

Code of Ethics

I. Ethics Charter

POSCO Group aspires to become a trusted and respected enterprise by deeply understanding that ethical management is the greatest value we must uphold in order to co-exist and co-prosper with our many stakeholders as a member of society.

Members of the POSCO family¹ must comply with laws and ethics based on the ethical management philosophy of “doing the right thing in the right way,” while also seeking to achieve Integrity, Respect, and Mutual Empathy and establishing an ethical corporate culture in business activities that cover all the basics and comply with the rules.

At the employee level, we must pursue individual growth and company success by achieving a work-life balance, and create a positive work environment by establishing a corporate culture of mutual respect. We must fulfill our duty to respect everyone as human beings and to respect the human rights universally pursued by human society.

For our customers, we must understand that our future depends on customer trust and success. We must respect the customer voice at all times and create value that promotes customer prosperity.

For our shareholders, we must enhance shareholder value by making fair profits through transparent decision making and efficient business activity.

With our business partners, we must establish a fair trading system based on mutual trust and strengthen our corporate ecosystem in which we co-exist with our business partners through mutual growth.

At the community level, we must contribute to the development of society by fulfilling our duties and obligations. We must be deeply aware of the importance of environmental issues and do our best to protect the environment in all of our business activities.

POSCO family members must always be aware of the fact that our actions are directly linked to our self-respect as well as corporate value and reputation. We pledge to comply with the Code of Conduct and to ensure that ethics and integrity are at the heart of our culture and business operations.

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¹ All employees of POSCO Holdings and its subsidiaries

Ethical Principles

1. Roles and responsibilities of all employees

- We comply with relevant laws and company regulations and guidelines anywhere in the world where POSCO Future-M conducts business.
- We endeavor to maintain our dignity as employees and protect our corporate reputation.
- We make our best efforts to establish an ethical culture by taking responsibility for practicing ethical behavior.
- We report to or consult an authority figure or the department in charge of ethical management² immediately upon becoming aware of the fact that a situation faced or an action performed by us or another person violates or is likely to violate the Code of Ethics.
- We fully cooperate with investigations conducted by the department in charge of ethical management regarding matters that are likely to violate the Code of Ethics.
- We do not retaliate against informants or individuals who participate in an investigation in relation to Code of Ethics violations.
- We are aware of the fact that by violating the Code of Ethics, soliciting another person to violate the Code of Ethics, failing to report a Code of Ethics violation or cooperate with an investigation, or taking retaliatory action against an informant or individual participating in an investigation, we may become subject to disciplinary action as appropriate.

In particular, we are aware that there is zero tolerance for the four major ethical violations³: acceptance of bribery, misappropriation, fabrication of information, and sexual misconduct.

² In accordance with guidelines on roles and responsibilities

³ **Acceptance of bribery:** Accepting money or goods beyond a socially acceptable amount from a stakeholder

Misappropriation: Taking unlawful possession of company funds or assets

Fabrication of information: Falsifying, concealing, or distributing business-related information in a manner that contradicts the truth

Sexual misconduct: Conduct that causes distress through sexual harassment or sexual assault

2. Special responsibilities of executives and authority figures

Executives and authority figures have the responsibility to set an example of ethical compliance and prevent ethical misconduct among staff members. To this end, they must be aware of the following principles and put them to practice:

- When the company's profits and ethics are in conflict, you have a duty to prioritize ethics in your operational and administrative decision making.**
- You must exemplify ethical conduct in your work and fulfill your duty as an internal and external role model.**
- You must train and guide staff members to understand the provisions of the Code of Ethics and Practice Guidelines and the importance of compliance.**
- You must routinely examine your teams for ethical misconduct and proactively prevent unethical behavior that is likely to occur by identifying the causes, improving processes, and taking other measures.**
- You must foster an organizational atmosphere that promotes and supports ethically correct behavior where staff members can speak up without worrying about adverse action.**
- You must report to or consult the department in charge of ethical management immediately upon becoming aware of the fact that a staff member has violated the Code of Ethics.**
- You have unlimited liability for any ethical misconduct you have engaged in, and supervisory liability for the ethical misconduct of a subordinate employee.**

II. Code of Conduct

1. Compliance with basic ethics and relevant laws

We do not seek personal gain.

- **We do not put work-related pressure, issue instructions, or solicit favors that conflict with company interests in order to seek personal gain or undue gain for another person.**
- **All company funds and assets must only be used for work-related purposes and cannot be used to promote personal interests in any manner.**
- **We respect the political rights and preferences of individuals while maintaining the political neutrality of the workplace. We do not use company funds, personnel, facilities, etc. for political purposes.**

We protect company information and assets.

- **We understand the importance of the company's confidential information and intellectual property and keep them well protected.**
- **We do not distort information or distribute false information.**

We practice fair competition and trading.

