

SeAH Steel Sustainability Report 2023

Inspired by SeAH



About This Report



Cover Image

The cover of SeAH Steel's third Sustainability Report showcases offshore wind turbines steadfastly generating eco-friendly energy over a turbulent, blue ocean. This image symbolizes SeAH Steel's unwavering dedication to sustainability and its aspirations to play an increasingly significant role in offshore wind power generation through its steel pipes.

SeAH Steel

Overview

This is SeAH Steel's third Sustainability Report on the company's ESG (Environmental, Social, Governance) performance and plans. As a company pursuing sustainable values, SeAH Steel publishes annual Sustainability Reports to transparently disclose our ESG management performance to various stakeholders.

Reporting Standards

- GRI (Global Reporting Initiative) Standards
- SASB (Sustainability Accounting Standards Board) Standards
- TCFD (Task Force on Climate-related Financial Disclosure) Recommendations

Reporting Period

January 1, 2023 to December 31, 2023

- * Some of the key performances include information from the first half of 2024.
- * In reporting quantitative performances, we disclose data from the past three years (2021-2023) to enable the analysis of year-over-year trends.

Reporting Scope

Financial reporting: Based on Korean International Financial Reporting Standards (K-IFRS) for consolidated financial statements
Non-financial reporting*: Based on headquarters and domestic plants

- * In case of divergence from the scope of this report, footnotes or additional information are provided.
- * Some environmental data have been revised from last year's report due to changes in calculation criteria and error corrections. Modified data are marked using footnotes.

Assurance

Financial Information: KPMG Samjong Accounting Corp.
Non-financial Information: Korea Productivity Center
(See Third Party Assurance Statement on p. 88-89)

Review

Professor Jin Soo Han at KAIST School of Business reviewed the English version of SeAH Steel Sustainability Report 2023.

Contact Information

ESG Promotion Team, Sustainability Management Office of SeAH Steel
Address: 26th FL, SeAH Tower, 45 Yanghwa-ro, Mapo-gu, Seoul, South Korea
Email: seahsteel.esg@seah.co.kr
Website: www.seahsteel.co.kr
Phone: +82-2-6970-1141 to 1144

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CEO Message

This year marks the publication of our third Sustainability Report. We extend our gratitude to all internal and external stakeholders who have directly or indirectly participated in our journey to expand SeAH Steel's sustainability.



● **Leading the Eco-friendly Energy Steel Pipe Market**

The global industrial structure is now entering a full-scale transition to a low-carbon economy. As more significant structural changes are anticipated across various industries, SeAH Steel is responding proactively to the global energy transitional environment through thorough market analyses of the offshore wind power, CCUS (Carbon Capture, Utilization, and Storage), and steel pipes for hydrogen transportation. We are also achieving quick production stabilization following new facility investments. In order to secure distinctive competencies and competitiveness as an eco-friendly material supply partner, we are fostering collaboration across all internal departments and striving to strengthen our cooperative relationships with external stakeholders.

● **Organizational Restructuring for Sustainability Management and Standing Operation of an ESG Consultative Body**

SeAH Steel established and commenced the operations of the Sustainability Management Office in 2022, publishing its first sustainability report in the same year. To further strengthen sustainable management, the company reorganized its structure and formed a permanent ESG Consultative Body. In addition to the existing SHE Planning Team, we appointed a new SHE Planning Executive and formed a new Energy Environment Planning Team. Some of our plants separated the “Safety and Environment” functions of the Business Operations Team and elevated them to form the Safety Environment Team. Of particular importance, we developed Eco-Friendly Strategies, setting goals and guidelines to be achieved by each relevant department and also established mid-to-long-term ESG strategies that comply with international standards. While these are currently reflected in the performance evaluations of some departments, we are reviewing to improve the performance management system so that ESG related performances can be actively incorporated into the evaluations of all departments in the near future.

Additionally, we are making every effort to ensure that sustainability management takes root within each organizational unit by providing ongoing, year-round training programs for “SeAH ESG Friends,” an ESG Consultative Body comprised of select personnel from ESG relevant departments. Furthermore, we established policies this year regarding environmental, social, and governance areas, providing guidelines within the company, disclosing them publicly, and thereby reinforcing our determination towards fulfilling ESG management.

● **Activities to Improve Employee Awareness on ESG Management**

SeAH Steel strives to create a positive influence on the society by improving employee awareness on ESG management. We regularly publish ESG-related newsletters in both Korean and English for employees and implement various resource circulation activities, such as installing recycling bins, conducting a campaign on resource circulation of E-waste, as well as on the reduction of paper waste, and the donation of secondhand books. Additionally, we conducted interviews with executives and managers of key related departments regarding the awareness of ESG management to share their inputs with employees. We also conducted the “SeAH Leaders ESG Challenge” for team managers who wished to voluntarily pursue ESG values in our everyday lives. These various activities will continue to be publicly disclosed through the sustainability management blog of our holding company, SeAH Steel Holdings.

SeAH Steel has always contributed to enriching the lives of mankind through the “right” people, the “right” workplace, and the “right” products. Aspiring to become a company that values both the people and nature to make the world more beautiful place, SeAH Steel will rise to meet your expectations by actively heeding the opinions of our stakeholders and implementing sustainable management. We kindly ask for your continued interest and encouragement going forward.

June 2024
CEO **Howard Whi Young Lee**

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Key Highlights 2023

Environmental	Social	Governance
<div>Environment and Energy Investment</div> <div>KRW 953 million</div> <div></div>	<div>Evaluation of Suppliers for Qualification</div> <div>45 suppliers</div> <div></div>	<div>Percentage of Outside Directors</div> <div>57 %</div> <div></div>
<div>GHG Emissions</div> <div>75,030 tCO₂eq</div> <div></div>	<div>Green Purchasing</div> <div>KRW 5,116 million</div> <div></div>	<div>Average Rate of Attendance at BOD Meetings</div> <div>100 %</div> <div></div>
<div>Waste Recycling Rate*</div> <div><small>*Excluding Construction Waste</small></div> <div>71 %</div> <div></div>	<div>Employee Volunteer Hours</div> <div>398 hours</div> <div></div>	<div>Compliance Management System (ISO 37301) Certification</div> <div>March 2023</div> <div></div>

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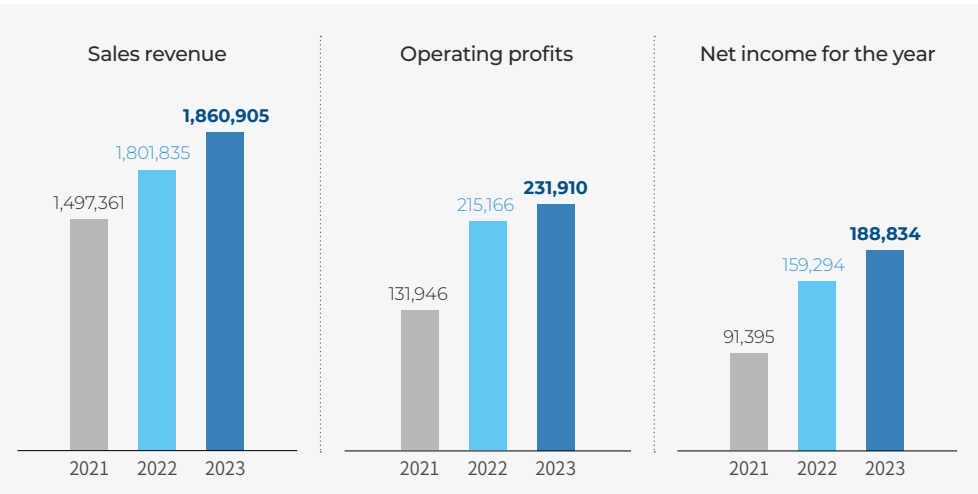
About Us

SeAH Steel has led the industry since 1967 when it became the first company to export steel pipes from South Korea. Over the years, we have pioneered new markets and developed high-value-added products. Our operations are centered on the Pohang Plant, a hub for producing high-value-added steel pipes for exports. We operate four production bases across South Korea: the Suncheon Plant specializes in the production of large-diameter thick-walled steel pipes, the Changwon Plant manufactures special pipes made of stainless steel and titanium, and the Gunsan Plant produces steel pipes for domestic use. In recent years, SeAH Steel has made significant strides in the eco-friendly market, leveraging our manufacturing expertise in energy and construction materials. We have entered the offshore wind power market and expanded our capacity for the production of foundation materials. Furthermore, we have bolstered our capabilities with a roll-forming facility for 24-inch stainless steel pipes, the largest of its kind in South Korea, enhancing our competitiveness in the LNG market.

Company Name	SeAH Steel Corp.
CEOs	Lee, Howard Whi Young / Hong, Mangi
Established on	September 3, 2018
Headquarters Address	45 Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Main Business	Manufacturing of steel pipes

Financial Performance

(Unit: KRW million)



Core Value

MISSION

Making the World Beautiful

SeAH cares for people and contributes to enriching lives through the “right” people, the “right” workplace, and the “right” products.

CORE VALUE



- Gratitude and Humility
- Fundamentals and Principles
- Keeping Our Word

- Ownership Mentality
- Agility
- Spirit of Pursuing Challenges

- Insight
- Cooperation
- Completion

PROCESS & CULTURE

Build, Create, Inspire

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History

Laying the Foundations for Steel Pipe Manufacturing

Taking the Path of Growth

- 1960 ~ 1970
 - 1960 Established Pusan Steel Pipe Industry Corp.
 - 1965 Acquired the Korean Industrial Standard (KIS) mark certificate
 - 1967 Became the first Korean manufacturer to export steel pipes to the U.S.
 - 1969 Listed on the Korea Stock Exchange
- 1971 ~ 1995
 - 1971 Relocated the headquarters to Seoul
 - 1973 Started the production of spiral welded steel pipes
 - 1975 Changed company name to Pusan Pipe Corp.
 - 1978 Completed construction of Pohang Plant 1 and established SeAH Steel America
 - 1979 Acquired the American Petroleum Institute (API) Monogram (5L, 5CT)
 - 1980 Completed the construction of Pohang Plant 2
 - 1981 Acquired DNV Mark Certificate from Norway's Det Norske Veritas (DNV)
 - 1981 Won the USD 100 million Export Award, Gold-Tower Industrial Award
 - 1983 Completed the construction of Pohang Plant 3 and acquired Japanese Industrial Standard (JIS) mark
 - 1989 Established SeAH Japan
 - 1990 Completed the construction of Pohang Galvanizing Plant
 - 1991 Completed the construction of Pohang Large-diameter Pipe Plant (LD-80)
 - 1993 Acquired Quality Assurance System (ISO 9001) Certificate
 - 1995 Established SeAH Steel Vina

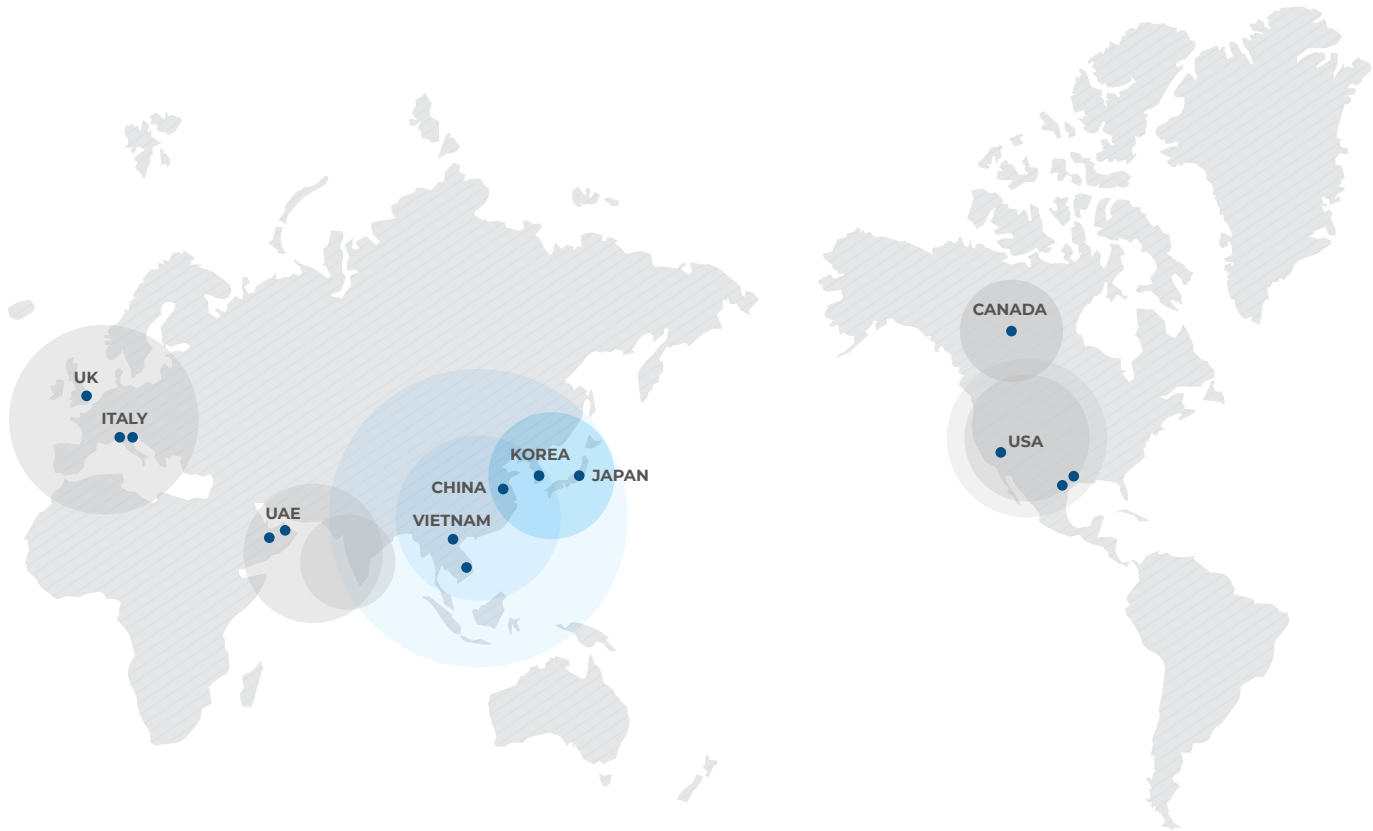
Advancing to a New Phase

- 2000 ~
 - 1996 Changed company Name to SeAH Steel Corp.
 - 1997 Acquired Environmental Management System (ISO 14001) Certificate
 - 2001 Company spin-off (SeAH Steel, SeAH Holdings)
 - 2002 Selected as the Best Practice Enterprise for New Labor-Management Culture
 - 2003 Won the first Ethical Management Award for Circular Management Culture
 - 2007 Awarded the Silver Tower Industrial Medal on the 8th Iron Day
 - 2008 Won the USD 300 million Export Award
 - 2009 Completed the construction of Gunsan Steel Pipe Plant, selected as the Best Practice Enterprise for New Labor-Management Culture
 - 2011 Completed the construction of SeAH Steel UAE
 - 2012 Won the USD 500 million Export Award
 - 2013 Completed the construction of Pohang JCOE Plant
 - 2014 Acquired Inox Tech S.p.A., Won the USD 600 million Export Award
 - 2016 Established SeAH Steel USA
 - 2018 Transitioned to a holding company system (SeAH Steel Holdings, SeAH Steel)
 - 2020 Completed the construction of the R&D Center
 - 2020 Acquired Syntec Gwangyang plant
 - 2020 Celebrated the 60th anniversary of its founding
 - 2021 Issued ESG green bonds
 - 2022 Selected for the Presidential Prize in Labor-Management Culture Awards
 - 2022 Acquired Energy Management System (ISO 50001) Certification
 - 2023 Became the first in the steel industry to obtain Compliance Management System (ISO 37301) Certification
 - 2023 Received the Minister of Environment Award for the BELFS PLUS Chemical Safety Campaign
 - 2023 Acquired "S Grade" in PSM at Changwon Plant
 - 2023 Received the USD 700 million Export Tower Award
 - 2023 Won the Minister of Environment Award for the Public Sector at the Resource Circulation Practice Competition, "Modubium, ESG Sharing"

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Global Network



Asia

SeAH Steel Holdings Corp.
SeAH Japan Co., Ltd.
SeAH Steel Holdings Beijing Office
SeAH Steel Vina Corp.
Vietnam Steel Pipe Co., Ltd.
SeAH Steel UAE LLC
SeAH Steel Holdings Middle East Office

America

SeAH Steel America, Inc.
State Pipe & Supply, Inc.
SeAH Steel USA LLC

Canada

SeAH Steel America Calgary Office

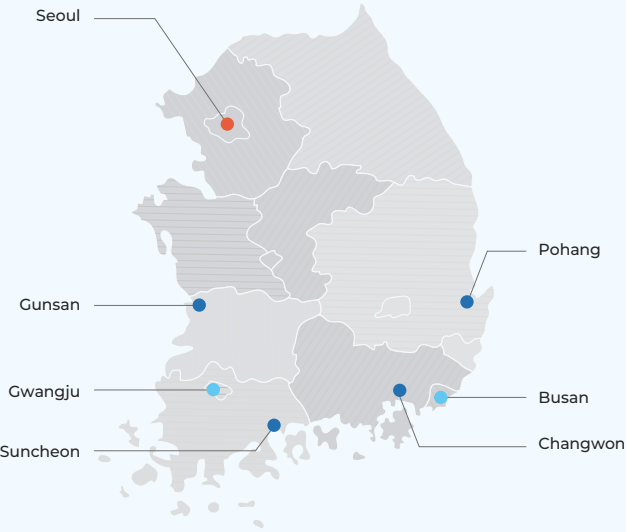
Europe

SeAH Steel Europe S.r.l.
Inox Tech S.p.A.
SeAH Wind Ltd.

Domestic Operations

● Headquarters ● Plants ● Branch Office

	Pohang Plant	Suncheon Plant
Location	Jangheung-dong, Nam-gu, Pohang	Haeryong-myeon, Suncheon
Main Products	API steel pipes	Steel pipes for LNG plants, foundation parts of the offshore wind power, steel pipes for structures
Production Capacity	1.05 million metric tons/year	Steel pipes 170,000 metric tons/year, special pipes 40,000 metric tons/year



	Gunsan Plant	Changwon Plant
Location	Osikdo-dong, Gunsan	Ungnam-dong, Changwon
Main Products	General medium and small-diameter steel pipes	Stainless pipes for plumbing
Production Capacity	300,000 metric tons/year	40,000 metric tons/year

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Products

Carbon Steel

ERW

Electric Resistance Welding (ERW) pipe, SeAH Steel's flagship product, offers numerous advantages, including high efficiency, high quality, high-speed welding, suitability for mass production, thin wall welding, a narrow heat-affected zone for welding, oxidation layer, and minimal deformation.

SeAH Steel has achieved the largest production capacity and the highest technology in South Korea as we produce a variety of steel pipe products in different grades and sizes, ensuring the integrity of welds through non-destructive testing (NDT).

SAW

This is a product where we have made significant investments in recent times. It is a steel pipe manufactured using the highly efficient SAW (Submerged Arc Welding) method, where a solid wire is fed into pre-laid granular flux, and an arc is generated within the flux to perform the welding.

Based on the welding technology and know-how accumulated at the R&D Welding Research Center, SeAH Steel has secured optimal welding conditions and achieved the highest quality of welding through the application of a monitoring system. In particular, we are the first in South Korea to apply the expander equipment, securing optimal dimensional quality and welding integrity by using the NDT.

Special Steel

SAW

This is a steel pipe manufactured by feeding a solid wire inside the sintered flux surrounding the welded part and generating an arc between the base materials to produce a thick-walled welded stainless steel pipe.

Based on the advantages of a very low defect rate and highly stable efficiency, the method is applied to the Roll & Press Bending production process to manufacture thick-walled welded stainless steel pipes.

PAW

This is a high-quality welded pipe made by applying the plasma keyhole technique with a high root penetration effect to the roll-forming production process.

In particular, we are securing unparalleled competitiveness in the LNG project market with the expansion of 24-inch roll-forming equipment.

GTAW

SeAH Steel produces stainless steel pipes and titanium tubes that offer the advantages of a much more stable arc and lower heat input by combining High Pulsed technology with the existing GTAW to secure high-quality weldability.

SeAH Steel produces high-quality heat exchanger tubes with excellent corrosion resistance and high strength supplied to nuclear power plants and desalination facilities. We have developed the technology to produce titanium tubes and super austenitic (SR50A) tubes, the first of its kind in South Korea.

Business Areas

OFFSHORE FOUNDATION

SeAH Steel has entered the business for offshore wind power materials based on our diverse experiences in steel pipe manufacturing and superior technology, working together with global customers.



H₂ & CO₂ TRANSPORTATION

SeAH Steel provides solutions for sustainable energy with safe and efficient steel pipes for H₂ & CO₂ transportation.

LNG

SeAH Steel contributes to stabilizing the energy supply through various products that connect the energy resources supply chain.

SHIPBUILDING

SeAH Steel contributes to the advancement of the shipbuilding industry by providing high-quality piping. Steel pipes are essential elements for ensuring the safety of ships in the process of transferring water, gas, hydraulics, and other materials within ships.

OIL & GAS

SeAH Steel has established itself as a stable supply chain for global EPC projects by providing steel pipes necessary for the extraction and transportation of OIL & GAS, including natural gas. We have secured production technology with superior low-temperature toughness, corrosion resistance, and strength.

CONSTRUCTION / PLANT

SeAH Steel supplies top-quality steel pipes across a broad spectrum of construction and industrial sites through stringent quality control. Our offerings range from pipes used for basic infrastructure such as water, gas, and electrical wiring to construction materials such as steel pipes for onshore and offshore structures and plant piles.



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Green Product R&D Strategy

SeAH Steel is contributing to the transition to sustainable energy by conducting R&D on eco-friendly low-carbon products in three major areas: energy transition, industry, and mobility.

Energy Transition

Participation in eco-friendly renewable energy projects and the supply of products

Steel Pipes for Offshore Wind Foundations

- Steel pipes for the foundations of ultra-large-scale offshore wind farms
- Foundation substructures supporting the trend towards high-efficiency, large-scale offshore wind farms to reduce the Levelized Cost of Energy (LCOE)

Steel Pipes for Solar Power Generation

- Highly corrosion-resistant galvanized steel pipes
- Durability is improved compared to existing products, minimizing the demand for replacement

Steel Pipes for Geothermal Power Generation

- Casing & Tubing for capturing geothermal energy
- Products used in water, sulfur, and high-temperature environments

Industry

Supply of pipelines for H₂ energy conversion as well as CO₂ storage and utilization

Steel Pipes for H₂ Transportation

- Welded steel pipes (ERW, SAW) for high-pressure hydrogen transport
- Participated in core technology development projects for renewable energy
 - Implemented government projects with industry/academia/research institutes
- Hydrogen testbed cities
 - Supplied welded pipes (securing hydrogen embrittlement resistance)
- Pohang Jangheung Hydrogen Charging Station
 - Supplied steel pipes for H₂ transport at the largest Hydrogen Charging Station in Pohang Jangheung

Steel Pipes for CO₂ Transportation

- Steel pipes are used to transport captured CO₂ to sites for utilization or storage
- Characteristics of CO₂ transportation steel pipes
 - Maintaining a supercritical single phase during CO₂ transport (minimizing temperature/pressure changes)
 - CO₂ properties and pipeline corrosion issues (maintaining dry conditions)
 - Linked with the hydrogen industry (application of CCUS in blue hydrogen production)

Mobility

Supply of products related to eco-friendly EVs and efficient transportation systems

Steel Pipes for EVs

- Steel pipes for rotor shafts
- Parts that transfer motor rotation to the reducer
- Lighter weight for increased driving range and cost efficiency
 - Improved part performance and lifespan, increased fuel efficiency

Tubes for Hyperloop

- Lightweight high-strength tubes for passages used in ultra-high-speed transportation systems
- Travel at a speed of up to 1,200km/h inside a near-vacuum tube (0.001 atm or less)
- Developed a large-diameter spiral tube-forming technology
 - Technology securing ovality and straightness

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Achievements in Green Product R&D



Energy Transition | Offshore Wind Power

SeAH Steel has been continuously supplying products to major offshore wind projects since 2017 with the goal of becoming an “energy transition leader.” In 2020, after acquiring the Syntec Gwangyang plant, we decided to invest in an additional Roll Bender (R/B) for pin pile manufacturing as well as post-processing facilities and completed the investment successfully in the first quarter of 2023. Based on our newly expected synergy with SeAH Wind, a UK-based monopile manufacturing affiliate, in addition to our novel facility investments for roll benders and organization system now structured to specialize in Offshore Foundation (OF), we are on track to build the world's largest monopile plant. We will continue our efforts to provide total solutions to the offshore wind industry.



Industry | Hydrogen

The hydrogen and CCUS (carbon capture, utilization, and storage) industries, pivotal for carbon reductions in the energy area, are experiencing sustained growth. This underscores the necessity for developing new pipelines distinct from conventional OIL & GAS pipelines. SeAH Steel is enhancing our facilities to manufacture pipes designed to transport H₂ and CO₂. We are focusing on improving our R&D capabilities by participating in a public-private partnership project led by the Ministry of Trade, Industry, and Energy for developing core renewable energy technologies. In 2023, we conducted a hydrogen embrittlement test of RINA* to verify the quality excellence of the produced hydrogen pipes and obtained a certification. This will enable us to play a leading role in the future renewable energy and carbon-related industries.

* RINA is a class certification company in Italy specializing in hydrogen embrittlement assessments



Mobility | Hyperloop Tube

In 2022, SeAH Steel became the first Korean company to supply tubes for Hyperloop to Hardt Hyperloop, a company in the Netherlands. Hyperloop is a next-generation eco-friendly transportation system where magnetically levitated capsules travel at ultra-high speeds within vacuum tubes. Hardt Hyperloop successfully demonstrated the world's first lane-switching system for Hyperloop trains. The Hyperloop tubes produced by SeAH Steel are high-value-added steel pipe products. They excel not only in durability compared to standard steel pipes but also in maintaining vacuum conditions over extended periods, vibration absorption, and seismic resistance. These qualities are essential to ensure the stability of Hyperloop systems operating at ultra-high speeds. Furthermore, SeAH Steel is participating in the Hypertube R&D testbed construction project led by the Korean government. Through these efforts, we will continue to contribute to international policies on carbon emission reduction.

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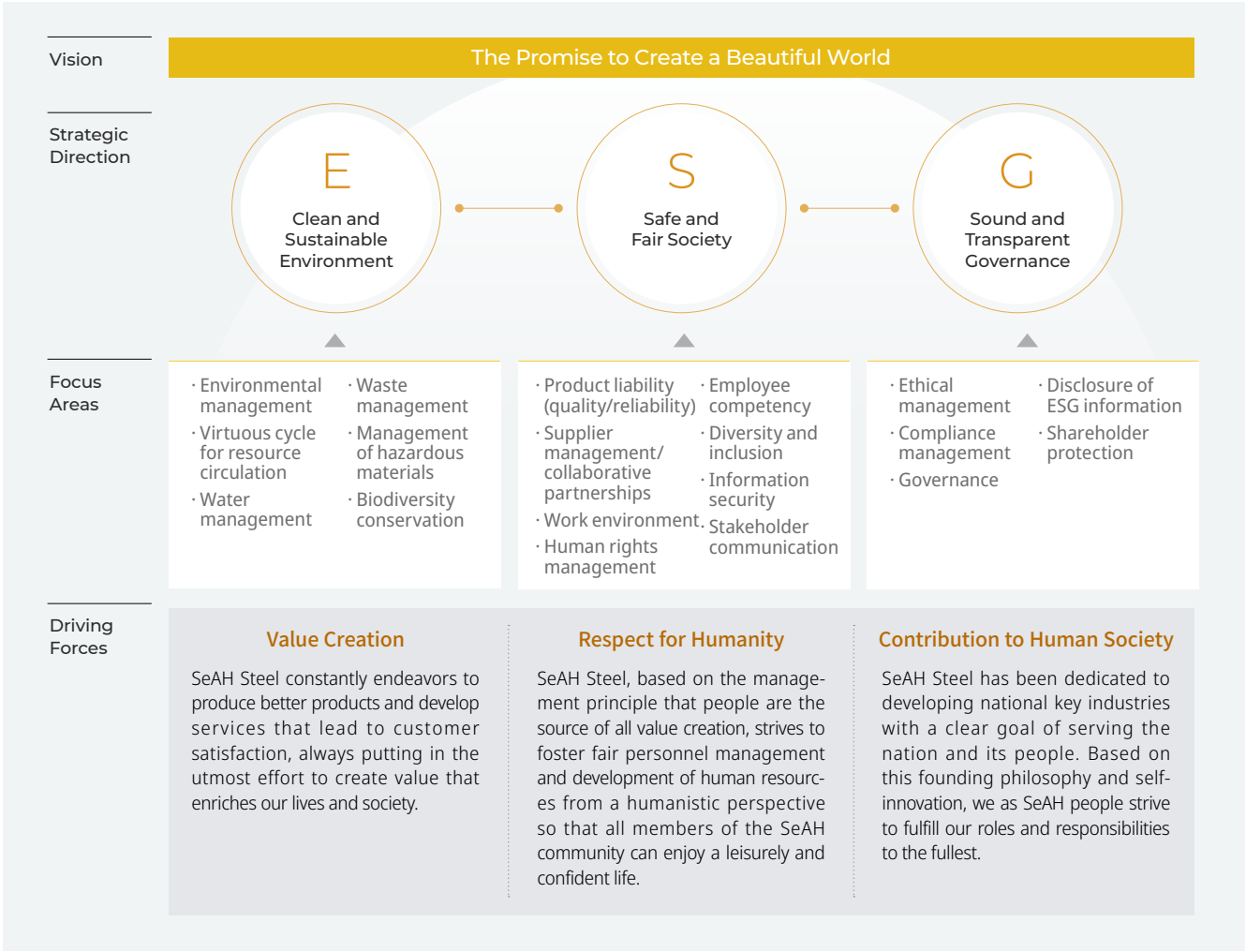
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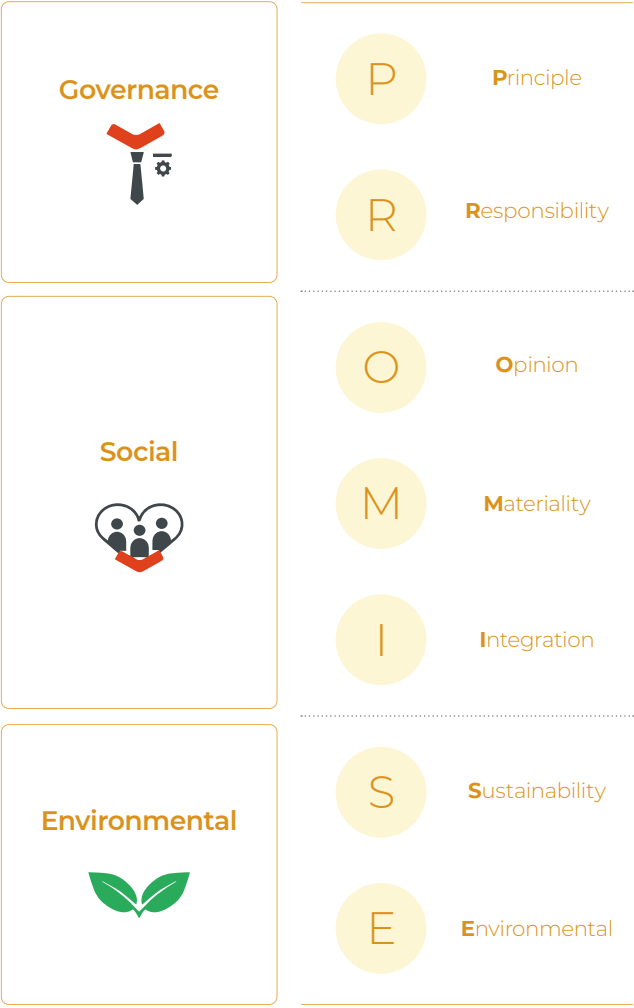
ESG Strategy

SeAH Steel has established a Sustainability Management System with a strategic focus on “Clean and Sustainable Environment,” “Safe and Fair Society,” and “Sound and Transparent Governance” under the vision of “The Promise to Create a Beautiful World.” We are determined to build a sustainable world by pursuing ESG Management based on the PROMISE Strategy and our core values: “Creating Value,” “Respecting Humanity,” and “Contributing to Human Society.”

Sustainability Management System



PROMISE Strategy



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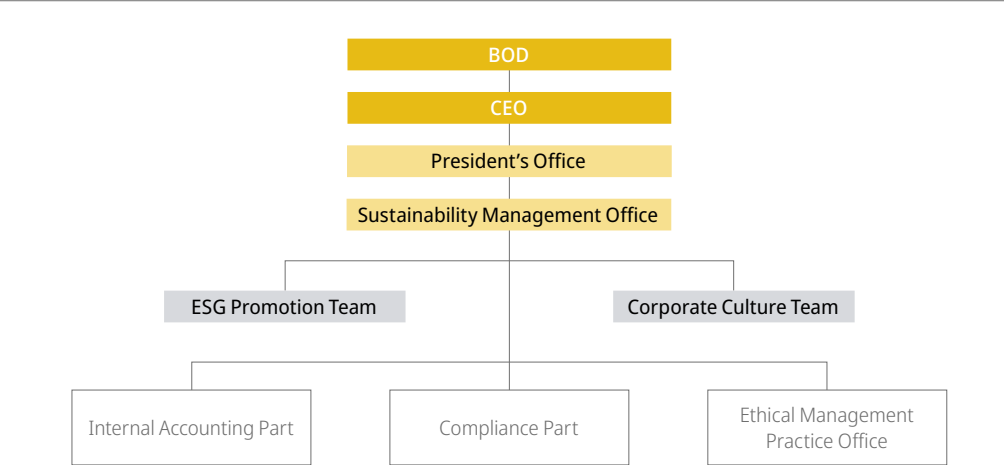
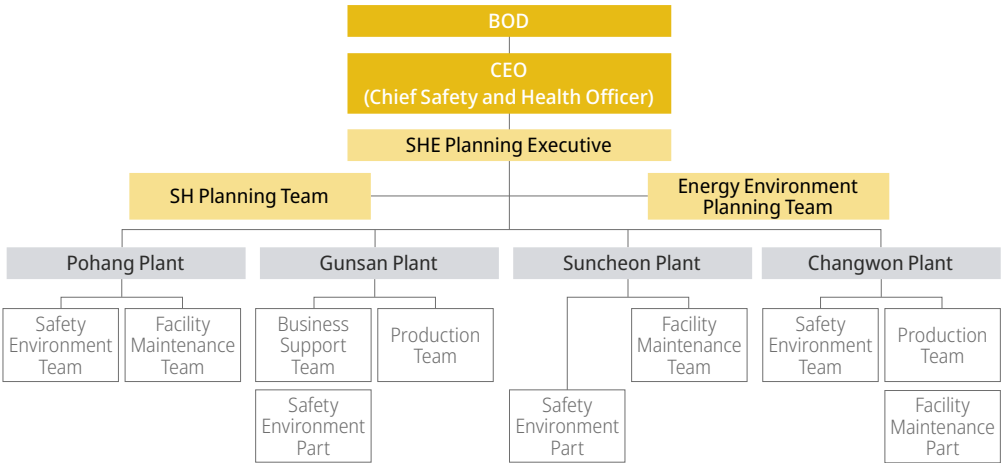
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ESG Governance

SeAH Steel has established ESG governance centered on the Safety and Environment Committee, Energy Management Committee, Social Responsibility Committee, and Integrated Compliance Committee to actively practice eco-friendly management, socially responsible management, and compliance management, and to create a sustainable future where businesses and the broader society thrive together. The Sustainability Management Office, SHE Planning Team, and Energy Environment Planning Team are responsible for quarterly compilation and comprehensive reporting of performance against plans, publication of sustainability reports, responding to ESG assessments, and participation in global initiatives. In 2023, agenda items such as Compliance Management System (ISO 37301) management review and ESG management status were reported to the BOD. Additionally, to internalize the mid-to-long-term ESG strategies, we have added compliance items to the executive performance evaluation and have been partially or gradually applying ESG-related performance to the KPIs of the organization.

