end are “establishing a culture of anti-corruption and honesty,” “expanding the ethical atmosphere,” and “creating a new local culture” and fostering them among the employees, business partners, and stakeholders. The ethics implementation system was enhanced as well. By installing third-party surveillance to check whether ethics is observed and the One-Strike Out rule, IIAC reinforced the ethics code and strengthened its ethics organization. Various ethics practice programs and education courses help increase employee participation. Through these efforts, IIAC strives to fulfill its obligation as a role model of ethical management by establishing an organized and systematic ethical management system.

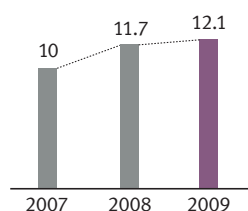
### Ethical Management Organization

IIAC continues to modify its ethics implementation organization to enhance power of execution. Thirty-four personnel who will function as the opinion leaders at the department level were selected to act as ethics leaders for each organizational unit. In addition, under the leadership of the CEO, the Ethics Committee, the highest deliberative body comprised of executives, was established to further enhance the power of execution. IIAC is putting its efforts to expand and reinforce an ethical atmosphere throughout the airport by designating “Clean Compact” personnel for each business partner and stakeholder, who conducts ethics education and spreads the culture of ethics.

### Ethical Management Program

In order to spread ethical management in the airport area, IIAC introduced the “IIAC Clean Compact” since 2007, which is a self-developed program based on the UN Global Compact. Under this program, various ethics education is provided, such as on-line and off-line ethics seminars and workshops. The electrical ethics pledge conducted at the beginning of each year and the newspaper test to test one's own ethical actions help employees in internalizing ethical awareness, and various programs are in operation to heighten ethics awareness for all employees and business partners. In particular, IIAC runs a special reinforcement period during the holiday seasons when corruption is prone to occur, and the CEO sends a letter requesting partner companies to refrain from sending any gifts.

Ethics Education Per Capita  
[Unit: Hour]



IIAC Clean Compact Pledge

### Ethical Management Monitoring



### Self-Evaluation Results

[Unit: Points]

Ethical management awareness survey	2008	80.3
	2009	82.2
Honesty survey on manager rank	2008	92.2
	2009	93.3
Stakeholders satisfaction survey	2008	-
	2009	84.87
External honesty inspection	2008	8.60
	2009	9.04

### IIAC's Clean Compact Program to Expand UNGC






2008	2009	2010
Transparency / Ethics IIAC, partner company, resident organization	Transparency / Ethics Environment / Energy IIAC, partner company, resident organization, airlines, tenant company	Transparency / Ethics Environment / Energy Social Contribution IIAC, partner company, resident organization, airline, tenant company, logistics company

## Major Stakeholder Groups

Based on the mid-and-long-term management strategy Vision 2015, IIAC is enhancing communication with customers, investors & shareholders, the country & local community, business partners, and employees through various channels. Furthermore, the results are reflected and executed in all aspects of management, creating new value and inspiration for the stakeholders.

### Various Channels for Communicating with Stakeholders

IIAC keeps various channels of communication open for free conversations with its major stakeholders - customers, business partners, employees, shareholders & investors, and the local community - and the opinions gathered are actively employed when formulating management policy. IIAC respects the voice of its stakeholders, and strives to correct areas that need improvement to enhance satisfaction. IIAC will continue to establish more diverse and systematic communication channels to gather the stakeholders' opinions.

Customers	Business Partners	Local Community	Shareholders and Investors	Employees
				
Airport users	Airlines   Airport tenant companies   Airport resident companies   partner companies (outsourcing)   private funding company(s)	Local   residents   Citizens panel   NGO, Environmental Groups   Social Welfare Groups   Academic societies, committees, schools	Government entities   Individual, investment companies	Employees   Labor union   Employee families
Core value : Based on infinite service mind, we will build the world's best airport that is fast, the safest, and most comfortable, with many sophisticated attractions.	Core value : We will grow together with our business partners by establishing a cooperation system based on trust and win-win policy to create the best airport service.	Core value : Based on transparent and ethical management, we will fulfill our duties as a public corporation, contributing to the development of the country and local community.	Core value : We will create new value based on reasonable partnership.	Core value : We will strive to acquire the capacity as the world's best airport through learning and self-innovation based on creative passion, boundless imagination, flexibility, and unbending challenging spirit.
<ul style="list-style-type: none"> <li>Airport users: Voice of Customer Homepage and VOC</li> </ul>	<ul style="list-style-type: none"> <li>Meetings by each business sector</li> <li>Service Improvement Council</li> <li>Airport Operation Committee</li> </ul>	<ul style="list-style-type: none"> <li>Local Economy Committee</li> <li>School Specialization Council</li> </ul>	<ul style="list-style-type: none"> <li>Government Communication Committee</li> </ul>	<ul style="list-style-type: none"> <li>Communication with the CEO Assimilation(Getting to know the leader)</li> <li>Strategic Innovation Convention / TG Camp / Management Innovation / Accomplishment Reports</li> </ul>
<ul style="list-style-type: none"> <li>AICC</li> </ul>	<ul style="list-style-type: none"> <li>Airlines meeting</li> </ul>	<ul style="list-style-type: none"> <li>Yongyu Island / Muui Island Issue Resolution Committee</li> <li>World Peace Forest Steering Committee</li> </ul>	<ul style="list-style-type: none"> <li>Funding Committee</li> </ul>	<ul style="list-style-type: none"> <li>Labor-Management Council / Labor-Management Working-Level Council / Wages and Collective Bargaining</li> </ul>
<ul style="list-style-type: none"> <li>Service Improvement Council Voice of Customer Council</li> <li>Moving service VOF(Voice of Field)</li> </ul>	<ul style="list-style-type: none"> <li>Business partner meeting</li> </ul>	<ul style="list-style-type: none"> <li>Transportation Safety Committee</li> </ul>		<ul style="list-style-type: none"> <li>Welfare Committee / Evaluation System Revision Council</li> </ul>
<ul style="list-style-type: none"> <li>CS Doctor utilizing point-of-contact experts</li> </ul>				<ul style="list-style-type: none"> <li>Industrial Safety and Health Council / Workplace Meeting Tour</li> </ul>

### Stakeholders' Demands and IIAC's Measures

End Customer	<ul style="list-style-type: none"> <li>Passengers visiting Incheon Int'l Airport</li> <li>Immigration/Transfer passengers</li> <li>Greeting/sending off parties</li> <li>Other airport visitors</li> </ul>	<ul style="list-style-type: none"> <li>Simplify immigration service</li> <li>An airport that is always new and fun</li> <li>Friendly employees</li> <li>Information accessibility on available services</li> </ul>	Provide new services	<ul style="list-style-type: none"> <li>Enhance U-Airport project</li> <li>Develop cultural content/events</li> <li>Attract global top brands</li> <li>Strengthen promotion i.e. Mega-sale</li> <li>Flexible manpower usage through passenger forecasting system</li> </ul>
Business Partner	<ul style="list-style-type: none"> <li>Resident organization/airline</li> <li>Airline/tenant company</li> <li>Partner company</li> </ul>	<ul style="list-style-type: none"> <li>Cooperative relationship</li> <li>Support for airport facility and system</li> <li>CS expertise education</li> <li>Fair compensation for excellent service</li> <li>Improvement and stabilization of working condition</li> </ul>	Empowering service capacity	<ul style="list-style-type: none"> <li>Provide various CS education, support management stabilization</li> <li>Establish communication channel for business partners</li> <li>Fair evaluation through SLA</li> <li>Execute win-win cooperation programs</li> </ul>
Internal Customer	<ul style="list-style-type: none"> <li>IIAC employees</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate CS evaluation and compensation for individual performance</li> <li>Good working conditions</li> </ul>	Corporate culture that fosters good working conditions	<ul style="list-style-type: none"> <li>Provide incentives for excellent service</li> <li>Support workshops and learning organizations</li> <li>Family-friendly management program</li> </ul>
Related Customer	<ul style="list-style-type: none"> <li>Government agency/nationals</li> <li>New Town residents</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient accommodations for special passengers</li> <li>Fulfilling social responsibility as public institution</li> <li>Self-initiated national revenue generation by expanding abroad</li> </ul>	Enhancing Social Contribution	<ul style="list-style-type: none"> <li>Establish autonomous private high school for the local residents</li> <li>Steer overseas business</li> <li>Support special passenger service</li> </ul>

## Materiality Test and Identifying Major Issues

To focus on most important and urgent issues for stakeholders, IIAC carried out a Materiality Test, the results of which are included in this year's report. In the future, IIAC will strengthen the correlation between social responsibility issues and management strategies based on the issues identified by the Materiality Test, and will implement various projects beneficial to the stakeholders.

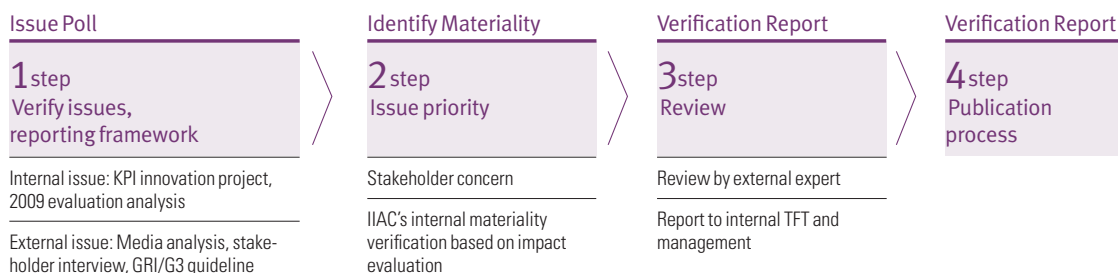
### Materiality Test

IIAC conducted a Materiality Test to identify issues that stakeholders consider to be important and to reflect them in management, and applied them to the Social Responsibility Report. We have categorized detailed issues into 36 through the Categorization Process for each stakeholder group, and we have described related information regarding those issues in this report. We will continue to disclose IIAC's activities to identify and control important issues in a precise, transparent manner.

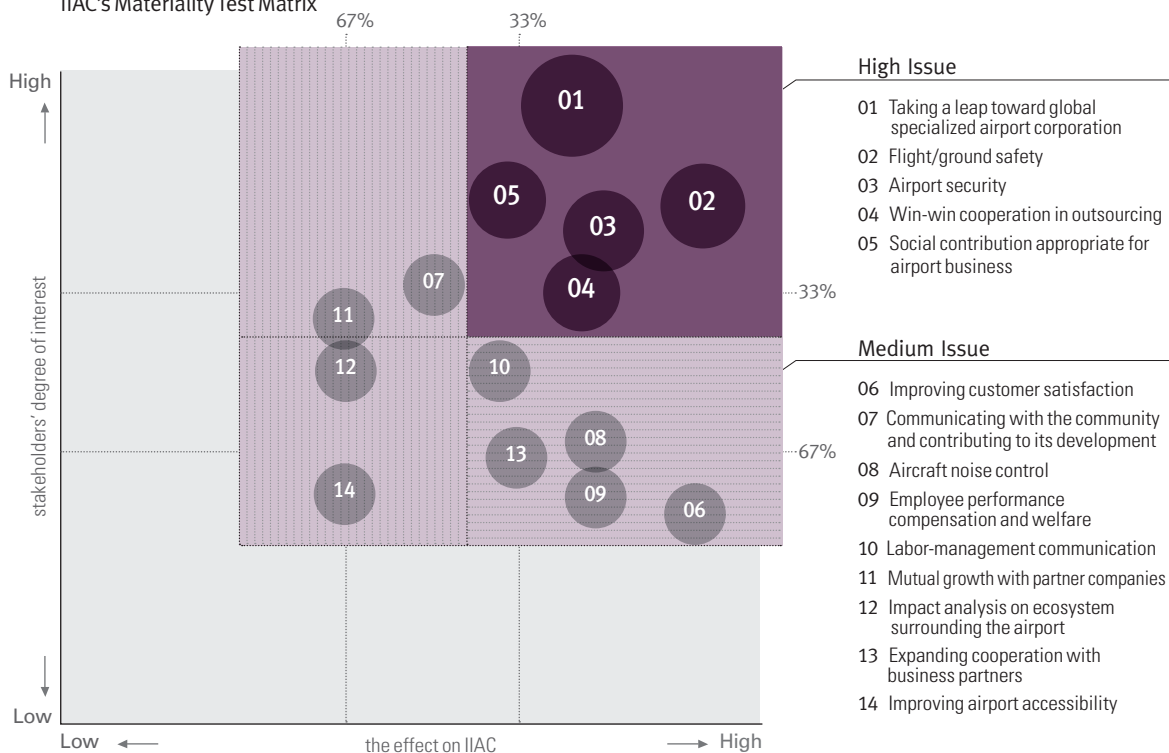
### Identifying Major Issues

Along with the 7 essential issues identified through the Materiality Test, three issues turned out to be most important among the 29 issues tested. They are; leaping forward as a global specialized airport corporation to lead the global airport industry (selling of shares/overseas business/high value logistics hub/ASQ award for 5 consecutive years); achievement and development in the win-win cooperation with our business partners; and airport security and safety. Details on these three main issues are described in the following pages.

### Materiality Test Process



### IIAC's Materiality Test Matrix



## 2009 Major Issues in Social Responsibility Management

# 01

Global Airport leader.

Creating the difference.

In 2009, IIAC's passenger transportation volume was 12th and cargo transportation 2nd, firming its position as the hub airport representing Asia. In particular, IIAC won the ASQ grand prize for 5 straight years, confirming once again its reputation as the leader in the airport industry. It is also exporting soft power and technology such as master plans and consulting to overseas, securing the fuel for future growth. IIAC is currently considering strategic sales of its shares to enhance competitiveness and brand value, and will continue its efforts to provide inspiration and value to its stakeholders.

2009 ASQ Survey

1<sup>st</sup>  
(4.99/5 points)

**1st Place in ASQ Survey for 5 Consecutive Years** IIAC won the 1st place from the ASQ(Airport Service Quality) survey for 5 consecutive years, which is known to be the Nobel Prize of the airport industry. The ASQ survey is conducted annually by ACI (Airports Council International) which is the association of 1,700 airports around the world. IIAC won all 4 awards in its class – “Best Airport Worldwide,” “Best Airport in Asia-Pacific,” “Best Airport: 25-40 million persons” and “ASQ Special Recognition Award”. As airport business is considered to be the priority industry in many countries, IIAC's winning for 5 consecutive years has earned the attention and praise both domestically and internationally, and contributed in elevating Korea's status in the world community.

**First Airport to Launch Overseas Business** IIAC has turned its technology and know-how accumulated during its 1st and 2nd phase airport construction into a knowledge commodity, and is utilizing it as the fuel for new business. Starting from the operation support project in February 2009 for the Erbil International Airport in Iraq (KRW 31.5 million, 31 personnel dispatched), IIAC signed a contract to draw up a master plan for the Khabarovsk Airport (KRW 1.2 million) in December of the same year, which proves IIAC's capacity as a specialized global airport corporation is recognized throughout the world. In the future, IIAC will expand its overseas business as a specialized airport corporation by diversifying its business portfolio that centered on consulting to share participation, operation consignment, and airport privatization.

International Air Cargo  
World 2nd Place

2,310 thousand tons

Transshipment Cargo  
World 2nd Place

1,090 thousand tons

**Building a High Value Logistics Hub** IIAC is actively striving to attract the cargo traffic and investment of global logistics companies. By improving the land-sea combined transportation system, IIAC secured 28,300 tons of cargo from Samsung Electronics Tianjin Branch, and created added value of 4,500 tons, or KRW 60 billion by attracting the distribution hub of global logistics corporations (DHL, Roche Diagnostics). In addition, IIAC built the basis for a global logistics network by adding 4 airlines including Great Wall Airlines of China and Japan Airlines (signing a 4,700 tons transportation contract), attracting World Dream Fish, who is an exporter of live fish, and AXitron, the world's no.1 LED company, and LAM Research, the top 5 semiconductor machinery supplier, and building an industrial cluster within the FTZ. IIAC also won the bid for the 2014 TIACA, which is considered “the logistics Olympics” for air cargo, where over 5,000 people from the world's airports, airlines, and logistics companies will attend. Hosting TIACA will help secure IIAC's brand as a Northeast Asian logistics hub, and will provide an opportunity to expand its airport logistics infrastructure and phase-2 airport logistics complex that will become the foothold for securing manufacturing logistics business.



**Enhancing Corporate Value through Shares Sale** IIAC is undergoing the sale of its shares to increase the corporate value and enhance its function as a hub. Listing on the stock exchange through IPO will reinforce market monitoring, transparency, autonomy, and responsibility. Strategic partnerships will create greater managerial accomplishments and efficient management system. Moreover, the public offering will enable the IIAC to share the management results with the people, and as the government retrieves part of its investment, some of the people's tax burden will be alleviated. In order to prevent a decline in service quality and infringement on publicity, strict regulatory basis will be secured for usage fees and service according to the aeronautics law. Every aspect will be thoroughly examined and contemplated to assure national interest and IIAC's development.

## 02

### Win-Win Cooperation with Partner Companies Based on Mutual Trust



Win-win cooperation based on trust is the foundation that enhances the competitive edge of the corporation and partner companies. IIAC pursues win-win partnership with its partner companies in all aspects of social responsibility management. We support partner companies' development through systematic win-win programs, and provide the best service to our stakeholders through value creation across all business sectors.

Successful Bidding  
 Rose to

87.75 %

Improved Welfare for Partner Company Employees

21 billion

**Win-Win Cooperation Strategy** IIAC strives for mutual growth with the partner companies through 3 main win-win strategies – "Forming a cooperative partnership," "Enhancing partner companies' competitiveness," and "Creating a sense of unity among the airport family."

**Win-Win Cooperation Program** Based on the three win-win strategies, IIAC implements detailed cooperation programs to reinforce cooperative partnerships. IIAC promotes partner company employees' morale and sense of unity through programs such as Business Partner Day, operating summer retreats, holiday gifts, and visits to overseas airports. IIAC also fosters competitiveness of its partner companies by enhancing profit sharing system, supporting ethical and awarding outstanding partner companies. IIAC also strives to heighten their sense of pride of working at the airport through solidarity enhancing programs such as "Conversation as One Family" and inviting the employees families to the airport.

**Win-Win Cooperation Performance** In 2009, IIAC realized employment stabilization through improving working conditions and systems of the partner companies, and set firm grounds for communication through various channels. Such stable airport operation achieved through win-win cooperation is what made winning the ASQ award for 5 consecutive years possible. IIAC is the target of benchmarking for its "Service Level Agreement" and successful implementation of profit sharing with the partner companies.

## 2009 Major Issues in Social Responsibility Management

# 03

## Safety & Security

### Non-Stop Operation

80k Hours

### Decrease in Ground Accidents

69%

(compared to previous year)

### Pilot Satisfaction

95%

(a 1.46% increase compared to previous year)

### Snow Clearing Time

29 min

(ICAO guideline 30 min.)

### Bird Strike Hazards

33% Decrease

(compared to the previous year)

Safety and security are the primary and foremost value and goal in airport operation. IIAC dutifully fulfills its role as the first gateway to Korea through the best flight safety system and security system, and top notch airport safety maintenance. IIAC is securing the basis of sustainable growth through close cooperation with various stakeholders to maintain the world-class safety and security system. In addition, the foreign exchange and overseas business based on IIAC's reputation in safety and security act as the engine leading the world's airport industry.

### Highest Level Flight Safety System

Through continued improvements to the airport safety control system and advancement of the flight safety system, the aviation safety facility has run uninterrupted for 80,000 hours, and no flight accidents have occurred during the past 9 years, boosting our reputation in flight safety. In addition, by enhancing the quality of self safety control activities and preparing for the future, our international reputation has gone further up, maximizing stability for airport operation. On top of improving systems and equipment needed in flight safety, we continue to improve the quality of safety control. IIAC conducts year-round satisfaction surveys on pilots who are the primary users of the aviation safety facility to listen to their opinions and identify points of improvement in the users' point of view. In December 2009, the first flight of the superjumbo airplane (A380) that flies to only 14 out of the 1,700 airports worldwide was a success, which contributed to boosting IIAC and Korea's status.

