



KT&G

2025 CDP Corporate Questionnaire 2025

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

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C8. Environmental performance - Forests

(8.1) Are there any exclusions from your disclosure of forests-related data?

	Exclusion from disclosure
Timber products	Select from: ☒ Yes

[Fixed row]

(8.1.1) Provide details on these exclusions.

Timber products

(8.1.1.1) Exclusion

Select from:
☒ Specific suppliers

(8.1.1.2) Description of exclusion

The use of fuelwood for curing overseas tobacco leaves, which is jointly utilized by the eight member companies of the Sustainable Tobacco Program (STP), has been excluded from the reporting boundary. This fuelwood is a shared resource among multiple tobacco manufacturers, and there is currently no available data that allows for the allocation of purchase shares by individual manufacturers or for the precise attribution of volumes to KT&G. As it is not possible to verify the quantity of wood used directly attributable to KT&G's procurement activities, this item has therefore been excluded from the scope of disclosure.

(8.1.1.3) Value chain stage

Select from:

☒ Upstream value chain

(8.1.1.4) Reason for exclusion

Select from:

☒ Challenges associated with traceability

(8.1.1.8) Indicate if you are providing the commodity volume that is being excluded from your disclosure of forests-related data

Select from:

☒ Yes, we are providing the volume excluded

(8.1.1.9) Volume excluded (metric tons)

2956062.46

(8.1.1.10) Please explain

This figure represents the total volume of fuelwood jointly used by the eight member companies of the Sustainable Tobacco Program (STP). As KT&G's specific share cannot currently be determined, this item has been excluded from the reporting boundary. However, as the use of this fuelwood may potentially be associated with deforestation and land-use change, KT&G expects that once its attributable share can be calculated, the data will be incorporated into future disclosures as traceability limitations are resolved.

[Add row]

(8.2) Provide a breakdown of your disclosure volume per commodity.

	Disclosure volume (metric tons)	Volume type	Sourced volume (metric tons)
Timber products	69586.2	Select all that apply	69586.2

	Disclosure volume (metric tons)	Volume type	Sourced volume (metric tons)
		☒ Sourced	

[Fixed row]

(8.5) Provide details on the origins of your sourced volumes.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ New Zealand

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Mt. Maunganui

(8.5.4) Volume sourced from country/area of origin (metric tons)

167.13

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Shandong

(8.5.4) Volume sourced from country/area of origin (metric tons)

1233.94

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Canada

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Vancouver, British Columbia

(8.5.4) Volume sourced from country/area of origin (metric tons)

2988.29

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Yangsan

(8.5.4) Volume sourced from country/area of origin (metric tons)

26424.66

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Indonesia

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Riau, Sumatra

(8.5.4) Volume sourced from country/area of origin (metric tons)

11.71

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through PEFC certification and supplier investigation

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Indonesia

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Tangerang Banten, Serpong

(8.5.4) Volume sourced from country/area of origin (metric tons)

39.53

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Belgium

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Brussels

(8.5.4) Volume sourced from country/area of origin (metric tons)

401.04

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Janghang

(8.5.4) Volume sourced from country/area of origin (metric tons)

1726.75

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Viet Nam

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

PHU THO-VIET TRI, BAC NINH-TU SON

(8.5.4) Volume sourced from country/area of origin (metric tons)

404.48

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigation

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Daejeon, Janghang, Daegu

(8.5.4) Volume sourced from country/area of origin (metric tons)

139.54

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Cheongju

(8.5.4) Volume sourced from country/area of origin (metric tons)

8.64

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Osan, Siheung

(8.5.4) Volume sourced from country/area of origin (metric tons)

1909.3

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

(8.5.4) Volume sourced from country/area of origin (metric tons)

12222.73

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigation

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Ulsan

(8.5.4) Volume sourced from country/area of origin (metric tons)

101.83

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Sweden

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Gävleborg County, Jämtland County, Västernorrland County

(8.5.4) Volume sourced from country/area of origin (metric tons)

(8.5.5) Source*Select all that apply*☒ Contracted suppliers (manufacturers)**(8.5.6) List of supplier production and primary processing sites: names and locations (optional)***(8.5)(KT&G)List of supplier production and product origin.xlsx***(8.5.7) Please explain***The origin information was verified through FSC certification and supplier investigations.***Timber products****(8.5.1) Country/area of origin***Select from:*☒ Uruguay**(8.5.2) First level administrative division***Select from:*☒ Unknown**(8.5.4) Volume sourced from country/area of origin (metric tons)**

1.22

(8.5.5) Source*Select all that apply*☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

Due to the trade secrets of suppliers, we were only able to identify the origin at the country level. Instead, we confirmed FSC certification status

