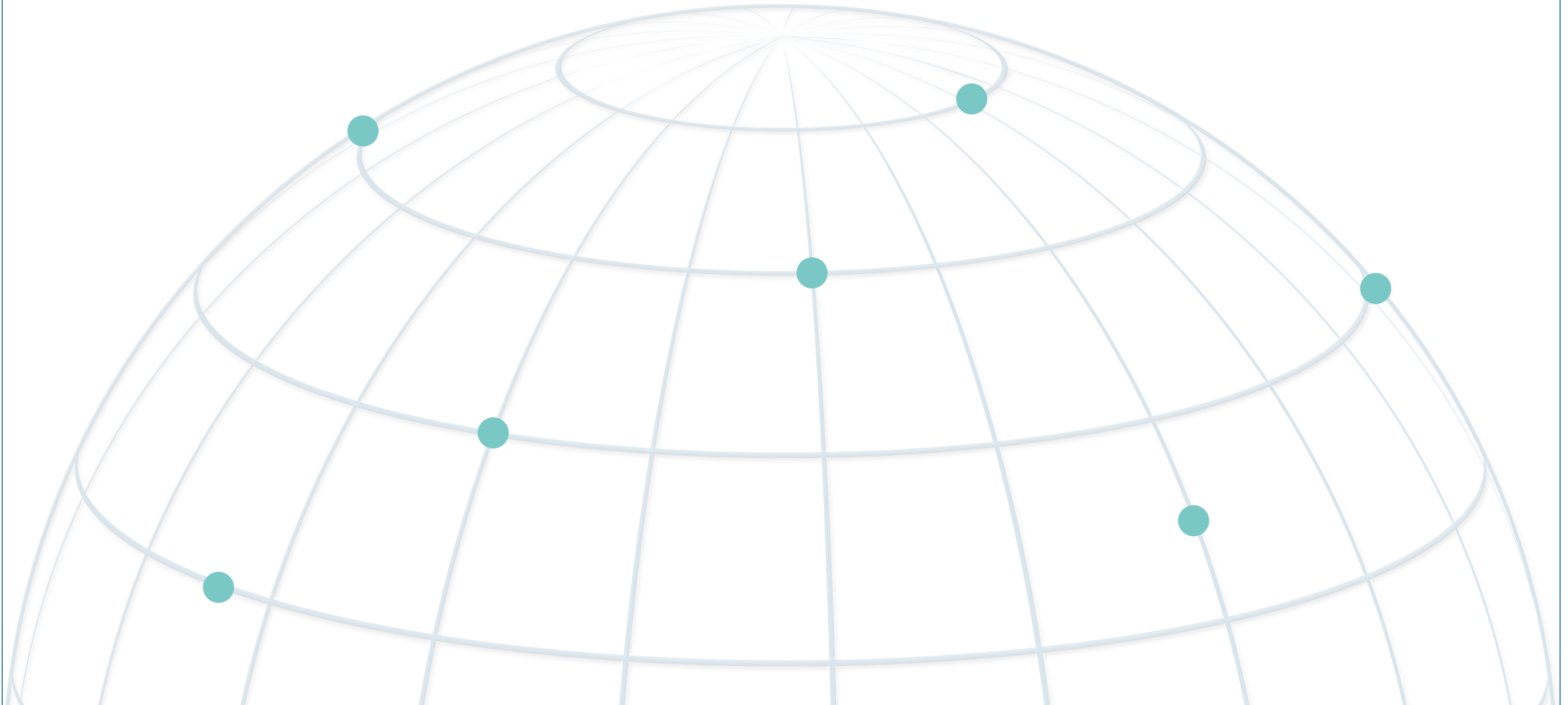


# PIONEER SEEKING IRREPLACEABLE SUSTAINABILITY

POSCO INTERNATIONAL  
ESG FACTBOOK 2023

posco  
INTERNATIONAL



# 01

## Metrics and Targets

POSCO INTERNATIONAL CORPORATION  
ESG FACTBOOK 2023

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# ESG FACTBOOK

As an integrated company following the merger in 2023, POSCO International has been tracking sustainability management performance at the Headquarters and across domestic/overseas subsidiaries.

## Environment

Metric	Unit	2021			2022			2023				
		POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated) <sup>2)</sup>		Major Subsidiaries <sup>3)</sup>		
		Shwe Project			Shwe Project			Shwe Project				
GHG	Total (Scope 1+2)	tCO <sub>2</sub> e	3,560	189,095	603,389	1,917	272,388	575,686	4,218,149	173,192	1,473,260	
	Direct GHG emission (Scope 1)	tCO <sub>2</sub> e	469	188,761	563,216	316	272,054	528,259	4,155,769	172,930	1,039,185	
	Indirect GHG emission (Scope 2 – Location-based)	tCO <sub>2</sub> e	3,091	334	40,173	1,602	334	47,427	62,383	262	434,075	
	Other indirect GHG emission (Scope 3) <sup>6)</sup>	tCO <sub>2</sub> e	-	-	-	-	-	-	363,471	-	-	
	Purchased goods and services	tCO <sub>2</sub> e	-	-	-	-	-	-	340,691	-	-	
	Capital goods	tCO <sub>2</sub> e	-	-	-	-	-	-	14,249	-	-	
	Fuel and energy related activities not included in Scope 1, 2	tCO <sub>2</sub> e	-	-	-	-	-	-	140	-	-	
	Transportation and distribution (upstream)	tCO <sub>2</sub> e	-	-	-	-	-	-	3,977	-	-	
	Waste generated in operation	tCO <sub>2</sub> e	-	-	-	-	-	-	96	-	-	
	Business travel	tCO <sub>2</sub> e	-	-	-	-	-	-	4,318	-	-	
Intensity (per sales) <sup>5)</sup>	Direct and Indirect GHG emission intensity (Scope 1, 2)	tCO <sub>2</sub> e/ KRW 100 million	0.01	13.06	39.26	0.01	19.86	31.87	15.11	28.2	37.6	
Energy	Total energy consumption	GJ	77,375	2,446,687	1,391,560	43,941	2,424,234	1,452,143	83,814,137	2,212,061	4,430,252	
	Direct energy consumption	Total	GJ	7,512	2,444,921	545,693	4,679	2,422,382	519,733	82,483,745	2,210,311	597,668
		Natural gas	GJ	2,269	2,439,064	277,728	0	2,412,153	263,864	82,425,303	2,113,855	229,752
		Lamp oil	GJ	0	0	283	0	0	308	0	0	257
		Gasoline	GJ	4,482	0	3,743	1,840	0	4,643	4,624	521	6,185
		Diesel	GJ	761	5,858	262,037	2,839	10,228	249,763	53,078	15,645	357,961
		LPG	GJ	0	0	499	0	0	178	741	0	3,513
Indirect energy consumption	Total	GJ	69,863	1,766	845,867	39,262	1,852	932,411	1,334,392	1,749.60	3,767,954	
	Electricity (power)	GJ	57,500	1,766	758,918	26,471	1,852	832,825	1,286,324	1,749.60	3,677,600	
	Steam	GJ	12,363	0	86,949	12,791	0	99,586	48,068	0	90,354	
	Percentage of power consumption	%	74.31	0.07	54.54	60.24	0.08	57.35	1.53	10.05	83.0	
Intensity (per sales) <sup>5)</sup>	Energy intensity	GJ/ KRW 100 million	0.27	169.01	90.55	0.14	176.74	80.38	0.177	360.21	113	
Renewable energy consumption	Total	GJ	0	0	0	0	0	0	0	0	64,630	
	Percentage of renewable energy	%	0	0	0	0	0	0	0	0	1.46	
	Consumption of self-generated non-fuel renewable energy	GJ	0	0	0	0	0	0	0	0	64,540	
Electricity sold	Electricity sold	GJ	0	0	0	0	0	0	39,497,896	0	10,446,718	
	Electricity generated from renewable energy sold	GJ	0	0	0	0	0	0	62,768	0	304,216	

\*) -: Data not calculated or unable to be calculated, N/A: Not applicable

1) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

2) Merged with POSCO Energy

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) Calculated emissions in accordance with the Emissions Reporting and Verification Guidelines under the Emissions Trading System, did not calculate GHG emissions for POSCO International Textile in Uzbekistan in 2021 and 2022

5) For the HQ (excluding the Shwe Project in Myanmar), the denominator was calculated by subtracting the Shwe Project's revenue from the non-consolidated revenue. For subsidiaries, the denominator was calculated by summing the revenues of respective subsidiaries.

6) Inaugural metric aggregated in 2023. Sum of the purchased goods and services that correspond to the power plant fuel and SG&A accounts. Trade in goods covers a wide array of items such as steel, energy, food, and automotive parts and will be disclosed after developing reasonable calculation methodologies.

# ESG FACTBOOK

## Environment

Metric	Unit	2021			2022			2023			
		POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated) <sup>2)</sup>		Major Subsidiaries <sup>3)</sup>	
		Shwe Project			Shwe Project			Shwe Project			
Total water withdrawal	tons	149,798	33,890	1,773,118	166,760	34,000	1,907,450	1,204,521 <sup>6)</sup>	19,152,354	2,744,349	
Withdrawal	Freshwater	149,798	0	351,525	166,760	0	392,693	1,204,521	0	395,773	
	Surface water	0	0	865,806	0	0	956,327	0	0	1,098,576	
	Ground water	0	33,890	555,787	0	34,000	558,430	0	8,741	1,250,000	
	Desalinated water	0	0	0	0	0	0	0	19,143,613	0	
	Municipal sewage treatment water	0	0	0	0	0	0	0	0	0	
	Percentage of water withdrawn from regions with "High" or "Extremely High" baseline water stress	%	0	0	31.03	0	0	29.28	9.31	0	0
	Total water withdrawn in regions with 'High' baseline water stress	tons	0	0	0	0	0	0	112,118 <sup>7)</sup>	0	0
	Total water withdrawn in regions with 'Extremely High' baseline water stress	tons	0	0	550,186	0	0	558,430	0	0	0
Total water consumption	tons	149,798	33,890	457,626	166,760	34,000	633,115	865,550 <sup>8)</sup>	8,643	211,472	
Water	Total	0	0	0	0	0	0	192,449	0	1,831,976 <sup>9)</sup>	
	Recycled water	0	0	0	0	0	0	0	0	49,300 <sup>9)</sup>	
	Recycled/reused	0	0	0	0	0	0	192,449	0	1,782,676 <sup>9)</sup>	
	Percentage of total recycled/reused water	%	0	0	0	0	0	17.1	0	40 <sup>9)</sup>	
	Number of worksites using recycled water	sites	0	0	0	0	0	0	1	0	2 <sup>9)</sup>
Total water discharged	tons	0	0	1,315,492	0	0	1,274,335	338,971	19,143,711	2,588,713	
Total water pollutant discharged <sup>5)</sup>	kg	0	0	10,990	0	0	9,690	3,280.0	7.3	6,772	
Water pollutant discharged <sup>5)</sup>	COD <sup>10)</sup>	0	0	2,930	0	0	0	0	3.5	0	
	BOD	0	0	510	0	0	690	N/A	1.2	1,054	
	T-N	0	0	1,390	0	0	870	3,763.4	0.4	844	
	T-P	0	0	30	0	0	20	0	0.2	23	
	SS	0	0	6,130	0	0	6,140	24.5	2.1	3,641	
	TOC <sup>10)</sup>	0	0	0	0	0	1,970	32.1	0	1,210	

\* ) - Data not calculated or unable to be calculated, N/A: Not applicable

1) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

2) Merged with POSCO Energy

3) Limited to POSCO Mobility Solution, PT.BIA's, and Senex Energy. PT.BIA's water is limited to water used at the CPO Mill.

4) Change in the scope and criteria for water data calculation

5) In 2023, the Incheon LNG Combined Cycle Power Plant was the only site emitting water pollutants out of sites considered as the HQ operations. Calculated data for POSCO Mobility Solution only out of subsidiaries in 2021 and 2022. Limited to POSCO Mobility Solution and PT.BIA among industries in 2023.

6) Total water consumption is 157,437 tons at the office building in Songdo, 595,995 tons at the Incheon LNG Combined Cycle Power Plant, and 112,118 tons at the Gwangyang LNG Terminal.

7) Concern withdrawals for the Gwangyang LNG Terminal

8) Limited to Senex Energy and PT.BIA. The reused water data of PT.BIA refers to the value obtained after treating POMEs (Palm Oil Mill Effluent), a by-product generated during the process of extracting CPO, in the water tank and then reusing the organic components on the farm through land application

9) Limited to PT.BIA, Senex Energy

10) In accordance with the domestic <Water Environment Conservation Act>, the indicator for measuring organic substances among water pollutants is sequentially converted from COD to TOC

# ESG FACTBOOK

## Environment

Metric	Unit	2021			2022			2023				
		POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated) <sup>2)</sup>		Major Subsidiaries <sup>3)</sup>		
		Shwe Project			Shwe Project			Shwe Project				
Total waste	Total waste generated	tons	250	51.2	654,816.9	322	25.9	648,302.6	1,014.8	138.1	8,697	
	Waste recycled	tons	250	33.6	3,476.7	322	20.4	3,527.3	765.1	18.1	7,557	
	Waste incinerated	tons	0	0	400.5	0	0	400.3	162.2	22.7	539	
	Waste landfilled	tons	0	16.9	107.6	0	5.4	17	81.5	97.3	517	
	Waste disposed in other ways	tons	0	0.8	650,832 <sup>4)</sup>	0	0.1	644,358 <sup>4)</sup>	6	0	83 <sup>12)</sup>	
	Percentage of total waste recycled	%	100	65.6	0.5	100	78.7	0.5	75	13.1	86.9	
Intensity(per sales)	Total waste generated intensity	tons/KRW 10 billion	0.09	0.4	4,261.2	0.1	0.2	3,588.6	0.4	2.3	0.22	
Waste	Total waste generated	tons	0	37.8	651,350	0	5	644,677	51.1	23.3	756.8 <sup>5)</sup>	
	Waste recycled	tons	0	23.2	457	0	2.4	240	34.3	2.2	260.5 <sup>5)</sup>	
	Hazardous waste	Waste incinerated	tons	0	0	61	0	0	75	10.8	17.4	249.9 <sup>6)</sup>
		Waste landfilled	tons	0	13.9	0	0	2.4	4	0	3.7	18.6 <sup>7)</sup>
		Waste disposed in other ways	tons	0	0.8	650,832 <sup>4)</sup>	0	0.1	644,358 <sup>4)</sup>	6	0	227.8 <sup>8)12)</sup>
	Hazardous waste generation intensity(per sales)	tons/KRW 10 billion	0	0.3	4,238.6	0	0.04	3,568.6	0.02	0.4	0.02	
Non-hazardous waste	Total waste generated	tons	250	13.4	3,466.5	322	21	3,625.1	963.7	91.7	2,831.8 <sup>9)</sup>	
	Waste recycled	tons	250	10.4	3,019.4	322	18	3,287.3	730.8	5.3	2,272.4 <sup>10)</sup>	
	Waste incinerated	tons	0	0	339.5	0	0	325	151.4	0	303.1 <sup>7)</sup>	
	Waste landfilled	tons	0	3	107.6	0	3	12.9	81.5	86.3	182.3 <sup>7)</sup>	
	Waste disposed in other ways	tons	0	0	0	0	0	0	0	0	74 <sup>11)</sup>	

1) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

2) Merged with POSCO Energy

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) The other waste treated at subsidiaries in 2021 and 2022 all refers to the POMEs (Palm Oil Mill Effluent) that PT.BIA produces as by-products while extracting CPO. PT.BIA established a closed-loop system whereby POMEs are purified in the water tank and the organic matters are put back into the plantation for reuse (Land Application).

