

POSCO MAHARASHTRA Supplier Code of Conduct

POSCO MAHARASHTRA operates business in line with applicable national and international laws, with integral stipulations and guidelines. POSCO MAHARASHTRA expects all suppliers and their subcontractors (collectively, “**Supplier**”) to share these values and act accordingly.

POSCO MAHARASHTRA Supplier Code of Conduct (“**Code of Conduct**”) sets out the details of the basic principles that Supplier must comply with in conducting various business activities, including commitments to a safe workplace environment, the treatment of workers with dignity and respect, and moral and ethical business management.

The Code of Conduct encompasses the areas of Labor, Health and Safety, Environment, Ethics, and Management System. It is based on Responsible Business Alliance Code of Conduct ver.8.0. In the event of a conflict between the Code of Conduct and local laws, the more stringent standard will apply.

I . LABOR

Supplier shall protect and respect the human rights of all workers throughout the entire process of their business activities. This applies to all workers, including temporary workers, migrant workers, trainees, short-term contractors, and those that are directly employed. Workers must be guaranteed lawful employment and labor rights under local laws and regulations.

1-1. Prohibition of Forced Labor

- All work shall be performed voluntarily. Workers shall be free to leave work at any time or terminate their employment without penalty, and this shall be clearly stated in their contracts.
- Supplier shall not compel or engage their workers in forced labor (i.e., all and any involuntary labor, including slavery and human trafficking) or cause the workers to become unreasonably indebted and use this as an excuse to compel them into forced labor.
- Supplier shall not withhold any identity and immigration-related documents, such as government-issued identification, passports, or work permits, from their foreign workers, and must allow them to retain those documents themselves.
- Supplier shall provide readily accessible employment terms and conditions using an understandable language and methods to the workers when hiring and making changes to their employment agreements.

1-2. Prohibition of Child Labor

- Child labor is strictly prohibited. The minimum age for employment shall comply with the requirements under applicable laws and regulations at the Supplier’s location or internationally recognized standards, such as those set by the International Labour Organization (“ILO”), whichever is more stringent.

- If a child worker is identified, the Supplier shall immediately terminate the employment of such child worker and improve their age verification system in the hiring process.
- Workers below the age of 18 shall not be assigned to tasks that are hazardous to their health or safety, including night shifts and overtime work.

1-3. Working Hours

- Working hours shall not exceed the maximum working hours set by local law, and all overtime work must be performed voluntary with overtime pay.
- Supplier shall guarantee workers at least one paid holiday per week.

1-4. Wages and Benefits

- Compensation paid to workers shall comply with all applicable wage-related laws, including minimum wages, overtime hours, and legally mandated benefits.
- Workers shall be provided with an understandable wage statement for each pay period to ensure that their compensation has been paid accurately.

1-5. Non-Discrimination/Non-Harassment/Humane Treatment

- Supplier shall respect all workers' human rights. There must be no threat or action of harsh or inhumane treatment, including violence, gender based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor should there be any threat of such treatment.
- Supplier shall maintain a workplace that is free from harassment and unlawful discrimination. Supplier shall not engage in discrimination or harassment based on race, color, age, sex, gender identity, sexual orientation, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, nationality, protected genetic information, or marital status in hiring and employment practices, including wages, promotions, rewards, and access to training.
- Supplier shall establish, implement, and promote policies and procedures relating to discipline that ensure a humane treatment of their workers.
- Workers shall not be subjected to medical checkups or physical examinations that could be used in a discriminatory way, unless otherwise required by applicable laws and regulations or for workplace safety.
- When requested, Supplier shall provide reasonable accommodations for their workers' religious practices within a reasonable scope.

1-6. Freedom of Association and Collective Bargaining

- Supplier shall guarantee workers the right and freedom to associate, including, but not limited to, the right to freely organize and join unions, the right to collective bargaining, and the right to participate in peaceful assemblies under applicable laws and regulations, as well as the right to refrain from such activities.

