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## **1. Environmental (E)**

### **A. Environmental Management Guidelines**

POSCO Maharashtra Steel is responding proactively to environmental issues such as climate change, particulates, waste, and chemicals. In addition, we have established environmental guidelines that are rooted in our corporate rules and regulations, and environmental management policies.

To minimize our negative impact on the environment during business and production processes, we are actively promoting environmental management and expanding it to our supply chains and partner companies. We published POSCO Maharashtra Steel's Integrated Environmental and Energy Policy, and have since been in compliance therewith. Moreover, we have been certified by internationally recognized environmental standards including ISO 14001 and 50001 and are regularly renewing our certifications.

POSCO Maharashtra Steel complies with the environmental laws and regulations applicable to worksites and strives to continuously improve its environmental performance by systematically monitoring environmental impacts and preventing pollution. In addition, we are minimizing the negative impact on the environment during our business and production process and expanding the scope to our supply chains and partner companies.

#### **1. Worksite Environment Management**

On its worksites, POSCO Maharashtra Steel is managing its environmental goals by linking them with the key performance indicators (KPIs) of its environmental departments and officers. We have established the environmental standards for each area of environmental management, such as air, waste, and water quality, and have implemented measures such as education and training, establishment and management of guidelines, and internal auditing. In addition, we are applying eco-friendly production processes and optimal prevention technologies to minimize pollutant emissions at our worksites.

#### **2. Production Operation and Maintenance**

POSCO Maharashtra Steel monitors and manages the environmental impacts that occur during the operation and maintenance of production facilities to make improvements. In

addition, for reference at work, we have established an environmental management manual for each production process to comply with related laws and to improve the environment.

### **3. Waste Management**

POSCO Maharashtra Steel established and applies waste management guidelines from the waste generation stage to final disposal. The guidelines include work scope, organization and responsibilities, separate collection and storage facilities for waste, and necessary measures in the event of environmental pollution.

### **4. Air Pollution Emission Reduction Policy**

To reduce air pollutants, POSCO Maharashtra Steel has established in-house goals that are stricter than the legal standards, and systematically manages its environmental performances.

### **5. Water Resources Policy**

POSCO Maharashtra Steel strives to manage water resources by optimizing water management and expanding wastewater recycling. As KPIs, we selected surface water consumption reduction and effluent water quality management indicators to manage our performance. To reduce the amount of wastewater, we are increasing the recycling ratio of wastewater discharged from processing.

Furthermore, we are monitoring the national water resources policies, anticipating regional regulatory changes, and creating response scenarios to evaluate water supply chain risks before they occur.

We operate to contribute to resolving water shortages in local communities and securing a stable supply of industrial water.

## **B. Our Position on Biodiversity**

POSCO Maharashtra Steel understands the importance of biosphere restoration and biodiversity protection, and sets it out in its Practicing Guidelines for the Code of Ethics. Accordingly, POSCO Maharashtra Steel investigates the potential outcomes that its projects may have on biodiversity of the adjacent ecosystems and takes actions to minimize adverse impacts.

## **1. New Projects**

In carrying out new projects such as facility expansions, we will prevent and minimize factors and causes that threaten biodiversity and if necessary, repair and offset the damage. We will also try to mitigate biodiversity losses and conduct surveys to monitor potential impacts. We will strive to manifest our stance above not only to our worksites but also to our primary and other supply chains.

We are aware of the international conventions on biodiversity and the protection of land (including, but not limited to, the Convention on Biological Diversity, the Ramsar Convention, and the Convention Concerning the Protection of the World Cultural and Natural Heritage) and the IUCN5) Guidelines (including, but not limited to, the IUCN Guidelines for the Protected Area Management Categories and the IUCN Guidelines for Planning and Monitoring Corporate Biodiversity Performance), and we will comply with the national and local legal requirements at our worksites located in the areas where the conventions are applicable. Should our projects cause a damage, reduction, or degradation in the protected areas covered by the international conventions, we will restrict the reach of our worksites and reconsider the project.

At our worksites that encompass the natural and important habitats, we will prevent and minimize net losses, change our plans, or investigate alternative areas so as not to adversely affect biodiversity.