5) Limited to POSCO Mobility Solution, Shinan Green Energy, PT.BIA, PT.KPE, and China P-CORE

6) Limited to POSCO Mobility Solution, PT.KPE

7) Limited to POSCO Mobility Solution

8) Limited to POSCO Mobility Solution, Shinan Green Energy, PT.BIA, and China P-CORE

9) Limited to POSCO Mobility Solution, India TMC, China P-CORE

10) Limited to POSCO Mobility Solution, China P-CORE

11) Limited to India TMC

12) Starting from 2023, due to a change in the calculation method, the POME (Palm Oil Mill Effluent) data is disclosed as reused water data

# ESG FACTBOOK

## Environment

Metric	Unit	2021			2022			2023				
		POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated) <sup>2)</sup>		Major Subsidiaries <sup>3)</sup>		
		Shwe Project			Shwe Project			Shwe Project				
Air pollutants <sup>4)</sup>	Total emissions	tons	0	274.6	649.4	0	276.2	108.4	508	221.4	3,114.7 <sup>6)</sup>	
	Nox	tons	0	268.3	86.4	0	267.3	43	507	219.7	2,155.5 <sup>6)</sup>	
	Sox	tons	0	0.3	53.9	0	0.7	1.4	1	1.7	671.2 <sup>6)</sup>	
	CO	tons	0	0	0	0	0	0	0	0	88.8 <sup>6)</sup>	
	VOCs	tons	0	0	0	0	0	0	0	0	0.1 <sup>6)</sup>	
	Dust	tons	0	6	509.1	0	8.2	63.9	0	0	199.1 <sup>6)</sup>	
Hazardous chemicals	Total consumption	tons	0	0	2,039.6	0	0	0	4,431	6.9	6,241.1 <sup>7)</sup>	
	Total discharge	tons	0	0	4.9	0	0	0	36	6.9	0.5 <sup>8)</sup>	
Sales, purchase, investment of green products and services <sup>5)</sup>	Sales	KRW million	-	-	-	-	-	-	-	-	386,487 <sup>9)</sup>	
	Green products and services	Proportion of sales	%	-	-	-	-	-	-	-	-	9.9 <sup>9)</sup>
		Purchases	KRW million	-	-	-	-	-	-	-	-	239,555 <sup>9)</sup>
	Environmental investment and services <sup>5)</sup>	Proportion of purchase	%	-	-	-	-	-	-	-	-	6.1 <sup>9)</sup>
		Environmental investment cost	KRW million	-	-	-	-	-	-	2,352	-	275 <sup>10)</sup>
	Environmental operation	Environmental CapEx <sup>5)</sup>	KRW million	-	-	-	-	-	-	1,188	-	275 <sup>10)</sup>
		Low carbon CapEx <sup>5)</sup>	KRW million	-	-	-	-	-	-	1,164	-	-
	Environmental operation	Environmental operation cost	KRW million	-	-	-	-	-	-	-	-	205 <sup>10)</sup>
		Environmental OpEx	KRW million	-	-	-	-	-	-	-	-	205 <sup>10)</sup>
		Low carbon OpEx	KRW million	-	-	-	-	-	-	-	-	-

\*) -: Data not calculated or unable to be calculated, N/A: Not applicable

1) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

2) Merged with POSCO Energy

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) In 2023, the Incheon LNG Combined Cycle Power Plant was the only site emitting air pollutants out of sites considered as the HQ operations

5) Have calculated since 2023

6) Limited to POSCO Mobility Solution, PT.BIA, PT.KPE

7) Limited to POSCO Mobility Solution, PT.KPE

8) Limited to POSCO Mobility Solution

9) Limited to trading corporation in Germany

10) Limited to POSCO Mobility Solution, China P-CORE

# ESG FACTBOOK

## Environment

Metric	Unit	2021			2022			2023					
		POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated)		Major Subsidiaries <sup>1)</sup>	POSCO International (non-consolidated) <sup>2)</sup>		Major Subsidiaries <sup>3)</sup>			
		Shwe Project			Shwe Project			Shwe Project					
ISO certification	EMS (ISO 14001)	Percentage of ISO 14001 certified worksites	%	N/A	100	60	N/A	100	60	100	100	70	
		Worksites <sup>4)</sup> requiring ISO 14001 certification	sites	N/A	1	5	N/A	1	5	2	1	10	
		ISO 14001 certified worksites	sites	N/A	1	3	N/A	1	3	2	1	7	
Other	Environmental regulations	Number of incidents of non-compliance with environmental laws	cases	0	0	0	0	0	0	0	0	1	
		Incidents of non-compliance with environmental laws associated with water discharges, water withdrawal, and wastewater pretreatment requirements	cases	0	0	0	0	0	0	0	0	0	
		Sanctions on non-compliance with environmental laws and regulations	cases	0	0	0	0	0	0	0	0	0	3
		Cases of monetary sanctions	cases	0	0	0	0	0	0	0	0	0	0
		Total amount of monetary sanctions	KRW million	0	0	0	0	0	0	0	0	0	0
		Cases of non-monetary sanctions	cases	0	0	0	0	0	0	0	1 <sup>7)</sup>	0	0
		Number of incidents related to effluent management	cases	0	0	0	0	0	0	0	0	0	0
Zero emission and eco-friendly vehicles <sup>5)</sup>		Percentage of zero emission vehicles owned	%	0	-	-	6	-	-	10	0	1	
		Number of zero emission vehicles owned	vehicles	0	-	-	5	-	-	13	-	-	
		Eco-friendly vehicles <sup>6)</sup>	vehicles	-	-	-	-	-	-	84	0	3	
		Total number of vehicles owned	vehicles	73	-	-	78	-	-	129	30	291	

\*) -: Data not calculated or unable to be calculated, N/A: Not applicable

1) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

2) Merged with POSCO Energy

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) Sites that fall under the air pollutant emission site classification criteria pursuant to the Clean Air Conservation Act or sites graded 3 or above under the water pollutant discharge site classification criteria pursuant to the Water Environment Conservation Act

5) Calculated data for the HQ and domestic operations only in 2021 and 2022

6) Have calculated since 2023

7) Corrected on July 22, 2024 due to omission of tally

# ESG FACTBOOK

## Social

Metric	Unit	2021		2022		2023			
		POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>3)</sup>		
Total employees	Total	persons	1,503	7,041	1,445	7,557	1,898	6,123	
	Male	persons	26	8	26	8	34	9	
	Female	persons	25	8	25	8	33	9	
	Executive level <sup>4)</sup>	persons	1	0	1	0	1	0	
	Percentage of females	%	4	0	4	0	3	0	
	Under 30	persons	0	0	0	0	0	0	
	30-50	persons	0	0	0	0	0	0	
	Over 50	persons	26	8	26	8	34	9	
	Employees excluding executives	Total	persons	1,477	7,033	1,419	7,549	1,864	6,114
Male		persons	1,073	4,779	1,025	5,327	1,394	5,268	
Female		persons	404	2,254	394	2,222	470	846	
Percentage of females		%	27	32	28	29	25	14	
Under 30		persons	230	1,953	231	2,018	243	1,945	
30-50		persons	1,081	4,566	1,014	4,899	1,318	3,702	
Over 50		persons	166	503	174	632	303	467	
Employees		Total	persons	298	329	288	356	410	279
		Male	persons	286	317	274	339	394	210
	Female	persons	12	12	14	17	16	69	
	Management level	%	4	4	5	5	4	25	
	Under 30	persons	0	0	1	0	1	15	
	30-50	persons	200	242	199	254	268	194	
	Over 50	persons	98	87	88	102	141	70	
	Permanent employees	Total	persons	1,443	6,786	1,394	7,347	1,765	5,579
		Male	persons	1,058	4,537	1,011	4,978	1,323	4,838
Female		persons	385	2,249	383	2,369	442	741	
Percentage of females		%	27	33	27	32	25	13	
Percentage of permanent employees		%	96	96	96	97	93	91	
Temporary employees	Total	persons	36	249	26	203	133	535	
	Male	persons	17	240	15	179	104	428	
	Female	persons	19	9	11	24	29	107	
	Percentage of females	%	53	4	42	12	22	20	
	Percentage of temporary employees	%	2	4	2	3	7	9	
Recruitment	New hires	Total	persons	104	3,142	98	2,873	79	1,350
		Male	persons	67	1,902	73	1,967	49	1,155
		Female	persons	37	1,240	25	906	30	195
		Percentage of females	%	36	39	26	32	38	14
		Under 30	persons	70	1,558	61	1,407	45	692
		30-50	persons	29	1,540	32	1,367	25	629
		Over 50	persons	5	44	5	99	9	29

1) Data scope for 2021 and 2022 is Songdo HQ and Shwe Project in Myanmar. Due to the merger with POSCO Energy, data scope for 2023 is Songdo HQ, Incheon LNG Power Plant, Gwangyang LNG Terminal, Shwe Project in Myanmar.

2) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) Major subsidiary data in 2023 follows the HQ's executive classification standards



# ESG FACTBOOK

## Social

Metric	Unit	2021		2022		2023			
		POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>3)</sup>		
Diversity	Employees with disabilities (percentage)	persons (%)	42 (2.8)	27 (0.38)	41 (2.8)	26 (0.34)	55 (3.2)	26 (0.4)	
	Employees entitled to veterans benefit	persons	21 (1.4)	9	19 (1.3)	9	31	11	
Turnover · retirement	Total employee turnover	persons	58	2,400	66	2,589	67 <sup>4)</sup>	1,358	
	Rate of employee turnover	%	6.1	-	7.2	-	3.5	24	
	Voluntary	Total turnover	persons	43	2,341	56	2,453	53	1,187
		Turnover rate	%	4.9	253	5.9	832	2.8	21
	Non-voluntary	Total turnover	persons	15	59	10	136	14	171
		Retirement	persons	1	26	3	26	2	21
		Redundancy	persons	0	20	0	10	0	6
		Other	persons	14	13	7	100	12	144
	Performance evaluation	Employees who received regular performance evaluation	persons	1,331	2,008	1,288	1,958	1,761	2,520
		Male (percentage)	persons (%)	996 (75)	784 (39)	951 (74)	780 (40)	1,326 (75)	2,065 (82)
Female (percentage)		persons (%)	335 (25)	1,224 (61)	337 (26)	1,178 (60)	435 (25)	455 (18)	
Permanent employees		persons	1,331	1,990	1,288	1,828	1,685	2,272	
Temporary employees		persons	0	18	0	130	76	248	
General training	Total	hours	53,110	50,707	58,634	63,612	75,856	78,048	
	Permanent employees	hours	52,697	33,662	58,095	56,330	72,624	-	
	Temporary employees	hours	413	79	355	26	3,232	-	
	Total training hours	General employees	hours	30,975	6,735	39,973	6,373	59,881	-
		Managers	hours	19,597	5,316	16,636	3,890	14,829	-
		Executives	hours	2,538	59	1,841	21	1,146	-
	Training hours per employee	Total	hours/persons	35	7	41	8	40	13
		Permanent employees	hours/persons	37	5	42	8	41.1	-
		Temporary employees	hours/persons	11	0.3	14	0.1	24.3	-
		General employees	hours/persons	21	1	28	1	41.2	-
		Managers	hours/persons	66	16	58	11	36.2	-
	Training expenses	Executives	hours/persons	98	7	71	3	33.7	-
		Total	KRW million	1,746	133	1,899	204	2,955	376
	Training expenses per person	KRW million/persons	1.16	0.02	1.31	0.03	1.56	0.06	
Training program	Total	courses	2,071	0	5,257	0	4,393	897	
	Group training programs	courses	108	0	240	0	245	289	
	E-learning training programs	courses	1,963	0	5,017	0	4,148	608	
Global Staff	Total training hours	hours	1,427	0	1,836	-	1,661	43,020	
	Group training participants	persons	313	0	1,682	-	325	5,178	
	E-learning content development (cumulative)	units	55	0	84	-	-	0	

\*) -: Data not calculated or unable to be calculated, N/A: Not applicable

1) Data scope for 2021 and 2022 is Songdo HQ and Shwe Project in Myanmar. Due to the merger with POSCO Energy, data scope for 2023 is Songdo HQ, Incheon LNG Power Plant, Gwangyang LNG Terminal, Shwe Project in Myanmar.

2) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) Turnover at the HQ in 2023: 47 male and 20 female employees

# ESG FACTBOOK

## Social

Metric	Unit	2021		2022		2023			
		POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>3)</sup>		
Occupational health and safety training	Training hours	Total	hours	N/A	753	1,302	841	9,322	30,617
		Permanent employee	hours	N/A	753	1,256	841	7,136	26,368
		Temporary employee	hours	N/A	0	24	0	74	4,249
		Partners	hours	N/A	0	22	0	2,112	-
		Training hours per person	hours/persons	N/A	1	1	1	23.04	18
	Employees who completed training	Total	persons	N/A	753	1,276	841	313	1,698
		Permanent employee	persons	N/A	753	1,256	841	300	-
		Temporary employee	persons	N/A	0	20	0	13	-
Information security training	Training hours	Total	hours	2,620	1,614	4,192	2,631	2,731	10,173
		Total	persons	1,310	807	1,323	877	1,675	2,336
	Employees who completed training	Permanent employee	persons	1,288	741	1,292	869	1,576	2,090
		Temporary employee	persons	22	66	31	8	99	246
Employee welfare	DB retirement pension plan <sup>4)</sup>	Present value of defined benefit liabilities <sup>5)</sup>	KRW million	138,059	41,033	126,925	38,933	185,762	109,620 <sup>6)</sup>
		Fair value of plan assets	KRW million	-145,737	-42,407	-159,378	-35,343	-227,180	-141,337 <sup>6)</sup>
		Amount of defined benefit liabilities	KRW million	-7,678	-1,374	-32,453	3,649	-41,418	31,685 <sup>6)</sup>
Flexible work program	Employees under flexible work program	persons	148	0	217	23	1,197	137	
Parental leave <sup>6,7)</sup>	Number of employees who took parental leave	Total	persons	38	142	55	122	39	69
		Male	persons	28	23	19	13	18	49
		Female	persons	10	119	36	109	21	20
	Number of employees who returned after parental leave	Total	persons	27	68	23	60	39	15 <sup>8)</sup>
		Male	persons	7	18	8	13	12	12 <sup>8)</sup>
		Female	persons	20	50	15	47	27	3 <sup>8)</sup>
	Percentage of employees who returned after parental leave	Male	%	100	90	100	87	75	92 <sup>9)</sup>
		Female	%	100	100	100	100	84	100 <sup>9)</sup>
	Number of employees who returned after parental leave and worked 12 months or longer	Male	persons	4	4	5	5	6	8 <sup>9)</sup>
		Female	persons	13	2	19	0	18	2 <sup>9)</sup>
	Percentage of employees who returned after parental leave and worked 12 months or longer	Male	%	100	100	100	71	100	100 <sup>9)</sup>
		Female	%	93	100	100	- <sup>8)</sup>	100	100 <sup>9)</sup>
	Employees who took fertility treatment leave	persons	5	0	6	0	9	2	
	Employee engagement P-GWP results	points	88	-	92	-	93	-	
Labor relations	Percentage of employees covered by collective bargaining agreements	%	0	-	0	-	100	100 <sup>9)</sup>	
	Number of lockouts due to strikes	occasions	0	-	0	-	0	0	

\*): Data not calculated or unable to be calculated, N/A: Not applicable

1) Data scope for 2021 and 2022 is Songdo HQ and Shwe Project in Myanmar. Due to the merger with POSCO Energy, data scope for 2023 is Songdo HQ, Incheon LNG Power Plant, Gwangyang LNG Terminal, Shwe Project in Myanmar.

2) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) The number of employees enrolled in the HQ defined benefit pension system (DB) in 2023 is 1,890

5) Restated the data due to HQ data input error in 2022

6) Employees entitled to parental leave include all employees. Parental leave-related metrics for 2022 do not include the Shwe Project in Myanmar and POSCO International Textile in Uzbekistan. Limited to POSCO Mobility Solution and PT.BIA

7) Zero female employees who will return or returned after parental leave at domestic subsidiaries (POSCO Mobility Solution) in 2021

8) Data calculation standard: consolidated financial statements - non-consolidated financial statements + POSCO Mobility Solution data

9) Limited to POSCO Mobility Solution

# ESG FACTBOOK

## Social

Metric	Unit	2021		2022		2023			
		POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>3)</sup>		
Safety management	OHMS certification (ISO 45001/ OHSAS 18001 /KOSHA-MS)	Percentage of OHSMS certified worksites	%	0	60	100	100	100	100 <sup>5)</sup>
		Worksites requiring OHSMS certification	sites	2	5	2	5	3	6 <sup>5)</sup>
		OHSMS Certified worksites	sites	0	3	2	5	3	6 <sup>5)</sup>
Lost-Time Incident Rate (LTIR)	Total	cases/200,000hours		0	0.13	0	0.09	0.06	0.45
	Employees	cases/200,000hours		0	0.12	0	0.08	0.08	0.45
	Partners	cases/200,000hours		0	0.27	0	0.2	0	0.55
Lost-Time Injury Frequency Rate (LTIFR)	Total	cases/1 million hours		0	0.66	0	0.46	0.30	2.26
	Employees	cases/1 million hours		0	0.58	0	0.39	0.40	2.24
	Partners	cases/1 million hours		0	1.35	0	1.02	0	2.75
Total Recordable Incident Rate (TRIR)	Total	cases/200,000hours		0	1.73	0.07	1.51	0.18	3.04
	Employees	cases/200,000hours		0	1.57	0.08	1.7	0.16	1.12
	Partners	cases/200,000hours		0	5.83	0	1.28	0.24	2.45
Total Recordable Injury Frequency Rate (TRIFR)	Total	cases/1 million hours		0	2.83	0.23	2.58	0.89	0.79
	Employees	cases/1 million hours		0	2.34	0.34	2.58	0.79	0.73
	Partners	cases/1 million hours		0	7.41	0	2.56	1.21	2.75
Work-related Industrial accident Rate	Total	%		0.06	0.09	0	0.05	0.08	1.17
	Employees	%		0	0.07	0	0.04	0.11	2.34
	Partners	%		0.59	0.27	0	0.1	0	0.1
Fatality rate	Total	%		0	0	0	0	0	0
	Employees	%		0	0	0	0	0	0
	Partners	%		0	0	0	0	0.06	0
Employee injuries	Lost-time injuries	cases		0	8	0	7	2 <sup>4)</sup>	142
	Total Recordable Injury (TRI)	cases		0	32	1	46	4	46
	Annual working hours	hours		2,911,804	13,704,000	2,924,520	17,814,655	5,088,428	63,322,400
	Fatalities	persons		0	0	0	0	0	0
	Injuries	persons		0	5	0	3	2	143
	Incidents	cases		0	5	0	3	2	143
	High-consequence injuries	cases		0	0	0	0	0	0
	Lost-Time Injury (LTI) victims	persons		0	2	0	0	2	5
	Near-misses	cases		8	20	11	104	197	85
	Near Miss Frequency Rate (NMFR)	cases/200,000 hours		0.55	0.29	0.75	1.17	7.74	0.27

1) Data scope for 2021 and 2022 is Songdo HQ and Shwe Project in Myanmar. Due to the merger with POSCO Energy, data scope for 2023 is Songdo HQ, Incheon LNG Power Plant, Gwangyang LNG Terminal, Shwe Project in Myanmar.

2) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) 2 work-related injuries, zero work-related illnesses

5) Limited to POSCO Mobility Solution

# ESG FACTBOOK

## Social

Metric	Unit	2021		2022		2023			
		POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>3)</sup>		
Work-related injuries	Partner injuries	Lost-time injuries	cases	0	2	0	2	0	6
		Total Recordable Injury (TRI)	cases	0	11	0	5	2	6
		Lost-Time Injury (LTI) victims	persons	1	2	0	2	0	3
		Annual working hours	hours	1,182,680	1,484,000	1,513,316	1,953,042	1,652,236	2,181,472
		Employee of partners	persons	169	742	169	977	630	6,675
		Fatalities	persons	0	0	0	0	0	0
		Injuries	persons	1	2	0	1	0	7
		Incidents	cases	1	2	0	1	0	7
		Near-misses	cases	0	0	5	0	16	1
Supply chain management	Supplier evaluation	Percentage of suppliers evaluated <sup>4)</sup>	%	N/A	31	N/A	30	60	17
		Total Suppliers	companies	0	510	0	508	1,002	1,683
		Evaluated suppliers	companies	0	156	0	151	598	281
Quality management	QMS certification (ISO 9001/IATF 16949)	Percentage of QMS (ISO 9001) certified worksites	%	100	100	100	100	0	100
		Worksites requiring QMS (ISO 9001) certification	sites	1	6	1	6	3	10
		QMS (ISO 9001) certified worksites	sites	1	6	1	6	0	10
CSR	Employee volunteering	Volunteer hours	hours	2,388	4,457	18,151	16,369	28,030	11,596
		Volunteer hours per employee	hours	14	17	16	32	16	10
		Participants	persons	169	265	1,143	505	1,727	1,170
		Participation rate	%	11	4	79	7	91	19
	CSR expenses	Total	KRW million	2,155	844	2,163	1,167	3,657	866
		Voluntary donations	KRW million	2,120	597	2,078	1,001	3,571	566
		Community contributions	KRW million	0	131	0	153	0	31
Other		KRW million	35	116	84	13	86	269	

1) Data scope for 2021 and 2022 is Songdo HQ and Shwe Project in Myanmar. Due to the merger with POSCO Energy, data scope for 2023 is Songdo HQ, Incheon LNG Power Plant, Gwangyang LNG Terminal, Shwe Project in Myanmar.

2) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) Concern POSCO Mobility Solution only out of subsidiaries in 2021 and 2022

# ESG FACTBOOK

## Governance

Metric	Unit	2021		2022		2023	
		POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>2)</sup>	POSCO International (non-consolidated) <sup>1)</sup>	Major Subsidiaries <sup>3)</sup>
Fair trade training	Hour completed	9	86	1,708	688	1,224	6,115 <sup>4)</sup>
	Employees who completed training	28	43	246	172	472	2,469 <sup>4)</sup>
Fair trade /Anti-corruption	Total	0	0	0	0	0	0
	Pending	0	0	0	0	0	0
	Termination	0	0	0	0	0	0
	Penalties	KRW million	0	0	0	0	0
Non-monetary sanction on non-compliance with fair trade regulations	Total	0	0	0	0	0	0
	Pending	0	0	0	0	0	0
	Termination	0	0	0	0	0	0
Anti-corruption training	Hour completed	1,274	0	2,889	0	7,090	5,814
	Employee who completed training	1,274	0	1,315	0	1,661	2,983
Ethics	Total	3	83	5	71	28	26
	Bribery and corruption	1	1	1	1	6	3
	Violation of human rights	0	3	1	3	9	8
	Abuse of power	0	21	0	6	2	2
	Other	2	58	3	61	11	13 <sup>5)</sup>
	Action taken	3	5	5	6	28	26
Ethics training	Number of trainings	-	-	-	-	12	74
	Total training hours	1,274	1,518	2,889	1,758	7,090	3,830
	Employees subject to training – permanent employees	1,259	681	1,277	865	1,755	2,053
	Employees subject to training – temporary employees	15	78	38	14	119	171
	Total employees who completed mandatory training <sup>6)</sup>	1,274	759	1,315	879	1,661	1,006 <sup>7)</sup>
	Employees who completed mandatory training – permanent employees	1,259	681	1,277	865	1,576	977 <sup>7)</sup>
	Employees who completed mandatory training – temporary employees	15	78	38	14	85	29 <sup>7)</sup>

1) Data scope for 2021 and 2022 is Songdo HQ and Shwe Project in Myanmar. Due to the merger with POSCO Energy, data scope for 2023 is Songdo HQ, Incheon LNG Power Plant, Gwangyang LNG Terminal, Shwe Project in Myanmar.

2) POSCO Mobility Solution, PT.BIA, and POSCO International Textile in Uzbekistan

3) 4 domestic subsidiaries including POSCO Mobility Solution and Pohang SRDC, and 12 overseas subsidiaries including a trading corporation in Germany and PT.BIA

4) Contains duplicate data

5) Out of the 13 ethics reports classified as 'Others' for the subsidiary, 12 reports were received by PT.BIA. These were general requests such as medical cost support (3), funeral expense support (2), religious and cultural life support (4), and educational expense support (2). However, we have included the number of these reports to transparently disclose all reports received through the grievance handling channel

6) Ethics e-learning training conducted at the POSCO Group level

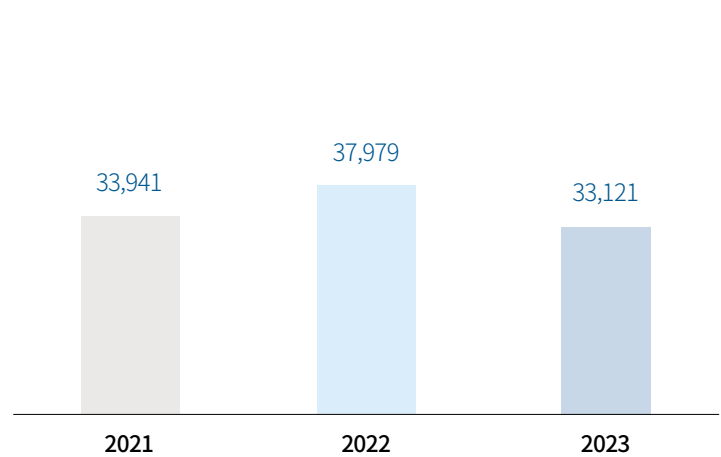
7) In the case of overseas subsidiaries, only expatriates dispatched from the headquarters are counted as those who have completed the required training

# Financial Performance

In 2023, our operating profit and EBITDA rose by KRW 260.6 billion and KRW 398.1 billion year-over-year to reach KRW 1.1631 trillion and KRW 1.7012 trillion respectively, which is attributable to the improved profit margin of global business operations and the consolidation of business results following the merger of the energy business. While our profit for the year rose by 12% from the previous year, our ROE declined by 3.5%p year-on-year due to the increase in total equity after the merger.

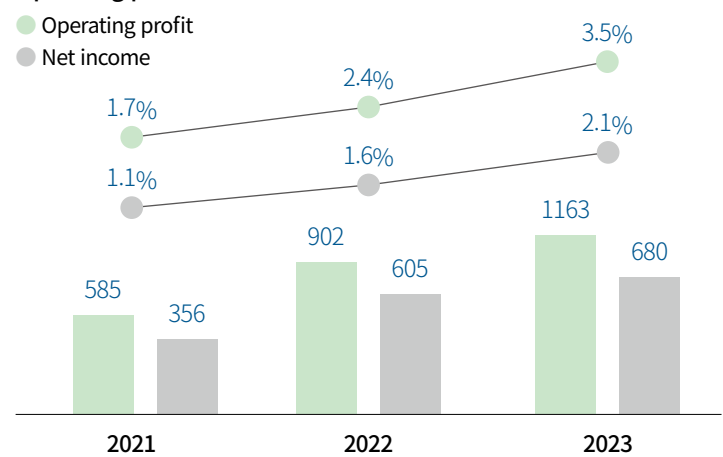
## Sales

(Unit: KRW billion)



## Operating profit and net income distribution

(Unit: KRW billion)



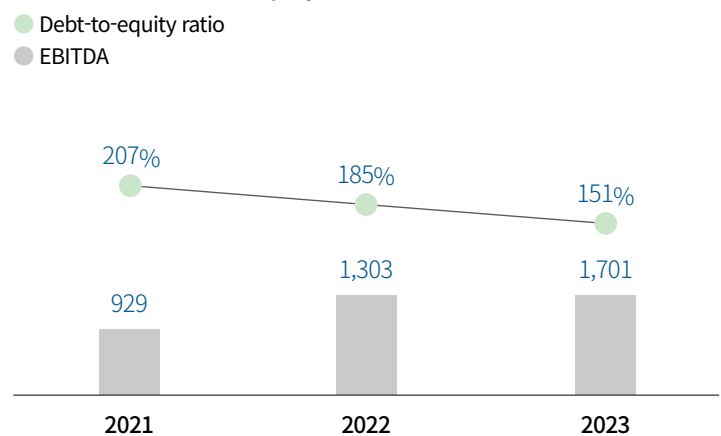
## Distribution of Economic Value

(As of Dec. 31, 2023, Consolidated, Unit: KRW million)

Stakeholders	Category	2021	2022	2023
Shareholders and investors	Total cash dividends	98,700	123,354	170,154
	Interest expenses	82,451	145,707	282,071
Government	Income tax expenses	132,212	137,234	234,202
Community	Donations	32,503	15,658	4,242
Supplier	Cost of goods sold	31,828,877	34,974,017	29,793,850
Employees	Employee wages	325,511	389,342	466,454

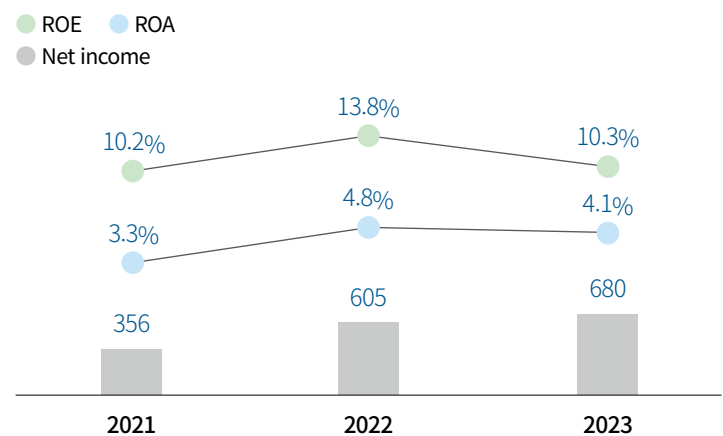
## EBITDA<sup>1)</sup> and debt-to-equity ratio

(Unit: KRW billion)



## ROE<sup>2)</sup> and ROA<sup>3)</sup>

(Unit: KRW billion)



\* Consolidated  
 1) Earning Before Interest, Taxes, Depreciation and Amortization  
 2) Return on equity  
 3) Return on asset

# 06 Appendix

POSCO INTERNATIONAL CORPORATION  
ESG FACTBOOK 2023

- 16 ESG Policy Book
- 32 GRI Standards Index
- 36 SASB Index
- 39 UN Global Compact CoP
- 40 Financial Statement
- 47 Certifications & Trademarks/Memberships
- 48 GHG Emissions Verification Opinion Statement
- 49 Independent Assurance Statement

# Environmental Policy

Enactment Date: 2023.6.16

Management Organization: Sustainability Bureau

Deliberation: ESG Council

## PURPOSE

The purpose of this policy is to establish an environmental management system that realizes sustainable management, improve its ability to respond to environmental risks, and contribute to protecting the environment and overcoming the climate crisis through cooperation among POSCO International and its stakeholders.

## SCOPE OF APPLICATION

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International's affiliates and partners to comply with this policy or establish an equivalent policy.

## BASIC PRINCIPLES

### 1 Compliance with Environmental Laws and Mitigation of Environmental Impacts

- We shall comply with international conventions and applicable laws on the environment and energy and endeavor to mitigate environmental impact throughout our entire process of development, production, use, and disposal of products.
- We shall minimize emissions of pollutants by implementing eco-friendly production methods and the best available technology.

### 2 Response to Climate Change

- We shall establish a risk self-assessment framework in response to climate change, set achievable goals, and self-evaluate performance.
- We shall endeavor to reduce greenhouse gas emissions by reducing our dependence on fossil fuels and fossil raw materials, improving energy efficiency, and developing and using renewable energy.

### 3 Protection of Biodiversity and Restoration of the Natural Environment

- We shall endeavor to restore the natural ecosystem and protect biodiversity by using natural resources and by-products in an efficient manner.
- In order to minimize damage to the environment, including green areas, forests, wetlands, and oceans, we shall conduct risk assessments when constructing or expanding workplaces and endeavor to restore the existing natural environment through reforestation and afforestation efforts when withdrawing from work sites.

### 4 Raw and Subsidiary Materials and Water

- We shall take into account the amount of resources used to manufacture finished products and endeavor

to replace traditional materials with eco-friendly ones, such as raw materials that are renewable or with fewer impurities. We shall also endeavor to reduce the amount of resources used in production activities by adopting new facilities that consume less resources, such as water saving machines, and by implementing clean technologies.

### 5 Waste and Wastewater

- We shall minimize waste and wastewater generated during the production process and recycle inevitably generated waste and wastewater as much as possible. We shall also establish waste management and/or water treatment facilities required to minimize the impact that waste and wastewater from our workplaces may have on the environment.

### 6 Hazardous Chemicals

- We shall systematically manage hazardous chemicals to prevent chemical accidents, such as chemical leaks or spills, and endeavor to use and release less hazardous chemicals.

## ACTION PLANS

### 1 Establishment of Environmental Management System

- We shall establish an environmental management system ("EMS") to assess and respond to environmental risks unique to our business activities, set specific environmental performance targets, and continually improve such targets.
- The Board of Directors and the executive management shall actively participate in the decision-making and management/supervision of the EMS and provide ample support in both human and material resources, such as assigning dedicated working-level employees, to ensure that EMS is fully installed and operated.
- For the operation of the EMS, we shall incorporate environment-related factors in existing policies with specific consideration of each company's business situation and, if necessary, establish and comply with specific policies, guidelines, and bylaws on specific environmental concerns such as biodiversity, forest, wetland, and climate risk.
- We shall discuss the importance of environmental protection and response to climate change with stakeholders, such as contractors, suppliers, and counterparties, and provide support so that they can establish their own EMS.
- The officers and department heads shall provide training to the officers/employees under their supervision so that they can recognize the importance of environmental management and comprehend the EMS.



# Environmental Policy

## 2 Response to Climate Change

- We shall integrate transition and physical risk related to climate change into company-wide risk assessments and business strategies and document and manage such risk.
- We shall ensure that risks, strategies, and assessments related to climate change are properly reported to the board of directors and executive management.
- We shall establish and implement concrete and feasible plans to mitigate greenhouse gas emissions and achieve carbon neutral goals.
- We shall apply environmental certification and disclosure frameworks related to climate change (e.g. the TCFD), or establish a comparable reporting framework to disclose to a reasonable extent our ongoing efforts and achievements in responding to climate change.

## 3 Management of Production and Workplace Environment

- We shall ensure that the production and workplace environment is properly managed through processes including KPIs and other performance management indicators, education/training, establishment and management of guidelines, internal inspections, etc.
- We shall apply eco-friendly production processes and the best available technology to minimize the amount of pollutants and the impact of pollutants on the environment.
- We shall establish and operate environmental management manuals tailored to the specific needs of production facilities and workplaces and continually monitor and strive to improve the environmental impact of our operating facilities.
- We shall endeavor to thoroughly assess risks and achieve a zero net environmental impact in order to protect the ecosystem and the environment when building, expanding, and closing down our workplaces. We shall not engage in business activities that destroy forests and wetlands but pursue and implement the best available measures to mitigate the impact on the ecosystem, e.g. through engaging in forest and wetland restoration activities.

## 4 Development and Distribution of Products and Services

- We shall identify the challenges and opportunities in the process of transitioning to a lowcarbon economy, increase the supply of eco-friendly products and by-products, and assess environmental risks in the transportation and logistics process. By doing so, we shall minimize the environmental impact throughout the entire process of developing and providing goods and services.
- We shall enhance our competitiveness by developing low-carbon, eco-friendly, and new and renewable energy products.