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Finland

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Central region Aankoski

(8.5.4) Volume sourced from country/area of origin (metric tons)

14.31

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Guizhou, Chishui

(8.5.4) Volume sourced from country/area of origin (metric tons)

17.7

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ Unknown

(8.5.4) Volume sourced from country/area of origin (metric tons)

521.43

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

Due to the trade secrets of suppliers, we were only able to identify the origin at the country level. Instead, we confirmed FSC certification status

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Shandong

(8.5.4) Volume sourced from country/area of origin (metric tons)

8.33

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through PEFC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Canada

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

British Columbia

(8.5.4) Volume sourced from country/area of origin (metric tons)

956.94

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Canada

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Vancouver

(8.5.4) Volume sourced from country/area of origin (metric tons)

1156.79

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Canada

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

British Columbia, Alberta

(8.5.4) Volume sourced from country/area of origin (metric tons)

45.41

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ France

(8.5.2) First level administrative division

Select from:

☒ Unknown

(8.5.4) Volume sourced from country/area of origin (metric tons)

3004.36

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

Due to the trade secrets of suppliers, we were only able to identify the origin at the country level. Instead, we confirmed FSC certification status

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Indonesia

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Muara Enim, Sumatra Selatan

(8.5.4) Volume sourced from country/area of origin (metric tons)

254.65

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Germany

(8.5.2) First level administrative division

Select from:

☒ Unknown

(8.5.4) Volume sourced from country/area of origin (metric tons)

0.57

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

Due to the trade secrets of suppliers, we were only able to identify the origin at the country level. Instead, we confirmed FSC certification status

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Chile

(8.5.2) First level administrative division

Select from:

☒ Unknown

(8.5.4) Volume sourced from country/area of origin (metric tons)

10220.35

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

Due to the trade secrets of suppliers, we were only able to identify the origin at the country level. Instead, we confirmed FSC certification status

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Republic of Korea

(8.5.2) First level administrative division

Select from:

☒ Unknown

(8.5.4) Volume sourced from country/area of origin (metric tons)

56.17

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

Due to the trade secrets of suppliers, we were only able to identify the origin at the country level. Instead, we confirmed FSC certification status

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Japan

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Tokyo

(8.5.4) Volume sourced from country/area of origin (metric tons)

2776.3

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Jiangsu

(8.5.4) Volume sourced from country/area of origin (metric tons)

96.47

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Guandong

(8.5.4) Volume sourced from country/area of origin (metric tons)

29.97

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ China

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

Shangdong

(8.5.4) Volume sourced from country/area of origin (metric tons)

85.59

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

Timber products

(8.5.1) Country/area of origin

Select from:

☒ Chile

(8.5.2) First level administrative division

Select from:

☒ States/equivalent jurisdictions

(8.5.3) Specify the states or equivalent jurisdictions

(8.5.4) Volume sourced from country/area of origin (metric tons)

7.49

(8.5.5) Source

Select all that apply

☒ Contracted suppliers (manufacturers)

(8.5.6) List of supplier production and primary processing sites: names and locations (optional)

(8.5)(KT&G)List of supplier production and product origin.xlsx

(8.5.7) Please explain

The origin information was verified through FSC certification and supplier investigations.

[Add row]

(8.7) Did your organization have a no-deforestation or no-conversion target, or any other targets for sustainable production/ sourcing of your disclosed commodities, active in the reporting year?

Timber products

(8.7.1) Active no-deforestation or no-conversion target

Select from:

☒ Yes, we have a no-conversion target

(8.7.2) No-deforestation or no-conversion target coverage

Select from:

☒ Organization-wide (including suppliers)

(8.7.5) Other active targets related to this commodity, including any which contribute to your no-deforestation or no-conversion target

Select from:

☒ Yes, we have other targets related to this commodity

[Fixed row]

(8.7.1) Provide details on your no-deforestation or no-conversion target that was active during the reporting year.

Timber products

(8.7.1.1) No-deforestation or no-conversion target

Select from:

☒ No-conversion

(8.7.1.2) Your organization's definition of "no-deforestation" or "no-conversion"

KT&G defines its Deforestation- and Conversion-Free (DCF) commitment as the cessation of all deforestation and land conversion within natural areas by 2030, and applies this commitment to tobacco, ginseng, wood, paper, and pulp sourcing. In addition, KT&G seeks to minimize the negative impacts associated with these high-risk commodities as designated by SBTN and has established and is implementing restoration and improvement plans for areas where recovery is feasible.