### Airport Safety Communication Channel

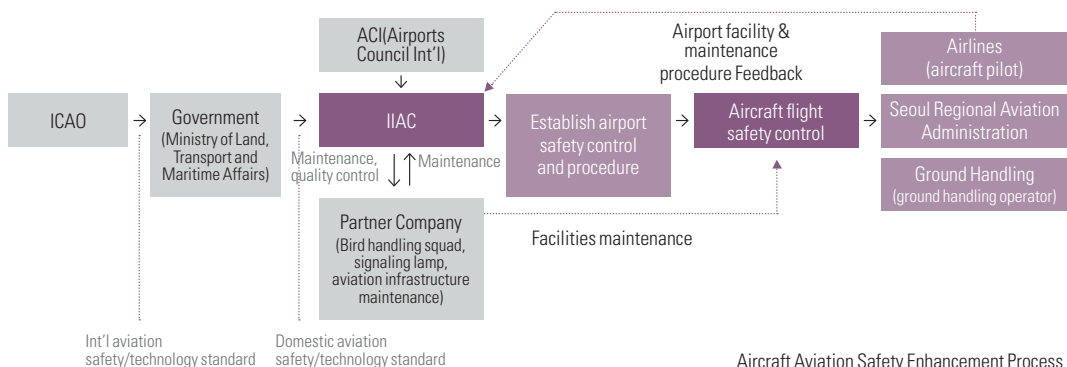
In response to ICAO recommendations, IIAC implemented the SMS (Safety Management System) in 2005 to systematically upgrade safety management, thereby raising operational safety levels. IIAC is expanding airport safety awareness through various channels such as operating 5 airport safety communities (which include SMS Working-level Committee and SMGCS (Surface Movement Guidance Control System) Committee), and an on-line safety-control community (Safety Plaza).

### Airport Movement Area Safety Control

The airport movement area consists of the runway for aircraft takeoff, landing and ground movement, the taxiway, and the apron for passenger boarding and cargo loading. In order to minimize safety risks in these areas where working vehicles and equipment are constantly on the move, IIAC is putting in efforts in many aspects including improving the self safety inspection program and systematic safety checkups.

### Preparing for Bad Weather and Preventing Bird Strike

IIAC strives to maximize airport safety by proactive measures against potential hazards such as icing of the runway and bird strikes. IIAC secured snow removal capacity that can tackle the worst snowstorm and clear the snow in 29 minutes for 9 consecutive years, which is quicker than the ICAO guideline. Even when the worst snowstorm since opening struck Incheon International Airport (23 cm), IIAC had Zero flight cancellations with its world-class snow removal capacity. In addition, IIAC signed an agreement with external bird experts and institutions to reinforce wild birds risk control activities. Through continued independent monitoring of their habitats, IIAC is seeking for the optimal way that the airport and birds can coexist.





**Disaster and Emergency Response** IIAC has an emergency response system to tackle human disasters such as aircraft accident, fire, and explosion to social disasters such as overseas epidemics and terrorist attacks. IIAC has secured emergency equipment and facilities, hospital connections for support & cooperation, and conducts joint exercises with the Incheon Fire & Safety Management Department. IIAC is also reinforcing the cooperative system for the “Safety Airport”, by strengthening its response system to prevent the spreading of epidemics, terrorism and strikes. The AED (Automated External Defibrillator) is installed in areas frequented by passengers in order to respond to medical emergencies. IIAC’s disaster control procedures have been set up into manuals including the standard operating procedures (SOP), emergency plan (AEP), disaster response manual, and operational contingency plan (OCP) to fit the airport’s business characteristics, centering on disaster control and aviation safety. Risk management committees tailored to the characteristics of each field, such as the Airport Safety Control Committee, Audit Committee, and Foreign Exchange Risk Management Committee are in operation to systematically respond and control risks.

**1<sup>st</sup> ASQ Security Evaluation**  
Place for 5 Consecutive Years

Security Accidents  
**Zero**

Security Processing Capacity  
**56,000**  
persons / day  
(124% increase compared to previous year)

**Top Notch Security Management** Since its opening the airport has continued to boast worldclass security management system under the motto “The Safest Airport in the World”. Zero accidents have occurred which won IIAC the 1st prize in the ASQ safety evaluation for 5 consecutive years. IIAC is strengthening the global network through domestic and international cooperation related to security, and is maximizing customer satisfaction by balancing security and customer service. IIAC plans to further enhance airport safety by introducing cutting edge security equipment, enhancing expertise of security personnel, implementing the on-line application system for access cards to restricted area, and establishing efficient security procedures.

**Advanced Security System** IIAC introduced the profiling technique to spot suspicious passengers as a way to advance its security system, and expanded and or replaced cutting edge equipment such as ETD(Explosives Trace Detector) and X-ray at the departure lounge, enhancing screening precision. In addition, by revising the regulations related to passenger screening including airport security execution plan and contingency plan, the screening efficiency has been improved. Thanks to such efforts security hazard items caught in 2009 increased 16.5% compared to the previous year, while maintaining the Zero Accident record as well.

\*Profiling technique: moving a step forward from searching everyone, only suspicious passengers (who are on Watch List, No-Fly List, or Selectee List) are selected based on passenger information for each airline and air route, which enhances precision, minimizes costs and improves customer satisfaction.

**Strengthening Security Expertise** IIAC conducts regular education to enhance the expertise of security personnel to maintain its world-class security level. IIAC plays a leading role in the advancement of the world’s aviation security through air security expositions and seminars held domestically and abroad to discuss changing security conditions.

**Full-Body Scanning Device** IIAC implemented 3 full-body scanning devices to ensure the safety of the passengers and the country. The full-body scanners are not for general passengers, but for reinforcing security screening on dangerous individuals related to terrorism, drugs and smuggling. Pregnant women, children/infants, patients, and disabled persons are not subject to full-body scans, and if a subject refuses to be scanned, he or she may choose the hand searching method. The AIT scanner installed at Incheon Airport cannot store data, and the face is blurred and thus unrecognizable, as are major bodily organs. In particular, the scanning area and the analyzing room are located far from each other so that employees cannot know who is being scanned. IIAC strives to protect passengers’ human rights as well as ensure airport safety through strict control and operation system, such as deploying searchers of the same gender as the subject being searched, and thorough education of the searching staff.

Contributing to society by generating solid profits is the reason for a corporation's existence, as well as its purpose and responsibility. In 2009, IIAC established the vision Global IIAC 2015 with the goal of becoming "The global specialized airport corporation that leads the world's airport industry," and is executing a new airport paradigm to this end. The economic accomplishments achieved through these activities are returned to the stakeholders including customers, local community, and employees.

# Economic Responsibility



# IIAC Overview and Operation Results

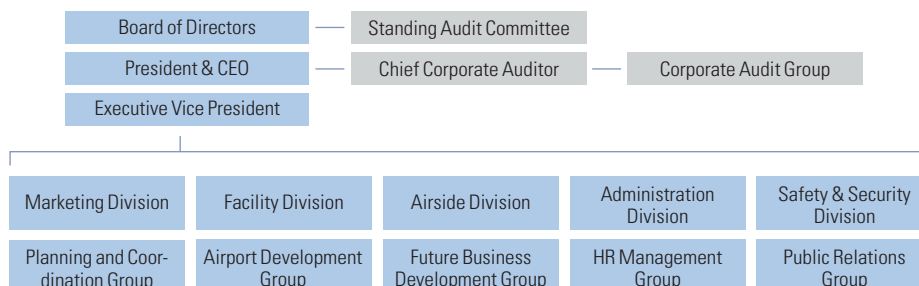
For 9 years since its opening on March 29, 2001, Incheon International Airport has continued to grow as the country's gateway and center of the economy representing Korea. In 2009 IIAC reached 12th in passenger transportation and 2nd in cargo traffic through innovation activities and efficient airport operation, rising as the top 5 hub airport representing the Northeast Asian region.

## Corporate Overview

[As of June 31st, 2010]

Company Name	Incheon International Airport Corporation	Facilities	Passenger terminal (1block) 496,000 m <sup>2</sup> Concourse 166,000m <sup>2</sup> , FTZ 2,706,000m <sup>2</sup> International Business Center 496,000 m <sup>2</sup> , 3 runways
Date of Establishment	Feb. 1st, 1999	Affiliated Companies	Incheon Airport Energy, Incheon International Airport Fuel Facility, Incheon United FC
Capital Stock	KRW 3,617.8 billion (wholly owned by government)	Location	2850 Unseo-dong, Jung-gu, Incheon, Republic of Korea
Total Asset	KRW 8,040.6 billion	Annual Capacity	410,000 flights/44 million passengers/4.5 million tons of cargo per annum
Net Income	KRW 266.8 billion		
Organization	3 divisions, 2 offices, 19 Groups, 76 Teams, 1 branch, and 867 employees		

## Organization



## Business Scope



### Specialized Business

#### Airport Operation

- Flight, terminal operation, security & safety, maintenance of facilities(indoor & outdoor)
- Income from airport operation: KRW 415.1 billion
- Source of income: airport revenue(landing fee, aircraft parking fee, apron usage fee) and facilities usage fees (passengers' airport usage fee, parking fee, boarding bridge usage fee, cargo handling facility usage fee)



#### Commercial Facilities and Logistics Complex Operation

- Concession business (duty free shops and businesses), Free Trade Zone operation, office lease
- Non-Aeronautical revenue : KRW 771.5 billion
- Source of income: land lease, building lease, check-in counter usage fee, commercial facilities usage fee, advertising fee



#### Airport Development

- Construction and development of facilities within the airport
- 3-Phase construction: IIAC plans to invest KRW 4,000 billion from 2009 to 2015
- Scope: Construction of passenger terminal No. 2, expansion of cargo terminal, aircraft apron, logistics complex, expansion of transportation facilities for airport access

### Strategic Business Air City Development

- Creating synergy centering on the airport by developing related facilities that will be completed by 2020, including shopping, retreat, tourism, entertainment, and convention facilities
- Business Summary: IBC-II(lot size 48.2 million m<sup>2</sup>, scale of KRW 8,000 billion) / IBC-I Phase 2(lot size 330,000 m<sup>2</sup>, scale of KRW 625.6 billion), Southside running basin(lot size 150,000 m<sup>2</sup>, scale of KRW 25.4 billion)
- Progress status: signed concession agreements for a five-star hotel at the international business district, and a motor park



#### Overseas Business

- Turning the world-class technology and know-how accumulated from airport construction and operation into a knowledge commodity to venture into overseas business
- Progress status: consulting service for Erbil International Airport in Iraq (KRW 31.5 million), master plan development for the modernization of Khabarovsk Airport in Russia (KRW 1.2 million)

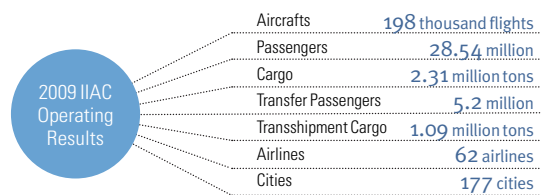


# Airport Operating Results

For 9 years since its opening, IIAC has never ceased to grow, leaving a significant mark in the world airport history. Despite the domestic and international economic crisis, IIAC actively attracted flights to the airport, and currently hosts 62 airlines servicing 177 cities, which is the largest number since its opening, and the connecting passengers exceeded 5 million, which was another first for IIAC.

## Airport Operation Results

The number of flights in 2009 was 198,000 with a daily average of 546. A total of 28.54 million passengers and 231 million tons of cargo passed through Incheon Airport. Thanks to IIAC's efforts to attract more flights, 62 airlines and 177 cities are connected to Incheon International Airport, the highest since its opening despite the global-scale economic recession. In particular, expanding transfer routes, and IIAC's aggressive marketing of its merits as a transfer point led to bringing in 5.2 million connecting passengers despite a decrease in direct flights, which is a 17.6% increase. It was the first time for Incheon International Airport to exceed 5 million passengers. Transshipment cargo recorded 1.09 million tons, firming its status as the hub airport in the Northeast Asian region.



**Flight Operations** | The number flights out of Incheon International Airport in 2009 were 198,918, which is a slight decrease by 5.8% over the previous year. This was due to economic recession and rapid rise of the exchange rate and oil prices, which led to a decrease in flights. However, the economy recovered in the latter half of the year, and with IIAC's efforts, about Delta Airlines added new flights, low-cost carriers were attracted, and the first flight of the A380 of Emirates Airlines, which slowed the decrease rate. (5.8% decrease in 2009, and 0.1% decrease in 2008. Delta Airlines' new flight route was confirmed in 2009 and started service in 2010.)

**Passenger Traffic** | A total of 28,549,770 passengers passed through Incheon International Airport in 2009, which is a slight decrease by 4.8% compared to the previous year. This was due to complex reasons including global economic recession, downfall in consumer confidence, and the swine flu. This decreasing trend continued throughout the first half of the year, but with signs of economic recovery and slowing of the outbreak, tourists began to increase and by the third quarter the number of passengers returned to plus growth compared to the same period of the previous year. Notably, the reason that IIAC was able to record an 18.5% increase and 5.2 million transfer passengers (17.6% increase over previous year) was due to its consistent efforts including hub-building strategy, developing new connection routes, promoting the IIAC's merits as transfer airport, and connecting Fam tours.

**Cargo Volume** | Due to the shrinking economy cargo transportation was on the decline in the first half of 2009 but bounced back in the latter half, recording 2,313 thousand tons, a slight decrease of 4.6% over the previous year. In the fourth quarter in particular, as demand in industrialized countries for IT and metal products recovered; LED TV was added to the list of air cargo; and exports led by developing countries such as China increased, the cargo volume increased by 20.3% compared to the same period of the previous year. In the case of transshipment cargo, due to the growth of direct freight owing to Korea's large exports increase, it recorded a relatively low volume of 1,091k tons. This is a decrease by 8.6% over the previous year. However, IIAC is still the hub airport with the highest transshipment volume among its Northeast Asian competitors.

## Number of Flights

Day: 04:00~20:00 16 hr			
	2007	2008	2009
Passengers	161,665	164,037	157,887
Cargo	23,656	22,181	16,321
Others	1,346	1,171	1,402
Total	186,664	187,389	178,610

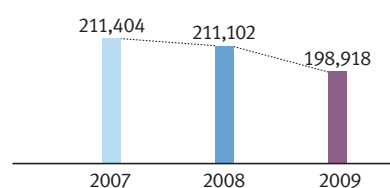
Night: 20:00~04:00, 8hr			
	2007	2008	2009
Passengers	14,783	13,482	11,390
Cargo	11,303	11,402	10,320
Others	373	279	268
Total	26,459	25,163	21,978

\*Others: Flights for the purpose of research, academics, aerial photographs, military, construction, etc.

\*Total number of flights excepting others: 198,918 flights

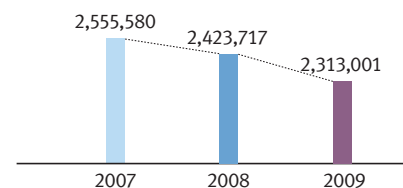
## Aircraft Movement

| Unit: no. of flights |



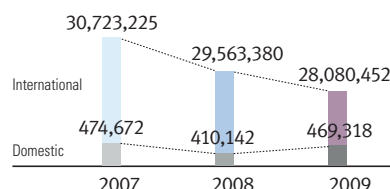
## Cargo

| Unit: tons |



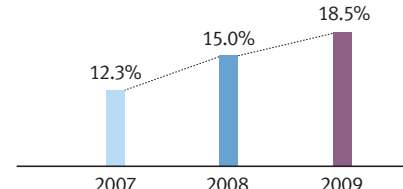
## Passenger

| Unit: persons |



## Transfer

| Unit: % |



## Operating Results

In 2009, despite decreased flight income due to various elements, IIAC recorded the highest net income ever at KRW 266.8 billion thanks to non-flight income, staying in the black for 6 consecutive years. IIAC has recorded stable financial performance, with an average net income of KRW 150 billion since 2004.

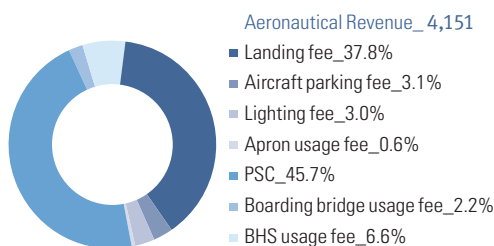
### Operation Analysis

IIAC has made a profit for 6 consecutive years in spite of global economic recession and the swine flu outbreak, proving its tenacity in difficult circumstances. Owing to a boost in non-flight income, sales volume in the 2009 fiscal year was KRW 1,186.6 billion with a net income of KRW 266.8 billion.

IIAC's assets decreased by 21% at KRW 8,040.6 billion, while capital stock increased 6.0% at KRW 4,348.9 billion. Despite the Phase-2 construction and operation that cost KRW 3 trillion, the debt ratio was decreased by KRW 1,014.9 billion to 85%, maintaining its financial soundness.

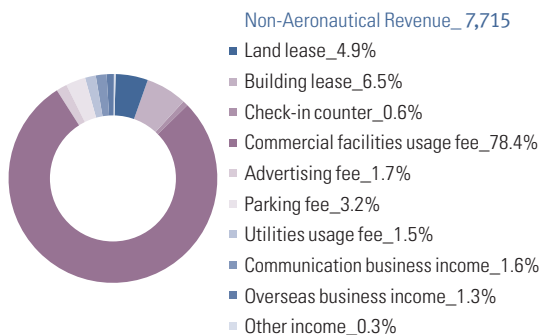
#### 2009 Aeronautical Revenue

[Unit: KRW 100 million]



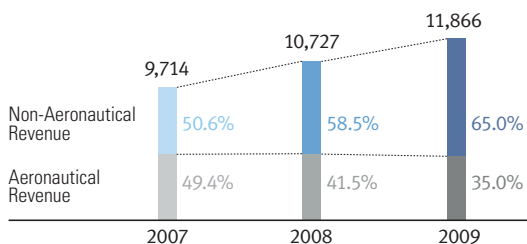
#### 2009 Non-Aeronautical Revenue

[Unit: KRW 100 million]



#### IIAC's Income Structure

[Unit: KRW 100 million]



#### Summarized Financial Statement

[Unit: KRW 100 million]

	2007	2008	2009	2010.06
<b>Sales Figure</b>				
Revenue	9,714	10,727	11,866	6,248
Gross Profit	5,345	4,924	5,226	-
Operating Profit	4,606	4,038	4,379	2,730
Net Income	2,017	1,534	2,668	1,689
EBITDA	6,438	6,464	7,296	-
<b>Financial Status</b>				
Current Assets	1,128	1,227	1,943	2,101
Non-Current Assets	77,548	80,873	78,463	77,942
Total Assets	78,675	82,100	80,406	80,043
Current Liabilities	10,817	8,522	12,895	8,551
Non-current Liabilities	28,586	32,577	24,002	26,826
Total Liabilities	39,402	41,099	36,917	35,377
Total Stockholders' Equity	39,273	41,001	43,489	44,666

#### Stability, Profitability, and Growth Index

[Unit: %]

	2007	2008	2009	2010.06
<b>Stability Index</b>				
Debt ratio	100.3	100.2	84.9	79.2
Interest coverage ratio	10.4	14.4	15.1	24.6
Proportion of total revenue supplied by leveraged loan	38.6	35.4	33.8	-
Interest coverage ratio	2.74	2.73	3.56	5.09
<b>Profitability Index</b>				
Ratio of operating profit to net sales	47.4	37.6	36.9	43.7
Ratio of net profit to net sales	21.3	14.3	22.5	27.0
Return on net asset	2.6	1.9	3.3	2.1
Taxed net profits ratio of net worth	5.3	3.7	6.1	3.8
<b>Growth Index</b>				
Net sales growth rate	11.0	10.4	10.6	7.1
Operating profit growth rate	13.3	▲12.3	8.4	22.2
Net income growth rate for the year	42.7	▲25.9	74.0	40.8
Total asset growth rate	6.9	4.4	▲2.1	▲0.5