- Supplier shall not use private or public security forces to unlawfully interfere with workers' rights to association and collective bargaining.
- Workers and/or their representatives shall be able to openly communicate with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

II. SAFETY AND HEALTH

Supplier shall recognize that a safe and healthy work environment not only minimizes work-related injuries and illnesses, but also enhances the quality of products and services, the consistency of production, and worker retention and morale. Moreover, Supplier shall establish appropriate safety and health policies and provide safety and health training and education to the workers.

2-1. Occupational Health and Safety

- Supplier shall design, develop, and implement safe processes, technical and administrative controls, preventive maintenance, safety regulations, and safety measures. Supplier shall also conduct regular training sessions for workers who may potentially be exposed to health and safety hazards (e.g., chemical, electrical and other energy sources, fire, vehicles, and fall hazards).
- Where such hazards cannot be adequately controlled, Supplier shall provide workers with educational materials about such hazards, as well as personal protective equipment, and manage and supervise its proper wearing.
- Additionally, Supplier shall take reasonable steps to remove pregnant women or nursing mothers from highly hazardous working conditions, remove or reduce workplace health and safety risks to those women, and provide accommodations for nursing mothers at work.

2-2. Emergency Preparedness

- Supplier shall minimize harm to life, environment, and property by identifying and assessing potential emergencies and incidents.
- Emergency plans and response procedures shall include emergency monitoring and reporting, notification and evacuation procedures for workers, emergency evacuation drills, evacuation facilities, fire detection, fire extinguishing equipment recovery, and recovery plans.
- Emergency plans shall also include appropriate fire detection and suppression equipment, clear and unobstructed exits, contact information for an emergency response officer, and recovery plans.
- Emergency drills shall be conducted at least annually or as required by local law, whichever is more stringent.

2-3. Occupational Injury and Illness

- Supplier shall establish and follow the procedures and systems to prevent, manage, track, and report occupational injuries and illnesses.

- These procedures shall include regulations to encourage reporting by workers, classify and record injuries and illness cases, provide necessary medical treatment, implement corrective actions upon the occurrence of such occupational injuries and illnesses, and facilitate the return of workers to work.
- Supplier shall allow workers to remove themselves from imminent harm and not return until the situation is mitigated, without fear of retaliation.

2-4. Industrial Hygiene

- Supplier shall identify, evaluate, and control workers' exposure to chemical, biological, and physical factors regularly.
- When these hazards cannot be adequately controlled by such means, workers shall be provided with appropriate, well-maintained personal protective equipment free of charge, and they must use it.
- Supplier shall provide workers with safe and healthy working environments, maintained through ongoing monitoring. Additionally, Supplier shall provide protective occupational health programs, which include educational materials about the risks associated with exposure to workplace hazards.

2-5. Physically Demanding Work

- Supplier shall identify physically intensive labor, such as repetitive work and handling of heavy objects, and implement relevant measures, such as process improvements, to prevent musculoskeletal disorders and other related issues in workers.

2-6. Machine Safeguarding

- Supplier shall classify and conduct regular safety inspections for dangerous equipment. Supplier also provide physical guards, interlocks, and barriers to workers who are at risk, and maintain these safety measures appropriately.

2-7. Sanitation, Food, and Housing

- Supplier shall provide workers with clean toilet facilities, clean water, sanitary food preparation and storage, and dining facilities.
- Workers' dormitories provided by Supplier are kept clean and safe, and equipped with lighting, appropriate emergency exits, HVAC system, individual lockers, and appropriate personal space of a reasonable standard.

2-8. Health and Safety Communication

- Supplier shall provide relevant health and safety information and training about all identified workplace hazards to which workers are exposed, including but not limited to mechanical, electrical, chemical, fire, and physical hazards, in a language that workers can understand.
- If applicable, health and safety information and training shall include content on specific risks to relevant demographics, such as gender and age.

- Moreover, Supplier shall encourage workers to raise any health and safety concerns at any time.