## 5 Supply Chain Management, and Selection and Evaluation of Suppliers

- When selecting our partners (suppliers, contractors, service providers, etc.), we shall evaluate their level of environmental management to minimize environmental impact.
- We shall provide support to suppliers and contractors so that they can establish their own EMS at a superior level and preemptively manage environmental risks throughout the entire supply chain by conducting performance evaluations regarding suppliers' environmental management levels.
- We shall procure materials and equipment in compliance with the green procurement policy.

## 6 New Projects and M&A

- We shall review environmental management plans and environmental impact assessments when reviewing new projects/investments to minimize environmental risks that may arise from projects.
- We shall conduct due diligence when reviewing potential M&As to identify and respond to environmental risks in advance.

# Biodiversity Policy

Enactment Date: 2023.6.16

Management Organization: Sustainability Bureau

Deliberation: ESG Council

## PURPOSE

The purpose of this policy is to establish a system whereby POSCO International can protect and promote biodiversity while performing its business activities and establish a code of conduct and action plans in order to develop a business model that can promote sustainable growth with the natural environment

## SCOPE OF APPLICATION

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International's affiliates and partners to comply with this policy or establish an equivalent policy.

## CODE OF CONDUCT

1. We shall shift away from a linear economy where we exploit resources to produce and use products only to eventually discard them, and move instead toward a business model based on a circular economy which is decoupled from the consumption of finite resources and promotes recycling and sustainability.
2. We shall identify the potential impact on biodiversity at each stage of our business, endeavor to prevent or minimize such impact, and in cases of damages to biodiversity, strive to recover previous levels of biodiversity through restoration, closure, etc. of affected habitats and land areas.
3. When the loss of biodiversity is inevitable, we shall endeavor to minimize the loss of biodiversity, such as creating alternative habitats in other places, and shall not operate in areas of high biodiversity value.
4. We shall designate areas where our business activities directly or indirectly affect biodiversity, monitor designated reservation areas inside and outside of workplaces and other areas of high biodiversity value, and evaluate and manage the impact on biodiversity.

5. We shall identify factors that may threaten endangered animals and plants discovered in our workplaces as well as partners' workplaces and develop strategies to protect such species.

6. We shall carry out ecosystem restoration projects in areas where our business activities directly or indirectly affect the biodiversity and disclose the process of establishing and implementing plans, local communities' participation efforts, and the results of the projects.

7. We shall actively participate in research and development using biological resources, projects to promote biodiversity and protect animals, and international initiatives related to biodiversity.

## ACTION PLANS

1. We shall establish procedures and governance where biodiversity issues are considered in our business strategies, decision-making process, and long-term risk analysis, and the board of directors shall monitor the above.
2. We shall integrate biodiversity management into the Group's EMS and set goals and standards to control and monitor the EMS.

# Human Rights Management Policy

Enactment Date: 2023.6.16

Management Organization: Sustainability Bureau

Deliberation: ESG Council

## PURPOSE

This policy aims to ensure that POSCO International complies with international human rights standards such as UN Guiding Principles on Business and Human Rights, UN Global Compact, Universal Declaration of Human Rights, and OECD Guidelines for Multinational Enterprises and implements human rights management based on respect for labor principles recommended by the International Labor Organization and ratified by the government.

## SCOPE OF APPLICATION

This policy applies to POSCO International and its officers/employees. POSCO International shall encourage all of POSCO International's affiliates and its officers/employees as well as its partners and their officers/employees to comply with this policy or establish an equivalent policy.

## CODE OF CONDUCT

### 1 General Principles

- We shall respect the UN Guiding Principles on Business and Human Rights and acknowledge that all human beings have the right to dignity, including the following related rights: right to life and physical safety; freedom of thought, expression, and religion; freedom of association; freedom of family life and privacy; right to food and water; freedom from torture, slavery, or forced labor; right to fair and decent working conditions; and anti-discrimination.
- To this end, we shall prevent infringement on the human rights of others and take appropriate measures to prevent and address negative impacts on human rights that may occur in the course of our business activities.
- To meet the expectations of stakeholders by fulfilling our responsibility to respect human rights, our officers/employees shall comply with the following recommendations regarding human rights management:
  - ① We shall comply with applicable laws and internationally recognized global human rights standards wherever we operate our business;
  - ② When faced with conflicts with local regulations, we shall pursue ways to comply with global human rights standards; and
  - ③ We shall treat the risk of serious human rights violations as an important management issue of the company

### 2 Major Human Rights Issues

- We shall manage human rights risks that may occur in the following areas of human rights at the company-wide level and fulfill its responsibility to respect human rights.

#### ① Anti-discrimination

We shall not discriminate or harass anyone on the ground of race, nationality, gender, age, educational background, religion, region, disability, marital status, gender identity, etc. We shall provide equal employment opportunities to those with appropriate qualifications and abilities to perform the duties assigned to them and respect cultural diversity. We shall not discriminate against people on the ground of gender and employment type. We shall provide equal wages to workers for equal work to prevent disparities in wages and working conditions without reasonable reasons. We shall fairly evaluate officers/employees' individual capabilities and performance and systematically reflect the evaluation results to provide appropriate compensation.

#### ② Prohibition of Forced Labor and Child Labor

We shall not coerce anyone to work against his/her free will by means including human trafficking, intimidation, confinement, and other unreasonable restriction of mental or physical liberties. We shall not sign a labor contract that requires the other party to pay a penalty if he/she fails to perform the labor contract. In addition, we shall prohibit child labor and comply with labor conditions for minors and minimum working age standards under national labor laws and international standards.

#### ③ Guarantee of Freedom of Association and Collective Bargaining

In accordance with the basic labor rights under domestic laws and regulations and as defined by the International Labor Organization, we shall recognize workers' freedom of association and membership, including the freedom to unionize. We shall not penalize workers for joining labor unions or engaging in union activities. In addition, we shall not reject collective bargaining without reasonable grounds and shall respect and fully implement the results of collective bargaining.

#### ④ Guarantee of Occupational Safety

Under the principle that all kinds of accidents and work-related diseases must be prevented, we shall establish a company-wide health and safety policy, fully comply with international safety rules and regulations, and take appropriate measures for any identified occupational hazards.

# Human Rights Management Policy

## ⑤ Prevention of Workplace Harassment

We shall strive to strictly prevent any cases of employees taking advantage of their positions or relationships at work to cause unwarranted physical or mental distress to another employee or cause harm to the work environment. We shall prevent any employee from violating the human rights of others or engaging in verbal, physical, or visual behavior that is offensive to others, including sexual harassment, and create a workplace culture in which everyone is respected.

## ⑥ Responsible Supply Chain Management

In order to monitor and manage forced labor and violations of children's rights in our supply chain, we shall manage human rights risks of our suppliers, subcontractors, subsidiaries, and other key partners under our influence. In addition, we shall ensure fair trade with our partners based on mutual respect and equality and support partners to comply with fair trade laws and regulations.

## ⑦ Anti-corruption and Anti-bribery

In order to maintain fair trade in all areas, we shall comply with all domestic and international anti-bribery and anti-corruption laws and regulations, including the Improper Solicitation and Graft Act, the UN Convention against Corruption, the Foreign Corrupt Practices Act, and the Act on Combating Bribery of Foreign Public Officials in International Business Transactions.

## ⑧ Guarantee of Environmental Rights

We shall endeavor to reduce greenhouse gas emissions by reducing the use of fossil fuel and fossil fuel-derived raw materials and improving energy efficiency. We shall strive to restore the natural ecosystem and protect the biodiversity by using natural resources and by-products in an efficient manner. In addition, we shall establish an EMS, improve our ability to respond to environmental risks, and conduct eco-friendly management through open communication.

## ⑨ Protection of Human Rights of Local Residents

If a human rights violation occurs in the local community due to the company's business activities, we shall collect opinions and endeavor to resolve such human rights issues. In addition, we shall minimize and prevent human rights risks as we may have a social and environmental impact on local residents and the region in the process of running our business. We shall also evaluate the impacts on the safety, health, food, and economic activities of the local environment and local residents and take into account protection of the local culture and biodiversity issues in the region.

## ⑩ Protection of Human Rights of Consumers

We shall operate a customer-centric business in which we listen to and respect our customers. We shall actively accept customers' legitimate requests and reasonable suggestions. We shall not provide products and services that threaten their safety and health based on considerations for the safety and health of customers in our business activities. We shall also protect customer-related information.

## 3 Establishment of Policies and Procedures

- We shall prepare the following policies and procedures to fulfill our responsibility to respect human rights.
  - ① Implementation of appropriate policy regimes, including enactment of rules containing the company's responsibility to respect human rights
  - ② Human rights due diligence procedures to identify, prevent, and mitigate any negative impact on human rights and inspect and investigate any activities that affect human rights
  - ③ Procedures to remedy the negative impact on human rights that the company has had

## ACTION PLANS

### 1 Human Rights Management Governance

- The ESG Committee, an expert committee under the board of directors, shall set overall policies and directions related to human rights management and monitor the implementation of such human rights management. The Sustainability Bureau shall support the ESG committee to facilitate the performance of duties and provide human rights training, disclose information, conduct human rights due diligence, and provide relief to victims.

### 2 Human Rights Due Diligence

#### A. Key Considerations

- Officers/employees shall identify, prevent, and mitigate any negative impact on human rights and conduct human rights due diligence when considered necessary to fulfill their responsibilities. Such due diligence shall include identifying and evaluating any actual and potential impact on human rights, responding to problems identified, recording response activities, and communicating with stakeholders. Human rights due diligence shall consider the following:

# Human Rights Management Policy

- ① Include negative impacts on human rights that may be directly or indirectly triggered in the course of the company's business activities;
- ② Consider the location and size of workplaces, human rights risk exposure, characteristics and features of business, and other various matters depending on the political and economic conditions and characteristics of the host country; and
- ③ Recognize that human rights risks gradually change as the company's activities and business environment change, and continue to conduct due diligence.

## B. How to Conduct Due Diligence

- We shall endeavor to identify and inspect any actual and potential negative impact on human rights related to their business activities at home and abroad according to the following process.
  - ① If human rights risks are identified in major domestic and foreign workplaces, we shall conduct human rights due diligence, analyze the situation, and make improvement plans;
  - ② In principle, due diligence shall be carried out by internal experts, and if necessary, it may be conducted with the support from external experts;
  - ③ In some cases, groups and stakeholders who may be potentially affected may be interviewed;
  - ④ We shall identify any potential and actual impact during due diligence, share the evaluation results at the company-wide level regarding the potential impact, take measures to prevent or mitigate such impact by carrying out relevant procedures, and endeavor to remediate and resolve any existing impact; and
  - ⑤ We shall conduct due diligence using a checklist that identifies key elements related to human rights management.

## C. Response and Follow-up

- We shall endeavor to identify and inspect any actual and potential negative impact on human rights related to their business activities at home and abroad according to the following process.
  - ① Establishment of Internal Response System
    - i. We shall clarify roles and responsibilities with relevant departments to solve identified problems.
    - ii. We shall apply internal decision-making, budget allocation, and monitoring procedures to effectively respond to the above impact.
    - iii. We shall accurately explain the problems identified through human rights due diligence to the relevant departments and respond to the problems by managing them as important issues.

## ② Follow-up and Remedies

- i. We shall take the necessary steps to prevent or mitigate any potential or existing adverse impact on human rights.
- ii. In cases of unexpected negative impact on human rights despite our best policies and procedures, we, alone or in collaboration with other entities, shall endeavour to address such negative impact.
- iii. When we have not directly contributed to negative impacts on human rights but the negative results are related in a complex way to our operations, production, and services through our relationship with other entities (e.g., suppliers), while we are not directly responsible for devising plans for systematic improvement, but we shall play a certain role.
- iv. We shall use the influence that the company has to prevent or mitigate the negative impact on human rights, and otherwise may strive to strengthen our influence by collaborating with the relevant entities to protect human rights
- v. We shall operate a grievance mechanism that shall serve as an effective remedy for potentially affected stakeholders

## D. Communication with Stakeholders

- When stakeholders raise concerns about human rights impacts, we shall take responsibility in communicating with them.
  - ① We shall communicate responsibly and transparently with our stakeholders, including affected groups, individuals, and investors. To facilitate stakeholders' access to information, we may consider various forms of communication, such as face-to-face meetings, publication of official reports, and online channels (e.g., the company's official website and Helpline).
  - ② We shall include actual and potential negative impacts in the official reports we publish and may consider independent verification procedures to enhance the credibility of the reports.
  - ③ We shall provide stakeholders with information so that they can better assess whether the company is responding appropriately to specific human rights impacts.

# Human Rights Management Policy

## E. Internalization and Program Improvement

- Based on the results of human rights due diligence, we shall contribute to the actual improvement of human rights management through internalization of organizational culture and activities for improving programs.
  - ① We shall carry out activities to internalize human rights management into the organizational culture by providing training on rapport-building and human rights management norms to all officers/employees and sharing successes and failures.
  - ② We shall continue to improve the human rights management system by consulting with experts, communicating with stakeholders, and discovering areas for improvement through implementing programs.

## 3 Grievance Mechanism

### A. Key Considerations

- We shall operate a grievance mechanism for negatively affected individuals and communities so that their grievances can be promptly discussed and addressed.
- We shall endeavor to address grievances swiftly and reasonably by using existing methods such as the Ethics Counseling Center (Helpline) and the Unethical Conduct Reporting Center (Hotline).
- We shall not penalize those who file a complaint, victims, and cooperators on the ground that they apply for counseling or investigation and provide cooperation.
- The grievance mechanism shall perform the following important functions in relation to the company's responsibility to respect human rights:
  - ① Facilitation of the identification of negative impacts on human rights and acceptance of concerns raised by those directly affected or likely to be affected. Affected persons may report their human rights concerns to the Sustainability Bureau in person, by mail, by phone, or by email and apply for grievance handling;
  - ② Collection of grievances and provision of early relief to victims in order to prevent the spread of human rights violations and;
  - ③ Analysis of operations progress to identify and solve problems in human rights policies and procedures.

# Responsible Minerals Policy

Enactment Date: 2023.6.16

Management Organization: Sustainability Bureau

Deliberation: ESG Council

## PURPOSE

This policy prohibits the use of conflict minerals such as tin, tantalum, tungsten, and gold (“3TGs”) that have been used to fund warlords and rebel groups in African countries affected by civil wars such as the Democratic Republic of Congo and other minerals such as cobalt that are linked to human rights abuses and environmental issues during the mining process. This policy outlines POSCO International’s commitment to using only “responsible minerals” mined in a way that respects human rights and protects the environment without financing armed conflict and sets out the code of conduct and action plans for achieving the above goal.

## SCOPE OF APPLICATION

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International’s affiliates and partners to comply with this policy or establish an equivalent policy. Furthermore, POSCO International expects partners to encourage their partners to comply with this policy as well.

## CODE OF CONDUCT

- 1 We shall endeavor to prevent negative impact on society and the environment by preventing human rights violations such as child labor and forced labor in the mining process and minimizing environmental destruction.
- 2 We shall disclose information on partners using minerals that cause conflict, including 3TGs and cobalt, in the Democratic Republic of Congo and neighboring countries.
- 3 We shall comply with regulations related to conflict minerals, including the Dodd-Frank Act of the United States and the Conflict Minerals Regulation of the EU. We shall endeavor to ensure that due diligence is conducted in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Due Diligence Guidance”), which provides a framework for detailed due diligence to identify and mitigate risks in the supply chains for 3TG and cobalt.
- 4 We shall require our partners to purchase 3TG and cobalt from smelters that meet the Responsible Minerals Assurance Process (“RMAP”) standards under the Responsible Minerals Initiative (“RMI”) or any other similar standards. We shall also require smelters included in POSCO Group’s supply chains that have failed to meet the RMAP standards to meet the above standards.

## ACTION PLANS

Based on the five-step framework recommended by the OECD Due Diligence Guidelines for responsible resource procurement in consideration of human rights protection and conflict risk, we shall manage as follows so that minerals can be mined in a way that respects human rights and protects the environment:

- 1 Establish an internal management system to manage risks related to minerals mined in conflict-affected and high-risk areas;
- 2 Identify and evaluate risks that may arise from mining, trading, and exporting minerals in conflict-affected and high-risk areas;
- 3 Establish and implement a risk management system and strategy to manage and respond to identified risks, monitor implementation performance and improve the management system and strategy on an ongoing basis;
- 4 Conduct due diligence on smelters in the supply chains in conflict-affected and high-risk areas and plan and conduct independent audit, if necessary; and
- 5 When identifying any supply chain risks or necessary improvements through due diligence, we request that suppliers take action accordingly while verify the improvements made by suppliers so that they could participate in our sourcing pool on the condition that such risks were mitigated.

# Supply Chain Policy

Enactment Date: 2023.6.16

Amendment Date: 2024.6.25

Management Organization: Sustainability Bureau

Deliberation: ESG Council

## PURPOSE

This policy enables POSCO International to promote fair trade based on mutual trust with its supply chain and partners, build a sustainable supply chain, and ultimately create an inclusive business environment where POSCO International can coexist and grow together with its stakeholders.

