

Biodiversity and No Deforestation

Policy Statement

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At SMU, caring for the environment is one of the key pillars of our Corporate Sustainability Model, and we strive to have a positive impact on the communities in which we operate. As such, we aim to care for, respect, and protect biodiversity, and we work to identify potential impacts that our operations could have on biodiversity, and to take steps to avoid and/or reduce such impacts.

We have defined the following commitments with respect to biodiversity:

- 1. We commit to promoting the conservation of biodiversity, and to make progress on a sustainable plan to avoid and/or reduce the possible negative impacts of our operations on surrounding areas.
- 2. We commit to avoiding operating activities in areas containing biodiversity of global or national importance, according to the IUCN's Categories I-IV and natural sites on UNESCO's World Heritage list.
- 3. When we operate in areas close to globally or nationally relevant biodiversity, we commit to carrying out actions to manage biodiversity risk, according to mitigation hierarchy principles: avoid, reduce, and compensate.
- 4. We commit to disclosing our management of caring for biodiversity within the Company, in order to deepen the sense of commitment and raise awareness. SMU's Corporate People and Sustainability department is responsible for the communication and enforcement of this policy statement.