(8.7.1.3) Cutoff date

Select from:

☒ 2020

(8.7.1.4) Geographic scope of cutoff date

Select from:

☒ Applied globally

(8.7.1.5) Rationale for selecting cutoff date

Select from:

☒ Compliance with initiative, please specify :SBTN(Science Based Targets Network)

(8.7.1.6) Target date for achieving no-deforestation or no-conversion

Select from:

☒ 2026-2030

[Add row]

(8.7.2) Provide details of other targets related to your commodities, including any which contribute to your no-deforestation or no-conversion target, and progress made against them.

Timber products

(8.7.2.1) Target reference number

Select from:

☒ Target 1

(8.7.2.2) Target contributes to no-deforestation or no-conversion target reported in 8.7

Select from:

☒ Yes, this target contributes to our no-conversion target

(8.7.2.3) Target coverage

Select from:

☒ Organization-wide (including suppliers)

(8.7.2.4) Commodity volume covered by target (metric tons)

Select from:

☒ Disclosure volume

(8.7.2.5) Category of target & Quantitative metric

Resource use and efficiency

☒ % of recycled content used in paper and packaging products

(8.7.2.8) Date target was set

02/21/2022

(8.7.2.9) End date of base year

12/30/2020

(8.7.2.10) Base year figure

93

(8.7.2.11) End date of target

12/30/2025

(8.7.2.12) Target year figure

100

(8.7.2.13) Reporting year figure

96.8

(8.7.2.14) Target status in reporting year

Select from:

☒ Underway

(8.7.2.15) % of target achieved relative to base year

(8.7.2.16) Global environmental treaties/ initiatives/ frameworks aligned with or supported by this target

Select all that apply

☒ Kunming-Montreal Global Biodiversity Framework

(8.7.2.17) Explain target coverage and identify any exclusions

KT&G has established medium- to long-term targets to enhance product environmental performance, including expanding the recycling of product packaging and device materials. The company targets the transition of 100% of all packaging for products it manufactures directly to recyclable materials by 2025. For domestic cigarette products, aluminum inner liners have already been fully replaced with paper inner liners. For metal packaging, the introduction of new metal packaging is restricted, and existing use is being reduced through progressive substitution with recyclable paper packaging. Products manufactured directly overseas are excluded from the current target due to differences in local sourcing structures and certification regimes that constrain near-term application; however, KT&G is reviewing expansion of coverage over the medium to long term. In addition, certain materials that are currently difficult to recycle—such as adhesives, aluminum laminates, and specific plastics—are temporarily excluded where limited use is presently unavoidable. To address this, KT&G is pursuing R&D to transition to alternative materials and to introduce recyclable, environmentally preferable materials. By conducting Life Cycle Assessments (LCAs) for key product units and building environmental-impact analysis datasets based on international standards, KT&G has established an eco-design process that ensures excluded items are systematically managed for phased inclusion within the target scope over time.

(8.7.2.18) Plan for achieving target, and progress made to the end of the reporting year

KT&G is pursuing a target to transition 100% of all packaging for products it manufactures directly to recyclable materials by 2025. The share of recyclable packaging, measured by weight, has steadily increased from 93.0% in 2020 to 96.3% in 2023 and reached 96.8% in 2024, demonstrating consistent year-on-year improvement and confirming that the company remains on track to meet its target. In 2024, KT&G conducted Life Cycle Assessments (LCAs) for 16 product types across both conventional cigarettes and NGP platforms to quantitatively assess environmental impacts. The key issues identified through the assessments were incorporated into improvement initiatives. Carbon-reduction solutions identified during internal development were reviewed for applicability and effectiveness, and their feasibility and cost-efficiency are evaluated during new product development to ensure the continuous enhancement of product environmental performance.

(8.7.2.20) Further details of target

-

[Add row]

(8.8) Indicate if your organization has a traceability system to determine the origins of your sourced volumes and provide details of the methods and tools used.

Timber products

(8.8.1) Traceability system

Select from:

☒ Yes

(8.8.2) Methods/tools used in traceability system

Select all that apply

☒ Chain-of-custody certification

☒ Supplier engagement/communication

☒ Internal traceability system

(8.8.3) Description of methods/tools used in traceability system

KT&G is committed to building a sustainable supply chain by eliminating deforestation in natural forests and land conversion within protected areas across the entire procurement process for its key raw materials, including tobacco leaves, ginseng, fuelwood for tobacco curing, and paper and pulp for packaging. To achieve this, KT&G verifies that fuelwood used for overseas tobacco curing is sourced from certified plantations and ensures that paper and pulp used for packaging are procured from sustainably managed forests by confirming certifications such as FSC and PEFC. By applying differentiated traceability methods according to the characteristics of each raw material, KT&G systematically monitors and ensures that all raw materials are sourced in an environmentally responsible manner.

[Fixed row]

(8.8.1) Provide details of the point to which your organization can trace its sourced volumes.

