posco
포스코퓨처엠

산림파괴방지 정책
(No Deforestation Policy)

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Managed by	**Sustainability Group**		
Reviewed by	**Head of Sustainability Group**		
Approved by	**CEO (Chairman of BOD)**		

Purpose

This policy aims to establish principles and implementation measures to prevent potential forest destruction in POSCO FUTURE M's overall business activities and protect local community forests. This policy was developed with reference to international agreements such as the UN Strategic Plan for Forests and GFGs, the UN General Assembly's Forest Initiative, and the IUCN Guidelines for Applying Protected Area Management Categories.

Scope of Application

This policy applies to all POSCO FUTURE M workplaces and its investing corporation. Suppliers and contractors who do business with POSCO FUTURE M are encouraged to comply with this policy or similar policies at a comparable level. Employees should also be encouraged to comply with this policy when dealing with partners in all business processes such as cooperation, contracts, supply, and services. However, if there are local laws and regulations regarding forest conservation, forest protection, logging, and the use of forest products, they should be given priority.

Code of Conduct

1. **We shall shift away from a linear economy where we exploit resources to produce and use products only to eventually discard them, and move instead toward a business model based on a circular economy which is decoupled from the consumption of finite resources and promotes recycling and sustainability.**
2. **We shall identify and minimize the impact of potential forest destruction at every stage of our business operations and make efforts to restore damaged forests when necessary.**
3. **In cases where forest destruction is unavoidable, we shall make efforts to minimize the loss of forests by creating replacement forests in other locations and avoiding operations in areas with high forest values.**
4. **We shall designate areas that are directly or indirectly impacted by our business operations as well as protected areas and other high-value forest areas both inside and outside our workplace, and monitor and manage the impact on forests.**
5. **We shall identify threats to endangered plant species found in our workplace and in the locations of our partners and establish conservation strategies for those species.**

6. **We shall implement ecosystem restoration projects in areas where our business operations directly or indirectly impact forests, and publicly disclose the planning and implementation process, community participation efforts, and project results.**
7. **We shall actively participate in research and development using plant resources, projects aimed at promoting and protecting plant species, and international initiatives related to forest conservation.**

Action Plan

1. **We shall establish procedures and governance where deforestation issues are considered in our business strategies, decision making process, and long-term risk analysis. Material issues shall be reported to the Board of Directors.**
2.
3. **We shall integrate forest management into the EMS and set goals and standards to control and monitor the EMS.**