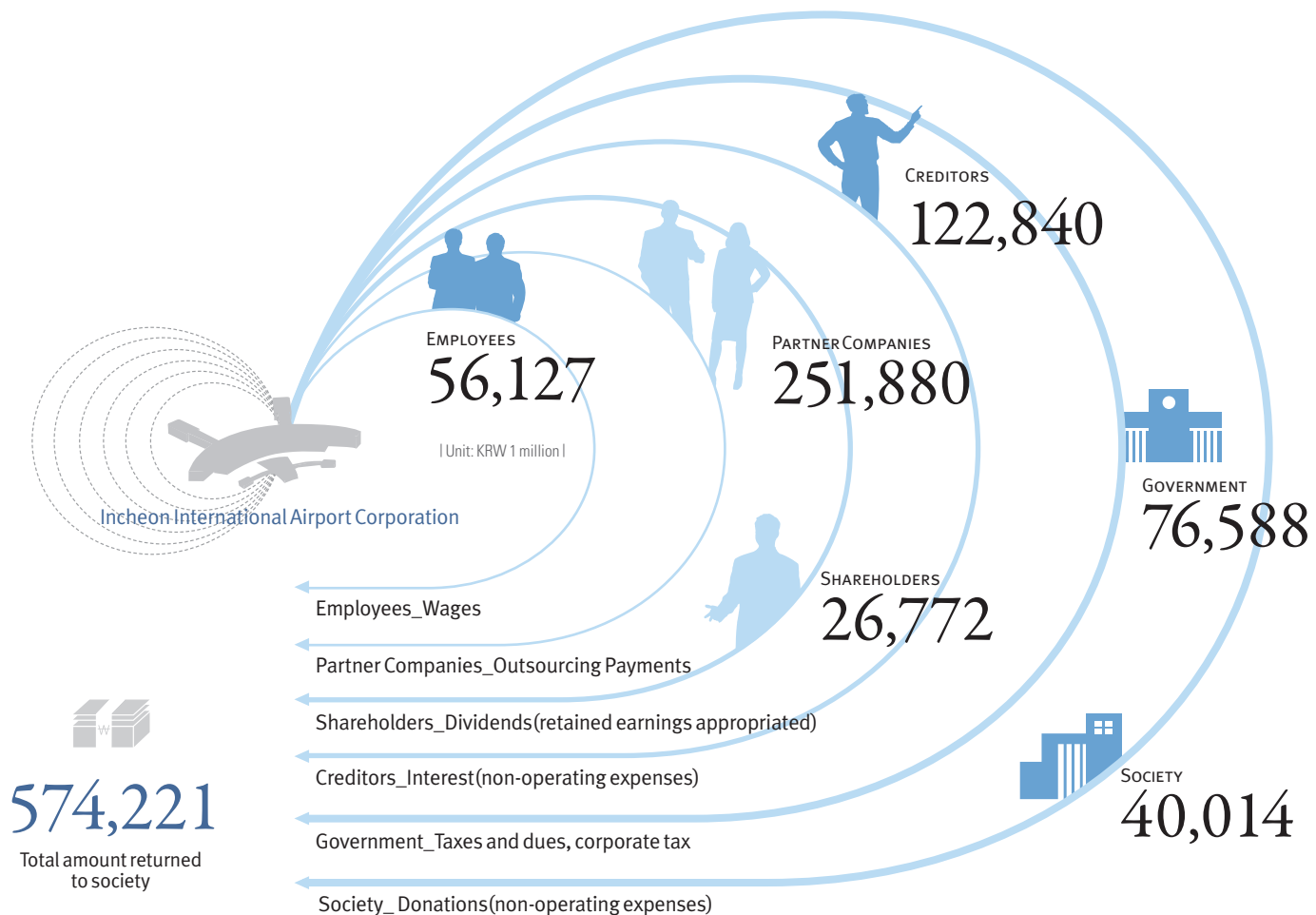
## Returning the Fruits of Operations

IIAC has been able to maintain sustainable growth and remain profitable through continued efforts in management innovation and enhancing competitiveness, and shares the fruits of these achievements with various stakeholders. It fulfills its social responsibility as a public corporation through systematic distribution of economic value to its employees, government and local community.

### Returning the Fruits of Operations

IIAC has continued to expand revenues and make profits owing to its efforts to enhance competitiveness and cultivating growth engines. IIAC is well aware that such success was possible only with the cooperation of the stakeholders, and shares the

economic value with stakeholders through various projects and activities. In 2009, the total value returned to the employees, shareholders, creditors, government, business partners, and the society amounted to KRW 574.2 billion, which is equivalent to 48.4% of total sales of KRW 1,186.5 billion.



**Shareholders and Investors** | The economic value distributed to shareholders and investors is the sum of interest costs and dividends. IIAC is wholly owned by the government.

**Employees** | Wages and welfare costs are the economic value returned to the employees who are IIAC's internal customers, and includes salaries, allowances, severance pay and benefits.

**Government** | The economic value returned to the government consists of taxes and dues and corporate tax. Tax amounts surged in 2008 due to the Phase-2 construction, but in 2009 the corporate tax was reduced by 55% compared to 2008.

**Partner Companies** | Airport operation is a labor intensive process industry. IIAC creates world's top class service with 6,000 personnel, 43 partner companies, in 3 sectors (airport operation, facilities maintenance, and communication). The economic value distributed to them in 2009 was approximately KRW 251.9 billion.

**Local Community** | This refers to Donations including social contribution funds to the local community. With the belief that a company can grow through the growth of the community, IIAC plans to continue investments in this field, and the investments made in 2009 amounted to KRW 40 billion.

## Direct Economic Influence

- 1) Personnel expenses: Wages + allowance + sundry payments + severance pay + benefits
- 2) Partner companies – Outsourcing: airport operation is a labor intensive business, and the IIAC provides over 6,000 jobs (total airport workers are 35,000)
- 3) 2009 Donations: Donated KRW38.7 billion to Incheon Haneul Education Foundation (founded the Incheon Haneul High School, an autonomous private high school to nurture local talents and improve domiciliation conditions)

## Return of Economic Value to Each Stakeholder

[Unit: KRW 1 million]

	2007	2008	2009	2010.06
Economic value created through business activities				
Sales	971,366	1,072,671	1,186,560	624,818
Non-operating income	32,454	298,776	135,996	52,897
Total (A)	1,003,820	1,371,447	1,322,556	677,715
Amount Returned to Stakeholder				
Employees – Personnel expenses <sup>1)</sup>	54,635	56,102	56,127	24,405
Partner companies – Outsourcing costs <sup>2)</sup>	167,184	235,720	251,880	267,700
Shareholders – Dividends (retained earnings appropriated)	-	36,239	26,772	48,019
Creditors – Interest (non-operating expenses)	68,397	147,885	122,840	132,075
Government - Taxes and dues, corporate tax	91,089	171,172	76,588	62,332
Society – Donations (non-operating expenses)	1,142	3,121	<sup>3)</sup> 40,014	2,887
Total (B)	382,447	650,239	574,221	537,418

## Indirect Economic Influence

### Reducing Airport Usage Fee through Diversifying Profitable Businesses

IIAC's basic airport usage fee is lower than those of other international competitors. This lowers the burden for companies that export through the airport as well as the passengers, contributing to the national competitiveness. Maximizing indirect profits through land development fundamentally lowers the service charge, freezing the fees paid by airport users and aircraft landing fee. IIAC will continue to lower the relative burden of public service fees through diversifying and developing its business.

### Investments in Cutting Edge Technology

IIAC has been implementing the u-Airport project from 2005 to 2010, investing KRW 100 billion in IT and BT technologies. Simplified and automated immigration processing through mobile check-in service, self check-in service, u-Immigration(automated immigration) system, and u-Cyber terminal will enhance customer convenience, and IIAC plans to continue to expand investments in this area.



### Economic Effects of the Concession Business

The annual sales of tenant companies in Incheon International Airport which include duty free shops, cafeterias, specialized shops, convenient stores, and hotels have exceeded KRW 1 trillion won in 2007, which continues to grow by 15% every year. IIAC created the world's first airport duty free brand "Airstar Avenue," conducted joint marketing, increased operation efficiency of commercial facilities, and reduced immigration processing time to provide marketing support.

### Government Support Business

IIAC is a public company wholly owned by the Korean government, and received 3~5% tax credits for operation costs through

investments in productivity enhancement facility and energy saving facility. IIAC also received grants to help with the investment in environment-friendly bus and vehicle operation, and Incheon Airport connection tours. In particular, through expanding the eco-friendly lightweight ULD that have the IIAC Green Cargo Hub logo, airlines were able to save 61,200l of fuel per aircraft, saving KRW 250 million. IIAC and Incheon gained a brand exposure of 18,900 times in airports all over the world.

### Supporting Stable Operation of Tenant Companies

As a means of participating in the efforts to overcome the economic crisis of 2009, IIAC supported partner companies in their stable operations.

- **Airlines** Reduced landing fee(10%), rent(20%), screening fee for connecting flights(60%)
- **Logistics companies** Exempted up to 21% of land rental fee, and 50% of parking fee
- **Tenant companies** Reduced operation fee(10%), and changed paying method(upfront → deferred payment)

### Creating Jobs

IIAC provides jobs for 35,000 employees working in over 570 companies. From information receptionists and janitors to airport fire department workers, wild animal control personnel, and facilities maintenance crew, IIAC's partner companies alone offer 6,000 jobs. In addition, IIAC utilized the non-operating internal funds to create 10,700 jobs for the underprivileged, and strives to meet its social obligation by recruiting young interns.

Incheon International Airport Corporation believes that creating a world where human and nature flourish together is the foremost value for the future generations. In April 2009, IIAC established the “Green Growth Strategy” based on the vision of building “The World’s Best Green Airport,” taking part in the country’s vision of realizing green growth. From minimizing environmental impact to saving energy and using energy more efficiently to lower the global temperature, IIAC – who builds bike roads, creates lush forests and plants the hope for a green Earth - will take one step ahead in realizing the dream of an environment-friendly, green airport.

# Environmental Responsibility

## Aircraft Noise

**1.4%~5.3%**

The aircraft noise in the vicinity of Incheon International Airport in 2009 was maintained below legal requirements. The measurements at the designated locations recorded 42.2~71.2 WECPNL. In particular, the noise sensitive areas of Jangbong-dong, Jangbong(Ong-am) and Modo showed a decrease in noise levels by 1.4%~5.3% compared to 2008.

## Eco-System

IIAC performs maritime and land ecosystem research 4 times each year, and the research results are used for the preservation of the ecosystems.



## Energy Saving

**17%** decrease  
**4,525** toe decrease

The energy used at the passenger terminals and airport operation facilities in 2008 was 65,111 TOE, which decreased to 60,586 TOE in 2009. The basic unit TOE against revenues was 0.05 TOE in 2009, which is a 17% decrease over the previous year.

## Energy Efficiency



In 2009, all the incandescent lights within the airport have been replaced with high efficiency lights (LED lamps with built-in stabilizers). IIAC will continue changing to high-efficiency lamps, replacing more than 30% of all its lamps to LED by 2012.

## Issue

Aircraft noise control  
Ecological impact assessment in the area surrounding the airport  
Airport carbon emission abatement and enhancement of energy efficiency

## Management Approach

Established eco-friendly airport operations system  
Established green growth strategies

## CO<sub>2</sub> Greenhouse Gas

**15%** decrease  
**6,779** tCO<sub>2</sub> decrease

IIAC's total GHG emission in 2009 was 127,239 tCO<sub>2</sub>, which is a decrease by 6,779 tCO<sub>2</sub> over the previous year, and the basic unit tCO<sub>2</sub> emission against revenues was 0.11 tCO<sub>2</sub>, which is a decrease by 15%. Most of the greenhouse gases generated from airport operations come from energy usage. By setting up the GHG inventory in 2009, IIAC is systematically gathering emission data and emission potential to set and meet reduction goals.

## Carbon Neutralization **4.3%**

IIAC began participating in the carbon neutralization program since 2009. Among the greenhouse gas emitted at the gray water treatment facilities energy usage, 4.3% is offset by IIAC's investment in renewable energy.



## Recycling of Gray Water

**59%** recycled  
**1.71** million tons

For the efficient treatment of the wastewater produced from airport operations, IIAC completed expanding the gray water treatment capacity from 20,000 tons to 30,000 tons in 2009. Approximately 59% of the wastewater generated at the airport facilities is recycled to be used for gardening, toilets, and cooling.

## World Peace Forest

**58,337** m<sup>2</sup>

IIAC completed the Phase-1 construction of the World Peace Forest, creating a forest area in an area of 58,337 m<sup>2</sup>. IIAC seeks to practice carbon neutrality while providing an eco-friendly environment to the local residents by planting trees in the vicinity of the airport.

## Indoor Air **21.09** μg/m<sup>3</sup>

IIAC maintains excellent indoor air quality at 21.8 μg/m<sup>3</sup>, which far exceeds the legal fine dust density regulation (150 μg/m<sup>3</sup>).

## Recycling of Wastes

**50.8%** recycled  
**45%** incinerated **4.2%** to landfill

The total volume of waste generated at the IIAC during 2009 was 14,253.8 tons, and 7,237.25 tons were recycled. Among the total waste produced, 50.8% was recycled, 45% incinerated, and 4.2% went to landfill.

## Air Quality Measuring Station

IIAC performs 24 hour monitoring on air quality through various means, from the air quality measuring stations in 3 locations, as well the moving environment monitoring vehicle and ex post facto surveys.



## Renewable Energy

**83** reducing effect ton CO<sub>2</sub>  
**195** mwh power supply

In 2009 IIAC constructed a case model district for renewable energy within the gray water treatment site. A solar(100kW) and wind(50kW) power plants were built, as well as 42 hybrid street lamps at the airport entryway and other locations. As a result, 195MWh can be supplied to the gray water treatment facility annually, which is equivalent to approximately 83 tons of GHG reduction.

- 1 Human Resources Development Center: 10kW solar energy
- 2 Renewable energy case model district: 100kW solar energy 5 wind power plants(10kW), 42 hybrid street lamps
- 3 Flying to the Future: 10kW solar energy
- 4 International Postal Logistics Center: 100kW solar energy
- 5 Free Trade Zone: 15kW solar energy Sunlight 254Gcal, geothermal energy 61Gcal

## Environment-friendly Transportation

**18.4** km

As part of building an environment-friendly transportation system and to foster biking, IIAC completed the bike road in December 2009 between the airport and the new town. IIAC also introduced 21 eco-friendly vehicles for test running, and plans to install more of them in the future.

## Maglev Vehicle

IIAC is currently constructing the case model route for the magnetic levitation (maglev) vehicle which is expected to be completed by 2013. The route will be 6.1km in length, connecting the Transportation Center, IBC, Waterpark, and Yongyu Station.

## Reservoir Sluice Gate

These are the sluice gates that control the water flow of the running basin, located at the north, south, and east of the airport.

# Eco-Friendly Airport Operation

The IIAC endeavors to fulfill its social obligation as an environment-friendly corporation by realizing an eco-friendly, green airport. The environmental management strategy was established based on IIAC's "Vision 2015," and for the active implementation of these strategies, we provide training and education not only to our employees but all the stakeholders including partner companies, construction supervisors and contractors.

## Environmental Management Organization

For an integrated and systematic management of environment-related matters, IIAC operates an environmental management organization comprised of employees dedicated solely to this purpose. Three internal organizations – Environmental Management Team that controls the environmental impacts of airport operations, Energy Management Team for efficient energy management, and Plant Facilities Team that oversees the water treatment and resources recovery facilities – are staffed with specialists for effective environmental management activities. We have commissioned environmental monitoring, graywater treatment and the maintenance of resources recovery facilities to specialized partners for a more expert and eco-friendly operation.

## Environmental Management System

The IIAC undergoes regular environmental auditing according to ISO 14001 standards while strengthening its environmental management capacities through diverse environmental management systems that include environmental check and inspection, education, and environmental impact surveys. Environmental guidance and inspection are divided into three main categories – internal evaluation, routine/special inspection, and environmental impact assessment. During inspection, suggestions and opinions are embraced through active communication with on-site personnel. Education is provided regularly on

model cases that call for sharing and environmental regulations required at the field, heightening environment awareness in all employees and business partners. In particular, after being the first airport in the world to obtain the ISO 14001 certificate in 1998 for airport construction and in 2002 for airport operations, the IIAC continues its efforts to improve its environmental management system through annual reviews by a certificate body on its environmental management system status such as compliance with regulations and pollution prevention. Aside from verification by outside institutions, IIAC ensures that environmental management strategies are properly implemented and the environment is actually improved by repeating the PDCA(Plan-Do-Check-Act) Cycle, so that environmental impacts subsequent to various business activities will be kept to a minimum.

## Environmental Monitoring and Risk Management System

The Environmental Monitoring Center continually monitors the environmental impact of running an airport. The Center has a 24-hour monitoring system for water, air and noise pollution, and the atmospheric measurements for the movement area and environmental monitoring for the civil complaint area are means to preserve the ecosystem of the area surrounding the airport. IIAC is enhancing its capacities in preventing and responding to environmental accidents by establishing a phased response mechanism. For an efficient response to environmental pollution accidents, we have set up a response process according to the type and scale of the accident. For minor incidents in particular, when an accident occurs the Disaster Center (Daytime: Product Environment Team; Nighttime: Airport Operation Center) files the details, then provides the business where the accident occurred with disaster prevention materials to take appropriate measures, then wraps up the situation.

## Environmental Expenses and Investments

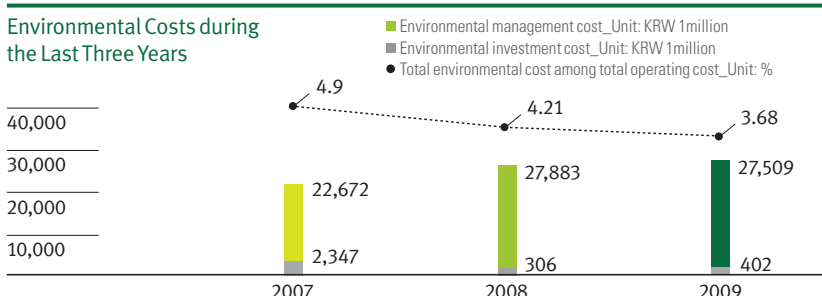
In 2009, the IIAC invested KRW 27.509 billion, constituting 3.68% of total operating expenses, to maximize efficiency in

## Eco-friendly Airport Operation Strategy



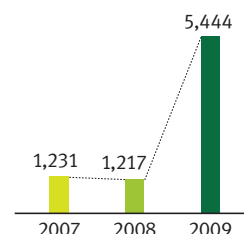
\*This is the "Operation Strategy" diagram in "Global IIAC 2015" - the vision established by the Incheon International Airport Corporation – in the section relating to eco-friendly operation of the airport.

## Environmental Costs during the Last Three Years



## De-icing

[Unit:ton]



Installation of De-icing pad & waste-Water Treatment\_ With the purpose of minimizing environmental impacts caused by de-icing, De-icing pads have been installed in 8 locations including south of the passenger terminal and north of the hangar. De-icing fluid waste is collected in a storage tank and consigned to a special treatment company.

IIAC is dedicated to minimizing the impacts of airport operation on the environment. We continue to invest in optimal environmental facilities such as water treatment, waste disposal and air pollution prevention facilities, as well as reducing environmental impact in all aspects by efficient energy use.

environmental management. Environmental outlays are divided into two categories: environmental implementation expenses and environmental expenses. The former includes the cost of services, waste disposal, and monitoring & analysis, while the latter consists of purchases of measurement devices and funding for environmental improvement projects.

### Water Pollution Prevention and Reuse

For the efficient treatment of wastewater generated from airport operation, IIAC operates a graywater treatment facility and wastewater treatment facilities per installation. The graywater treatment facility enables approximately 59% of wastewater generated from the airport facilities and aircraft to be reused for gardening, toilets, and cooling. Initial rainfall runoff treatment facilities installed at five locations minimize the oil washed away by rain.

### Efficient Water Usage

The water used by IIAC in 2009 was 3,355,000 tons, a decrease by 7.5% compared to that of 2008. The water usage amount is a total of water used at the passenger terminal, transportation center, IIAC office building, and others.

### Air Pollution Control & Improvement of Indoor Air Quality

IIAC's standards for potential air pollutants are much stricter than legal requirements, with a view to maintaining a clean and pleasant surrounding by thorough air pollution monitoring and control. Atmosphere measuring posts placed in three locations including the airport town are on 24-hour monitoring, and we conduct exhaust gas inspection on airport vehicles as well as campaigns to reduce exhaust emissions. IIAC's surveys show that the air quality in the vicinity of the airport is good. In particular, IIAC reinforced indoor air quality monitoring by operating an air purifying facility at the passenger terminal and controlling fine dust, which has enabled continued improvement of air quality. Thanks to IIAC's efforts to improve indoor air quality of the passenger terminal, surveys done by the Ministry of Land, Transport and Maritime Affairs in 2009 showed that IIAC had the best air quality among the 15 passenger terminals. The air quality at our passenger terminal was 21.8  $\mu\text{g}/\text{m}^3$ , much lower than the legal standard (159  $\mu\text{g}/\text{m}^3$ ) set by the Indoor Air Quality Control In Public Use Facilities, etc. Act.