Timber products

(8.8.1.1) % of sourced volume traceable to production unit

0

(8.8.1.2) % of sourced volume traceable to sourcing area and not to production unit

79.97

(8.8.1.3) % sourced volume traceable to country/area of origin and not to sourcing area or production unit

19.98

(8.8.1.4) % of sourced volume traceable to other point (i.e., processing facility/first importer) not in the country/area of origin

0.05

(8.8.1.5) % of sourced volume from unknown origin

0

(8.8.1.6) % of sourced volume reported

100.00

[Fixed row]

(8.9) Provide details of your organization's assessment of the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of its disclosed commodities.

Timber products

(8.9.1) DF/DCF status assessed for this commodity

Select from:

☒ Yes, deforestation- and conversion-free (DCF) status assessed

(8.9.2) % of disclosure volume determined as DF/DCF in the reporting year

99.95

(8.9.3) % of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance

99.92

(8.9.4) % of disclosure volume determined as DF/DCF through monitoring of production unit

0

(8.9.5) % of disclosure volume determined as DF/DCF through monitoring of sourcing area

0

(8.9.6) Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?

Select from:

☒ Yes

[Fixed row]

(8.9.1) Provide details of third-party certification schemes used to determine the deforestation-free (DF) or deforestation- and conversion-free (DCF) status of the disclosure volume, since specified cutoff date.

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Chain-of-custody certification

☒ FSC Chain-of-Custody certification (any type)

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

99.53

(8.9.1.3) Comment

The attached document is the FSC Chain-of-Custody (COC) certificate of the supplier with the highest procurement volume in 2024.

(8.9.1.4) Certification documentation

구매부_한창제지_갑포, 광포, 인너후레임_FSC.pdf

Timber products

(8.9.1.1) Third-party certification scheme providing full DF/DCF assurance

Forest management unit/Producer certification

☒ FSC Controlled Wood

(8.9.1.2) % of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance

0.39

(8.9.1.3) Comment

The attached document is the FSC Controlled Wood (CW) certificate of the supplier with the highest procurement volume in 2024.

(8.9.1.4) Certification documentation

구매부_PURA_퀵런지_FSC.pdf

[Add row]

(8.9.2) Provide details of third-party certification schemes not providing full DF/DCF assurance.

Timber products

(8.9.2.1) Third-party certification scheme not providing full DF/DCF assurance

Chain-of-custody certification

☒ PEFC Chain-of-Custody (any type)

(8.9.2.2) % of disclosure volume certified through scheme not providing full DF/DCF assurance

0.03

(8.9.2.3) Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance

Select all that apply

☒ Third-party certification providing full DF/DCF assurance

(8.9.2.4) Comment

The attached document is the PEFC certificate of a certified supplier. In line with PEFC certification requirements, the certificate provided pertains to the supplier with the largest share of procurement volume.

(8.9.2.5) Certification documentation

소재부품팀_두선산업_PT Riau Andalan Pulp and Paper_Short fiber wood pulp.pdf

[Add row]

(8.10) Indicate whether you have monitored or estimated the deforestation and conversion of other natural ecosystems footprint for your disclosed commodities.

	Monitoring or estimating your deforestation and conversion footprint
Timber products	Select from: ☒ Yes

[Fixed row]

(8.10.1) Provide details on the monitoring or estimating of your deforestation and conversion footprint.

Timber products

(8.10.1.1) Monitoring and estimating your deforestation and conversion footprint

Select from:

☒ We monitor the deforestation and conversion footprint in our value chain

(8.10.1.2) % of disclosure volume monitored or estimated

100

(8.10.1.3) Reporting of deforestation and conversion footprint

Select all that apply

☒ Since a specified cutoff date

(8.10.1.4) Year of cutoff date

2020

(8.10.1.6) Known or estimated deforestation and conversion footprint since the specified cutoff date (hectares)

0

(8.10.1.9) Describe the methods and data sources used to monitor or estimate your deforestation and conversion footprint

KT&G defines land boundaries for its operational sites and contract farms using geolocation data and overlays these with international datasets to identify any intersections with protected areas and key biodiversity areas. Protected areas are verified through the World Database of Protected Areas (WDPA), jointly developed by UNEP and IUCN, while areas of high biodiversity importance are identified using the World Database of Key Biodiversity Areas, established by the KBA Partnership of 13 organizations, including IUCN and WWF. In 2023, KT&G analyzed 147 key assets and confirmed that approximately 94% were not located within or overlapping with areas requiring conservation, while about 6% were identified as potentially adjacent to such areas. Based on these findings, KT&G will continue to monitor the interface between contract farming areas and protected areas regularly and will update its analysis periodically to incorporate the most recent datasets.

[Add row]

(8.11) For volumes not assessed and determined as deforestation- and conversion-free (DCF), indicate if you have taken actions in the reporting year to increase production or sourcing of DCF volumes.