Organizational Chart



Governance Roles & Responsibilities (R&R)

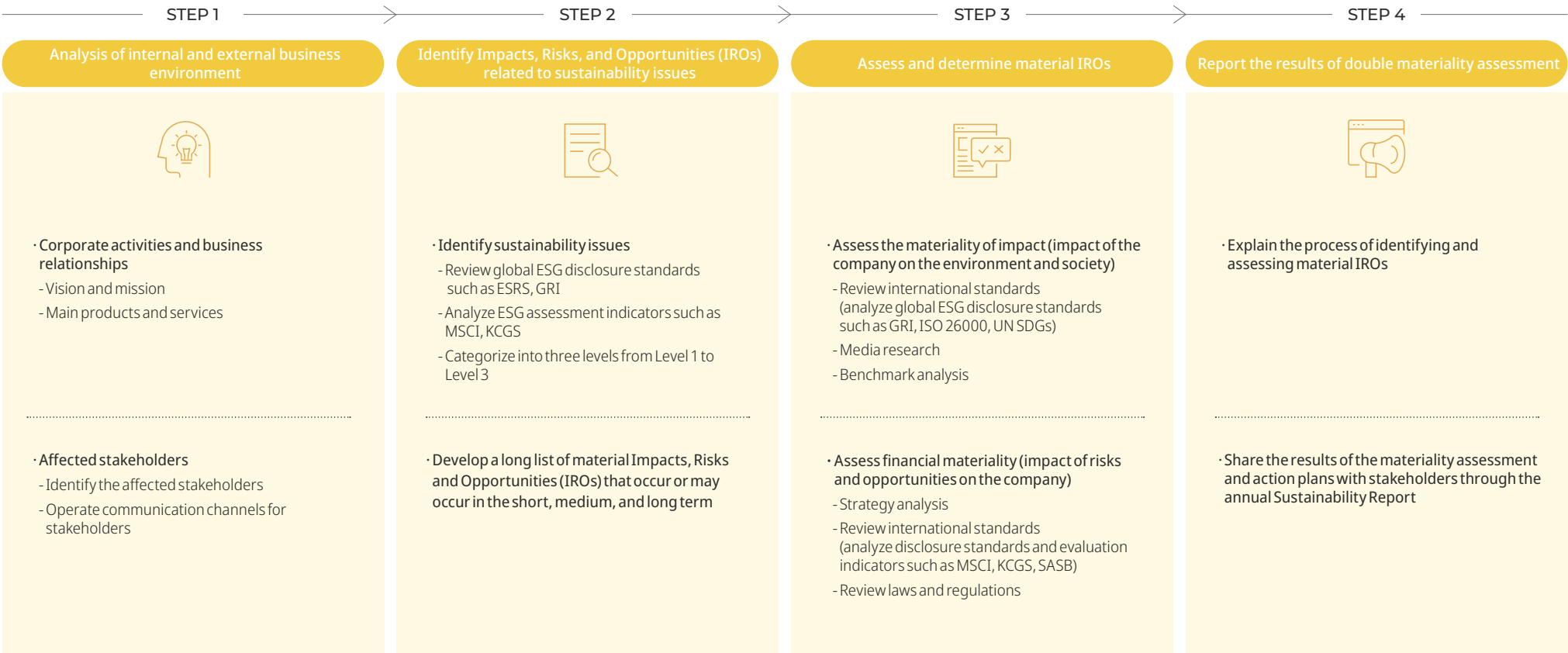


Double Materiality Assessment

Double Materiality Assessment Process

SeAH Steel conducted a double materiality assessment to identify key sustainability issues. This process evaluated both the financial materiality of environmental and social factors on our business and the impact materiality of our own business activities on external stakeholders. In 2024, we adhered to the revised GRI (Global Reporting Initiative) standards of 2021 and enhanced our double materiality assessment methodology in accordance with the ESRS (European Sustainability Reporting Standards). To ensure more reliable results, we conducted focus group interviews with departments involved with material topics and issues. SeAH Steel has established sustainability indicators related to the identified material issues for effective response and is actively managing them. We also systematically manage non-financial risks through the review and approval of the double materiality assessment results by our top management.

Double Materiality Assessment Process



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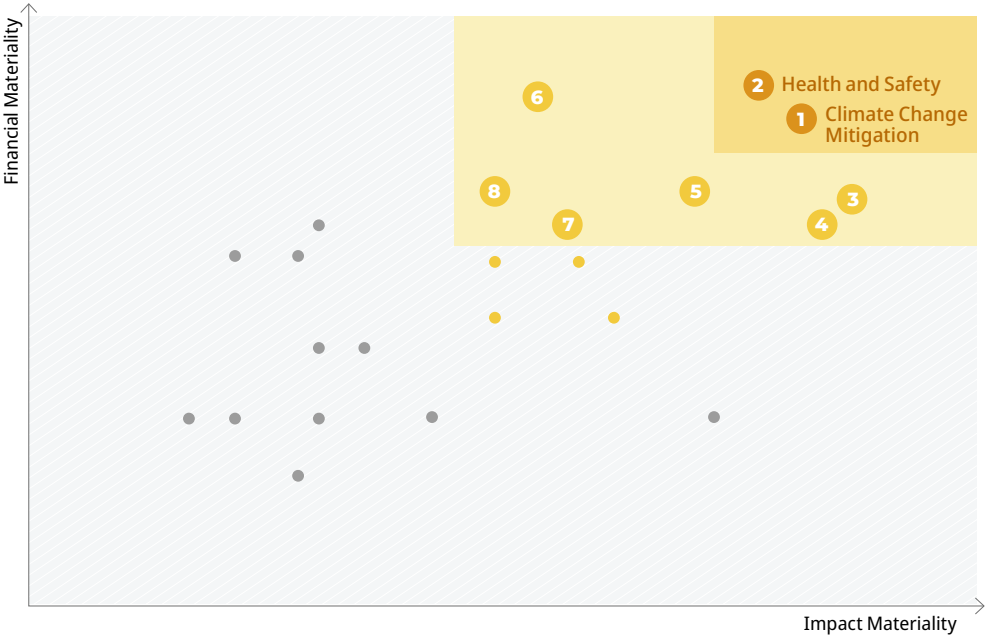
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Double Materiality Assessment

Results of Double Materiality Assessment

As a result of the double materiality assessment, the following eight issues were identified as highly material, with the top two issues, “Climate Change Mitigation” and “Health and Safety,” being identified as core issues. Considering the severity and likelihood of occurrence for each of the material issues, we identified the materiality of each issue in detail.

Rank	Issue	Impact Materiality	Financial Materiality	Pages in the report
1	Climate Change Mitigation	●●●	●●●	23 ~ 28p
2	Health and Safety	●●●	●●●	29 ~ 36p
3	Equal Opportunities	●●●	●●	49p
4	Corporate Culture	●●●	●●	67 ~ 72p
5	Energy	●●●	●●	25 ~ 26p
6	Management of Supplier Relationships	●●	●●●	57 ~ 59p
7	Working Conditions	●●	●●	48 ~ 54p
8	Resources Outflows Related to Products and Services	●●	●●	45p








Core Issues	Impact Materiality		Financial Materiality		Countermeasures	Targets
	Positive	Negative	Risks	Opportunities		
Climate Change Mitigation	· Contribution to reducing global GHG emissions and concentrations	· Increased incidence and severity of extreme weather events, such as heat waves and cold waves	· Loss of competitiveness in the case of a lack of timely response to the expanding renewable energy market in the steel pipe industry	· Enhancement of brand image through a transition to eco-friendly business structure and disclosure of climate action strategies	· Process improvements through investment in low-energy consumption facilities · Establishment of an energy management system · Operation of a resource circulation plant · Development of eco-friendly products, such as steel pipes for H ₂ & CO ₂ transportation	· 15% reduction in carbon emissions by 2030 and 100% reduction by 2050 relative to the levels in 2018 · Transition of 7.5% of energy consumption to renewable energy by 2030
Health and Safety	· Prevention of adverse effects on workers' health and safety through the advancement of workplace environment and safety management	· Occurrence of employee deaths, injuries, illnesses, and disabilities from serious accidents and occupational safety accidents	· Costs incurred for medical services and treatment in case of safety accidents and subsequent costs related to investigation and labor management	· Prevention of industrial accidents through enhanced risk assessment and improvement of the work environment	· Advancing the integrated SHE system · Establishing a system for prevention of safety accidents through a smart safety system (SSE) · Conducting safety environment exchange meetings · Enhancing risk assessment	· Achieving 100% risk assessment improvement rate by 2024 · Zero occupational safety accidents and serious accidents in 2025 · 100% improvement of high-risk factors with risk level 8 or higher

ESG STRATEGY

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Stakeholder Engagement

SeAH Steel recognizes that building and maintaining mutually beneficial relationships with stakeholders is an important and valuable asset for business success. We are determined to understand our stakeholders’ values and needs so that they are incorporated into our internal decision-making processes.

Targets	Communication Channels	Engagement Activities
<div> Customers</div>	<ul style="list-style-type: none">· Website· Customer center· Social media (Naver Blog, LinkedIn)	Inquiries, suggestions, and other comments regarding products and services
<div> Employees</div>	<ul style="list-style-type: none">· Intranet· Labor union· Employee surveys	HR-related issues such as changes in the business environment, wage negotiations, etc.
<div> Competitors/Suppliers</div>	<ul style="list-style-type: none">· Co-growth programs· Meetings among local business owners	Issues related to inclusive growth (win-win cooperation) such as fair contracting, prohibition of unfair trade, etc.
<div> Government/Local Community</div>	<ul style="list-style-type: none">· Public hearings related to governmental policy· Discussion meetings	Matters such as participation in national projects, governmental regulatory policies, environmental protection in the region, community contribution activities, etc.
<div> Shareholders/Investors</div>	<ul style="list-style-type: none">· Shareholders' meetings· IR disclosures	Issues related to fluctuations in stock prices and dividends, changes in business environment and business performance, shareholders’ meetings, etc.

Highlights of Interviews with the Management

We conducted interviews to understand the current status of SeAH Steel's ESG management and to confirm key executives' awareness regarding ESG management and shared their inputs with the employees.

Headquarters

Q Could you share your insights on why ESG management is currently in the spotlight and how it could impact SeAH Steel moving forward?

A **Head of Business Planning Division**

ESG management allows us to conduct business with integrity by systematically managing environmental, social, and governance issues and addressing any issues that arise in the process. This approach to management strives for a society where everyone can live happily, which is why I believe ESG management deserves social attention.

A **International Sales Executive**

In order for everyone to coexist with the Earth's finite resources, we have to create and adhere to a unified set of rules. In other words, ESG management is no longer optional for SeAH Steel for long-term viability. If SeAH Steel can leverage ESG management as an opportunity, we can build a key competitive advantage. Conversely, without a higher level of effort and progress, ESG management could pose significant risks.

Q Do you see various countries' eco-friendly policies to promote ESG management as overly restrictive, or do you consider them essential for survival and necessary to respond to?

A **Strategic Planning Executive**

Given South Korea's economic stature and SeAH Steel's significant position in the global steel market, I believe that ESG management should be considered a necessity for survival. The introduction of initiatives such as CBAM (Carbon Border Adjustment Mechanism) in Europe and the CCA (Clean Competition Act) in the U.S. reflects the growing global emphasis on environmental sustainability. We anticipate that these trends will increasingly affect our business in developed economies and enhance our trade with emerging and developing nations. Therefore, it is crucial for us to fully embrace and proactively prepare for these regulatory frameworks. This means not merely responding to regulations out of concern but adopting a strategic approach for SeAH Steel to grow and develop in a sustainable direction.

Q Among the environmental, social, and governance pillars, which do you consider to be most important? And could you share why you feel that way?

A **Head of Purchasing Division and Sustainability Management Executive**

The steel industry has a high recycling rate and plays a key role in the circular economy of resources, but it is often seen as a significant contributor to environmental pollution, particularly in terms of carbon emissions. Reducing carbon emissions is an urgent priority, and for this reason, I believe that the environmental pillar should be considered as the top priority.

Q Could you briefly introduce your role and share your thoughts on how it relates to SeAH Steel's ESG management?

A **Special Pipe Sales Executive**

The SP Division, which stands for "Special Pipe", is a strategic unit established by SeAH Steel to explore future business opportunities and expand into new markets. The Stainless Steel and Offshore Foundation(OF) businesses represent a shift from conventional carbon steel pipes, focusing instead on the production and sale of stainless steel pipes and substructures related to renewable energy, particularly for offshore foundations. The OF business is a major theme in the renewable energy sector, with a focus on wind power, which is currently the most commercially viable form of green energy, including solar, wind, and geothermal energy. Stainless steel is in high demand in the present phase of the transition from fossil fuels to renewable energy sources, and our primary interactions involve companies in the LNG sector. Recently, as we prepared for bids on international LNG projects, I could sense that ESG management has become an essential element required for such projects.

Q Please tell us about the strategies and plans you are setting up to advance SeAH Steel's ESG management moving forward.

A **Steel Pipe Sales Executive**

To be honest, the domestic steel pipe market has been lagging behind the global market in terms of ESG management activity. If we delay our response any further, we could face significant challenges in 5 to 10 years. Starting ESG management late might impose numerous constraints. So it is crucial to prepare thoroughly and begin response measures right now to mitigate potential difficulties of the future. In light of this, I believe we need educational programs to raise awareness of ESG management among our employees. Taking into account our employees' eagerness to acquire new skills on job-relevant issues, active training in the company on ESG could enable us to promote ESG management effectively to potential customers, like EPC companies.

Highlights of Interviews with the Management

Pohang Plant

Q Please tell us about the efforts the Pohang Plant is making to become an eco-friendly plant.

A **Head of Pohang Plant**

“Building a sustainable plant through the transition to a low-carbon production system” is the vision that guides the Pohang plant along its path to move toward an eco-friendly plant. In the long term, we aim to achieve carbon neutrality by 2050, and we have established and are implementing plans to reduce carbon emissions by 15% within 2030 compared to our carbon emissions in 2018. We plan to increase energy efficiency through process improvements and reduce energy consumption through improvements in power factor. We are also planning to establish an operational energy management system for plant processes.

Q Please tell us about the challenges you encountered in achieving ESG management and any achievements you have accomplished despite such challenges.

A **SHE Planning Executive**

We’re putting in a lot of effort across various departments to advance our ESG management, but it is rather difficult to be completely confident that we’ve found the definitive answers. While we consider building on traditional paths while forging new ones, our focus is on ensuring that these efforts lead us in the right direction. Consequently, we have achieved significant milestones, such as establishing an integrated SHE system, developing the SeAH Keeper mobile app, implementing a smart safety system (SSE), establishing and operating a safety culture center, systematizing compliance management under the Serious Accident Punishment Act, and formulating mid- to long-term eco-friendly management strategies.

Q Could you briefly tell us about your role and share your thoughts on how it relates to SeAH Steel’s ESG management?

A **Head of R&D Center**

The R&D Center plays a crucial role in SeAH Steel’s sustainability efforts by focusing on proactive research and development. Our vision and mission are centered around creating eco-friendly and high-value-added products, which are aligned closely with ESG management. We strive to minimize environmental impact and generate social value through these efforts. Additionally, research and development efforts are also closely related to ESG management, as this allows us to secure the technologies and capabilities needed for the future and enhance our abilities to secure the world’s most advanced technologies. I think projects like research on energy efficiency to cut down on carbon emissions, AI automation to prevent accidents, and the construction of smart factories are all tied to ESG management.

Q Could you share what projects are currently being worked on or considered to reduce greenhouse gas emissions at the Pohang plant?

A **Production Executive**

Over 90% of the Pohang plant’s greenhouse gas emissions come from electricity use, and less than 10% come from city gas and direct emissions of carbon dioxide. Accordingly, we see reducing electricity consumption as key to reducing carbon emissions, and in 2023, we became the first steel pipe manufacturer to introduce and obtain certification for the Energy Management System (ISO 50001). Furthermore, we plan to make considerable investments in greenhouse gas emissions reduction initiatives from 2024 to 2025.

Q What essential elements do you think are needed for the Pohang plant to build labor-management relations based on mutual trust?

A **Management Executive**

I would like to improve the working conditions and environment for our employees. I also see value in supporting community education and nurturing the next generation of SeAH members, which will help maintain stable labor-management relations over generations. This approach should also foster economic development in the local communities through SeAH Steel. In conclusion, if the company creates a good working environment for employees, and employees in return maintain a positive attitude and collaborative spirit, I believe we can build healthy labor-management relations.

Q The Pohang plant is constantly dedicating a lot of effort to quality control, such as obtaining the EPD (UL) certification last year following the KOLAS accreditation as the first South Korean steel pipe within the domestic industry. What positive impacts does achieving these certifications have on SeAH Steel’s ESG management?

A **Quality Executive**

KOLAS accreditation ensures the quality and safety of products, elevating consumers and stakeholders’ trust in SeAH Steel’s range of products among our consumers and stakeholders. This underscores our determination to fulfill social responsibility, affirming that we deliver safe and reliable products to our customers. EPD (Environmental Product Declaration) is a certification that quantifies resource inputs and environmental emissions across the entire product production process. It aims to enhance the environmental performance of products by systematically assessing the potential environmental impacts associated with these factors.

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Highlights of Interviews with the Management

Gunsan Plant

Q What are the efforts being made to enhance employee satisfaction for the organization and create a safe environment?

A Head of Gunsan Plant

We hold monthly meetings with supplier representatives to share insights on business performances and discuss the areas that need improvement and the areas to improve in the future. Additionally, we prioritize addressing issues and understanding concerns shared by on-site specialists through the meetings of a consultative body known as “Hanmaeum Council.” These collaborative bodies contribute to increasing organizational satisfaction and serve to improve the work environment by considering even minor grievances. We believe that continuous communication with team leaders and efforts to resolve issues are crucial factors in enhancing employee satisfaction.

Suncheon Plant

Q What are the efforts being made at the Suncheon Plant to create a safe environment and foster coexistence with the local community?

A Head of Suncheon Plant

One recent activity that we are particularly proud of is making our Safety Culture Experience Center accessible to other small and medium-sized companies in the industrial complex. We run a program where small businesses in the Yulchon Industrial Complex can visit the Center and receive training upon request.

Changwon Plant

Q What are the efforts being made at the Changwon Plant to foster coexistence with the local communities and mutual growth with suppliers?

A Head of Special Pipe Division and Head of Changwon Plant

Suppliers are integral to our business ecosystem, and fostering mutual growth is crucial for SeAH Steel. We operate various programs to support their development and growth. For instance, we strengthen cooperative relationships through monthly meetings, where we discuss and resolve any issues proactively to ensure all improvement opportunities are addressed comprehensively.

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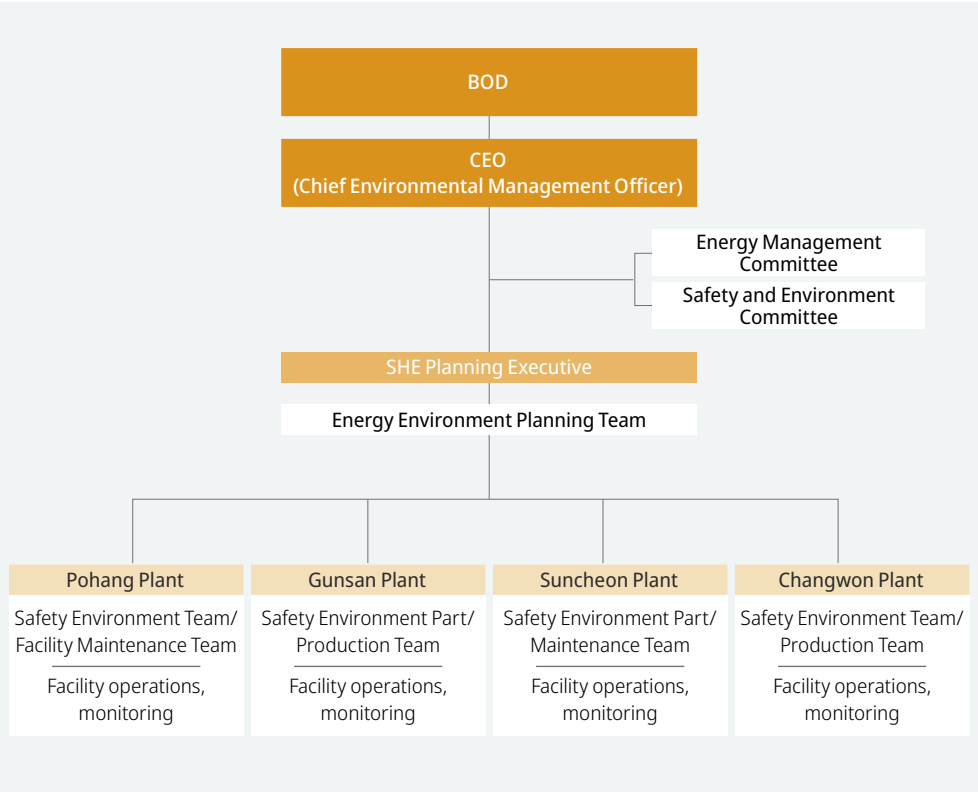
Climate Action

Governance

Climate Action System

To carry out climate action activities systematically, SeAH Steel has formed dedicated teams—the ESG Promotion Team and Energy Environment Planning Team—that oversee and manage climate change issues. Additionally, at each plant, the Facility Maintenance Teams and Production Teams are responsible for energy management, setting goals for energy efficiency and monitoring their achievement. Furthermore, monthly and annual reports on energy consumption status, plans for reduction, and performance are submitted to the management. Looking ahead, we plan to establish a Board-level system to regularly and directly review and manage environmental issues.

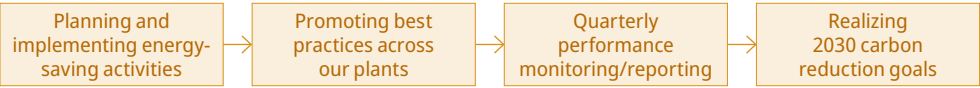
Climate Action Organizational Chart



Energy Management Committee

Since May 2024, SeAH Steel has been operating an Energy Management Committee at each plant to set and monitor targets for reducing carbon emissions. Monthly meetings are held to review energy-saving activities, including enhancements in power and LNG efficiency, inspections of air and hydraulic oil leakage points, and the formulation of improvement plans. Energy-saving performance is reported to the CEO every quarter. Through these efforts, SeAH Steel aims to drive voluntary participation across our plants to achieve carbon reduction goals by 2030.

Overview of Energy Management Committee Activities



Energy Management Committee Organizational Chart

	Pohang Plant	Gunsan Plant	Suncheon Plant	Changwon Plant
Overseeing overall operations	Production Executive	Head of Gunsan Plant	Head of Suncheon Plant	Head of Changwon Plant
Energy Management Committee Secretary	Facility Maintenance Team Manager	Production Team Manager	Facility Maintenance Team Manager	Production Team Manager
Establishing and implementing energy-saving plans	Facility Maintenance & Production Team	Production Team	Facility Maintenance & Production Team	Facility Maintenance & Production Team

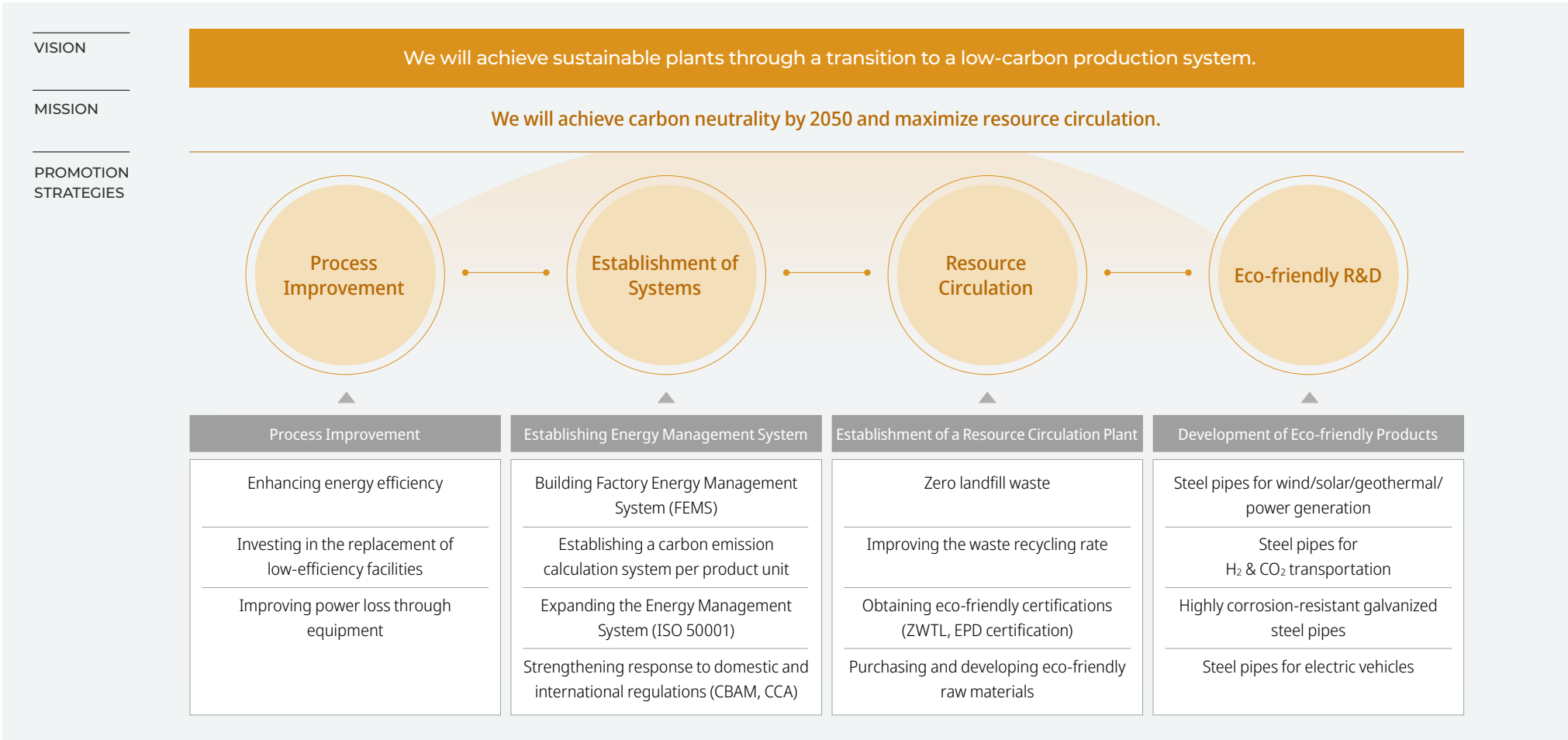
Integrating Environmental and Energy Indicators into KPIs

To strengthen the implementation of climate action, SeAH Steel integrates environmental and energy management indicators into the KPIs of relevant departments, top management, and responsible executives. Each department develops a mid to long-term roadmap for climate action and devises plans to meet specific environmental targets. These objectives are incorporated into annual KPIs to ensure timely implementation, with ongoing measures adopted to reduce environmental and energy indicators. Managers monitor these indicators regularly to track progress and provide feedback for achieving the goals. Moreover, aligning the KPIs for the top management and executives with environmental and energy indicators ensures effective management and the achievement of goals. The performance is measured quarterly by the Energy Environment Planning Team and is reported to the CEO, who oversees environmental management.

Climate Action

Strategy

SeAH Steel has established an eco-friendly management strategy with four main strategic directions: system establishment, process improvement, eco-friendly R&D, and resource circulation aiming to build “sustainable plants through the transition to a low-carbon production system by 2050.” Process improvement involves the implementation of continuous energy-saving activities through existing facilities’ efficiency improvements and loss eliminations. Through the establishment of systems, we will eliminate unreasonable energy consumption by tracking and managing product-specific carbon intensity and energy loss points that were difficult to identify previously. Furthermore, we will improve the recycling rate of waste and ultimately build a resource-circulating factory by achieving zero waste sales and incineration. Eco-friendly R&D aims to develop and supply products that can store and utilize eco-friendly energy, such as steel pipes for H₂ & CO₂ transportation and EVs.



Climate Action

Strategy

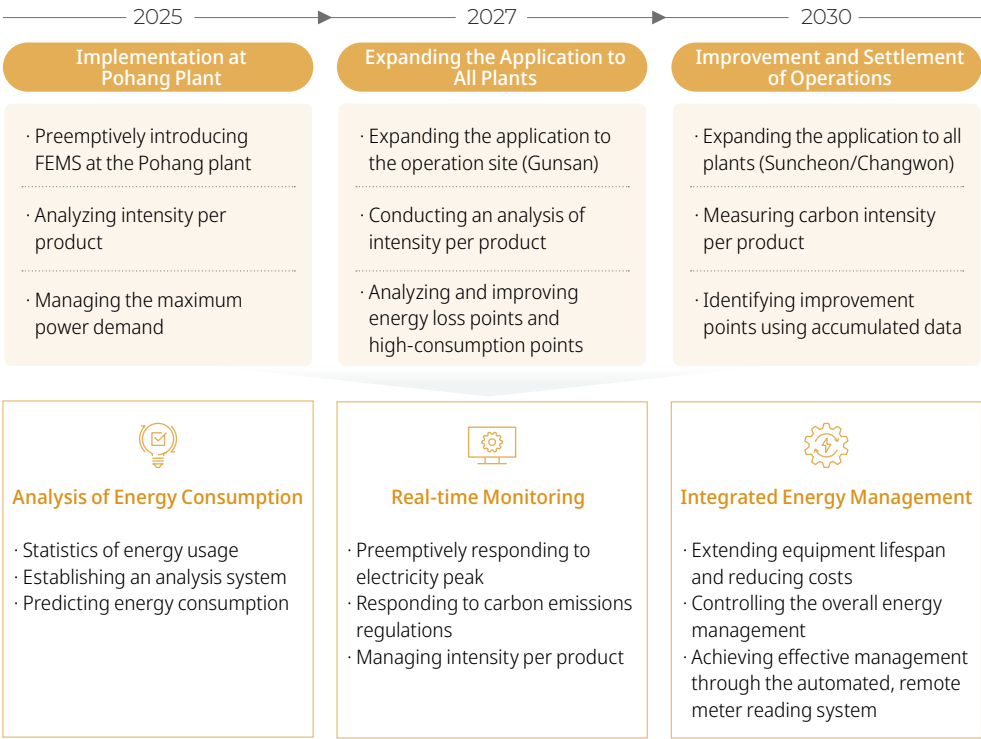
Establishment of an Energy Management System

Establishment of FEMS (Factory Energy Management System)

SeAH Steel has established and operates an energy center dedicated to systematic energy saving and management at the Pohang plant. Additionally, we are planning to implement Factory Energy Management Systems (FEMS*) across each plant. This system will enable the measurement, monitoring, and analysis of energy usage at facilities. Initially, FEMS will be introduced at the Pohang plant to identify and address energy loss points. Before implementing FEMS at the Gunsan plant, we will set up a power monitoring system to gather and analyze power data. Once FEMS is deployed, our goal is to track and manage energy intensity per product and enhance efficiency for energy-intensive products.

* FEMS is a management system that optimizes energy supplied and consumed within a plant through measurement, monitoring, analysis, planning, and control of energy consumed in plant facilities.

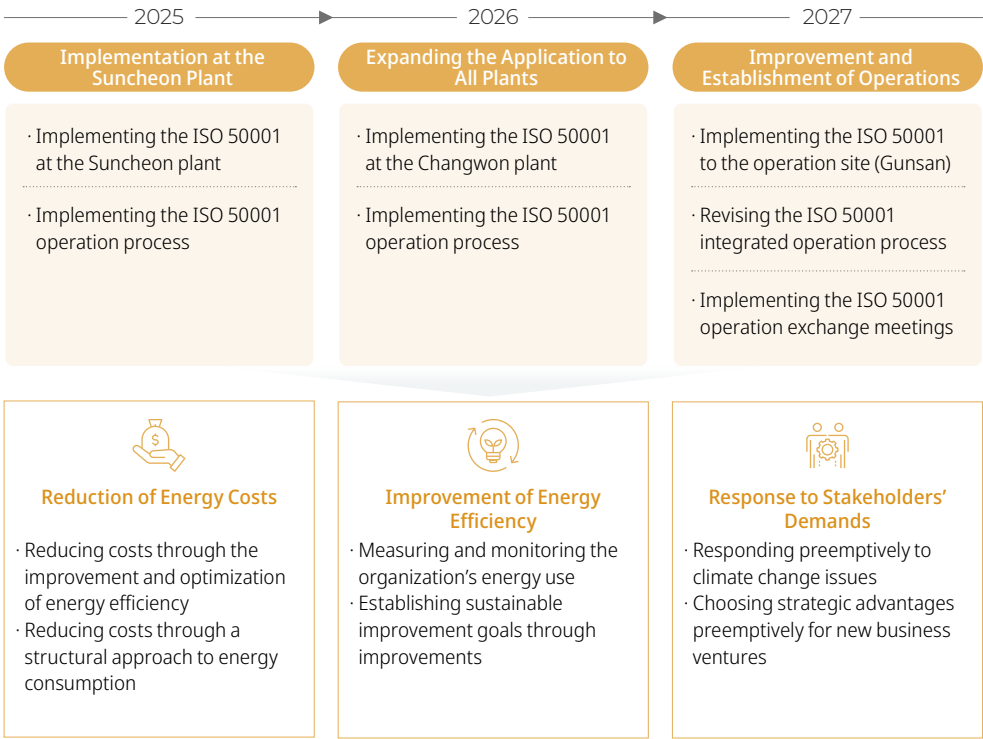
FEMS Implementation Strategy



Energy Management System (ISO 50001) Certification

SeAH Steel's Pohang plant has obtained the ISO 50001 energy management system certification to enhance energy performance and bolster competitiveness, addressing the need for reductions in greenhouse gas emissions and energy consumption. Through this initiative, we established a comprehensive system for managing overall processes, including an analysis of energy consumption, efficiency improvements, and reviews on the effectiveness of enhancement measures. Additionally, we are preparing to extend the application of the energy management system by seeking certification for the Suncheon plant in 2024.

Company-wide Strategy for Expansion of ISO 50001



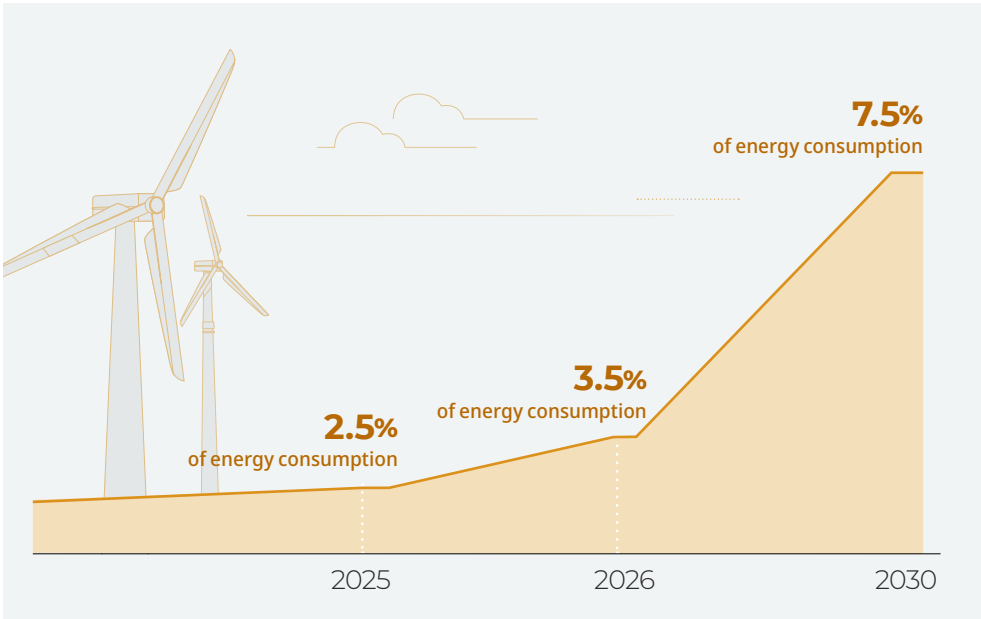
Climate Action

Strategy

Securing Renewable Energy

Recognizing that over 80% of SeAH Steel’s greenhouse gas emissions stem from indirect sources like electricity use, we have devised a strategy to increase renewable energy usage. Our primary focus involves forming long-term REC purchase agreements with third-party solar power providers and converting corporate vehicles to 100% pollution-free vehicles. These efforts aim to secure Renewable Energy Certificates (RECs) equivalent to 7.5% of our energy consumption by 2030, thereby reducing greenhouse gas emissions and achieving Net-Zero emissions by 2050.

Plan for Securing Renewable Energy



Process Improvement

Energy Efficiency Improvement Activities

SeAH Steel’s sustainability efforts include the replacement of both office and factory lighting with LED lights across all plants to enhance energy efficiency. In 2023 alone, 2,867 lights were upgraded, with an anticipated reduction of 650 tons of CO₂ equivalent in greenhouse gas emissions annually.

Moreover, specific plants have implemented targeted measures: the Pohang plant optimized the rotation speed control of cooling water pumps to enhance efficiency, while the Gunsan plant upgraded the insulation material used in its galvanizing furnace to improve heat efficiency. At the Changwon plant, the installation of high-efficiency motors in the pickling line blower increased efficiency from 90.5% to 94.1%. Ongoing efforts at Changwon include replacing motors operating below 90% efficiency to achieve efficiency levels exceeding 90% consistently.

Energy Efficiency Improvement Plan

SeAH Steel’s Pohang plant invested KRW 1.45 billion from 2023 to 2024 to enhance energy efficiency and reduce greenhouse gas emissions by 1,287.4 tCO₂eq/per year. Key initiatives in 2023 included replacing the outdated reciprocating air compressor with a more efficient VSD air compressor and upgrading old transformers to hybrid models.