### Reducing Waste & Recycling

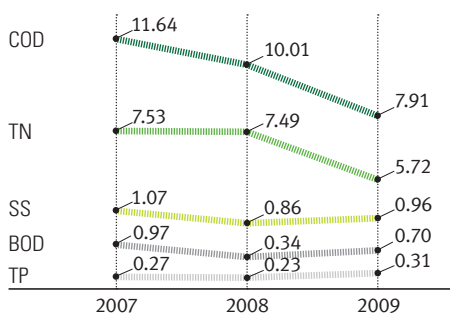
The total waste produced at IIAC in 2009 was 14,253.8 tons, among which 7,237.25 tons were recycled. Among the waste produced, 50.8% went to recycling, 45% to incineration, and 4.2% to landfill. The IIAC set up a resources cycling system comprised of a recycling center and resource recovery facility (incineration facility). In 2009, a total of 15,143 tons of combustible waste was incinerated at the resource recovery facility, which is about 0.9% drop compared to the previous year.

### Aircraft Noise Control

The noise generated around the airport directly affects the community. IIAC continues its efforts to analyze aircraft noise and come up with various measures, as well as cooperating with the airlines in order to minimize the effect of aircraft noise on the lives of the people of the community. IIAC employs the noise abatement departure procedure (NADP) 1, and 2 to decrease the noise level, and has established a procedure for aircrafts that don't pass above residential areas at nighttime. In addition, IIAC conducts various noise abatement activities for the local community, maintaining the noise level of the vicinity below legal requirements, and seeks the community's understanding through aircraft noise impact analysis and briefing sessions.

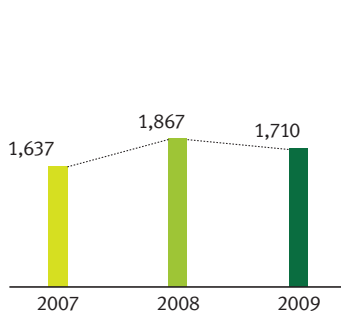
### Water Pollutant Discharge Amount

[Unit: g/KRW 1million]



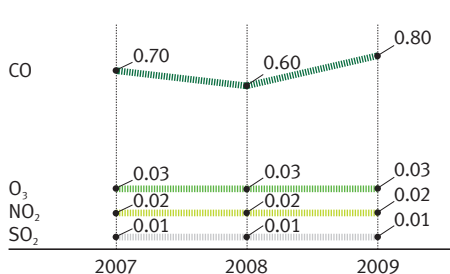
### IIAC Water Recycling Volume

[Unit: 1,000 tons]



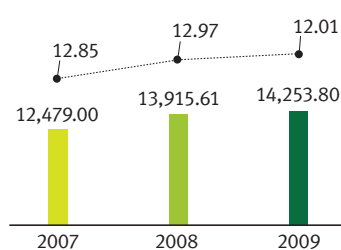
### Air Pollutants

[Unit:  $\mu\text{g}/\text{m}^3$ ]



### Waste Generation

■ Unit: KRW 1million ● Generated Waste\_Unit: tons



# Green Growth Strategy

Climate change is currently the major global environmental issue. As a specialized global airport corporation, IIAC is keenly aware of this, and established a green growth strategy to mitigate greenhouse gas emissions and improve energy efficiency, with a vision to become "The World's Best Green Airport."

## Internal and External Green Growth Cooperative System

While aware of our responsibility as a global corporate citizen, we see low-carbon, green growth paradigm as an opportunity as well. For an effective response, we established an internal and external green growth cooperative system in order to take the initiative as the leading low-carbon, specialized airport corporation.

**MOU for Low-carbon, Green Growth** | In April 2009, IIAC signed an MOU with KEMCO(Korea Energy Management Corp.) to establish the foundation and support system for low-carbon, green growth.

**Voluntary Agreement** | Since 2004, IIAC signed the Voluntary Agreement with the government, actively participating in reducing greenhouse gas emissions.

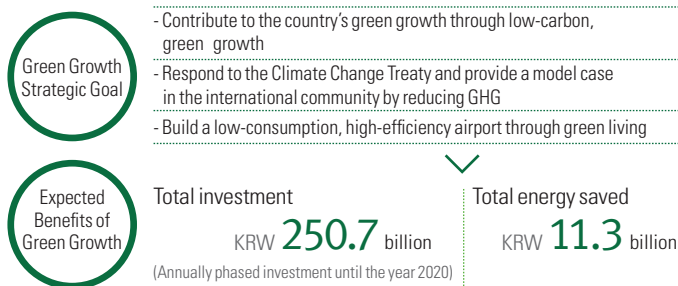
**IIAC Selected as Case Model for the Building Energy & GHG Reduction Target Program** | IIAC has been selected as the case model for the Building Energy & GHG Reduction Target Program, signing an agreement with the government on April 14, 2010 that states the resolution for energy reduction. In July 9th, the reduction target was set, and we are currently undergoing various activities to effectively meet the goal.

## Energy Efficiency and Self-Reliance

**Reducing Energy Consumption** | In response to climate change and to achieve an environment-friendly, green airport, we are undertaking various campaigns for the reduction and efficient use of energy. As a result the energy used in the terminal and airport facilities decreased from 65,111 TOE in 2008 to 60,586 TOE in 2009, and thanks to energy saving projects and implementing high efficiency lighting the basic unit TOE against revenues was 0.06 TOE in 2008 and 0.05 TOE in 2009, which is a 17% decrease. IIAC will continue its efforts to reduce energy usage through campaigns to save energy and improve efficiency.

**Improving Energy Facilities** | Through facilities improvement and efficient operation of existing systems, IIAC seeks to reduce energy use and improve energy efficiency to stay in pace with the age of low-carbon, green growth. In 2009, all the incandescent lights within the airport have been replaced with high efficiency lights (LED lamps with built-in stabilizers). IIAC will continue its efforts to mitigate GHG emissions by saving electrical energy, replacing more than 30% of all its lamps to LED by 2012.

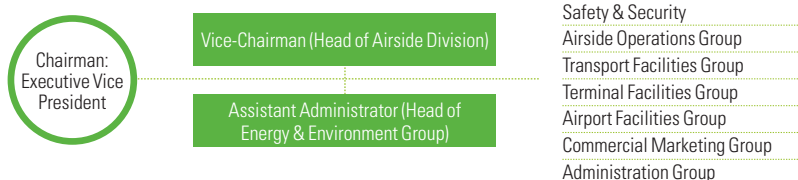
**Energy Saving in Everyday Activities** | In line with the government's low-carbon, green growth policy and in order to expand a corporate-wide green living atmosphere, IIAC conducts a variety of energy saving campaigns with the employees and business partners. We conduct employee education on energy saving, as well as an array of programs to strengthen their capacities to respond to climate change issues. We are improving energy efficiency by cooperating with our partners in practicing energy saving in everyday activities, and at the end of the year we award partner companies and employees for outstanding energy saving achievements to encourage their voluntary participation. We will help IIAC employees and partner companies



## Green Growth Strategy Roadmap



## Green Growth Council



to further broaden their energy saving habits in everyday activities by implementing different campaigns during the summer and winter seasons.

#### Introducing Renewable Energy for Energy Self-Reliance |

In 2009 IIAC constructed a case model district for renewable energy as a precursor to expanding the use of renewable energy. These are: the solar(100KW) and wind(10KW, 5 units) generation facilities within the graywater treatment site at the international business district, 42 hybrid street lamps at the airport entryway and other locations. Now, 195MKWh can be supplied to the graywater treatment facility annually, which is equivalent to approximately 83 tons of GHG reduction. IIAC plans to invest 5% of the total construction budget of the 3-phase expansion to renewable energy facilities, with the goal of reaching 10% energy self-reliance until 2020.

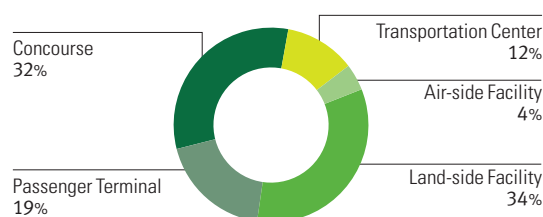
#### Efforts for Carbon Emission Reduction

As part of its initiative against national environmental issues, IIAC is putting in enterprise-wide efforts to building a carbon neutral airport. IIAC undertakes various activities to reduce GHG including participating in the carbon neutral program and setting up greenhouse gas inventory.

**Greenhouse Gas Inventory |** We have built a greenhouse gas inventory summing up direct and indirect GHG emissions at the airport according to international standards. In November 2009, we acquired third party verification on emission statistics control and emission volume from KEMCO (GHG Certification Office), securing objectivity and reliability of the inventory.

GHG Emissions  
**127,239** tCO<sub>2</sub>  
(6,779 tCO<sub>2</sub> decrease over previous year)

#### GHG Emission by Airport Facility



#### Accomplishments in IIAC's Efforts to Mitigate GHG Emissions

Classification	Reduction Area	No. of Cases	Investment (KRW 1 million)	Reduction Volume (tCO <sub>2</sub> )	Reduction Amount (KRW 1 million)
Facility Improvement (22 improvements)	Electricity	22	633	468	345
Operational Improvement (20 improvements)	Electricity	17	0	2,516	1,364
	Medium Temperature	2	-	3,863	3,238
	Water Fuel(CNG)	1	-	40	25
Subtotal		20	-	6,419	4,627
Total		42	633	6,887	4,972

**Participating in Carbon Neutrality Program |** IIAC began participating in the carbon neutrality program since 2009. CO<sub>2</sub> emissions from the graywater treatment facility are set off by the renewable energy facility IIAC has invested in.

**Eco-Friendly Transportation System |** In December 2009 the bike road from the airport town to the airport has been completed (18.4km). Electric cars that are currently being test run have been increased to 21, and by 2013, the magnetic levitation train - the next-generation eco-friendly means of transportation – will start operation.

**Eco-Friendly Airport Management System |** IIAC has minimized aircraft fuel consumption and carbon emissions by optimizing apron movement routes and employing lightweight ULD (air freight container) that is 40% lighter.

#### Preserving the Ecosystem

IIAC performs maritime and land ecosystem research 4 times each year. This is to detect changes in the ecosystems affected by airport operation and construction, and the research results are used for the preservation of the ecosystems.

**Birds |** In spring and autumn of 2009, 25,533 birds belonging to 66 species were observed within the research area. Main species observed were snipes, plovers, and the next most spotted species were seagulls and natatorial birds.

Number of Wildlife Strikes	2007	2008	2009	2010.06
	2	9	6	1

**Marine Ecosystem | Plankton:** In 2009, the plant plankton observed within the research area was 59 species and an average of 497,926 cells/l in the summer(July), and 61 species and an average of 204,951 cells/l in autumn(October). Animal plankton observed were 24 species, 324.4 ind./m<sup>3</sup> in the summer(July), and 15 species, 368.5 ind./m<sup>3</sup> in autumn (October).

\* Ind./m<sup>3</sup>: Individual no. of zooplankton per m<sup>3</sup>

**Land Ecosystem |** The plant biomass within the research area in 2009 was 212,661 tons, and net primary production was 56,741 tons. In the case of animal biomass, mammals observed were 5 species and 8 species, amphibian and reptile were 3 species and 5 species, and insects were 33 species and 73 species.

Hands held together in trust, smiles of respect and regard, embracing with a responsible heart – hand in hand with its stakeholders, IIAC is nurturing the tree of a new, bigger hope towards the future and the world. IIAC is doing its best to provide the greatest value to the customers, to ensure that employees receive fair evaluation and just compensation, to realize mutual benefits with business partners based on trust, and to bring happiness and joy to the local residents. IIAC regards customers, employees, business partners, and the local community as trustworthy companions, and will share the accomplishments and difficulties with them, and practice socially responsible management to bring more value and happiness.

# Social Responsibility



# Customers

IIAC satisfies the various demands of the customers, providing world's best service that surpasses customers' expectations, creating new value and taking the lead in the airport service industry.

## Vision

Customers are the starting point and the most important element in airport operation. IIAC conducts real-time monitoring, and reflects them in management strategies through feedback. Through this enterprise-wide customer-oriented management that listens to the voice of each customer, the strategic direction and tasks have been established, which IIAC is actively pursuing. These strategies are; creating customer value through CS innovations; advancement of the CS process through standardization of airport-related services; dissemination of customer-oriented culture & enhancement of service capacities; and leading global airport service industry through overseas expansion of CS business. IIAC strives to create a Culture Airport full of sophisticated attractions that will make customers want to visit again, and to become the airport with the world's best customer service which is fast, the safest and most convenient.

## Major Issues

Enhancing customer satisfaction  
(CS Management Team, Passenger Service Team)

Improve airport accessibility  
(Transportation Marketing Team, Civil Engineering Team)

## Achievements

Maximized brand value

- 1st place in ASQ (Airport Service Quality) evaluation for 5 consecutive years
- Building a Culture Port with a spirit
- Advancement in CS monitoring system

Established and operated a customer needs identification system by improving the VOC (Voice of Customer) system

Improved CS management system and customer point-of-contact control

- Met the Customer Charter standards and made revisions to the Charter
- Established airport service goals and standards

Overseas consulting

- Conducted CS consulting to overseas airports based on IIAC's CS brand power and core capacities

## Challenges

Achieving IIAC's unique accomplishments

- Continue to enhance customer satisfaction
- Win 1st place in ASQ evaluation for the 6th straight year
- Advance the CS management action plan
- Establish an integrated CS control system
- Launch IIAC's airport service branch and expand overseas CS consulting business



Lee, Seung-min | Passenger (37 years old, Seoul)

“It wasn't easy to find the check-in counter since the airport is so large. I wish more consideration was put in the movement routes for the users. Also, I believe the elderly will experience some difficulty reading the signs and maps on the monitors because they are too small. I hope for more regard in details in the future.”



Antonio | Foreign Passenger (33 years old, Mexico)

“I was impressed by the short waiting time in immigrations and the employees' hospitality. The information system for foreigners was convenient, and I had no difficulty finding my way around the airport.”

# Enhancing Customer Satisfaction Management

Customers that come to the airport want a more differentiated service. Ever since its launch, IIAC has continued efforts for the improvement and innovation of customer service. In order to meet these expectations, IIAC identified new tasks through analyzing performance and changes in external environment, reflecting them in the mid-to-long-term CS strategy.

## Advancement of CS Organization

IIAC operates a systematic CS Management organization to integrate into its CS strategy the core demands of the arriving, departing, and transferring passengers and other visitors. IIAC's CS management organization is divided into the CS Management Network (comprised of field first-point-of-contact, resident organizations, airlines, and tenant companies), customers, and experts, focusing on phased service improvement and enhanced connectivity. Various activities to strengthen the execution capacity of CS projects are being implemented. These include the Voice of Field (opinions that come from the first-point-of-contact), CS Doctor (comprised of expert CS consultants), and 50 on-and-off-line customers, while operating at the same time a VOC (Voice of Customer) propelling organization to enhance the connectivity between CS strategies and the voice of customers. As a result, management's commitment to customer service is reflected in the general CS strategy, which in turn reinforces execution capacity. In 2009, a total of 48 suggestions from the VOC Council and 285 suggestions from the CS field departments such as the CS Doctor were identified as service improvement tasks, which led to further customer satisfaction.

## Strengthening CS Capacity

In order to foster a CS culture, it is essential to strengthen the CS capacities of those working at the point of contact with customers. IIAC has refined the CS education program to fit the

CS capacity of each employee, and is spreading CS know-how through the in-house CS experts. First, according to IIAC's CS capacity evaluation, all employees receive basic training on CS skills and customer-oriented CS training, while enhancing their key capacities tailored to each job and rank. Thus, 1,686 employees completed their training, which is a 15% increase compared to the previous year, the training hours were 342 hours, a 37% increase, and the education programs increased from 5 courses to 7, offering employees a wider variety of choices. In addition, by actively cultivating and utilizing in-house CS experts, education performance increased by 73% while CS education costs decreased by 63%. IIAC provides various rewards for CS accomplishments and holds service quality contests to induce voluntary participation, while actively identifying CS model cases as well.

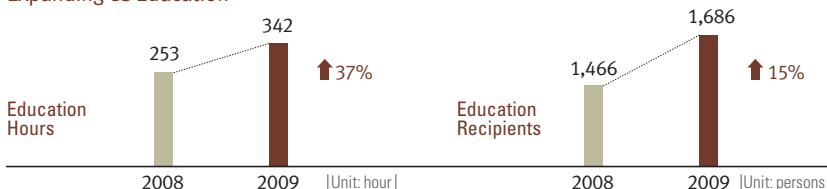
## CS Monitoring System

IIAC regularly monitors customer service to evaluate the customer point-of-contact service quality and find points that need improvement. We monitor our core services including arrival/departure processing time, commercial facilities, public transportation, and phone answering skills, to see if they meet the goal and standard for each service. When areas for improvement are identified, active measures are taken and evaluation is conducted again.

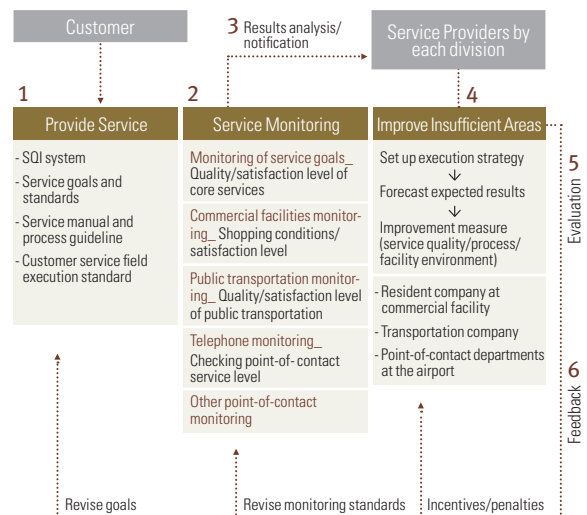
## Systematic CS Management Organization



## Expanding CS Education



## Systematic CS Monitoring Process



### Intelligent VOC System

IIAC integrates all VOC related data to analyze and employ them in customer satisfaction management. In December 2009, the existing VOC system was completely revised from a simple process of receiving customers' opinions and taking relevant steps to an intelligent integrated VOC system that focuses on the analysis and employment of data, which has resulted in a higher quality VOC operation. Instead of ex post facto measures after customer complaints arise, the "Intelligent VOC System" elevates customer satisfaction by prior identification and analysis of customers' inherent complaints and needs. In order to actively utilize the integrated intelligent VOC system, IIAC has realigned the VOC collection channels from 14 in 2008 to 20 in 2009. Thus, IIAC will be able to acquire a more detailed analysis by type of complaint and take necessary measures. In addition, regular VOC analysis is performed to classify them into short, mid, and long term projects, transforming from the simple receive-and-handle approach to a VOC system that enhances the execution capacity based on analysis and employment of analyzed data.

### Revision of Customer Service Charter

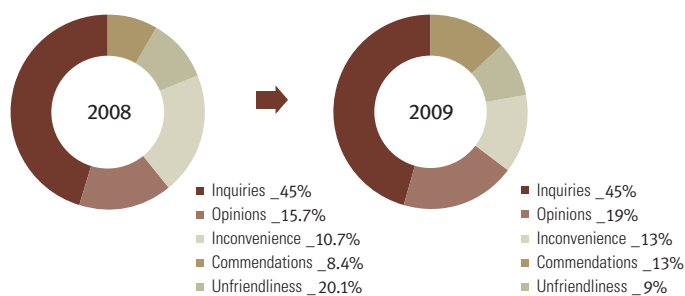
In 2009, IIAC revised and declared the revised "Customer Ser-

vice Charter" as a means to establish a customer oriented charter and to verify its execution. We reformed the "Customer Charter Service Standard" to focus on key services. The "Key Service Standard" was redefined to fit the changing circumstances of the concourse and passenger terminal, and supplemented the "Customer Reply Standard" based on IIAC's analysis and evaluation, as well as the voice of customers. IIAC will continue to gather the opinion of the related service departments and customers to improve and provide feedback, manage major service results in connection with the customer service charter, and open the information on the IIAC homepage ([www.airport.kr](http://www.airport.kr)).