Prior to implementing new projects, we conduct environmental impact assessments in accordance with the relevant laws and regulations, and identify and prevent factors that threaten biodiversity, including all endangered species. We ensure that our activities do not negatively impact biodiversity values such as ecosystems and critical habitats. In addition, we only proceed with our projects after consulting with the local residents and communities regarding land use.

## **2. Worksite Management**

At worksites that harbor critical habitats, POSCO Maharashtra Steel will strive to achieve no net loss and net positive impact in terms of biodiversity. We will regularly monitor the adjacent ocean water quality and sediment pollution level, and at the same time, we will conduct monitoring activities to improve the local environments. If necessary, we will collaborate with

professional agencies to launch a professional investigation to measure the impacts on local biodiversity.

We identify the protected areas, regions with high biodiversity value, and endangered species in the vicinity of our business and project developments, and use this information as important sources for developing, implementing, and monitoring each project's biodiversity management plan.

If a conservation area recognized under the international standards such as the World Heritage or the Ramsar Convention on Wetlands, or a protected area governed by an international convention is established within, around or adjacent to one of our existing worksites, we will verify that our activities in the worksites do not adversely affect the value of such protected areas.

## **C. Our Position on No Deforestation**

### **1. Overview**

POSCO Maharashtra Steel as a leader in the prevention of deforestation, will continue to implement policies intended to protect the earth by expanding the recycling of industrial by-products and expanding the investment in GHG reductions. Through our sustainable environment policy, we will try to achieve zero net deforestation by 2050 as we keep our Promise of Compensation through Reforestation.

- POSCO Maharashtra Steel will not build any new worksite that destroys a forest, and upon termination of the existing projects, will try to restore green space including forests.
- At POSCO Maharashtra's worksite, we will increase the recycling rate of by-products and expand investment in GHG reduction.
- If necessary, POSCO Maharashtra Steel will team up with the professional agencies to restore forests and green space near its worksites.
- To minimize our negative impacts on the environment during our projects and production processes, POSCO Maharashtra Steel will promote diverse activities and endeavor to expand the scope of such activities to our supply chains and business partners.

## **2. Monitoring**

To respond to forest risks, we will establish and implement plans for forest formation and greening within our worksites, and continue to monitor all related performances through environmental impact assessments. In addition, we will continue to inspect and supplement our suppliers' forest protection activities through regular supplier relationship management (SRM). If necessary, we will secure a budget for cooperating with professional agencies and strengthen our related in-house capacities.

## **2. Social (S)**

### **A. Safety and Health Policy**

POSCO Maharashtra Steel considers safety its top priority in management. We create a culture that prioritizes safety based on rigorous and sustainable safety management systems, and foster top-notch safety experts. In addition, in line with our philosophy that 'a company is only as healthy as its employees,' we mainly promote our occupational health-related obligations in following three areas: health improvement, workplace environment, and disease treatment.

POSCO Maharashtra Steel has set up an in-house communication system that allows all employees to readily participate and is trying to build the world's finest safety culture through employee-led autonomous safety and health activities. To this end, POSCO Maharashtra Steel applies new smart technologies such as the Internet of Things (IoT) and strives to create a workplace environment that can scientifically and effectively protect its employees' safety and health. In addition, to promote the health and safety of our stakeholders, including our business partners, we encourage their participation in safety and health activities.

To effectively implement our safety and health policy, POSCO Maharashtra Steel establishes and implements goals and action plans, and operates an in-house review system that evaluates them regularly. On the basis of our compliance with safety and health laws, we set and operate even more rigorous standards of our own to ensure safety during the installation, operation, and maintenance of the facilities, machinery, and equipment.

### **1. Safety and Health Guidelines**

POSCO Maharashtra Steel prevents disasters and improves the health and quality of life by creating a safe and pleasant workplace environment for all of its employees. To this end, we

established the following basic safety and health guidelines for all POSCO Maharashtra Steel actions, and operate a safety and health management system to achieve them.

- Safety takes priority over production, quality, and speed; we strive to create an environment in which all POSCO Maharashtra Steel employees can work safety and comfortably.
- In order to prevent the risk of disasters and diseases for all employees of POSCO Maharashtra Steel and its business partners, we identify hazards and risk factors in advance and seek continuous improvement.

