

2023-2024 Modern Slavery and Human Trafficking Prevention Declaration

I. Introduction

- POSCO International declares that slavery and human trafficking are strictly prohibited, and that such acts of human rights violations are never permitted. The Company will make continuous efforts to respect and protect human rights in all business activities, and will cooperate with all suppliers and partners to this end.
- POSCO International will actively work to identify and eliminate the risks of slavery and human trafficking throughout the Company's value chain. We will also provide education and training to protect human rights so that all employees can share and practice their understanding and responsibility for human rights. These efforts will ensure that the Company's business operates in a sustainable and ethical manner and will play an important role in fulfilling the Company's social responsibilities.
- As part of the expression of this will, the CEO of POSCO International announced the following in the company-wide CEO Message in April 2024.

"The Company complies with the global Modern Slavery Act (MSA) in the UK and Australia, and is strengthening its management system to ensure that any form of modern slavery and human rights violations does not exist in the Company's premises as well as in the supply chain. If we find any related infringements, we will respond promptly and transparently."

II. Declaration Entity

- In accordance with the Modern Slavery Act 2015 of the UK and the Modern Slavery Act 2018 of Australia, POSCO International publishes 2023-2024 Modern Slavery and Human Trafficking Prevention Declaration. This Declaration contains the actions and future plans that we have undertaken to mitigate the risk of human rights violations related to modern slavery and human trafficking, across our own or managed premises and supply chain.
- As of March 2024, POSCO International's consolidated subsidiaries are 7 domestic companies and 40 overseas companies, a total of 47 companies.

III. Corporate Structure, Business and Supply Chain

1. Corporate Structure

- POSCO International is an affiliate of POSCO Group, and POSCO Holdings is the parent company that is the largest shareholder of POSCO International.

- POSCO International has a total of 47 subsidiaries, including 7 domestic companies and 40 overseas companies as consolidated subsidiaries.

2. Business Operation

- POSCO International is a member of the POSCO Group, which has developed into a global steel company based on constant efforts toward innovation and technological development. The Company operates in various fields such as steel, energy, and food, and is rapidly reborn as a global general business company operating in various business groups beyond the traditional trading company. We are expanding our new business-linked investments, including the various areas mentioned above, and working with domestic and global suppliers. As of March 2024, POSCO International employs a total of 10,016 employees with 1,698 at the headquarters and 8,318 at overseas operations, and has more than 100 corporate/branch offices and networks in 45 countries.

3. Supply Chain

- POSCO International's main industrial ranges in its supply chain are steel, steel materials (coal, slag, iron ore, etc.) and secondary battery minerals (lithium, nickel, etc.), agricultural products (rice, wheat, corn, etc.), vegetable oil (palm oil), biomaterials (bioplastics, synthetic rubber, etc.), automobile parts (motor core, etc.), energy (natural gas, LNG, hydrogen, etc.), and renewable energy (wind power, solar power, hydrogen, etc.).
- As of 2023, there are a total of 49 countries with approximately 1,700 suppliers (suppliers) providing goods and services to POSCO International.

IV. Risk of Modern Slavery Practices

- POSCO International's main business is investment, international trade, and manufacturing, and it operates manufacturing facilities including natural gas fields in Myanmar, palm oil farms in Indonesia, and cotton factories in Uzbekistan. Special attention and protection are needed in our business areas, especially in overseas manufacturing facilities.

V. Relevant Policies and Operational Guidelines

1. Company Regulations, etc. Related to the Obligation to Respect Human Rights

- POSCO International has established human rights-related international standards, such as the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the Universal Declaration of Human Rights, and the OECD Guidelines for Multinational Enterprises and human rights management policies based on labor principles, as recommended by the International Labor Organization and ratified by the country.