In 2024, SeAH Steel plans to select and implement energy-saving measures sequentially across our plants. For instance, greenhouse gas emissions in the Changwon plant will be lowered by improving steam boiler efficiency and optimizing energy use in heat treatment equipment. Meanwhile, the Gunsan plant plans to reduce emissions by enhancing process equipment operations and replacing outdated high-frequency welding machines.

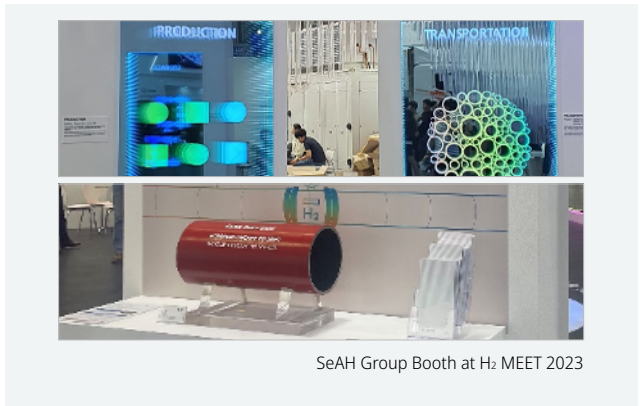
Climate Action

Strategy

Development of Eco-Friendly Products

Low-Carbon Investment and Technology Development

In 2023, SeAH Steel signed an agreement with POSCO's Steel Research Institute for joint research on eco-friendly energy materials and steel pipe manufacturing technology. Through this collaboration, we plan to strengthen our competitiveness in manufacturing high-value-added steel pipes, including the supply of appropriate plate materials for eco-friendly energy applications in CCUS (Carbon Capture, Utilization, and Storage), hydrogen and ammonia, as well as the improvement of pipe quality. In September 2023, we actively participated in the "H₂ MEET 2023 Hydrogen Exhibition" to showcase our steel pipes designed for H₂ and CO₂ transportation. Moving forward, we strive to launch products that demonstrate exceptional technology and competitiveness. Additionally, SeAH Steel is contributing to the government's carbon neutrality goals through the participation in the Demand Response (DR) programs such as actively managing peak electricity demand by optimizing the operating schedules for high-energy equipment.



SeAH Group Booth at H₂ MEET 2023

Acquired Certification for RINA Hydrogen Embrittlement Test

SeAH Steel has acquired certification for the hydrogen embrittlement test (K1H)* in 2024, which is required for the quality evaluation of steel pipes for H₂ transportation. Because high-pressure hydrogen causes hydrogen embrittlement destruction in steel materials, H₂ transportation steel pipes require high resistance to hydrogen embrittlement. To evaluate whether SeAH Steel's steel pipes satisfy hydrogen embrittlement resistance, we conducted a K1H hydrogen embrittlement test according to ASME B31.12, Option B through RINA Consulting, an Italian organization specialized in hydrogen embrittlement evaluation.

As a result of the test, it was confirmed that the minimum requirements of Min.55 MPa·√m presented in ASME B31.12 were met with Weld > 74.1 MPa·√m, HAZ > 79.6 MPa·√m, Base > 74.7 MPa·√m, and that excellent hydrogen embrittlement resistance required by the H₂ transportation steel pipe was secured.

* K1H: The Minimum Threshold Stress Intensity Factor is a representative indicator of hydrogen embrittlement resistance, which is required for the quality evaluation of steel pipes for H₂ transportation



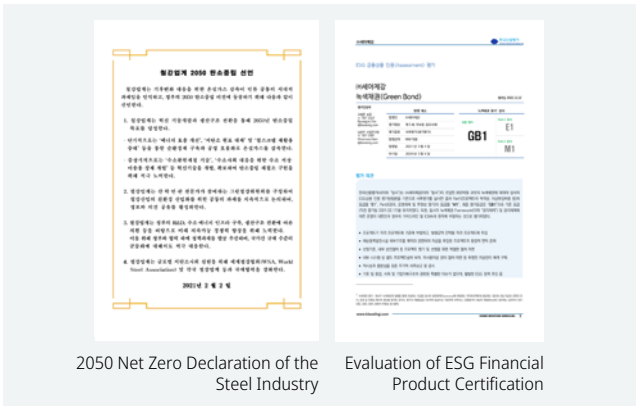
Certification for RINA Hydrogen Embrittlement Test

Joining the Green Steel Committee (Participating in Environmental Initiatives)

SeAH Steel, along with six other major Korean steel companies, participated in the Green Steel Committee and has announced a joint declaration on the "2050 Carbon Neutrality of the Korean Steel Industry" in line with the government's "2050 Carbon Neutrality" vision. The Green Steel Committee is a council formed to discuss the steel industry's "Carbon Neutrality" and has officially expressed its willingness to actively participate in carbon neutrality efforts, being the first within the Korean industry to do so. It has also promised to expand the industry's efforts and thus strives to maintain consensus regarding greenhouse gas emissions reduction throughout the industrial ecosystem, including customer companies and suppliers.

Issuing a Green Bond and Joining the ESG Fund

Following the issuance of a green bond in 2021 to establish specialized factories for offshore wind farms and to produce and supply related products, SeAH Steel subscribed to Envisioning Partners' ESG Fund in September 2021 and July 2023. We remain determined to address climate change through ongoing investments in eco-friendly projects facilitated by green bonds.



2050 Net Zero Declaration of the Steel Industry

Evaluation of ESG Financial Product Certification

Climate Action

Indicators and Targets

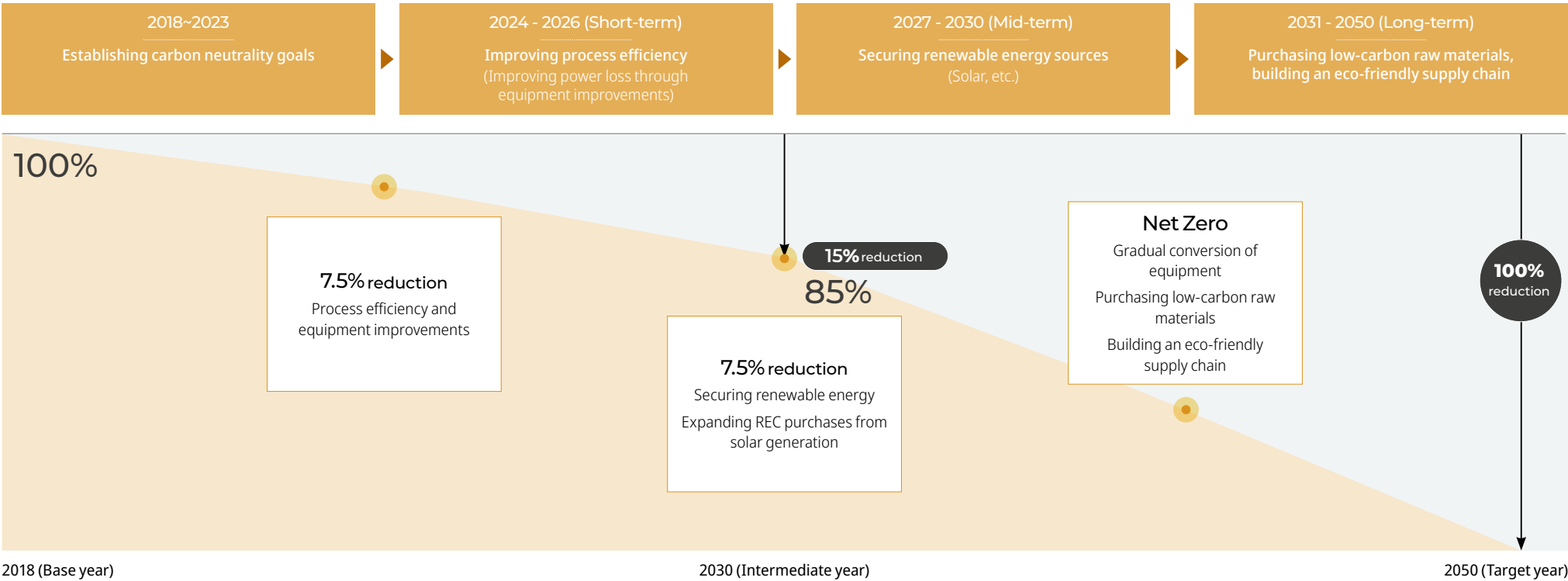
SeAH Steel has set a target to reduce greenhouse gas emissions by 15% from that of 2018 (based on the same production volume), or 5% in the case of production levels increasing by 125,000 metric tons, by 2030. We aim to achieve 7.5% of this reduction through energy savings via process improvements and the remaining 7.5% through the purchase of Renewable Energy Certificates (RECs). We monitor our greenhouse gas reduction performance using Scope 1 and 2 emissions as management indicators. Looking ahead, we plan to establish a framework for calculating emissions across all 15 categories of Scope 3, from the extraction of raw materials to product transportation and distribution, and develop corresponding reduction measures.

GHG Emissions Indicators

Indicator	Unit	2021	2022	2023
Total GHG Emissions	tCO ₂ eq	58,679	62,106	75,030
GHG Emissions (Scope 1)	tCO ₂ eq	8,451	7,565	8,500
GHG Emissions (Scope 2)	tCO ₂ eq	50,228	54,541	66,530
GHG Intensity	tCO ₂ eq/KRW million	0.04	0.03	0.04
GHG Emissions Target	tCO ₂ eq	-	55,694	70,568

Carbon Neutrality Roadmap

(Unit: tCO₂eq)



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Workplace Safety and Health

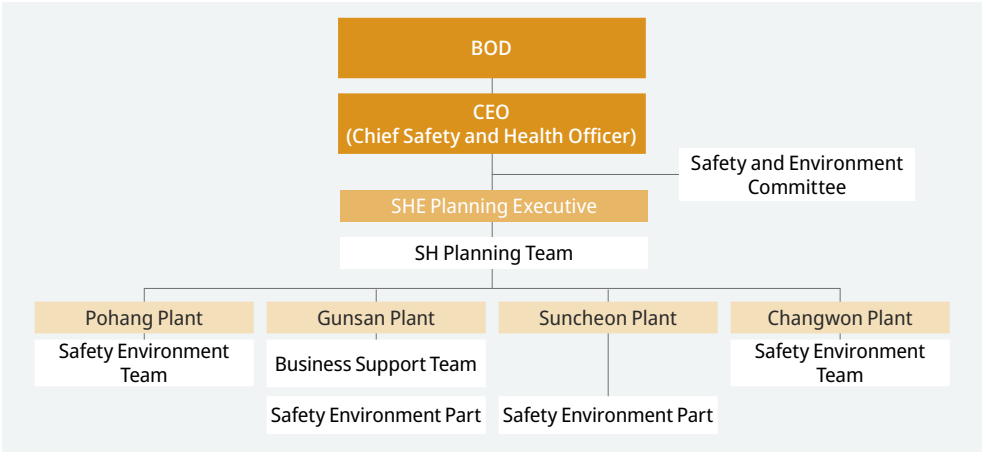
Governance

Safety and Health Management System

To carry out safety and health measures actively, SeAH Steel has established a safety and health management system directly under the CEO, with the SH Planning Team serving as the overall control tower. At the beginning of each year, the “CEO’s (Chief Safety and Health Officer) Safety and Health Message” is disseminated through the company bulletin board to inform all employees of the management’s firm determination for safety and health. As the company-wide safety and health dedicated department, the SH Planning Team conducts regular safety risk prevention activities such as CP inspections and SHE TOP diagnostics to identify actual on-site hazards, and strengthens safety management through preemptively responding to reinforced safety and health regulations such as the Serious Accidents Punishment Act. In addition, in accordance with the Occupational Safety and Health Act, we establish an annual safety and health plan, report the plan to the Board of Directors for approval, and implement it.

In addition, our four plants operate Safety Environment Teams/Parts. In 2024, the Safety Environment Part at the Changwon plant was promoted to a team, and the Suncheon plant strengthened the safety and health management system by placing the newly elevated team directly under the head of the plant. Furthermore, to establish an autonomous safety system in the field, we plan to introduce a performance management system based on safety and health KPIs to assess safety and health performance at work. This will be reflected in the personnel evaluation of team managers for each department, and we plan to reflect quantitative indicators such as safety accidents/risk assessments/safety and health-related personnel evaluation results.

Safety and Health Organizational Chart



Operation of Safety and Environment Committee

SeAH Steel operates a Safety and Environment Committee led by the SH Planning Team, facilitating the regular exchange of safety information and decision-making across all plants. Monthly safety statistics are analyzed to refine safety and health activities. In 2023, the Safety and Environment Committee addressed agendas including the establishment of company-wide safety management plans and reported mid-to-long-term safety and health strategies. In 2024, ongoing activities include discussions on supporting the establishment of a safety and health system for suppliers. Additionally, the Pohang and Changwon plants conduct quarterly Occupational Safety and Health Committee meetings and monthly Safety and Health Council meetings, while the Gunsan and Suncheon plants hold monthly Safety and Health Council meetings. In 2023, a total of 64 safety and health grievances were submitted from suppliers, and 60 of them were resolved, achieving a resolution rate of 93.8%.

Operation of Committees and Meetings

Category		Unit	2021	2022	2023
No. of grievances	Submitted	Case (s)	44	56	64
	Handled	Case (s)	44	56	60
	Costs	%	100	100	93.8

Status of Safety and Environment Committee Meetings Held (Unit: %)

Date Held	Agenda	Approval Status	Attendance Rate
Jun.28, 2021	Results of SeAH Steel Holdings' Occupational Safety Management Inspection, etc.	Reported Matters	100
Sep.28, 2021	Progress of Investment for the Establishment of Integrated SHE System, etc.	Reported Matters	100
Dec.2, 2021	2022 Safety Health/Environment Investment Plan, etc.	Resolved Matters	100
Feb.15, 2022	2022 Report on Company-wide Safety Health/Environment Operation Plan, etc.	Reported Matters	100
May.26, 2022	Company-wide Forklift Emergency Safety Measures Response, etc.	Reported Matters	100
Oct.13, 2022	Implementation of a Pre-review Process for Safety Health/Environment Investments, etc.	Reported Matters	100
Nov.21, 2022	Report on Unannounced Inspection Results for Plants with Frequent Safety Accidents, etc.	Reported Matters	100
Mar.20, 2023	Establishment of the Company-wide Environmental Management Plan (Board Approval/Report), etc.	Resolved Matters	100
Jun.26, 2023	Report on Company-wide Symptomatic Cases of Noise-induced Hearing Loss, etc.	Reported Matters	100
Sep.14, 2023	Report on SeAH Steel's Mid-to-Long-term Safety and Health Strategy (2023 - 2025), etc.	Reported Matters	100
Nov.21, 2023	Operation of Safety and Health Related Personnel KPI System, etc.	Resolved Matters	100
Mar.28, 2024	Support for Establishing a Safety and Health System for Suppliers with 5 or More Employees, etc.	Reported Matters	100

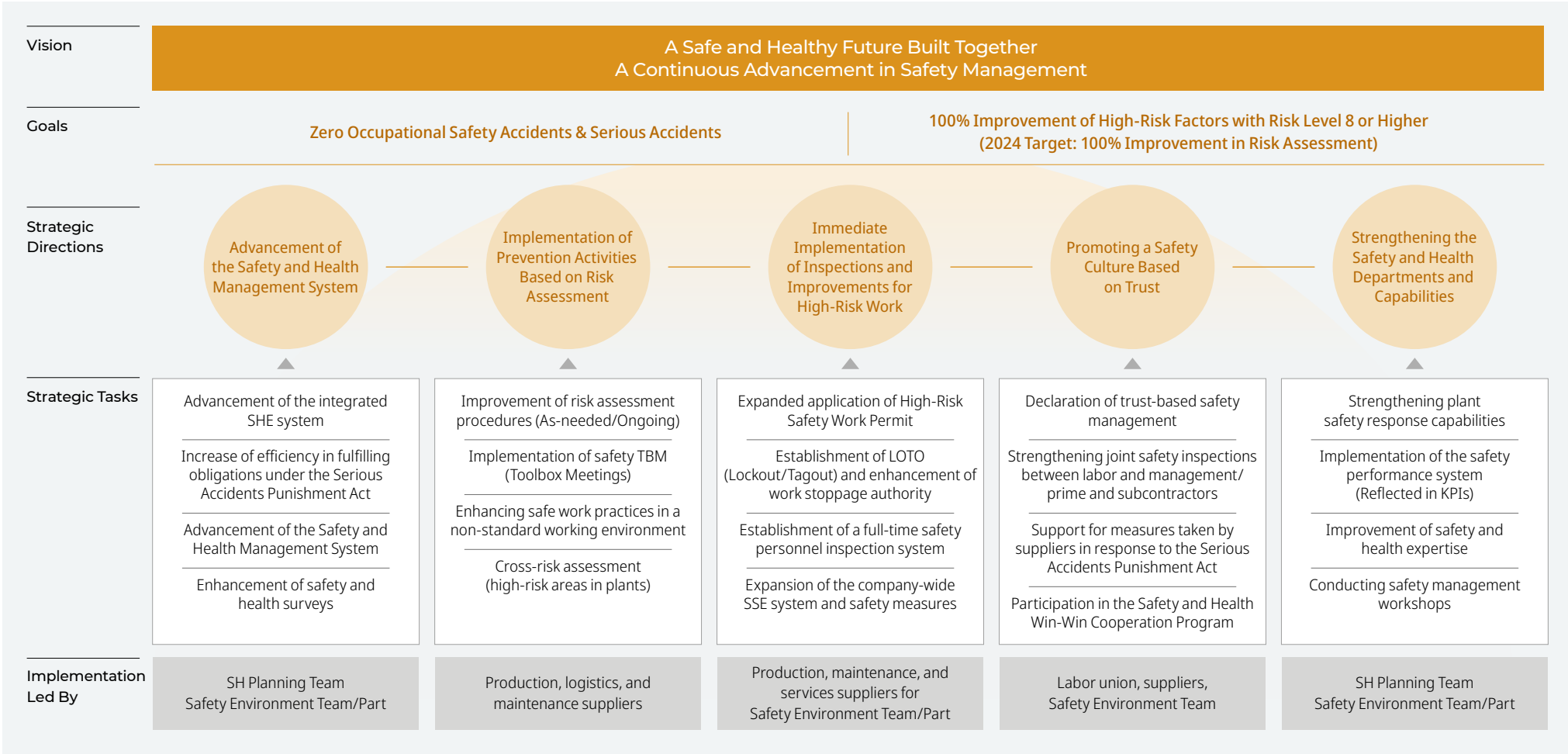
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Workplace Safety and Health

Strategy

SeAH Steel has set the safety and health goal as “ZERO Occupational Safety Accidents & Serious Accidents, 100% Improvement of High-Risk Areas.” We are focusing on five strategic directions to achieve this goal: advancing the safety and health management system, implementing prevention activities based on risk assessments, conducting immediate inspections and improvements for high-risk work areas, fostering a safety culture based on trust, and strengthening the safety and health departments and their capabilities.

2024 Safety and Health Roadmap for Workplaces



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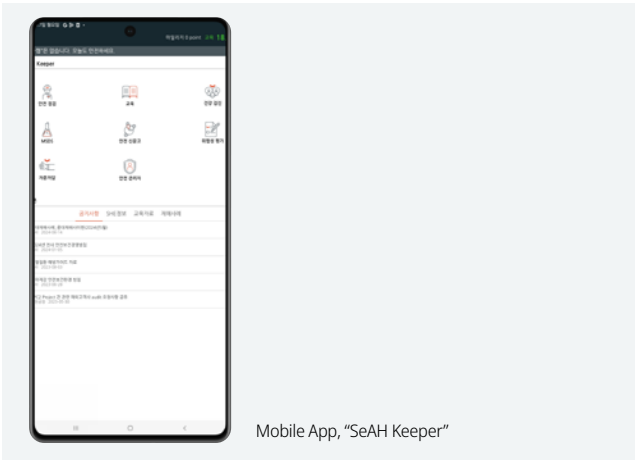
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Workplace Safety and Health

Advancement of the Safety and Health Management System

Advancement of the Integrated SHE System

SeAH Steel implemented a company-wide integrated SHE system in April 2022 to bolster corporate accountability for safety and health, aiming to prevent accidents and analyze their root causes. Within this integrated system, the safety feedback platform allows employees to submit safety and health reports, suggestions, requests, and questions anonymously. Real-time statistical analysis from this platform guides the development of safety and health management plans. In 2023, we enhanced the system by adding components of compliance with the Serious Accidents Punishment Act and Process Safety Management (PSM) operations. Additionally, we launched the mobile app, “SeAH Keeper,” to enhance accessibility to the integrated SHE system across our facilities. This app provides convenient access to integrated SHE system data, facilitates direct identification and mitigation of on-site risks, and supports autonomous safety and health initiatives. In 2024, we are focusing on enhancing the overall utilization of the system and increasing adoption rates, particularly by leveraging SeAH Keeper’s QR code feature to activate Toolbox Meetings (TBM).



Mobile App, “SeAH Keeper”

Activities for the Prevention of Serious Accidents

SeAH Steel identifies “High-Risk Areas” prone to serious accidents and collaborates with external specialized agencies to assess and improve safety hazards within the plants. Since 2022, we have installed signage in accident-prone areas to heighten employee awareness of potential risks and implemented a “work stoppage operation process” to prevent accidents when risks are identified. In 2024, we plan to conduct safety and health awareness assessments to enable all managers and supervisors to pinpoint and eliminate root causes, followed by tailored prevention activities based on the findings. Additionally, we conduct regular emergency drills for serious accidents and fire incidents. Training focuses on accident response protocols, immediate work stoppage procedures to mitigate further risks, evacuation of workers, removal of hazards, and protocols for managing serious accidents and emergencies. We have also established specific emergency response systems for various scenarios and trained employees systematically in CPR, AED usage, and the operation of fire hydrants and extinguishers.



Public-Private Joint Fire Drill (Pohang Plant)

Safety and Health Management System (ISO 45001) Certification

SeAH Steel has obtained and has been maintaining the Safety and Health Management System (ISO 45001) certification for all of our plants. All employees of SeAH Steel actively adhere to safety and health regulations, accident prevention initiatives, and safety compliance programs (CP). Furthermore, we appoint internal ISO auditors annually to ensure continuous maintenance of our certifications.



Safety and Health Management System (ISO 45001) Certification for Each Plant

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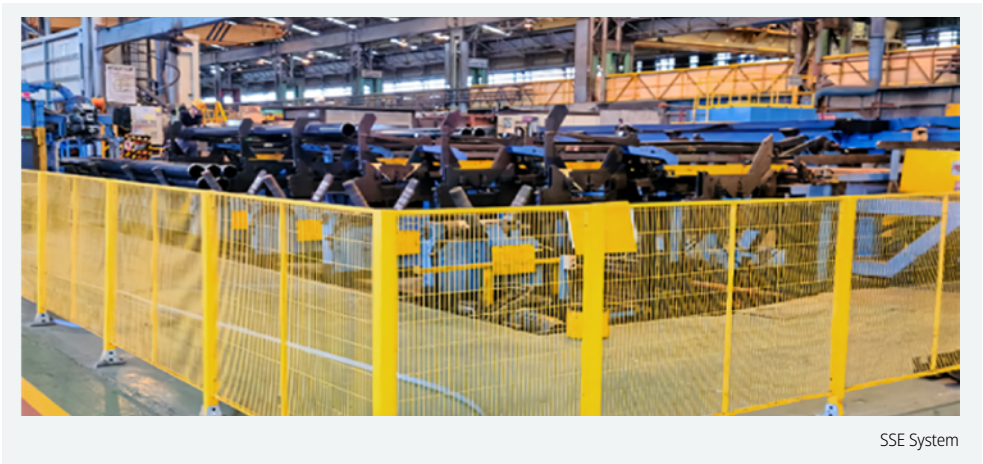
Inspections and Immediate Improvements for High-Risk Work

Establishment of a Safety Accident Prevention System (SSE System)

SeAH Steel has implemented the SSE (Smart Safety Eye) system, a tailored smart safety system designed for the site to prevent accidents at the workplace and mitigate high-risk factors. The SSE system includes a crane safety system, roll conveyor safety control system, intelligent fire prevention system, and smart cameras, which enable real-time monitoring of risk factors in the work environment and automatic equipment shutdown in hazardous areas. This initiative aims to address safety accident concerns at their core.

Company-wide Cross Inspection of CP (Compliance Program)

Starting from 2024, SeAH Steel has expanded the “company-wide CP cross inspection,” which has been in effect since 2021, involving safety and health managers from all plants to be conducted bi-annually. This initiative aims to strengthen inspection and improvement activities in high-risk areas. In 2023, 203 out of 207 cases in the safety and health area were resolved successfully, achieving an impressive improvement rate of 98%.



Spreading a Safety Culture Based on Trust

Joint Safety and Health Inspections by Labor and Management

SeAH Steel conducts regular joint labor-management safety and health inspections to foster a robust safety culture. Led by each plant’s manager, these inspections include worker representatives, team leaders, safety and health managers, and the business owners of partner companies. Participants collaborate to identify risk factors and devise improvement measures from diverse perspectives. All identified risk factors are addressed with the goal of achieving autonomous engagement and creating a horizontal environment for the effective prevention of safety accidents.

Win-Win Cooperation in Safety and Health

SeAH Steel has established and operates a symbiotic cooperation group aimed at enhancing safety and health management standards among our suppliers. Through this initiative, we support our suppliers in safety and health training, risk assessments, and on-site safety inspections. Additionally, we actively communicate by holding monthly safety and health councils between the primary contractor and subcontracted partners. As a parent company, we plan to participate actively in the “safety and health win-win cooperation project” launched in 2023, benefiting both large and small businesses alike.

Safety and Health Evaluation of Suppliers

SeAH Steel conducts annual safety and health evaluations for in-house suppliers and strives to gain mutual benefits in the safety and health area by identifying the safety and health level of each company and providing relevant support. The safety and health evaluation consists of four items: safety and health management system, level of implementation, operation management, and level of accident occurrences. We contribute to improving suppliers’ safety capabilities by applying a clause that prohibits re-contracting if a certain score is not met in the guidelines for selecting qualified subcontractors. In addition, we provide incentives to excellent suppliers based on the evaluation results for the first and second half of the year.



Meeting with the Representatives of the Safety and Health Council (Gunsan Plant)



Safety and Health Council Meeting (Gunsan Plant)



Joint Safety Inspection (Suncheon Plant)

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Safety and Health Organization and Competency Enhancement

Safety and Health Training

SeAH Steel offers hands-on safety training to employees to achieve a workplace free of accidents. We have established a Safety Culture Center at Pohang plant, where all employees undergo mandatory safety and health training annually. Additionally, workers from subcontractors and construction companies must undergo mandatory safety training before beginning any work. In 2022, we made efforts to create a disaster-free and accident-free workplace by finishing the construction of the Safety Culture Center at the Suncheon plant and have been developing and operating programs such as safety psychology training, accident-prone training, and crane driver training.

Safety Culture Campaign

SeAH Steel conducts campaigns with plant managers, supervisors, safety managers, and representatives from partner companies at each plant to cultivate an internal safety culture. We conduct campaigns targeting all processes and engage in direct communication with workers on-site to discuss safety-related opinions. Additionally, we create and distribute safety promotional materials that address key safety and health issues, all in an effort to foster a strong safety culture.

Creating a Safe Work Environment

Management of the Work Environment SeAH Steel conducts regular measurements of hazard exposure levels at workplaces to establish mitigation strategies and improve outdated facilities, ensuring a healthy work environment for employees. Additionally, we systematically register safety and health data for chemicals used in each process within the integrated SHE system, enabling workers to access the data at any time and operate safely.	Implementation of Employee Assistance Program (EAP) SeAH Steel is implementing an Employee Assistance Program (EAP) aimed at proactively addressing factors that can impact job satisfaction and productivity, such as job stress and psychological anxiety. This initiative is designed to foster healthy and stable operation of the organization.
Improvement of Safety for Forklift Operations At SeAH Steel's Pohang plant, significant improvements have been made to enhance the safety of forklift operations. These include removing the gantry crane at the Daekyung plant, leveling the floor, and reconfiguring loading platforms to segregate forklift workspaces from traffic routes for general vehicles. Additionally, we have implemented an AI-based forklift collision prevention system (SAFE-EYE) that provides real-time detection and warnings to individuals near the equipment. We have implemented rigorous accident prevention measures by developing detailed work plans for forklifts and vehicle loading machinery and conducting thorough reviews prior to commencing operations.	Operation of a Health Clinic SeAH Steel operates a health clinic dedicated to the workers' health care. Nurses at the clinic conduct health consultations, check blood pressure and measure blood sugar levels during regular rounds. Additionally, an occupational preventive medicine specialist visits the clinic every month. The health clinic is equipped with tools such as blood pressure monitors, blood sugar meters, and cholesterol meters to prevent cardiovascular diseases, as well as hand massagers, low-frequency massagers, full-body massagers, and infrared therapy devices to prevent musculoskeletal disorders.

Safety and Environment Exchange Meeting

SeAH Steel organizes an annual Safety and Environment Exchange Meeting, overseen by the SH Planning Team, to direct the course of safety and environmental management across our plants and strive towards becoming a global leader in these areas. Safety and Environment Exchange Meeting is a program designed to facilitate the exchange of opinions among relevant departments. It enhances the ability to proactively address safety and environmental issues and increases overall awareness and interest in safety and environmental stewardship within the company.

The 7th Safety and Environment Exchange Meeting was held at the Changwon plant in May 2024, with the participation of 28 representatives from relevant departments. Discussions centered on SeAH Steel's Occupational Safety and Health initiatives highlighting the key discussion points and results from the meeting. The themes and main contents of the presentations at the 7th Safety and Environment Exchange Conference are as follows.

Topics for Discussion at the 7th Safety Environment Exchange Meeting

Category	Hosted by (Dept.)	Highlights
Briefing on eco-friendly management strategy	Energy Environment Planning Team	Briefing session on detailed implementation plans
Key implications related to the stabilization of Pohang Plant's SSE	Safety Environment Team (Pohang plant)	Sharing operational status and plans for the SSE system at the Pohang Plant
Briefing on key preparations for inspection related to the Serious Accidents Punishment Act in the first half of 2024	SH Planning Team	Sharing key preparations in advance for the Serious Accidents Punishment Act in the first half of 2024
Sharing the improvement plan for SeAH Keeper in advance	SH Planning Team	Sharing the implementation of SeAH Keeper's IOS version and sharing the introduction of TBM (Tool Box Meeting)
Briefing session on wire rope safety diagnosis solutions	Suppliers	Demonstration of the portable inspection device
Making Braille tactile educational materials for visually impaired children	ESG Promotion Team	Production of the Braille tactile book "Braille Tactile Traffic Safety Play"
Benchmarking of SeAH Changwon Special Steel	SeAH Changwon Special Steel	Safety experience at the Safety Culture Center
Establishment of plans for operating the Integrated SHE system & PSM	Safety Environment Teams/ Parts at Gunsan/Suncheon/Changwon plants	Operation plan for 2023-2024

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Employee Health Promotion Activities

SeAH's Quit Smoking Challenge

SeAH's Quit Smoking Challenge aims to foster a non-smoking environment within the plants. We strive to achieve this through initiatives such as posting non-smoking posters and holding contests for written testimonies on quitting smoking. Additionally, we support smoking cessation efforts actively by offering smoking cessation clinics that provide nicotine aids and behavioral therapy. Consultations with smoking cessation experts from local health centers are provided to help employees quit smoking.

Alcohol-Free Choices Campaign

We conduct Alcohol-Free Choices Campaigns every year. In cooperation with local health centers, we promote alcohol-free choices by promoting activities such as the "Drinking Goggles Experience," "Alcohol Quiz," and "Alcohol-Free Choices Pledge." We also conduct alcohol dependence tests for all employees at the Pohang Plant to compare average scores across departments and select departments that need an "alcohol-free choice" management. We also provide expert counseling for high-risk groups.

Weight Loss Program

In order to raise awareness of weight loss within the company and promote healthy lifestyle habits, we have implemented Weight Loss Program 333, which provides rewards for successful weight loss.

Prevention of Musculoskeletal Disorders

We prevent musculoskeletal diseases by encouraging stretching before work. Workers can visit the health center to use hand massagers, low-frequency massagers, full-body massagers, and infrared therapy machines, and those with symptoms or pre-existing conditions related to the musculoskeletal system can visit the doctor at their workplace.

Prevention of Hearing Loss

For processes with a high level of noise, we work with relevant departments to reduce noise levels by improving the process through consulting with an industrial hygiene specialist. To minimize workers' hearing loss, we install soundproof walls or rooms in work areas. We also educate workers on the importance of hearing care and how to prevent hearing loss and provide them with appropriate protective equipment to reduce exposure to harmful environments.

Prevention of Cerebrovascular Disease

At the Pohang Plant, we conduct assessments of cerebrovascular disease risks to categorize risk groups and identify and manage those who need intensive management. We identify workers with conditions such as hypertension and diabetes, and nurses regularly visit them to monitor their blood pressure and blood sugar levels, as well as to provide consultations. In addition, a preventive medicine specialist visits the workplace every month to counsel employees on their health, provide guidance on disease management, and advise on the necessity of medical treatment.

Health Examination Program

We provide various health checkup programs for employees to identify and prevent health conditions.

General Medical Examination

We conduct general checkups actively to detect cerebrovascular diseases at an early stage. We inspect the checkup results monthly and take real-time follow-up measures to narrow the gap between the time of the checkup and the start of follow-up measures. We also support employees in their efforts to improve their health through follow-up activities such as the cessation of smoking and heavy drinking.

Special Medical Examination

In compliance with the special medical examination schedule under the Occupational Safety and Health Act, we conduct in-depth medical examinations for workers who use and handle substances subject to special medical examinations and for workers who are exposed to noise. After confirming the availability for work and follow-up measures based on the results of special medical examinations, we provide consultations with doctors, recommendations for medication, and reassign working locations to prevent health disorders that may occur in the workplace.

Pre- and Post-Placement Medical Examination

For workers newly assigned to processes involving the use and handling of hazardous substances subject to special health examinations, we conduct pre-assignment and post-assignment health checks. This practice helps prevent occupational diseases that could arise from exposure to these hazardous substances.

Comprehensive Medical Examination

In order to detect various chronic diseases and cancers that cannot be detected through general or special medical examinations, we provide employees and their spouses with comprehensive checkups every two years. To detect various diseases in their early stages, we have signed agreements with three top-tier general hospitals in Pohang City to organize various arrangements between hospitals and provide employees with the option of choosing a checkup hospital and various medical tests at their will so that they can use various services.

Status of Medical Examinations (Unit: persons)

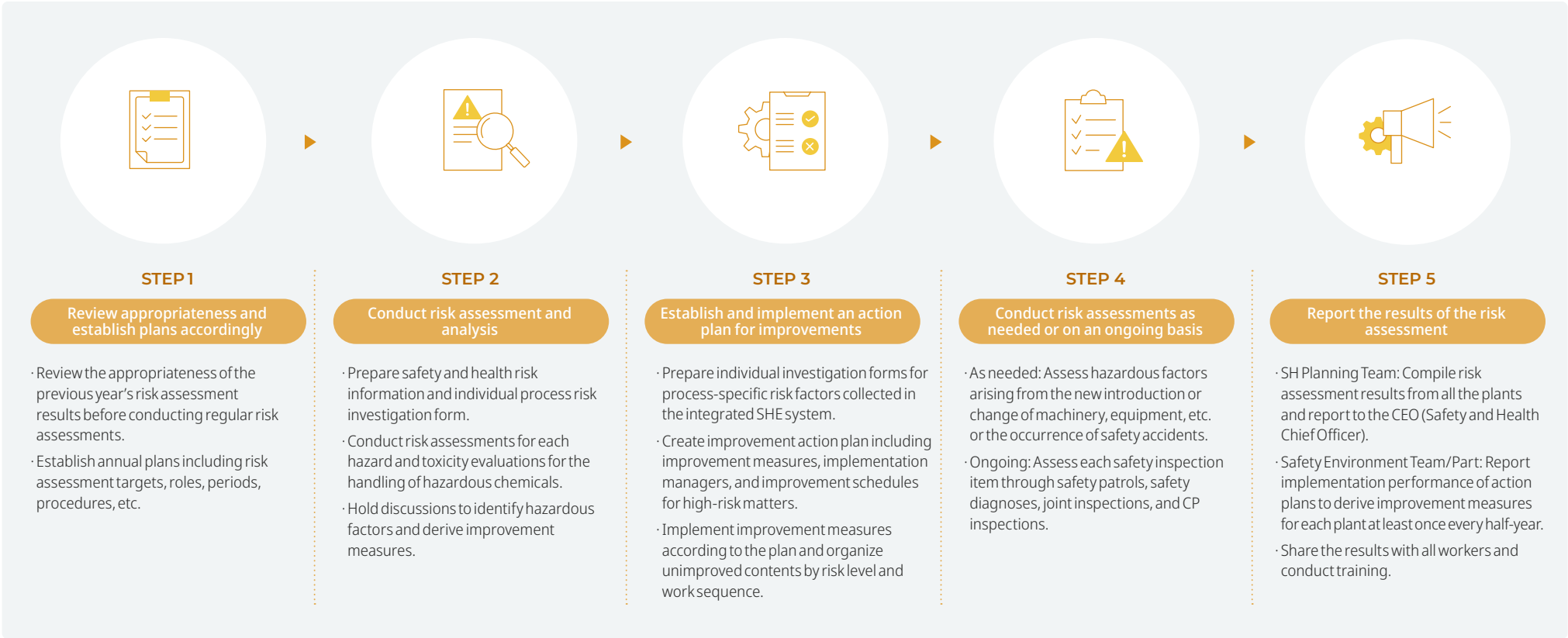
Category	2021	2022	2023
General Medical Examination	470	466	479
Special Medical Examination	218	228	237
Pre- and Post-Placement Medical Examination	42	55	89
Comprehensive Medical Examination	178	185	229

Workplace Safety and Health

Risk Management

SeAH Steel has enhanced our risk assessment procedures across all processes by transitioning from the existing 4M technique (Machine, Media, Man, Management) to the KRAS technique, which evaluates six key factors: mechanical (facility), electrical, chemical, biological, work characteristics, and work environment. In 2023, we identified a total of 361 hazardous and dangerous factors across all plants through this assessment, and 331 of them were addressed successfully, achieving an improvement rate of 92%. We monitor all aspects related to risk assessment continuously through our integrated SHE system and address any identified deficiencies promptly. Additionally, we strive to enhance our suppliers’ risk assessment capabilities by implementing KOSHA MS and excellent risk assessment workplace certifications.