## **2. Operation of Safety and Health Management System (ISO45001)**

POSCO Maharashtra Steel has autonomously and systematically operated all safety and health control-related actions and obtained the ISO45001 certification, which is the international standard for safety and health management system. Together with the ISO45001 certification, we establish safety and health strategies and goals based on the PDCA Cycle, and maintain a systematic and continuous safety and health management system.

## **3. Safety and Health Education and Training**

Every year, to raise awareness and to minimize risks of safety of its employees and related suppliers, POSCO Maharashtra Steel conducts legally mandatory safety and health training sessions to its employees and supports training programs of the related suppliers. Furthermore, we conduct customized training sessions to foster safety and health capabilities requisite of each position and duty.

## **4. Occupational Safety Management System**

Centered around 3 pillars of safety system, culture, and workforce, POSCO Maharashtra Steel is strengthening a management system for occupational safety.

### **A. Adopting a vigorous and sustainable safety management system**

- Adopting the key measures pursuant to POSCO Maharashtra Steel's safety management system on site in the early stage
- Strengthening the safety management processes for POSCO Maharashtra Steel's business partners including partners, contractors, and suppliers

- Systematically managing safety based on a system of operating an integrated safety management platform for employees and contractors
- Operating a safety budget on an 'execution first, settlement later' basis to reduce hazards and risks in the early stage

**B. Creating a safety-first organizational culture**

- Establishing a workplace culture that prioritizes safety in all on-site works through safety audit measures, etc
- Vitalizing two-way communication with representative bodies and POSCO Maharashtra Steel's business partners
- Building a workplace infrastructure that prioritizes safety, environment, and health

**C. Fostering top-notch safety professionals**

- Enhancing the capacity of and recruiting safety management personnel
- Reinforcing safety education and training opportunities for all employees of POSCO Maharashtra Steel's and its business partners

**5. Occupational Health Management System**

In line with its management principle that 'a company is only as healthy as its employees', POSCO Maharashtra Steel is promoting its key policies in the following three areas to create a pleasant workplace culture that prevents illness of its employees.

**A. Creating a pleasant workplace environment**

- Setting up a chemical management system based on an MSDS scheme
- Assessing the workplace environment and reducing hazards and risk factors
- Implementing measures to prevent musculoskeletal disorders
- Enhancing the functions of protective equipment

**B. Building an early disease detection system**

- Physical examinations



- Disease prevention and treatment
- Establishing and operating a system to prevent and control infectious diseases such as COVID-19

**C. Health Enhancement Measures**

- Measures to improve lifecycle (no smoking/drinking, exercise, nutrition)
- Managing persons who are prone to chronic diseases, as identified by healthcare providers
- Operating mental health improvement and counselling programs

**B. Human Rights Guidelines**

**1. Chapter 1 General provision**

**Article 1 (Purpose)**

POSCO establishes this procedure in accordance with Clause 1 of the Supplementary Provision of the POSCO's Code of Conduct to respect and protect human rights based on the 'UN Guiding Principles (UNGPs) on Business and Human Rights'

**2. Chapter 2 Responsibility to respect human rights.**

**A. Article 2 (Foundational Principles)**

POSCO takes appropriate actions to respect, protect human rights and prevent and resolve adverse human right impacts that may occur throughout the Company's business and operations. For this purpose, all officers and employees of the Company will comply with the following measures to fulfil the responsibility to respect and protect human rights:

- ① Comply with all applicable laws and internationally recognized human rights standards of expected conduct for business wherever the Company operates its business.
- ② Seek ways to comply with the internationally recognized human rights standards when encountered with local regulations that are in conflict with such international human rights standards.

- ③ Endeavor to perform Company's internal policies in order to prevent, mitigate and remedy the adverse human rights impacts caused by Company's business activities.
- ④ Treat the risk of serious human rights violation as an important issue of the Company.