## SCOPE OF APPLICATION

This policy applies to suppliers and their subcontractors (hereinafter referred to as 'suppliers') that provide products and services (including general services) to POSCO International and its subsidiaries, joint ventures, etc., and it is recommended that POSCO International's partners also comply with this policy or a policy of similar standards.

## PARTNER CODE OF CONDUCT

### 1 Labor Human Rights

Suppliers shall not tolerate illegal underage labor, human trafficking, including sexual exploitation, forced labor, etc. in accordance with the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights, and the International Labor Standards of the International Labour Organization (ILO), and shall do their best to respect and protect the human rights, working hours, association and collective bargaining freedom of all workers. Also, workers should not be discriminated against on the grounds of race, nationality, sex, age, academic background, religion, region, disability, marital status, or gender identity.

#### (1) Voluntary Employment

- All duties and duties shall be voluntary, and employees shall be free to retire after giving reasonable notice of severance.
- It complies with the Modern Slavery Prevention Act and other similar laws to prevent forced labor (all involuntary labor, such as slavery, human trafficking, and debt repayment).
- Suppliers shall not force employees to hand over any government-issued identification cards, passports, or work permits as a condition of employment.
- The Supplier shall provide in writing to all workers an employment contract, including the terms and conditions of employment, in the native language of the worker when hiring or changing the labor contract.

#### (2) Prohibition of Child Labor

- Supplier shall not employ any employee under the age of 15 or the age at which compulsory education ends, or the minimum age of employment in the applicable country, whichever is higher.
- If a child worker is found, the supplier shall immediately suspend the employment and take immediate action, such as improving the process of identifying age in the employment process.
- Workers under the age of 18 (Aged Workers) shall not engage in any work threatening their health or safety, including night duty, overtime work, and shall comply with all laws and regulations when using the workplace apprenticeship system.

#### (3) No Discrimination

- In employment practices such as employment, promotion, compensation, and training opportunities, treatment shall be equal without discrimination based on race, skin color, religion, sex, sexual orientation, age, health, political views, nationality, ethnicity, and marital status.
- Medical examinations and physical examinations that may be used as discriminatory means by workers or prospective workers shall not be required, except as required for local law or workplace safety.

#### (4) Working Hours

- Except for emergency situations, working hours shall comply with the working hours requirements prescribed by the Act, including overtime work. All overtime work shall be voluntary and shall be reimbursed with allowances at an appropriate level.

#### (5) Wages

- Consideration paid to employees shall comply with all applicable wage-related laws, including benefits prescribed by law, such as minimum wage and overtime allowance.

#### (6) Humanitarian Treatment

- There shall be no harsh and inhumane treatment or intimidation of an employee, including sexual harassment, sexual abuse, physical punishment, mental or physical coercion, or abusive language, and there shall be no illegal interference with the employee's family or family.

#### (7) Freedom of Association

- Respect the lawful freedom of association and workers' rights to collective bargaining by means of negotiating the working environment, wages and other matters; workers should be able to openly communicate with management without fear of discrimination, retaliation, threat, and harassment against working conditions and management practices.



# Supply Chain Policy

## 2 Environment

Suppliers shall not only comply with environmental regulations and laws, but also endeavor to improve environmental impacts throughout the entire process of product development, production, and use by establishing an environmental management system to evaluate the impact and risks of business activities on the environment and systematically manage and analyze environmental management performance. Suppliers shall endeavor to reduce greenhouse gas emissions by reducing the amount of fossil fuels and fossil fuel materials used and improving energy efficiency, and restoring natural ecosystems and conserving biodiversity by efficiently utilizing natural resources, by-products, etc.

### (1) Environmental License and Report

- Suppliers shall obtain and maintain all environmental licenses and licenses (e.g., emission monitoring, installation, operation, modification, and reporting of air emission facilities, etc.) and registrations necessary for the operation of the enterprise, and shall comply with the operation and reporting requirements.

### (2) Resource Savings and Rotation

- Natural resources, such as water, fossil fuels, minerals, and primeval forest products, shall be conserved through the improvement of the production process, the use of alternative materials, the recycling of materials, or other means.

### (3) Energy and Greenhouse Gases

- Suppliers are recommended to calculate and record energy consumption and greenhouse gas emissions (direct emissions of Scope1 and indirect emissions of Scope2) by company and business unit.
- Find ways to increase efficiency in energy use and minimize greenhouse gas emissions, and encourage the establishment of reduction targets for enterprise-wide greenhouse gases.

### (4) Wastewater, Solid Wastes and Air Pollution

- Wastewater generated from plant operation, industrial process and sanitary facilities, and solid wastes, volatile organic chemicals, mist, corrosive agents, particulate powders, ozone layer-depleting substances, and combustion byproducts generated in the process must be identified, controlled, and treated to the extent permitted by law prior to discharging or disposing.

### (5) Biodiversity

- Efforts shall be made to prevent or minimize the impact on biodiversity that may occur at all stages of the project, and where biodiversity is damaged, efforts shall be made to recover it through methods such as restoration and closure of habitats and land. If biodiversity damage is expected, efforts shall be made to minimize the loss of biodiversity, such as creating alternative habitats in other places, and the project shall not be operated in areas with high biodiversity value.

### (6) Harmful Substances

- Suppliers shall identify and label chemicals, wastes and other substances that pose a risk to humans or the environment and comply with all laws and customer requirements relating to the prohibition and restriction of the use of certain substances in the production and manufacturing process to ensure the safe handling, transport, storage, use, recycling, or reuse and disposal of such substances.

# Supply Chain Policy

## 3. Safety and Health

Suppliers should recognize that a safe and healthy work environment is a factor that can not only minimize the occurrence of work-related disasters and illnesses, but also enhance the quality of products and services, the consistency of production, and employee service and morale. In addition, efforts should be made to identify and resolve health and safety problems in the workplace in accordance with local laws and regulations.

### (1) Industrial Safety

- Design, technical, and administrative control of safe processes, preventive maintenance, preparation of safety regulations, establishment of safety work measures, and continuous education shall be conducted to ensure that employees are not exposed to potential safety hazards (e.g. electricity and other energy sources, fire, vehicles, falls, etc.). If these measures do not sufficiently control the risk factors, appropriate personal protective equipment should be provided to the worker.
- In addition, reasonable measures should be taken, such as removing or reducing harmful elements, without placing them in the urea working environment for pregnant women and nursing women, and convenience facilities should be provided for nursing female workers.
- Suppliers shall assess safety hazards in production and other machinery. In the event that there is a risk of injury to an employee due to mechanical equipment, physical protection equipment, safety devices, and protective walls must be provided and properly maintained.

### (2) Industrial Hygiene and Health Management

- Suppliers shall establish and comply with the procedures and systems for the prevention, management, tracking, and reporting of workers' occupational accidents and illnesses, including provisions for encouraging workers to report, classifying, and recording cases of injury and disease, providing medical treatment, conducting corrective measures to investigate cases and eliminate causes, and facilitating return to work.
- Suppliers shall identify, assess, and control workers' exposure to chemical, biological, and physical factors used in the workplace. If a potential risk is identified, it should be able to eliminate and/or reduce risk and should be controlled through appropriate design, engineering, and administrative control. If these measures do not provide sufficient control over the risk factors, appropriate personal protective equipment should be provided free of charge to workers, and protection programs should be provided that include educational materials related to these risks.
- Suppliers shall create a hygienic and pleasant working environment, and dormitories provided to workers shall maintain cleanliness and safety, and shall be provided with lighting, appropriate emergency exits, air conditioning and ventilation facilities, personal lockers, and appropriate personal space at a reasonable level.

- Suppliers shall provide workers with appropriate workplace health and safety information and training in a language that workers can understand for all workplace risks, including machinery, electricity, chemistry, fire, and physical risks, and shall post the health and safety information so that it is clearly visible within the facility.

### (3) Emergency Response

- Suppliers should minimize damage by identifying and assessing potential emergency situations and incidents and implementing emergency measures and response procedures. These emergency measures and response procedures include emergency reporting, employee notification and evacuation procedures, worker training and training, and emergency training shall be conducted at least annually or as required by local law.
- Contingency plans shall include appropriate fire detection and suppression equipment, cleared and apparent exits, appropriate exit facilities, emergency response contact information, and recovery plans, and these contingency plans and procedures shall focus on minimizing human and environmental and property damage.

## 4. Ethics

Suppliers shall not engage in any form of fraud, corruption, solicitation of money or valuables, and solicitation, etc., shall comply with domestic and foreign bribery and anti-corruption laws and regulations, and shall endeavor to establish an ethical corporate culture through management activities that are thorough and uphold principles. In addition, by complying with international standards and relevant laws and regulations related to fair trade in each country, it shall not engage in any unfair joint act with a competitor, such as collusion on production, price, bidding, market division, etc., or any unfair trade act that is likely to impede fair trade. It shall respect the rights and property of others, including intellectual property rights, shall not make transactions or profits in a manner that infringes on them, and shall acquire and utilize corporate information, including information on competitors, only through legitimate methods. In addition, Suppliers must comply with laws to prevent the laundering of illegal funds and the financing of tax evasion funds both at home and abroad.

# Supply Chain Policy

## (1) Business Integrity

- In all forms of transactions, the highest level of integrity must be maintained, and inappropriate acts such as bribery, corruption, coercion, extortion, and embezzlement are strictly prohibited.

## (2) Compliance with the Special Terms and Conditions for Ethical Practice

- Suppliers are obligated to comply with the provisions of the POSCO Group's 'Special Terms and Conditions for Ethical Practice', and if they violate this, they will be sanctioned in accordance with the terms and conditions and contract-related regulations.

## (3) Prohibition of Unjust Profits

- Not promise, offer, permit, provision or accept bribes or other means to obtain undue or improper benefits, and shall comply with anti-corruption laws and take measures to prevent corruption

## (4) Responsible Mineral Procurement

- Minerals such as cobalt, tin, titanium, tungsten, gold, etc. used or sold by suppliers themselves shall be mined in a manner that does not constitute a source of funding for disputes, respects human rights and the environment, and fulfills social responsibilities.

## (5) Management and Protection of Confidential Information

- Technical data, information, and intellectual property acquired in the course of supplying products and services to POSCO International shall be used only to the extent permitted by POSCO International and shall be actively protected

## (6) Protection of Intellectual Property

- The supply of goods and services to POSCO International shall not infringe or unlawfully use any intellectual property, such as any other person's patent, software, design, or trademark.

## (7) Protection of Personal Information

- Efforts shall be made to protect the personal information of employees and all persons related to their duties at a reasonable level of privacy protection. Privacy and information security requirements must be observed when collecting, storing, processing, transmitting, and sharing personal information.

## (8) Prohibition of Money Laundering

- Suppliers should not be directly or indirectly involved in money laundering and should continue to monitor for suspicious transactions related to this.

## (9) Prevention of Funding Related to Terrorism and Weapons of Mass Destruction

- Not provide, raise, transport, or store funds, recognizing that they will be used for the purpose of terrorism and proliferation of weapons of mass destruction.

## 5. Management System

Suppliers shall adopt or establish a management system related to the content of this Code. The Management System should be designed to identify and mitigate the relevant laws and regulations, compliance with customer requirements, compliance with this Code, and risks associated with this Code, and should continue to improve.

### (1) Corporate Willingness to Comply

- A statement of corporate social and environmental responsibility policy expressing the supplier's willingness to comply and continue to improve should be prepared and posted in local language with the approval of management.

### (2) Establishment of Channels and Procedures for Grievance Settlement

- Suppliers shall establish channels and processing procedures to provide information to interested persons who identify or witness violations of the Code, laws, or ethical regulations, or who have been adversely affected by their business activities in relation to human rights, the environment, etc., and shall actively implement mitigation and improvement of the adverse effects.

# Supply Chain Policy

## (3) Protection of Identity and No Retaliation

- The supplier must thoroughly ensure that the informant, victim, or collaborator is not subject to retaliation, threats, or discrimination.

## (4) Risk Assessment and Management

- In connection with the business operation of suppliers, procedures for verifying compliance, environment, health, safety, labor practices, and ethical risks shall be established.

## (5) Request Data

- If the material or potential adverse effects of human rights, environment, product safety, etc. are identified, POSCO International may request the relevant supplier for relevant materials, and the supplier shall be obliged to provide such materials.

## (6) On-Site Inspection

- If actual or potential adverse effects on human rights, environment, product safety, etc. are identified, POSCO International may conduct an on-site due diligence of the supplier, evaluate the level of compliance with the supplier's code of conduct through the due diligence, and require the supplier to establish and implement a plan to improve and mitigate the adverse effects of the supplier's business activities based on the results.
- Transactions with suppliers may be reevaluated or suspended if efforts to improve the actual or potential adverse effects of suppliers on human rights, environment, product safety, etc. are insufficient and the adverse effects of suppliers are deemed unlikely to be mitigated.

## (7) Education

- To implement the supplier's policies, procedures, improvements and to operate training programs for managers and workers to comply with applicable laws and regulatory requirements.

## 6. Other

### (1) Quality Control

- Suppliers shall endeavor to supply products of quality verified by themselves so that POSCO International can produce/supply world-class products.

### (2) Shared Growth

- To create a sound corporate ecosystem, it should not only actively participate in shared growth activities, but also do its best to spread fair trade and shared growth to secondary and tertiary suppliers who deal with suppliers.

## (3) Social Contribution

- Actively perform social contribution activities for continuous job creation and community and economic development.

## 7. Reporting Unethical Conduct

Suppliers shall promptly report to POSCO International any violations of applicable laws, regulations, or this Code, using any of the following channels:

- Website – <https://www.poscointl.com/eng/reportCenter.html>

If one chooses to remain anonymous, we ask that you provide sufficient detail and factual information to allow POSCO International to effectively follow up on the concerns raised.

## 8. Violations of the Code

Where a Supplier is found to have violated the Code, POSCO International may take a range of actions, including suspending business activities and/or payments, terminating the business relationship, and/or requiring the Supplier indemnify POSCO International for any damages, losses, liabilities, costs, or expenses. Such measures will be determined by POSCO International based on the facts and circumstances of each case.

# Supply Chain Policy

## CODE OF CONDUCT

### 1. Risk Management and Due Diligence of Supply Chain

- We shall identify partners' failure to comply with the basic principles of this policy and resultant risks that may undermine sustainability in the supply chain and prepare a system to manage and monitor the above risks in order to minimize any negative impacts.
- When selecting a partner, we shall check whether the candidates are complying with the Partner Code of Conduct in this policy.
- When entering into contracts with a partner in the supply chain, it shall be clearly stated in the contract that the partner shall comply with this policy and ensure that the partner includes a similar clause in its contract with its own partners.
- We may identify negative impacts on human rights, the environment, and product safety in the process of managing supply chain risks. We may conduct supply chain due diligence to the extent permitted by law, as is necessary to prevent or mitigate such risks.
- Supply chain due diligence shall include identification and evaluation of actual or potential negative impacts on the supply chain, preparation and implementation of action plans to prevent/mitigate/address negative impacts, communication with stakeholders about the process and results of due diligence, and procedures through which stakeholders can express their grievance.
- We may determine the scope of the supply chain subject to due diligence at our own discretion in consideration of expected group-wide effects. Depending on the situation, the scope of due diligence may be limited to direct contractors or be expanded to include entities further up/down the supply chain.
- We may evaluate a partner's level of implementation of this policy through supply chain risk management and due diligence. Based on the evaluation results, we may request the partner to establish and implement a plan to address and mitigate negative impacts caused by the partner's business activities. Regardless of the above, if it is determined that such negative impacts are unlikely to be mitigated due to the partner's insufficient efforts, we may suspend business with the partner.

### 2. Co-prosperity with Partners and Establishment of Mutually Beneficial Relationship

- We shall endeavor to promote fair trade based on mutual trust with its partners and create an inclusive business environment where we can coexist and grow together with its partners.
- We shall respect the rights of its partners (intellectual property rights, property rights, etc.) and endeavor to ensure fair trade with partners based on mutual respect and equality.
  - We shall share achievements with partners and pursue mutual benefits. We shall further ensure smooth communication and mutual cooperation with partners so that the latter can provide high-quality products and services.
  - We shall endeavor to improve payment procedures for partners and to establish a stable supply chain by providing technical and financial support. We shall also support partners to help comply with fair trade laws and regulations.
  - We shall continue to expand the scope of partners subject to our co-prosperity efforts for the promotion of mutually advantageous coexistence in the business ecosystem.

# Green Procurement Policy

Enactment Date: 2024.6.7

Management Organization: Sustainability Bureau

Deliberation: ESG Council

## PURPOSE

This policy aims to preventing the waste of resources and environmental pollution while abiding by applicable laws and regulations in the entire business conduct of POSCO International. This policy illustrates the definition of green products, scope of procurement, basic guidelines, and action plans to support effective policy implementation.

## SCOPE OF APPLICATION

This policy applies to POSCO International and our subsidiaries. We recommend that suppliers and partners doing business with POSCO International to comply with this policy or other equivalent policies.