	Actions taken to increase production or sourcing of DCF volumes
Timber products	Select from: ☒ Yes

[Fixed row]

(8.11.1) Provide details of actions taken in the reporting year to assess and increase production/sourcing of deforestation- and conversion-free (DCF) volumes.

Timber products

(8.11.1.1) Action type

Select from:

☒ Increasing physical certification

(8.11.1.2) % of disclosure volume that is covered by this action

0.05

(8.11.1.3) Indicate whether you had any major barriers or challenges related to this action in the reporting year

Select from:

☒ Yes

(8.11.1.4) Main measures identified to manage or resolve the challenges

Select all that apply

- ☒ Greater supplier awareness/engagement
- ☒ Increased demand for certified products

(8.11.1.5) Provide further details on the actions taken, their contribution to achieving DCF status, and any related barriers or challenges

KT&G has incorporated the principles of biodiversity protection and the prohibition of deforestation and land conversion into its Partner Code of Conduct, requiring Deforestation- and Conversion-Free (DCF) implementation across its entire supply chain. Accordingly, suppliers that do not hold FSC CoC certification are encouraged to obtain it, and actions have been taken to transition packaging materials toward recyclable and certified sources. As a result, in 2024 KT&G achieved 100% use of either recyclable or FSC/PEFC-certified materials in the wood and paper packaging category. Metal packaging is being progressively replaced with recyclable paper alternatives, and the introduction of new metal packaging has been restricted. In addition, aluminum inner liners for cigarette products have been fully transitioned to paper, and NGP stick product inner liners are scheduled to be converted to paper by 2025. These actions strengthen a procurement structure that avoids new deforestation and land conversion, contributing to the achievement of DCF in the packaging category. KT&G also plans to expand the application of these measures to overseas manufacturing sites and across its broader supply chain over time.

[Add row]

(8.14) Indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards, and provide details.

(8.14.1) Assess legal compliance with forest regulations

Select from:

- ☒ Yes, from suppliers

(8.14.2) Aspects of legislation considered

Select all that apply

- ☒ Labor rights
- ☒ Land use rights
- ☒ Environmental protection

- ☒ Human rights protected under international law
- ☒ Tax, anti-corruption, trade and customs regulations
- ☒ Forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting

(8.14.3) Procedure to ensure legal compliance

Select all that apply

- ☒ Certification
- ☒ Third party tools
- ☒ Third party databases
- ☒ Third party audits

(8.14.5) Please explain

KT&G regularly conducts country-level risk assessments, supplier self-assessments, and third-party on-site In-Depth Assessments (IDAs) through the Sustainable Tobacco Program (STP) platform to ensure the responsible sourcing of tobacco leaves, one of its key raw materials. As of April 2025, KT&G had carried out IDAs for a total of 16 suppliers across eight countries, including India, Zambia, Türkiye, Uganda, Brazil, and Zimbabwe. These IDAs were conducted by Twentyfifty, a UK-based global supply chain consultancy, acting as an independent third-party auditor. Through these assessments, KT&G verifies compliance with forest-related regulations, as well as reviews wood resource management and crop protection practices. In Zimbabwe, for example, an action plan titled “Expansion of Sustainable Wood Supply and Usage Monitoring” was developed, strengthening sustainable resource management practices beyond basic legal compliance. In addition, KT&G Group is expanding the use of raw materials certified under international sustainability standards such as FSC and GAPC. KGC Ginseng Corporation, a KT&G subsidiary, consistently purchases FSC-certified paper and wood materials for packaging, thereby upholding sustainable forest management principles..

[Fixed row]

(8.15) Do you engage in landscape (including jurisdictional) initiatives to progress shared sustainable land use goals?

	Engagement in landscape/jurisdictional initiatives
	Select from:

	Engagement in landscape/jurisdictional initiatives
	☒ Yes, we engage in landscape/jurisdictional initiatives

[Fixed row]

(8.15.1) Indicate the criteria you consider when prioritizing landscapes and jurisdictions for engagement in collaborative approaches to sustainable land use and provide an explanation.