**B. Article 3 (Responsibility to respect human rights)**

The main sectors of the POSCO's general principles for the respecting, protecting, and fulfilling human rights are (a) management of human right policies; (b) employees' and stakeholders' human rights protection; (c) non-discrimination on employment and working conditions; (d) prohibition of forced labor; (e) health and safety; (f) freedom of association and collective bargaining; (g) prohibition of children labor; and (h) privacy and personal information protection. The general principles of each sector are as follows:

- ① Management of human rights policies: The Company shall manage internal polices, conducting human rights education and implementing proper remediation in order to establish its governance to respect and protect human rights.
- ② Employees' and stakeholders' human rights protection: The Company shall protect its employees' human rights and prohibit business-related adverse human rights impact to its supply chains and communities.
- ③ Non-discrimination on employment and working conditions: The Company shall not discriminate against its employees in terms of employment and working conditions based on employees' race, gender, age, religion, disabilities, social status and marital status.
- ④ Prohibition of forced labor: The Company shall prohibit any form of forced or compulsory labor.
- ⑤ Health and safety: The Company shall comply with its health and safety policy to promote occupational health and safety management.
- ⑥ Freedom of association and collective bargaining: The Company shall ensure the employee's freedom of association, assembly and the rights to organize a trade union and actively conduct collective bargaining with the trade union.
- ⑦ Prohibition of children labor: The Company shall not employ any child protected and with respect to the relevant laws and/or regulations.

- ⑧ Privacy and personal information protection: The Company shall protect personal data and privacy with respect to the relevant laws and/or regulations.

**C. Article 4 (Internal Policy Commitment)**

POSCO establishes the following policies and procedures to fulfill the responsibility to respect human rights.

- ① The Company's implementing regulation for operational principles to respect human rights.
- ② The Company's internal due diligence policy and procedures to identify, prevent and mitigate business-related adverse human rights impacts.
- ③ The Company's internal procedure for appropriate remediation of adverse impacts on human rights caused by the Company.

**3. Chapter 3 Human Rights Due Diligence**

**A. Article 5 (Consideration)**

In order to identify, prevent, address business-related adverse human rights impacts and to take the Company's responsibility on the adverse human right impacts, the Company shall carry out human rights to due diligence. This process includes identifying, assessing, addressing actual and potential impacts on human rights, making record thereof, and sharing the result with its stakeholders. For the human rights to due diligence, the following shall be considered:

- ① Identify and assess the adverse human rights impacts that the Company caused or contributed directly or indirectly throughout its business.
- ② Various factors affecting the situation such as location and size of the local site, likelihood of occurrence of human rights related risk, characteristics and nature of the relevant business, relevant country's political and economic environment.
- ③ The need to conduct due diligence continuously, keeping in mind that the human rights risks may change over time as the Company's activity and business environment changes.

**B. Article 6 (Method to Conduct Due Diligence)**

POSCO carries out human rights due diligence with considering assessment as follows:

- ① The assessment draws on internal expertise. The Company may draw on independent external human rights expertise, if necessary.
- ② Specific and core sectors on the human right management shall be identified.
- ③ The Company will conduct in person interviews or written assessment with a group or relevant interested parties.
- ④ Identified adverse impacts on human rights shall be handled as the matter required to be prevented, mitigated and remedied.

**C. Article 7 (Responsive and Follow-up Actions)**

In order to prevent and alleviate adverse human rights impacts, the Company establishes responsive action plans based on the result of the human rights due diligence and implement follow-up actions.

① Establishment of Internal Response System

1. For the resolution of discovered issues, the respective relevant departments of the Company shall cooperate with each other.
2. Internal decision making, budget allocation, and monitoring process may be applied for the effective management of the response system.
3. The relevant departments of the Company shall thoroughly understand such adverse human rights impacts and handle them as highly important issue of the Company.

② Follow-up Actions and Relief

1. If adverse human rights impact has occurred or is likely to occur, all possible and necessary measures to prevent or mitigate such impact will be taken.
2. If unexpected adverse impacts occur despite the implementation of the best policy and procedures, the Company will endeavor, either independently or in collaboration with others, to remedy the same.
3. Even if the Company has not directly contributed to the adverse human rights impacts, if such adverse impacts are intricately related to the Company's business activities, production,

and services in relation to other parties (e.g., suppliers), the Company will do its endeavor to mitigate such adverse human rights impacts.