III. ENVIRONMENT

Supplier shall comply with applicable laws and regulations on environmental protection and recognize that environmental protection is one of their basic responsibilities as an enterprise. Supplier shall identify environmental impacts and minimize adverse impacts on the community, environment, and natural resources in their business activities and manufacturing operations.

3-1. Environmental Permits and Reporting

- Supplier shall obtain, maintain, and manage all required environment permits, and registrations necessary for business operation. Supplier shall also reflect the latest legal amendments and comply with the reporting obligations.

3-2. Pollution Prevention and Resource Conservation

- Supplier shall endeavor to minimize or eliminate pollutant emissions and waste discharge by adding pollution control equipment, modifying production, maintenance, and facility process, or by any other applicable means.
- The use of natural resources, including water, fossil fuels, minerals, virgin forest products, land, soil, wetlands, and forests must be conserved, and forced evictions must be prohibited to protect the human rights and property rights of indigenous peoples.

3-3. Hazardous Substances

- Supplier shall identify and separately manage all chemicals that may potentially be hazardous to humans or environment, in compliance with relevant applicable laws and regulations, specifications and international standards, including the Minamata Convention, the Stockholm Convention, and the Basel Convention. Hazardous chemicals shall be labeled and managed to ensure their safe handling, transport, storage, use, recycling or reuse, and disposal. Supplier shall also track and document hazardous waste data regularly.

3-4. Solid Waste

- Supplier shall identify, manage, and reduce non-hazardous solid waste and dispose of it in accordance with relevant laws and regulations, while committing to reduce the amount generated. Additionally, Supplier shall track and document solid waste data regularly.

3-5. Air Emissions

- Supplier shall identify the characteristics of volatile organic chemicals, aerosols, corrosive gases, particulates, ozone-depleting substances, and combustion byproducts in the process, and dispose of them after treatment in accordance with relevant laws and regulations. Supplier shall also constantly monitor the emission status of the air pollutants.

- Supplier shall check the performance and operation of their air emissions monitoring system regularly.

3-6. Materials Restrictions

- Supplier shall adhere to all applicable laws, regulations, and customer requirements regarding the prohibition or restriction of specific substances in products and manufacturing, including labeling for recycling and disposal.

3-7. Water Management

- Supplier shall monitor their usage and discharge of water resources, seek methods for preserving water resources, and control contamination channels.
- All waste water shall be characterized, monitored, and treated as required by the regulations before discharge or disposal. Supplier shall monitor the performance of their wastewater treatment and containment system regularly.

3-8. Energy Consumption and GHG Emissions

- Supplier is encouraged to establish and report GHG reduction targets. Supplier shall commit to use its reasonable efforts to track, document, and report energy consumption and GHG emissions (Scope 1, 2, and 3). Additionally, Supplier shall look for methods to improve energy efficiency and minimize their energy consumption and GHG emissions.

IV. ETHICS

Supplier shall comply with the following ethical standards to ensure sustainable growth and uphold their social responsibilities.

4-1. Business Integrity

- Supplier must maintain the highest standards of integrity in all business interactions. Supplier shall implement a zero-tolerance policy to prohibit all forms of bribery, corruption, extortion, and embezzlement.

4-2. No Improper Advantage

- Supplier shall not promise, offer, authorize, give, or accept bribes or other means of obtaining an unfair or improper advantage.
- This prohibition covers promising, offering, authorizing, giving or accepting any of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage.
- Additionally, continuous inspection and monitoring shall be conducted to ensure compliance with anti-corruption laws.

4-3. Disclosure of Information

- All transactions of Supplier must be transparent and accurately recorded and maintained in their books of account.
- Information regarding Supplier's labor, health and safety, environmental practices, business activities, governance, financial status, and performance shall be disclosed in accordance with applicable laws, regulations, and prevailing industry practices. Falsification of records or misrepresentation shall not be permitted.

4-4. Intellectual Property

- Supplier shall respect intellectual property rights and protect relevant rights when transferring technology and/or know-how. Supplier shall also safeguard their customers' and suppliers' information.