- The Human Rights Management Policy sets forth the Company's principle of not only not forcing workers to work against their free will by means of violence, intimidation, confinement, and other means of unjustly restraining their mental or physical freedom, including human trafficking, but also prohibiting the estimation of compensation for non-performance of labor contracts, not restricting the status of workers by money lending, and prohibiting additional compulsory contracts incidental to labor contracts. In addition, POSCO International prohibits child labor in principle, and underage labor conditions and minimum working age standards comply with national labor laws and international standards.
- POSCO International has established a human rights management process to supplement and improve the weak areas in the mid- to long-term by regularly checking the status of the company's human rights management based on the OECD Business Due Diligence Guidelines, and operates a field-oriented human rights management process that puts the protection of human rights of all members at home and abroad as the top priority. Along with external professional organizations, we have developed a human rights due diligence checklist based on international human rights norms such as UN companies and human rights implementation guidelines, and are conducting human rights impact assessments centered on major overseas investment sites.
- To emphasize the importance of human rights across the enterprise, POSCO International has established rules that respect and comply with internationally recognized global human rights principles and standards, including the Modern Slavery Prevention Act, in its Code of Ethics Practice Guidelines, personnel regulations, and local employment management guidelines.
- POSCO International manages long-term work through supply chain management, which prioritizes observance of statutory working hours, guarantee of sufficient leave, fair employment and compensation without gender discrimination, and protection of human rights and safety in accordance with the International Labor Organization (ILO) major conventions and personnel regulations based on domestic labor laws. The head office introduced the working hours management system in 2019 to prevent employees from working long hours by restricting the use of PCs when they exceed the statutory working hours. In addition, we conducted a survey on overseas investment corporations equipped with manufacturing and production facilities on the exploitation of child labor, the performance of harmful tasks for the vulnerable, including female workers, and the hygiene management status of employees' accommodations. POSCO International respects basic human rights and creates a healthy working environment through these efforts. In 2023, by amending the safety and health regulations, we are providing a safe and vibrant work environment by blocking factors that threaten our business activities and the health and safety of supply chains.

2. Regulations or Guidelines for the Prevention of Labor Exploitation at the level of Supply Chain

- POSCO International clearly recognizes that environmental and social issues arising from partners, including human rights violations, may affect our sustainability. In order to create a robust industrial ecosystem, we manage supply chain risks based on the POSCO Group's Supplier Code of Conduct and support the development of capabilities and the protection of human rights in the supply chain.

- POSCO International's supplier code of conduct ensures that all companies dealing with us are committed to sustainability and human rights protection. The Supplier code of conduct consists of 21 items in a total of 7 categories related to the basic norms in the fields of human rights, labor, environment and anti-corruption, as set out in the UN Global Compact. In June 2021, we revised the basic human rights respect items of our employees among our suppliers' code of conduct to comply with modern slavery laws in the United Kingdom and Australia.
- POSCO International has established a supply chain policy, establishing supplier code of conduct on basic matters concerning labor rights, environment, safety and health, ethics, and management systems that suppliers and subcontractors who supply products and services to companies and their affiliates, joint ventures, etc. should comply with. In particular, through the Labor Rights section, we are stating that all suppliers of the Company shall not tolerate illegal minor labor, human trafficking, forced labor, etc. in accordance with the UN Guiding Principles On Business and Human Rights, the Universal Declaration of Human Rights, and the ILO (International Labor Organization) International Labor Standards, and shall do their best to respect and protect the human rights, working hours, and freedom of association and collective bargaining of all workers, and shall not discriminate against workers on the grounds of race, nationality, gender, age, academic background, religion, region, disability, marital status, gender identity, etc..
- POSCO International recognizes the importance of responsible minerals as a global corporate citizen and intends to join the international community's efforts to create responsible procurement practices for companies, such as cooperation in the policy of responsible minerals from customers and support for responsible mineral management of suppliers. In principle, we restrict transactions with suppliers that have a negative social impact, and we try to avoid using mining minerals in disputed areas. In 2021, based on the POSCO Responsible Mineral Management Guidelines, a separate POSCO International Responsible Mineral Management Guidelines reflecting the characteristics of the industry as a general business company was established, and through this, a more effective responsible mineral management system is operated.