4. Utilize its influence to prevent and mitigate adverse human rights impacts when possible; if not possible, the Company will try to strengthen its influence by cooperating with others.
5. The Company will implement a grievance mechanism for the interested parties who can be potentially affected.

#### **D. Article 8 (Communication with Stakeholders)**

POSCO takes responsibility to address business-related human rights impacts and communicate with its stakeholders.

- ① The Company seeks to communicate actively with the affected stakeholders including individual, groups and investors on the Company's business-related human rights impacts and provide appropriate information to the stakeholders so that they can reasonably review the Company's internal and external human right policies.
- ② The Company may consider independent verification to enhance credibility of the Company's external report on the business-related human rights impacts.
- ③ The Company will provide information that helps interested parties to assess whether the Company is properly responding to specific human rights issues.

#### **E. Article 9 (Internalization and System Improvement)**

POSCO endeavors to effectively improve human rights operational management system necessary to embed it through the Company by internalizing human rights due diligence results into the organizational culture and carrying out improvement activities.

- ① The Company carries out activities to internalize human rights management into the organizational culture by training on rapport-building on the human rights and training on the human rights regulations and sharing success/failure stories to officers and employees.
- ② The Company continuously improves systems for respect of human rights by identifying areas in need of improvement through expert advices, communication with stakeholders and operation of a system.

## 4. Chapter 4 Grievance Mechanisms)

### Article 10 (Grievance system)

POSCO operates a grievance system to prompt discuss and take proper remedy for the direct and/or indirect business-related adverse human rights impacts raised. In terms of the operation of grievance system, the grievance system

- ① Helps the Company to identify and analyze business-related human rights abuse or adverse impact on it and the system is understood to be a perceived injustice evoking stakeholder's entitlements those affected are directly involved in seeking remedy
- ② Helps the Company to make it possible for grievances to be addressed and remediated early so that the Company can prevent exacerbation of such business-related human rights abuse or adverse impact
- ③ Helps the Company to review and feedback company's internal procedure on human rights through various grievance systems and lead to improve it with respect to applicable laws and internationally recognized human rights standard.
- ④ We have channels such as the internal complaint committee and whistle blower for the adversely affected individuals and we try to promptly address and remedy any issues raised. We strictly adhere to the system of protecting those who file a grievance so that none of our employees and stakeholders will be subject to any disadvantage and to file a grievance you can register your grievance on [humanrights.pmh@posco.net](mailto:humanrights.pmh@posco.net).

## C. Our Position on Human Resource (HR) and Labor Management

### I. Recruitment, Appraisal, and Compensation

#### A. Recruitment

In principle, POSCO Maharashtra Steel hires through open recruitment, and in consideration of our strategic directions and the hiring situation, we select 'creative talents with a practical and caring mindset.' In accordance with our systematic and professional screening procedures and standards, we evaluate the applicants' competence and skills objectively and treat all applicants fairly.

**B. Appraisal and reward**

POSCO Maharashtra Steel has a fair and objective appraisal system in place to compensate personnel based on their performance. Prior to conducting an appraisal, both the appraisee and the appraiser pledge a 'fair appraisal', and the appraisee may raise an objection to the results of his/her appraisal through separate procedures. For supervisors, these multi-source appraisals with colleagues and teammates allow them to reflect on and improve their leadership skills, including their practice of the management's philosophy, communication abilities, and work methods. To assure objective and fair appraisals of employees by supervisors, we conduct regular training sessions on the appraisal criteria and methods.

In consideration of the internal and external factors, without any discrimination based on gender, wages may be differentiated according to the employees' individual appraisals. We also offer bonuses to outstanding employees.

**C. Appraisal process**

POSCO Maharashtra Steel conducts regular appraisals (once a year) for all permanent employees based on its fair and systematic standards. Based on the work performance and self-appraisal results prepared by the employees themselves, appraisals are carried out several times to systematically measure the performance of each employee. Regular appraisals rate the employees' work performance, competence, qualifications, and ethical awareness, and the results are used in their promotions and trainings, as well as their compensation, which applies the differentiated compensation system based on performance.