### Environmental Campaigns with the Customers

IIAC is an active participant in the government's low-carbon, green growth program. IIAC built an environment-friendly shopping district and undertakes various environmental campaigns to induce customers' environment awareness. IIAC sells eco-friendly products and donates the profits, and provides a fresh experience for airport customers through various programs such as photograph exhibitions with environmental messages, design cube exhibitions, recycling campaigns, and campaigns for using eco-bags and hand fans.

### VOC Type Analysis



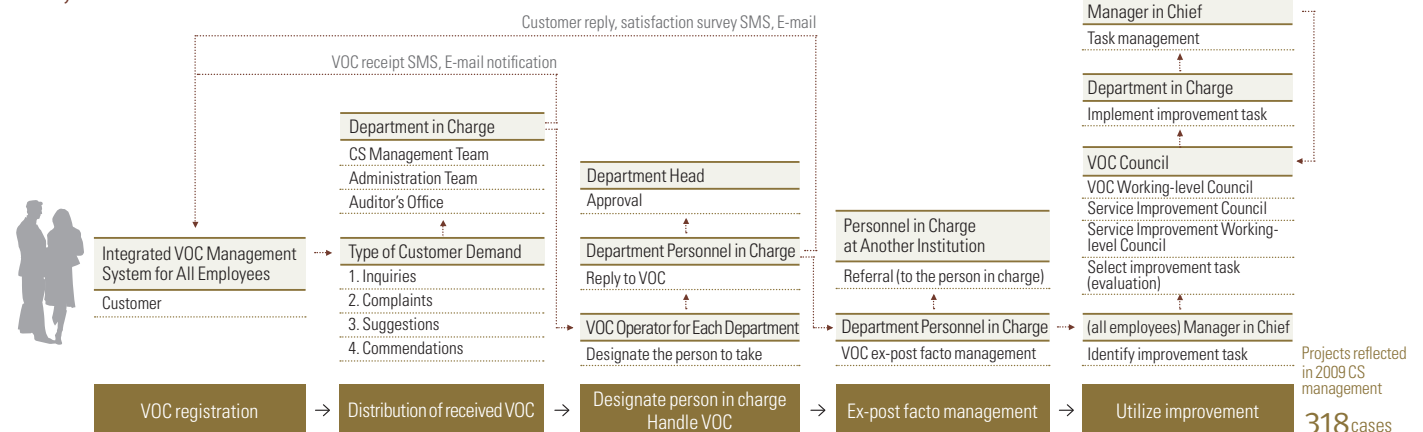
### Customer Charter

Incheon International Airport Corporation will undertake the following with the vision of becoming the global specialized airport by 2015, leading the world's airport industry through continued capacity building and creative efforts.

- 1 | We will do our best to maintain a safe and convenient airport.
- 2 | We will bring forth utmost value and inspiration through highest quality and a new airport paradigm that surpasses the customers' expectations.
- 3 | We will continually develop and lead the global standard for airport service, and will become the world's leading airport.

With the purpose of fulfilling the goals set above, we vow to set practical service execution standards and fully abide by these standards.

### VOC System Procedure



# IIAC Sweeps Domestic and International CS Benchmarking

In 2009, IIAC won 1st prize in ASQ evaluation for the 5th consecutive year and received the highest grade(AA) at the PCSI survey, firming the ground as a leading airport recognized by the world, and contributed in enhancing Korea's status in the international community.

## First Place in ASQ for 5 Consecutive Years

IIAC was the first airport to win first place at the ASQ (Airport Service Quality) survey for 5 consecutive years from 2005 to 2009. What's more, for the most recent benchmarking, the ACI conducted a quarterly survey regarding 34 service quality factors (18 in airport operation, 11 in facility management, 5 in commercial facilities) in which it interviewed 250,000 airport visitors. IIAC received an amazing score of 4.99 in a scale of 5 points, the highest score ever recorded. Capitalizing on this opportunity that not only heightened IIAC's reputation but also the Republic of Korea, IIAC will take a more aggressive approach to CS consulting business, and continue to provide a differentiated service that will touch the hearts of customers.

## Received the highest AA grade at the PCSI Survey

In 2009, IIAC received 93.5 points, which is 3.9 points higher than that of 2008, and got the highest grade (AA). Moreover, by setting up the CS management system that connect CS strategy and point of contact, and its efforts to expand a CS culture, the general satisfaction level has been steadily rising during the

past 5 years. This is the result of identifying customer value improvement as the primary goal and actively implementing subsequent measures, such as service innovation and systematic service quality control, and setting up the most advanced integrated VOC system in the airport business to quickly respond to customer demands.

## Received Various World Renowned Awards

In addition to winning the ACI's Airport Service Quality award for the 5th consecutive year, IIAC also won the best airport of 2009 award from Skytrax, was selected as best airport for the 4th consecutive year by the Global Traveler, the best airport award from Business Traveler, the world's best airport award from IATA, airport of the year from CAPA, which all contributed to IIAC's becoming a firm brand of Korea. Many people in the airport business visit IIAC to benchmark its outstanding accomplishments, and IIAC received rave reviews from overseas press such as BBC, USA Today, and Russian daily newspaper Rossyiskaya Gazeta.

## Wide Attention from Overseas Airports and Press

**Why can't all airports be like Incheon?**

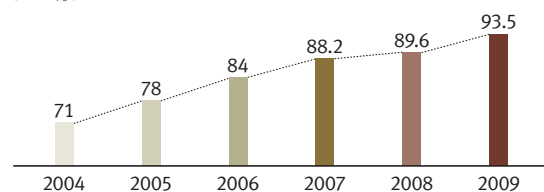
By David H. Green, special for USA Today

For most people, the idea of an airport is a place where you go to get on a plane. But for those who have been to Incheon International Airport, it's a place where you go to get on a plane and then stay for a while. The airport is a place where you can find everything you need, from a taxi to a hotel, and it's all in one place. It's a place where you can find everything you need, from a taxi to a hotel, and it's all in one place. It's a place where you can find everything you need, from a taxi to a hotel, and it's all in one place.

- Benchmarking from Beijing and Singapore Airport (41 times, 679 people)
- Global education for airport personnel from China and the Philippines (14 times, 310 people)
- BBC: "The Airport Heathrow should look at"
- USA Today: "Why can't all airports be like Incheon?"
- Rossyiskaya Gazeta: "An airport should be like Incheon International Airport"
- BusinessWeek: "Differentiated Airport Operation Philosophy"
- Sankei Shimbun of Japan: "Growing into leading global airport"
- Channel News Asia of Singapore: "Incheon International Airport becomes the best airport in 9 years since launch"
- LA Times of the United States: "Visit Incheon Airport for your vacation"
- Foha de Sao Paulo of Brazil: "Incheon Airport is different"

## Incheon International Airport Annual PCSI Survey Result

[Unit: %]



\* Steady improvement in satisfaction level for 5 consecutive years  
 \* Enhanced activities to improve native passenger satisfaction level

## IIAC Swept Many of the World's Prestigious Awards



1st place for 5 straight years	World's best airport for 4 straight years	World's Best Airport Award	World's Best Airport Award	Best Airport Award	Green Excellence Award	World's Best Airport Award	Airport of the Year	New Quality Forum Grand Prize
ASQ Benchmark hosted by ACI	Global Traveler	Skytrax	Business Traveler	Frost & Sullivan	Frost & Sullivan	Route Development Group	CARA	New Quality Forum

## 2009 ASQ Results

	World's Best Airport	Asia/Pacific	Among Medium and Large Airports	ACI Special Award
1st	Incheon	Incheon	Incheon	Incheon
2nd	Singapore	Singapore	Singapore	First installed by ACI in 2009
3rd	Hong Kong	Hong Kong	Narita	

## Efforts to Enhance Customer Convenience and Satisfaction Level

Moving one step forward from a quick and convenient airport, IIAC aspires to provide higher value and inspiration through differentiated service with a 'spirit' of culture and arts. In particular, the IT based airport service system has simplified the security and traveling process, and the high-class shopping arena will bring more customer satisfaction.

### Shortening Immigration Procedures

Airport security and customer service are two elements that are often incompatible. IIAC realized the U-Airport that integrates cutting edge IT and BT and enhanced security systems, minimizing the clash of security and service, and offers world's top level security and service experience to all the visitors. The self check-in service and mobile check-in service, U-immigration that is an automated immigration procedure service, high-speed baggage handling system, and improved the X-ray machines have enabled us to provide the world's speediest and most convenient immigration service. Thus, the average time for departure procedure is 18 minutes, and 14 minutes for arrival, which far exceeds the international standard (ICAO) of 60 minutes. We also increased the daily aircraft handling capacity from 45,000 passengers to 56,200 passengers.

### Shortening Connection Time

IIAC relocated the airline check-in counters for passenger convenience and improved the calling system for the passengers at the concourse. With the cooperation of Korean national airlines the MCT (Minimum Connection Time) was reduced to 45 minutes which is the shortest in the world. It enhanced connectivity, while the 6 Sigma quality control method was implemented in the transportation field to maintain the lowest level of delayed baggage.

### Improving Airport Accessibility

IIAC takes active measures to address complaints about traffic congestion so that customers will reach the airport more easily and safely. First, with the opening of the Incheon Bridge in 2009, the way to the airport from the metropolitan area is 13km shorter and 40 minutes faster, which has also resulted in reducing annual logistics costs by KRW 473.1 billion. Above all, IIAC

resolved the traffic congestion problem and reduced traffic accidents by 85% by restructuring the customer-oriented public transportation system, which also led to the reduction of annual fuel costs of KRW64 million and air pollutants. In addition, the KTX will start servicing from 2012, further improving airport accessibility from cities in the province.

### Comfortable Resting Areas and High-Class Commercial Facilities

IIAC has refurbished comfortable and pleasant amenities that are open 24/7 at the passenger terminal and concourse so that passengers may use them at their convenience. High-class bar and lounge, free internet café, service area, movie screens, massage parlor, free shower room, and the kids' zone provide differentiated service that will satisfy the passengers 5 senses, and the lush shopping area Airstar Avenue offers the world's best brands and value.

### Colorful Culture & Art Program

As the airport is the gateway connecting the world, it is a very effective place to promote Korean culture and heighten the nation's image. IIAC has furnished the airport with the Korean Culture Museum, Traditional Craft Gallery, Traditional Culture Experience, and the Arrival Hall Culture Street where foreign passengers can experience Korean culture. IIAC will continue its efforts to develop a more specialized culture & arts service and new cultural contents, to provide an experience as the culture & arts airport with a "spirit."

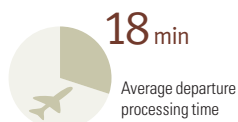
Connection time  
Incheon Airport's MCT is 45 minutes,  
the shortest in the world

45 min

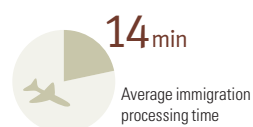
Transit passenger handling  
capacity per hour  
Improved transit facilities has reduced  
transit time to 8-10 minutes

2,140 passengers

Departure



Immigration



### Immigration/Departure Processing Time Satisfaction Survey

	Departure	Immigration	
ICAO standard	60min.	45min.	
2009	18min. 49sec.	14min. 29sec.	Reached immigration/departure service target consecutively
2008	18min. 35sec.	14min. 20sec.	Compared to first monitoring in 2006
2007	19min. 11sec.	16min. 24sec.	- Departure : 6 min. 51 sec. reduced
2006	25min. 40sec.	16min. 34sec.	- Arrival : 2 min. 5 sec. reduced

\* Identify points that will reduce the target time, analyze effects of new projects, i.e. U-Airport  
\* Draw improvement projects on areas that didn't reach the target and areas of complaint

### The Space Where You Can Experience Korea's Culture



# Employees

When passion and effort come together, a corporation's roots become stronger. As each hardworking and passionate employee made what we are today, we gladly support every individual's growth and advancement, and strive to build a workplace where work and life are well-balanced.

## Vision

The value of a sustainable corporation comes from the individual. IIAC supports its employees to develop themselves, balancing work and life in a happy workplace so that both the corporation and its employees may confidently enter into the global arena. IIAC believes that culture is the medium to connect with people. IIAC actively pursues the fostering of these cultures, including the labor-management culture based on trust and future-oriented win-win cooperation, the culture of cultivating value creators armed with global competitiveness, the family & women-friendly culture that balances work and life, and work smart corporate culture, and the culture of open creativity. IIAC will continue its efforts to build a "Great Work Place" by providing a healthy and safe working environment and various welfare benefits so that all employees will be happy and proud to be a family member of IIAC.

## Achievements

- Innovative improvement to HR System through autonomous HR system
- Expanded the Job Posting system (Autonomous job recruitment system whereby the members of a department exercise appointment rights themselves)
- Improved satisfaction on Job Posting: 3.98% in 2009 (23.2% increase compared to previous year)
- Implemented and expanded the open corporate culture assimilation (getting to know the new leader)
- Employee ombudsman channel: implemented and CPO and HR Ombudsman system
- Enhanced productivity through "Work Smart" corporate culture (KRW 8.78 million in 2009, KRW 6.93 million in 2008)
- Family & Women-friendly corporate culture
- 100% execution of maternity leave and 2 cases of paternity leave by enacting the Change Over Plan (maternity leave substitute system)
- External Recognition
- HR Management(2009) grand prize, Labor-Management Cooperation(2009) grand prize, Prime Minister's Award for Labor-Management Culture(2010) grand prize, Good World to Have a Baby Contest grand prize(2010)

## Major Issues

- Employee performance compensation and welfare (HR Team, Education Planning Team, Labor Welfare Team)
- Employee communication (HR Team, Education Planning Team)

## Challenges

- Establish corporate culture for Best Class GWP
- Cultivate global experts
- Implement global compensation system to advance IIAC's compensation system
- Conflict management through performance compensation



Park Su-yun | Manager at Project Audit, IIAC

“IIAC's female leader cultivation policy provides women to advance at work. While education should create the atmosphere of cultivating female leaders, I think the compensation system should operate separately from gender, rank, or academic background.”



Park Gwang-shik | Assistant Manager at General Affairs, IIAC

“We are conducting system survey according to position and rank in order to enhance employee capacities. We also continue our efforts to save on education costs and transferring work know-how by employing internal and external lecturers for specialized areas. However, I think it's necessary to find ways to further enhance expertise while earning a degree at the same time.”



Seo Yang-hwan | Manager at Airport Planning Group, IIAC

“I learned that a volunteer work coordinator, just like an orchestra director, should be able to allocate manpower efficiently, reach mutual understanding with the recipient institution, be well prepared with all the program details, and be able to lead everyone smoothly. In my first volunteer work I passionately made plans and put them into action. Although it was a hectic moment, I remember it to be a heart-warming and fulfilling experience.”

## Advanced HR Management System

IIAC is building the foundation for mutual growth between employee and the corporation, based on advanced HR system ruled by the principle of human respect. IIAC ensures that everyone receives fair and appropriate compensation and equal opportunity. It strives to fulfill its duty as a public corporation by equal recruitment and supporting the development of female employees.

### Organization and Employee Status

As of June 2010, IIAC consists of 3 divisions, 2 offices, 21 Groups, 76 Teams, 1 (overseas) branch, and 867 employees including regular and temporary workers. IIAC established a reasonable and flexible organization management system through 2-phased organizational reforms based on mid & long term human resources plans. The overall size of the organization was maintained even while productivity in key businesses was reinforced. IIAC implemented the overall plan for temporary workers, converting 57 to regular employees in 2008, and 32 in 2009, granting them full and equal treatment with other regular staff.

### Equal Employment Opportunities

IIAC respects diversity of its employees, and observes an open recruitment policy without heed to gender, educational background, age, religion, or region. As a public corporation fulfilling its social responsibility, IIAC created 11,428 jobs, through equal recruitment and internships. It reinforced consideration for the socially disadvantaged such as the disabled, employment consideration individuals, and women, surpassing the government's guideline, and as for junior internships, IIAC recruited 50 individuals outscoring the requirements as well.

### Expanding the Role of Women and Supporting their Development

As of the end of 2009, 151, or 17% of employees are women, and the ratio increases by the year. In order to recruit more competent women, IIAC has implemented the "IIAC Women Recruit Target Plan" since 2006, by which 30% or more of all recruitments are women. IIAC is also increasing the ratio of women in promotions.

### Fair Evaluation and Compensation

IIAC maintains the principle of providing equal opportunity and fair evaluation & compensation based on performance and competency. IIAC employs internal and external evaluation groups for the fair evaluation of various elements of competency and performance, and reflects them in payment, promotion, appointment, and education. The performance is evaluated according to what is expected of the position and rank and how the individual and department fared (the salary of new employees is 241% of minimum wages). In 2009, the rank and job posting based on an open process was settled, which expanded the fair and transparent appointment of human resources. The performance responsibility system expedited the establishment of the autonomous responsibility human resources management system. IIAC will continue to listen to the stakeholders in improving the HR system.

Compared with the previous year **23.2%** ↑

Enhanced Satisfaction with Job Positioning 3.23 (2008) → 3.98 (2009)

### Cultivating Value Creators

IIAC cultivates value creators with international competitiveness through systematic education programs whose goals are "Practical leadership enhancement," "Expertise enhancement," and "Global competence enhancement" of all employees. In 2009, education programs were developed in tune with the management strategy, and courses based on key competence were expanded, which resulted in 10% improvement compared to 2008 in areas such as overall satisfaction, relevance to work, and applicability. Moreover, through leadership/competence analysis for each rank, the education program was divided into general leadership and selective education (cultivating strategic leaders of the future) that enhanced the effectiveness and satisfaction. The Assimilation Program (learning with the new leader) led by the CEO contributed to fostering a sense of unity. The education per capita was 169 hours in 2009, 30% longer than 2008. In the case of selective education the number of programs increased 2.8-fold, and the education recipients increased by 3.8 times.

### 2009 Equal Employment Status

Disabled **19** persons  
Government Guideline 2% (17 persons)

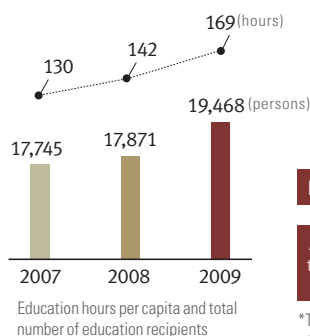
Employment Consideration Group **56** persons  
Government Guideline 6% (50 persons)

Women **151** persons  
Employment Ratio 17.6%

Junior Interns **19** persons  
Recruitment Guideline 4% (37 persons)

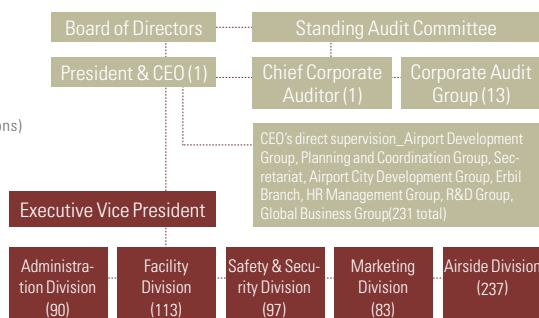
Public Labor **10,700** persons

### Cultivating Strategic Leaders of the Future



### Organization

[Unit: persons]



\*Total number of employees and directors 867\_858 Permanent employees/ 6 Directors/ 3 Temporary Employees

### Increased Satisfaction with Education Program

	2008	2009	향상도
Leadership Training	4.60	4.72	2.6%
Job Training	4.60	4.77	4.3%
Airport Worker Training	4.49	4.56	1.6%
Average	4.6	4.7	2.5%

# Win-win Labor-Management

IIAC is putting its efforts in “Developing advanced labor-management relations,” “Building strategic management partnership,” and “Fostering a healthy corporate culture” by establishing a value-added labor-management culture with the goal of further advancing the management system.

## Labor Union Status

The IIAC rightfully protects the three basic labor rights (right to organize, collective bargaining, and collective action), and ever since its establishment, not one case of labor dispute has occurred, thanks to the communication and cooperation between labor and management. The IIAC labor union was established on Nov. 20, 1995 and is affiliated to the Federation of Korean Trade Unions. Under the collective agreement and labor union bylaw, the union consists of 693 members as of June 2010.