- **We establish fair and transparent trading procedures in accordance with international standards and national fair trade laws. To maintain a fair trading system, we comply with domestic and foreign anti-corruption laws and standards including the UN Convention Against Corruption, the FCPA, the Act on Combating Bribery of Foreign Public Officials in International Business Transactions, and the Improper Solicitation and Graft Act.**
- **We do not force business partners or suppliers to agree to unreasonable working conditions or engage in disadvantageous activities.**

2. Developing a culture of trust and human respect

We foster a wholesome organizational culture.

- **We pursue both personal growth and company success by achieving a work-life balance.**
- **Employees create an organizational atmosphere of mutual cooperation through open communication based on trust.**

We provide equal opportunities.

- **We provide equal employment opportunities to all individuals with the required skills and qualifications.**
- **We provide equal opportunities for skill development and self-improvement. Individuals are remunerated in an appropriate manner based on fair evaluations of their skills and achievements.**
- **We foster a wholesome organizational atmosphere that celebrates employees who create meaningful outcomes regardless of their regional, academic, or other background.**

We protect and respect human rights.

- **We support the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact, the OECD Guidelines for Multinational Enterprises, and other internationally recognized human rights standards. We endeavor to avoid infringing human rights in the process of conducting business activities.**
- **We respect each employee as an individual. We do not engage in acts that may defame an employee or undermine human dignity such as verbal or physical abuse, bullying, and intimidation.**
- **We ensure proper working conditions by maintaining reasonable working hours and ensuring that no work is performed involuntarily by emotional or physical force.**
- **We do not discriminate against individuals on the grounds of ethnicity, nationality, gender, age, academic background, religion, regional background, disability, marital status, or sexual identity.**

3. Realizing customer value

We commit to customer satisfaction.

- **We listen to and respect customer voice.**
- **We welcome our customer's valid requests and thoughtful suggestions, and prioritize to incorporate them to our business activities.**

We create customer value.

- **We fulfill customer needs and expectations by providing the best products through technological advancement.**
- **We respect our customer's culture and customs.**

We build customer trust.

- **Customer safety and well-being are given utmost consideration in our business activities. Products or services that may pose a threat to safety and health are not offered.**
- **We protect customer information and provide customers with accurate and timely information.**

4. Good faith towards investors

We fulfill our obligations to investors.

- **We strive to increase corporate value and shareholder value at the same time by creating profit through transparent decision making and efficient business activities.**
- **We respect shareholder's fair suggestions and endeavor to build mutual trust.**

We communicate transparently with investors.

- **We provide key business information in a timely, fair, and faithful manner to facilitate investor decision making.**
- **Our financial information is calculated through suitable processes and controls based on accurate transaction figures. All financial documents are prepared in accordance with “Generally Accepted Accounting Principles.”**

5. Co-prosperity with suppliers

We build mutual trust with suppliers.

- **We ensure fairness in our dealings with our suppliers through mutual respect and equal partnerships.**
- **Vendors are required to demonstrate a sense of responsibility before they are chosen as a supplier. We support our suppliers to maintain compliance with laws and regulations associated with workplace safety, employee human rights, and fair trade.**

We pursue co-prosperity with suppliers.

- **We seek mutual gains by sharing our outcomes with our suppliers.**
- **We support our suppliers to provide high quality products and services through effective communication and mutual cooperation.**
- **We aim to develop partnerships with our suppliers by providing fair opportunities and ensuring equitable terms of trade.**

6. Social and environmental responsibility

We contribute to the development of the nation and society.

- **We strive to create and maintain stable jobs and to fulfill tax obligations.**
- **We actively participate in volunteering, disaster relief, and other activities to serve the community. We contribute to the sound development of society through our pro bono involvement in such fields as culture, arts, sports, and academia.**
- **We endeavor to build community trust in our company by providing support to improve the quality of life of local residents and strengthen the joys of life.**

We commit to environmental protection and ecosystem conservation.

- **We are deeply aware of the importance of environmental issues. We comply with domestic and foreign environment-related laws and strive to improve the environmental impact at all stages of the product life cycle including development, production, and use.**
- **We do our best to minimize pollutant emissions by introducing environmentally friendly production processes and by adopting the best available technologies to prevent environmental pollution.**
- **We endeavor to restore natural ecosystems and conserve biodiversity by making efficient use of natural resources and byproducts.**

Code of Ethics Practice Guidelines

Chapter 1. General Provisions

Article 1 (Purpose)

The purpose of these Practice Guidelines is to provide a frame of reference for making decisions and taking action in ethical dilemma situations that may arise during the course of work so that POSCO Future-M employees understand and apply the Code of Ethics correctly.

Article 2 (Scope)

These Guidelines apply to the Company and all employees.

