

Corporate Social Responsibility

POSCO E&C cares for the environment, values human life, and creates a harmonious world for both nature and humanity. POSCO E&C strives to develop further while staying true to its social responsibilities, rather than leaning towards short-term economic benefits. As a global corporate citizen, POSCO E&C has joined the UN Global Compact and will do its best to become a beloved company by actively practicing the '10 Principles of Corporate Social Responsibility' and contributing to the development of human society.



Win-Win Growth

Safety

Environment

Social Contributions

Sports Sponsorship



We believe in the power of ‘we’ walking together rather than ‘I’ walking alone.



POSCO E&C wishes to be an excellent business partner. It has established transparent business relations by incorporating the “Four major guidelines for win-win cooperation” as recommended by the Korea Fair Trade Commission, while operating an exclusive in-house task force department for win-win growth and carrying out a variety of activities to support its business partners. With synergies for mutual growth, POSCO E&C will continue to enjoy respect and trust around the world.

Manages a department fully responsible for supporting partners: the first in the industry opened in December 2007

Financial Support

- Win-Win Growth Fund: Cash payment for goods received to partners
Provides favorable interest rates of 1~3% lower than general loans, by creating funds of 52 billion won with Woori Bank to offer low-interest financial support for partners
- Network Loan: Enables partners to get loans from financial institutions based on a contract with POSCO E&C.
- Technology Development Fund: Designed to jointly develop technologies that are difficult for small businesses to develop independently, and to contribute to upgrading their technologies through financial support.

Technology Support and Safety

- Patented Technology Transfers: POSCO E&C transfers its patented technologies to partners.
- Joint R&D: Contributes to enhancing technological competitiveness of partners through joint R&D in technologies that are difficult for small businesses to develop independently.
- Joint Patent Registration & Application: Partners and POSCO E&C jointly develop technologies and jointly register and apply for patents.
- Benefit Sharing: Creates new values in cooperation with small and medium-sized enterprises (SMEs) and shares benefits based on prior consent (implemented in 2008).

Training and HR Support

- Vocational Training for Small Businesses: Enhances technological competitiveness of partners through the support of technology, IT, management, and customized education.
- Technology Consulting: Researchers from the institute of technology provide technology consulting for employees of small businesses
- Win-Win Growth Support Group: All POSCO E&C employees (including all executives) visit small businesses with which they are matched one-on-one, and solve problems through customized consulting activities such as on-the-spot experience and collection of difficulties.
- Industrial Innovation Movement 3.0: Provides business and process innovation consulting services for SMEs

Awards

- **2010** Received Commendation from Fair Trade Commission for Win-Win Fulfillment Results / Won Grand Prize at Win-Win Promotion Contest in the Construction Industry / Won the Ministry of Knowledge Economy Award in Contribution Category at Win-Win Promotion Contest in the Construction Industry
- **2012** Presented Best Practice in the Presidential Win-Win Growth Ceremony
- **2013** Received Korea's Win-Win Conference Award in the Construction Industry for 2 consecutive years • Seoul Economic Daily Received 'Excellent' Grade for Win-Win Growth and Fair Trade Fulfillment for 4 consecutive years • Fair Trade Commission

Safety is the paramount value
a goal that cannot be compromised.



Safety management is practiced at POSCO E&C by its headquarters, its partners, and by all workers in the field. For safety activities to be participated in by everyone, the company gives a sense of responsibility for safety to the headquarters, and actively constructs a system for safety activities led by partners that manage workers in the nearest locales. On site, all employees are responsible for the safety of each district, helping to prevent unsafe behaviors that can lead to accidents. In doing so, the company pursues to be an accident-free zone through safety control.

Safety Culture Activities Participated by Executives and Employees

- CEO Safety Check and Training: CEO visits domestic and overseas sites once a month for safety check and training
- Executives' Safety Activities: Executives responsible for Safety visit all domestic sites once every two months for safety checks and training
- On-site Safety Support by Executives of Staff Department: Enforcement of safety support by staff department executives' monthly visit to the site for encouragement and collection of suggestions

Performing Activities to Improve Unsafe Behaviors of Workers

- Observation and Improvement of Unsafe Behaviors: Observation and prevention of unsafe behaviors of workers at site by all employees on the construction site by the hour and area
- One Strike, Three Strikes: Improvement of workers' safety awareness by applying one strike / three strikes policy according to the gravity of unsafe behavior
- Management of Partner Executives' Participation System: Enforcement of close safety control through participation of partner executives that hire and manage workers directly