## DEFINITION OF GREEN PROCUREMENT AND GREEN PRODUCTS

The terms used in this policy are defined as below

**1 ‘Green procurement’ refers to purchasing activities undertaken in line with the definition of green products to prioritize eco-friendliness in procuring products required for our business and sales operations, including but not limited to traded products, raw materials, and equipment.**

**2 ‘Green products’ may fall into one of the following categories.**

A. Products certified for their eco-friendliness pursuant to the pertinent laws and regulations of Republic of Korea and the policies of government public institutions, or products recognized for their compliance with the certification standards therein Green products specified in conformity with 「the Environmental Technology, and Industry Support Act」, 「the Act on the Promotion of Saving and Recycling of Resources」, 「the Framework Act On Low Carbon, Green Growth for Response to Climate Crisis」, and 「the Energy Use Rationalization Act」, and products certified under the certification programs newly adopted by other public institutions

B. Eco-friendly products that qualify under the EU-Taxonomy

C. Other products that meet the green procurement eligibility criteria of POSCO Group (GP Grade\*)

\*GP Grade : Green Purchase Grades that apply as green procurement eligibility criteria within POSCO Group

※ Refer to [Attachment 1] for the specific details.

## ACTION PLANS

### 1 Basic Guidelines

A. We shall perform regular supply chain ESG assessment\* and mitigate our environmental impact in relation to business operations, and shall not do business with suppliers/partners identified for environmental risk as a result of such assessment.

\* ESG assessment according to the ‘Supplier ESG checklist’ and others

B. We shall do business with suppliers that consider the environmental impact of their operations (workshop, production site) in terms of protecting ecosystems, preserving bio species, conserving water resources, and managing chemical substances.

C. We shall do business with suppliers/partners that abide by our NDPE (No Deforestation, Peat, Exploitation) policy, and produce and process products that are free from deforestation, peat destruction, and exploitation of people and communities.

### 2 Strong Recommendation for Green Procurement

A. We shall proactively procure green products and set priorities in our procurement of green products to prioritize green products in our procurement procedures. Exceptions are allowed however, in any of the followings.

- Green products are not available in the category of products to be purchased

- Reliable supply of green products is not possible

- Procurement of green products is unfeasible within the set budget limit due to their markedly low price competitiveness

- Intended purpose of procurement is hardly fulfilled for reasons such as significantly low quality of green products

- Procurement of certain products other than green products is justified at the request of the ordering party or the pertinent business division and/or site-specific conditions

B. If green certification programs or green-certified products are not available in the market and the procurement of green products is not available for such reasons among others, we shall opt for products as eco-friendly as possible by drawing on the accessible information including but not limited to their environmental impact such as the content of recycled raw materials and hazardous chemicals, the recyclability of these products and their packaging, and carbon emissions generated from their process and distribution.

# Green Procurement Policy

## 3 Operation of the Green Procurement System

We shall operate a green procurement system to monitor the status of green procurement, identify and introduce green products and their suppliers, assess green procurement performance, and set mid/long-term green procurement goals with an aim to effectively advance green procurement and pursue continuous improvement for green procurement activities. We shall also develop measures to share information on our green procurement performance and goals with stakeholders.

### A. Green product procurement plan

- We shall develop basic plans for the procurement of green products, which will include the followings:

- ① Green product procurement targets
- ② Analysis of the green product procurement performance of the previous year and plans to expand green procurement
- ③ Matters on cooperation with relevant departments in relation to green products

### B. Green product procurement performance

- We shall aggregate data on our green product procurement performance measured against the set procurement plan on a semi-annual basis, and if any discrepancies occur between the plan and the actual performance, we shall perform analysis to develop countermeasures.
- We shall continuously upgrade our procurement system for the automated, systemic aggregation of green procurement performance data.

### C. Request for cooperation to expand the procurement of green products

- We may request cooperation from relevant departments to expand the procurement of green products.

### D. Training for procurement personnel and others

- We shall appoint the green procurement manager, and provide regular training to managers and departments working in relation to procurement.

## 4 Encouragement of Green Procurement within Supply Chains

A. We shall encourage affiliates, partners, suppliers, and transaction parties to implement green procurement within the legally allowable boundary, and consider the establishment and implementation of specific green procurement policies in selecting partners.

## [ATTACHMENT 1]

- Eco-labeled products pursuant to the Environmental Technology and Industry Support Act
- Good Recycled (GR) products pursuant to the Act on the Promotion of Saving and Recycling of Resources
- Low-carbon products that minimize the input of energy and resources as well as the generation of GHG emissions and pollutants pursuant to the Framework Act On Low Carbon, Green Growth for Response to Climate Change
- High-efficiency energy equipment and products graded 1~2 pursuant to the Energy Use Rationalization Act
- Products bearing HB (Healthy Building Material) Mark granted under the green building material organizational standard certification program
- Eco-friendly products that qualify under the EU-Taxonomy
  - A. Agricultural products that satisfy the requirements of sustainable organic product certification standards
  - B. Products that conserve energy and reduce carbon emissions to mitigate climate change
    - Fuel cells, biomass, biogas, bio ethanol, bio diesel, biofuel oil, and other products that help reduce carbon emissions
- Other products that satisfy POSCO Group's green procurement eligibility criteria (GP Grade)

GP Grade	Product	Description
GP 1	Eco-labeled products	Eco-labeled products as specified by the laws and regulations governing environmental technology development and resources
GP 2	Good Recycled products	Certified recycled products as specified in the laws and regulations governing resource conservation and recycling promotion
GP 3	Energy-saving products	Products graded 1~2 in energy efficiency as specified in the Energy Rationalization Act and its regulations, products bearing Energy Saving Mark, high-efficiency energy equipment
GP 4	Products with reduced content of six hazardous substances	Products that contain decreased amounts of hazardous substances such as lead, mercury, cadmium, chrome, PCB (Polychlorinated Biphenyl) and asbestos
GP 5	Procurement conducive to waste reduction	Products that help reduce waste through lighter packaging units, refills, and container recovery
GP 6	Others (fire retardant products, products bearing foreign eco-labels)	Fire-retardant products, products made of recycled raw materials, products bearing foreign eco-labels, and other products recognized for their eco-friendliness
GP 7	Products requiring eco-friendly consideration	Products that require eco-friendly consideration (compliance with environmental regulations, etc.)

# GRI Standards Index

GRI Standards Disclosures		Page	Note
<b>GRI 2: General Disclosures</b>			
GRI 2: The organization and its reporting practices (2021)	2-1	Organizational details	2, 6, 21
	2-2	Entities included in the organization's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	84-94
	2-5	External assurance	130
GRI 2: Activities and workers (2021)	2-6	Activities, value chain and other business relationships	2, 7-14
	2-7	Employees	89, 116
	2-8	Workers who are not employees	-
	2-9	Governance structure and composition	19-20
	2-10	Nomination and selection of the highest governance body	19-20
GRI 2: Governance (2021)	2-11	Chair of the highest governance body	19
	2-12	Role of the highest governance body in overseeing the management of impacts	23-24
	2-13	Delegation of responsibility for managing impacts	23
	2-14	Role of the highest governance body in sustainability reporting	19-21
	2-15	Conflicts of interest	20
	2-16	Communication of critical concerns	23-24
	2-17	Collective knowledge of the highest governance body	-
	2-18	Evaluation of the performance of the highest governance body	-
	2-19	Remuneration policies	-
	2-20	Process to determine remuneration	-
	2-21	Annual total compensation ratio	116
GRI 2: Strategy, policies and practices (2021)	2-22	Statement on sustainable development strategy	4
	2-23	Policy commitments	49, 60, 97-111
	2-24	Embedding policy commitments	44, 58-59, 61
	2-25	Processes to remediate negative impacts	44, 58-59, 61
	2-26	Mechanisms for seeking advice and raising concerns	55, 61
	2-27	Compliance with laws and regulations	-
	2-28	Membership associations	122
GRI 2: Skateholder engagement (2021)	2-29	Approach to stakeholder engagement	22
	2-30	Collective bargaining agreements	43, 91



# GRI Standards Index

GRI Standards	Disclosures	Page	Note
<b>GRI 3: Material Topics</b>			
GRI 3: Material Topics(2021)	3-1	Process to determine material topics	16
	3-2	List of material topics	17
<b>Material Topics 1. Climate change mitigation</b>			
GRI 3: Material Topics(2021)  GRI 305: Emissions(2016)	3-3	Management of material topics	17, 26-39
	305-1	Direct (Scope 1) GHG emissions	84, 129
	305-2	Energy indirect (Scope 2) GHG emissions	84, 129
	305-4	GHG emissions intensity	84, 129
<b>Material Topics 2. Expanded resource circularity for products</b>			
GRI 3: Material Topics(2021)  GRI 306: Waste (2020)	3-3	Management of material topics	17, 38
	306-1	Waste generation and significant waste-related impacts	38
	306-2	Management of significant waste-related impacts	38
<b>Material Topics 3. Energy Use</b>			
GRI 3: Material Topics(2021) GRI 302: Energy(2016)	3-3	Management of material topics	17, 37
	302-1	Energy consumption within the organization	84
<b>Material Topics 4. Health and safety management</b>			
GRI 3: Material Topics(2021)     GRI 403: Occupational Health and Safety (2018)	3-3	Management of material topics	17, 53-58
	403-1	Occupational health and safety management system	54-55
	403-2	Hazard identification, risk assessment, and incident investigation	46-47, 50, 58
	403-3	Occupational health services	54-56
	403-4	Worker participation, consultation, and communication on occupational health and safety	54-56
	403-5	Worker training on occupational health and safety	54-56
	403-6	Promotion of worker health	55-56
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58
	403-9	Work-related injuries	92-93
	<b>Material Topics 5. Workplace environment and working conditions</b>		
GRI 3: Material Topics(2021) GRI 401: Employment(2016)	3-3	Management of material topics	17, 40-47
	401-3	Parental leave	45, 91
<b>Material Topics 6. Communication with workers and guarantee of labor rights</b>			
GRI 3: Material Topics(2021) GRI 406: Non-discrimination(2016) GRI 407: Freedom of Association and Collective Bargaining(2016)	3-3	Management of material topics	17, 40-47
	406-1	Incidents of discrimination and corrective actions taken	46-47
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	43-47

# GRI Standards Index

GRI Standards	Disclosures		Page	Note
<b>Material Topics 7. Anti-corruption and anti-bribery</b>				
GRI 3: Material Topics (2021)	3-3	Management of material topics	17, 59-65	
GRI 205: Anti-corruption (2016)	205-1	Operations assessed for risks related to corruption	61, 64-62	
<b>Material Topics 8. Fair trade practices</b>				
GRI 3: Material Topics (2021)	3-3	Management of material topics	17, 59-65	
GRI 206: Anti-competitive Behavior (2016)	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	No relevant regulatory actions taken (Please refer to page 604 of the 24th Business report)
<b>GRI 200 Economic Standards</b>				
GRI 201: Economic Performance (2016)	201-1	Direct economic value generated and distributed	95	
	201-2	Financial implications and other risks and opportunities due to climate change	26-32	
	201-3	Defined benefit plan obligations and other retirement plans	91	
	201-4	Financial assistance received from government	110	
GRI 203: Indirect Economic Impacts (2016)	203-1	Infrastructure investments and services supported	70-75	The number and ratio of partners that have received anti-corruption policies and procedures will be disclosed after establishing calculation standards.
GRI 205: Anti-corruption (2016)	205-2	Communication and training about anti-corruption policies and procedures	60-61, 94	
<b>GRI 300 Environmental Standards</b>				
GRI 301: Materials (2016)	301-2	Recycled input materials used	38, 88	
GRI 302: Energy (2016)	302-3	Energy intensity	84	
	302-4	Reduction of energy consumption	37	
GRI 303: Water and Effluents (2018)	303-2	Management of water discharge-related impacts	37	
	303-3	Water withdrawal	85	
	303-4	Water discharge	85	
	303-5	Water consumption	85	
GRI 304: Biodiversity (2016)	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	80-82	
	304-3	Habitats protected or restored	80-82	
GRI 305: Emissions (2016)	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	87	
	306-3	Waste generated	86	
GRI 306: Waste (2020)	306-4	Waste diverted from disposal	86	
	306-5	Waste directed to disposal	86	

# GRI Standards Index

GRI Standards	Disclosure		Page	Note
<b>GRI 400 Social Standards</b>				
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	89-90	
GRI 403: Occupational Health and Safety (2018)	403-8	Workers covered by an occupational health and safety management system	54, 92, 128	
	403-10	Work-related ill health	92	
GRI 404: Training and Education (2016)	404-1	Average hours of training per year per employee	90	Trainings are provided equally regardless of gender
	404-2	Programs for upgrading employee skills and transition assistance programs	41-42	
	404-3	Percentage of employees receiving regular performance and career development reviews	90	
GRI 405: Diversity and Equal Opportunity (2016)	405-1	Diversity of governance bodies and employees	19	
GRI 408: Child Labor (2016)	408-1	Operations and suppliers at significant risk for incidents of child labor	43-44, 46-47, 50-51	No such operations or suppliers
GRI 409: Forced or Compulsory Labor (2016)	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	43-44, 46-47, 50-51	No such operations or suppliers
GRI 411: Rights of Indigenous Peoples (2016)	411-1	Incidents of violations involving rights of indigenous peoples	80-82	No such violations
GRI 413: Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	80-82	

## Other Data

### Employee Data

As of December 2023, the total number of employees (including subsidiaries) is 2,720 in Korea, and 8,926 overseas. In addition, the CEO compensation compared to the average employee compensation in 2023 is 7.53 times., the average employee compensation increase rate compared to the previous year is 7.44% and the CEO compensation increase rate is -0.10%

### Government Grants

When such grants relate to profit, they are recognized as profit in accordance with systemic criteria over the periods that correspond to the relevant costs to be compensated through grants. When such grants are related to assets, they are recognized as deferred profit and recognized as profit at identical value each year over the durable years of the concerned assets. In 2023, the remaining balance of government grants out of POSCO International's tangible assets(on a consolidated basis) amounted to KRW 271 million. For further details, please refer to '10. Tangible Assets' on page 270 of the 2023 POSCO International Business Report.

### Supply Chain

Trading business is to identify the needs of the buyer and choose the appropriate supplier to deliver products that cater to such needs. POSCO International's supply chain covers companies who manufacture and/or produce products that meet buyer's needs. Our supply chain may also include shipment and transportation service companies as they are the ones who deliver products to our customers. For the year of 2023, the cost of goods purchased from our supply chain amounted to KRW 29.793850 trillion

# SASB Index

POSCO International aims to report against multiple industry standards that correspond to our major businesses so that we increase the breath of information that we share with stakeholders. While we primarily report based on the Iron & Steel Producers Standards in the Extractives & Minerals Processing sector in accordance with the Sustainable Industry Classification System(SICS) of the SASB, We also voluntarily report Industrial Machinery & Goods Standards in the Resource Transformation sector, Electric Utilities & Power Generators Standards in the Infrastructure Sector and Oil & Gas – Exploration & Production Standards in the Extractives & Minerals Processing sector. As to the Oil & Gas – Exploration & Production Standards, we have set the scope of reporting as the Shwe Project in Myanmar.

## Iron & Steel Producers/Industrial Machinery & Goods/Electric Utilities & Power Generators

Code	Metric	Reference
<b>Greenhouse Gas Emissions</b>		
EM-IS-110a.1 IF-EU-110a.1	Global Scope 1 emissions, percentage covered under emissions-limiting regulations <sup>1)</sup>	p.84, p.36
IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	4,181,972tCO <sub>2</sub> eq. <sup>2)</sup>
EM-IS-110a.2 IF-EU-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	p.35
<b>Air Quality</b>		
EM-IS-120a.1 EM-EP-120a.1 IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N <sub>2</sub> O), (2) SOx (3) Particulate matter (PM <sub>10</sub> ) (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	p.87
<b>Energy Management</b>		
EM-IS-130a.1 RT-IG-130a.1	(1) Total energy consumed, (2) percentage grid electricity and (3) percentage renewable	p.84
EM-IS-130a.2	(1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas and (4) percentage renewable	p.84

Code	Metric	Reference
<b>Water Management</b>		
EM-IS-140a.1 IF-EU-140a.1	(1) Total water withdrawn, (2) percentage recycled, (3) percentage of each in regions with High or Extremely High Baseline Water Stress	p.85
IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	p.88
IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	p.37
<b>Waste Management</b>		
EM-IS-150a.1	(1) Amount of waste generated, (2) percentage hazardous, (3) percentage recycled	p.86
<b>Workforce Health &amp; Safety</b>		
EM-IS-320a.1 RT-IG-320a.1 IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	p.92-93
<b>Supply Chain Management &amp; Material Sourcing</b>		
EM-IS-430a.1	Discussion of the process for managing iron ore or coking coal sourcing risks arising from environmental and social issues	p.51, 104
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	p.51

1) POSCO International has been subject the allowance allocation scheme under the GHG Emissions Trading System since January 1, 2023 following our merger with POSCO Energy.

2) Scope 1 + 2 emissions from the Incheon LNG Combined Cycle Power Plant.

