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## CMD's Message

Dear Friends,

The New Year is knocking at our door - a time for family, for reunions, for looking back and looking forward.

2008 was a good year for POSCO-India, but you know what, 2009 will be even better. If 2008 was a year of optimism, then 2009 can be a year of achievement and success.

For last few days we are cautioned of terror attacks in India. Too often we face situations which make us nervous, fearful, agitated or uncomfortable and we find ourselves wishing just one last wish: "If I pass my interview..... If I get that job....., If I get out of that problem....., I'll never ask for anything again..... life will be serene."



Let's not fear the crisis; life provides those for free. But we should be excited by each day's fresh gift, viewing each accomplishment as a challenge to do even more.

The POSCO-India project is an illustration of an encouraging lesson: We're never done. There is no conclusion. We are endlessly in pursuit of our mission.

We have plenty of goals to meet but we can achieve them if we move for them with a Will. In 2009 we can keep up the momentum and keep moving forward.

We need to make our own initiatives now, solve our own problems and take our own opportunities. Let's prepare ourselves for the upcoming New Year and ensure that our good resolutions stay with us all year.

So, wherever you are this New Year Day, POSCO-India wishes you and your family

A very Happy and Successful 2009.



CMD

POSCO-India



## The Year That Was... 2008 Highlights

January

**POSCO TJ Park Scholarship Award at plant site:** 28 meritorious students from the 3 Gram Panchayats of Nuagaon, Gadakujang and Dhinkia falling under the proposed site of POSCO-India steel works were awarded fellowship for 2008 by POSCO TJ Park foundation.



**CMD visits CRRRI:** POSCO-India CMD Mr. Soung Sik Cho paid a visit to the Central Rice Research Institute (CRRRI) on 22nd January.

**PMS launched:** A new Employee Performance Management System objectively linking employee goals to

Company goals was developed in-house and made operational for the year 2008, on calendar year basis.

February

**Socio – Economic survey at project site:** The socio-economic survey for the proposed steel plant of POSCO-India was carried out successfully by the Jagatsinghpur District Administration on 13th February.

**Rehabilitation Package:** In February, company announced a comprehensive rehabilitation package taking into account the need of various categories of displaced/affected families at project site.

**Ousted families shift to Transit Camp:** The families ousted by the PPSS from Patna village in Dhinkia Panchayat shifted from temporary camp to Badagabapur Transit camp constructed by POSCO-India.

**CMD visits CIFA:** Our CMD Mr. Soung Sik Cho paid visit to Central Institute of Fresh water Aqua culture (CIFA) on 13th March.

**CMD visits Institute of Physics (IOP):** Our CMD paid a visit to Institute of Physics on 26th March.



March

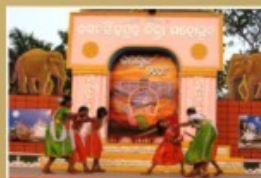
April

**TJ Park Scholarship Award at Mines site:** In a function held at the office of Rourkela Development Authority, the company awarded TJ Park foundation scholarship to 25 students from Khandadhar region of Bonai, Sundergarh.



**Participation in District Cultural Festival:** POSCO-India participated in the District Festival of Jagatsinghpur

celebrated from 1st April to 7th April.



**CMD's meeting with Lalit Mansingh:** On 22nd May, Our CMD called on former Indian Ambassador to USA and a notable Global Affairs Expert, Mr. Lalit Mansingh.

**Health Camp at Transit Colony:**



May



Our Company organized a health camp at the newly made Transit Colony on 28th May under the direct supervision of Dr. Soumitra Barik. Dr. Barik continued with his weekly visits to the camp continuously.

**4th International Iron & Steelmaking Conference:** CMD Mr. Soung Sik Cho attended the two days long International Iron & Steelmaking Conference (IISC) at Bhubaneswar on 27th and 28th June.



June

**CMD's visit to CIPET:** On 3rd June, Our CMD visited the Central Institute of Plastic Engineering and Technology (CIPET), Bhubaneswar Campus and had a meeting with Mr. Karl Murthy, Head of CIPET Orissa Campus.