Risk Assessment Process



Workplace Safety and Health

Indicators and Targets

SeAH Steel has set ambitious safety and health goals for 2024 ~ 2025, aiming to achieve the following: 100% improvement rate in risk assessments; ZERO occupational safety accidents and serious accidents; and complete elimination of high-risk factors rated 8 or higher. Additionally, the company manages safety and health performance through key indicators such as accident rate, fatality rate, frequency rate, severity rate, and lost time injury rate.

Safety and Health Targets



Safety and Health Indicators

Category	Unit	2021	2022	2023
Number of injured	Person (s)	4	11	6
SeAH (SeAH Employees)	Person (s)	2	5	2
Suppliers	Person (s)	2	6	4
Rate of accidents	%	0.36	0.93	0.46
SeAH (SeAH Employees)	%	0.31	0.76	0.27
Suppliers	%	0.44	1.16	0.73
No. of fatalities	Person (s)	0	0	1
SeAH (SeAH Employees)	Person (s)	0	0	0
Suppliers	Person (s)	0	0	1
Fatality rate	%	0	0	0.08
SeAH (SeAH Employees)	%	0	0	0
Suppliers	%	0	0	0.18
Frequency rate	Cases/million work hours	1.60	4.12	2.09
SeAH (SeAH Employees)	Cases/million work hours	1.33	3.27	1.20
Suppliers	Cases/million work hours	2.02	5.25	3.35
Severity rate	‰	0.16	0.48	2.83
SeAH (SeAH Employees)	‰	0.19	0.61	0.31
Suppliers	‰	0.13	0.32	6.37
Lost time injury rate	Cases/million work hours	6.41	5.99	6.98
SeAH (SeAH Employees)	Cases/million work hours	5.98	4.58	5.38
Suppliers	Cases/million work hours	4.65	5.89	6.57

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Environmental Management

Environmental Management Strategy

SeAH Steel has recognized worldwide practices in eco-friendly management. In response, we have revised our environmental and energy management guidelines to eliminate negative environmental impacts on both the company and society. Additionally, we have established the “SeAH Steel Eco-Friendly Management Strategy” based on our mid-to-long-term ESG strategy. SeAH Steel strives to build eco-friendly workplaces by implementing mid-to-long-term environmental goals and corresponding year-by-year plans systematically.

Environmental and Energy Guideline

1

We comply with environmental and energy-related laws and regulations based on ISO 14001 and ISO 50001.

2

We establish and continuously implement environmental and energy goals and action plans to ensure ongoing improvement.

3

We achieve carbon neutrality through the transition to renewable energy and the design of eco-friendly facilities.

4

We contribute to environmental conservation by minimizing waste generation and promoting resource recycling actively.

5

We fulfill our social responsibility by reducing greenhouse gas emissions through the procurement of eco-friendly raw materials and the development of sustainable products.

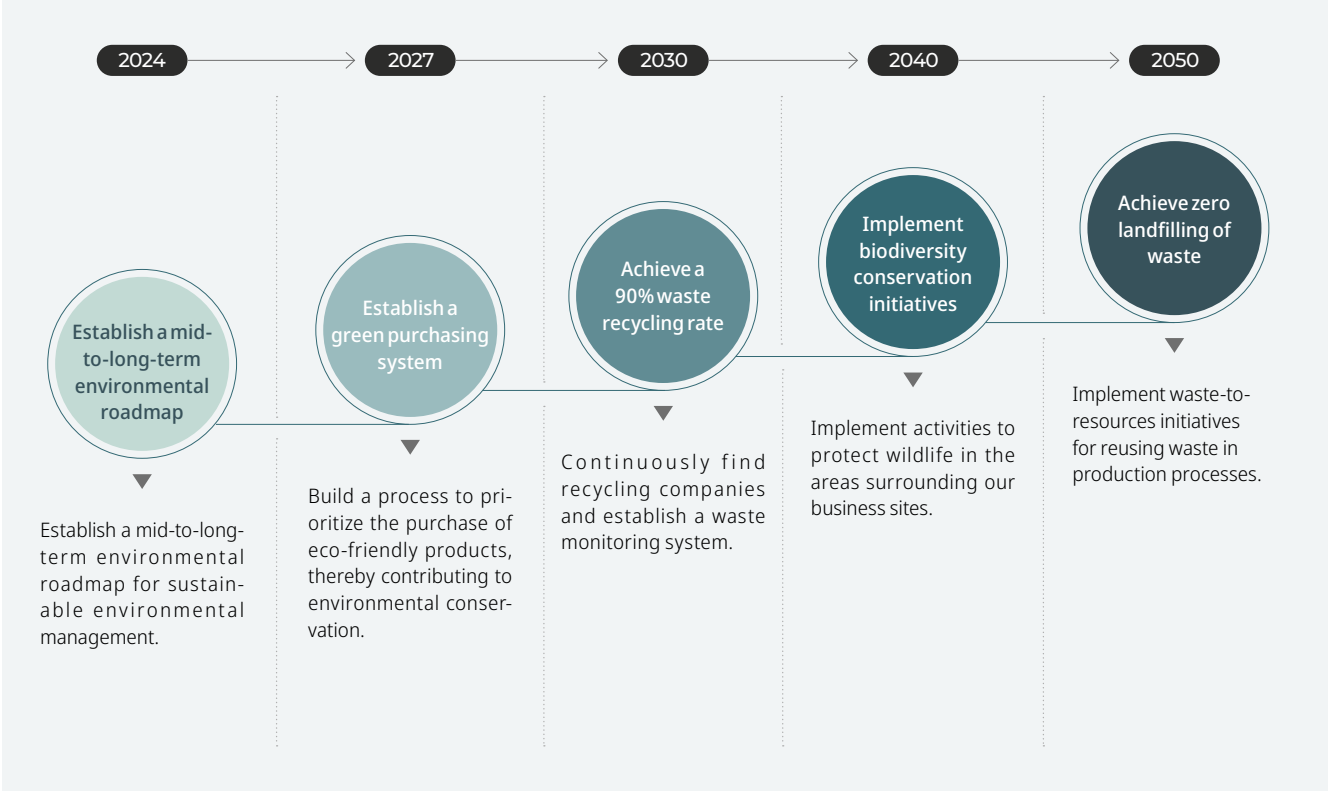
6

We establish and operate our environmental and energy management system with the participation of all employees and stakeholders.

7

We assess the risks posed by our business activities to the environment and energy and take appropriate actions preemptively for continuous improvement.

Mid-to-Long-Term Strategies and Goals for Environmental Management



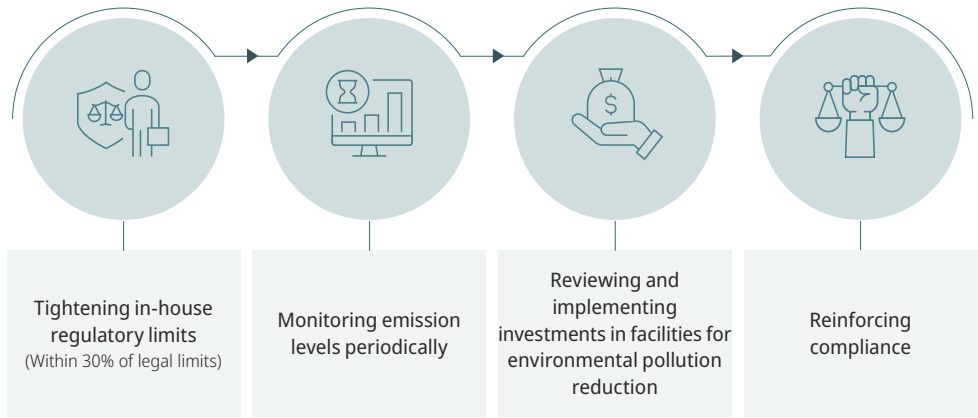
Environmental Management

Environmental Management System

Dedicated Organizational Unit for Environmental Management

SeAH Steel has established the Energy Environment Planning Team, a dedicated unit for environmental management across all business sites, to implement a company-wide environmental management system. Under the oversight of the CEO responsible for environmental management, this team sets environmental goals for the year and develops detailed action plans for SeAH Steel. It regularly monitors the performance of operational departments in implementing these plans. Accordingly, each responsible department at every business site conducts proactive environmental management activities, including environmental investments and training, to prevent environmental accidents and minimize pollutant emissions. Additionally, SeAH Steel implements company-wide Compliance Program (CP) activities and operates the Safety and Environment Committee, to adapt to evolving environmental regulations. Cross-inspections between business sites and discussions on key environmental issues are also conducted to eliminate environmental risks. SeAH Steel, recognizing the critical role of top management in environmental management activities in the future, plans to establish a reporting and review system for environmental issues within the BOD. Through this initiative, we aim to transition towards a sustainable environmental management system.

Environmental Compliance



Reinforcing Compliance

Response to Laws and Regulations on Environmental Management

SeAH Steel has intensified our compliance activities for air and water pollutant emissions in order to identify and effectively respond to environmental management-related laws and regulations. We have implemented internal management standards that are up to 30% stricter than legal requirements. Additionally, we monitor pollutant emissions levels to identify the trends in emissions. Furthermore, based on the monitoring results, we actively invest in facilities to reduce environmental pollution, striving to minimize our pollutant emissions. Moving forward, we will further advance our environmental compliance activities through tightened in-house standards and ongoing investments.

Response Strategies of Major Laws and Regulations

Environmental Laws and Regulations	Description	SeAH Steel Response Strategies
Act on the Allocation and Trading of Greenhouse Gas Emission Permits	Pursuant to Article 25 of the Framework Act on Carbon Neutrality and Green Growth for Coping with Climate Crisis, the act is enacted to achieve the nation's greenhouse gas reduction targets through market mechanisms that allow trading greenhouse gas emission rights.	As a company subject to the allocation of emission allowances in Korea's emission trading systems, SeAH Steel calculates greenhouse gas emissions every year and is verified by external agencies to comply with relevant laws and regulations. In addition, we are continuously carrying out greenhouse gas reduction activities to contribute to achieving the NDC goal.
Clean Air Conservation Act	The act is enacted with the aim of preventing harm to public health and the environment caused by air pollution and to manage and preserve the air quality in an appropriate and sustainable manner so that all citizens can live in a healthy and pleasant environment.	In order to comply with the water pollutant emissions thresholds within the legally permitted limits, we manage the emissions by applying the internally set thresholds, which are strengthened to within 30% of the legally permitted standard. Additionally, to proactively manage the concentration of Total Hydrocarbons (THC) from the coating process and keep it below the regulatory limits, we have invested in high-temperature incineration facilities such as RTO (Regenerative Thermal Oxidizers) and TO (Thermal Oxidizers).
Water Environment Conservation Act	This act is enacted with the aim of preventing harm to public health and the environment caused by water pollution and to properly manage and preserve the water environment in public waters such as rivers and lakes so that all citizens can enjoy the benefits widely and pass them on to future generations.	In order to comply with the air pollutant emissions thresholds within the legally permitted limits, we manage emissions by applying internal standards, which are up to 30% stricter than the legal limits. In addition, we are managing the risk of nonpoint sources caused by rain, etc. through investments in filter press to remove suspended solid (SS) as well as investments in nonpoint source reduction facilities.
Chemical Substances Control Act	This act is enacted with the aim of preventing harm to public health and the environment caused by chemicals and to properly manage chemicals and respond quickly to accidents caused by chemicals to protect the lives, property, or environment of all citizens.	In order to meet the management standards of facilities handling hazardous chemicals from the acid pickling process, we have submitted a chemical accident prevention management plan in advance and conduct regular inspections according to scheduled timelines. In addition, we are operating a 24-hour hazardous chemical leakage prevention system to prevent accidents caused by chemical substances in advance.

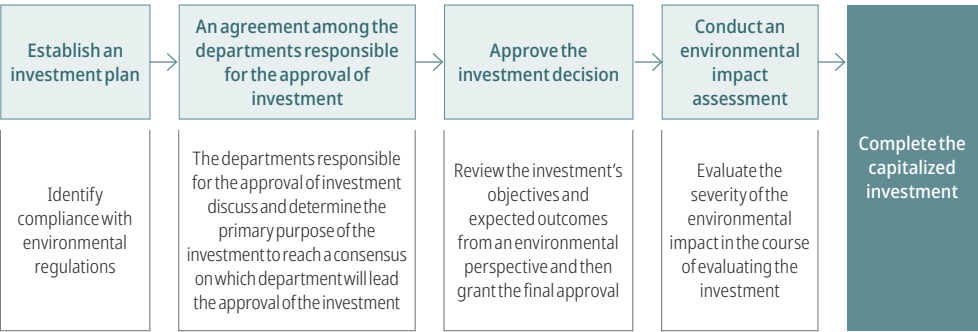
Environmental Management

Reinforcing Compliance

Revision of the Investment Review Process

Previously, SeAH Steel evaluated general aspects, such as regulatory compliance and cost considerations when reviewing our investments. Recognizing the need for improvement, we plan to revise our investment review process to include a broader range of issues from an ESG perspective. This includes estimating and incorporating the environmental values that projects expect to generate. This revised approach will facilitate the assessment of risks and opportunities in the environmental and energy sectors arising from the projects, such as the adoption of renewable energy and the levels of environmental pollutant emissions. The goal is to minimize environmental pollution that could arise during the course of business operations.

Environmental Investment Review Process



Environmental Management Activities

Implementation of the Integrated Environmental Management System

SeAH Steel's Changwon Plant is implementing an Integrated Environmental Management System in accordance with the Act on the Integrated Control of Pollutant-discharging Facilities. This system consolidates 7 existing laws and 10 permits into a unified framework for managing each business site through the process of prior and main consultations, the preparation of an integrated environmental management plan, and ongoing follow-up management. By incorporating BAT (Best Available Techniques)* tailored to the specific characteristics and environmental impacts of permitted sites, the system aims to minimize environmental impact.

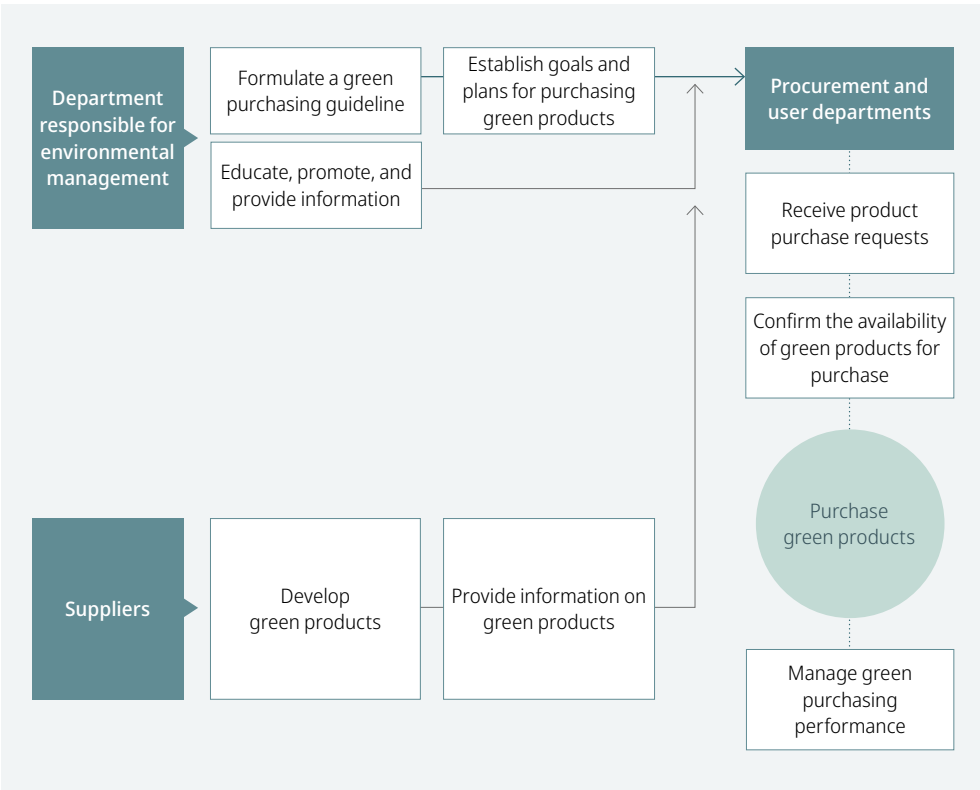
The Changwon Plant monitors 13 types of business site data comprehensively. Such data include monthly self-measurements, operating hours per facility, electricity and chemical usage, raw material input, fuel consumption, and logs on air and water quality operations. It also prepares and submits an annual report to environmental authorities in jurisdiction and discloses them. This approach ensures the effective operation of the integrated environmental management system.

*BAT (Best Available Techniques economically achievable): An economical environmental management technique among the excellent environmental technologies that can minimize pollutant emissions throughout the work process, from raw material inputs to pollutant treatment process

Establishment of a Green Purchasing Process

As part of our mid-to-long-term strategy, SeAH Steel plans to establish a green purchasing process aimed at prioritizing the purchase of eco-friendly products that minimize the emissions of environmental pollutants. The procurement department purchases green products based on the green product purchasing goals and plans established by the environmental management department, as well as the green product information provided by suppliers. The department will manage the performance of these purchases and disclose relevant information transparently to stakeholders.

Green Purchasing Process



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Environmental Product Declaration (EPD) Certification

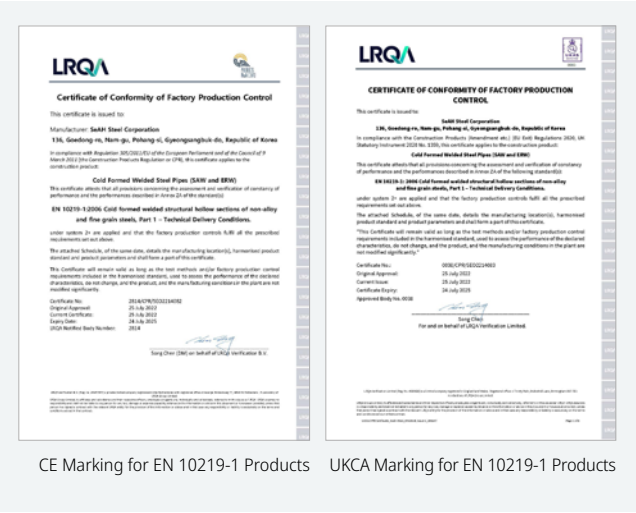
SeAH Steel's Pohang Plant has obtained the EPD (Environmental Product Declaration) certification for ERW (Electric Resistance Welding) and SAW (Submerged Arc Welding) carbon steel pipes, making it the first company in South Korea to obtain the certification. The EPD certification, awarded by the global certification body UL (Underwriters Laboratories), quantifies resource inputs and environmental emissions throughout the product life cycle (LCA, Life Cycle Assessment) and evaluates the potential environmental impacts systematically. SeAH Steel plans to leverage this certification to ensure proactive compliance with legal requirements and institutional regulations such as strengthening carbon regulations.



EPD Certification

CE and UKCA Mark Certifications

SeAH Steel's Pohang Plant has obtained CE and UKCA markings for EN 10219-1 products from Lloyd's Register Quality Assurance (LRQA). The CE mark is a certification required by EU member states, to ensure the safety of products manufactured and distributed in the European market. It is mandatory for products sold in the EU to meet requirements regarding consumer health, safety, and the environment. These markings verify that SeAH Steel's products comply with EU safety standards.



CE Marking for EN 10219-1 Products UKCA Marking for EN 10219-1 Products

Environmental Management System (ISO 14001) Certifications

SeAH Steel has set environmental management as a fundamental guideline for corporate management. In 2015, SeAH Steel plants in Pohang, Gunsan, Suncheon, and Changwon obtained the ISO 14001 certification, an international standard for environmental management systems. Each year, a third-party assurance body reviews the company's compliance with the Plan-Do-Check-Act cycle. SeAH Steel actively addresses any issues identified during this process. Furthermore, the Pohang plant has achieved the ISO 50001 certification for energy management systems. We will continue to expand our certification scopes in the future.



Environmental Management System (ISO 14001) Certification Energy Management System (ISO 50001) Certification

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SeAH Steel Sustainability Report 2023

Improvement of Employee Awareness

Establishment of a Resource Recycling System

E-Waste Collection Campaign

SeAH Steel signed an MOU in 2023 with “E-Circulation Governance,” a non-profit organization authorized by the Ministry of Environment, to properly separate and collect E-Waste (electrical and electronic waste) generated across the office spaces. We have been conducting a campaign on resource recycling of E-waste twice a year. Across a total of 7 business sites, including the headquarters, the campaign successfully collected and recycled 4,358kg of waste, resulting in 4,103kg of resource circulation in 2023. This effort also led to a reduction in greenhouse gas emissions by 9,262kgCO₂eq (corresponding to Scope 3). We donated the 2 million KRW in revenue generated from the resource circulation to the “Children’s Foundation,” a social welfare organization. In recognition of these efforts, SeAH Steel was honored as a Best Practice company and received the Minister of Environment Award at the “Electronic Waste Modubium, ESG Sharing” Resource Recycling Practice Competition in December 2023, jointly hosted by the Ministry of Environment and “E-Circulation Governance.” Starting in 2024, we are expanding the campaigns to SeAH Steel Holdings and our domestic affiliates. SeAH Steel remains dedicated to resource recycling through multi-faceted waste management efforts across our business sites.

Installation of Recycling Bins

SeAH Steel has installed recycling bins to enhance the recycling rate of office-generated waste and minimize general waste output within the facilities. To ensure that employees are well-informed and able to practice proper waste separation, we have distributed item-specific waste separation guidelines. We track disposable plastic cup usage monthly, aiming to gradually reduce consumption. Additionally, we will expand the installation of waste separation bins, which are currently being piloted at the headquarters, to all business sites. This will help strengthen waste management across all locations and contribute to establishing a robust resource circulation system.

Secondhand Books Donation Campaign

SeAH Steel conducted a Secondhand Books Donation Campaign aimed at promoting resource recycling and providing reading opportunities for those lacking reading resources. This initiative involved collecting books from within the company and employees’ personal collections for donation. The collected books will be donated to the Mapo Welfare Foundation in Mapo-gu, where SeAH Steel’s headquarters is located. The funds generated from these donations will support elderly welfare projects in the community. Additionally, some books will be distributed to welfare institutions and facilities in Mapo-gu to enrich local community activities.



1. Certificate of social contribution activities
2. Certificate of production of circulating resources
3. Certificate of Scope 3 Greenhouse Gas Reduction
4. The Minister of Environment Award in the public sector at the “Electronic Waste Modubium, ESG Sharing” Resource Recycling Practice Competition

Operation of the ESG Consultative Body

SeAH ESG Friends

SeAH Steel operates the ESG Consultative Body, “SeAH ESG Friends,” which is responsible for publishing the sustainability management report, responding to domestic and international ESG evaluations, and addressing customer supply chain assessments. The group plays a vital role in spreading ESG management by regularly conducting training sessions that provide opportunities for assessing members’ understanding of ESG management and building capacities. SeAH Steel encourages “SeAH ESG Friends” members to include their contributions to ESG management in their individual KPIs. Members who have participated for two years or more receive an internal ESG expert certificate, fostering a sense of belonging and enhancing their expertise. During the “SeAH ESG Friends” group training sessions, the current status of sustainable management and plans for the future are shared. Furthermore, expert instructors were invited to provide training on how to prepare sustainability management reports and to discuss recent trends in ESG management. SeAH Steel remains determined to continuously enhance the ESG capabilities of our employees and internalize ESG management.



2023 Coffee Truck Event for the Best Practice Model in a Campaign on Resource Circulation of E-waste



1. Secondhand Books Donation Campaign
2. 2nd SeAH ESG Friends Group Training Session

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Improvement of Employee Awareness

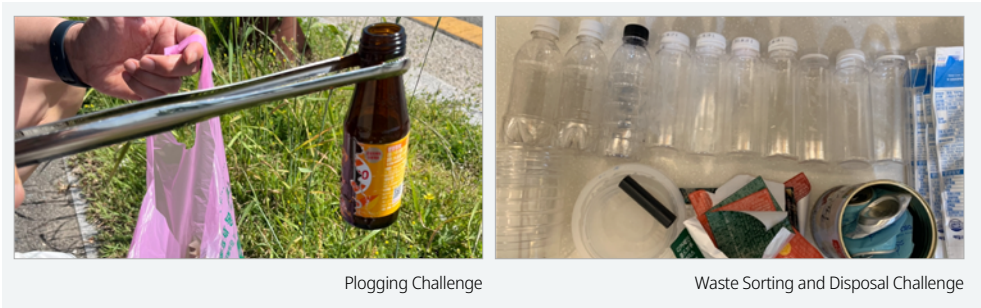
ESG Challenge

SeAH Employee ESG Challenge

SeAH Steel conducted the “SeAH Employee ESG Challenge” to allow employees to experience an eco-friendly lifestyle in their daily lives. Ten employees who participated in the challenge chose and completed one of the following activities over the course of 7 days: Veggie Challenge, Plogging Challenge, Bring Your Own Container Challenge, and Recycling Challenge. They then shared their experiences.

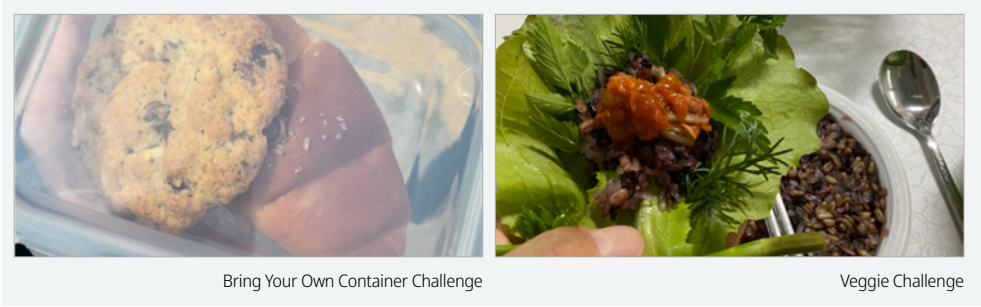
SeAH Leaders ESG Challenge

SeAH Steel is conducting the “SeAH Leaders ESG Challenge” to provide team leaders with opportunities to practice ESG in their daily lives. This initiative is expected to enhance the understanding of ESG among the team leaders and members, thereby improving their sense of responsibility and contribution toward achieving our ESG goals. SeAH Steel will continue to foster an environment where all employees can actively engage in environmental activities and contribute to ESG management.



Plogging Challenge

Waste Sorting and Disposal Challenge



Bring Your Own Container Challenge

Veggie Challenge

Awareness Improvement Activities

Card News and Newsletters

SeAH Steel distributes card news and newsletters to inform employees about the importance of ESG management and recent trends. Information on various topics is shared on a weekly basis via the internal bulletin board. To help employees understand unfamiliar terms and concepts, a series of card news using images and illustrations is provided, fostering greater interest in ESG management.

Campaign to Reduce Paper Waste

SeAH Steel launched a “Reduce Paper Waste” campaign to conserve resources by cutting down on unnecessary consumption of print papers. The campaign highlighted the environmental impact of chemicals and water used during paper production and disposal and provided specific measures for reducing paper usage. Employees are encouraged to actively practice alternatives to conventional paper use, such as using the back of used paper, leveraging chat functions, and changing work methods. Employees also share ways to reduce ink and power consumption through eco-modes on multi-function printers and using “eco-fonts.”

Social Contribution Activities

Creating Braille Tactile Teaching Aids

SeAH Steel is conducting activities to create Braille tactile teaching aids. This initiative aims to raise awareness about the educational challenges encountered by visually impaired children. In November 2023, as part of the second group training session of “SeAH ESG Friends,” 30 pieces of “I Can Do It Alone” Braille tactile teaching aids were created. These aids are designed to help visually impaired children to practice dressing up by themselves independently. Further expanding this effort, in May 2024, during the “7th SeAH Steel Safety and Environment Exchange Meeting,” company-wide safety and environment personnel collaborated to create Braille tactile teaching aids on traffic safety. These aids, aligned with the safety training curriculum for 1st and 2nd-grade students in schools for the visually impaired, were distributed to Braille libraries and schools for visually impaired children. SeAH Steel strives to continue these social contribution activities, focusing on the creation of Braille tactile teaching aids, to contribute to improving Braille literacy rates among visually impaired children.



Braille Tactile Teaching Aid Creating Activity

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Management of Air Pollution

Standards for Air Pollution Management

SeAH Steel minimizes the emissions of air pollutants, such as dust, nitrogen oxides (NOx), and sulfur oxides (SOx), produced during the steel pipe manufacturing process, particularly in high-temperature welding operations. We adhere to internal standards that impose limits stricter than legal emission thresholds up to 30%. Additionally, SeAH Steel's various efforts for sustainable clean air conservation, include investing in air pollutant reduction facilities tailored to the operational characteristics of each business site.

Activities for Reduction of Air Pollutants

SeAH Steel has installed Regenerative Thermal Oxidizers (RTOs) and Direct-fired Thermal Oxidizers (TOs) at the Gunsan Plant to comply with legally allowable emission levels of Volatile Organic Compounds (VOCs) generated during the coating process. The Pohang Plant, a site predominantly dedicated to continuous coating processes, optimizes the fuel consumption required to maintain appropriate processing temperatures. This is achieved by harnessing incineration heat, which is stored in facility heat storage materials. The Gunsan Plant, with a smaller production volume of coated products, features air pollution prevention facilities that are both efficient and easy to maintain, tailored to the specific operational needs of the site. Furthermore, the Changwon Plant utilizes a Tele-Monitoring System (TMS) to conduct real-time monitoring of pollutants and their concentrations emitted from the site.

Additionally, SeAH Steel conducts regular maintenance on local exhaust systems to enhance dust collection and improve the working environment. This proactive approach ensures immediate resolution of any issues, thereby maintaining stable equipment efficiency. These efforts are aligned with responding to stricter environmental regulations, including the Air Quality Conservation Act. By consistently striving for process improvement at each plant, SeAH Steel keeps air pollutant emissions well below the limits set by legal standards, thereby demonstrating our practice to environmental management.



RTO Facilities (Pohang Plant)

Management of Water Resources

Standards for Water Resource Management

SeAH Steel prevents the abuse and pollution of water resources by reducing industrial water consumption and controlling the quality of discharged water. Water consumption is calculated separately for industrial water and tap water based on company meter readings. Water for product manufacturing is supplied as industrial water through intake facilities within the industrial complex. It is used for cooling, replenishing water-soluble cutting oils for anti-corrosion, and other purposes within the business sites. In 2023, we minimized the use of industrial water during equipment idling by installing inverters on cooling water and tube-forming lubricant pumps. Going forward, SeAH Steel will continue to devise water management plans to conserve water resources around its business sites.

Activities for Reduction of Water Pollutants

SeAH Steel sets annual water pollutant reduction targets and checks their implementation status for each facility. In 2023, the Changwon Plant installed dedicated reduction facilities to reduce nonpoint pollution sources caused by various factors including rainfall. Additionally, the filter press at the wastewater treatment plant was replaced to enhance the effective removal of pollutants generated during wastewater treatment processes.

In 2024, the Gunsan plant will invest in a reverse osmosis system to treat wastewater by applying more than a certain pressure to remove organic carbon and various ion substances. This system will enable the reuse of treated wastewater as industrial water within the plant, thereby reducing both the volume of wastewater discharge and the consumption of industrial water.

Investment in Water Pollutant Reduction Facilities

Facility for reduction of nonpoint pollution sources at Changwon plant

Installation completion date: February 2023

KRW 400 million

Filter press of wastewater treatment plant at Changwon plant

Installation completion date: November 2023

KRW 270 million

Waste Management

Waste Management Strategy

SeAH Steel aims to minimize environmental pollution caused by waste landfilling and incineration by reducing waste generated and expanding recycling during the steel pipe production process. Accordingly, a mid-to-long-term resource recycling roadmap has been established with the goals of “achieving a 90% company-wide waste recycling rate by 2030” and “zero landfill of waste by 2050.” Waste discharge reduction KPIs have been designated, and performance is assessed quarterly to ensure alignment with plans. Additionally, we conduct an annual “supplier evaluation” to select transportation and treatment vendors and provide Hazards Information Data in accordance with the Wastes Control Act to actively manage stakeholders’ waste handling. Furthermore, SeAH Steel has established and is operating various investment activity plans, such as the continuous discovery of recycling treatment companies, the establishment of monitoring systems, and process improvements, to minimize waste treated by landfilling and incineration methods.

Waste Management Process

As of 2023, SeAH Steel’s primary sources of waste are sludge and slag generated during the production process and approximately 71% of total waste is recycled. * Other by-products, like iron scrap, are 100% recycled. We periodically monitor company-wide key waste indicators (generation and recycling amount) in the SHE system to develop and implement plans for minimizing waste and increasing recycling efforts.

SeAH Steel contracts with certified transportation and treatment companies to handle and treat waste generated at our business sites in accordance with the Waste Control Act. Additionally, we strive to continuously discover waste recycling companies. Furthermore, we manage and disclose our waste treatment details through the Ministry of Environment’s electronic waste information system, Allbaro. Moving forward, SeAH Steel plans to advance our management process by establishing a waste management system that enables real-time monitoring from the transportation to the treatment of waste discharged from business sites.

*Figures calculated excluding construction waste

Strategy and Goals for Resource Recycling

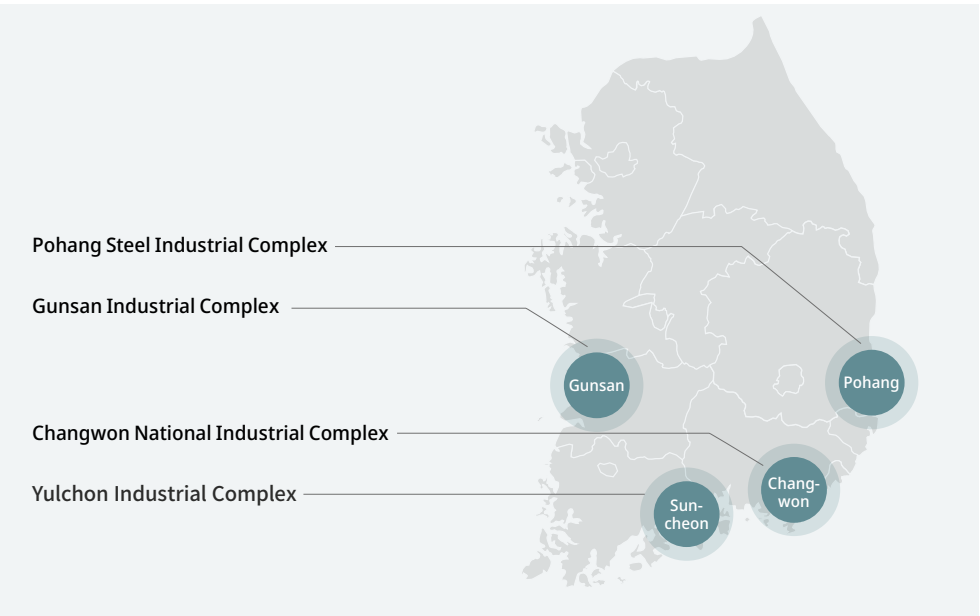
	2030	2050
Goals	Achieving a 90% waste recycling rate Promoting recycling treatment plans for incinerated and landfilled waste	Achieving Zero waste landfilling Considering the generated waste as raw materials and products based on the waste-to-resource approach
Action plans	<ul style="list-style-type: none">· Continuously discover recycling treatment companies· Enhance recycling in business sites· Reduce mixed waste sources· Resource recycling of E-waste	<ul style="list-style-type: none">· Promoting waste recycling and resource recovery· Obtaining company-wide ZWTL certification· Advancing waste monitoring system· Expanding investment in waste recycling facilities

Biodiversity

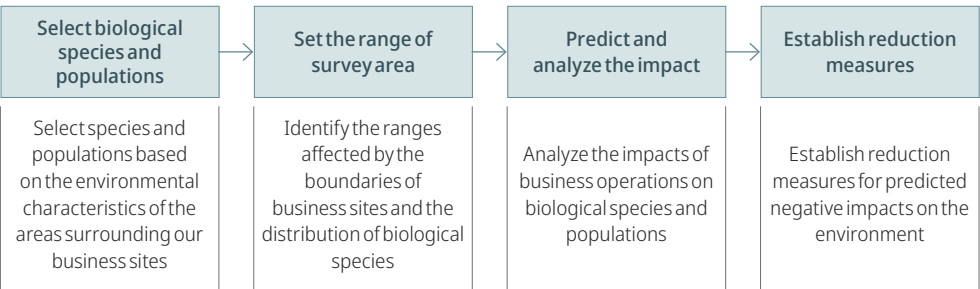
Biodiversity Conservation Activities

SeAH Steel aims to conduct systematic analyses on the impact of our business activities on biological species and populations and implement activities to protect them by establishing biodiversity conservation activity plans. In 2024, SeAH Steel will identify the range of areas affected by environmental pollutants discharged from our business sites, laying the foundation for implementing long-term biodiversity conservation activities.

