

Corporate Social Responsibility Policy

POSCO MAHARASHTRA STEEL PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Objective

- To define the overall framework for Corporate Social Responsibilities (CSR) as per the Companies Act, 2013 and this will be followed by the Company
- To lay down the guiding principles, standards, codes and mechanisms to carry out the CSR Projects of the Company
- To ensure that all the CSR Projects are reported as per the format prescribed by Section 135 of the Companies Act, 2013
- To identify the areas of interventions and CSR Projects which the Company will undertake as its core CSR initiatives
- To carry out the CSR activities voluntarily which are covered under the Companies Act, 2013

2. Vision & Mission

Vision: To actively contribute to the social and economic development of the communities in which we operate.

Mission: To contribute to sustainable development and inclusive growth by investing responsibly, thereby reducing socio- economic inequalities among the underprivileged sections of the society.

3. Governance structure

With the purpose of driving CSR in accordance with the Companies Act 2013 and to fulfill our commitments, we at POSCO Maharashtra are committed to put in place highly effective, powerful and transparent governance as well as implementation structures, which may include all or a part of the following:

- Board of Directors
- CSR committee
- CSR Team
- External Agencies working in social domain

3.1 Governance structure

The company's directors shall remain committed to drive and provide overall direction to CSR. They shall assume responsibility for remaining adhered to the Act and rules concerning CSR.

Therefore, directors of the company shall discharge the following duties and functions:

- Addition/deletion in CSR committee members
- Approve the CSR policy and bring amendments in the policy as and when required
- Approve the concern areas under CSR that the company will propose to support, annual action plan, annual budget and modalities of operations

- Ensure that activities included by the company in its CSR policy are in accordance with those listed in Schedule VII of the Companies Act
- Ascertain that the activities included in the CSR policy of the company are undertaken
- The Board's Report issued under clause (o) of sub-section (3) of section 134 shall include an annual report on CSR containing particulars specified in 'Annexure' to the CSR Rules

3.2 CSR committee

In accordance with the provisions of section 135 of the Companies Act, the Board of Directors shall constitute a CSR committee comprising following directors:

1. Mr. Sung Lae Chun - Chairman
2. Mr. Nam Haeng Heo – Member
3. Mr. Kwang Soo Kim – Member

Powers of the committee:

- Formulate a CSR policy and recommend it to the Board of Directors for approval
- Formulate and approve a CSR action plan for the year
- Recommend the budget to the Board of Directors for approval
- Be accountable for the spent of the allocated CSR budget
- Accord approval for undertaking CSR activities in partnership or collaboration with other companies, institutions, NGOs, Trusts etc.
- Create transparent monitoring mechanisms for the implementation of CSR initiatives
- Monitor the CSR policy and recommend amendments, whenever required
- Constitution of "CSR Team" for effective implementation of the CSR activities
- CSR Team of the company will arrange, coordinate and implement CSR activities of the Company and attend CSR workshops, seminars, events being held externally to educate them

3.3 CSR Team

The company may decide to set up an internal CSR team which will be accountable to the CSR committee and be responsible for rolling out CSR plans/activities as per the policy.

Roles and responsibilities of the Corporate CSR team:

- Be the first point of contact for the company's CSR
- Support the CSR committee to ensure full compliance of the regulation
- Take guidance and direction from the CSR committee and perform the function accordingly
- Provide inputs to the CSR committee and the management and share with them internal as well as external information on CSR

- Prepare framework for the effective operationalization of CSR initiatives
- Understand all the programs in detail and recommend certain programs, modality of operations and monitoring mechanisms to the committee
- Ensure the utilization of resources
- Be responsible for CSR communication and prepare yearly CSR report

3.4 External Agencies/Social Organizations (SOs)

The Company may identify external agencies for the implementation of programmes. In case of program implementation planned to be performed by external agencies, the following minimum criteria for eligibility shall be ensured:

- ✓ The NGO or agency or Trust has a permanent office or address in India
- ✓ The NGO or agency or Trust is a registered society, a trust or a Section 8 Company with a proven track record of three years in undertaking similar developmental projects
- ✓ The NGO or agency or Trust possesses a valid income-tax exemption certificate
- ✓ The NGO or agency or Trust is not affiliated to a political and/or religious institution
- ✓ The NGO or agency or Trust maintains a required level of auditable records