4-5. Fair Trade, Advertising, and Competition

- Supplier shall adhere to standards for fair trade, advertising, and competition, and must avoid engaging in unfair trade practices that undermine the principals of fair trade.

4-6. Protection of Identity and Non-Retaliation

- Supplier shall maintain programs that protect the anonymity of internal whistleblowers, except where prohibited by applicable laws and regulations. Supplier shall also notify their workers of the relevant procedures and enable them to raise concerns without any fear of retaliation.

4-7. Responsible Sourcing of Minerals

- Supplier shall endeavor to procure minerals sourced from Conflict-Affected and High-Risk Areas in a manner consistent with the OECD guidelines.
- Responsible Minerals such as cobalt, tantalum, tin, tungsten, and gold shall not be a source of finance for any conflict. Such minerals shall be mined in a manner that respects human rights and the environment and fulfills social responsibilities.

4-8. Privacy

- Supplier shall endeavor to protect the personal information of all stakeholders (including suppliers, customers, consumers, and workers) in their business.
- Supplier shall comply with applicable privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

V. MANAGEMENT SYSTEM

Supplier shall adopt or establish a management system with a scope that is related to the content of this Code of Conduct. The management system shall be designed to ensure compliance with applicable laws, regulations, and customer requirements, conform to the Code of Conduct, and identify and mitigate operational risks related to this Code of Conduct. Supplier shall also facilitate continual improvement.

5-1. Company Commitment

- Supplier shall establish human rights, health and safety, environmental and ethics policy statements endorsed by executive management. These policy statements shall be published and distributed to workers in a language that they can understand via accessible channels.
- Supplier shall establish or implement a due diligence process with appropriate measures and integrate the process to their management policy.

5-2. Management Accountability and Responsibility

- Supplier shall identify senior executives and company representatives responsible for ensuring the implementation of the management systems and associated programs. Management shall review the status of the management system regularly.

5-3. Legal and Customer Requirements

- Supplier shall have a process to identify, monitor, and understand applicable laws, regulations, and customer requirements, including the requirements of the Code of Conduct.

5-4. Risk Assessment and Management

- Supplier shall have a process to identify legal compliance, environmental, health and safety, labor, ethical, and human right risks associated with their business operations.
- Supplier shall determine the relative significance of each risk, control the identified risk, and check regulatory compliance regularly.

5-5. Improvement Objectives

- Supplier shall prepare written performance objectives, targets, and implementation plans to improve their social, environmental, health and safety performance, and conduct periodic assessments of their performance in achieving these objectives.

5-6. Training

- Supplier shall establish training programs for workers to implement their policies, procedures, and improvement objectives, and to comply with applicable legal and regulatory requirements.

5-7. Communication

- Supplier shall establish a procedure for communicating clear and accurate information regarding their policies, practices, expectations, and performance to workers, suppliers, and customers.

5-8. Worker/Stakeholder Engagement and Access to Remedy

- Supplier shall establish processes for communication with workers, their representatives, other stakeholders, and communities in relation to Supplier's business activities and operations.
- Supplier shall establish a process, including an effective grievance mechanism, to obtain feedback from workers, their representatives, other stakeholders and communities.
- Supplier shall provide an environment in which workers can provide grievances and feedback without fear of reprisal or retaliation.

5-9. Audits and Assessments

- Supplier shall conduct periodic self-evaluations to ensure conformity with legal and regulatory requirements, the content of the Code of Conduct, and social and environmental responsibilities

5-10. Corrective Action Process

- Supplier shall establish a procedure in place for a timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

5-11. Documentation and Records

- Supplier shall create, keep a record of, and maintain documents to ensure regulatory compliance and conformity with their own requirements along with appropriate confidentiality to protect privacy.

5-12. Supply Chain Participation and Responsibility

- Supplier shall establish a process of communicating the requirements of the Code of Conduct to their suppliers and monitor their compliance with the Code of Conduct.

[Document History]

Version	Date	Description of Change
01	'24.10.31	Enactment of Supplier Code of Conduct