Biodiversity-Threatened Areas (SeAH Steel’s Domestic Business Sites)



Biodiversity Conservation Plan



Chemical Management

Chemical Management Process

SeAH Steel consistently monitors domestic chemical regulations, such as the Chemical Substances Control Act and stays updated on international regulatory changes. Through self-conducted CP (Compliance Program) inspections, we thoroughly assess whether there are any vulnerabilities in hazardous chemical control against legal requirements. We prepare and submit plans to prevent and manage chemical accidents, evaluating their potential impact on the surrounding areas of our business sites. SeAH Steel enhances its chemical accident response capabilities through training programs.

Additionally, SeAH Steel implements a comprehensive control process for chemicals, ensuring safety throughout their lifecycle—from pre-purchase reviews to procurement, usage, and disposal. The users of new chemical substances must obtain approval for use after requesting a review form from the dedicated Safety Environment Teams/Parts at least 10 days before handling. We maintain continuous tracking and management from procurement to disposal, with final disposal entrusted to certified treatment companies following a thorough reassessment of the chemical substance components by the Safety Environment Teams/Parts.

Chemical Lifecycle Management Process



Management of Hazardous Chemicals

SeAH Steel provides safety training to employees at facilities that handle hazardous chemicals during processing, ensuring that workers are well-informed about the hazards and risks associated with the materials they handle. Additionally, all employees working on hazardous chemical handling lines undergo emergency drills to simulate chemical spill situations, equipping them to respond effectively from initial containment to recovery.

Hazardous Chemical Training Status

Safety Training for Workers Handling Hazardous Chemicals

 Training Completed
363 trainees

- Introduction to the Chemical Substances Control Act
- Current status of chemical use
- MSDS for hazardous chemicals
- Response to each emergency scenario
- Assessment of risks associated with processes using hazardous chemicals
- Quantitative assessment of hazardous chemical leaks
- Location and how to use PPEs and first-aid kits

Chemical Accident Response System

SeAH Steel continues to invest in facilities to ensure thorough chemical control and prevent leaks. Critical chemical handling facilities are equipped with gas detectors and leak detectors to preempt hazardous chemical leaks. We have also implemented an emergency recovery and handling system to swiftly respond to such incidents, alongside real-time CCTV monitoring at key locations to monitor chemical leak situations promptly. Additionally, SeAH Steel provides MSDS training for our employees and conducts awareness campaigns to enhance safety consciousness.

In particular, SeAH Steel's Changwon Plant has been recognized for the establishment of a 24-hour hazardous chemical leakage notification system and its proactive measures in the prevention of chemical accidents, including the installation of supply pipe housings. In April 2023, it was honored as the best business site in the “BELFS PLUS Chemical Safety Campaign” organized by the Nakdonggang River Drainage Basin Area Environment Center, receiving the Minister of Environment Award.



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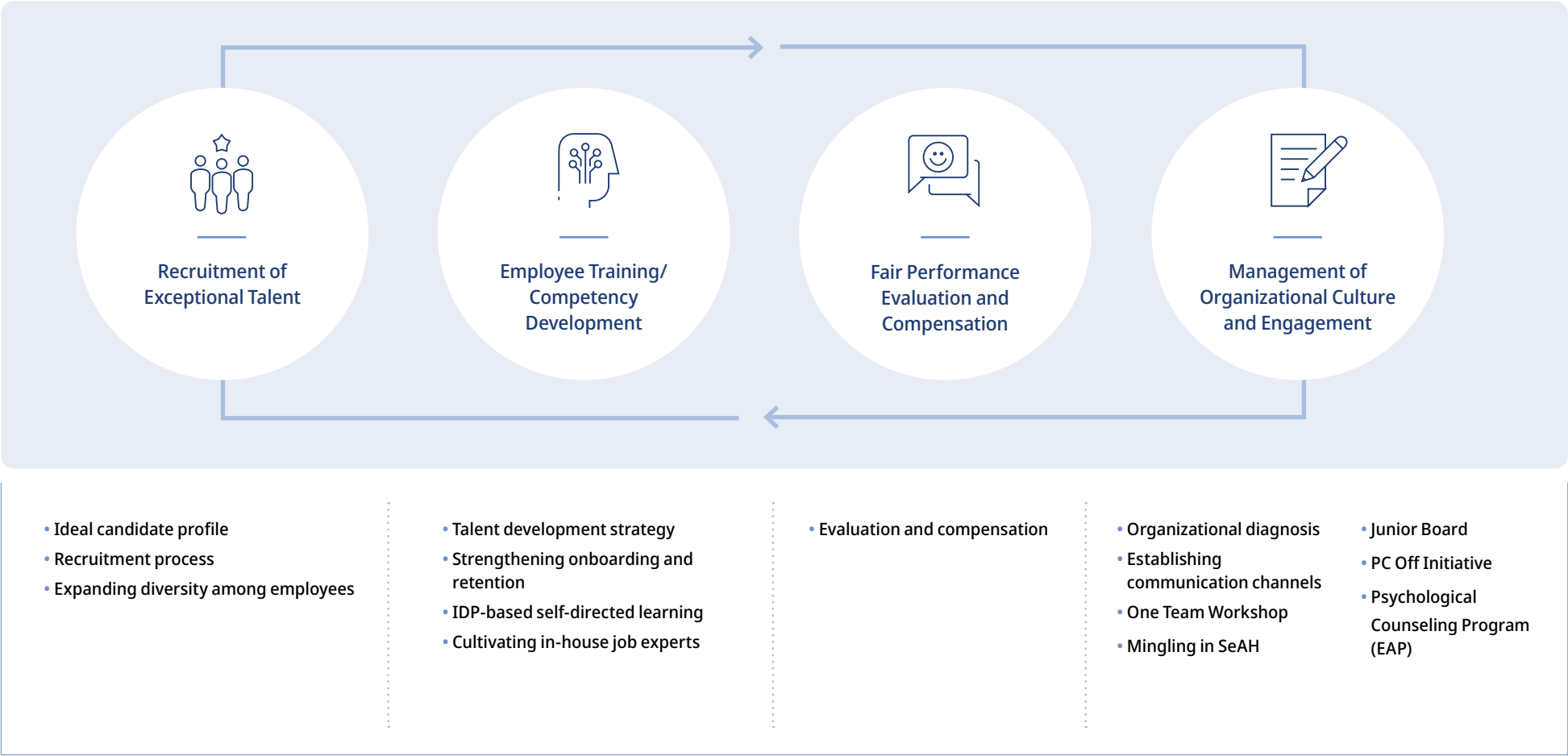
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Talent Management

Talent Management Strategy

SeAH Steel has established a systematic talent acquisition and development process to recruit and cultivate individuals who embody the core values of “honest, passionate, and professional,” fostering collaboration among all employees. The process includes four stages: recruiting exceptional talent, providing employee training and competency development, conducting fair performance evaluations and compensation, and managing organizational culture and engagement. This ensures comprehensive management, from talent recruitment to employee welfare. Through these efforts, SeAH Steel remains determined to deliver high-quality products and technology that contribute to a more beautiful world.



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Recruitment of Exceptional Talent

SeAH Steel's Ideal Candidate Profile

At SeAH Steel, we strive to cultivate a richer world by embracing diverse thoughts and unique personalities. In our company, which brims with dreams and passion, we work to continuously create beautiful values. Our creative and innovative SeAH members will be the solid foundation of SeAH Steel, leading the steel industry in South Korea.



A Person with a Rational and Right Set of Values

A person who makes objective judgments based on reason and makes decisions that everyone can agree with



An Innovative and Proactive Person

A person who actively creates novel manifestations of significant ideas or produces value based on original approaches or technologies, and endeavors to bring innovative ideas to fruition



A Highly Adaptable and Harmonious Person

A person who excels at any given task and keeps harmonious relationships with others

Talent Recruitment Process

SeAH Steel recruits talent with the competency and qualifications to grow with us through routine and on-demand recruitment. Applicants are evaluated according to a structured three-stage system: document screening, AI-based competency testing, and interviews. The AI competency testing objectively verifies the applicant's basic job competencies and personality. During the first interview, we comprehensively evaluate the applicant's knowledge and expertise in the applied field. The second interview assesses personality and organizational fit. We do not discriminate against applicants based on gender, age, race, ethnicity, country of origin, nationality, cultural background, physical characteristics, or religion. SeAH Steel is determined to establish a fair and objective hiring process through regular interviewer training.

Expanding Employee Diversity

SeAH Steel strives to expand employee diversity by giving additional consideration to applicants with disabilities during the hiring process. Additionally, we indirectly employ individuals with severe disabilities through an equity investment in standard workplaces for the disabled and regularly purchase goods produced by these workplaces. The employment rate of people with disabilities in 2023 was 2.5% (including equity investments), up 0.72% from 1.78% in 2022. To accommodate the needs of employees with disabilities, SeAH Steel encourages remote work and provides support, such as large monitors and communications subsidies. Furthermore, in 2024, SeAH Steel plans to review hiring policies that prioritize socially vulnerable groups in order to systematically manage the expansion workforce diversity and foster equal opportunities.

Employment Status of Minority Groups

Category	Unit	2021	2022	2023
No. of employees with disabilities	Persons	13	12	19
No. of foreign employees	Persons	1	1	1
No. of national veterans employed	Persons	7	8	10
Employment rate of people with disabilities	%	2.0	1.8	2.5

Talent Management

Employee Training and Competency Development

Talent Development Strategy

SeAH Steel operates various development programs aimed at strengthening employees’ job expertise as well as mutual development and satisfaction between the company and individuals, with the goal of sustainable growth through enhancing the core competencies of individuals and the organization. In 2024, SeAH Steel is supporting initiatives aimed at strengthening onboarding and retention for new hires, promoting self-directed learning through IDP (Individual Development Plan)-based programs, and providing key training to develop in-house job experts. These efforts are designed to help each employee grow into a skilled expert.

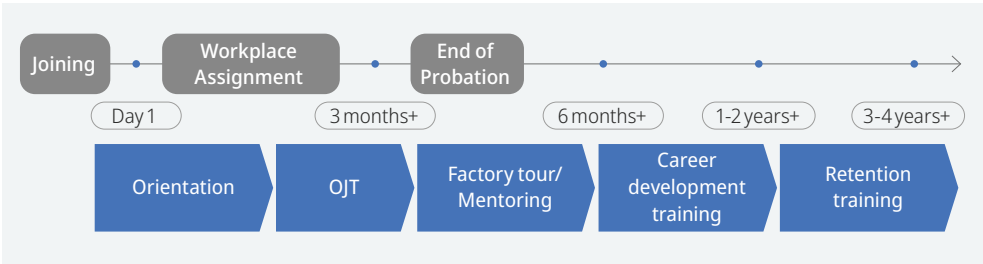
Direction of SeAH Steel’s Training in 2024



Strengthening Onboarding and Retention

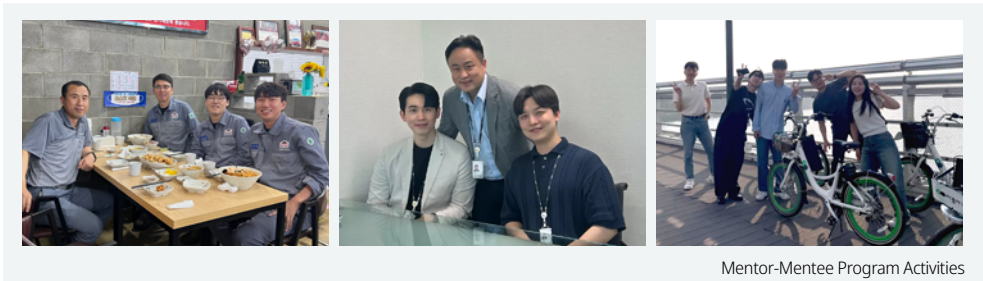
SeAH Steel recognizes that securing and nurturing exceptional human resources is fundamental to corporate competitiveness and has continuously expanded new recruitment over the past five years. To help new employees settle in stably, we have established an onboarding and retention training system based on concerns typically faced at different stages of employment. We are also implementing a variety of educational programs tailored to these needs.

SeAH Steel’s New Employee Onboarding and Retention Training System



Mentoring Program “SeAH Energizing Day”

SeAH Steel provides a mentoring program to help new employees adapt quickly. In April 2024, we established activity plans through a mentor-mentee matching ceremony, and a total of 45 mentors and mentees participated in the mentoring program. SeAH Steel also encourages the active participation of mentors and mentees through awards for outstanding mentoring activities, ultimately aiming to improve new employees’ satisfaction regarding the organizational culture and also develop leadership skills in senior employees.



Mentor-Mentee Program Activities

Talent Management

Employee Training and Competency Development

Promoting IDP-based Self-directed Learning

SeAH Steel operates the “SeAH-IDP” system that allows employees to receive necessary training in a timely manner by recommending and providing personalized courses through competency diagnosis, and to establish their own Individual Development Plan (IDP) to support self-directed learning.

SeAH-IDP Operation Process

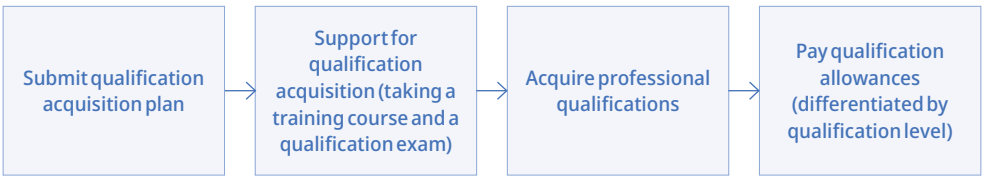


In addition to the group training provided by SeAH Steel, we support employees to pursue necessary training in a timely manner by establishing annual training plans centered on courses they need, such as “Learning Cloud” where various e-learning courses can be applied for and taken monthly, in-house training providing educational and lecture content developed directly by in-house job experts, and “external training” to strengthen individual professional job competencies.

Support for Acquisition of Professional Qualifications

SeAH Steel operates a “Professional Qualification Acquisition” support program to motivate employees and enhance their job competency and expertise. We support examination fees, training costs, and other elements necessary for obtaining more than 67 types of professional qualifications in management/sales/production/R&D sectors. In 2023, we supported 26 (about 7%) out of a total of 368 office workers in obtaining professional qualifications.

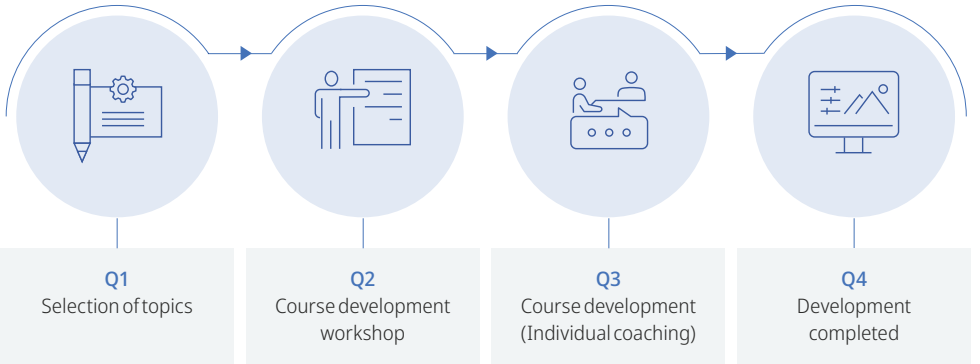
Process of Support for Acquisition of Professional Qualifications



Cultivating In-house Job Experts

SeAH Steel utilizes in-house job experts to create job-specific contents for enhancing employees’ understanding of departmental work, knowledge sharing, and knowledge circulation. We strive to deliver the knowledge and know-how of job experts to employees by selecting appropriate job experts to produce effective contents for the job skills needed by employees.

Process for Cultivating In-house Job Experts



Fair Performance Evaluation and Compensation

Evaluation and Compensation

SeAH Steel induces performance improvement and motivation of employees with performance-based promotion and evaluation systems. With the goal of achieving mutual growth between the company and employees based on performance creation, we evaluate performance through BSC (Balanced Score Card) and assign employees to the right positions based on their individual abilities. We also operate a job rotation system to allow employees to experience various fields and find areas suitable for them to maximize performance.

Performance evaluations are managed through goal alignment and agreement between organizational levels, and we conduct real-time feedback using IT systems. Based on performance contribution data, we encourage employees to accept their individual evaluation results and improve themselves. We also conduct 360-degree evaluations on “core values” that employees should pursue, “way of working” systemizing SeAH Steel’s unique work methods, and “leadership” based on skills desirable for leaders, and utilize these for the development of individual competencies and employee operation direction for the following year.

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Management of Organizational Culture and Employee Engagement

Organizational Diagnosis

To foster a healthy organizational culture, SeAH Steel conducts an annual organizational culture diagnosis for all employees. This diagnosis covers three areas: organizational satisfaction, job satisfaction, and the type of organizational culture. We evaluate and identify employees' engagement with the company, job satisfaction, and the overall characteristics of the organizational culture. Survey results are shared with all employees through discussion sessions. Improvement initiatives are developed based on feedback from employees, discussed, and consulted with relevant departments.



Establishing Communication Channels

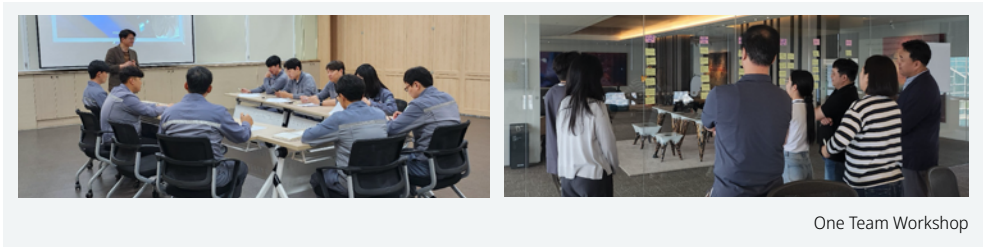
SeAH Steel regularly holds rank-specific meetings 1-2 times a year to gather employee feedback on various areas, including the work environment and HR systems, striving to address any concerns. In the first half of 2024, we conducted 6 discussion sessions focusing on organizational culture, HR-related activities, annual training plans, guidance for competency diagnosis implementation, Q&A sessions, and discussions of suggestions. Furthermore, starting in 2024, we aim to actively solicit opinions from various members through newly implemented 1:1 personal interviews.



SeAH Steel Discussion Sessions

One Team Workshop

SeAH Steel conducts One Team Workshops to reach agreements on team direction and ways of working and provides opportunities to understand and share employees' tendencies and thoughts. Through these workshops, we aim to support the employees in supporting meaningful work, strengthen work execution, and enhance team bonding and a sense of belonging to lead the "One Team" spirit. From March to July 2024, we held a series of workshops, including "Pre-diagnosis - Team Leader Pre-workshop," "One Team Workshop 1 and 2," and a "Team Leader Wrap-up Workshop" for teams with second-year team managers. This approach aims to ensure the workshop's effectiveness and sustainability through well-organized pre- and post-workshop activities.



One Team Workshop

Mingling in SeAH

In November 2023, SeAH Steel held a workshop called "Mingling in SeAH" to enhance the skills of administrative staff from SeAH Steel Holdings and SeAH Steel. The event brought together 37 employees, providing an opportunity for communication and collaboration. This initiative aimed to improve work efficiency and foster a sense of belonging to the company. Participants engaged in team-building activities to strengthen closer relationships with colleagues and develop a clear and focused approach to work. The workshop also included a tour of SeAH Steel's Pohang Plant, which helped employees better understand the company and increased their sense of belonging.



Mingling in SeAH

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Junior Board

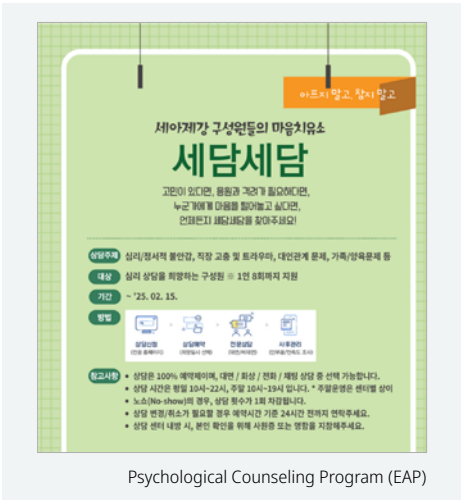
From 2024, SeAH Steel has established and is operating Junior Board, a consultative body to improve corporate culture through fresh ideas from a diverse pool of employees. In the first quarter, we selected employees from each business site through voluntary applications from junior associates to assistant manager-level employees and have been conducting regular discussion sessions with the sponsor (CEO) and HR. We aim to contribute to the development of a healthy corporate culture by identifying high-consensus issues at each business site and preparing improvement plans.



Junior Board Consultative Body

Psychological Counseling Program (EAP)

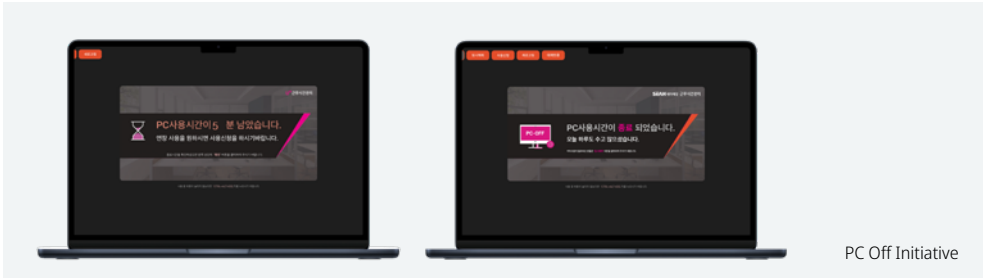
Since 2023, SeAH Steel has been operating a psychological counseling program with professional institutions to support the mental well-being of our employees. This program addresses issues, such as interpersonal relationships, work-related stress, and family conflicts. All information, including client details and counseling content, is kept strictly confidential. To ensure adequate support, each employee is entitled to up to eight counseling sessions. In cases where a mental health professional identifies an individual as high-risk, and with the counselee's consent, information may be shared with relevant departments to arrange additional counseling or support. If the counselee does not agree to share information, confidentiality is maintained.



Psychological Counseling Program (EAP)

PC Off Initiative

Since August 2021, SeAH Steel has implemented a “PC Off” initiative to manage overtime and efficiently utilize statutory working hours. This initiative aims to create an effective work environment that improves focus and office productivity. By fostering a culture of leaving work on time, we ensure a healthy work-life balance for our employees.



PC Off Initiative

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Employee Benefits

Welfare System

SeAH Steel ensures work-life balance for all employees by offering equal welfare benefits regardless of age, gender, or contract type. We offer “refresh leave” and “summer vacation” programs with financial support to guarantee adequate rest for employees. A “commemoration day off” allows employees to celebrate personal special days throughout the year. We also offer condominium use for employees to spend quality time with their families.

To show appreciation for long-term service, SeAH Steel rewards employees with 10 or more years of service. Every five years, these employees receive a plaque and a bonus. Those reaching 25 years of service are given special leaves and travel expenses.

We support employees transferred from one business site to another with housing deposits and rent assistance, ensuring stable living and working conditions. For senior staff facing retirement, SeAH Steel offers a career transition program including 1:1 consulting and online training to help plan their post-retirement lives.

Retirement Pension Plan

SeAH Steel operates a retirement pension plan, ensuring a 100% level of external reserves for employee pensions. We offer a Defined Benefit (DB) pension plan. However, employees can freely switch to a Defined Contribution (DC) plan if they prefer. To accommodate varying employee preferences in DC plans, SeAH Steel works with both insurance companies and securities firms for fund management.

Family-Friendly Management

SeAH Steel supports work-life balance through excellent family-friendly management practices. For pregnant employees, we offer reduced working hours and time off for prenatal check-ups, as well as encourage remote work without any wage penalties. Employees receive 10 days of paid leave and a congratulatory bonus for childbirth. Parental leave is available for up to one year after childbirth, with unrestricted return to work.

We also provide fertility treatment leave, educational support for children, and leave for family care when family members need assistance. These policies are communicated through rank-specific discussion sessions and our HR system. SeAH Steel actively encourages employees to use these benefits.

In recognition of these efforts, SeAH Steel has acquired the “Family-friendly Business Certification” and “Leisure-friendly Business Certification,” awards given to businesses with exemplary practices, from the Ministry of Gender Equality and Family.

Building a Culture of Labor-Management Cooperation

Since our founding in 1960, SeAH Steel has maintained harmonious labor-management relations based on the management philosophy of “Valuing People.” Our vision, “Dongsim Manri” (meaning “Let’s move towards the future with one heart”), promotes horizontal relationships between labor and management with ongoing communication. Annually, we determine salary increases through labor-management negotiations, considering factors, such as sales and operating profit. Wage increases are applied without gender discrimination, and individual performance evaluations influence salary adjustments. We also share our overall business performance with employees and reward exemplary workers with bonuses and leaves. SeAH Steel has implemented a “proactive grievance handling system,” allowing on-site managers to address employee concerns promptly. This approach aims to resolve issues at the point of origin. Moving forward, we will continue to listen to employees through the regular labor-management council meetings and actively collaborate to address workplace challenges.



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Human Rights Management

Human Rights Management Charter

SeAH Steel strives to protect the human rights of all stakeholders and applies the SeAH Group Human Rights Management Charter, which has been established in compliance with international human rights principles and norms, such as the Universal Declaration of Human Rights (UDHR), UN Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Multinational Enterprises, UN Convention on the Rights of the Child, and Core Conventions of the ILO. We are determined to eliminate various human rights risks.

Human Rights Management Charter

●● **Article 1 Establishment of Human Rights Management System**

SeAH Group shall respect all officers, employees, and stakeholders as human beings, provide them with regular human rights training to prevent mental or physical infringement of human rights and conduct monitoring and complaint handling procedures for human rights infringement through its Ethics Management Office.

●● **Article 2 Prohibition of Discrimination in Employment**

SeAH Group shall not unfairly discriminate against any person based on his/her gender, nationality, religion, social status, race, age, academic background, disability, gender identity, among others, in its human resources management, including its recruitment, promotion, compensation, and provision of educational opportunities.

●● **Article 3 Guarantee of Freedom of Association and Collective Bargaining**

SeAH Group shall encourage the Company and its officers and employees to freely communicate with each other to foster a sound organizational culture and guarantee their right to join the union and collective bargaining. In addition, SeAH Group shall not unfairly disadvantage any person based on his/her union activities.

●● **Article 4 Prohibition of Forced Labor**

SeAH Group shall not force any person to work against his/her free will by unreasonably restricting his/her mental or physical freedom, such as by using violence, intimidation, or confinement, nor shall it require any officer or employee to transfer his/her identification card or other important personal information as a condition of employment.

●● **Article 5 Prohibition of Child Labor**

SeAH Group shall comply with the minimum employment age standards provided by national and local laws and regulations and shall not expose minors to a working environment that is harmful or dangerous to the human body.

●● **Article 6 Guarantee of Industrial Safety**

SeAH Group shall regularly inspect the facilities, equipment, and tools to ensure that all officers and employees can work in a safe working environment and shall strictly comply with health and safety standards under national and local laws and regulations. In addition, SeAH Group shall provide regular training which covers legal requirements for industrial safety and raise awareness among the officers and employees.

●● **Article 7 Responsible Management of Supply Chain**

SeAH Group shall endeavor to share the values and principles of this Human Rights Management Charter with its affiliates and suppliers. If any affiliate or supplier violates this Human Rights Management Charter, SeAH Group may take necessary measures, such as suspending transactions with the violator.

●● **Article 8 Protection of Local Residents' Human Rights**

SeAH Group shall manage any potential changes in the community's society and environment affected by its place of business and protect human rights. SeAH Group shall raise concerns regarding the potential impact of its place of business on the neighborhood and the residents and listen to and reflect the community's opinions in its business activities to address problems.

●● **Article 9 Protection of Environmental Rights**

SeAH Group shall implement and carry out activities to protect the environment and encourage its domestic and overseas places of business, suppliers, and local communities to participate in their environment protection activities.

●● **Article 10 Protection of Human Rights of Customers**

All officers and employees of SeAH Group shall prioritize the protection of life, health, and the properties of customers when providing products and services and shall take the best measures to protect personal information collected during their business activities.

●● **Article 11 Prevention of Workplace Harassment and Gapjil¹⁾**

The officers and employees of SeAH Group shall neither engage in any harassment or aggressive acts that may interfere with other employees from performing their duties, nor shall it give any inappropriate instruction to other employees to perform tasks that violate applicable laws and regulations and the Company's regulations and processes or is unrelated to the duties assigned.

●● **Article 12 Protection of Personal Information**

SeAH Group shall protect the personal information of stakeholders, including customers, under national and local laws and regulations and shall not use any personal information for any other purpose without prior consent of the data subject. In addition, SeAH Group shall provide correct information and shall not provide any false information.

●● **Article 13 Compliance with Legal Working Hours and Conditions**

SeAH Group shall fully comply with the working hours under national and local laws and regulations and other requirements under the labor law such as minimum wage, social insurance, breaks, and leaves.

¹⁾ "Gapjil" is a Korean expression that refers to an arrogant or authoritarian attitude or actions of people who have positions of power over others.




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Human Rights Management

Prevention and Management of Unethical Behaviors Based on the Principle of Zero Tolerance

SeAH Steel has established three zero-tolerance principles for workplace sexual harassment, bullying, and violence, and operates prevention guidelines and internal standards. We have strengthened penalties for ethical risks that may arise in the workplace and revised employment rules to thoroughly address company-wide ethical issues.

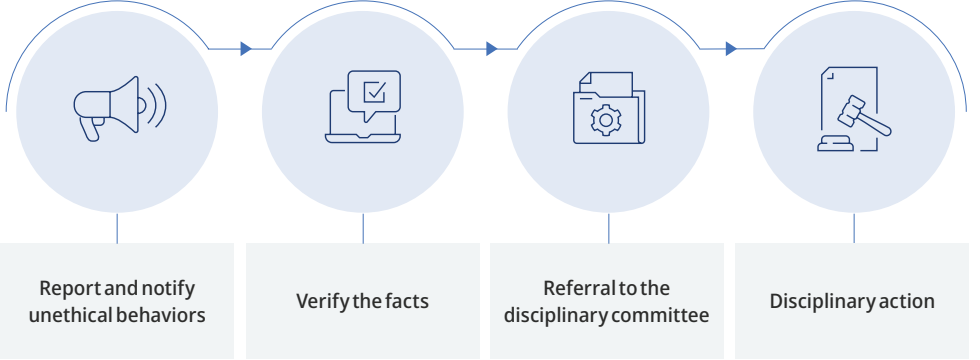
Three Zero-Tolerance Principles

			
Standards	Acts of using one's position or superiority in a relationship to inflict physical or mental pain on another employee or to deteriorate the working environment, beyond the appropriate scope of work	Acts of using an employer's, a supervisor's, or an employee's position in the workplace, making other employees sexually humiliated or disgusted due to sexual behavior, or giving any disadvantages in working conditions and employment because of non-compliance with sexual behavior or other demands	Violent acts between employees causing injury, physical assault, threats, confinement, property damage, or acts involving physical and tangible violence with an intent to cause harm, even if actual injury does not occur

Reporting and Management of Human Rights Violations

SeAH Steel operates a grievance handling center to receive reports and monitor unethical behaviors, such as sexual harassment, bullying, and abuse of power. Parties involved in reported unethical acts are subject to on-site investigations according to our disciplinary regulations, referred to the disciplinary committee, and receive disciplinary action based on the determined level of discipline.

Grievance Handling Center Operation Process



Grievance Handling Center Reporting Status (Unit: cases)

Category	2021	2022	2023
Reports	0	1	2
Resolved	0	1	2

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Supply Chain Management

Sustainability Management Policy for the Supply Chain

SeAH Steel strengthens supply chain management with a focus on three key strategies: supply chain ESG evaluation, green purchasing implementation, and mutual growth. These strategies aim to create a sustainable supply chain. In 2023, we established a code of conduct for business partners and an ESG evaluation system. Based on this foundation, SeAH Steel plans to implement supply chain ESG evaluations in 2024.



ESG Evaluation for the Supply Chain

SeAH Steel monitors supply chain risks through assessments of safety levels, evaluation of suppliers for qualifications, and third-party management.

Assessment of Safety Levels

In addition to financial assessments, SeAH Steel incorporates an evaluation of safety levels, a non-financial assessment, into the criteria for the selection of suppliers. Through the PTW (Permit to Work) system within its integrated SHE system, we gather comprehensive safety data about the suppliers. This includes the results of investigation on their safety and health management systems, safety and health education performance and plan, measures for control of hazardous substances, and industrial accident records. SeAH Steel uses this data to manage and evaluate the suppliers' safety systems, ensuring that their safety levels meet the company's criteria before proceeding with procurement.

Evaluation of Supplier Qualifications

SeAH Steel evaluates and manages the safety and health capabilities of partner companies through a qualified supplier assessment. We refrain from forming contracts with suppliers who violate safety or health regulations or have a history of serious accidents. It encourages suppliers to voluntarily register plans and pledges for safe work practices and set industrial safety and health budget plans to raise their safety awareness. SeAH Steel also checks the actual spending against the planned industrial safety and health budget for each supplier to manage their implementation levels. In 2023, we conducted evaluations on 34 new qualified suppliers and implemented bidding restrictions and corrective measures for two suppliers that did not meet the requirements. In 2024, we plan to expand the scope of these evaluations to further ensure the establishment and maintenance of a safe supply chain.

Third-Party Management

SeAH Steel monitors external subcontractors and third parties in accordance with the third-party management process specified in the Compliance Management System (ISO 37301). We select third parties for management based on importance criteria, using the results of departmental risk assessments as a foundation. We communicate SeAH Steel's compliance management guidelines to these companies and, when necessary, request due diligence questionnaires or the signing of ethical management pledges as part of its monitoring process.

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Implementation of Green Purchasing

Establishment of a Green Purchasing Policy

Based on the ESG vision of “The Promise to Create a Beautiful World,” SeAH Steel has established a green purchasing policy to minimize resource waste and environmental pollution by prioritizing the purchase of eco-friendly products. The policy applies to all SeAH Steel business sites, including headquarters, plants, and sales offices. “Green purchasing,” as defined in the policy, refers to products that reduce energy consumption, resource use, and the emissions of greenhouse gases and pollutants compared to other products or services with the same intended use. This includes eco-labeled products, low-carbon products, and products made from recycled materials.

Active Implementation of Green Purchasing

SeAH Steel is gradually expanding the purchase of eco-friendly products in accordance with our green purchasing policy. In 2022, we conducted a trial purchase of 19 metric tons of raw materials produced using an electric furnace, which emits about 25% of carbon compared to the traditional blast furnace. In 2023, we significantly increased the purchase volume to 6,191 metric tons. Furthermore, we plan to establish a system that can proactively respond to the demand for eco-friendly products by continuously identifying and working with suppliers of sustainable raw materials.



Mutual Growth with Suppliers

Strengthening Communication with Suppliers

SeAH Steel pursues mutual growth with suppliers, operates suppliers’ meetings and discussion sessions, and addresses suppliers’ grievances through regular and needs-based communication.