## Creating a Culture of Win-Win and Cooperation


No corporation can succeed without the trust between labor and management. IIAC strives to create a corporate culture where everyone shares the same voice. Building upon this, IIAC is able to move forward under a future-oriented win-win partnership. In 2009 IIAC held a workshop with the labor union to set up the Vision 2015, and a meaningful event of joint declaration to work together toward that goal by sharing of that vision. The representatives from labor and management participated in the whole process to establish a development strategy, in which opinions taken from both sides were well-balanced, and upon forming a consensus on the implementation strategy, the foundation for a reasonable labor-management relation was created. The representatives from labor and management are taking the lead in building an open corporate culture where there are no walls and they share the same DNA.

## Advancement of Labor-Management Relations

IIAC is taking the initiative in expanding a cooperative labor-management relationship by participating jointly with the labor union in the Ministry of Labor’s labor-management partnership funding support. IIAC contributed in bringing Korea’s labor-management one step higher by leading the change in labor-management relations, which made stable airport operations possible. IIAC participated in labor-management’s joint revision of the HR evaluation system to establish a reasonable HR evaluation and compensation system. IIAC also provided education to labor management staff and managers on expert labor relations, helping them enhance their capacities to adapt to changing labor conditions. In commendation for such efforts IIAC won the “2009 HR Management Grand Prize,” the 2008 Shop-Floor Innovation Exposition Grand Prize,” the “2009 Korea Labor-Management Cooperation Grand Prize,” and “2010 Minister of Labor’s Award for Labor-Management Culture.”

## Open Communication between Labor and Management

IIAC is building a trusting relationship by means of various communication channels and exchanges on management issues. The Labor-Management Council was utilized, collective agreement was made, and 21 issues were handled. In-depth discussions took place via the Labor-Management Joint T/F Team regarding the revision of the evaluation system, and the Welfare Committee was made a permanent body to implement optimal welfare programs to fit the employees’ needs. At the workshops and monthly meetings held by each division, direct communication with the CEO contributed to settling “an open culture with no walls.” The pizza parties where executives visit the workers to encourage them and listen to their problems are another example of IIAC’s efforts to build a reasonable labor-management relationship.

	<b>Shop-Floor Innovation Exposition</b> Ministry of Labor (Nov. 2008)	<b>Outstanding Labor-Management Corporation</b> Ministry of Labor (Dec. 2008)	<b>Korea Labor-Management Cooperation Award</b> Korea Employers Federation (Feb. 2009)	<b>HR Management Award 3rd KMA Group</b> Korea Management Association Corporation (Oct. 2009)
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Communication Channel For Major Management Issues (9-Matrix)

Level of communication channel	high	3 Labor-Management Working Group	2 Labor-Management Meeting	1 Labor-Management Council Group
	medium	6 Inter-Department Working Group	5 Labor-Management Working Group	4 Labor-Management Collaborative Group
	low	9 HR Department Working Group	8 Labor-Management Working Group	7 Welfare Committee Group
		low	medium	high
		Weight of management issue		

matrix no.	The Role of the Communication Channel	Performance(annual)
1	Establishing Vision 2015 and Labor-management relationship enhancement strategy	6 times(twice regarding Labor-management )
1	Wages and collective bargaining	14 times(10 times in working group bargaining)
1	Labor-Management Council/Industrial Safety & Health Council	Every quarter
2	Urgent labor-management meeting on public corporation advancement	1 time
5	Joint workshop for labor and management staff	3 times
4,5	Evaluation system revision council	1 time(T/F working-level meeting)
7,8	Internal Funds Committee/Credit Union BOD	16 times
7,8,9	Welfare Committee/Volunteer works etc.	Over 20 times annually
3,5,8	Labor-Management working-level meeting	Over 20 times annually
6,8,9	Cross participation in major internal and external events such awards ceremony	5times

## Creating a Happy Workplace

IIAC has focused on creating a “Happy Workplace” that balances work and life and its employees. An even more systemized family-friendly policy such as the enhanced welfare and benefits and women-friendly programs help employees achieve a better quality of life.

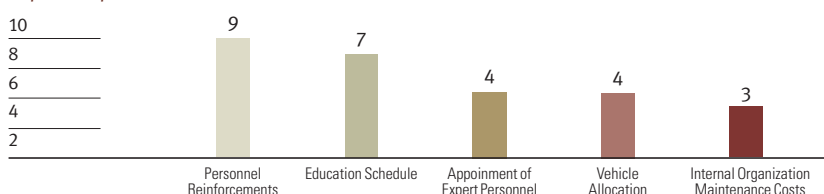
### Safety and Health

IIAC observes the working environment set out by ILO, and operates the Industrial Safety & Health Council which is a joint deliberative body between labor and management that decides important matters related to health and safety of the employees. Through the monthly safety inspection day employees receive safety education 1 hour per month, and 3 hours per quarter. Various health programs such as quitting smoking and obesity funds, and health gym are part of IIAC's effort to enhance employees' health.

### Ombudsman System

The employee ombudsman channel was reorganized, and the CPO and HR Ombudsman system has been implemented. The ombudsman system was introduced for practical solutions to HR related complaints. Employees can request for the ombudsman at any time, and will be notified of the solution. Through HR Ombudsman that surveys the department atmosphere and explains related issues, the employee complaints are management systematically, and the work satisfaction level is rising. As for the CPO that was first introduced in November 2009, 5 complaints have been filed during November and December, which all have been answered.

#### Top 5 complaints



#### Communication Channel and Communication Activities by Business Partner

Ombudsman Channel	Purpose	Operation Method	Note
Complaint Solution Council	Listen to employees' complaints	3 representatives from labor and management	Labor-Management Committee regulation
Sexual harassment related complaint window	Counseling and advice for victim	Sexual harassment counselor	Rules on preventing sexual harassment
	Investigation of incident	3 personnel from HR/Education/Auditing	
HR-Friends	Resolving complaints related to HR	Board (confidentiality assured)	
EAP	Resolving familial, psychological, legal, and financial difficulties	Outside counseling	
Work satisfaction survey	Work, workplace satisfaction survey	Once a year	
VOE board	Introducing systems related to corporate culture	Intranet	
	Posting ideas and opinions	Visitation to the field department	
Visitation to field workplace	Investigating field working status	Questionnaire when necessary	
	Listen to suggestions regarding HR and welfare		
Unscheduled survey	Listening to opinions to establish HR-related system or execution rate		

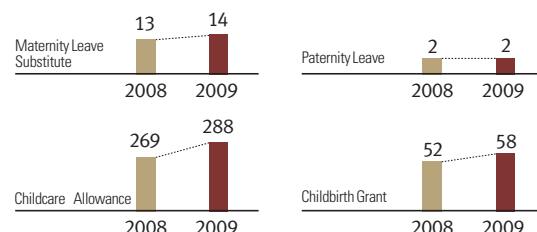
### Various Benefits Program

IIAC provides an array of welfare programs such as employee self-improvement, health care and family support. The selective welfare plan (Benefit Café Plan) that integrated the wage-type welfare compensation further heightens employees' satisfaction. Supporting housing through company housing, financial support through the credit union, children's tuition and family medical costs, and medical check-ups contribute to creating a happy workplace. IIAC runs the pension funds and supports club activities for a balance between work and life.

### Women-Friendly Workplace

IIAC's family-friendly management is implemented on two levels Work & Life Balance and Women Family Friendly Approach. A women-friendly corporate culture throughout HR, education, and welfare helps recruit more women, and we foster families to have many children. The “Change Over Plan” is a maternity leave system, and women-only facilities such as the lounge, breast-feeding room, and cultivating female leaders and active recruitment strives for gender equality, and strives to make a workplace that women will enjoy working in, and where they can advance as well. Through programs such as paternity leave, support for artificial insemination and test tube baby, and child-birth grant, IIAC hopes to address the low birth rate problem while creating a workplace where employees can devote themselves to their work. Through these efforts, IIAC won the “1st Good World to Have a Baby Contest” in September 2010.

#### Childcare Support



#### EAP(Employee Assistance)

A system that connects employees with outside expert counselors to provide counseling to the individual and immediate family.



# Partners

Win-win cooperation based on trust is the engine for mutual growth. In order to build a relationship that goes beyond just making a profit, IIAC seeks to provide practical help to its partner companies through mutual cooperation, and to enhance their sense of pride as a member of the IIAC family.

## Vision

IIAC is reinforcing a cooperative partnership based on trust and assistance with its partner companies that include air carriers, tenant companies, service providers and overseas airports. Given the common goal of providing the world's best airport service, the 570 companies and institutions and their 35,000 employees are playing in the orchestra called Incheon International Airport. IIAC has established various channels and programs to this end and to foster a sense of unity. IIAC will also provide consistent support to help business partners in enhancing their capacities, as well as support programs tailored to fit their circumstances, building upon the dream of mutual growth as members of the airport family.

## Achievements

Supported management stability of business partners  
-Enhanced partner companies' customer service capacity by exempting 10%~21% of airport usage fees for airlines, service providers and tenant companies.  
-1st place in ASQ survey for 5 consecutive years  
-Increased satisfaction rate in Public Corporations Customer Satisfaction survey (89.6 in 2008 → 93.5 in 2009)

Expanded social responsibility management among business partners  
-Expanded the scope of the IIAC Clean Compact from ethics and environment to include social responsibility

Expanded cooperation with overseas airports  
-Provided consulting to Erbil Airport in Iraq, signed agreements with the Khabarovsk Airport in Russia and Suvarnabhumi Airport of Thailand.  
-Donated \$15,000 in social contribution project in Erbil, Kurdistan.

## Major Issues

Support policies for mutual growth with the business partners (Operations Team, Outsourcing Management Team, Commercial Marketing Team)  
Expand business cooperation with overseas airports (Overseas Business Group, International Cooperation Team)

## Challenges

Sharing and disseminating Incheon International Airport's vision with partner companies  
Enhancing education program for partner companies (airport personnel)  
Advancing as a business partner to overseas airports



Ye Jeong-beom | Manager at Soonil Co.

“IIAC conducts an array of programs designed to foster a sense of unity with the 43 service providers. The various participation activities helped in forming a consensus with other service providers and related departments at IIAC, and I didn't experience any difficulty in communicating with them. Those programs also helped motivate our employees as well.”



In Ji-yeong | Airport police department

“The airport police department that I work in requires English speaking abilities in performing its duties that include handling of various reports, hazardous items, joint questioning, and supervising security personnel. Therefore I think it's a good idea to have an English class for the permanent workers at the airport to enhance their English skills and provide incentives according to their accomplishments.”



Yu Chan | Vice manager at Shilla Hotel Duty Free Shop

“I think personal, social, psychological, and economic satisfaction is important in the relationship between business partners. I think that the rules and regulations for the tenant companies requires continued efforts with the goal of bringing satisfaction to the three parties—IIAC, company, and consumers. I hope IIAC will continue to pay attention to the education, employment and welfare of its business partners.”

## Partnership Based on Mutual Cooperation

IIAC pursues mutual growth by enhancing fair partnership based on trust and participation with the airlines, resident institutions, tenant companies and service providers. Through communication via various channels and programs to foster partner companies' competitiveness, IIAC creates greater customer service value.

### IIAC's Business Partners

IIAC works with 43 service providers, 65 air carriers, 20 resident institutions, and 63 tenant companies, whose 35,000 personnel work in 37 contracted areas. Each business partner shares IIAC's outlook on sustainability management, and puts their utmost efforts in creating the highest value at the service point-of-contact.

### Communication via Various Channels

IIAC strives to build cooperative partnerships that will enhance service competitiveness, and fosters trust by exchanging ideas with the business partners through various communication channels. In the airport service, multiple organizations are responsible for delivering customer value: not only IIAC, but the airlines, government agencies and service provider companies. Thus, a working-level integrative organization is necessary in order to provide a unified service throughout the airport. In order to ensure such unified pan-airport CS management activities, IIAC established the CS Network in correlation with the partner companies, which is the customer point-of-contact unit. IIAC also operates the "1 : 1 Happy Partner," a field point-of-contact organization that matches the airline employee with an IIAC employee to listen and share difficulties in work and customers' complaints. Meanwhile, IIAC shares the meaning of sustainability management and its management strategies through open communication channels such as "CEOs Breakfast Meeting" and "Field Agents Meeting."

### Fostering Pride and Morale

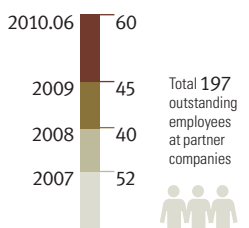
In order to realize win-win management with the business

partners that is mutually beneficial, forming a sense of unity is most important. IIAC strives to boost the morale of the partner companies' workers and foster unity through various programs to enhance solidarity and by improving working conditions. The Airstar Festival and sporting picnics, and blind date events at the festival are examples of IIAC's efforts to help the airport families to come together, as are improving working conditions such as installing a nap room, smoking area, and employees' lounge. The overseas airport visits awarded to excellent partner company employees helps motivate them as well. In 2009 a total of 45 outstanding personnel were given the opportunity to see Changi Airport, Pudong Airport, Subang Airport, and Chek Lap Kok Airport. It was an opportunity to see what an outstanding airport Incheon International Airport is, and fostered a sense of pride to be "the leaders of the best airport."

### Cooperating with Resident Agencies

With the goal of providing the world's best service, IIAC operates various consultative bodies with over 20 resident institutions from the Ministry of Justice, Customs Service and others. The consultative bodies have a positive win-win effect, such as enhancing work efficiency and competitiveness. In particular, the immigration/departure reporting system that was implemented along with the goal of "45 minutes for departure, 40 minutes for immigration" made possible the flexible management of manpower. The Immigration Office introduced the KISS program (Korea Immigration Smart Service, which is a flexible, mobile shift system), which was selected as an outstanding program. On the whole, the program shortened the immigration processing waiting time by 40%. IIAC will continue to enhance its service responsive powers by cooperating and communicating with its business partners.

### Visiting Opportunities to Overseas Airports



### Employee Ombudsman Channel

Subject	Channel	Main Activities
IIAC - Airlines	1:1 Happy Partner	Forming field network through 1:1 matching, and establishing cooperative relationship
	Airlines' Meetings	Regional meetings of the airlines servicing to 5 continents for work cooperation
Resident Institution - IIAC	Airport Operation Council	Enhancing airport operational efficiency and user convenience
IIAC - Resident Institution	Service Improvement Committee	Proposing customer service improvement action plans
	Working-level Service Improvement Council	In-depth discussion on details of customer service improvement
IIAC-Institution-Company	CS Leader Committee	Implement and promote CS activities in the airport
IIAC - Service Provider	Voice of Field(VOF)	Listen to the opinions of field personnel and identify elements of improvement
IIAC - Service Provider	CEOs Breakfast Meeting	The place of communication between the IIAC management and representatives of the service providers
	Field Agents Meeting	Vision sharing among the management, supervisory departments and service providers

### Fostering Sense of Unity among Airport Family

Strengthening solidarity	One Family Workshop	Forming sense of unity among employees through regular workshops
	Sky Festival	Event to bring the resident employees closer
	Service Providers' Day	Resolution to enhance a culture of strategic partnership
	Airstar Festival	Sports outing for the employees at the commercial facilities
	Airport Family Blind Date Festival	Blind date event for single employees
Improving working conditions	One Family Lounge	Nap room, smoking area and other resting areas
	Giving the resident employee uniforms a consistent look	Changing the uniforms to have a consistent look

# Enhancing Business Partner Competitiveness

The business partners' competitiveness is IIAC's competitiveness. IIAC supports business partners' development by running a variety of practical education programs and offering rewards.

## Enhancing Customer Service Capacity

In 2009, IIAC conducted an array of education programs to enhance the partner companies' customer service capacity. The program was divided into basic course, development course and in-depth course to help train CS experts. By cultivating in-house lecturers for each area, IIAC provided education programs tailored to the circumstances at the point-of-contact. Thus, the number of CS lecturers from service provider companies increased to 26 in 2009 from 19 in 2008, and employees working in education blind spots were given equal opportunity to receive education.

## Supporting Ethical Management

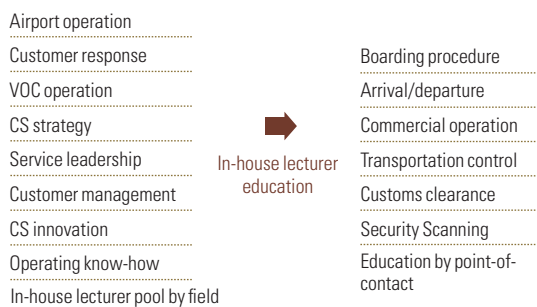
In order to ensure partner companies' sustainable growth, IIAC actively disseminates ethical management and transfers relevant methodology and knowledge to them. IIAC holds ethical management seminars and workshops to share knowledge on how to establish ethical management systems and practical steps to follow, and helps them learn ethical management know-how by sharing implementation examples. In addition, IIAC is always looking for ways to help partner companies to

secure transparency and enhance their company image through the various on-line and off-line ethical education programs and the ethics pledge ceremony (IIAC Clean Compact) that is held with the participation of the presidents of partner companies and related IIAC personnel.

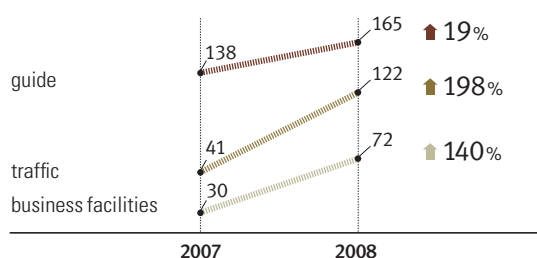
## Joint Marketing Support for Tenant Companies

IIAC created the cultural and shopping brand "Airstar Avenue," and actively supports tenant companies through joint marketing programs to help maximize sales at their shops. The Airstar Avenue brand is used in the shop interior and exterior design to packaging material, shopping bags, uniforms and receipts, to create the consistent image as a high-quality shopping space and to conduct joint marketing that all tenant companies will benefit from. Owing to these efforts, the Airstar Avenue's sales per capita in 2009 was KRW 85,000, one of the highest in the world, placing itself in 3rd place among all the duty free shops in the world. IIAC plans to develop Airstar Avenue as the best commercial facility brand where customers can see, enjoy, and relax, and where the tenant companies will gain more income.

## CS Education by Each Point-of-contact Conducted by In-house Lecturers



## VOCs Commending Partner Companies after Capacity-building Education



### Practical Support for a Stable Management

Growth stems from stability. Instead of pursuing short term profits, IIAC provides various and practical support so that partner companies may operate in a stabilized manner. IIAC raised the bidding rate from 80.5% to 87.75% through a strategic financial management plan to ensure that partner companies actually make a profit. By improving working conditions by addressing as welfare benefits and low income issues, the monthly turnover for partner company employees that comprise 86% of the airport workforce was 1.06% in 2008, which decreased to 0.97% in 2009. Such efforts to stabilize employment helped partner companies' stable growth. In addition, IIAC greatly reduced partner companies' burden by lowering the airlines' landing fee, rental fee and transfer flight scanning fee by 10%, 20%, and 60% respectively, and cutting the cargo parking lot fees by half. In order to alleviate financial difficulties of the tenant companies caused by global economic crisis, IIAC discounted 10%

of the facilities usage fee (rent). These are some of the IIAC's efforts to provide actual help to the partner companies for a win-win partnership.

### Expanding Business Cooperation with Overseas Airports

IIAC exports hardware and software related to all aspects of airport operation and construction, customer service, and education to all parts of the world. In 2009, IIAC signed a consulting agreement with Erbil International Airport to dispatch 31 experts in 6 fields – information communication, equipment & facilities, electricity, navigation facilities, rescue and firefighting, and operation – until 2014 to furnish them with know-how on airport maintenance and operation. In December 2009, IIAC agreed to provide know-how related to airport planning and construction to Khabarovsk Airport, including placing airport facilities such as the apron and duty free shops, and how to execute construction for each phase. As flight demand in west Russia and CIS is expected to increase by 8.2%, IIAC will make long-term plans so that it may have an opportunity to provide IIAC's operating know-how. Recently, IIAC is strengthening business cooperation with Airports of Thailand. Airports of Thailand seeks to make the Suvarnabhumi Airport as the hub airport in the Southeast Asian region, while IIAC is looking to participate in the airport construction project. Meanwhile, IIAC donated supplies worth \$150,000 to hospitals and schools in Erbil Kurdistan as part of its social contribution program.