**CMD's visit to CTTC:** Our CMD paid a visit to the Central Tool Room & Training Centre (CTTC) at Bhubaneswar on 12th June.

**POSCO-India participated in CII Conference:** Our Company participated in a major CII's (Confederation of Indian Industry) well thought-out Conference, "Mineral Junction" – The Future Ahead at hotel Crown, Bhubaneswar on 1st July.



July

**New Corporate Brochure:** Company released its New Corporate Brochure containing six leafs which covers comprehensive information on Mission-Vision of POSCO-India project, project Details, Economic Impact, Impact on Employment, Rehabilitation & Resettlement plan, Community First Approach & prospects for Ancillary Development.



**POSCO-India celebrates 4th Foundation Day:** POSCO-India celebrated Fourth Foundation Day On 23rd August.

**POSCO-India announces New Mission and Vision:** POSCO-India came out with its New Mission, Vision and Core Values statements with full

involvement and extensive brain storming of the company employees.



August



## 2008 Highlights...

September



**Flood Relief Assistance:** During the recent Flood crisis that created havoc among the people of Orissa, POSCO-India stepped forward to help the victims and distributed relief materials in the flood affected areas.

October

**POSCO Overseas Training Programme:** POSCO-India extended warm welcome to the 1st batch of 32 POSCO personnel visiting Bhubaneswar office on 17th October to attend overseas training Programme.



**Ethics Workshop:** On 25th Oct., The company arranged a workshop presided over by Dr. Saroj Kumar Mohapatra, GM-HR on the topic; "Ethics in work-life"- a workshop for renewal of value based working habit.

**Ancillary Development Seminar:** On 18th October, Team Orissa along with UNIDO & CII organized a seminar on Steel Ancillary Industries, wherein IIT Kharagpur Professor Mr. PKJ Mohapatra presented the prospects of Ancillary Development owing to POSCO-India project.



**RPC Seminar on Industrialization:** POSCO-India participated in a seminar at Rourkela organized by Rourkela Press Club on Industry Media; Mutual understanding & expectations.

**Tribal Vision 2030:** POSCO-India participated in a seminar organized by Director, State Tribal Training Institute on Vision 2030 for development of tribal people.

November

**TJ Park Scholarship award:** On 24th Dec'08, the Company distributed 3rd POSCO Asia Scholarship Award to five meritorious students at BPUT Campus, Bhubaneswar. Professor Omark Nath Mohanty, Vice Chancellor, BPUT gave away the awards.



December

## CMD at Business Mentor Meeting of CAP Foundation

CMD at Business Mentor Meeting of CAP Foundation



CAP Foundation, Hyderabad, pioneer Organisation in employability training programmes, has organized a Business Mentor Network Meeting at Hotel Keshari, Bhubaneswar on 21st

Nov, 08 with an intention to understand the needs and requirements of the job market and to create curriculums which are tailor made for the market requirements. Another idea is to acknowledge the services rendered by business mentors and to appreciate the contributions made by them by way of guest lectures, references, on job training, placements, towards the programme.

This event witnessed some of the big organizations attending to it. Professors from various Education institutes viz., XIMB, KSORM from Bhubaneswar also attended this meeting and expressed their views. Many sectors viz., Automobile, Hospitality, Retail, Insurance etc., has graced the occasion.

Major Corporates have shown enormous enthusiasm and interest towards this meeting. POSCO, TSRDS, DAMRA PORT Co., etc., are some of the big corporates to name a few.

Special mention to be made about the presence of Mr Soung-Sik Cho,

Chairman-cum-Managing Director, POSCO-India, Mr S Mahapatra, Gen Manager – HR, POSCO-India, Mr Mahapatra, Project Head-Orissa, TATA Steel Ltd., Dr Pranab Kumar Das, TSRDS, Mr Bhiren Bhuta, Project Manager, The Dhamra Port Co Ltd., are some of the prominent people to attend the event.

Business Mentors from Jajpur, Jagatsingpur, Cuttack and Bhubaneswar has graced the occasion. The students of CAP Foundation from Kalinganagar (Dubri) and Paradip (Chatua) centers prepared several models and displayed them at exhibition and it was well received by the participants of the meeting.