Suppliers’ Meetings and Discussions

<p>Pohang Plant</p> <p>Pohang Plant operates monthly supplier meetings with the representatives from 13 suppliers. We carry out continuous monitoring and improvements through routine and joint inspections in areas such as safety and health, education support, and the provision of supplies.</p>	<p>Gunsan Plant</p> <p>Gunsan Plant identifies and improves suppliers’ grievances through regular communication channels such as monthly employer councils and weekly subcontractor meetings, as well as ongoing one-on-one interactions. We receive issues through supplier representatives and on-site proxies, address them in consultation with relevant departments, and take preemptive actions according to importance and severity.</p>
<p>Suncheon Plant</p> <p>In 2023, the Suncheon Plant received a total of 17 safety and health grievances from the suppliers, of which 14 were resolved. Additionally, a total of 74 cases were reported and improvements were made through the hazard and risk identification as well as a competition focused on lessons learned from near-miss cases for both company employees and supplier employees.</p>	<p>Changwon Plant</p> <p>The Changwon Plant conducts regular monthly discussion sessions to promote active cooperation in addressing issues, suggestions, and inconveniences. The Plant has made efforts to improve the work environment by resolving 100% of the suggestions raised in the monthly suppliers meetings. Additionally, it assesses satisfaction through interviews with representatives and makes every effort to resolve grievances by maintaining constant communication with responsible parties, in addition to regular meetings.</p>



Supplier Meeting (Pohang Plant)



Supplier Meeting (Suncheon Plant)

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Mutual Growth with Suppliers

Non-financial Support

Technical Training

SeAH Steel's Suncheon Plant offers technical training for suppliers in partnership with Korea Polytechnics, utilizing customized industry programs to support growth in the local community. Considering production schedules, it operates collective training by opening regular courses for acquiring qualification licenses, such as site functional skills, safety training, facility maintenance, and welding skills for each supplier. In 2023, to fundamentally prevent industrial accidents, such as those specified in the Serious Accidents Punishment Act, and enhance the safety management level of suppliers, and induce autonomous and proactive safety activities, SeAH Steel Suncheon Plant (Safety Environment Part) directly conducted safety training (safety culture experience center) for a total of 8 suppliers and 83 trainees.

Talent Recruitment Support

The Changwon Plant supports recruitment in collaboration with Korea Polytechnics and local universities in the community to facilitate the recruitment of competent talents for suppliers' businesses. Under mutual consultation with school representatives and supplier business owners, it ensures that suppliers recruit skilled workers in a timely manner.

Supply Stability and Legal Compliance Support

The Suncheon Plant and Changwon Plant have established and implemented evaluation systems for suppliers' production, quality, safety, and CP compliance and support supply stability and legal compliance for contracted work. The plants also share information on flexible working hours and special extended working hours to prevent legal risks related to working hours.

Consulting Support

The Suncheon plant recognizes that labor issues within its in-house partner companies can negatively impact their performance and hinder mutual growth. To ensure sustainable growth for both parties, the plant plans to provide consulting support on labor management standards, in line with labor relations laws, to its in-house partners starting in 2024, helping them establish a healthy labor management environment.

Financial Support

Financial Support

SeAH Steel disburses 100% of the monthly subcontracted fees in cash or promissory notes by the 10th of the following month. This timely payment system helps suppliers manage their cash flow effectively and avoid financial constraints. To alleviate the financial burden on suppliers in operating their business, we allow the substitution of performance guarantee deposits (cash, securities, payment guarantees, or Korea Credit Guarantee Fund's performance guarantee deposits) required upon signing subcontracts as proof of contract performance, with performance bonds.

Welfare Benefits

Suncheon Plant provides welfare benefits for suppliers in the Yulchon Industrial Complex through the Yulchon Industrial Complex Council, including commuter bus operation, dormitory support, and various company discounts, managed by Suncheon City Hall and the council. It supports the use of commuter buses 3 times each for the arrival and departure of suppliers' workers and shares dormitory information provided for workers from other regions. The plant also connects supplier business owners with Suncheon City Hall and the Suncheon Chamber of Commerce and Industry to support a portion of rent for housing. In addition, the Suncheon Plant offers welfare benefits, such as discounts at dental clinics, vehicle maintenance shops, and wedding halls in the Suncheon area.

Transaction Amount



KRW **71** billion

Protection of Suppliers' Rights

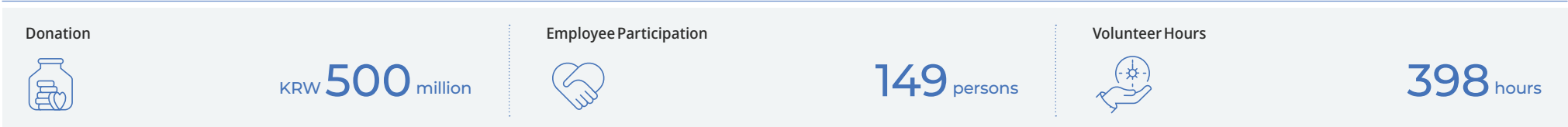
SeAH Steel uses standardized subcontract agreements to protect suppliers' rights and efficiently manage contracts. We established clear clauses on quality assurance, legal matters for inspection and acceptance, payment methods and prohibition of deductions, and safety and health management costs. Additionally, we have standardized previously nonidentical contracts to ensure that the responsibilities and authorities of partner companies are not overlooked, thereby improving mutual trust in the contractual agreements.

Sharing Management

Sharing Management Strategy

SeAH Steel is practicing social contribution activities to convey the value of win-win and good influence based on corporate values to make the world beautiful. We pursue activities that are practically helpful for the marginalized and socially disadvantaged in the local community. Through employee participatory campaigns and activities, we are expanding the field of exchange with society and spreading the consensus of sharing to live together.

Key Social Contribution Milestones



Sharing Management Activities

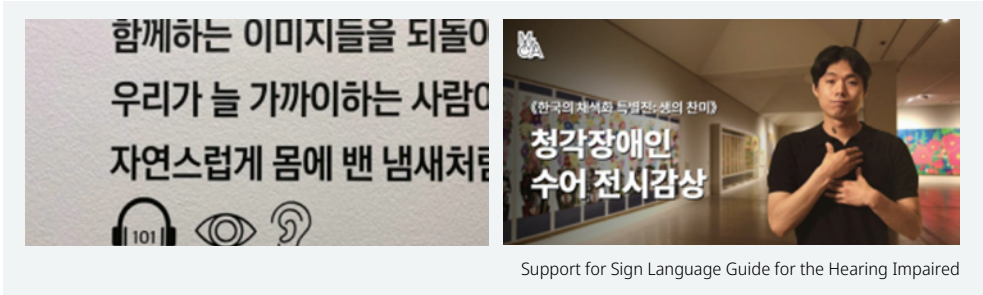
Good Steps Challenge

In celebration of our 63rd anniversary, SeAH Steel held a Good Step Donation Challenge with all the employees. Employee's voluntary and active participation in the challenge increased their sense of belonging and pride in the company. Meanwhile, KRW 50 million was donated to support heating supplies for low-income families and to support the livelihood of Durimo (unmarried mothers) by achieving the target of 100 million steps. The Good Step Challenge, held to commemorate our foundation, meant that all SeAH Steel executives and employees participated together to achieve the challenge goal and to practice ESG management by supporting the vulnerable and contributing to the community through matching donations.



Support for Culturally Marginalized Groups

SeAH Steel sponsored the development of sign language interpretation videos for the hearing impaired in collaboration with the National Museum of Modern and Contemporary Art. This initiative aimed to encourage active participation in cultural and artistic activities and ensure the right to enjoy cultural arts for the hearing impaired, who often face barriers to visit art galleries and appreciate artworks. The sign language interpretation videos were specifically produced for playback inside the exhibition hall at Deoksugung Palace, part of the National Museum of Modern and Contemporary Art, and were available from March 2022 through December 2023.



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Sharing Management Activities

Donations and Volunteering

SeAH Steel's Pohang Plant engages in various donations and volunteer efforts. In 2023, the Plant supported children from low-income families by providing KRW 10 million in support of medical expenses and donating KRW 10 million for new shoes, thereby promoting healthy school lives for children.



Support for Children's Medical Expenses (Pohang Plant)

Additionally, the plant delivered essential goods worth KRW 25 million to a local child center and elderly residents living alone in Cheongha-myeon, with which the Pohang Plant has a sisterhood relationship. Furthermore, it is holding an annual year-end fundraising event to support neighbors in need. In 2023, employees came together to donate KRW 12 million, providing 16,000 coal briquettes to marginalized households in the area.



Donations to Support Neighbors in Need (Pohang Plant)

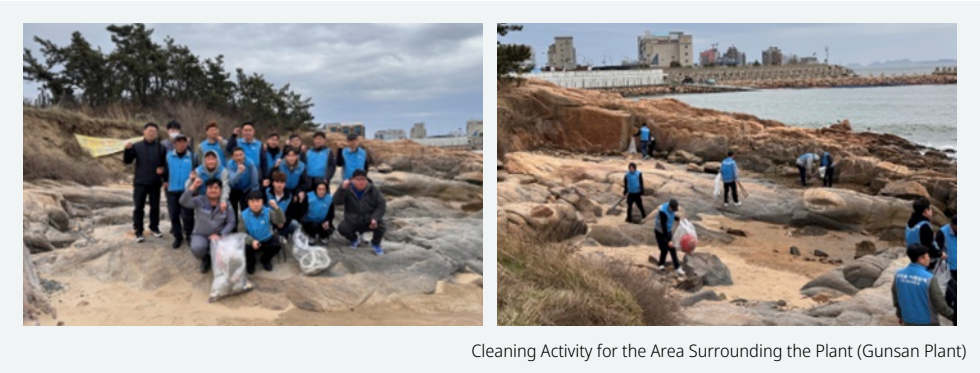
SeAH Steel's Gunsan Plant conducts bi-monthly meal service volunteer work at the Gunsan Senior Welfare Center, helping with meal distribution and cafeteria cleaning for the elderly and spending time to communicate with the elderly at the Center. In 2023, a total of 6 activities were conducted, and the Plant aims to expand communication with local community residents through regular volunteering activities in the future.



Meal Service Volunteer Work (Gunsan Plant)

Coal Briquette Donation (Gunsan Plant)

The Gunsan plant selected public facilities and parks for bi-monthly cleaning sessions to enhance the local environment, and its employees donated blood twice a year. In 2023, these efforts resulted in an average of 2.4 times participation in community engagement services per person, involving a total of 72 employees.



Cleaning Activity for the Area Surrounding the Plant (Gunsan Plant)

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Donations and Volunteering

For the 2023 Chuseok holiday, the Suncheon Plant visited Suncheon Seongshin Won (a childcare facility) and Suncheon Yegwang Village (an elderly care facility) to deliver stationery sets and cookie sets worth about KRW 6.2 million, aiming to reduce feelings of alienation and promote emotional stability for vulnerable groups. At the end of the year, they revisited the Suncheon Yegwang Village to deliver fruit syrup sets worth about KRW 7 million, sharing meaningful moments with the elderly.



Donation of Supplies to Seongshin Won (Suncheon Plant)



Donation of Supplies to Yegwang Village (Suncheon Plant)

Additionally, the plant plans to establish a local community support system in cooperation with Suncheon City's public network in 2024. The Plant intends to carry out joint projects to address welfare issues in the local community, starting with the “2024 Visiting Health and Welfare Service Support Project” in the first quarter of 2024. This initiative is intended to diversify donation items and recipients, improving the welfare experience of marginalized and economically vulnerable groups by addressing welfare blind spots. Besides item donations, the Plant will also conduct cleaning and plogging activities at local elderly care facilities and coal briquette donation activities for vulnerable groups during the winter.

The plant donates KRW 3 million worth of books annually to a local elementary school to encourage reading among students. In 2023, it donated 238 books worth KRW 3 million to Suncheon Wang-woon Elementary School.



2024 Visiting Health and Welfare Service Support Project (Suncheon Plant)



Book Donation to Wang-woon Elementary School (Suncheon Plant)

The Changwon Plant engages in annual activities, such as coal briquette donation and kimchi-making for local marginalized groups, maintaining ongoing support through regular communication with community volunteer organizations. Additionally, employees participate in various activities like blood donation as well as book and clothing drives, demonstrating SeAH Steel's will to practice social contribution through employee participation.



Kimchi Making Volunteer Work (Changwon Plant)

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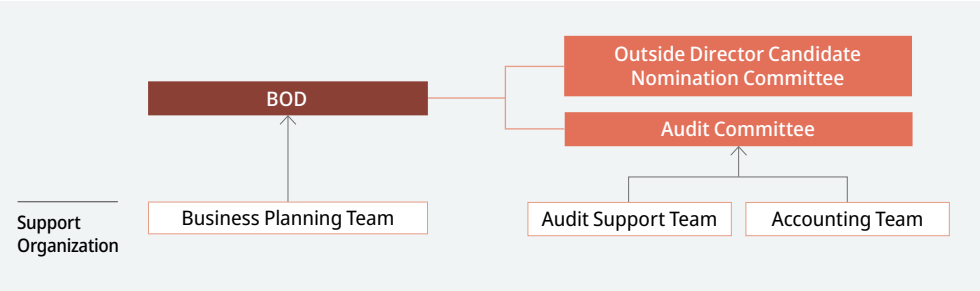
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Governance

Composition of the BOD

SeAH Steel strengthened the expertise and independence of the Board of Directors (BOD) by appointing two new outside directors during the 6th Regular Shareholders' Meeting in March 2024, increasing the proportion of outside directors on the Board from 40% to 57%. Currently, the Board consists of a total of seven directors (three inside directors and four outside directors). The Board performs deliberations on matters stipulated by laws or articles of incorporation, delegated matters from the shareholders' meeting, and important issues regarding corporate governance and business execution policies. Resolutions of the Board require that a majority of directors are present and are passed by the majority vote of attending directors. However, if stricter resolution requirements are mandated by law, the legal requirements are followed. Directors with special interests in a resolution are prohibited from exercising voting rights on that matter. To enhance transparency in corporate governance, a new Audit Committee has been established based on Article 12 of the Board Operation Regulations, and an Outside Director Candidate Nomination Committee for recommending outside director candidates is in place.

Organizational Chart of the BOD



Current Composition of the BOD

(As of March 2024)

Category	Name	Gender	Position	Area of expertise	Major experiences	Term
Inside director	Howard Whi Young Lee	Male	· CEO · Chairperson of the BOD	Overall management and supervision	· Graduated from UCLA in Genetic Engineering · Working since 1994	March 2022 - March 2025
Inside director	Mangi Hong	Male	· CEO	Overall management and supervision of the company's safety and health	· Graduated from Inha University in Industrial Engineering · Current plant manager and vice president of SeAH Steel Pohang Plant · Working since 1988	March 2024 - March 2027
Inside director	Joosung Lee	Male	· Member of the Outside Director Candidate Nomination Committee	Overall management and supervision of the Business Planning Division and the Special Pipe Division	· Graduated from the University of Chicago, Department of Economics · Columbia Business School (MBA) · Current President of SeAH Steel · Current CEO of SeAH Steel Holdings · Current CEO of APAC Investors · Current CEO of SSIK	March 2024 - March 2027
Outside director	Seung-Seop Lee	Male	· Chairperson of the Audit Committee · Member of the Outside Director Candidate Nomination Committee	Business strategy	· Seoul National University, College of Law · Current attorney at Law, Bae, Kim & Lee LLC	March 2024 - March 2027
Outside director	Sin-Young Park	Female	· Chairperson of the Outside Director Candidate Nomination Committee · Member of the Audit Committee	Business strategy	· Ph.D. in Public Policy and Management, Yonsei University · Current senior research fellow, Korea Social Policy Institute · Current member of the Happy Housing Site Selection Committee	March 2022 - March 2025
Outside director	Choon-won Lee	Male	· Member of the Audit Committee · Member of the Outside Director Candidate Nomination Committee	Business strategy	· Graduated from the University of Chicago, Department of Economics · Graduate School of Columbia University (Ph.D.). · Current professor, Graduate School of Business Administration, Sungkyunkwan University · Former associate professor/assistant professor, Graduate School of Business Administration, Sungkyunkwan University	March 2024 - March 2027
Outside director	Hyung-il Oh	Male	· Member of the Audit Committee · Member of the Outside Director Candidate Nomination Committee	Business strategy	· Current assistant professor, Korea Advanced Institute of Science and Technology (KAIST) · Current outside director and chairperson of the Audit Committee, PI Advanced Materials	March 2024 - March 2027

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Independence of the BOD

To ensure the independence of the Board of Directors (BOD), SeAH Steel appoints Outside Directors through the Outside Director Candidate Nomination Committee. This committee recommends candidates for Outside Director positions and assesses their qualifications. The final decision on appointments is made during the general shareholders’ meeting. Outside Directors are selected after a thorough review of their business ties with the company and their relationships with major shareholders, ensuring the BOD operates independently and effectively as the highest decision-making body.

Diversity and Expertise of the Board

SeAH Steel assembles the Board of Directors with individuals who have extensive experience and expertise across various fields, including industry, finance, academia, law, accounting, and the public sector. This composition aims to ensure balanced and impartial decision-making, avoiding bias towards any specific area. In 2022, a female outside director specializing in public and housing policy was appointed. In 2024, two new outside directors with expertise in finance and accounting, as mandated by the Commercial Act, will be appointed. This initiative aims to enhance the BOD’s ability to make rational decisions effectively.

Committees under the BOD

SeAH Steel operates an Outside Director Candidate Nomination Committee and an Audit Committee to ensure the efficient and systematic functioning of the Board of Directors (BOD). Both committees are chaired by outside directors to maintain their independent operation. The Outside Director Candidate Nomination Committee convenes as necessary to select suitable candidates for outside director positions. Despite total assets being less than KRW 2 trillion as of 2023, which does not mandate the establishment of an Audit Committee, SeAH Steel established a new Audit Committee in 2024. This decision aims to enhance transparency, fairness, and expertise in audit activities. The Audit Committee is composed entirely of outside directors and holds regular quarterly meetings, with additional ad hoc meetings as required.

Outside Director Candidate Nomination Committee

Role	Composition	Activities
Qualification review, and recommendation of outside director candidates to the general shareholders’meeting	Howard Whi Young Lee (Chairperson) Seung-Seop Lee Sin-Young Park	In January 2024, the Outside Director Candidate Nomination Committee passed a resolution (with 100% attendance) to nominate Seung-Seop Lee (reappointment), Choon-won Lee (new appointment), and Hyung-il Oh (new appointment) as candidates for the position of outside directors

Audit Committee

Role	Composition	Activities
Responsible for matters related to auditing the company’s accounting and business operations, reviewing the soundness of corporate financial activities and the appropriateness of financial reporting, evaluating the operating status of the internal accounting management system, and consenting to the appointment and dismissal of the head of the internal audit department	Seung-Seop Lee (Chairperson) Sin-Young Park Choon-won Lee Hyung-il Oh	Passed the agenda item to appoint the Chairperson of the Audit Committee in March 2024 (100% attendance rate)

BOD Activities

SeAH Steel holds regular board meetings every quarter and convenes extraordinary board meetings for urgent agenda items. In 2023, a total of 7 regular and extraordinary board meetings were conducted, with an average attendance rate of 100% for directors. According to Article 41 of the Articles of Incorporation, board meetings are called by the Chairperson of the Board, and notice must be provided to each director and auditor at least one day before the meeting date via written or verbal notification, FAX, email, or other available communication methods. However, this requirement may be waived with the consent of all directors and auditors. Board resolutions are passed by a majority of directors present at a meeting where a majority of all directors are in attendance, as stipulated in Article 42 of the Articles of Incorporation. For matters concerning the prohibition of usurpation of company opportunities and assets, and prohibition of related party transactions under the Commercial Act, resolutions require approval by two-thirds or more of the directors.

BOD Operation Status

(As of the end of 2023)

Category	Unit	2021	2022	2023
No. of BOD meetings held	Session (s)	11	10	7
Regular	Session (s)	4	4	4
Extraordinary	Session (s)	7	6	3
Total No. of agenda items discussed	Agenda (s)	19	22	16
No. of agenda items rejected-amended	Agenda (s)	0	0	0
Average rate of attendance in BOD meetings	%	98	96	100
Attendance rate (Inside directors)	%	100	100	100
Attendance rate (Outside directors)	%	95	90	100

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Training for Outside Directors

SeAH Steel offers comprehensive internal and external training programs for all outside directors to enhance their expertise and facilitate effective performance in their roles. According to BOD regulations, external professional support can be arranged upon request from outside directors. In 2024, newly appointed outside directors received an orientation on the company and our subsidiaries, aimed at facilitating their rapid understanding and adaptation to management practices, including guidelines and strategies for Sharing Management. Additionally, existing outside directors participated in training sessions covering the internal accounting management system conducted by the Korea Listed Companies Association, along with in-house training on compliance management, to further strengthen their professional capabilities. These support initiatives are detailed in the quarterly, semi-annual, and annual reports.

Outside Director Training Status

Date	Provided by	Outside directors who attended the training	Training content
July 4, 2023	Korea Listed Companies Association	Seung-Seop Lee, Sin-Young Park	Internal accounting management system
October 26, 2023	Company	Seung-Seop Lee, Sin-Young Park	Compliance management system

Remuneration of the BOD

The remuneration for members of the BOD is paid within the limit approved by the general shareholders' meeting, as stipulated by Article 388 of the Commercial Act and the company's Articles of Incorporation. In 2024, the director remuneration limit was approved at KRW 3.5 billion, increased from the previous KRW 3 billion, considering the addition of outside directors and business expansion. CEO remuneration includes a base annual salary and performance-based bonuses determined by evaluating management performance for the fiscal year, including sales and operating profit, as assessed by the BOD. These payments are made using transparent and objective methods.

Current Remuneration for the BOD

Category	Unit	2021	2022	2023
CEO's remuneration	KRW million	746	863	975
Median remuneration for employees	KRW million	95	101	99
Ratio of CEOs' remuneration to median remuneration for employees	%	785.2	854.5	984.8

Shareholders' Rights

SeAH Steel distributes dividends through BOD resolutions and general shareholders' meeting decisions. Guided by the goal of enhancing shareholder value, dividend levels are determined within the bounds of distributable profits, taking into account the current financial structure, plans for future strategic investments, and the business environment comprehensively. Since 2018, we have progressively raised dividends per share to bolster shareholder value. SeAH Steel remains dedicated to enhancing corporate and shareholder value through sustainable profit generation.

Shareholder-Friendly Practices

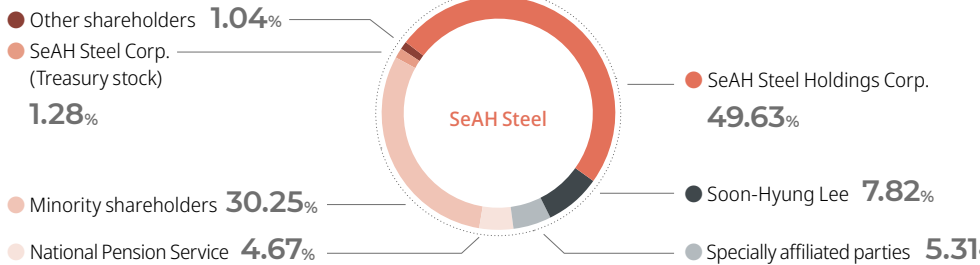
SeAH Steel prioritizes effective communication with shareholders, emphasizing a thorough review of agenda items for general shareholders' meetings, safeguarding voting rights, and issuing meeting notices in a timely manner. To ensure maximum participation, general shareholders' meetings are scheduled on dates that do not overlap with other major events. Since 2022, we have proactively adhered to best practices in corporate governance by issuing notices 4 weeks ahead of general shareholders' meetings, exceeding the legal requirement of 2 weeks. In addition, an electronic voting system has been in place since the 4th regular general shareholders' meeting in accordance with Article 368 of the Commercial Act, facilitating voting rights for shareholders who are unable to attend meetings in person. Furthermore, to prevent the appointment of executives who may jeopardize corporate value or infringe on shareholder rights, stringent regulations for executive appointments have been established and are diligently observed.

Shareholder Composition

As of the end of 2023, SeAH Steel's total number of issued shares is 2,836,300 common shares, with the largest shareholder and specially affiliated parties owning 1,779,946 shares, accounting for 62.76% of the shares. General shareholders are divided into minority shareholders and other shareholders, accounting for 30.25% and 1.04% of the total issued shares, respectively.

Share Ownership Status

(As of the end of 2023)



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Ethical Management

Ethical Management System

In order to foster an ethical corporate culture, SeAH Steel has established a code of ethics and specified guidelines for ethical practices that employees should follow. Additionally, we follow a zero-tolerance policy for unethical behaviors in the workplace, such as sexual harassment, bullying, and acts of violence.

Code of Ethics

Social Responsibility

We aim to be a trustworthy corporate citizen through transparent management and rational business development.



Responsibility to Employees

We consider our employees to be our most valuable asset and do our best to make the company a place of self-fulfillment for our employees.



Responsibility to Stakeholders

We prioritize the value of our customers and shareholders and pursue mutual prosperity with our suppliers.



Basic Ethics for Employees

Employees shall pursue virtuous values and not engage in unethical or illegal behaviors against the ethical norms of society in their daily lives and work.



Guidelines for Practicing the Code of Ethics

Job

The term “job” refers to a direct or indirect task that an employee performs on an ongoing basis while employed at SeAH Steel.

Whistleblower

The term “whistleblower” refers to all employees who have the obligation to report the receipt of money, entertainment, and/or their knowledge of such facts.

Stakeholder

The term “stakeholder” refers to a person or organization that has a business interest in the company or any person or organization inside or outside the company whose interest is affected by the actions or decisions of employees related to business, and even transactions made through family members, relatives, acquaintances, etc., are considered as actions of the employee themselves.

Reasonable Level

The term “reasonable level” refers to a level that can be understood by other employees or non-beneficiaries with sound common sense. It is a level recognized as legitimate by the general public and within a range where the beneficiary can handle work fairly without feeling burdened.

Unavoidable Circumstances

The term “unavoidable circumstances” refers to cases where rejection was impossible due to delivery during one’s absence or where a flat refusal was judged to be rude in response to goodwill.

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Ethical Management

Ethical Management Activities

Ethical Management Practice Pledge

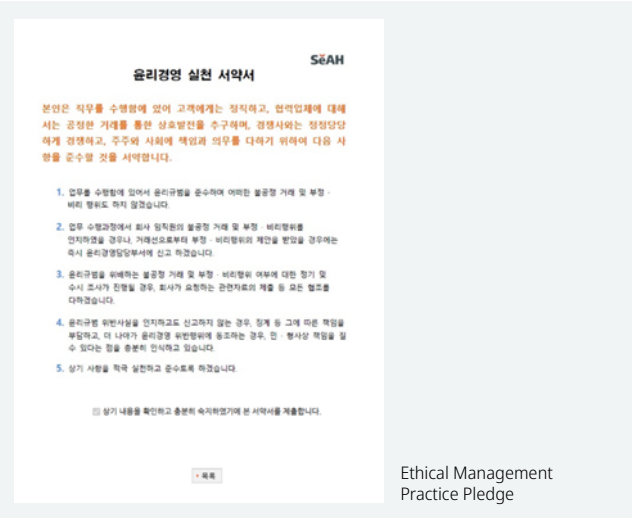
Each year, every employee of SeAH Steel signs an ethical management practice pledge, reaffirming the company’s determination to practice ethical management by promising honesty to customers, fairness to suppliers, fair competition with competitors, and fulfillment of responsibilities and obligations to shareholders and society.

Inspection of Ethical Management Practices

SeAH Steel inspects ethical management practices on a quarterly basis for all employees, providing guidelines for specific implementation methods and encouraging voluntary evaluation and improvement.

Strengthening Ethical Management for Suppliers

SeAH Steel aims to uphold ethical management practices for all stakeholders and notifies vendors and suppliers annually to promote ethical business conduct. We plan to develop programs for vendors and suppliers to enhance compliance and expand their adoption of ethical management practices.



Enhancing Ethical Awareness among Employees

Employee Ethics Training

SeAH Steel promotes the integration of ethical management principles among employees through regular online and offline ethics training initiatives. The ethics training curriculum includes four mandatory sessions: online courses for office workers and collective on-site group training sessions for shift workers using training materials. Since 2022, we have enhanced the training with practical case studies and offered additional in-person training sessions on workplace bullying and sexual harassment prevention, going beyond legal requirements.

Ethical Management Training Completion Status (Unit: persons)

Category	2021	2022	2023
Prevention of harassment at the workplace	676	1,166	904
Prevention of sexual harassment	676	1,170	905
Disability awareness training	676	673	338

Ethical Misconduct Reporting Center

SeAH Steel manages unethical conduct through the SeAH Group’s Ethical Misconduct Reporting Center at all times. The center receives reports on unfair business practices and other issues that undermine sound corporate culture, as well as suggestions for enhancing corporate value, transparency, and efficiency, and eliminating unreasonable or inefficient practices. All reported matters are handled confidentially and forwarded to SeAH Steel’s Ethical Management Office or SeAH Steel Holdings’ Audit Office for appropriate action.

Status of Reports Submitted to the Ethical Misconduct Reporting Center

	Category	Unit	2021	2022	2023
Reports	Corruption	cases	0	1	0
	Complaints	cases	0	0	2
	Others	cases	0	0	0
Rate of resolution		%	-	100	100

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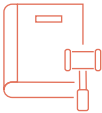
Compliance Management

Statement of Compliance Commitment

SeAH Steel has established and announced a compliance guideline, gathering ethical practice pledges from employees annually to underscore our will to compliance management.

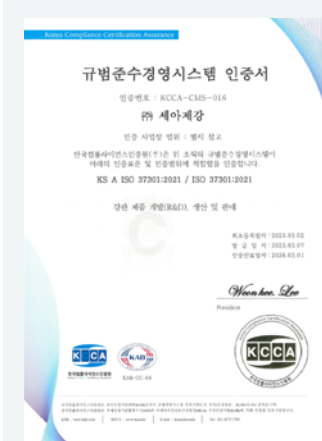
Compliance Guideline

- 1 The Company and its employees shall comply with all applicable domestic and international compliance obligations.
- 2 If an employee violates a compliance obligation or fails to take reasonable measures to prevent a violation after coming to know about it, the Company shall not be held liable on behalf of the employee and may take disciplinary action in accordance with the Company's regulations.
- 3 All employees are responsible for managing and reporting compliance issues to the Compliance Officer.
- 4 The Company shall establish a system for employees to report non-compliance with the norms of compliance obligations, keep the contents of the report and the personal information of the informant confidential, and protect them from unfavorable treatment based on the report.
- 5 The Company shall establish a compliance management system that can achieve the purpose of compliance management and manage and improve the system continuously.
- 6 The Compliance Officer shall have direct and regular reporting obligations to the governing body with appropriate authority and independence.



Implementation of the Compliance Management System

SeAH Steel acknowledges the critical role of compliance management in achieving sustainable corporate growth through strict adherence to legal requirements. To this end, we have implemented an internal Compliance Management System and obtained the ISO 37301 (Compliance Management System) certification in March 2023. In March 2024, SeAH Steel successfully underwent the first follow-up audit assessing the operational performance of the Compliance Management System for 2023, affirming our systematic and effective operation.



Compliance Management System
(ISO 37301) Certification



Compliance Management System (ISO 37301)
Certification Ceremony

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Compliance Management

Compliance Management System

SeAH Steel operates the Compliance Management System systematically under the supervision of the Compliance Officer. Departmental Compliance Helpers are appointed to conduct internal audits and identify and manage risks. Compliance managers identify compliance obligations and monitor them through impact assessments and performance evaluations.

Furthermore, the Integrated Compliance Committee, the highest-level implementation body for compliance management, supervises reporting by employees. It also assists, manages, and assesses employees' compliance activities.

Compliance System



Integrated Compliance Committee Meetings Held

Date Held	Agenda
July 2023	<ul style="list-style-type: none">· Report on changes to the proposed plan for operation of the Integrated Compliance Committee· ISO 37301 operation (advancement of risk management capabilities, compliance goal setting, interim monitoring, and other issues)· Implementation of a Compliance Project (new): Improvement of the subcontracting process
October 2023	<ul style="list-style-type: none">· Interim report on the Compliance Project: Progress of improvements made to the subcontracting process· Report on evaluation results for the 2023 Sustainability Management Indicators
April 2024	<ul style="list-style-type: none">· Report on the 2024 compliance operation plan· Improvement of the evaluation system for Sustainability Management Indicators· Report on completion of ISO 37301 follow-up audit (certification renewed)· Final report on Compliance Project (improvement of the subcontracting process)

Compliance Officer

SeAH Steel operates one Compliance Officer and a compliance management support organizational unit in accordance with Article 542-13 of the Commercial Act. The appointment of legal experts allows us to prevent and manage legal risks effectively while actively conducting compliance training to enhance employee capabilities.

Key Activities of the Compliance Officer

Date	Main Description
January 2023	Collected ethics/compliance management practice pledges
January - February 2023	Submitted a report on the establishment of the Compliance Management System to the BOD and obtained an approval
January - March 2023	Published Compliance Newsletters
	Monitored the sales management system
	Pre-reviewed transactions between affiliates
	Obtained the ISO certification
March 2023	Set compliance goals
	Performed due diligence following regular personnel changes
	Conducted compliance-related training
	Established evaluation indicators for the CEO/executives
April 2023	Established plans for the promotion of compliance
April 2023	Conducted a due diligence evaluation for transferred and newly hired personnel

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Compliance Management

Compliance Management Goals

SeAH Steel has established mid- to long-term compliance management strategies to ensure the efficient and effective implementation of ISO 37301. Specific action plans include ① building a Compliance IT Platform (CP Lounge), ② establishing internal processes for legal compliance, ③ establishing a compliance evaluation system for domestic and overseas affiliates, and ④ establishing an organizational culture rooted in compliance through regular training.

Mid-to Long-term Strategies for Compliance Management



Compliance Management Activities

Management of Compliance Risks

SeAH Steel conducts risk assessments for collusion, unfair trade practices, and internal transactions in accordance with ISO 37301 requirements and internal procedures to proactively manage compliance risks related to fair trade. We have established a proactive monitoring system to identify further actions and implement improvements through various monitoring activities, including proactive management and operational status checks across relevant departments. These efforts are reported to management and the Compliance Officer through the Integrated Compliance Committee. Additionally, compliance management activities and plans are regularly communicated to the BOD.

Activities for Mitigation of Compliance Risks

- **Proactive monitoring system**
 - Appointing a self-compliance manager or implementing prior work consultation to prevent risks related to tasks with potential fair trade issues
 - Operating pre- and post-reporting processes to prevent risks associated with employees’ interactions with competitors
- **Building a dedicated IT platform for compliance to enhance the management of compliance activities and improve accessibility for employees**
- **Establishing a proactive prior review process for any transactions between affiliates**
- **Enacting a corporate governance charter to establish and operate a balanced governance structure**
- **Establishing a serious accident prevention process in response to the implementation of the Serious Accidents Punishment Act**

Evaluation of Compliance Management

SeAH Steel addresses risks related to fair trade and competition through scheduled internal audits conducted under the ISO 37301 Compliance Management System. These audits assess risks and identify improvement measures. We ensure transparent corporate activities by verifying compliance with internal procedures and relevant laws and implementing follow-up actions.

Providing Compliance Guidelines

SeAH Steel reviews changes in laws relevant to the company, such as the Serious Accidents Punishment Act and the Monopoly Regulation and Fair Trade Act, twice a year and establishes compliance guidelines. We strive to minimize legal risks by continuously identifying internal and external changes.

Raising Employees’ Compliance Awareness

SeAH Steel plans and implements various training programs to enhance employees’ awareness of compliance. In collaboration with the legal departments within the SeAH Group, we conduct in-house training and seminars on essential laws for raising employees’ awareness. Additionally, SeAH Steel publishes a monthly compliance newsletter, which covers legal issues related to the steel industry and recent legal amendments on various topics.

Compliance Training Programs (Unit: persons)		
Content	Target audience	No. of employees who completed training
Revised the definition of the term “fair transactions” used in the Subcontracting Act and Act on the Promotion of Mutually Beneficial Cooperation between Large Enterprises and Small and Medium Enterprises	Relevant departments	69
Price escalation clause	Relevant departments	72
Understanding the compliance management system	Employees	319
Compliance Newsletter (Improper Solicitation and Graft Act, Disclosure of Payment Conditions for Subcontract Fees, etc.)	Employees	764

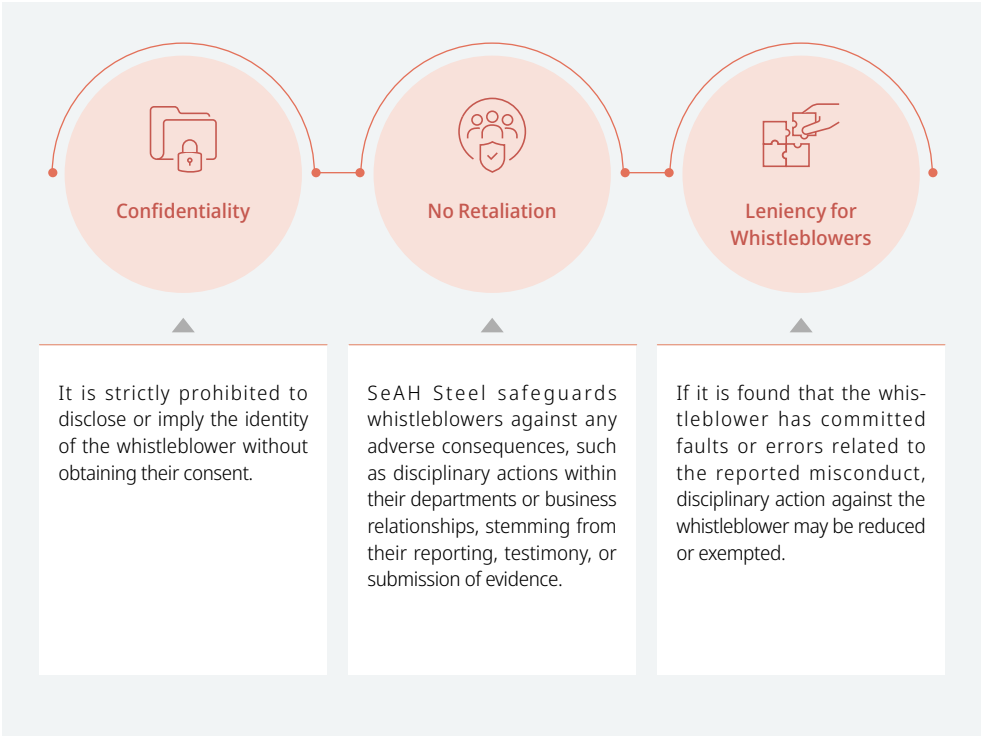
Compliance Management

Compliance Management Activities

Operation of a Reporting System

SeAH Steel operates a reporting system to manage legal violations by its employees. We receive reports or inquiries through our website, ensuring whistleblowers are fully protected under the Whistleblower Protection Program.