VI. Human Rights Protection Due Diligence and Risk Management

1. Human Rights Impact Assessment

- POSCO International, along with external professional institutions, conducts human rights due diligence focusing on overseas workplaces with production/manufacturing processes, and discloses the results of human rights due diligence and the status of implementation of improvement tasks through its annual sustainable management report.
- In 2023, a written human rights survey was conducted at five overseas workplaces (the gas field, the rice processing centers (RPC) and the hotel in Myanmar, and the palm farm and the by-product gas power plants in Indonesia), and details will be disclosed in a sustainable management report scheduled to be published in July 2024.

2. Risk Management at the Supply Chain Level

- Supply Chain Management Process:

POSCO International is building a company-wide supply chain management system that reflects the industrial characteristics of global general business companies in order to proactively respond to the EU's Corporate Sustainability Due Diligence Directive (CSDDD) and systematically manage the negative human rights/environment that may occur in the Company's entire supply chain.

As stated in the 2022 MSA Declaration, after the merger of POSCO Energy on January 1, 2023, the company promoted a task that further reflected the supply chain analysis results of the energy business in its supply chain management system. Through this, we are reorganizing our policies related to the supply chain, our criteria for classifying the importance of the supply chain, and our checklists and guidelines for supply chain due diligence, and we are establishing a unified supply chain management system at the enterprise level.

In particular, in the checklist for written due diligence on the supply chain, a question was added to confirm whether regular risk assessments were conducted and there is any case of modern slavery practices and violations of laws and regulations related to modern slavery to prevent any forced labor, illegal child labor, or human trafficking in the company's supply chain.

As of 2023, POSCO International is developing a cloud-based supply chain management solution to promote practical prevention and improvement activities against negative human rights/environmental impacts for approximately 1,700 suppliers with whom POSCO International is transacting, and is scheduled to complete it in the fourth quarter of 2024.

- Responsible Mineral Management Process:

POSCO International has established a responsible mineral policy to express the company's willingness to use only the mined minerals in a way that respects human rights and protects the environment by prohibiting the use of conflict minerals such as 3TGs [Tin, Tantalum, Tungsten, and Gold], which have served as funds for warlords and anti-government organizations in African countries such as the Democratic Republic of the Congo, and minerals such as cobalt, which pose human rights and environmental issues during the mining process. Based on this, we cooperate with customers' policies on responsible minerals and support suppliers' management of responsible minerals.

- Responsible Minerals Management Process of POSCO Group

In accordance with the POSCO Group's Guidelines for Responsible Minerals Management, POSCO International restricts transactions with suppliers that have a negative impact on the environment and society, and prohibits the trade of minerals mined in conflict zones. Based on the CAHRA (Conflict Affected and High Risk Area) criteria, CAHRA targets are selected by investigating relevant countries and territories, including Africa conflict zones. The Company conducts investigations on the supplier's management information and whether or not it has a policy on responsible minerals to identify possible risk of responsible minerals from the

supplier registration stage. It also determines whether the smelter associated with the supplier is CAHRA, and verifies that the company is certified by third-party due diligence from Responsible Minerals Initiatives (RMI). If the company is judged to be ineligible through this screening process, it may be excluded from the supplier registration. The Company obtains consent from registered suppliers to comply with the Company's Responsible Mineral Policy and confirms the status of Conflict Mineral Report Template/Cobalt Report Template (CMRT/CRT) requests and smelter certification.

Furthermore, responsible mineral risk assessments are conducted for suppliers in transactions, and the results are divided into three classes: "high-risk suppliers", "controlled suppliers", and "general suppliers." In the case of high-risk suppliers, we request professional due diligence from third-party independent organizations to conduct risk inspection and improvement activities. If necessary, we actively support suppliers' improvement activities, such as providing educational contents for responsible minerals, and confirm that improvement activities are completed within 120 days of the notification of the results of the due diligence. If improvement activities are not completed, the supplier may be removed from the registration pool.