(8.15.1.1) Criteria for prioritizing landscapes/jurisdictions for engagement

Select all that apply

- ☒ Organization has operational presence in area
- ☒ Local government's commitment to sustainable land use
- ☒ Opportunity to protect and restore natural ecosystems
- ☒ Presence of a neutral convener or implementer

(8.15.1.2) Explain your process for prioritizing landscapes/jurisdictions for engagement

KT&G operates clear criteria and a structured process to prioritize the landscapes and jurisdictions in which it engages for forest restoration and environmental CSR activities. In Korea, the company prioritizes areas affected by forest fires within the wider regions where its factories are located, thereby fulfilling its responsibility to the local community. Restoration efforts focus on national and public lands to ensure long-term manageability and public value. Accordingly, in 2024 KT&G selected Uljin County in Gyeongsangbuk-do, where its Yeongju factory is located, as a restoration site and collaborated with the county government to restore areas affected by the 2022–2023 wildfires in Uljin and Samcheok. During the restoration process, KT&G considered the ecological value of the fire-damaged area and planted 6,000 trees, including nectar-bearing species that support bee habitats, across approximately 1.8 hectares. The planting activities were carried out jointly with KT&G's employee volunteer group, the Uljin County Government, and the Korea Rural Community Corporation. Overseas, KT&G prioritizes regions with significant climate risks such as desertification, selecting Mongolia as a priority restoration site and creating a community-participatory "Forest of Imagination" project to achieve both ecosystem restoration and local community benefits. This prioritization process follows a structured procedure that includes an initial assessment of damage scale, ecological value, and legal stability; priority-setting; stakeholder consultation; final implementation planning; and long-term monitoring. All restoration activities are managed to ensure a balanced achievement of sustainability, legal compliance, community contribution, and climate risk mitigation.

[Fixed row]

(8.15.2) Provide details of your engagement with landscape/jurisdictional initiatives to sustainable land use during the reporting year.

Row 1

(8.15.2.1) Landscape/jurisdiction ID

Select from:

☒ LJ1

(8.15.2.2) Name of initiative

KT&G SangSang Forest

(8.15.2.3) Country/area

Select from:

☒ Republic of Korea

(8.15.2.4) Name of landscape or jurisdiction area

Nagok-ri, Buk-myeon, Uljin-gun, Gyeongsangbuk-do

(8.15.2.5) Attach public information about the initiative (optional)

2024 KT&G G-CSR Report EN(Refer to pp. 12, 33).pdf

(8.15.2.6) Indicate if you can provide the size of the area covered by the initiative

Select from:

☒ Yes

(8.15.2.7) Area covered by the initiative (ha)

20923

(8.15.2.8) Type of engagement

Select all that apply

- ☒ Convener: Leads or facilitates the design, set-up, and high-level management of the initiative
- ☒ Partner: Shares responsibility with other stakeholders to manage and implement actions.
- ☒ Implementer: Executes actions based on the collective goals
- ☒ Funder: Provides full or partial financial resources

(8.15.2.9) Engagement start year

2024

(8.15.2.10) Engagement end year

Select from:

- ☒ Please specify :2025

(8.15.2.11) Estimated investment over the project period

240000000

(8.15.2.12) Landscape goals supported by engagement

Environmental

- ☒ Biodiversity protected and/or restored
- ☒ Forest fires monitored and prevented
- ☒ Natural ecosystems conserved and/or restored

(8.15.2.13) Organization actions supporting initiative

Participate in planning and multi-stakeholder alignment

- ☒ Co-design and develop goals, strategies and an action plan with timebound targets and milestones for the initiative
- ☒ Collaborate on establishing and managing monitoring system for biodiversity, habitat fragmentation and/or threats to IUCN Red List species in priority

areas

Build community and multi-stakeholder capacities

☒ Engage stakeholders on importance of conservation, restoration and/or rehabilitation

(8.15.2.14) Type of partners engaged in the initiative design and implementation

Select all that apply

☒ Sub-national government

☒ NGO and/or civil society

☒ Private sector

(8.15.2.15) Description of engagement

KT&G is implementing an ecosystem restoration project in Uljin County, Gyeongsangbuk-do, which was severely affected by large wildfires in 2022. The project aims to rehabilitate degraded forests and enhance biodiversity by planting approximately 6,000 trees, including 100 Korean firs (an endangered species) and 5,900 nectar-bearing trees to support bee habitats, thereby contributing to habitat restoration and strengthening ecosystem services. The project site was prioritized following a comprehensive assessment of wildfire damage severity, ecological value, and legal stability across major fire-affected areas in the broader region surrounding the Yeongju plant. Uljin County was selected, and a public forest adjacent to a coastal ecological trail was chosen as the final location to maximize public accessibility and educational and participatory benefits. KT&G led the end-to-end project design and implementation and secured approximately KRW 240 million in funding through voluntary employee donations and a corporate matching-grant program known as the "Imagination Fund." Employees, together with the Uljin County Government and the Korea Rural Community Corporation, directly participated in planting activities and on-site work, strengthening the project's community-based restoration impact. The initiative's primary objectives are wildfire monitoring and prevention, ecosystem restoration, and conservation of endangered species. In partnership with other organizations, KT&G is establishing a system to monitor threats in priority areas. The company collaborates with Tree Planet and the Uljin County Government, sharing responsibilities for site management, technical support, and land provision, and operates a governance framework that ensures stakeholder participation and transparency, thereby contributing to long-term ecosystem restoration and enhanced climate resilience. Relevant details can be found in "2024 KT&G G-CSR Report (pages 12 and 33)."