IIAC plans to expand its scope of business from consulting-oriented business to shares investment and consignment operation. IIAC will organize a pool of experts for overseas airport business and develop service packages to provide total airport solutions. IIAC has currently secured 141 experts in 18 fields related to airport construction, and completed developing a solution in 5 sectors including airport master plan, flight departure/immigration procedure, and customs clearance. In addition, IIAC is strengthening cooperative relations with aviation-related international institutions by active participation in ACI, ICAO, and the EAAA conference.

### Win-win Performance with Business Partners

Supporting management stabilization ➡ joining in the efforts to overcome economic crisis

Airlines	Reduced landing fee by 10%, rental fee by 20%, transfer flight scanning fee by 60%	
Logistics companies	Reduced land lease fee up 21%, parking fee 50%	
Tenant companies	Reduced sales fee by 10%, and payment method (up front → deferred payment)	
Service providers	Raised bidding rate	Bidding rate raised: 80.5% → 87.85% - Supported partner companies' stable growth by guaranteeing profits - Strengthened the basis for an efficient airport operation
	Enhanced welfare benefits	Enhanced welfare benefits(KRW21 billion annually) - Transportation allowance: KRW 50,000/month, person → KRW 180,000/month, person - Lunch allowance: KRW 66,000/month, person → KRW 88,000/month, person
	Improved working conditions	Addressing low income -When approving subcontracting, over 95% in subcontracting rate, and 100% payment of labor costs Arly implementation of 40 hour week Revision to assessment standard for deciding the workforce and compensation for each sector
	Supported employment stabilization	Minimizing job cuts and actively encouraging employment

### Interview\_Ninos, SMS Manager at Erbil International Airport

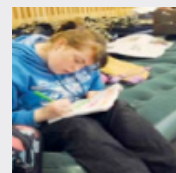
After a successful opening, Erbil International Airport plans to learn more of IIAC's know-how including employee education and advanced airport operation methods in order to secure its position as an international airport of the Middle East. We hope for a closer



working relationship with the IIAC employees in the process and that they will help in educating our employees even when the consulting agreement is completed.

### Close Cooperation System with Partner Companies Highlighted during Europe's Aviation Crisis

In April 2010, the quick and friendly service that IIAC offered with its partner companies during Europe's aviation crisis touched the hearts of many. Through the well organized service cooperation system with the airlines, resident institutions and service providers, IIAC was able to provide free meals, places to sleep, and medical assistance, conveying Korean hospitality to the airport users. This contributed in strengthening the brand value as the world's best service hub airport, as well as the heightening national status in the international community.



Thank you, Incheon Airport!  
"I am grateful for the patience, hard work and kindness of the airport personnel in exceptional times. I am truly grateful to all the hospitality you have shown me."

[A thank you note from an English woman who stayed at Incheon Airport when air travel was disrupted due to the volcanic explosion in Iceland.]

# Local Community

IIAC is growing with the local community through a systematic social contribution program that makes the most of the airport business and fits the surroundings. With the vision of creating a new local culture called “Local Community that Communicates” we established an organic, community-based social contribution model. Based on this model, we are expanding a culture of sharing through focused social contribution projects, strengthened local bond, and self-motivated volunteer activities. IIAC will continue to build a win-win atmosphere through consistent and effective social contribution activities in hand with the local community.

## Vision

IIAC is growing with the local community through a systematic social contribution program that makes the most of the airport business and fits the surroundings. With the new vision for local culture called “Communication in Local Community” we established an organic, community-based social contribution model. Based on this model, we are expanding a culture of sharing through 3 major projects – social contribution, strengthened local bond, and self-motivated volunteer activities. IIAC will continue to build a win-win atmosphere through consistent and effective social contribution activities in hand with the local community.

## Achievements

Propelled the establishment of the autonomous private school “Incheon Haneul High School” (KRW 38.7 billion)

Focused Social Contribution Projects

- Specialized local schools (supported an amount of KRW 1.2 billion since 2007)
- Began construction of Haneul Cultural Center according to the opinion gathered at the Residents Council (KRW 30 billion in scale)
- Construction of the World Peace Forest (supported KRW 1 billion from 2007 to 2010)

Founded the basis for volunteer activities to expand the culture of sharing through voluntary participation(Launched the IIAC Volunteer Group)

Conducted the Free Translation Volunteer Campaign Incheon Airport BBB Movement (signed agreement with BBB Korea on Dec. 2009)

Invited the local community to participate in the SKY Festival as part of local cultural support

## Major Issues

Strategic social contribution activities taking into account the characteristics of the airport operation business and the local community (Social Contribution Team, IIAC Volunteer Group)

Contributing to local community's development & communication (Social Contribution Team, Administration Team, Property Management Team)

## Challenges

- Establish the roadmap for Social Responsibility Vision 2015

- Establish a system for consistent social contribution projects and develop a performance assessment model

- Identify social contribution projects that reflect the characteristics of airport operation business

- Social participation as a corporate citizen such as preparing for the age of diversity and multi-cultural society



Kim, Tae-gi | Local residents' representative

“ IIAC's social contribution projects changed the local residents' consciousness and directly helped improve their quality of life. I think it has all the more meaning because they work together. I believe IIAC had a great economic influence on the economy of the region as well, and I am thankful that IIAC stands in the middle of it all.”



Lee, Shin-geun | Principal of Incheon Sinmok Elementary School

“ We became the object of benchmarking since we began running the specialized program (English education). As our reputation as a good school spread out, more student have entered our school, and the parents' participation in education has increased as well. I can see in person how IIAC, the schools and local community are developing together.”



Lee, Gye-sun | Head of Boramae Children's Welfare Center

“The IIAC Volunteer Group has been a great help. Just like last year, a large group of people swept in and worked miracles in a short time. What was most impressive was how they all worked like a well-oiled machine through to the end, leaving no need for us to intervene. The children say that superman came by, with such perfect and excellent they do compared to other volunteer workers.”

## Community Based Social Contribution

Based on mutual understanding with the local community, IIAC implements community-oriented contribution activities that will give practical support to the residents. IIAC seeks to realize a win-win culture with the local community and improve the residents' quality of life by actively propelling key social contribution projects which are; "Specialized local schools," "Construction of the World Peace Forest," and "Construction of the Haneul Cultural Center."

### Focused Social Contribution Project

IIAC has established a vision of creating new local culture through long-term community building and enhancing, based on mutual understanding with the community, moving one step ahead from one-sided activities. Drawing upon this vision we drew out execution strategies that we can support and cultivate. We put our efforts in fulfilling our role as a corporate citizen through systematic and focused implementation of focused social contribution projects. Under the theme of education, "Specialized local schools" provides opportunities for an array of experiences to the community, while "Construction of the World Peace Forest" which strives for the harmony of culture, tradition, and life enhances the affection for the environment and habitat. Also, the "Haneul Cultural Center" will help improve the community residents' quality of life and found a solid basis for mutual sustainable growth of IIAC and the community.

### Cultivating Local Talent

As part of social contribution activities as a public corporation,

IIAC is propelling the establishment of an autonomous private high school to help domicile and develop the local community. The Incheon Haneul High School that will open in March 2011 is the first autonomous private high school in Incheon to which IIAC donated the school grounds and KRW 38.7 billion. The school will be comprised of 8 classes for each grade (24 in total). In addition, we are providing various educational opportunities to the youths of the community with the specialization project of local schools we have been undertaking since 2007. Under the local school specialization project, teachers, parents and students develop programs that fit the local circumstances for which we provide support. In 2009 we provided KRW 313 million to 8 middle schools and elementary schools for 10 programs, and the total support amount from 2007 is KRW 1.2 billion.

For the early discovery and cultivation of outstanding students studying aviation logistics, IIAC established an industry-academy cooperation system with University of Incheon, Inha University, and Korea Aerospace University, providing full scholarships to 79 students (KRW 158.74 million) since 2005.

## Focused Social Contribution Activities

### 01 World Peace Forest

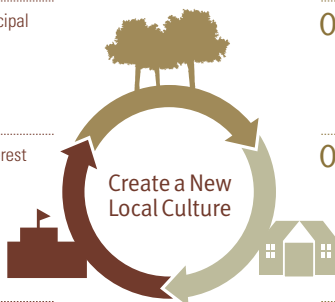
- Win-win partnership connecting the corporation, civic group and municipal government
- Transforming green landscape to a community with culture and theme

### 02 Cultivating Local Talent

- Building trust with the community through education, the common interest
- Supporting unique future-oriented programs for each school
- Seeking for smooth communication with the local community

### 03 Construction of the Haneul Cultural Center

- Improve cultural welfare conditions, reflecting the needs of local residents
- Enhance airport service quality by balancing work and life of airport employees



- 01 - Enhancing ecological design of the green area near the airport under the cooperation of civil, government and corporate entities (Phase 1 2007-2009)
- Launched the residents operation group (People of the World Peace Forest) (Jul. 2009)

- 02 - Cultivating young students in nearby schools : specialization of local schools
- Supporting excellent schools: support for establishing autonomous private high school
- Early discovery and cultivation of students majoring in aviation logistics

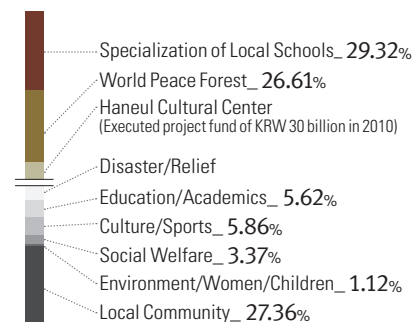
- 03 - Constructed a cultural complex where the residents are the leading participants (KRW 30 billion from Jun. 2009 to Apr. 2011)

### Annual Social Contribution Funds

[Unit: KRW 1million]

Category	2007	2008	2009	2010.06
Focused Social Contribution Activities	1,302	643	39,332	11,000
Education/Learning	58	50	29	40
Culture/Sports	48	61	99	36
Social welfare	83	30	39	17
Environment/women/children	41	25	12	22
Disaster/relief	50	43	0	2
Local Community	186	37	293	73
Total	1,768	889	39,804	11,190

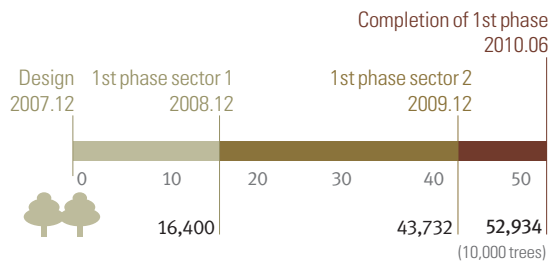
### 2009 Social Contribution Funds Execution Details



\*In 2009, IIAC contributed KRW 38.7 billion for the establishment of the autonomous private high school.

### World Peace Forest Project

The "World Peace Forest" is the urban forest 470,740m<sup>2</sup> in size and located in the Incheon Airport New Town (Jung-gu, Unseo-dong) that not only functions as noise buffer and shielding, but also provides a space for repose and communication. After completing the first phase construction of 240,000m<sup>2</sup> near the running basin park in 2009, complimentary screen plantation amounting to KRW 1.3 billion was completed in 2010, and various trees will be planted until 2016 in 3 phases. IIAC hopes to see a new level of social contribution culture will be established with the "World Peace Forest" project, and to see the birth of a green urban community and enhanced ecological design.



### Sky Culture Center

IIAC is propelling the construction of Sky Culture Center, the community culture center for the residents of Yeongjong, Yongyudo, and resident employees at the Incheon International Airport. Construction started in July of 2009, next to the cogeneration plant. The total floor area will be 12,639m<sup>2</sup>, two stories below ground and 3 stories above. The culture center is expected to bring plenty of joy to the local residents. Construction is expected to be completed in the first half-year of 2011, and the center will house an auditorium, basketball court, swimming pool, book café, seniors lounge, youth lounge, nursery, and a variety of cultural facilities. There will also be an amphitheater and concert stage, theme square, and athletics park, becoming the emblem of community facility complex that helps the community culture and communication.

### Supporting Public Interest

The stakeholders' demands regarding IIAC's social contribution activities are first gathered at the work-site, and the Social Contribution Team is charged with general management of related matters. Social contribution donations are used for the focused social contribution projects, as well as projects in the area of academics, culture and sports, and welfare. Through these activities, IIAC seeks to contribute to the advancement of the local community and fulfill the stakeholders' demands.

1. Charity cake-making
2. Donation-Up campaign
3. Sharing Kimchi with Neighbors event
4. Incheon Sky Festival

5. Cultural performance
6. Sharing Bibimbap with Neighbors event
7. Cultural performance



## Strengthening Communication and Bond in the Local Community

IIAC identifies issues and needs of the local community through continued communication, and conducts social contribution activities accordingly. IIAC builds a mutual trusting relationship with the local community by cultural sharing and sharing with the neighbors.

### Cultural Sharing

IIAC offers various culture programs to provide the local community with many opportunities to experience culture and art. IIAC holds tree planting and education programs at the World Peace Forest that will become a new place for communication for the airport employees and local community. IIAC also strives to provide a new cultural paradigm through various cultural programs such as concerts, exhibitions, hands-on experience classes and lectures, and a variety of events to practice sharing with the local residents. IIAC will continue to hold exhibitions of renowned artists and performances that cover the eastern and western, modern and classic of all genres, filling the community with a scent of culture and art 365 days of the year.

**Passenger Terminal Concerts** | IIAC is widely recognized as a cultural airport, where 300,000 people yearly and 1,000 daily experience the culture and art facilities at Incheon Airport. The airport is an open cultural space where airport customers, resident employees and local residents can freely enjoy the cultural programs that Incheon International Airport has to offer. From the regular performance at the Millennium Hall to amateur performances, various concerts are held every day. The exhibitions at the immigration corridors gallery, Korean Cultural Museum, Artifacts Museum, and exchange and cooperation programs with Korean Traditional Culture Experience Hall and Korean Traditional Culture Center offer airport visitors highly enjoyable cultural experiences.

**Incheon Sky Festival** | IIAC has been holding the Incheon Sky Festival every year since 2004. The festival includes a broad array of performances and events, which is open to all employees, partner companies and local residents. At the 2009 Sky Festival held in September, unique programs were prepared prior to the opening reception to further enhance harmony among the airport family, such as the "Airstar Festival" that was field day event for resident employees and "Lovely SKY" that was a blind date event in which 200 single employees participated. At the airport grass square a classical concert added to the festivities. On the second and third day of the festival a soccer match was held between the youth soccer clubs, and a film preview was held at the grand auditorium, which was warmly received by the resident staff and community members.

**Promotion of Local Sports** | IIAC is a shareholder of the "Incheon United FC," the Incheon professional football club, as a way of contributing to the advancement of local sports. IIAC also supports various Incheon citizen sports events including the Incheon Marathon and Inline skating competition. IIAC also opens its football field, baseball field, tennis court, basketball and volleyball court, and grand auditorium to the local community for free, and holds regular film screening events, leading the way in the local cultural and sports promotion. In 2009, as part of green management, an 18.4km-long bike road that connects the airport and the local community was installed. With the cooperation from CJ Entertainment, IIAC holds regular film screenings at the grand auditorium.

### Various Events for Sharing with the Neighbors

IIAC actively participates in activities to share with the neighbors. In 2009, as part of sharing with the isolated and those having financial difficulties, IIAC held unique events such as sharing 1004 cakes (the pronunciation of 1004 is "Cheonsa," which also means angel in Korean) and Bibimbap(Korean dish), and Valentine's Day volunteer activities where employees had the chance to deliver neighborly warmth with their own hands. IIAC also joins hands with many NGOs including UNICEF, Korea Welfare Foundation and various stakeholders in charity activities.



# Social Responsibility Projects to Fit the Airport Business

IIAC identifies and implements strategic social responsibility projects that fit the characteristics and circumstances of the airport operation business. IIAC strives to create greater value by implementing effective social responsibility management that is actually beneficial to the local community and airport users.

## Expanding the Culture of Sharing in the Airport Area

In February 2009, the IIAC Volunteer Group was launched under the voluntary participation of 270 employees. Volunteer activities that were more like internal events are now spreading the culture of sharing to all the areas surrounding the Incheon International Airport. The IIAC Volunteer Group's 300 members give love to the neighbors through activities such as donating coal briquettes to the orphanage and nursing home and providing bathing service. They visited the Boramae Children's Welfare Center to install rubber mats, paint tires and provide cleaning service. In order to induce voluntary participation, a volunteer activities fund is run separately from the social contribution fund, and the CEO's external lecture fees are used for the volunteer activities fund. The IIAC Volunteer Group plans to expand participation to partner companies and resident staff as well.

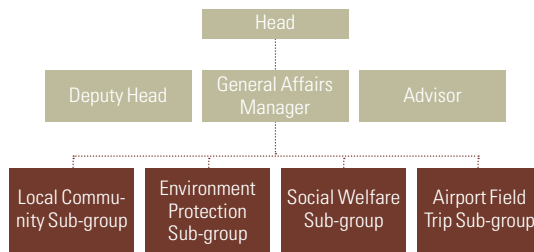
## Free Language Translation Campaign - Incheon Airport BBB Movement

In response to the specific circumstances of the airport where language is always an issue, IIAC conducts a year-round campaign with NGO BBB Korea to create "Incheon Airport with no language barrier." The BBB movement is one of IIAC's social participation projects, providing translation service to airport users. The BBB service is promoted throughout the airport, staffs working at point of contact receive training, volunteer translators are recruited, and training material is developed. Through this movement IIAC strives to create a culture of social responsibility befitting our status as a global airport corporation through cultivating a multi-cultural and diverse environment.

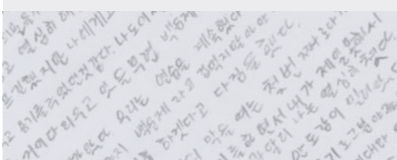
## Roadmap for Social Responsibility Vision 2015

Taking into account the characteristics of the surrounding area, the IIAC focuses on the local community as the most important area of social contribution projects, and hopes to expand it to an organic social contribution model creating an indigenous and creative local culture. We are also aiming to utilize IIAC volunteer group, which will be the beginning of IIAC's sharing culture. IIAC is also building up/promoting a contribution culture. In order to spread out our sharing culture, IIAC volunteer group will be practically utilized. We will continue to identify unique social contribution elements such as the BBB movement and contribute to the social contribution atmosphere through active social participation in response to the age of diversity and multi-culture.

## Volunteer Group Organization



## A SPECIAL OPPORTUNITY THAT GAVE ME CONFIDENCE THAT "I CAN DO IT."



| Essay on Specialized Local School Project's Traditional Music Program

## Chu, Yeong-u, 2nd year student at Yeongjong Middle School

When I got up my courage to join the Samulnori (traditional percussion quartet) class I was both worried and excited. At first I often missed classes, but finally decided to give it a try, and as I played the Jangu at the two-hour practice sessions I began to feel more confident. One day, it was decided that the Samulnori group was to perform at the school festival. I had practiced hard but was worried that I would make a mistake and make my friends look bad. But when I performed on stage without being nervous, I was relieved and found myself feeling more confident. The Samulnori class taught me that "even if you're not so good at something you will become good at it if you work hard," and "never give up even if you fail 10 times."

# Appendix



## UN Global Compact

The UN Global Compact is a voluntary initiative to promote and implement agreed principles on human rights, labor standards, the environment and anti-corruption. To enhance its corporate transparency and fulfill its social responsibilities, IIAC joined the UN Global Compact on March 24, 2007, attended the July 2007 Leaders Summit, and shares and disseminates examples of sustainable management. IIAC respects and strives to realize the objectives of the 10 principles of the UN Global Compact throughout all areas of management.

## Ten Principles

### Human Rights

Principle 1. Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2. make sure that they are not complicit in human rights abuses.

### Labour

Principle 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4. the elimination of all forms of forced and compulsory labour;

Principle 5. the effective abolition of child labour; and

Principle 6. the elimination of discrimination in respect of employment and occupation.

### Environment

Principle 7. Businesses should support a precautionary approach to environmental challenges;

Principle 8. undertake initiatives to promote greater environmental responsibility; and

Principle 9. encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

Principle 10. Businesses should work against corruption in all its forms, including extortion and bribery.

## IIAC Clean Compact Pledge

IIAC and the service providers, resident institutions, airlines, and tenant companies at the Incheon International Airport are proud to be contributing to the national economic development by providing the best service to the customers and operating a convenient airport based on one of the world's best safety and security systems.

