

Deforestation Prevention Policy for Sustainable Construction

March. 2025



	Approval	Sustainability Management Committee	Reg. No.	DTMS-SUS-003
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Article 1 (Purpose)

1. The "Deforestation Prevention Policy for Sustainable Construction" (hereinafter referred to as the "Policy") aims to establish principles and measures to prevent deforestation, protect the environment, and achieve sustainable development.
2. Daewoo E&C seeks to fulfill its corporate social responsibility and contribute to ecosystem conservation and climate change mitigation by engaging in forest protection activities that support the sustainable development of local communities.

Article 2 (Scope of Application)

1. This "Policy" applies to all projects undertaken by Daewoo E&C, including domestic and overseas corporations, branches, and subsidiaries, particularly where construction activities may affect forested areas. Special emphasis is placed on preventing deforestation in or near forest zones.
2. Daewoo E&C endeavors to ensure that deforestation prevention principles are upheld across its entire value chain, engaging partners, subcontractors, and material suppliers in its commitment.

Article 3 (Governance)

1. The Sustainable Management Committee holds final approval authority over this Policy and shall review major plans and initiatives carried out by the designated responsible department (hereinafter referred to as the "responsible department"). If necessary, the Committee may resolve to escalate significant issues to the Board of Directors.
2. The CEO or a delegated executive shall oversee and supervise the company-wide implementation of the "Policy".
3. The responsible department shall manage the establishment, revision, and implementation of the Policy. It shall also collect performance data on deforestation prevention performance at project sites and report critical issues to the Sustainable Management Committee and the CEO. Performance results shall be disclosed via sustainability reports in order to communicate with stakeholders.
4. Project departments or field sites shall identify and regularly monitor deforestation risks at each project site. Where applicable, they shall implement a forest protection due diligence process and report outcomes to the responsible department.

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Article 4 (Principles and Measures)

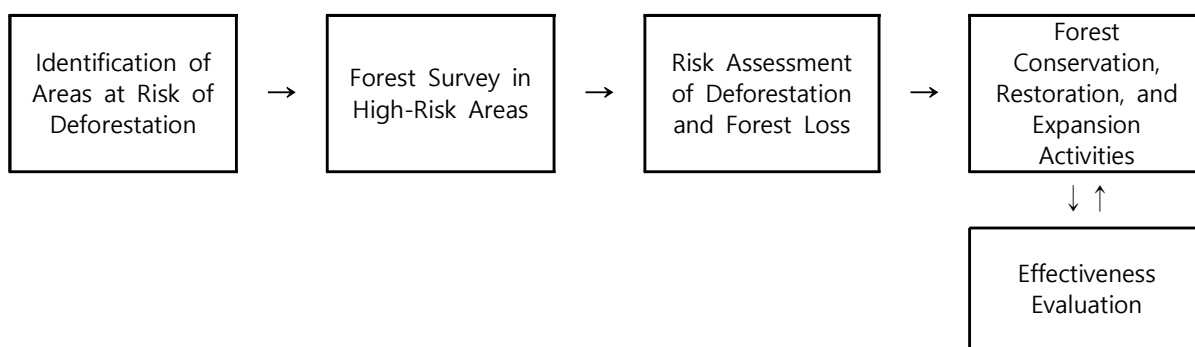
1. Establishment of Forest Protection Measures: If deforestation is anticipated based on environmental impact assessments or construction plans, appropriate measures shall be taken to minimize forest damage. where deforestation is unavoidable, compensation and restoration plans must be developed to minimize the impact.
2. Adoption of Eco-Friendly Technologies: Environmentally friendly construction technologies and materials shall be considered to minimize the ecological footprints on forest.
3. Reforestation and Restoration: In cases where deforestation cannot be avoided, Daewoo E&C shall undertake active reforestation and restoration efforts to achieve Net Zero Deforestation.
4. Raising Awareness of Forest Protection: For projects with potential forest impact, employees and partners shall receive appropriate training on forest protection and be encouraged to participate in deforestation prevention activities.

Article 5 (Monitoring and Evaluation)

1. Regular Monitoring: Project departments and field sites shall proactively identify risks and conduct ongoing monitoring of deforestation potential in and around areas of concern.
2. Operation of Forest Protection Due Diligence Process:
 - 1) Implementation Triggers:
Forest protection due diligence shall be considered under the following conditions:
 - ① When deforestation is deemed unavoidable due to project requirements
 - ② When required by applicable laws or regulations
 - ③ When credible concerns about forest degradation are raised by stakeholders
 - 2) Due Diligence Process:
This process includes identifying areas at risk of deforestation, conducting forest surveys in those areas, and assessing the risks of forest destruction and loss. Based on these assessments, forest protection activities shall be carried out in cooperation with local communities and may include conservation, restoration, and expansion efforts.
 - 3) Effectiveness Evaluation:
If forest protection measures are implemented, The effectiveness of forest protection measures shall be evaluated and the need for additional protective measures shall be reviewed accordingly.

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[Forest Protection Due Diligence Process]



3. Reporting of Performance

Project departments or field sites shall report the results of regular monitoring and biodiversity protection efforts to the responsible department. The responsible department shall, in turn, report key issues to the Sustainable Management Committee and the CEO.

Article 6 (Communication and Disclosure)

1. Daewoo E&C strives to communicate effectively with stakeholders regarding this Policy and related activities, and to proactively reflect stakeholder feedback in the Policy.
2. Daewoo E&C discloses its forest protection policies, major activities, and performance through sustainability reports and other means.

Article 7 (Policy Revision)

1. The "Policy" shall be reviewed and revised periodically to reflect changes in the business environment, legal requirements, and societal expectations.
2. Revisions of this "Policy" are finalized following review by the responsible department and approval by the CEO or the Sustainable Management Committee.