Making the Workplace Beautiful - Linked with Mutual Appreciation

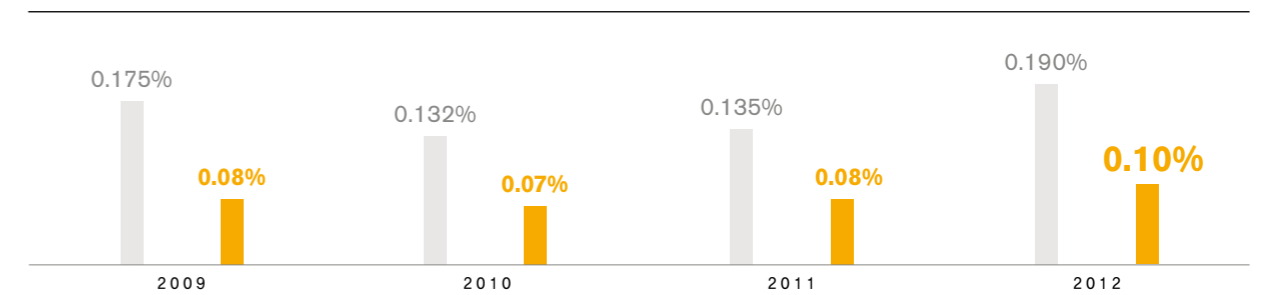
- Inducement of voluntary safety activity participation through work environment changes and Mutual Appreciation between coworkers

Operating an integrated safety control center

- On-site safety control management monitoring using CCTV

Accident Index

Major four companies POSCO E&C (Accident rate/year)



Korea Occupational Safety & Health Management System Certificate (KOSHA 18001)



Occupational Health & Safety Management System Certificate (OHSAS 18001)

Key to the happy future for Humanity and Nature



In order to contribute to the preservation of the global environment through construction, POSCO E&C has established a green management vision, “Build the GREEN,” and is practicing eco-friendly and green management in all business areas. It is dedicated to preserving the global environment and actively dealing with issues of climate change through eco-friendly construction reducing environmental pollutants and greenhouse gasses.

Habituation of Eco-friendly Construction Culture

- POSCO Family Green Walk Campaign: Practice Four Green Actions “Walking”, “Turning off”, “Reducing”, “Collecting”
- Eco-friendly Construction Site Certification: Expand eco-friendly construction culture including reductions of environmental pollution and greenhouse gasses
- Green Management Competition: Propagate green management best practice to construction sites and to partners
- Office Energy Savings: Reduce using disposable products at office and construction sites, promote energy-saving campaigns

Establishment of Eco-friendly Construction Activities

- Acquisition of ISO 14001 (Environmental Management System Certification) and the first GMS (Green Management System) Certificate in Korea
- Self-Improvement Activities of Construction Sites: Autonomous site improvement activities to reduce and manage environmental pollution (over 2,000 cases/year)
- Prevention of on-site Environmental Incidents: Assign a person responsible for environment management, train environmental management specialists
- Support Diffusion of Green Management within Partners: Establish green management system among partners, support for energy diagnosis, train green management staff etc.
- Establishment of Overseas PJT Environmental Standards: Apply environmental requirements of the relevant nation at stages of winning the contract to execution, in overseas PJT

Actions Taken to Climate Change

- Establishment of Greenhouse Gas Calculation System: Accumulate greenhouse gas emissions from all sites and perform analytical monitoring
- Greenhouse Gas Reduction & Management: Establish greenhouse gas management standards, eco-friendly construction methods, develop technology and improve construction methods
- Corresponding to Greenhouse Gas Goal Management System in Construction Industry: Participate in pilot project of Greenhouse Gas Goal Management System



Environmental Management System Certificate (ISO 14001)



Green Management System Certificate

We are dreaming of a happier world for all through the warmth of sharing.



POSCO E&C has been carrying out social contribution activities in a systematic and continuous manner to share the happiness of communicating with the world, beyond the pursuit of profits. The corporate culture has become more organized and natural thanks to the various activities conducted both domestic and foreign by the volunteer group made up of 250 teams and diverse in-house support programs. POSCO E&C will carry out corporate social responsibility activities to the fullest and will be born again as a company that is loved by everyone.