Furthermore, by operating an appraisal system that allows our employees to input their work performance and supervisors to provide coaching, we provide support so that the coaching and feedback on work is available at all times.

**D. Our position on wage**

POSCO Maharashtra Steel's wages consist of base up salary, benefits, and incentives, and a base up salary is determined by each employee's work-related competence and performance. In addition, our employees' wages are thoroughly managed to ensure compliance with the provisions stipulated in the labor relations laws and regulations of country or region. Wages are fully paid in cash, and overtime pay is provided to the employees who exceed their statutory working hours pursuant to the standards set by labor laws.

### **E. Our position on working hours**

POSCO Maharashtra Steel observes all laws regarding the conditions of employment, including base hours, annual paid leave, and overtime hours. All overtime work is voluntary and should be performed in accordance with the standards set by the labor laws.

To effectively manage worker fatigue, the working hours, shift patterns, and break hours are determined in accordance with the relevant laws and regulations, and all workers are provided with appropriate break hours for meals and rest.

## **D. Human Capital Development System**

POSCO Maharashtra Steel operates various programs aimed at strengthening its employees' professional skillsets. These programs help each employee to grow through work, networking, and learning.

### **A. Career Development**

POSCO Maharashtra Steel fosters the next generation of insightful business leaders, and to improve the field technical expertise, actively supports its employees' career development. Based on the Career Development Plan (CDP) model for each area of practice, the office staff members and the engineers devise career development plans themselves. New hires first gain experiences in the same practice area for a certain period of time, then they may expand their careers to other practice areas. To promote this self-led career development for its employees, POSCO Maharashtra Steel encourages the employees to have interviews with the department heads every year and takes a company-wide survey on work-related factors. Technical field staff members, by regularly rotating within their departments and positions, strengthen their technical expertise and ability to respond to an emergency. Outstanding employees are trained in the production process management to eventually become field supervisors.

### **B. Competence Strengthening Program and Customized Training Support**

POSCO Maharashtra Steel focuses on nurturing professionals to transfer technological knowledge in line with changes in the workplace environment, and it offers customized leadership training programs to strengthen the supervisors' leadership skills. To develop future talents, POSCO Maharashtra Steel offers position-customized education programs, including class learnings and e-learning courses.



## **E. Our Position on Diversity, Equity, and Inclusion (DE&I)**

At POSCO Maharashtra Steel, we believe that diversity, equity, and inclusion are essential to our culture, and strive to promote them in all of our worksites. We give all our employees an opportunity to express their opinions freely and implement an efficient and flexible organizational system by continuously identifying and resolving problems. Also, by prohibiting discrimination based on gender, nationality, race, and disability, and acknowledging and understanding the diversity and cultural gaps, we are making a workplace where everyone is respected.

## **F. Information Security Policy**

### **A. Information Security Principles**

At POSCO Maharashtra Steel, we are striving to secure and maintain our global competitiveness by complying with the international standards for information security and relevant domestic and foreign laws, and to protect information assets such as core technologies and HR, which are the source of our competitive edge. In that regard, we are preparing fair and reasonable policies and standards for information security, and all our employees are striving to maintain the highest level of protection as they attain execution power by making information security a part of their daily life. To this end, we are operating the following five strategic directions to secure execution:

- ① POSCO Maharashtra Steel recognizes information security as one of its management activities and establishes an information security management system to respond to changes in the business environment in a timely manner.
- ② POSCO Maharashtra Steel employees recognize that they are the main agents for information security, and that they can improve the level of security by continuously participating in education and training sessions to nurture information security experts.
- ③ POSCO Maharashtra Steel employees make information security part of their daily routine and establish related activities as a corporate culture.
- ④ POSCO Maharashtra Steel forms a systematic information security organization and defines and applies clear roles and responsibilities.
- ⑤ POSCO Maharashtra Steel establishes and operates procedures to identify security vulnerabilities and to manage them continuously.

## **B. Information Security Policy Operations Cycle**

POSCO Maharashtra Steel's information security regulations and guidelines are based on data security principles. These are amended each year to reflect the latest laws and systems and changes in the internal and external environments. When regulations and guidelines are enacted, amended, or repealed, they are reviewed by our Information Security Officer or Information Security Committee, and reported to the top management to be approved and finalized.