# SASB Index

## Iron & Steel Producers/Industrial Machinery & Goods/Electric Utilities & Power Generators

Code	Metric	Reference
<b>Activity Metrics</b>		
EM-IS-000.A	Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	As a globally integrated corporation, POSCO International does not own any mines nor directly produce steel, but engages in the processing and sales of steel, so this is not applicable
EM-IS-000.B	Total iron ore production	
EM-IS-000.C	Total coking coal production	
RT-IG-000.A	Number of units produced by product category	p.89
RT-IG-000.B	Number of employees	p.8, 12, 13
IF-EU-000.A	Number of: (1) residential, (2) commercial, and(3) industrial customers served	
IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Not applicable as it is traded through the Power Exchange.
IF-EU-000.C	Length of transmission and distribution lines	47.7km
IF-EU-000.D	Total electricity generated, percentage by major energy source, percentage in regulated markets	10,971,644MWh, LNG 100%, 100%
IF-EU-000.E	Total wholesale electricity purchased	65,169MWh(Korea Electric Power Corporation's electricity reception amount)

## Oil & Gas-Exploration & Production Industry

We report on Myanmar gas fields in accordance with the Oil & Gas industry standards. The reporting period for such data spans from January 1 to December 31 of 2023.

Code	Metric	Reference
<b>GHG Emission</b>		
EM-EP-110a.1	Gross global Scope 1 emissions, percentage methane, percentage covered under emissions-limiting regulations	172,930tCO <sub>2</sub> e, 2.2%, Not applicable
EM-EP-110a.2	Amount of gross global Scope 1 emissions from: (1) Flared hydrocarbons (2) Other combustion (3) Process emissions (4) Other vented emissions (5) Fugitive emissions	(1) 1,343tCO <sub>2</sub> e, (2) 38,741tCO <sub>2</sub> e, (3) Not applicable (4) 54tCO <sub>2</sub> e, (5) 20,261tCO <sub>2</sub> e
EM-EP-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	p.35
<b>Air Quality</b>		
EM-EP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N <sub>2</sub> O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) particulate matter (PM <sub>10</sub> )	p.87
<b>Water Management</b>		
EM-EP-140a.1	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	p.85
EM-EP-140a.2	Volume of produced water and flowback generated; percentage (1) discharged, (2) injected, (3) recycled; hydrocarbon content in discharged water	(1) p.83 (2) N/A (3) N/A
<b>Community Relations</b>		
EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	<a href="#">ESIA Report</a>
EM-EP-210b.2	(1) Number and (2) duration of nontechnical delays	Not applicable

# SASB Index

## Oil & Gas-Exploration & Production Industry

Code	Metric	Reference
<b>Workforce Health &amp; Safety</b>		
EM-EP-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), and (4) average hours of health, safety, and emergency response training for (a) direct employees and (b) contract employees	p.92-93
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	p.54-58
<b>Biodiversity Impacts</b>		
EM-EP-160a.1	Description of environmental management policies and practices for active sites	<a href="#">ESIA Report</a>
EM-EP-160a.2	(1) Number and (2) aggregate volume of hydrocarbon spills, (3) volume in Arctic, (4) volume impacting shorelines with ESI rankings 8-10, and (5) volume recovered	Do not report on this metric as the Company does not conduct business in Arctic locations or shoreline locations ranked high in the ESI
EM-EP-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Not applicable
<b>Security, Human Rights &amp; Rights of Indigenous Peoples</b>		
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Not applicable
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Not applicable
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	<a href="#">ESG Controversies</a>

Code	Metric	Reference
<b>Business Ethics &amp; Transparency</b>		
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Not applicable
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	p.49-51, 60-61
<b>Management of the Legal &amp; Regulatory Environment</b>		
EM-EP-530a.1	Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry	p.49-51, 60-61
<b>Critical Incident Risk Management</b>		
EM-EP-540a.1	Process Safety Event (PSE <sup>2</sup> ) rates for Loss of Primary Containment (LOPC <sup>1</sup> ) of greater consequence (Tier 1)	0%
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	p.54-58
<b>Activity Metrics</b>		
EM-EP-000.A	Production of: (1) oil, (2) natural gas, (3) synthetic oil, and (4) synthetic gas	(1), (3), (4) Not applicable (2) 489 MMscf/day
EM-EP-000.B	Number of offshore sites	1
EM-EP-000.C	Number of terrestrial sites	0

1) LOPC(Loss of Primary Containment): An unplanned or uncontrolled release of materials from primary containment, including non-toxic and non-flammable materials(e.g., steam, hot condensate, nitrogen, compressed CO<sub>2</sub> or compressed air)

2) Tier 1 PSE(Process Safety Event): LTI(Lost Time Injuries) caused by process leak events, fire/explosion damages of USD 100,000 or more, flammable/ toxic materials leaked above the Tier-1 threshold

# UN Global Compact CoP

In November 2019, POSCO International joined the UN Global Compact(UNGC), a voluntary initiative launched on the fulfillment of corporate social responsibility. As a member of the UNGC, we fully endorse the UNGC 10 Principles in the four areas of human rights, labor, environment and anti-corruption while outlining our activities and achievements made in complying with these principles throughout our sustainability reports.

Since 2021, we have disclosed our implementation activities and achievements in accordance with the Communication on Progress(CoP) mechanism designed to demonstrate a company's progress made on attaining the UNGP 10 Principles and the UN Sustainable Development Goals. We enrolled in the CoP Early Adopter Programme, a digital platform launched to streamline the CoP process for participant companies and create added value to these annual disclosure requirements, to outline our sustainability activity data. In line with the improved CoP mechanism, we showcase our sustainability and our efforts and contributions to the Ten Principles and the SDGs along with our CEO's declaration specifying our continued endorsement for the UNGC with an aim to build trust and brand value.

Category	Principle	Reporting Topic	Page
<b>Human Rights</b>	 Principle ① Businesses should support and respect the protection of internationally proclaimed human rights; Principle ② Make sure that they are not complicit in human rights abuses.	Employee Value Enhancement	p.40-47
<b>Labour</b>	 Principle ③ Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; Principle ④ The elimination of all forms of forced & compulsory labour; Principle ⑤ the effective abolition of child labour; Principle ⑥ The Elimination of discrimination in respect of employment & occupation.	Employee Value Enhancement	p.40-47
<b>Environment</b>	 Principle ⑦ Businesses should support a precautionary approach to environmental challenges; Principle ⑧ Undertake initiatives to promote greater environmental responsibility; Principle ⑨ Encourage the development and diffusion fo environmentally friendly technologies.	Climate and Environmental Impact	p.26-39
<b>Anti-corruption</b>	 Principle ⑩ Businesses should word against corruption in all it's forms, including extortion and bribery.	Ethics/Fair Trade	p.59-65

# Financial Statement

(Unit: KRW 1,000)

## Consolidated Statement of Financial Position

FY 2023: as of Dec. 31, 2023

FY 2022: as of Dec. 31, 2022

FY 2021: as of Dec. 31, 2021

	FY 2023	FY 2022	FY 2021
<b>Asset</b>			
<b>Current assets</b>	<b>8,077,259,886</b>	<b>7,319,472,229</b>	<b>7,155,183,542</b>
Cash and cash equivalents	1,136,862,750	1,297,706,346	521,159,587
Trade and other receivables, net	4,467,452,425	3,777,380,393	4,358,489,049
Other current financial assets	243,282,565	228,380,197	80,977,785
Derivative financial assets	37,331,388	52,832,322	61,539,209
Other current assets	226,314,928	204,934,361	228,838,961
Inventories, net	1,958,796,641	1,758,238,610	1,904,178,951
Assets held for sale	7,219,189	0	0
<b>Non-current assets</b>	<b>8,540,488,122</b>	<b>5,196,864,702</b>	<b>3,615,550,605</b>
Trade and other receivables, net	354,307,417	111,976,441	144,645,619
Other non-current financial assets	77,543,710	49,624,788	64,483,565
Long-term derivative financial assets	7,231,111	1,172,439	
Investments in associates	970,602,093	434,167,408	359,633,958
Property, plant and equipment, net	3,704,942,807	1,560,751,963	1,353,149,166
Right-of-use assets, net	392,509,205	259,358,305	91,180,173
Intangible assets, net	2,331,917,488	2,236,253,436	1,189,368,831
Investment properties, net	141,622,783	140,148,627	142,991,276
Net defined benefit assets	63,401,752	45,215,440	9,052,353
Other non-current assets	37,126,303	3,026,549	1,459,342
Deferred tax assets	459,283,453	348,405,776	254,864,747
Current tax assets	0	6,763,530	4,721,575
<b>Total assets</b>	<b>16,617,748,008</b>	<b>12,516,336,931</b>	<b>10,770,734,147</b>



# Financial Statement

(Unit: KRW 1,000)

## Consolidated Statement of Financial Position

FY 2023: as of Dec. 31, 2023

FY 2022: as of Dec. 31, 2022

FY 2021: as of Dec. 31, 2021

	FY 2023	FY 2022	FY 2021
<b>Liabilities</b>			
<b>Current liabilities</b>	6,275,479,255	5,487,439,570	5,669,339,170
Trade and other payables	3,069,417,062	2,646,663,164	2,913,929,277
Borrowings	1,830,502,324	1,998,369,619	1,894,385,381
Current portion of bonds	876,708,927	399,841,387	408,876,623
Derivative financial liabilities	44,583,489	57,587,283	76,303,460
Current provisions	102,370,420	33,208,369	24,342,911
Other current liabilities	268,347,648	248,904,478	261,808,955
Current tax liabilities	83,549,385	102,865,270	89,692,563
<b>Non-current liabilities</b>	3,717,506,773	2,630,770,283	1,589,255,049
Trade and other payables	359,174,624	252,026,447	105,154,517
Borrowings	1,214,915,427	792,556,467	246,111,217
Bonds	1,864,114,095	1,363,593,350	1,143,577,708
Long-term derivative financial liabilities	8,357,666	2,116,681	
Other non-current liabilities	81,654,531	95,542,128	1,537,757
Net defined benefit liabilities	8,823,065	7,902,603	5,410,822
Provisions	134,715,324	95,955,862	64,032,944
Deferred tax liabilities	45,752,041	21,076,745	23,430,084
<b>Total liabilities</b>	<b>9,992,986,028</b>	<b>8,118,209,853</b>	<b>7,258,594,219</b>
<b>Equity</b>			
<b>Equity attribute to owners of the parent</b>	6,103,258,315	3,982,863,469	3,486,401,390
Issued capital	879,613,940	616,875,745	616,875,745
Capital surplus	1,826,225,463	540,526,820	558,241,696
Other components of equity	(24,961,204)	382,492	(7,762)
Accumulated other comprehensive income	85,699,828	16,973,734	18,775,100
Retained earnings	3,336,680,288	2,808,104,678	2,292,516,611
Equity attributable to equity holders of the parent	521,503,665	415,263,609	25,738,538
<b>Total equity</b>	<b>6,624,761,980</b>	<b>4,398,127,078</b>	<b>3,512,139,928</b>
<b>Total liabilities and equity</b>	<b>16,617,748,008</b>	<b>12,516,336,931</b>	<b>10,770,734,147</b>

# Financial Statement

(Unit: KRW 1,000)

## Consolidated Statement of Comprehensive Income

FY 2023:  
From January 1 to December 31 of 2023

FY 2022:  
From January 1 to December 31 of 2022

FY 2021:  
From January 1 to December 31 of 2021

	FY 2023	FY 2022	FY 2021
Sales	33,132,821,374	37,989,588,330	33,948,864,785
Cost of sales	(31,293,287,571)	(36,421,950,442)	(32,814,145,555)
Gross profit	1,839,533,803	1,567,637,888	1,134,719,230
Selling and administrative expenses	(676,421,768)	(665,130,879)	(549,333,423)
Operating profit	1,163,112,035	902,507,009	585,385,807
Share of profit in associates	111,768,679	77,679,876	69,361,497
Share of loss in associates	(20,461,439)	(2,767,249)	(9,263,819)
Financial income	1,282,275,116	2,405,334,622	1,243,727,111
Financial costs	(1,572,100,317)	(2,572,002,827)	(1,319,081,694)
Other income	21,416,651	19,002,305	86,047,547
Other expenses	(71,388,514)	(87,607,152)	(167,476,083)
Profit for the year before tax	914,622,211	742,146,584	488,700,366
Income tax expenses	(234,202,908)	(137,234,204)	(132,212,404)
Profit for the year	680,419,303	604,912,380	356,487,962
Other comprehensive income (loss):	50,346,819	(6,690,339)	51,965,768
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:	42,500,259	6,501,733	51,555,289
Equity adjustments in equity method	13,807,509	15,572,510	13,628,538
Loss on equity adjustments in equity method	263,229	524,549	2,869,208
Exchange difference on translation of foreign operations	29,419,491	(10,414,437)	34,944,955
Gain on valuation of derivatives	(989,970)	819,111	112,588
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:	7,846,560	(13,192,072)	410,479
Gain on valuation of equity instruments at FVOCI	(4,348,500)	2,093,152	27,716
Equity adjustments in equity method	21,583,564	(3,168,133)	(8,511,682)
Re-measurement loss on defined benefit liabilities	(17,242,570)	17,759,863	8,913,085
Exchange differences on translation of foreign operations	7,854,066	(29,876,954)	(18,640)

# Financial Statement

(Unit: KRW 1,000)

## Consolidated Statement of Comprehensive Income

FY 2023:  
From January 1 to December 31 of 2023

FY 2022:  
From January 1 to December 31 of 2022

FY 2021:  
From January 1 to December 31 of 2021

	FY 2023	FY 2022	FY 2021
<b>Total comprehensive income for the year, net of tax</b>	730,766,122	598,222,041	408,453,730
<b>Profit for the year attributable to:</b>			
Owners of the parent	673,885,685	589,749,886	360,789,119
Non-controlling interests	6,533,618	15,162,494	(4,301,157)
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	716,975,597	612,486,614	412,758,252
Non-controlling interests	13,790,525	(14,264,573)	(4,304,522)
<b>Earnings per share:</b>			
Basic earnings(loss) per share(unit: KRW)	3,939	4,780	2,924
Basic earnings(loss) per share for income from continuing operation(unit: KRW)	3,939	4,780	2,924
Diluted earnings(loss) per share(unit: KRW)	3,939	4,780	2,924
Diluted earnings(loss) per share for income from continuing operation(unit: KRW)	3,939	4,780	2,924

# Financial Statement

(Unit: KRW 1,000)

## Statement of Financial Position

FY 2023: as of Dec. 31, 2023

FY 2022: as of Dec. 31, 2022

FY 2021: as of Dec. 31, 2021

	FY 2023	FY 2022	FY 2021
<b>Assets</b>			
<b>Current assets</b>	5,675,469,154	5,235,843,158	5,938,546,200
Cash and cash equivalents	588,745,249	806,960,006	286,335,171
Trade and other receivables, net	4,135,579,247	3,589,726,265	4,605,186,508
Other current financial assets	148,301,908	158,150,683	32,611,691
Derivative financial assets	34,284,098	52,105,381	61,491,510
Other current assets	196,210,182	151,102,757	146,819,220
Inventories, net	572,348,470	477,798,066	806,102,100
<b>Non-current assets</b>	6,889,558,248	3,954,898,061	3,205,968,394
Trade and other receivables, net	284,876,094	224,997,531	155,415,858
Other non-current financial assets	65,833,322	43,057,200	58,063,668
Long-term derivative financial assets	4,608,916	0	0
Investments in associates	2,732,831,504	1,679,976,918	1,109,110,438
Property, plant and equipment, net	1,954,562,481	256,397,096	266,412,095
Right-of-use assets, net	88,332,940	16,265,379	31,117,785
Intangible assets, net	1,158,390,712	1,211,897,692	1,119,606,278
Investment properties, net	137,305,978	140,148,627	142,991,276
Net defined benefit assets	41,418,027	32,452,828	7,678,232
Deferred tax assets	393,678,880	342,941,260	310,851,189
Current tax assets	0	6,763,530	4,721,575
Other non-current assets	27,719,394	0	0
<b>Total assets</b>	<b>12,565,027,402</b>	<b>9,190,741,219</b>	<b>9,144,514,594</b>

# Financial Statement

(Unit: KRW 1,000)

## Statement of Financial Position

FY 2023: as of Dec. 31, 2023

FY 2022: as of Dec. 31, 2022

FY 2021: as of Dec. 31, 2021

	FY 2023	FY 2022	FY 2021
<b>Liabilities</b>			
<b>Current liabilities</b>	4,403,520,424	3,830,745,057	4,585,521,958
Trade and other payables	2,419,532,309	2,057,317,321	2,553,885,475
Borrowings	716,705,216	1,109,985,529	1,300,579,557
Current portion of bonds	876,708,927	399,841,387	408,876,623
Derivative financial liabilities	55,796,959	54,818,566	75,724,743
Current provisions	98,068,367	28,765,199	21,595,709
Other current liabilities	180,237,597	140,092,793	179,741,355
Current tax liabilities	56,471,049	39,924,262	45,118,496
<b>Non-current liabilities</b>	2,766,622,715	2,010,596,256	1,416,241,048
Trade and other payables	88,576,315	31,670,132	64,182,834
Borrowings	681,623,997	508,552,582	145,721,117
Bonds	1,864,114,095	1,363,593,350	1,143,577,708
Other non-current liabilities	37,309,572	38,847,328	1,537,757
Net defined benefit liabilities	0	0	0
Long-term derivative financial liabilities	8,357,666	2,116,681	
Provisions	86,641,070	65,816,183	61,221,632
<b>Total liabilities</b>	<b>7,170,143,139</b>	<b>5,841,341,313</b>	<b>6,001,763,006</b>
<b>Equity</b>			
Issued capital	879,613,940	616,875,745	616,875,745
Capital surplus	1,871,126,940	544,002,741	544,002,741
Other components of equity	(12,194,373)	384,139	(6,115)
Accumulated other comprehensive income	(36,930,851)	(13,106,651)	(8,380,422)
Retained earnings	2,693,268,607	2,201,243,932	1,990,259,639
<b>Total equity</b>	<b>5,394,884,263</b>	<b>3,349,399,906</b>	<b>3,142,751,588</b>
<b>Total liabilities and equity</b>	<b>12,565,027,402</b>	<b>9,190,741,219</b>	<b>9,144,514,594</b>