As of 2023, POSCO International does not engage in any business related to conflict minerals (tin, tungsten, tantalum, gold) and responsible minerals (cobalt), which are highly likely to cause modern slavery practices.

3. Other Due Diligence and Risk Management Measures

- **Conducting a Survey on the Labor Environment of Overseas Investment Corporations:**
POSCO International is conducting a survey on overseas investment corporations equipped with manufacturing and production facilities on the exploitation of child labor, the performance of harmful tasks for the vulnerable, including female workers, and the hygiene management status of employees' accommodation.
- **International Key Organizations Compliance Legal Due Diligence:**
In order to inspect the compliance and legal system of major overseas business sites, POSCO International has been conducting on-site due diligence by the Compliance Department of the Legal Office from the first quarter of 2024. The Compliance due diligence examines the violation of local mandatory laws by major overseas workplaces, the status of legal compulsory education under local laws, and the status of responses related to corruption risks. In particular, we check the personnel labor system at each workplace to see if illegal forced labor is being carried out, and we provide awareness-raising education to prevent it.
- **Conducting Integrity Due Diligence and Receiving Compliance Covenants from Third Parties, including Agent:**
POSCO International is conducting an Integrity due diligence for third party representatives such as Agent, who interact with public officials in the process of acting on behalf of the Company or performing services for the Company. All third parties who wish to do business with the Company will be subject to Integrity Due Diligence and will undergo an integrity reputation survey through external professional institutions. The Company intends to eradicate bribery, money laundering and other corrupt practices through a thorough integrity due

diligence. In addition, all third party representatives who do business with the Company must submit a compliance pledge promising compliance with the Company's Code of Ethics, Anti-Corruption Compliance Guidelines, and the Company requires it to be renewed least once every three years.

- **Enhanced Investment Risk Management from ESG Perspective:**
From the initial stage of the investment review, it was specified in the investment management regulations that the proposal department should consult with the in-house specialized departments on whether to fulfill the corporate social responsibility to the local community and reflect it in the investment plan. In the investment review stage, ESG risk was set as a major investment management item, the attendance of the in-house ESG department was mandated, and even if the investment was already in progress, it was possible to start determining whether the business would continue in the event of an ESG-related issue.

VII. Grievance Handling and Employee Training

1. Grievance Handling System

- **One-Voice Process for Response to ESG Issues:**
POSCO International has established an ESG issue response process for questions frequently received from various stakeholders to promote One-Voice response to issues. Received ESG issues are reported to management and the board of directors through the ESG Council after the analysis and status check, and One-Voice responses are conducted according to the response direction established based on the discussions.
- **Operation of Stakeholder Communication Channels:**
POSCO International operates various communication channels for each stakeholder. (1) In the case of the supply chain, opinions can be received through the website and e-mail; and (2) In relation to community members, the local community-level grievance settlement system is operated, while opinions can also be received through the website and e-mail.
- **Establishment of a New Department to Establish a Corporate Culture of Respect for People:**
In 2023, POSCO International established the Ethics Management Bureau consisting of five employees in the Righteousness Management Office, to revitalize the in-house grievance handling channel.
- **Guidance and Promotion of the Internal Grievance Settlement Reporting System:**
POSCO International always guides the reporting center through an ethical campaign held once a month under the theme of ethical management/human respect, and has improved accessibility by attaching QR stickers to work spaces such as office walls and conference rooms. Regular and class-specific training always includes relevant content such as regulations and reporting channels.

- Active Performance of Preliminary Diagnosis and Monitoring of Human Respect:
POSCO International conducts a monthly survey of all executives and employees on witnessing/experiencing unethical/human respect violations through a mobile work app. In addition, for domestic and overseas officials and executives, the Company conducts a regular anonymous ethical level diagnosis survey once a year for subordinated employees.