We pledge to eliminate all unreasonable and nontransparent customs from society and all aspects of the corporation and to actively implement ethical management, as well as putting our utmost efforts to minimize environmental impacts incurred by airport operations, and declare as follows:

**One.** We acknowledge that ethics is foremost in a corporation's competitiveness, and will strive to earn the respect from the people and society by establishing high ethical principles based on trust, and practice anti-corruption and ethical management.

**One.** We will strive to minimize the environmental impacts caused by airport operations and pursue sustainable growth by abiding by the international environment protection regimes including the Climate Change Treaty.

**One.** We will put our efforts to contributing to the development of the society through continued social responsibility activities and practicing social responsibility management.

February 17, 2010

# Independent Assurance Report

I have been engaged by Incheon International Airport Corporation to undertake independent assurance of the IIAC Social Responsibility Report (the “Report”). The Directors of IIAC have sole responsibility for the preparation of the Report, and the assurance provider is responsible for providing opinions on the Report. In the Report, IIAC describes the activities and accomplishments in its efforts for socially responsible management. In this assurance report, I, the assurance provider, have gathered evidence as to the feasibility of IIAC’s social responsibility management strategies, construction of the Report, and the method of reporting. The following are the findings after evaluating the Report.



**Park Tae-jin**

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Presently the president of Business Institute for Sustainable Development

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Previously chief of Clean Technology Research Center at KIST

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Previously head of Industry-Academic Cooperation Team

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Previously technical expert for Energy & Environment at KISTEP

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Generally, IIAC’s Report has a simple construction of required elements. In particular, IIAC’s effort for communication with the stakeholders was noticeable. The page on DMA (Disclosures on Management Approach) under the Environment section was laid out in graphical design and provided solid numbers, which contributed to the readability of the Report and can be regarded as one of IIAC’s efforts to enhance communication with its stakeholders.

Although IIAC practices socially responsible management and sustainable growth for a transparent corporate governance, and strives to maintain a reasonable and transparent Board of Directors while enhancing their expertise, as the IIAC is wholly owned by the Korean government, it is advisable that IIAC strengthen market monitoring, transparency and responsibility in management through public offering. Thus, while the shares sale currently under progress should be undertaken in a timely fashion, care should also be taken to ensure that the public benefit and national interest are not undermined in the process.

IIAC is recognized for its outstanding service, winning the best airport award in the world airport evaluation for five consecutive years. IIAC has turned such technology and know-how into knowledge commodity, venturing abroad for win-win cooperation with partner companies, which, I find to have shown good results so far. In addition, despite the fact that safety and security that are foremost in airport operation are often incompatible with providing customers’ convenience, IIAC has managed to maintain immigration/departure processing time at 1/3 of international standard while no security accidents have occurred, which points to the fact that IIAC’s operational efficiency is excellent.

In light of economic performance which is the basic goal of a corporation, during the 10 years since its opening, IIAC has secured the position as one of the top five hub airports of the world, and shows a stable financial structure of KRW 1.18 trillion in sales and net income of KRW 266.8 billion. Considering such performance, leaving aside the intangible contribution to the status of the nation, the direct economic contribution of over KRW 1 trillion to the country can be regarded as IIAC having fulfilled its social responsibility as a public corporation.

IIAC’s efforts to fulfill its responsibilities to the environment have been manifested in various aspects, including decreasing air and water pollution and minimizing noise pollution. Operating the gray water treatment facility has enabled IIAC to recycle 59% of wastewater and 51% of wastes, reducing 15% (in intensity) of CO<sub>2</sub> (one of the most significant greenhouse gases), which is a notable achievement.

Incheon International Airport implements green management with the goal of realizing a Green Airport, developing a greenhouse gas inventory and setting up CO2 reduction plans. Now that the basis for green management has been set up and visible outcome is beginning to surface, Incheon International Airport should prepare a more proactive implementation plan for green management and act upon them. Taking into account the fact that international regulations for greenhouse gas reduction are being strengthened, the goal of reaching 10% energy self-sufficiency within the airport by 2020 seems somewhat modest. It is advisable that IIAC look into this matter more closely.

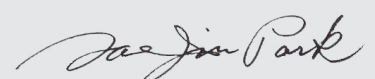
Another area that needs more attention is the plans to preserve the natural ecosystem. Currently, Incheon International Airport conducts regular maritime and land ecosystem research 4 times each year. It is advised that Incheon Airport take the feedback from these surveys into establishing long-term plans. In particular, if the bird population in the vicinity of the airport were to increase, the chances of birds crashing into aircrafts will become higher. Thus, a proper plan to ensure the safe passage of aircraft while not interfering with the natural habitat of the birds should be established.

In the area of social contribution, as was proved by IIAC's winning 1st place in ASQ evaluation for five consecutive years, customer satisfaction is very high. However, the airports of the world are continually putting their efforts in upgrading their facilities and service. Adding to the fact that Incheon Airport has expansion plans, it should be recognized that without persistent effort, such high evaluation is not always guaranteed.

Regarding human resources management, a plan is required to increase the rate of foreign employees in light of globalization, as well as meeting the national interest of providing more jobs for Korean nationals. A detailed and long-term plan to enhance the capacities of the employees of the service providers is also advised.

IIAC is implementing various community-oriented social contribution activities under its social contribution strategy. It has been executing KRW 1 billion's worth social contribution fund every year since 2007, and contributed KRW 38.7 billion to the establishment of an autonomous private high school in order to cultivate human talent in the local community. Strategic social contribution projects require solid targets and a long-term roadmap, its achievements through consistent implementation should be assessed and improvement made based on feedback. The social contribution activities of IIAC have a definite target and the direction is well thought out. However, the contributions made for public interests such as academics, culture, sports, and social welfare are not consistent, varying from KRW 200 million to KRW 500 million. Contributions for the public interest should move a step forward from simple donation to having a direction for long-term growth, and systematic procedure and plans to back up implementation.

The Report has shown that IIAC is taking proactive steps to become the leader of the future paradigm in a rapidly changing world while striving to fulfill its social obligation. In the future, it is advised that IIAC prepare a sustainability report annually to recheck its management policies and further advance itself, and to reach its vision of becoming the world's respected global specialized airport corporation.



# GRI Guideline Index

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3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities joint ventures, suppliers)	Reporting Coverage	cover 2	
3.7	State any specific limitations on the scope or boundary of the report	Reporting Coverage	15	
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	Company Profile	cover 2	
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report	Reporting Standards	cover 2	
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/ periods, nature of business, measurement methods)	N/A		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	Characteristics of the Report	cover 2	
3.12	Table identifying the location of the Standard Disclosures in the report	GRI Guideline Index	48-51	
3.13	Policy and current practice with regard to seeking external assurance for the report	Assurance of the Report	cover 2	
<b>Governance, Commitments, and Engagement</b>				
<b>Disclosure on Management Approach_ Stakeholders, Materiality Test, Major Issues</b>			8-13	
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	Corporate Governance and Activities of the Committees within the Board of Directors	6	1-10
4.2	Indicate whether the Chair of the highest governance body is also an executive officer	Composition and Operation of the Board of Directors	6	1-10
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	Composition and Operation of the Board of Directors	6	1-10
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Non-executive Directors' Participation and Expertise Composition and Operation of the Board of Directors	6	1-10
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance)	Strengthening the BOD	6	1-10
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Strengthening the BOD	6	1-10
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics	Strengthening the BOD		1-10
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	Global IIAC 2015, Social Responsibility Management, Stakeholders, Customer Charter, UN Global Compact	5, 8, 29, 45	1-10

INDICATORS		IIAC	Page	UNGC
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	Strengthening the BOD	6	1-10
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	Composition and Operation of the Board of Directors	6	1-10
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization	Risk Management	13	1-10
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	UN Global Compact, ILO Standard, ICAO Treaty and Annex		
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations	Memberships in Associations	52	
4.14	List of stakeholder groups engaged by the organization	Stakeholders	8	
4.15	Basis for identification and selection of stakeholders with whom to engage	Stakeholders	8	
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Communication Channel with Stakeholders	8	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	Communication Channel with Stakeholders	8	
<b>Economic</b>				
Disclosure on Management Approach_Economic			8-13, 16	
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	Major Economic Performance	17-20	
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	Efforts to Reduce Carbon Emissions	7, 25	
EC3	Coverage of the organization's defined benefit plan obligations	Employee Benefit Programs	35	
EC4	Significant financial assistance received from government	Government Supported Projects	19	
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	Ratios of Standard Entry Level Wage	33	
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	Expanding Local Businesses' Participation	44	
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	None		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	Donation for Local Athletic Facilities	44	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts	Returning Economic Accomplishments	18,19	
<b>Environmental</b>				
Disclosure on Management Approach_Environmental				
EN1	Materials used by weight or volume	N/A		
EN2	Percentage of materials used that are recycled input materials	N/A	24	8, 9
EN3	Direct energy consumption by primary energy source	Consumption of Energy	24	9
EN4	Indirect energy consumption by primary source	Consumption of Electric Energy	24, 25	9
EN5	Energy saved due to conservation and efficiency improvements	Reduction of Energy	24, 25	8, 9
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	Cost Reduction through Improved Energy Efficiency	24, 25	9
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	Cost Reduction through Improved Energy Efficiency	25	9
EN8	Total water withdrawal by source	Consumption of Water	23	
EN9	Water sources significantly affected by withdrawal of water	Recycle of Wastewater	23	
EN10	Percentage and total volume of water recycled and reused	Efforts to Preserve the Ecosystem	23	8, 9
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Efforts to Preserve the Ecosystem	25	8
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	Efforts to Preserve the Ecosystem	25	8
EN13	Habitats protected or restored	Efforts to Preserve the Ecosystem	25	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	Optimal Pollution Prevention and Monitoring	25	7
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	Survey Results of Environmental Impact on Surrounding Area	25	8

# GRI Guideline Index

INDICATORS		IIAC	Page	UNGC
EN16	Total direct and indirect greenhouse gas emissions by weight	Carbon Dioxide Emissions	25	9
EN17	Development of Greenhouse Gas Inventory	Development of Greenhouse Gas Inventory	25	8,9
EN18	Efforts to Reduce Carbon Emissions	Efforts to Reduce Carbon Emissions	24,25	
EN19	Emissions of ozone-depleting substances by weight	Usage of Eco-friendly Refrigerant	23	
EN20	NO, SO, and other significant air emissions by type and weight	Measurement of Air Pollution Sources	23	
EN21	Total water discharge by quality and destination	Water Pollution Sources	23	8
EN22	Total weight of waste by type and disposal method	Waste Emissions	23	8
EN23	Total number and volume of significant spills	None		
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Legally Renounced in the Nation		
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	Efforts to Preserve Ecosystem	25	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	Aircraft Noise Management, Environmental Impact Reduction Activities, Efforts to Reduce Dusts during Construction	23, 25	8,9
EN27	Percentage of products sold and their packaging materials that are reclaimed by category	N/A		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	None		8,9
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	Energy Usage Reduction	24	
EN30	Total environmental protection expenditures and investments by type	Environmental Expenses and Investments	22	8
<b>Labor Practices and Decent Work</b>				
<b>Disclosure on Management Approach_Labor</b>			9, 32	
LA1	Total workforce by employment type, employment contract, and region	Organization and Employee Status	33	
LA2	Total number and rate of employee turnover by age group, gender, and region	Employees	33	6
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	Employee Benefit Programs	35	
LA4	Percentage of employees covered by collective bargaining agreements	Labor Union	34	3
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	Labor-Management Communication	34	3
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	Safety and Health Maintenance	35	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region	None		
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	Family-friendly Programs, Industrial Accident Education and Health Promotion	35	
LA9	Health and safety topics covered in formal agreements with trade unions	Industrial Safety and Health Committee	35	
LA10	Average hours of training per year per employee by employee category	Fostering Value-added HR	33	6
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Fostering Value-added HR	33	
LA12	Percentage of employees receiving regular performance and career development reviews	Fair Evaluation and Compensation	33	
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	Composition and Operation of the Board of Directors, Employees	6, 33	6
LA14	Ratio of basic salary of men to women by employee category	None	33	6
<b>Human Rights</b>				
<b>Disclosure on Management Approach_Labor</b>			9, 32	
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening	None		1,2
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Improvement of SLA (Service Level Agreement)	38	1,2
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Human Rights and Problem Resolution	35	1
HR4	Total number of incidents of discrimination and actions taken	None		1,6
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	Labor-Management Communication	34	1,3
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor	(Prohibition of Child and Forced Labor)		1,5

INDICATORS		IIAC	Page	UNGC
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor	(Prohibition of Child and Forced Labor)		1, 4
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	Human Rights and Problem Resolution	34	1, 2
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	None		1
<b>SOCIETY</b>				
Disclosure on Management Approach_ Society			7, 9, 40	
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	Building of Clean Airport	41	
SO2	Percentage and total number of business units analyzed for risks related to corruption	Transparent & Open Management Strategies	7	10
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures	Programs to Internalize Culture of Integrity	7	10
SO4	Actions taken in response to incidents of corruption	Transparent & Open Management Strategies	7	10
SO5	Public policy positions and participation in public policy development and lobbying	(Prohibition of Political Issues by the Act)		
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	(Prohibition of Political Donation by the Act)		
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	Enhancing Customer Confidence	29, 30	
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	(Insufficient Data)		
<b>PRODUCT RESPONSIBILITY</b>				
Disclosure on Management Approach_ Customer			9, 27	
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	Establishment of CS Monitoring System	28	
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	None	28	
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	Enhancing Customer Confidence	29, 30	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	None		
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	Integrated CS Research	28	
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Customer Charter	29	
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes	No Violations		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No Violations or Data Leakage		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No Violations		
<b>Airport Operators Sector Supplement</b>				
AOSS1	Total number of passengers annually, broken down by international and domestic flights	Airport Operating Results and Passenger Traffic	16	
AOSS2	Annual total number of aircraft movements by day and by night, broken down by commercial, non-commercial, cargo and military	Airport Operating and Cargo	16	
AOSS3	Quality of storm water, by regulatory regime	Water Pollution Prevention	23	
AOSS4	Ambient air quality levels according to pollutant concentrations in microgram perm <sup>3</sup> or parts per million (ppm) by regulatory regime	Air Pollution Control	23	
AOSS5	Aircraft and pavement de-icing/anti-icing fluid used and treated by m3 and/or tones and treated by m3 and/or tones	De-icing	22	
AOSS6	Number and percentage change of people residing in areas affected by noise	Aircraft Noise Control	23	
AOSS7	Actual or estimated number of persons voluntarily and involuntarily displaced and/or resettled by airport development, broken down by project	N/A(2007-2009)		
AOSS8	Number of Wildlife Strikes	Birds	25	

## Evaluation by External Organization and Memberships

### Awards and Certifications (2008~2010)

	Received Date	Details	Awarding Organization
<b>Creative Innovation and CS Management</b>	2008.06	IATA Eagle Award(World's Best Airport)	IATA
	2008.11	Web Award Grand Prize in Public Institution Area	Web Award Korea
	2009.01	Best Airport in the World	Global Traveler
	2009.04	Best Airport Worldwide	Airports Council International (ACI)
	2009.05	New Quality Grand Prize	Chairman of New Quality Forum
	2009.06	World Best Airport Award	SKYTRAX (U.K.)
	2009.10	Aviation Awards for Excellence Airport City of the Year	CAPA(Centre for Asia Pacific Aviation)
	2010.01	Best Airport in the World	Global Traveler
	2010.01	Best Airport in the World	Business Traveler Magazine
	2010.02	President of Bureau Veritas Award in International Public Design Award	Korea Public Design Regional Foundation
	2010.03	Airport of the Year	Air Cargo World
	2010.04	Best International Connection Airport	SKYTRAX
	2010.05	Best Airport Worldwide	ACI(Airports Council International)
<b>Environmental Management</b>	2008.12	LOHAS Management Award (Service/Finance/Distribution Sector)	Korea Green Foundation
	2009.07	Grand Prize in Environmental Management Sector	Korea Chamber of Commerce & Industry
	2010.06	Green Management Award	Ministry of Knowledge Economy
<b>Social Responsibility Management</b>	2008.02	Korea's Most Respected Corporation	Korea Management Association Corporation
	2008.11	LACP Spotlight Awards, Gold Award in Sustainability Report Sector	LACP(League of American Communications Professionals)
	2008.11	1st Shop-floor Innovation Award	Minister of Labor
	2008.12	Excellent Labor-Management Relations Award	Minister of Labor
	2008.12	Certified Family Friendly Corporation	Ministry of Health & Welfare
	2009.02	Korea Labor-Management Cooperation Award	Korea Employers Federation
	2009.10	Korean Sustainability Conference	KSA, Global Reporting Initiative
	2009.10	Human Resources Management	Korea Management Association Corporation
	2009.12	MECENAT Awards, Creativity Award	Korean Business Council for the Arts, Maeil Business Newspaper, Ministry of Culture, Sports & Tourism
	2009.12	KM Award Grand Prize in Public Sector	Maeil Business Newspaper, Booz & Company
	2010.02	Korea's Most Respected Corporation	Korea Management Association Corporation
	2010.02	Korea Ethical Management Award	NIMA (New Industry Management Academy)
	2010.04	Staff Excellence - Asia	SKYTRAX
	2010.09	Great World to Have Children Award	Ministry of Health & Welfare

### Memberships in Associations and Organizations (as of 2010)

Association/Organization	Year Joined	Association/Organization	Year Joined	Association/Organization	Year Joined
Korea Environmental Preservation Association	1995	Korea Civil Aviation Development Association	2001	ACI(Airports Council International)	2001
ISO 9000/14000	2002	Incheon Chamber of Commerce & Industry	2002	ASQ(American Society for Quality)	2002
Korea Productivity Center	2003	Federation of Korean Industries	2004	IPS Ethical Management CEO Club	2005
Meerae Forum	2005	Korea Navigation Institute	2006	Korea Management Association Corporation	2006
IPS Ethical Management SM Forum	2006	Head of Airport Resident Institutions(Samhwa Club)	2007	TIACA (The International Air Cargo Association)	2007
BISD	2007	UN Global Compact Network Korea	2007	Korean Association for Public Administration	2008
Incheon Business Forum	2008	UN Global Compact	2007	BBB Korea	2009



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## Wait for your feedback.

IIAC would like to hear the valuable opinion of all stakeholders in order to further improve future Social Responsibility Reports. Please fill out the following questionnaire and send it to the address or fax number below.

**ADDRESS** | Incheon International Airport Corporation, Social Contribution Team 2850

Unseo-dong, Jung-gu, Incheon 400-700

**FAX** | 82-32-741-2330

## SOCIAL RESPONSIBILITY REPORT 2010 COMMUNICATION SHEET

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### 1. What is your profession?

- ☐ Employee ☐ Airport-stationed Worker ☐ Shareholder ☐ Investor ☐ Business Partner  
☐ Specialist in Sustainability Management ☐ Social Group (including NGO) ☐ Academia ☐ Media ☐ Other \_\_\_\_\_

### 2. Through what channel did you get our Social Responsibility report?

- ☐ IIAC Website ☐ Newspaper/Magazine ☐ Web Surfing ☐ IIAC Employee ☐ Seminar/Lecture ☐ Other \_\_\_\_\_

### 3. Did this Report help your understanding of IIAC's Social Responsibility management activities?

- ☐ Very Helpful ☐ Helpful ☐ Moderately Helpful ☐ Unhelpful ☐ Totally Unhelpful

### 4. This report was reorganized according to the results of the materiality test. What are your major areas of interest?

- ☐ Airport Operation Results ☐ Returning Economic Gains ☐ Leading Global Specialized Airport Corporation ☐ Safety ☐ Customers  
☐ Employee ☐ Business Partner ☐ Communities ☐ Environment ☐ Other \_\_\_\_\_

### 5. How would you rate this report on the following aspect?

- |  | Very Much                | Yes                      | Moderately Agree         | Disagree                 | Totally Disagree         |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Terminologies are clear and easy to understand.                        | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Contents are reliable.   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Design is good and helps understand the contents.                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| It helps me understand IIAC's social responsibility management policy. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

### 6. After reading the Report, have your thoughts on IIAC changed?

- ☐ It changed for the better ☐ It did not change ☐ It changed for the worse

### 7. If you have any additional opinions, please specify.

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Thank you for responding to the questionnaire.

## More Than an Airport Beyond Expectation

**Social Responsibility Report 2010**  
Incheon International Airport Corporation

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