(8.15.2.16) Collective monitoring framework used to measure progress towards landscape goals and actions

Select from:

☒ Yes, progress is monitored using an internally defined framework

(8.15.2.17) State the achievements of your engagement so far and how progress is monitored

KT&G collaborates with Tree Planet, a forest restoration specialist, to regularly monitor the growth conditions, survival rates, and habitat restoration outcomes of the trees planted under this initiative. On-site inspections are conducted to evaluate ecological changes and environmental conditions in the restoration area, and supplementary measures—such as additional planting and pest management—are implemented where necessary. Data and monitoring results collected in the field are analyzed against biodiversity indicators, including species diversity and habitat recovery status, to measure the effectiveness of restoration efforts and inform future planning. Based on estimates provided by Tree Planet, the project, launched in 2024, is expected to sequester approximately 63,650 kg of CO2 and reduce fine particulate matter by around 143 kg annually. These quantified results serve as key evidence of the project’s tangible contributions to carbon sequestration and air quality improvement. KT&G shares monitoring outcomes and performance metrics with stakeholders and integrates the findings into ongoing site management and additional reforestation planning, thereby maximizing the long-term ecological recovery impact.

(8.15.2.18) Claims made

Select from:

☒ No, we are not making any claims, and we do not plan to within the next two years

[Add row]

(8.15.3) For each of your disclosed commodities, provide details on the disclosure volume from each of the landscapes/jurisdictions you engage in.

Row 1

(8.15.3.1) Landscape/jurisdiction ID

Select from:

☒ LJ1

(8.15.3.2) Does any of your produced and/or sourced commodity volume originate from this landscape/jurisdiction, and are you able/willing to disclose information on this volume?

Select from:

☒ No, we do not produce/source from this landscape/jurisdiction

[Add row]

(8.16) Do you participate in any other external activities to support the implementation of policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains?

Select from:

☒ Yes

(8.16.1) Provide details of the external activities to support the implementation of your policies and commitments related to deforestation, ecosystem conversion, or human rights issues in commodity value chains

Row 1

(8.16.1.1) Commodity

Select all that apply

☒ Timber products

(8.16.1.2) Activities

Select all that apply

☒ Involved in industry platforms

(8.16.1.3) Country/area

Select from:

☒ Worldwide

(8.16.1.4) Subnational area

Select from:

☒ Not applicable

(8.16.1.5) Provide further details of the activity

KT&G participates in the global industry initiative Sustainable Tobacco Program (STP) to collect data across its leaf tobacco supply chain, identify current issues, and

drive continuous improvement on negative impacts. Based on country-level risk assessments and supplier self-assessments, KT&G regularly commissions third-party In-Depth Assessments (IDAs). Between 2022 and 2024, the company selected 16 suppliers across eight countries for on-site assessments, which were conducted by external experts such as the global supply chain consultancy Twentyfifty (covering the Philippines, Malawi, India, Zimbabwe, Uganda, and Türkiye) and the labor and human rights specialist group Impacct (Thailand). These assessments include supplier policy reviews, management interviews, and farmer site visits, and evaluate the full ESG management process, including policy implementation, issue identification, corrective actions, monitoring, reporting, and continuous improvement. Action plans developed for each supplier are being implemented with KT&G’s ongoing monitoring and support. In its domestic operations, KT&G has localized the global STP framework by developing the “Domestic Leaf Tobacco Production STP Guidelines” to strengthen ESG management and build a sustainable production base for Korean tobacco farms. Under these guidelines, KT&G conducts farm monitoring at key stages—including seedling, transplanting, growing, and harvesting—and provides training and communication to farmers. In 2023, KT&G published the “Domestic Leaf Tobacco Production STP Monitoring Index Handbook,” applying core indicators across governance, environment, and labor and human rights to contribute to more sustainable domestic leaf tobacco production. In 2024, KT&G evaluated 904 farms using 267 survey questions and 340 monitoring indicators, identified improvement needs such as farm input record management, mulch film recycling, and safe working environment practices, and supported corrective actions through regular and group training sessions. In 2025, KT&G plans to expand the monitoring scope to 1,030 farms and provide training to more than 60% of contracted farmers. Over the mid- to long term, KT&G will collaborate with its R&D Headquarters to develop low-carbon cultivation practices and improve raw materials, further enhancing the sustainability of the domestic leaf tobacco supply chain

[Add row]

(8.17) Is your organization supporting or implementing project(s) focused on ecosystem restoration and long-term protection?