2. Improvement of In-house Culture and Training of Executives and Employees

- Translation of Five Major Compliance and Ethics Codes into 10 Local Languages and Distribution of Educational Videos in Local Languages:

In 2023, POSCO International translated and distributed the code of ethics, anti-corruption compliance guidelines, conflict of interest prevention guidelines, workplace sexual harassment prevention guidelines, and supplier code of conduct out of the rules of the Company into 10 languages (English, Myanmar, Chinese, Indonesian, Vietnamese, Uzbek, Portuguese, Spanish, Turkish, and Ukrainian) in consideration of the location of major workplaces of the company and compliance risks by country so that domestic and foreign executives and employees can understand major compliance codes. In addition, lawyers in each jurisdiction produced 10 local-language educational videos that described five compliance ethics norms in each local language and distributed them through e-learning tools to help local executives and employees better understand and comply with POSCO International's major compliance ethics norms. The code of ethics includes compliance with the Modern Slavery Prevention Act.

- Implementation of English Translation of Company Rules and E-learning Explanation of the Company Rules in English:

The Company produces online English explanation videos through external experts on compliance control regulations, ethical norms, and compensation guidelines for reporting unethical acts and provides them to all executives and employees.

- Requiring All Employees to Sign an Ethics Pledge:

At the beginning of each year, the Company seeks a pledge of ethics to all employees to comply with the Company's code of ethics, to comply with domestic and foreign anti-corruption and fair trade laws, to avoid any act that undermines human respect, such as violation of sexual ethics or harassment, and to prioritize ethics if the Company's interests and ethics conflict. In 2024, we are extending the target to G.Staff.

VIII. Consultation Process

- Procedures for Consultation with the Relevant Departments

The ESG Strategy Section of the Legal Affairs Office, the Ethics Management Bureau in Righteousness Management Office and the Corporate Citizenship Bureau, which are departments related to POSCO International's compliance with the MSA, held several consultations from 2023 to the first half of 2024 to collect MSA compliance measures, related all enactments and revisions and implementation details, shared opinions on preparing measures to comply with the MSA and writing a declaration, and discussed future human rights protection due diligence and risk management plans.

IX. Effectiveness Evaluation and Future Plans

1. Effectiveness Evaluation

- Annual Evaluation of the Corporate Ethics Index of POSCO Group Companies:
In conducting the annual evaluation of the POSCO Group's corporate ethics index at the level of POSCO, the evaluation items include the operation of ethical norms and systems, human respect surveys, and measures to prevent recurrence, and are being submitted to POSCO for evaluation.

2. Future Plan

- In the next fiscal year, if there are organizations that need improvement after conducting an ethics diagnosis of overseas organizations as before, the relevant organizations and related departments will be notified of the improvement so that measures can be taken.
- With regard to the supply chain ESG management structure, the Company selected a supplier of high business importance in 2023 based on five factors: sales contribution, supplier size, supplier industry, downstream, and transaction type. The Company plans to conduct a request for a consent form for the Supply Chain Code of Conduct and an ESG checklist survey to selected major suppliers within the supply chain ESG management system.
- We plan to conduct regular due diligence on trading corporations/branches and investment corporations. When visiting due diligence, we plan to use a checklist to inspect and report on the risk of violating modern slavery regulations on the employment status of trading corporations/branch offices and the institutional processes of investment corporations.
- We operate external counseling/investigation channels to enhance the expertise and fairness of ethics counseling/investigation. We would like to promote ethical counseling for executives and employees by operating in a way that guarantees more professionalism and confidentiality through linkage with external specialized institutions.
- We will conduct on-site inspections to check compliance, including compliance with modern anti-slavery laws, at major overseas workplaces, and if we find anything to supplement, such as compliance education or counseling support, we will actively support it.

This report was approved by the Board of Directors of POSCO International and signed by the CEO.

June 26, 2024
POSCO International Corporation
CEO Gye-in Lee