Whistleblower Protection Program



Implementation of a Compliance Program (CP)

SeAH Steel will implement a comprehensive Compliance Program (CP) to ensure that all employees adhere to fair trade and subcontracting laws, fostering free and fair market competition. We distribute a regularly updated fair trade compliance manual, reflecting the latest amendments to relevant legislation, such as the Monopoly Regulation and Fair Trade Act and the Fair Transactions in Subcontracting Act, and outlines fair trade principles for stakeholder interactions based on the Eight Principles of Fair Trade. To maintain high standards of business ethics, SeAH Steel conducts thorough risk assessments focused on unfair trade practices and anti-competitive behavior, developing and executing mitigation plans based on these findings. The effectiveness of these measures is evaluated through a scoring system, supported by regular monitoring and internal audits, enabling the company to strengthen our culture of fair trade and legal compliance continuously throughout our operations.

The Eight Principles of Fair Trade

Establishment and Implementation of CP Standards and Procedures Establish standards and procedures to ensure compliance with antitrust laws and regulations	Production and Utilization of a Compliance Handbook Create and distribute handbooks on fair trade-related laws and regulations, CP standards and procedures
Top Management's Commitment and Support for Compliance The top management publicly announces the commitment and guidelines for fair trade compliance, actively supporting CP operation	Establishment of an Internal Monitoring System Establish a supervision system for preventing violations and report results to the BOD
Appointment of a Compliance Manager The highest decision-making body (BOD) appoints a compliance manager within the organization, assigning responsibility for effective CP operation	Effectiveness Evaluation and Improvement Measures Implement inspections, evaluations, and other measures on CP standards, procedures, and operations, followed by improvement measures
Continuous and Systematic Compliance Training Conduct regular training on CP standards, procedures, and matters related to regulatory compliance in fair trade	Disciplinary Actions for Fair Trade Violations by Employees Establish and enforce internal policies that outline disciplinary measures commensurate with the severity of violations and implement safeguards to prevent similar misconduct

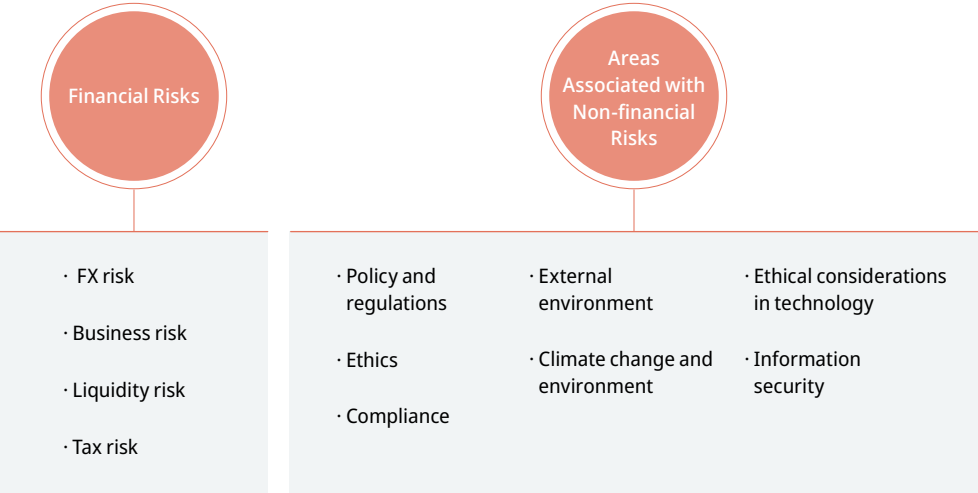
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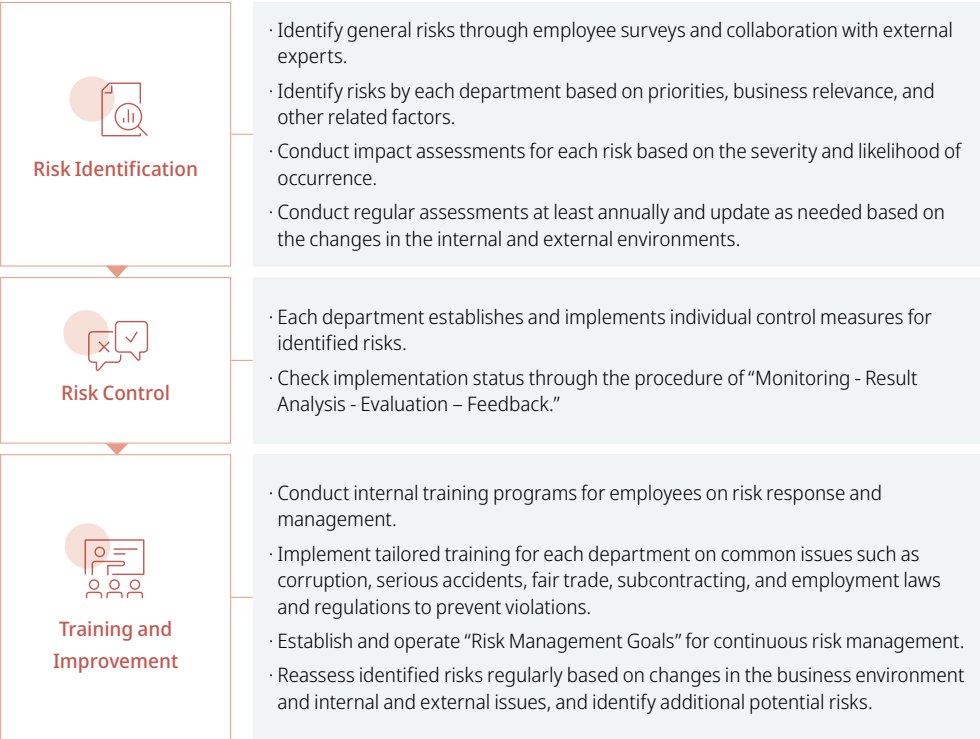
Risk Management Process

SeAH Steel has implemented a comprehensive risk management process to proactively identify and mitigate both financial and non-financial risks. Each department appoints designated representatives to oversee compliance risks, ensuring effective risk management across the organization. The compliance management department and the representatives from each department conduct regular and systematic monitoring of identified risks. Risk control measures are established and applied to effectively manage these risks.

Key Risk Factors



Risk Management Process



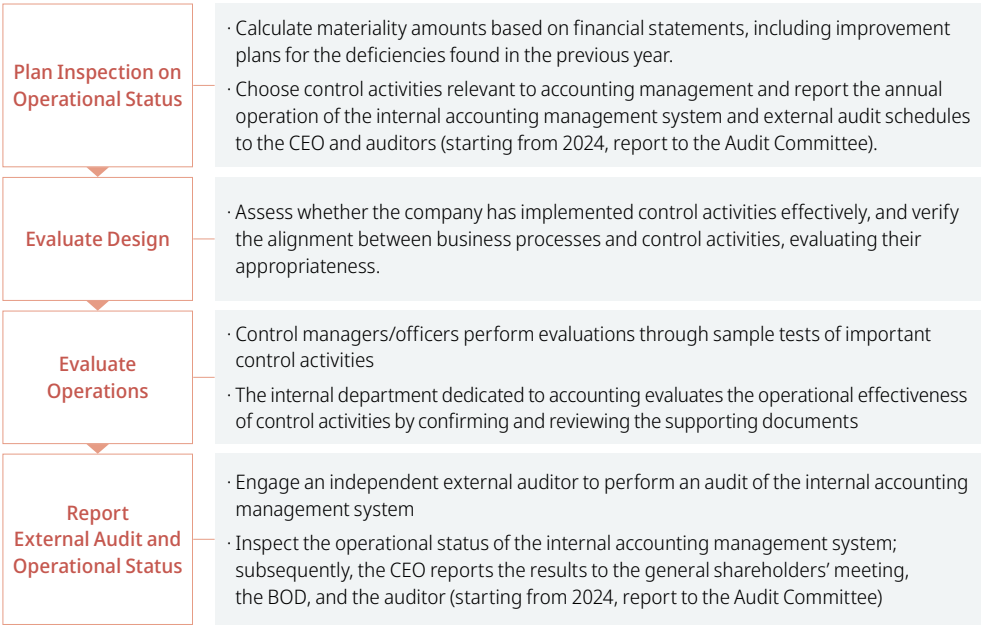
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Risk Management

Internal Accounting Management

SeAH Steel implements an internal accounting management system to prevent distortions related to financial statements and provide transparent management information. As a listed company, we receive external auditor’s audit certification for the internal accounting management system in accordance with the Act on External Audit of Stock Companies, etc. and the CEO reports the operational status inspection results to the general shareholders’ meeting, BOD, and auditor. From 2024, the Audit Committee has been established, replacing the auditor’s report with a report to the Audit Committee. SeAH Steel also conducts company-wide training periodically to enhance employees’ expertise and maintain qualifications for the internal accounting management system.

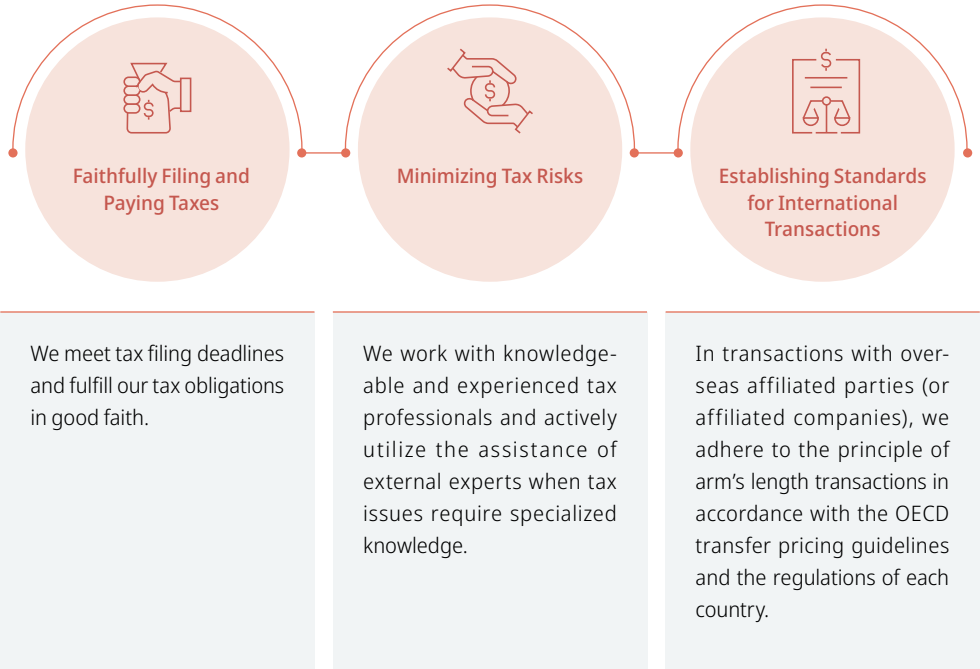
Internal Accounting Management System



Tax Management

SeAH Steel complies with business-related laws and regulations, meets tax filing deadlines for all items, and faithfully pays taxes. We document transactions and manage related documentation appropriately, and control tax risks thoroughly by reviewing tax issues that may arise in transactions of goods and services related to business, splits, mergers and acquisitions, and overseas transactions in advance.

Tax Policy



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Information Protection

Information Protection System

SeAH Steel recognizes the criticality of information protection and has designated a Chief Information Security Officer (CISO) to ensure comprehensive protection of internal information and transparent disclosure of information protection status. The CISO oversees the company’s information security efforts, reviews information protection policies regularly, and ensures rigorous compliance with regulations. Biannual SAP authority reviews access control rights for all employees while employing diverse security solutions to address occurrences of information security risks.

Key Security Solutions

- 1

DBSAFER: Enhances database security and provides compliance evidence through access control, command monitoring, and user authentication.
- 2

V3 Antivirus Management: Implementation of an integrated platform for managing V3 antivirus clients and antivirus management solutions.
- 3

Remote Access Control: Management of external access to internal networks, ensuring only authorized users can connect through user authentication.
- 4

Asset Management Solution (NetHelper): Control of PC security media and implementation of PC security checks through additional features.
- 5

Non-work-related Activity Blocking Solution (eWalker Security V7): Blocks non-work-related and potentially harmful services based on registered policies.
- 6

IP Management Solution (TCO): Collects and manages information on all devices connected to the network.



Information Protection Activities

SeAH Steel has implemented a disaster recovery system aimed at preemptively preventing security incidents through conducting regular assessments of security vulnerabilities and maintaining a systematic response protocol for incident management. Additionally, to enhance employee awareness of security, we disseminate updates on the latest security threats and conduct annual information protection training for all employees. Office employees receive online video training, while on-site workers at local business sites undergo group training sessions customized to accommodate shift schedules and worker numbers.

Information Protection Training Status

(Unit: minutes)

Category	Content	Training time	Training period
Session 1	What is personal information?	10	September - October 2023 (about 2 months)
Session 2	What is personal information and how should it be protected?	30	
Session 3	What is physical security and how should the work environment be protected?	20	

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ESG Data

Environmental*

*Based on Pohang, Gunsan, Suncheon, Changwon Plant

Greenhouse Gas Emissions*

Category	Unit	2021	2022	2023
Total GHG emissions	tCO ₂ eq	58,679	62,106	75,030
GHG emissions (Scope 1)	tCO ₂ eq	8,451	7,565	8,500
GHG emissions (Scope 2)	tCO ₂ eq	50,228	54,541	66,530
GHG emissions intensity (per sales)	tCO ₂ eq/ KRW million	0.04	0.03	0.04
GHG emissions target	tCO ₂ eq	-	55,694	70,568

*Data has been corrected based on greenhouse gas statements

Energy*

Category	Unit	2021	2022	2023
Total energy consumed	GJ	1,164,350	1,186,392	1,433,009
Direct energy	GJ	159,492	147,451	157,519
LNG (city gas)	GJ	155,164	143,465	153,229
LPG	GJ	522	360	552
Diesel	GJ	1,386	1,308	962
Gasoline	GJ	258	345	699
Kerosene	GJ	2,162	1,973	2,077
Indirect energy	GJ	1,004,858	1,038,940	1,275,490
Electricity	GJ	931,696	969,437	1,198,646
Steam	GJ	73,162	69,503	76,844
Percentage of fossil fuels (LPG, diesel, gasoline) in energy consumption	%	0.18	0.17	0.15
Percentage of LNG in energy consumption	%	13.32	12.09	10.69
Energy intensity (per sales)	GJ/KRW million	0.78	0.66	0.77
Energy consumption target	GJ	-	963,548	1,337,633

*Data has been corrected based on greenhouse gas statements

Air Pollutants

	Category	Unit	2021	2022	2023
Air pollutant emissions	Dust emissions	ton	4.14	6.36	1.99
	NOx emissions	ton	25.40	13.97	17.95
	SOx emissions	ton	0	0.01	0.54
Air pollutant intensity (per sales)	Dust emissions	ton/KRW billion	0.003	0.004	0.001
	NOx emissions	ton/KRW billion	0.017	0.008	0.010
	SOx emissions	ton/KRW billion	0	0	0

Raw Materials

Category	Unit	2021	2022	2023
Total raw materials consumption	ton	930,349	919,207	1,054,615
Recycled raw materials consumption	ton	0	19	6,191
Percentage of recycled raw materials	%	0	0	0.6

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Environmental*

Water*

Category	Unit	2021	2022	2023
Total water consumption (SeAH Steel Pohang Plant)	Thousand m ³	158.7	156.2	180.5
Industrial water	Thousand m ³	99.3	124.4	152.4
Potable water	Thousand m ³	59.4	31.8	28.1
Total water consumption (SeAH Steel Gunsan Plant)**	Thousand m ³	191.4	166.9	203.8
Industrial water	Thousand m ³	122.7	107.3	138.0
Potable water	Thousand m ³	68.7	59.6	65.8
Total water consumption (SeAH Steel Suncheon Plant)	Thousand m ³	27.0	43.8	46.0
Industrial water	Thousand m ³	9.7	21.9	24.0
Potable water	Thousand m ³	17.2	21.9	22.0
Total water consumption (SeAH Steel Changwon Plant)	Thousand m ³	49.7	44.8	39.5
Industrial water	Thousand m ³	0	0	0
Potable water	Thousand m ³	49.7	44.8	39.5
Total water consumption**	Thousand m ³	426.7	411.7	469.8
Industrial water	Thousand m ³	231.7	253.6	314.4
Potable water	Thousand m ³	195.0	158.1	155.4
Total wastewater treated	Thousand m ³	219.0	194.0	210.1
Discharged	Thousand m ³	219.0	194.0	210.1
Reused	Thousand m ³	0	0	0
Water consumption target	Thousand m ³	-	504.0	375.5
Wastewater reuse rate	%	0	0	0

*The amount of water withdrawn and that of water consumed are the same.
**Due to an error in the data calculation standard for the Gunsan plant, the 2022 Gunsan plant data and Total water consumption have been revised compared to that in the 2022 Sustainability Report.

*Based on Pohang, Gunsan, Suncheon, Changwon Plant

Water Pollutants

Category	Unit	2021	2022	2023
Suspended Solids (SS)	ton	3.0	0.7	1.4
Biochemical Oxygen Demand (BOD)	ton	0.7	0.6	2.4
Total Organic Carbon (TOC)	ton	0.6	1.4	3.2
Total Nitrogen (T-N)	ton	2.7	1.3	6.9
Total Phosphorus (T-P)	ton	0	0.10	0.01

Waste*

Category	Unit	2021	2022	2023
Total waste generated	ton	10,551	11,965	13,891
Total waste treated	ton	10,463	11,951	13,910
General waste	ton	5,885	5,963	5,944
Landfill	ton	2,361	2,525	2,560
Incineration	ton	82	84	81
Recycling	ton	3,441	3,353	3,303
Other	ton	0	0	0
Construction waste	ton	1,078	601	3,068
Landfill	ton	0	0	0
Incineration	ton	0	0	0
Recycling	ton	0	0	0
Other	ton	1,078	601	3,068
Designated waste**	ton	3,499	5,378	4,898
Landfill	ton	0	0	0
Incineration	ton	193	329	516
Recycling	ton	3,306	5,049	4,382
Other	ton	0	0	0
Percentage of designated waste***	%	33.44	45.08	35.21
Waste generation target	ton	-	9,998	10,355
Waste recycled (by-product recycled)	ton	6,747	8,403	7,685
Waste recycling rate (by-product recycling rate)	%	64.49	70.31	55.25

*Since the waste generated in the current year has not been completely treated by the end of the same year, the amount of waste generated and the amount treated differ.
**It was deemed appropriate to exclude the amount in storage from the amount treated. As a result, the amount of designated waste treated for 2021 has been revised compared to the amount reported in the 2022 Sustainability Report.
***The percentage of designated waste relative to the amount treated has been recalculated. As a result, the data for the percentage of designated waste for 2021-2022 has been revised compared to the figures reported in the 2022 Sustainability Report.

ESG Data

Environmental*

*Based on Pohang, Gunsan, Suncheon, Changwon Plant

Chemicals

Category	Unit	2021	2022	2023
Chemical emissions	ton	6	6	11

Hazardous Chemicals

Category	Unit	2021	2022	2023
Hazardous chemical consumption	ton	2,196	2,064	2,295

Environmental Management

Category	Unit	2021	2022	2023
ISO 50001 (Energy Management System) implementation rate	%	0	25	25
Number of sites certified	Site (s)	0	1	1
Total number of sites	Site (s)	4	4	4
ISO 14001 (Environmental Management System) implementation rate	%	100	100	100
Number of sites certified	Site (s)	4	4	4
Total number of sites	Site (s)	4	4	4
Environmental investment amount	KRW million	1,130	1,280	953

Green Purchasing Performance

Category	Unit	2021	2022	2023
Green purchasing amount	KRW million	-	17	5,116

Green Sales Performance

Category	Unit	2021	2022	2023
Green sales*	KRW million	-	144,400	1,009,381
Percentage of green sales	%	-	8	54

*Sales of products certified by Environmental Product Declaration (EPD) at Pohang Plant

Eco-friendly Vehicles in Fleet

Category	Unit	2021	2022	2023
Percentage of eco-friendly vehicles in a fleet	%	4	3	6

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Employee Status

Category			Unit	2021	2022	2023
Total number of employees (by position)			Person (s)	658	673	762
Executive	By gender	Male	Person (s)	15	18	18
		Female	Person (s)	0	0	0
	By age	Under 30	Person (s)	0	0	0
		30 to 49	Person (s)	0	0	1
		Over 50	Person (s)	15	18	17
General manager	By gender	Male	Person (s)	48	45	42
		Female	Person (s)	0	1	0
	By age	Under 30	Person (s)	0	0	0
		30 to 49	Person (s)	6	5	6
		Over 50	Person (s)	42	41	36
Deputy general manager	By gender	Male	Person (s)	27	36	44
		Female	Person (s)	2	1	1
	By age	Under 30	Person (s)	0	0	0
		30 to 49	Person (s)	20	26	36
		Over 50	Person (s)	9	11	9
Manager	By gender	Male	Person (s)	85	94	85
		Female	Person (s)	0	0	0
	By age	Under 30	Person (s)	0	0	0
		30 to 49	Person (s)	83	93	84
		Over 50	Person (s)	2	1	1

Category			Unit	2021	2022	2023
Assistant manager	By gender	Male	Person (s)	57	36	49
		Female	Person (s)	4	4	3
	By age	Under 30	Person (s)	0	0	2
		30 to 49	Person (s)	61	39	49
		Over 50	Person (s)	0	1	1
Associate	By gender	Male	Person (s)	375	396	483
		Female	Person (s)	33	30	37
	By age	Under 30	Person (s)	46	68	113
		30 to 49	Person (s)	138	126	170
		Over 50	Person (s)	224	232	237
By employment type	Full-time employees		Person (s)	632	636	630
		Male	Person (s)	607	609	603
		Female	Person (s)	25	27	27
	Temporary employees		Person (s)	26	37	132
		Male	Person (s)	12	28	118
		Female	Person (s)	14	9	14
By job category	Office work		Person (s)	333	340	344
	Technical work		Person (s)	325	333	418
Non-employee worker			Person (s)	478	518	567

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New Hires

Category		Unit	2021	2022	2023
Number of new hires		Person (s)	47	65	159
By gender	Male	Person (s)	39	57	144
	Female	Person (s)	8	8	15
By age	Under 30	Person (s)	33	55	60
	30 to 49	Person (s)	9	6	81
	Over 50	Person (s)	5	4	18

Turnover and Retirement

Category		Unit	2021	2022	2023
Number of resignations and retirements		Person (s)	55	55	79
By gender	Male	Person (s)	46	40	63
	Female	Person (s)	9	15	16
By age	Under 30	Person (s)	13	18	26
	30 to 49	Person (s)	17	20	22
	Over 50	Person (s)	25	17	31
By type*	Number of mandatory retirements	Person (s)	15	8	20
	Number of voluntary resignations	Person (s)	16	22	30
Voluntary resignation (turnover) rate		%	29.1	40.0	38.0

*Involuntary retirement such as contract expiration, etc. is not included

Pension Support

Category	Unit	2021	2022	2023
National pension (employer contributions)	KRW million	1,995	1,955	2,045
Amount of national pension operation	KRW million	38,051	55,882	56,604
Number of employees covered by retirement benefit plan	Person (s)	524	531	699

Parental Leave

Category	Unit	2021	2022	2023
Number of employees who took parental leave	Person (s)	9	3	4
Male	Person (s)	4	1	3
Female	Person (s)	5	2	1
Number of employees who returned from parental leave	Person (s)	2	0	3
Male	Person (s)	1	0	2
Female	Person (s)	1	0	1
Number of employees working for 12 or more months after returning from parental leave	Person (s)	2	0	0
Male	Person (s)	1	0	0
Female	Person (s)	1	0	0
Return-to-work rate after parental leave	%	22	0	75
Male	%	25	0	66
Female	%	20	0	100
Retention rate after parental leave	%	100	0	100
Male	%	100	0	100
Female	%	100	0	100

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Occupational Safety and Health

Category	Unit	2021	2022	2023
Number of injured	Person (s)	4	11	6
SeAH Steel (employees)	Person (s)	2	5	2
Suppliers	Person (s)	2	6	4
Accident rate	%	0.36	0.93	0.46
SeAH Steel (employees)	%	0.31	0.76	0.27
Suppliers	%	0.44	1.16	0.73
Number of fatalities	Person (s)	0	0	1
SeAH Steel (employees)	Person (s)	0	0	0
Suppliers	Person (s)	0	0	1
Fatality rate	%	0	0	0.08
SeAH Steel (employees)	%	0	0	0
Suppliers	%	0	0	0.18
Frequency rate of injury (Frequency rate)	Cases/ million work hours	1.60	4.12	2.09
SeAH Steel (employees)	Cases/ million work hours	1.33	3.27	1.20
Suppliers	Cases/ million work hours	2.02	5.25	3.35
Severity rate	‰	0.16	0.48	2.83
SeAH Steel (employees)	‰	0.19	0.61	0.31
Suppliers	‰	0.13	0.32	6.37
Lost Time Injury Frequency Rate (LTIFR)	Cases/ million work hours	6.41	5.99	6.98
SeAH Steel (employees)	Cases/ million work hours	5.98	4.58	5.38
Suppliers	Cases/ million work hours	4.65	5.89	6.57
ISO 45001 (Occupational Health and Safety Management System) certification implementation rate	%	100	100	100
Number of sites certified	Site (s)	4	4	4
Total number of sites	Site (s)	4	4	4

Collective Bargaining Agreements

Category	Unit	2021	2022	2023
Number of employees eligible for unionization	Person (s)	380	373	363
Number of unionized employees	Person (s)	248	240	221
Unionization rate	%	65.3	64.3	60.9

Employee Training

Category		Unit	2021	2022	2023
Total training hours		Hour (s)	26,317	37,632	44,507
Training hours per employee		Hour (s)	40	56	55
Total training cost		KRW million	541	662	791
Training cost per employee		KRW million	0.8	1.0	1.0
Total number of employees participated in training*	Environmental training	Person (s)	343	398	363
	Fair-trade training	Person (s)	66	56	141
	Safety and health training**	Person (s)	1,558	10,078	19,318
	Ethics and anti-corruption training	Person (s)	318	306	-
	Human rights training	Person (s)	1,035	1,170	1,096
	Information security training	Person (s)	335	347	339

*The number of information security training participants has been separated from the total number of ethics and anti-corruption training participants. As a result, the data for 2021-2022 has been revised compared to that in the 2022 Sustainability Report.

**Cumulative number of participants

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Diversity

Category	Unit	2021	2022	2023
Number of women in management positions and above	Person (s)	3	2	1
Senior management	Person (s)	0	0	0
Middle management*	Person (s)	3	2	1
Percentage of women in management positions and above	%	8	6	2
Number of minority group hires	Person (s)	21	21	30
Number of hires with disabilities	Person (s)	13	12	19
Number of foreign-born hires	Person (s)	1	1	1
Number of veteran (and/or eligible individuals) hires	Person (s)	7	8	10
Percentage of hires with disabilities	%	2.0	1.8	2.5

*Middle Management: Above manager-level

Social Contribution

Category	Unit	2021	2022	2023
Total volunteer hours	Hour (s)	99	1,019	398
Number of volunteer participants	Person (s)	119	365	149
Volunteer hours per person	Hour (s)	0.8	2.8	2.7
Community donations	KRW million	143	338	114

Mutual Growth

Category		Unit	2021	2022	2023
Number of suppliers		Supplier (s)	0	0	23
Procurement spent on suppliers		KRW billion	0	0	71
Supplier grievance handling status	Number of grievances filed	Case (s)	44	56	155
	Number of grievances addressed	Case (s)	44	56	155
	Resolution rate	%	100	100	100

Performance Evaluation

Category	Unit	2021	2022	2023
Number of employees subject to performance evaluation	Person (s)	658	673	762
Number of employees who received regular performance evaluations	Person (s)	303	310	328
Percentage of employees who received regular performance evaluations	%	46	46	43

Employee Satisfaction

Category	Unit	2021	2022	2023
TMS organizational assessment (organizational satisfaction)	Point (s)	73.3	71.9	72.0
TMS organizational assessment (job satisfaction)	Point (s)	73.1	72.3	72.6

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Governance

Corruption Cases and Actions Taken

Category	Unit	2021	2022	2023
Number of corruption incidents*	Case (s)	0	2	2
Number of disciplinary actions taken	Case (s)	0	2	2
Dismissal	Case (s)	0	0	0
Suspension	Case (s)	0	0	2
Pay cut	Case (s)	0	1	0
Warning	Case (s)	0	1	0
Other	Case (s)	0	0	0

*There were two instances of job regulatory violations between 2022 and 2023.

Regulatory Violations

Category	Unit	2021	2022	2023
Number of regulatory violations	Case (s)	2	1	2
Environmental regulatory violations	Case (s)	1	1	0
Anti-competitive behavior regulatory violations	Case (s)	0	0	0
Occupational health and safety regulatory violations*	Case (s)	1	0	2
Fines imposed**	KRW million	2.1	3.6	75.9
Environmental regulatory violations	KRW million	1.6	3.6	0
Anti-competitive behavior regulatory violations	KRW million	0	0	0
Occupational health and safety regulatory violations	KRW million	0.5	0	75.9

*Occupational health and safety regulatory violations data in 2021 were corrected due to the addition of one violation

**Based on the amount of penalty payment

Corruption Risk Assessment

Category	Unit	2021	2022	2023
ISO 37301 (Compliance Management System) implementation rate	%	-	-	100
Total number of sites	Site (s)	7	7	7
Number of sites assessed for corruption risk	Site (s)	0	3	2
Percentage of sites assessed for corruption risk	%	0	42.9	28.6

Information Security

Category	Unit	2021	2022	2023
Number of information security incidents	Case (s)	0	0	0

Membership Associations

Korea Iron & Steel Association	Federation of Korean Industries	Korea Enterprises Federation	Korea Chamber of Commerce and Industry
Korea Listed Companies Association	Korea International Trade Association	Korea Management Association	Korean Standards Association
Korea Personnel Improvement Association	Korea-Japan Economic Association		

GRI Index

GRI Preparation Standards (GRI 1)

Statement of use	SeAH Steel is reporting its sustainability management activities and key performances from January 1 to December 31, 2023, in accordance with GRI standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	-

General Disclosures

Category	Indicator		Page	Remark
General Disclosures	2-1	Organizational details	7p	
	2-2	Entities included in the organization's sustainability reporting	2p	
	2-3	Reporting period, frequency and contact point	2p	
	2-4	Restatements of information	2p	
	2-5	External assurance	88 ~ 89p	
	2-6	Activities, value chain and other business relationships	9 ~ 12p	
	2-7	Employees	80p	
	2-8	Workers who are not employees	80p	
	2-9	Governance structure and composition	64p	
	2-10	Nomination and selection of the highest governance body	65p	
	2-11	Chair of the highest governance body	64p	
	2-12	Role of the highest governance body in overseeing the management of impacts	15p	
	2-13	Delegation of responsibility for managing impacts	15p	
	2-14	Role of the highest governance body in sustainability reporting	15p	
	2-15	Conflicts of interest	64p	
	2-16	Communication of critical concerns	65p	
	2-17	Collective knowledge of the highest governance body	66p	

Category	Indicator		Page	Remark
General Disclosures	2-18	Evaluation of the performance of the highest governance body	66p	
	2-19	Remuneration policies	66p	
	2-20	Process to determine remuneration	66p	
	2-21	Annual total compensation ratio	66p	
	2-22	Statement on sustainable development strategy	5p	
	2-23	Policy commitments	55p	
	2-24	Embedding policy commitments	55p	
	2-25	Processes to remediate negative impacts	33p, 58p	
	2-26	Mechanisms for seeking advice and raising concerns	56p, 68p	
	2-27	Compliance with laws and regulations	84p	
	2-28	Membership associations	84p	
	2-29	Approach to stakeholder engagement	18 ~ 21p	
	2-30	Collective bargaining agreements	82p	
Material Topics	3-1	Process to determine material topics	16p	
	3-2	List of material topics	17p	
	3-3	Management of material topics	17p	

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Topic Standards

Category		Indicator	Page	Remark
Economic Performance	201-1	Direct economic value generated and distributed	7p	
	201-3	Defined benefit plan obligations and other retirement plans	81p	
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	60 ~ 62p	
Anti-corruption	205-1	Operations assessed for risks related to corruption	84p	
	205-2	Communication and training about anti-corruption policies and procedures	82p	
	205-3	Confirmed incidents of corruption and actions taken	84p	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	84p	
Tax	207-1	Approach to tax	74p	
	207-3	Stakeholder engagement and management of concerns related to tax	74p	
Materials	301-1	Materials used by weight or volume	77p	
	301-2	Recycled input materials used	77p	
Energy	302-1	Energy consumption within the organization	77p	
	302-3	Energy intensity	77p	
Water and Effluents	303-1	Interactions with water as a shared resource	44p	
	303-2	Management of water discharge-related impacts	44p	
	303-3	Water withdrawal	78p	
	303-4	Water discharge	78p	
	303-5	Water consumption	78p	
Emissions	305-1	Direct (Scope 1) GHG emissions	77p	
	305-2	Energy indirect (Scope 2) GHG emissions	77p	
	305-4	GHG emissions intensity	77p	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	77p	

Category		Indicator	Page	Remark
Waste	306-1	Waste generation and significant waste-related impacts	45p	
	306-2	Management of significant waste-related impacts	45p	
	306-3	Waste generated	78p	
	306-4	Waste diverted from disposal	78p	
	306-5	Waste directed to disposal	78p	
Employment	401-1	New employee hires and employee turnover	81p	
	401-3	Parental leave	81p	
Occupational Health and Safety	403-1	Occupational health and safety management system	31p	
	403-2	Hazard identification, risk assessment, and incident investigation	35p	
	403-3	Occupational health services	32p	
	403-4	Worker participation, consultation, and communication on occupational health and safety	33p	
	403-5	Worker training on occupational health and safety	33p	
	403-6	Promotion of worker health	34p	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	29 ~ 36p	
	403-9	Work-related injuries	82p	
	403-10	Work-related ill health	82p	
Training and Education	404-1	Average hours of training per year per employee	82p	
	404-2	Programs for upgrading employee skills and transition assistance programs	54p	
	404-3	Percentage of employees receiving regular performance and career development reviews	83p	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	64, 83p	
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	57p	
	414-2	Negative social impacts in the supply chain and actions taken	57p	

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Indicators		Page
Governance	A) Describe the board's oversight of climate-related risks and opportunities.	23p
	B) Describe the management's role in assessing and managing climate-related risks and opportunities.	
Strategy	A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	24 ~ 27p
	B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
	C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	A) Describe the organization's processes for identifying and assessing climate-related risks.	25p
	B) Describe the organization's processes for managing climate-related risks.	
	C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets	A) Disclose metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	28p
	B) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	
	C) Describe targets used by the organization to manage climate-related risks and opportunities and performance against targets.	

SASB Index

Topic	Code	Metric	Page	Remark
Greenhouse Gas Emissions	EM-IS-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	77p	
	EM-IS-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	24 ~ 28p	
Air Emissions	EM-IS-120a.1	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N ₂ O), (3) SOx, (4) particulate matter (PM10), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs)	77p	
Energy Management	EM-IS-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	77p	
	EM-IS-130a.2	(1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas, (4) percentage renewable	77p	
Water Management	EM-IS-140a.1	(1) Total freshwater withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	78p	
Waste Management	EM-IS-150a.1	Amount of waste generated, percentage hazardous, percentage recycled	78p	
Workforce Health & Safety	EM-IS-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	82p	
Supply Chain Management	EM-IS-430a.1	Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues	-	N/A
Activity Metric	EM-IS-000.A	Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	-	N/A
	EM-IS-000.B	Total iron ore production	-	N/A
	EM-IS-000.C	Total coking coal production	-	N/A

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Independent Assurance Statement

Dear SeAH Steel Corp.,

Assurance Outline

Korea Productivity Center (hereinafter “KPC”) was commissioned by SeAH Steel Corp. (hereinafter “SeAH Steel”) to conduct an independent assurance on the 2024 ESG Sustainability Report (hereinafter “the report”) and issue an assurance statement. SeAH Steel has sole responsibility for the preparation of the data within the report. KPC’s responsibility is to provide objective opinions on this report with the specified criteria and scope of assurance.