Select from:

☒ Yes

(8.17.1) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).

Row 1

(8.17.1.1) Project reference

Select from:

☒ Project 1

(8.17.1.2) Project type

Select from:

- ☒ Other ecosystem restoration

(8.17.1.3) Expected benefits of project

Select all that apply

- ☒ Improvement to soil health
- ☒ Net gain in biodiversity and ecosystem integrity
- ☒ Reduce/halt biodiversity loss

(8.17.1.4) Is this project originating any carbon credits?

Select from:

- ☒ No

(8.17.1.5) Description of project

To contribute to the recovery of natural capital and the enhancement of biodiversity, KT&G signed a Memorandum of Understanding (MOU) with the National Institute of Ecology (NIE) in 2022 and has been implementing a three-year collaboration program since 2023. This cooperation is a voluntary corporate social responsibility initiative designed to support local ecosystems. In the first year, KT&G selected the Jang-Gumaegi Wetland—an approximately 38,000 m² montane wetland in Yeongyang-gun near the Yeongju plant—as a priority site. The wetland had suffered serious degradation due to sediment inflow from adjacent roads, declining groundwater levels, and channel scouring, which damaged habitats and reduced biodiversity. To address these issues, KT&G carried out restoration works beginning in July 2023, including watercourse restoration, stabilization of eroded slopes, and the restoration of abandoned paddy fields, and completed these activities. As a result, in September 2024 the Jang-Gumaegi Wetland's naturalness and ecological value were formally recognized with its designation by the Ministry of Environment of Korea as a National Wetland Protected Area (0.045 km²)—elevating the restoration outcome to a nationally recognized conservation status. Going forward, KT&G will continue to collaborate with NIE to conduct scientific surveys and verification of species composition and populations within the wetland, and will maintain restoration outcomes—as well as the wetland's ecological health and carbon-sequestration function—through long-term monitoring. Through this approach, KT&G manages its voluntary efforts to go beyond regulatory compliance, positioning the initiative as a model of forest and wetland restoration that contributes to national conservation policy and community collaboration.

(8.17.1.6) Where is the project taking place in relation to your value chain?

Select all that apply

- ☒ Project based in area with direct operations

(8.17.1.7) Start year

2022

(8.17.1.8) Target year

Select from:

☒ 2025

(8.17.1.9) Project area to date (Hectares)

3.8

(8.17.1.10) Project area in the target year (Hectares)

3.8

(8.17.1.11) Country/Area

Select from:

☒ Republic of Korea

(8.17.1.12) Latitude

36.493739

(8.17.1.13) Longitude

129.220947

(8.17.1.14) Monitoring frequency

Select from:

☒ Six-monthly or more frequently

(8.17.1.15) Total investment over the project period (currency)

150000000

(8.17.1.16) For which of your expected benefits are you monitoring progress?

Select all that apply

- ☒ Improvement to soil health
- ☒ Net gain in biodiversity and ecosystem integrity
- ☒ Reduce/halt biodiversity loss

(8.17.1.17) Please explain

KT&G operates a systematic and rigorous monitoring program to ensure the effective implementation and long-term success of its restoration and protection initiatives. In particular, the Janggumeogi Wetland Wetland Restoration Project in Yeongyang-gun, Gyeongsangbuk-do is designed to protect biodiversity and advance environmental sustainability, with regular observation and evaluation of pre- and post-restoration conditions as a core mechanism. Monitoring is conducted in collaboration with the National Institute of Ecology (NIE) and includes on-site surveys that document and analyze habitat recovery and ecological change. During these surveys, KT&G evaluates hydrological conditions (channel condition, flow/discharge, and water levels), water quality, vegetation (cover and community composition), and the physical structure of the habitat (topography, slope, and embankment stability), combining direct observation with instrument-based measurements and tracking changes over time. Following standardized procedures, KT&G also regularly collects and analyzes biological research data to update species inventories, population counts, and population health status. This enables scientific verification of restoration effects on biodiversity by assessing changes in species richness and abundance, the occurrence of threatened species, and shifts in community composition. In parallel, indicators related to habitat health—such as water quality, vegetation structure, soil and slope stability, and hydromorphological conditions—are reviewed to provide an integrated assessment of ecological stability. The wetland's carbon sequestration function is likewise estimated and reviewed on a regular basis using NIE research and accumulated ecological indicators (e.g., water-level regime, vegetation cover and productivity, and soil/habitat condition). Findings from this monitoring are used to confirm restoration effectiveness and to refine subsequent plans. For example, observed changes in biodiversity, population levels, or habitat stability may be linked to adaptive management actions—such as supplementary planting or pest management—and can be incorporated into subsequent ecosystem-restoration programming.

[Add row]