The information security policy system consists of four layers: principles, regulations, guidelines, and operating procedures. The regulations specify activities such as information security policies, organization, management of change, and responding to security breaches, together with the operation standards for each field, such as assets, personnel, and document security. In addition, information protection policies for each sector have been established as sub-guidelines of the regulations and are implemented under the supervision of each executive department.

## **G. Our Position on Stakeholder Engagement Framework**

POSCO Maharashtra Steel pays attention to the opinions of our various stakeholders, and we reflect their feedback in our business operations through our Stakeholder Engagement Framework. In running our business or when promoting new projects in particular, POSCO Maharashtra Steel considers the economic and physical impacts on local communities.

### **A. Stakeholder Engagement Framework**

#### **1) Identification of Community and Stakeholders**

POSCO Maharashtra Steel defines and categorizes stakeholders according to their general functions, scale, importance, and the degree of influence they receive from business activities. This includes employees, customers, partners and suppliers, local communities, and shareholders and investors. POSCO Maharashtra Steel also identifies local communities and stakeholders that may be affected economically, environmentally, and socially before starting any business in the region.

#### **2) Analysis of the Impact on Community and Provision of Information**

In the process of operating worksites and implementing new projects, POSCO Maharashtra Steel takes an in-depth look at its physical and economic impacts on local communities. While ensuring its compliance with relevant laws and regulations throughout the project area,

POSCO Maharashtra Steel supervises its environmental and social impacts, including assessing the environmental influences of our projects. The contents thereof are reflected in the Code of Ethics Practice Guidelines. We also hold discussions with the local community about the effects our projects can have through public hearings.

### **3) Project Execution**

POSCO Maharashtra Steel carries out projects with the aim of preserving local cultural heritage and minimizing economic, environmental, and social impacts. If a business or a project is deemed as having an adverse effect or is likely to have an adverse impact, POSCO Maharashtra Steel reviews and monitors measures to minimize them. To this end, we consult with the local community through community engagement and feedback mechanisms.

### **4) Collection and Analysis of Opinions from the Community**

POSCO Maharashtra Steel collects and analyzes community opinions from the early stages of project development. POSCO Maharashtra Steel supplies transparent and specific information during the process and provides opportunities for those related to the issues at hand in addition to the local community and major stakeholders to communicate their impressions and thoughts. Furthermore, we strive to provide comprehensive information on how to manage and respond to issues and to provide appropriate timing for participation to help local communities in making decisions.

### **5) Grievance handling mechanism**

POSCO Maharashtra Steel operates a mechanism for handling grievances from a local community, such as preservation of cultural heritage, and a process for collecting opinions. Grievances of the local community can be filed through various channels, including POSCO Maharashtra Steel website (Center for Reporting Unethical Behavior), telephone, fax, mail, and e-mail. If the grounds for the grievance are confirmed, the relevant departments will take appropriate actions after conducting a monitoring and a due diligence. POSCO Maharashtra Steel rigorously protects complainants, and strictly prohibits disclosure of the complainants' identity and any acts of searching for and retaliating against the reporting person. In addition, we ensure that complainants are not subject to any ill treatment, including in employment relationships. After processing the complaint according to the procedure, the results are notified directly in person or in writing.

## **B. Human Rights Protection and Job Policy in the Local Community**

In our business activities and relationships, POSCO Maharashtra Steel controls its management activities and business relations so that human rights such as the environment, safety and health, and freedom of residence of local residents are not violated. POSCO Maharashtra Steel also collects opinions in accordance with relevant laws and regulations, and respects the autonomy and traditional values of local communities. In addition, by creating and maintaining stable jobs and diligently paying taxes in compliance with the Code of Ethics, POSCO Maharashtra Steel fulfills its responsibilities and obligations in the local community.

**[Document History]**

<b>Version</b>	<b>Date</b>	<b>Description of Change</b>
01	'24.10.31	Enactment of ESG Policy
02	'24.12.12	Amendment in Human Rights Guidelines as per HQ's revised guidelines