Scope

This report describes SeAH Steel’s sustainability efforts and performance. The scope of assurance was included on activities from January 1, 2023 to December 31, 2023. Some activities from 2024 have also been mentioned. The report was assured focusing on the reporting of sustainable management policies, strategies, goals, businesses, performance, conformity of data collection and analysis, and the report creation process.

Criteria

The assurance was carried out in accordance with the following standards:

- AA1000AS v3
- KPC ESG Report Assurance Protocol

Levels

The assurance of this report was conducted in line with the requirements of the AA1000AS v3 Type 1 (Adherence to the AA1000 four principles) at moderate level of assurance. The assurance was applied by professional judgement about materiality.

The report has been produced in accordance with GRI Standards. We confirmed that the report was complied with reporting principles of GRI Standards, Universal Standards, and Topic Standards based on the data and information provided by SeAH Steel.

Universal Standards

· Organizational and its reporting practices	2-1 ~ 2-5
· Activities and workers	2-6 ~ 2-8
· Governance	2-9 ~ 2-21
· Strategy, policies and practices	2-22 ~ 2-28
· Stakeholder engagement	2-29 ~ 2-30
· Material topics	3-1 ~ 3-3

Topic Standards

· Economic Performance	201-1, 201-3
· Indirect Economic Impacts	203-1
· Anti-corruption	205-1, 205-2, 205-3
· Anti-competitive Behavior	206-1
· Tax	207-1, 207-3
· Materials	301-1, 301-2
· Energy	302-1, 302-3
· Water and Effluents	303-1, 303-2, 303-3, 303-4, 303-5
· Emissions	305-1, 305-2, 305-4, 305-7
· Effluents and Waste	306-1, 306-2, 306-3, 306-4, 306-5
· Employment	401-1, 401-3
· Occupational Health and Safety	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10
· Training and Education	404-1, 404-2, 404-3
· Diversity and Equal Opportunity	405-1
· Supplier Social Assessment	414-1, 414-2

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Methodology

- Review of Sustainability Performance Data and Management System
- Review of the reporting process and data management framework
- Review of materiality assessment process and Internal Analysis Procedure
- Review of media report on sustainability
- Interviews with executives and employees involved in material topics and report preparation
- Review of the overall report

Limitations

This assurance was conducted as a comparative review of the data provided by SeAH Steel and thus performed a limited assurance within a restricted scope.
The assurance has its own limitations depending on the characteristics and calculation method of the data.

Conclusions

KPC conducted assurance on the draft through a revision of the data, an onsite verification process, and an interview with the employees. It was confirmed that all errors identified during the assurance were corrected. As a result of the assurance of this report, no material errors or improper descriptions have been found and the conclusions are as follows.

- **Inclusivity: Participation of stakeholders**
SeAH Steel operates stakeholder communication channels to gather opinions from various stakeholders to derive material topics and ensure that they are reflected in decision-making.
- **Materiality: Selection and reporting of material topics**
SeAH Steel presented sustainability performance data without any material omissions. With regard to the material issues presented in the report, nothing has come to our attention that would cause significant concerns in the decision-making process.

- **Responsiveness: Organizational response to issues**
KPC has confirmed that SeAH Steel has established an ESG management promotion system and is making efforts to respond to the demands and concerns of both internal and external stakeholders. KPC has confirmed the management process for material topics identified through the materiality assessment.
- **Impact: Monitoring and measurement of business activities**
KPC has verified that SeAH Steel identifies and monitors the impacts of its business activities on stakeholders. We have not found any evidence to suggest that the impacts related to material issues have been inappropriately measured.

Independence of Assurance

The Korea Productivity Center is a fully qualified independent assurance agency. It is officially certified by Accountability, the institution that established the global international standard AA1000 for stakeholder engagement and assurance. The Assurance Committee consists of experts who have gained experience in sustainability management consulting and assurance and have completed specialized training.
KPC has not participated in any profit-making activities of SeAH Steel and has maintained its independence when conducting this assurance.



June 2024
Korea Productivity Center
CEO Ahn Wan-ki

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Environmental Policy

1. Overview

a. Purpose

SeAH Steel Corporation(hereinafter “SeAH Steel”) aims to be an eco-friendly steel pipe manufacturer by establishing an environmental policy to improve sustainability and minimize environmental impacts arising from all production activities.

b. Scope of Application

This policy applies to all SeAH Steel plants. It is encouraged that all partners and affiliated companies comply with policies of a similar level to this policy for environmental improvement through education and information provision.

2. Policy Details

a. SeAH Steel’s Five Environmental Policies

1) Operation of Environmental Management System and Compliance with Relevant Regulations

- a) Operate ISO 14001 (Environmental Management System), an international standard, across all plants and strive for monitoring and improvements to prevent risks associated with regulations.
- b) Implement SeAH Steel’s own compliance management based on the international standard ISO 37301 (Compliance Management System) and carry out activities to prevent violations.

2) Pollutants Control

- a) Minimize the adverse environmental impacts by reducing the emissions of pollutants from business activities.
- b) Establish internal management standards for pollutants (air, water) through annual internal environmental impact assessments and maintain emissions at 30% or less of the legal permissible concentration levels.
- c) Actively invest in and improve facilities to minimize pollutants.

3) Waste (Resource Circulation) Management

- a) Prioritize resource circulation to minimize the environmental impact of waste.
* Minimize landfill/incineration and maximize recycling rates.
- b) Process waste optimally in compliance with waste-related laws and actively engage in internal and external activities to evaluate and improve environmental aspects in order to select qualified waste transportation and processing companies.
- c) Transparently disclose information to stakeholders regarding waste classification, definition, generation processes, and storage methods at the facilities.

4) Chemical Management

- a) Develop and actively implement plans for preventing accidents, reducing emissions, and minimizing the use of harmful chemicals to comply with chemical management standards and related regulations.
- b) Provide safety training to employees handling hazardous chemicals and educate them about handling hazardous chemicals.
- c) Identify and disclose information to stakeholders about hazardous chemicals being emitted and used.
- d) Ensure safety and environmental oversight from responsible departments when handling new chemicals, including the tracking of the entire process from receipt to disposal.

5) Greenhouse Gas/Energy Management

- a) Establish and actively implement greenhouse gas reduction plans, such as improving energy efficiency and utilizing alternative energy to achieve carbon neutrality.
- b) Promote energy-saving activities through employee participation in energy optimization and energy campaigns.
- c) Improve energy management efficiency through data analysis based on a monitoring system for greenhouse gases and energy.
- d) Implement and maintain certification of ISO 50001 (Energy Management System) across all plants.
- e) Reduce greenhouse gas emissions through the purchase of eco-friendly raw materials and product development based on a green procurement policy.

b. Responsibility and Implementation

1) Responsibility: The Board of Directors, including the Chief Environmental Management Officer or other major decision-makers, discusses and decides on current issues, countermeasures, and overall performances.

2) Implementation: Establish a dedicated company-wide organization for the execution and management of environmental management tasks, and the environmental management officer at each plant shares this policy and strives to improve employee awareness.

c. Performance Management

1) Goal and Development Plan

- a) Develop medium- to long-term ESG plans to identify and detail tasks for each sector.
- b) Establish detailed plans to set overall quantitative goals for the environmental and energy sectors based on medium- to long-term ESG plans.
- c) Consider external and internal situations, national policy paradigms, and business strategies when setting goals.

2) Performance Monitoring

- a) Regularly review the performance against the overall quantitative goals of the environmental and energy sectors compared to the medium- to long-term ESG plans.
- b) Make mid-course adjustments such as transitioning to medium- to long-term plans and changing implementation directions.

3) Performance Evaluation

- a) Reflect the performance of the implementation in management KPIs to internalize the medium- to long-term ESG strategy.

3. Addendum

This policy shall take effect from June 28th, 2024.

Environmental ●●●

Biodiversity Conservation Policy

1. Purpose

SeAH Steel Corporation(hereinafter “SeAH Steel”) recognizes the importance of biodiversity conservation values under the ESG vision of “The Promise to Create a Beautiful World” for sustainable management activities. SeAH Steel establishes and declares this policy to inspect and evaluate potential risks across all business activities and to conserve and protect biodiversity.

2. Scope of Application

This policy applies to all SeAH Steel business sites, including the headquarters, plants, and sales offices. SeAH Steel also encourages its suppliers, partners, and other stakeholders in business relationships to adhere to the basic principles of this policy and strives to disseminate its necessity.

3. Basic Principles

- a.** SeAH Steel comprehensively considers domestic and international laws and regulations related to biodiversity or wildlife protection and the International Union for Conservation of Nature (IUCN) Protected Area Categories (IUCN Category I ~ IV Protected Areas) to define areas that directly or indirectly affect biodiversity across all business activities. SeAH Steel establishes a monitoring system to identify and evaluate biodiversity values and impacts.
- b.** SeAH Steel strives to minimize biodiversity degradation within biodiversity conservation areas and, if unavoidable, prepares restoration plans and actively engages in recovery activities.
- c.** For business sites that include significant habitats, SeAH Steel establishes enhanced pollutant emission standards to achieve No Net Loss* of biodiversity.
- d.** SeAH Steel collaborates with industries, local communities, and professional organizations to protect biodiversity and actively participates in international biodiversity-related initiatives.
- e.** This policy is applied equally to all stakeholders, including all SeAH Steel employees and suppliers, to achieve Net Positive Impact** on biodiversity.

4. Addendum

This policy shall take effect from June 28th, 2024.

* No Net Loss: Completing a value chain structure that operates the business without biodiversity degradation or loss.
** Net Positive Impact: Achieving biodiversity recovery through investment and expanded activities for biodiversity conservation, restoration, and expansion.

Environmental ●●●

Green Procurement Policy

1. Purpose

SeAH Steel Corporation (hereinafter “SeAH Steel”) has established this Green Procurement Policy (hereinafter “Policy”) to define the green purchasing activities of its purchasing department and to minimize resource waste and environmental pollution, based on the ESG vision of “The Promise to Create a Beautiful World”. This policy promotes the preferential purchase of eco-friendly products with minimal environmental impact.

2. Scope of Application

This policy applies to all SeAH Steel locations, including the headquarters, plants, and sales offices. It covers all purchasing activities related to office supplies, raw materials, and other everyday items necessary for manufacturing products.

3. Definitions

The terms used in this policy are defined as follows:

- a. “Green Procurement” refers to the eco-friendly purchasing activity that prioritizes the evaluation and purchase of products that minimize the input of energy and resources and the generation of greenhouse gases and pollutants compared to other products or services with the same purpose.
- b. “Green Products” refer to products that meet the following criteria:
 - 1) Products defined under Article 66, Paragraph 4 of the Framework Act on Low Carbon, Green Growth
 - a) (Environmental Label Products) Products that have improved environmental performance and received environmental label certification under Article 17, Paragraph 1 of the Environmental Technology and Industry Support Act, and products that meet these standards
 - b) (Low-carbon Products) Products certified with environmental performance labeling under Article 18, Paragraph 1 of the Environmental Technology and Industry Support Act, which have reduced greenhouse gas emissions as defined by the criteria announced by the Minister of Environment according to Article 2, Paragraph 9 of the Framework Act on Low Carbon, Green Growth
 - c) (Outstanding Recycled Products) Recycled products certified by the Minister of Trade, Industry, and Energy under Article 33 of the Act on the Promotion of Saving and Recycling of Resources and Article 15 of the Industrial Technology Innovation Promotion Act, which meet these certification standards
 - 2) Energy-saving products
 - a) Products with 1 or 2 energy efficiency grades according to the energy consumption efficiency labeling system
 - b) Products certified with the Energy Saving Mark
 - c) High-efficiency energy equipment certification products, etc.
 - 3) Products with foreign environmental labels such as EU Ecolabel, Nordic Swan, recognized for their eco-friendliness

4. Basic Principles

- a. Green purchasing activities shall be implemented considering eco-friendliness throughout the entire business operation process, including supply, transportation, production, distribution, and waste disposal of raw materials.
- b. Green purchasing shall be practiced not only for the materials required for production but also for general consumables used in business operations.
- c. For effective green purchasing, continuous discovery of eco-friendly materials will be carried out; and institutional guidelines will be established to prioritize green products in purchasing procedures.
- d. In purchasing green products, active support will be provided in accordance with the Policy based on requests from the department in charge of green purchasing and the requesting department, and purchasing performance will be monitored.

5. Addendum

This policy shall take effect from June 28th, 2024.

Social ●●●●●

Human Rights Management Charter

SeAH Group’s Human Rights Management Charter

SeAH Group is a global steel manufacturer that places “honesty” as its top priority. SeAH Group values the human rights of all stakeholders, including its officers, employees, partners, and customers throughout its entire business activities; and together with all stakeholders, strives to act as a company that contributes to make the world a “more beautiful place”.

SeAH Group complies with the laws and regulations of each country and region and respects international principles and regulations on human rights, including the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, and the UN Convention on the Rights of the Child and the Core Conventions of the International Labour Organisation. To abide by the above, SeAH Group has established and implemented a human rights management charter covering matters relating to internal and external communication, handling of complaints, and remedial procedures.

SeAH Group’s human rights management policies shall apply to all of SeAH Group’s domestic and overseas places of business. SeAH Group hereby declares this Human Rights Management Charter as follows for common understanding and to implement across the company.

Article 1. Establishment of Human Rights Management System

SeAH Group shall respect all officers, employees, and stakeholders as human beings, provide them with regular human rights training to prevent any mental or physical infringement of human rights, and conduct monitoring and complaint handling procedures for human rights infringement through its Ethics Management Office.

Article 2. Prohibition of Discrimination in Employment

SeAH Group shall not unfairly discriminate against any person based on his/her gender, nationality, religion, social status, race, age, academic background, disability, gender identity, among others, in its human resources management, including its recruitment, promotion, compensation, and provision of educational opportunities.

Article 3. Guarantee of Freedom of Association and Collective Bargaining

SeAH Group shall encourage the Company and its officers and employees to freely communicate with each other to foster a sound organizational culture and guarantee their right to join the union and collective bargaining. In addition, SeAH Group shall not unfairly disadvantage any person based on his/her union activities.

Article 4. Prohibition of Forced Labor

SeAH Group shall not force any person to work against his/her free will by unreasonably restricting his/her mental or physical freedom, such as by using violence, intimidation, or confinement, nor shall it require any officer or employee to transfer his/her identification card or other important personal information as a condition of employment.

Article 5. Prohibition of Child Labor

SeAH Group shall comply with the minimum employment age standards provided by national and local laws and regulations and shall not expose minors to a working environment that is harmful or dangerous to the human body.

Article 6. Guarantee of Industrial Safety

SeAH Group shall regularly inspect the facilities, equipment, and tools to ensure that all officers and employees can work in a safe working environment and shall strictly comply with health and safety standards under national and local laws and regulations. In addition, SeAH Group shall provide regular training which covers legal requirements for industrial safety and raise awareness among the officers and employees.

Article 7. Responsible Management of Supply Chain

SeAH Group shall endeavor to share the values and principles of this Human Rights Management Charter with its affiliates and suppliers. If any affiliate or supplier violates this Human Rights Management Charter, SeAH Group may take necessary measures, such as suspending transactions with the violator.

Article 8. Protection of Local Residents’ Human Rights

SeAH Group shall manage any potential changes in the community’s society and environment affected by its place of business and protect human rights. SeAH Group shall raise concerns regarding potential impact of its place of business on the neighborhood and the residents, and listen to and reflect the community’s opinions in its business activities to address problems.

Article 9. Protection of Environmental Rights

SeAH Group shall implement and carry out activities to protect the environment and encourage its domestic and overseas places of business, suppliers, and local communities to participate in their environment protection activities.

Article 10. Protection of Human Rights of Customers

All officers and employees of SeAH Group shall prioritize the protection of life, health, and the properties of customers when providing products and services and shall take the best measures to protect personal information collected during their business activities.

Article 11. Prevention of Workplace Harassment and Gapjil*

The officers and employees of SeAH Group shall neither engage in any harassment or aggressive acts that may interfere with other employees from performing their duties, nor shall it give any inappropriate instruction to other employees to perform tasks that violate applicable laws and regulations and the Company’s regulations and processes or is unrelated to the duties assigned.

Article 12. Protection of Personal Information

SeAH Group shall protect the personal information of stakeholders, including customers, under national and local laws and regulations and shall not use any personal information for any other purpose without prior consent of the data subject. In addition, SeAH Group shall provide correct information and shall not provide any false information.

Article 13. Compliance with Legal Working Hours and Conditions

SeAH Group shall fully comply with the working hours under national and local laws and regulations and other requirements under the labor law such as minimum wage, social insurance, breaks and leaves.

* “Gapjil” is a Korean expression that refers to an arrogant or authoritarian attitude or actions of people who have positions of power over others.

This charter shall take effect from November 30th, 2021.

Social ●●●●●

Anti-Workplace Bullying, Anti-Sexual Harassment, Anti-Violence Policy

1. Purpose

The purpose of SeAH Steel Corporation's Anti-Workplace Bullying, Anti-Sexual Harassment, and Anti-Violence Policy (hereinafter "Policy") is to prevent the occurrence of bullying, sexual harassment, and violence in the workplace by all employees (including non-regular workers) of SeAH Steel Corporation (hereinafter "SeAH Steel") and to determine matters necessary to take appropriate measures in the event of such acts. SeAH Steel shall comply with the workplace laws on workplace bullying, sexual harassment, and violence such as Equal Employment Opportunity and Work-Family Balance Assistance Act (hereinafter "Equal Protection Act"), Labor Standards Act, Occupational Safety and Health Act, and Industrial Accident Compensation Insurance Act.

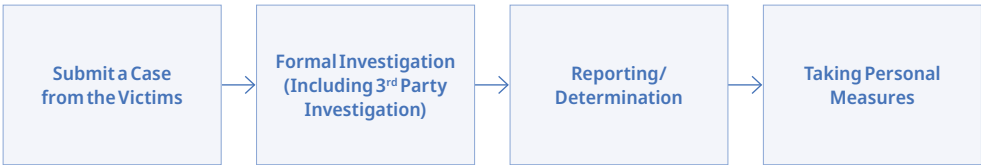
2. Definitions

- a. Workplace Bullying** refers to any act in which an employee uses his/her superior position or relationship in the workplace to cause physical and mental suffering to other employees beyond the reasonable scope of their work or to worsen the work environment.
- b. Workplace Sexual Harassment** refers to any act in which an employer, supervisor, or employee takes advantage of his/her position in the workplace or makes another employee feel sexually humiliated or disgusted by sexual remarks or other sexual behavior in connection with his/her work, or disadvantages him/her in working conditions or employment for failing to comply with sexual remarks or other requests.
- c. Violence** refers to any act of physical or tangible violence that causes injury, assault, threats, confinement, property damage, or physical and tangible violence that may not result in injury but imply an intention on injury.

3. Roles and Responsibilities of Employees

- a. (All members)** SeAH Steel and all employees of SeAH Steel shall cherish and respect their colleagues and have the role and responsibility to protect each other's physical and mental safety and health and shall not engage in workplace bullying, workplace sexual harassment, or violence.
- b. (Managers)** Managers, including department heads, executives, and other senior managers shall conduct an objective investigation to confirm the facts of workplace bullying, workplace sexual harassment, or violence without delay, and shall take appropriate measures, such as changing the workplace and ordering paid-leave, if necessary to protect the victim or the employee who claims to have been affected (hereinafter "Victim"). In this case, managers shall not judge or seek to resolve the case based on personal judgment but shall listen to the Victim and encourage the Victim to utilize SeAH Steel's procedure to handle such cases.
- c. (Employees)** All employees of SeAH Steel aware of workplace bullying, workplace sexual harassment, or violence may report to the managers and shall advise the Victim to report to SeAH Steel or a manager.

4. Case Handling Procedures



- a.** SeAH Steel shall follow the following procedures for handling cases of workplace bullying, workplace sexual harassment, and violence:
 - 1) Submit a case from the Victims
 - 2) Conduct a formal investigation (3rd party investigation) based on the intention of the Victims
 - 3) Identify, report, and determine workplace bullying, workplace sexual harassment, and violence based on the results of the formal investigation
 - 4) Decide on disciplinary actions against the perpetrator and protection measures for the Victims, etc.
- b.** Instances in which SeAH Steel receives a submission under the preceding paragraph or is aware of the occurrence of workplace bullying, workplace sexual harassment, and violence, SeAH Steel shall conduct an investigation to confirm the facts without delay.
- c.** If SeAH Steel confirms the facts of workplace bullying, workplace sexual harassment, and violence, SeAH Steel shall ensure that the perpetrators are appropriately dealt with, including disciplinary action, in accordance with a zero-tolerance policy.

5. Confidentiality

- a.** SeAH Steel shall not take any adverse or disadvantageous action against the Victims and those who cooperate with the investigation.
- b.** SeAH Steel shall take appropriate protective measures to protect the safety and security of the Victims, such as separating the workplace from the perpetrator or granting paid leave, taking into account the best interest of the Victims.
- c.** Anyone who becomes aware of a matter related to workplace bullying, workplace sexual harassment, or violence shall not disclose the identity of the person involved in the case or the contents of the case. However, this excludes reporting the contents related to the investigation to the manager or providing necessary information at the request of relevant authority.

6. Training

- a.** SeAH Steel shall conduct training to prevent workplace bullying, workplace sexual harassment, and violence at least once a year.
- b.** SeAH Steel shall always post or make available to employees the main contents of training to prevent workplace bullying, workplace sexual harassment, and violence.

7. Measures for Prevention of Recurrence

- a.** SeAH Steel shall establish and implement measures to prevent the recurrence of workplace bullying, sexual harassment, and violence at the conclusion of the case.
- b.** SeAH Steel may take necessary actions, such as department transfers or preventive training for the perpetrator. Such measures or actions shall not be disadvantageous to the Victims or those who cooperate in the investigation.

8. Addendum

This policy shall take effect from June 28th, 2024.

Safety and Health Management Guidelines

Safety and Health Management Guidelines

Under the management philosophy of “Creating Value, Respecting Humanity, and Contributing to Human Society”, SeAH Steel Corporation has established the vision, “The Promise to Create a Beautiful World”, and thus practices management oriented towards customer satisfaction and putting people at the center of our approach.

We practice the following to create a safe and pleasant work environment and protect the safety and health of all our employees.

- One. We implement safety and health as the top priority of our management activities.
- One. We comply with laws, regulations, and management systems related to safety and health.
- One. We proactively identify hazards and risks in the workplace and continuously implement improvement measures.
- One. We ensure the active participation and collaboration of employees in safety and health management activities.
- One. We systematically educate all employees about the safety and health management system and ensure effective communication.
- One. We announce safety and health management guidelines to everyone working in the organization or those performing activities on behalf of the organization.

March 14, 2024
Mangi Hong, CEO of SeAH Steel Corporation

Social ●●●●●

Code of Conduct for Business Partners

1. Overview

a. Purpose

Under the ESG vision of “The Promise to Create a Beautiful World,” SeAH Steel Corporation (hereinafter “SeAH Steel”) is determined to create a clean and sustainable environment, a safe and fair society, and a sound and transparent governance (the “ESG Principles”).

The purpose of this Code of Conduct is to establish the guidance for our engagement with all levels of our suppliers, contractors, agents, business partners and any other related parties (“Business Partners”) on their environmental, social and governance (ESG) performance.

This Code of Conduct requires compliance across five core areas – Environment, Labor and Human Rights, Health and Safety, Ethics and Fair Trade, and Governance – as required under international and national laws, regulations and standards. We expect our Business Partners to uphold the ESG Principles and ensure compliance with this Code of Conduct in all integral parts of their business and operation.

b. General Responsibilities

Business Partners are required to ensure all employees, including permanent, temporary and agency-provided, comply with this Code of Conduct and apply the core ESG Principles in their management decisions, business operations, standards, policies and procedures. SeAH Steel reserves the right to carry out appropriate due diligence exercises to monitor compliance with this Code of Conduct. SeAH Steel also reserves the right to make recommendations on improvement, mitigation and rectification with respect to any issues identified during any ESG assessment. If a Business Partner repeatedly fails to comply with this Code of Conduct, or refuses to engage in an assessment reasonably requested by SeAH Steel, or demonstrates no intention to make meaningful improvements, SeAH Steel reserves the right to terminate the business relationship with such a Business Partner.

Business Partners should note that this Code of Conduct is intended to provide the foundation for compliance. Business Partners should actively maintain awareness and comply with all applicable national laws, rules and regulations. In the event of any contradiction or discrepancies between this Code of Conduct and any applicable laws, the highest standards should be applied.

This Code of Conduct may be amended and updated by SeAH Steel occasionally. The most up-to-date version of this Code of Conduct is available on the SeAH Steel website and any Business Partner may contact SeAH Steel’s ESG Promotion Team for any inquiries.

2. Policy Details

a. Environment

Business Partners shall conduct all operations with care and consideration for the environment, minimize any harm and disruption to the environment, and comply with all relevant international, local and national laws and regulations related to environmental protection. In particular, we expect our Business Partners to:

- 1) Obtain, maintain, and keep up to date all applicable environmental licenses, permits, and registrations required for their business operations
- 2) Have a precautionary and strategic approach to the use of resources and materials and explore environmentally friendly solutions (including enhancing operation efficiency) and substitution (including reusable and recyclable material) wherever possible with a view to reducing waste
- 3) Identify all chemicals used in the workplace and establish and operate a chemical management system to ensure that they are managed safely during the process of handling, transportation, storage, use, reuse, recycling and disposal
- 4) Establish and monitor a waste management system that reflects the type and nature of waste generated within the workplace, and dispose and/or store waste in compliance with the relevant laws and regulations
- 5) Properly treat air pollutants prior to discharge, and establish an air pollutant emission management system to monitor and reduce air pollutants
- 6) Reduce water consumption and waste in light of the highest internal standards, and protect biodiversity and promote the sustainable and efficient use of water; and
- 7) Record, report and monitor energy consumption and greenhouse gas emissions at all times in accordance with the relevant laws and regulations.

Social ●●●●●

Code of Conduct for Business Partners

b. Human Rights including Labor Rights

Business Partners are required to prevent and address adverse impacts on human and labor rights in light of International Bill of Human Rights and the International Labour Organisation’s declaration on Fundamental Principles and Rights at Work. This applies to all workers, whether hired directly, by a contractor or recruited through a labor broker. In particular, we expect Business Partners to:

- 1) Eliminate direct and/or indirect involvement in human trafficking and prohibit all forms of forced, bonded, indentured or involuntary labor
- 2) Prohibit child labor for anyone under the age of 15 (the minimum age of employment as defined by local, national laws and regulations). Younger workers under the age of 18 must be protected against any type of employment or work which jeopardizes their health, safety or morals, or interferes with their schooling needs
- 3) Prevent working more than the applicable limits on regular and overtime hours, and provide rest breaks and rest days in accordance with industry standards or collective agreements;
- 4) Abide with all wage and benefit laws including those pertaining to minimum wage, overtime pay, and other elements of compensation
- 5) Treat employees with dignity and respect and prohibit any use of corporal punishment and physical, sexual, psychological, verbal or any other form of harassment, abuse or coercion. Relevant policies and procedures should be sufficiently explained to all workers; and
- 6) Provide a workplace which supports diversity and is free from discrimination in hiring, compensation, access to training, promotion, termination, retirement, working conditions, job assignments, benefits and discipline based on race, gender, age, sexual orientation, union membership, disability, pregnancy, ethnicity, religion or social status.

c. Health and Safety

Business Partners must provide a safe and healthy working environment and take appropriate measures to protect employees from work-related hazards and anticipated dangers in the workplace. We expect Business Partners to continuously improve working conditions by implementing the below:

- 1) Establish a safe working process, provide protective equipment, reengineer high-risk operations, provide a written safety manual, and conduct safety and health training
- 2) Not place pregnant women or under aged persons in high-risk environments and ensure vulnerable employees are appropriately trained and supervised
- 3) Establish and maintain emergency measures and regularly inspect evacuation routes and escape facilities
- 4) Track industrial accidents, injuries and diseases, and improve the root cause immediately
- 5) Regularly conduct chemical, biological, and physical risk analysis and eliminate risk factors
- 6) Apply specialist safety inspections, maintenance, and protective apparatus to dangerous facilities in the workplace; and
- 7) Comply with all relevant health and safety laws and regulations, and obtain and maintain safety and health-related licenses and permits

Social ●●●●●

Code of Conduct for Business Partners

d. Ethics and Fair Trade

Business Partners must ensure that their business is conducted fairly and ethically in all aspects to the highest standards. We expect that our Business Partners do not engage in any form of corrupt practices including extortion, fraud, bribery, facilitation payment, or money laundry whether direct or indirect. Business Partners must comply with the following:

- 1) Strictly prohibit bribery, embezzlement, corrupt behavior, and unfair advantage in all business activities and comply with the highest standards of business integrity
- 2) Not promise, offer, authorize, or provide any means to obtain improper or unfair benefits, and continuously check and monitor compliance with applicable anti-bribery and anti-corruption laws
- 3) Ensure that all transactions are transparent and in compliance with the recognized accounting rules, and that information on labor, health and safety, environmental management practices, business activities, governance, financial status, and performance of suppliers are true and correct
- 4) Respect and protect all intellectual property rights, and any use, license, development and/or transfer of intellectual property rights shall be in compliance with the relevant laws, regulations and agreements
- 5) Safeguard the privacy of all persons, including suppliers' and customers', and when collecting, storing, processing and/or disclosing any personal data, comply with all relevant laws and regulations
- 6) Comply with laws and regulations relating to fair competition, and abstain from any behavior that undermines the fair order of trade
- 7) Ensure that employees are able to raise concerns without fear of retaliation by operating an effective grievance system which protects their anonymity; and
- 8) Verify the origin and producer of minerals and raw materials (in particular, tin, tantalum, tungsten and gold), and prohibit the use of raw materials obtained from conflict-affected areas or via funds that support conflict or through unethical methods involving illegal and/or serious human rights violations.

e. Management Systems

Business Partners shall ensure that their management system embodies the latest ESG policies and is capable of effecting and monitoring the compliance with this Code of Conduct at all times. For example, senior stakeholders should:

- 1) Actively promote and integrate this Code of Conduct and the ESG policies in all aspects of the business
- 2) Appoint ESG representatives to apply and monitor the compliance with this Code of Conduct
- 3) Establish a framework and definitive action plans for ESG risk assessment, prevention, mitigation, improvement, and compliance
- 4) Continuously monitor and implement any changes, developments, amendments, directives and/or guidance with respect to any ESG policies, laws and regulations including this Code of Conduct
- 5) Provide training programs regarding laws and policies forming the basis of this Code of Conduct
- 6) Establish and operate effective grievance mechanisms and continuously monitor implementation
- 7) Comply with all applicable laws, regulations and procedures relating to document retention, confidentiality, privacy and personal data control; and
- 8) Require their business partners to comply with this Code of Conduct and cooperate with SeAH Steel in monitoring the compliance with this Code of Conduct. If necessary, SeAH Steel may check the compliance of Business Partners, for example, through pledges, completion of surveys, etc. SeAH Steel may amend or update this Code of Conduct occasionally.

3. Addendum

This code shall take effect from June 28th, 2024.

Social ●●●●●

Donation and Sponsorship Policy

SeAH Steel Corporation (hereinafter referred to as “SeAH Steel”), rooted in the corporate value of making the world beautiful, engages in social contribution activities to uphold values of mutual growth and positive influence, fulfilling its social responsibilities.

This policy aims to ensure that all donations and sponsorships are managed ethically, transparently, and fairly. It applies to all employees and third parties of SeAH Steel in any country or region and must be communicated to them at an appropriate time from the beginning of a business relationship.

- 1. **SeAH Steel can donate or sponsor only under the following conditions:**
 - a. Compliance with relevant laws and alignment with ethical policies
 - b. Donations made through appropriately established charitable organizations
 - c. The intent must be purely charitable, without aiming for improper business advantages or benefits
- 2. **Donations and sponsorships cannot be provided without the approval of an authorized decision-maker.**
- 3. **SeAH Steel does not provide direct or indirect monetary payments or other donations for political purposes to political parties, candidates, or political aspirants.**
- 4. **Donations or sponsorships must not be connected with auctions, bids, contract renewals, or future business relations.**
- 5. **Requests for donations and sponsorships from external organizations will be handled according to reasonable procedures, and all processes related to donations and sponsorships are managed ethically, ensuring transparent and fair procedures.**

6. **Addendum**

This policy shall take effect from June 28th, 2024.

Governance ●

Independence and Diversity of Outside Directors Policy

1. Purpose

The purpose of this policy is to ensure that SeAH Steel Corporation (hereinafter referred to as “SeAH Steel”) has a Board of Directors composed of individuals with diverse backgrounds and expertise. This composition aims to facilitate efficient and transparent decision-making on major issues and to ensure the board effectively performs its role in providing checks and balances against controlling shareholders and management based on independence.

2. Fundamental Principles

a. Board Independence Policy

SeAH Steel must pre-verify the qualifications of Board members in accordance with the Commercial Act and related laws. All directors should be appointed fairly and transparently by being raised as individual agenda items at the General Meeting of Shareholders. Additionally, to ensure outside directors can faithfully perform their duties, they are prohibited from holding concurrent positions as directors, executive officers, or auditors in more than or equal to two other companies. If any of the following conditions apply, the individual will lose their position.

- 1) Directors, executive directors, and employees who are engaged in the regular business of SeAH Steel, or directors, auditors, executive directors, and employees who have engaged in the regular business of SeAH Steel within the last two years
- 2) Directors, auditors, executive directors, and employees of the corporation, in cases where the largest shareholder is a corporation
- 3) The directors, auditors, executive directors, and employees of a parent company or a subsidiary of SeAH Steel
- 4) Directors, auditors, executive directors, and employees of a corporation which have a significant interest in SeAH Steel, such as business relations with SeAH Steel
- 5) Directors, executive directors, and employees of another company for which directors, executive directors, and employees of SeAH Steel serve as directors and executive directors
- 6) A person who currently, or during the last two years, worked for any of the following corporations or entities (referring to an attorney-at-law or a foreign legal consultant who works for a law firm, a law firm (limited liability), a law firm partnership, a law office operated by at least two attorneys-at-law in a uniform manner in accepting and handling cases or performing legal affairs as attorneys-at-law, distributing dividends or sharing expenses, joint law firm, or a law office specializing in foreign legal consulting, if such law firm, law firm partnership, or law office is involved) as a director, executive officer, auditor, or employee:
 - a) A corporation whose total amount of transaction amounts with SeAH Steel during the latest three years is at least 10/100 of its total assets (referring to the total assets of SeAH Steel on the balance sheet as at the end of the latest business year) or the gross sales (referring to the gross sales of SeAH Steel on the income statement as at the end of the latest business year; the same shall apply hereafter in this Article)
 - b) A corporation who has entered into a single contract with SeAH Steel during the latest business year for an amount of at least 10/100 of the gross sales of SeAH Steel

- c) A corporation whose aggregate amount of money, securities, and other certificates or deeds lent or borrowed by the listed company and other obligations guaranteed by the listed company, including collaterals provided is at least 10/100 of the equity capital (referring to the equity capital of SeAH Steel on the balance sheet as at the end of the latest business year)
- d) A corporation, at least 5/100 of the equity capital (referring to the equity capital of the corporation in which SeAH Steel has invested) of which has been invested by SeAH Steel as of the date of an annual general meeting of shareholders of SeAH Steel
- e) A law firm, law firm (limited liability), law firm partnership, law office operated by at least two attorneys-at-law uniformly in accepting and handling cases or performing legal affairs as attorneys-at-law, distributing dividends or sharing expenses, joint law firm, or law office specializing in foreign legal consulting, accounting firm, or tax firm that mainly provides SeAH Steel with legal advice or business consulting under an advisory agreement, or a corporation that otherwise provides SeAH Steel with consulting services

Apart from these requirements, the principle is to comprehensively consider any other factors that may significantly impact the board’s independence.

b. Diversity Policy for Outside Directors

SeAH Steel must form its Board of Directors with individuals possessing diverse knowledge and experiences who can contribute to the interests of SeAH Steel and its shareholders. In accordance with the Corporate Governance Charter, efforts should be made to ensure the diversity of outside directors. Representative criteria include the below.

- 1) Gender: Candidates of different genders to ensure gender equality and a variety of perspectives in board operations
- 2) Age: Candidates of various ages to enhance flexibility in responding to changes in the business environment and to improve board efficiency
- 3) Other: No discrimination based on gender identity, age, nationality, race, or religion

3. Addendum

This policy shall take effect from June 28th, 2024.



25, 26, 27F, SeAH Tower, 45 Yanghwa-ro, Mapo-gu,
Seoul, Republic of Korea
www.seahsteel.co.kr