Main Social Contributions

- Support Local Children's Welfare Center (ONE&ONE): Support for neglected youth and children by teaching, providing cultural experiences etc through one-on-one partnerships between the 50 POSCO E&C departments and 50 children's welfare centers in Incheon
- Residential Environment Improvement Activities: Carry out residential environment improvement activities for fire prevention with the National Emergency Management Agency for neglected groups
- Provision of Educational Facilities in Poor Foreign Regions: Provide facilities for education by renovating schools, building kindergartens etc in overseas areas with poor educational environments

Domestic Social Contribution

- Island Village Cultural Performance: Provide cultural benefits for isolated islands based on the MOU with the Korean Coast Guard
- Support for Multicultural Families: Support migrant women in Incheon, who have married Korean men by providing lectures to enhance career competencies and community services
- Incheon Clean Ocean Volunteer Group: POSCO affiliate employees in Incheon and Gyeonggi province implement underwater cleanup of West Sea by scuba diving
- 'Happy Builder' University Volunteer Group: Volunteer group made up of 45 university students take part in various volunteer services at home and abroad
- POSCO FAMILY Incheon Volunteer Group: A local volunteer group made up of POSCO affiliates in Incheon carry out combined voluntary services like kimchi-making
- Global Volunteer Week: During this week, all POSCO affiliate employees worldwide participate in one volunteer activity per person
- Employee Donations: Make online donations via the company social contribution website, donate 1% of salaries, donate 'Love saving Box' etc to support neglected groups in the community

International Social Contribution

- Provision of Educational Facilities: Establish kindergartens in areas with poor educational infrastructures in Vietnam, Cambodia, Peru etc renovate schools in Indonesia; translate, and distribute books for teenagers in Cambodia; establish and operate vocational schools for welding in Vietnam in cooperation with KOICA (Korea International Cooperation Agency)
- Support for Culture: Establish multimedia rooms in Vietnam, Indonesia, Brazil, and Laos and perform cultural exchange activities in cooperation with the Ministry of Culture, Sports and Tourism
- Healthcare/Medical Care Support: Volunteer for medical services in India and Vietnam in cooperation with Inha University Hospital; provide medical vehicles for the Democratic Republic of Congo
- Support for Emergency Relief: Support areas devastated by natural disasters, including Chile, Haiti, Japan, the Philippines, Cambodia etc through donations and emergency relief supplies

Awards

- **2010** Awarded in social and public services category at CSR Korea Award
- **2011** Awarded in social contribution of global contribution category at Forbes Korea / Selected as Excellent CSR Company in Vietnam / Won the Prime Minister Award at Korea Volunteer Service Award
- **2012** Ranked 4th in the Consumer Survey on Corporate Social Responsibility (ranked 1st in global volunteer service) / awarded the Best Green Productivity Prize at the National Productivity Contest (Knowledge and Economy Minister Citation) / awarded the top prize for two straight years at Forbes Korea Global Social Contributions / ranked 1st in the construction/engineering category of the Korean Sustainability Index Competition



We are building a healthy Korea through the fair play spirit of sports.

We encounter new worlds and learn what true passion and harmony means through sports. POSCO E&C contributes to the development of sports and their take-up in Korea by operating a gymnastics team and a rugby team with advanced training programs. As such, it revives the true meaning of competition in good faith and healthy physical activity. In particular, POSCO E&C has been supporting the Korea Gymnastic Association since 1995, helping to form the foundation for the development of Korean gymnastics. As a result of such efforts, at the 2012 London Olympics, Korea realized its long-cherished desire of winning an Olympic gold medal in gymnastics. POSCO E&C will continue.

Gymnastics Team

POSCO E&C founded a gymnastics team in 2004 to help advance gymnastics in Korea. It has been contributing to the growth of Korean gymnastics along with improvements in athletic performance, by developing and managing scientific training programs. It also supports the discovery of future gymnastic stars to further the development and popularization of Korean gymnastics.

Rugby Team

POSCO E&C's rugby team won the 2012 Presidential National Championship Series thanks to its outstanding skill and dedication. POSCO E&C's rugby team is not content to rest on its laurels, but works as hard as it can to bring more brilliant successes, by continuously concentrating on training.