Mr Ashok, Director and Mr Bharadwaj, Deputy Director of CAP Foundation given presentation on the activities of CAP Foundation in the last one year. Forum also discussed about the way forward. The success stories narrated by the beneficiaries (the candidates who are working)

The Mentors also responded positively, and they signed on a banner as their commitment to extend their support to CAP Foundation and its employability training programme.

They also opined that, this training programme is making a big difference in the lives of disadvantaged youth.

The Press and Media also attended and covered the meeting including Oriya daily Sambad and OTV.





## POSCO Asia Scholarship Award



On 24th Dec'08, the Company distributed 3rd POSCO Asia Scholarship Award to five meritorious students at BPUT Campus, Bhubaneswar. In the presence of Dr. Omkarnath Mohanty – VC, BPUT and Dr. A.N Acharya – Registrar, BPUT, each student was awarded an amount of \$500 by POSCO TJ Park Foundation, a non-profit charitable organization of POSCO. From the Company side, Mr. S.R Kim, GM-Strategic Planning, Dr. S.K Mohapatra, GM-HR and Mr. Sandip Bhattacharya, HR Manager were present to grace the occasion. Out of these meritorious students, four are from College of Engineering and Technology (CET) and one student is from National Institute of Science and Technology (NIST).

*PINE wishes you a  
Glorious Birthday*



**Maria Julie Noronha**  
29th January

*Wedding Wishes  
Congratulations!*



**Mrutyunjay Mahapatra**  
22nd Nov,08



**Soumitra Ranjan Barik**  
29th Nov,08

*Bidding Farewell!*



Best wishes from PINE to Ms.T. Saradha, Mr. Choudhury Pranavananda Das, Mr. Ratnakar Palai and Mr. Deepak Ojha for their bright future.

POSCO-India family congratulates and wishes both of them a happy and blissful conjugal life ahead.

*Wishing all a happy &  
prosperous new year 2009*





KOREA NEWS

# KOREA NEWS



### POSCO's First Overseas Incorporated Steelmaking Company Launched

POSCO succeeded in acquiring MEGS in Malaysia at the end of last year and recently changed its name to POSCO-Malaysia. The opening ceremony was held on 12th November '08. 180 people including President of POSCO, Yoon Seok Man, Minister of Trade and Industry (MITI) Tan Sri Muhyiddin Yassin, Ambassador to Malaysia Yang Bong-Ryeol attended the ceremony held at the building site in Klang harbor near Kuala Lumpur, Malaysia. On his congratulatory speech, President Yoon said, 'Global recession would continue for some time, but POSCO will make its best effort to make a progress here in Malaysia with local industry based on POSCO's tradition, changing a crisis into an opportunity.' POSCO-Malaysia will focus on high value-added products such as specially processed fingerprint-resistant steel plate, and supply these products to home appliance companies producing TV or DVD, and to office machine makers.

### POSCO Wins the Grand Prize from 'Sustainability Report

POSCO was awarded the grand prize at '2008 Korea Sustainability Conference' held on November 18th, 2008. This conference was held for the first time and hosted by Korean Standard Association. The function is going to be held annually, at the end of year. GRI (Global Reporting Initiative) is a



collaborative agency of UNEP (United Nations Environment Program) and supervises the guidelines for publishing sustainability reports. Approximately 77% of Fortune 250 global enterprises publish sustainability reports based on GRI guide.

The parties concerned such as consumers associations, civic groups

participated on-line in the evaluation of sustainability reports published by 57 enterprises and institutions in South Korea. The judges measured scores in economic, social, and environmental accomplishments and responsiveness to social issues in order to select outstanding companies. POSCO was selected as the best company in manufacturing industry by 1570 experts in sustainable management as a result of evaluation continued for 4 weeks from September 22nd to October 20th. The main purpose of sustainability report is to inform the sustainable accomplishments in the corporation's economic, environmental and social sectors to stakeholders. POSCO has been publishing the reports since 2004. POSCO has been praised for carrying out its social, economic and environmental responsibility for the sustainable prosperity of mankind, and being a role model in sustainable management, at home and abroad.