# Financial Statement

(Unit: KRW 1,000)

## Statement of Comprehensive Income

FY 2023:  
From January 1 to December  
31 of 2023

FY 2022:  
From January 1 to December  
31 of 2022

FY 2021:  
From January 1 to December  
31 of 2021

	FY 2023	FY 2022	FY 2021
<b>Sales</b>	28,536,917,267	32,566,135,142	30,527,682,713
<b>Cost of sales</b>	(27,168,264,634)	(31,587,436,956)	(29,748,120,055)
<b>Gross profit</b>	1,368,652,633	978,698,186	779,562,658
<b>Selling and administrative expenses</b>	(417,623,148)	(474,048,371)	(413,999,007)
<b>Operating profit</b>	951,029,485	504,649,815	365,563,651
<b>Financial income</b>	1,336,775,608	2,380,046,350	1,227,565,013
<b>Financial costs</b>	(1,402,052,602)	(2,407,278,011)	(1,231,574,460)
<b>Other income</b>	33,395,910	15,985,866	83,230,212
<b>Other expenses</b>	(85,975,198)	(99,274,025)	(169,147,026)
<b>Profit for the year before tax</b>	833,173,203	394,129,995	275,637,390
<b>Income tax expenses</b>	(200,654,698)	(104,657,625)	(74,406,889)
<b>Profit for the year</b>	632,518,505	289,472,370	201,230,501
<b>Other comprehensive income (loss):</b>	(15,416,066)	15,485,606	6,170,059
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:	(15,416,066)	15,485,606	6,170,059
Gain on valuation of equity instruments at FVOCI	(3,092,906)	2,093,152	(1,227,878)
Re-measurement gain(loss) on defined benefit liabilities	(12,323,160)	13,392,454	7,397,937
<b>Total comprehensive income for the year, net of tax</b>	617,102,439	304,957,976	207,400,560
<b>Earnings per share</b>			
Basic earnings(loss) per share(unit: KRW)	3,696	2,346	1,631
Basic earnings(loss) per share for income from continuing operation(unit: KRW)	3,696	2,346	1,631
Diluted earnings(loss) per share(unit: KRW)	3,696	2,346	1,631
Diluted earnings(loss) per share for income from continuing operation(unit: KRW)	3,696	2,346	1,631

# Certifications & Trademarks/Memberships

## Certifications & Trademarks

HQ		ISO 14001	LEED Green Building Certification
		ISO 27001	Family-Friendly Certification
		ISO 45001	Health-Friendly Company Certification
		GAFTA Arbitration	Compliance Program(CP) AA Rating
		GMP+ FSA	Authorized Economic Operator(AEO)
		ISCC EU	Compliance Program(CP) of Strategic Export
		ISCC PLUS	Approved Exporter Certification
	Shwe Project in Myanmar	ISO 14001	ISO 45001
Domestic Subsidiaries	POSCO Mobility Solution	ISO 9001	KS
		ISO 14001	PED / AD2000
		ISO 45001 / KOSHA-MS	RINA
		IATF 16949	RS(Russian Maritime Register of Shipping)
		ACRS	SQ
		BIS	Family-Friendly Certification
		JIS	H-Grade
	KR(Korean Register of Shipping)	Steel Structure Manufacturer Certification	
Overseas Subsidiaries	PI-MEM	IATF 16949	
	MMW Grain Terminal in Ukraine	ISO 22000	GAFTA Approved Analyst
	SUZHOU POSCO-CORE TECHNOLOGY	ISO 9001	ISO 14001
		IATF16949	
	PT.BIA in Indonesia	ISO 45001	ISPO
		RSPO	
	PT.KPE in Indonesia	ISO 45001	
POSCO TMC India	ISO 9001	ISO 14001	
	IATF 16949		

## Trademarks

Since 1974, more than 3,500 applications and registrations have been made on our DAEWOO trademark across 160 countries. The trademark is used by the Company and its overseas corporations in Korea and abroad across the electronics, automotive components, machinery, construction and transportation industries, and its distinctive value is highly recognized in Asia, Latin America, the Middle East, and CIS countries. We continue to maintain and manage our trademark rights through application and registration, and operate a monitoring system that connects experts across the globe to safeguard our trademark.



DAEWOO



DAEWOO

- Trademark application made in 1974

- Nearly 3,500 trademark applications and registrations made across 160 countries

- Trademark management policy and committee under operation

## Memberships

No.	Organization	Year of Membership
1	Korea International Trade Association(KITA)	1967
2	Korea Importers Association(KOIMA)	1971
3	Korea Electric Association(KEA)	1971
4	Korea Defense Industry Association(KDIA)	1978
5	Korea Chamber of Commerce & Industry (KCCI Seoul, KCCI Incheon)	1994
6	Korea Automobile Manufacturers Association(KAMA)	2007
7	Energy & Mineral Resources Development Association of Korea(EMRD)	2008
8	Independent Power Producer Association(IPPA)	2010
9	The Korea Gas Union(KGU)	2012
10	Korea Overseas Agro-Resources-Development Association(Korea OADS)	2012
11	Korea New and Renewable Energy Association(KNREA)	2012
12	The Korea Gas Union(KGU)	2012
13	GAFTA	2015
14	Korea Enterprises Federation(KEF)	2016
15	Federation of Oils, Seeds and Fats Association(FOSFA)	2016
16	International Gas Union(IGU)	2018
17	Korea Iron & Steel Association(KOSA)	2018
18	UN Global Compact	2019
19	DHI Consortium	2019
20	Sustainability Management Research Society, Korean Standards Association	2019
21	Private LNG Industry Association	2021
22	Energy Alliance	2021
23	Korea Business Council for Sustainable Development(KBCSD)	2021
24	Future Leaders Forum	2021
25	Energy Future Forum	2021
26	Federation of Middle Market Enterprises of Korea	2021
27	K-CCUS Association	2022
28	Korea Biofuels Forum	2022
29	Korea Carbon Capture Utilization and Storage Association(KCCUS)	2022
30	Korea Compliance Association	2024
31	TNFD Forum	2024

# GHG Emissions Verification Opinion Statement

## GHG Emissions

### VERIFICATION TARGET

Korean Foundation for Quality (hereinafter 'KFQ') has conducted a verification of Greenhouse Gas Emissions (hereinafter 'GHG Inventory') of POSCO INTERNATIONAL Corporation (hereinafter 'Company') for 2023.

### VERIFICATION SCOPE

KFQ's verification covered on all facilities and emission sources under the operational control and organizational boundary of POSCO INTERNATIONAL Corporation during 2023.

### VERIFICATION CRITERIA

The verification process was based on [Rule for emission reporting and certification of greenhouse gas emission trading Scheme<sup>1)</sup>], [Rules for verification of operating the greenhouse gas emission trading scheme<sup>2)</sup>] and 'ISO14064-3' for every applicable part.

1) Notification No. 2023-221 of Ministry of Environment

2) Notification No. 2021-112 of Ministry of Environment

### LEVEL OF ASSURANCE

The Verification has been planned and conducted as the 'Rules for verification of operating the greenhouse gas emission trading scheme, and the level of assurance for verification shall be satisfied as reasonable level of assurance. And it was confirmed through an internal review whether the process before the verification was conducted effectively.

### VERIFICATION LIMITATION

The verification shall contain the potential inherent limitation in the process of application of the verification criteria and methodology.

### VERIFICATION OPINIONS

Regarding to the data of the Greenhouse Gas Emission Consumption from the report through the verification, KFQ provides our verification opinions as below;

- 1) The Inventory Report has been stated in accordance with "Rule for emission reporting and certification of greenhouse gas emission trading Scheme" and "ISO 14064-1".
- 2) The result of material discrepancy satisfied the criteria for an organization that emits less than 5,000,000 CO<sub>2</sub>-eq shall not exceed 2.5% from total emission as per "Rules for verification of operating the greenhouse gas emission trading scheme".
- 3) Thus, KFQ concludes that the Greenhouse Gas Emissions of Company in 2023 is correctly calculated and stated in accordance with "Rule for emission reporting and certification of greenhouse gas emission trading Scheme".

(Unit: tCO<sub>2</sub>eq)

Scope 1	Scope 2	Total
4,155,768.526	62,383.047	4,218,148

\* The totals in this verification statement do not match the totals in emission trading scheme because the total emissions of each facility are calculated by truncating to integer units

June 10<sup>th</sup>, 2024

CEO Ji-young Song Korean Foundation for Quality

*Ji Young Song*



National Institute of  
Environmental Research





# Independent Assurance Statement

## Independent Assurance Statement

[PRJN-786060-2024-AST-KOR]

DNV Business Assurance Korea, Ltd. ('DNV') has been commissioned by POSCO INTERNATIONAL CORPORATION (hereafter referred to as 'POSCO INTERNATIONAL' or 'the Company') to undertake an independent limited assurance on the Company's SUSTAINABILITY REPORT 2023 (hereafter referred to as 'the Report') for the calendar year ending 31 December 2023. The intended users of this assurance statement are the management and stakeholders of POSCO INTERNATIONAL.

### STANDARDS OF ASSURANCE

This assurance engagement has been carried out in limited assurance in accordance with DNV's VeriSustain protocol V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. DNV has reviewed the Report's adherence to the principles of VeriSustain. The principles are set out in the opinion, observations and recommendations below. DNV's VeriSustain protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited or/and reasonable assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less detailed than, those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely. We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on POSCO INTERNATIONAL website for the current reporting period.

### SCOPE OF ASSURANCE

We have carried out an independent limited assurance on the Report for the year ending 31 December 2023, which include the following:

- We have reviewed the GRI Topic Disclosures relevant to the Material Topics which have been identified as material through the materiality assessment undertaken by POSCO INTERNATIONAL.

### OPINION, OBSERVATIONS AND RECOMMENDATIONS

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not adhere to the principles of VeriSustain described below. In terms of reliability of specified sustainability performance information, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. Nothing came to our attention to cause us to believe that POSCO INTERNATIONAL's Report is not prepared, in all material respects, in accordance with the GRI Standards.

Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain applicable to the relevant information described in the 'Scope of Assurance':

1) International Auditing and Assurance Standard Board

2) International Standard on Assurance Engagements (ISAE) 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised)

### STAKEHOLDER INCLUSIVENESS: THE PARTICIPATION OF STAKEHOLDERS IN DEVELOPING AND ACHIEVING AN ACCOUNTABLE AND STRATEGIC RESPONSE TO SUSTAINABILITY.

POSCO INTERNATIONAL defines shareholders and investors, customers, suppliers, employees, local communities and civic groups, and governments and international organizations as major stakeholder groups, and reports major issues of interest for each group and communication channels, including related links. In particular, during the materiality assessment process, POSCO INTERNATIONAL conducted a survey targeting experts with a high level of understanding of POSCO INTERNATIONAL and industry ESG and reflected the results of the materiality assessment in the priorities. DNV has confirmed that it is faithfully reporting the interests of stakeholders in the Report.

### MATERIALITY: THE PROCESS FOR DETERMINING THE ISSUES THAT ARE MOST RELEVANT TO AN ORGANIZATION AND ITS STAKEHOLDERS.

POSCO INTERNATIONAL conducted a materiality assessment of social and environmental impacts and financial impacts for each of the company's four major businesses. POSCO INTERNATIONAL selected 25 sustainability topics related to the company to be evaluated through a materiality assessment and stakeholder survey among all 92 ESRS topics. The 25 selected topics were finally approved by the ESG Committee under the Board of Directors, the highest decision-making body for sustainability, and were finalized into 8 material topics. DNV confirmed that the company's strategic direction, response performance, and plans for the important reporting topics selected through the materiality assessment are reflected in the Report.

### SUSTAINABILITY CONTEXT: THE PRESENTATION OF THE ORGANIZATION'S PERFORMANCE IN THE WIDER CONTEXT OF SUSTAINABILITY.

Starting with the integration of the energy business in 2023, POSCO INTERNATIONAL has set the company's vision as 'Green Energy & Global Business Pioneer', which contains the values of 'eco-friendliness and sustainability'. In order to realize ESG values, mid- to long-term goals and plans for each business field, 2023 Major achievements for the year were reported. In particular, POSCO INTERNATIONAL established the 'ESG Committee', a specialized committee under the Board of Directors, the highest decision-making body, in June 2023 to strengthen the Board of Directors' responsibility and role in managing and supervising the company's ESG policies and issues. In addition, POSCO INTERNATIONAL is responding to ESG issues and managing risks by establishing the 'ESG Council', a management council led by the CEO, which is a major decision-making body in each ESG field. DNV has confirmed that the Company reflects the organization's performance and its linkages in the context of sustainability in the Report.

### COMPLETENESS: HOW MUCH OF ALL THE INFORMATION THAT HAS BEEN IDENTIFIED AS MATERIAL TO THE ORGANIZATION AND ITS STAKEHOLDERS IS REPORTED.

POSCO INTERNATIONAL discloses in detail the background of selection and related activities for material topics that reflect the expectations of stakeholders. The reporting boundary is based on POSCO INTERNATIONAL's headquarters in Korea (including Myanmar gas fields) and some of its subsidiaries where POSCO INTERNATIONAL conducts business, and when the reporting scope is different, it is explained separately. The verification team confirmed that the material topics selected through the materiality assessment were completely reflected according to the physical and temporal reporting boundaries.

### RELIABILITY AND QUALITY: THE ACCURACY AND COMPARABILITY OF INFORMATION PRESENTED IN THE REPORT, AS WELL AS THE QUALITY OF UNDERLYING DATA MANAGEMENT SYSTEMS.

The assurance team has sampled data and tested accuracy and reliability of the sustainability performance data of the Company. We interviewed the responsible staff for verifying information and data in the Report including data handling process and reviewed the data gathering process with the supporting documents and records. Based on the assessment, the intentional error or misstatement is not noted. Data owners were able to demonstrate to trace the origin of the data and to interpret the processed data in a reliable manner. The data was identifiable and traceable. The Company reports the sustainability performance of the last three years and can be compared over time. Any errors or unclear expressions found during the verification process were corrected prior to the publication of the Report. In the future, we recommend that POSCO INTERNATIONAL report in a balanced manner not only the Company's positive performance and impacts, but also negative impacts (in particular, reporting as well as processing status of negative issues discovered during supply chain audits).

# Independent Assurance Statement

## OUR COMPETENCE, INDEPENDENCE AND QUALITY CONTROL

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 – Conformity assessment, whose general principles are requirements for validation and verification bodies. Accordingly, DNV maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We have no other contract with POSCO INTERNATIONAL. Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experiences.

## LIMITATIONS

DNV's assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The sustainability management, performance and reporting practices of POSCO INTERNATIONAL's Myanmar gas field and its subsidiaries, suppliers, partners and third parties mentioned in the Report are not included in the scope of this certification. We did not interview external stakeholders as part of this assurance engagement. We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information in scope within the defined reporting period. Any data outside this period is not considered within the scope of assurance. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

## RESPONSIBILITIES OF THE DIRECTORS OF POSCO INTERNATIONAL AND OF THE ASSURANCE PROVIDERS

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the relevant information described in the 'Scope of Assurance' has been prepared in accordance with the reporting requirements and to report to POSCO INTERNATIONAL in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform the management and stakeholders of POSCO INTERNATIONAL. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

## BASIC OF OUR OPINION

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of POSCO INTERNATIONAL. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. Our limited assurance procedures included, but were not limited to, the following activities

- Peer and media review to identify relevant sustainability issues for POSCO INTERNATIONAL in the reporting period;
- Review of the disclosures according to reporting requirements with a focus on the process and the result of materiality assessment, Topic Standards Disclosures and relevant management processes;
- Understanding of the key systems, processes and controls for consolidating, collecting, managing and reporting disclosures and KPIs in the Report;
- Review documentary evidence and management representations supporting adherence to the reporting principles and requirements, with a focus on understanding and testing, on a sample basis, key data sets
- On-site visit at the POSCO INTERNATIONAL Head Office in Songdo, Republic of Korea to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy and carried out sample based assessment of site-specific data disclosures.
- Conduct interviews with representatives from the ESG team and relevant departments with overall responsibility of monitoring, data consolidation and reporting of the selected information


Seoul, Republic of Korea  
July 31, 2024

For and on behalf of DNV Business Assurance Korea Ltd.



  
Sang Rye Chang  
Lead Verifier

  
Jae Hee Kim  
Verifier

  
Sang Yeon Park  
Reviewer