### POSCO Commercial Received 'TV Commercial of the Year' Award

POSCO TV Commercial, 'Environment Campaign' was awarded the commercial of the year by the judges, renowned professors in public relations. Celebrating the 10th



anniversary of the foundation of Korean Association for Advertising and Public Relations, one hundred professors selected grand prize winners in TV and radio commercials and printed advertisement.

POSCO's 'environment campaign' commercial received favorable comments for its creativity and echo-friendly message. The commercial shows not only the social responsibilities POSCO carries out, but also its eco-friendly image and the importance of the environment.

Apart from this, POSCO homepage was awarded the grand prize in manufacturing category by Web Award Korea 2008, of which the judges are comprised of specialists in web.

### POSCO-MPPC 2nd Base Completed with Annual Production of 170,000 Tons

On November 27th (Seoul Time), POSCO announced the completion of POSCO-MPPC 2nd base, a processing plant of annual capacity 170,000 tons, in San Luis Potosi, Mexico.

About 150 renowned guests including In-Hwang Chang, Managing Director of POSCO, Santos Praga, the State Governor, Carlos Barsena Bows, the Minister of Economic Development and Walsher Osero, the Director of General Motors attended the completion ceremony.

POSCO-MPPC 2nd Plant, which had a ground-breaking ceremony back



in March, is equipped with various cutting and molding facilities. Dust-protection covers, ventilators and double doors enable strict quality management for automobile exterior products.

The newly opened facility is designed to respond actively to increasing demand for high quality materials in Mexico, a rising production base for American Big 3 automakers. It is also expected to play a role as a strategic sales base for CGL plant operation in Mexico, to be completed next June. POSCO will effectively cope with changes in business environment with its global marketing campaigns tailored to local economy.

#### POSCO Selected as One of Top-ranking Companies in Asia

POSCO was selected as one of 28 top-ranking companies in Asia to survive the global economic crisis. BNP Paribas carried out a research on listed companies in 9 Asian countries, of which the market capitalization account for more than 3% of the nation's aggregated value of listed stock. Then it selected companies which had strong financial structure and cash flow to endure the recent economic depression.

The major criterion of the evaluation was the ability to expand its market value and share without debt finance in difficult situation. 28 companies including 4 Korean firms, POSCO, Samsung Electronics, SK Telecom and Hyundai Mobis were chosen.

POSCO was highly rated thanks to its strong cash flow which guarantees the future growth and the fact that it's the largest steel mill in Korea and the most efficient one in the world. BNP Paribas made it clear throughout the report that POSCO has continuously improved the fiscal health since 2004 based on its strong cash flow, maintaining high operating profit and low debt ratio.

The cash flow of the company will surely back up its growth in the future even though the world steel industry is already suffering. Except for the steel mills which own the captive mines, BNP Paribas listed POSCO on the top of the list for producing steel products at the lowest cost with high efficiency.

#### POSCO & Affiliated Companies to Build Win-Win Relationship with Small and Medium Enterprises

POSCO and its affiliated companies held a ceremony to proclaim 'win-win relationship management' and 'fair trade' on pan-POSCO level, promising sustainable growth of small and medium enterprises. At the event, POSCO and the affiliated companies presented 'pan-POSCO win-win management master plan' and signed on an agreement to establish fair trade practices.

Renowned guests such as CEO Ku-Taek Lee of POSCO, President Joon-Yang Chung of POSCO E&C, Chairman Yong-Ho Baek of Fair Trade Commission, Chairman Kyung-Shik Sohn of KORCHAM, Chairman Ki-Mun Kim of Korea Federation of Small and Medium Business and Dong-Geun Lee from the Ministry of Knowledge Economy attended the ceremony. Also, representatives and employees from 140 small and medium enterprises and 12 affiliated companies joined the event.

In spite of current financial difficulties with major steel mills in China, Japan and Europe radically cutting production, POSCO will expand its investment from 3.4 trillion won this year to 6 trillion won in 2009, aiming to secure stepping stones for the long-term growth, create jobs and support small and medium enterprises.

In order to continue such efforts, POSCO launched 'Win-Win & Cooperation promotion department' under COO. In the opening speech, CEO Ku-Taek Lee said, 'if POSCO and its related companies come together, we can turn this crisis into an opportunity.'