Article 3 (Principle of Application)

Employees shall make decisions and take action based on the Code of Ethics and these Practice Guidelines when faced with an ethical dilemma situation in relation to work. However, if a frame of reference is not clearly prescribed herein, employees shall make decisions and take action according to the following decision-making principles. Employees who are not confident in their judgment shall consult the leader of the organization or the **department in charge of ethical management**⁴ and act accordingly.

<Decision-making Principles>

- **Lawfulness:** Is my action likely to be interpreted as a violation of the law, rules, regulations or company Codes?
- **Transparency:** Can I disclose my decision-making process and the relevant details?
- **Rationality:** Am I making the best possible choice for the company and individuals?

¹ In accordance with guidelines on roles and responsibilities

Chapter 2. The Code of Ethics in Practice

Article 4 Restrictions on the provision and acceptance of valuables

- “Valuables” means money (cash, gift certificates, vouchers, etc.), goods, and other articles that may bring about financial gain.
- Valuables shall not be provided to or solicited or accepted from **stakeholders**⁵ for any reason. However, exceptions shall be made in the following circumstances:
 - Marketing or promotional gifts valued at or less than KRW 50,000 or up to KRW 150,000 for agricultural, marine, and processed goods (including ornamental plants)
 - Memorabilia bearing the company logo of a stakeholder and memorabilia routinely offered to attendees at stakeholder-organized events, not exceeding KRW 50,000
- Employees shall not solicit or accept gifts from foreign entities during international business trips.
- Valuables that are unanticipated and accepted due to unavoidable circumstances shall be returned, or if this is impracticable, report to the department in charge of ethical management.
- Employees who earn income (e.g., lecture fees) from external speaking opportunities using his/her work-related knowledge or position at POSCO Future-M shall donate 50% of the earnings.

⁵ **Stakeholder:** Employees or clients, suppliers, enterprises, business partners, domestic or foreign public institutions, and international organizations (including affiliated employees) that may directly or indirectly affect or be affected by rights and interests in relation to one’s duties

Article 5 Principles and restrictions concerning hospitality

- “Hospitality” means various activities that facilitate business-related gatherings and interactions, such as meals, social drinks, golf, performances, and entertainment.
- Hospitality in excess of KRW 100,000 per person shall not be offered to or accepted from stakeholders. If it is necessary to offer or accept hospitality in excess of KRW 100,000 per person in relation to work, prior approval shall be obtained from the head of the department. Hospitality in excess of KRW 100,000 per person that has been offered or accepted due to unavoidable circumstances shall be reported to the department in charge of ethical management.
- Food worth up to KRW 50,000 per person may be provided to public officials, journalists, teachers, and other persons subject to the Improper Solicitation and Graft Act to facilitate work execution or for social, ceremonial, or other legitimate purposes.
- Hospitality at an entertainment and drinks venue that offers services of a sexual nature is prohibited regardless of cost.

Article 6 Principles and restrictions concerning convenience

- “Convenience” means benefits such as transportation, accommodation facilities, sightseeing, event support, etc. provided by or to a stakeholder.
- The provision or acceptance of transportation, accommodation facilities, or other convenience beyond a **generally acceptable level**⁶ is prohibited. However, this shall not include conveniences routinely provided to all attendees at an event, etc.
- A convenience in excess of the permitted range that has been offered or accepted due to unavoidable circumstances shall be reported to the department in charge of ethical management.

⁶ “**Generally acceptable level**” means a level that satisfies the following requirements:

- ① The benefit is at an acceptable level based on reasonable common sense and social norms, is justifiable when disclosed, in no way affects the fair handling of affairs, and does not pose a burden on either party.
- ② The benefit is appropriate not only in terms of cost but also with respect to the location, purpose, method, count, frequency, timing, recipient, content, and social ethics and conventions (customs).
- ③ There is no reciprocity regardless of amount.
- ④ The benefit complies with the Improper Solicitation and Graft Act and other relevant domestic and foreign laws. In the event of a conflict in the interpretation of laws, the higher-order law shall take precedence.
- ⑤ The generally acceptable level may vary depending on factors such as the exact circumstances, nature of the work, and job position.

Article 7 Principles and restrictions concerning congratulatory and condolence money

- Employees shall not notify stakeholders of their own family events or those of their colleagues. Informing a stakeholder through a third party shall be construed as a notification made by the employee concerned.
- However, employees may inform each other of their family events. Use of the Company's congratulations and condolences channel is advised. For the purpose of family event announcements, the scope of relatives shall be limited to immediate family members, namely the parents (or grandparents if the parents are already deceased) and children of employees and their spouses. Congratulations and condolence money between employees shall be at a generally acceptable level.
- The maximum limit for congratulations or condolence money paid to an external stakeholder shall be KRW 100,000, including floral wreaths or arrangements. However, congratulations or condolence money paid to a person subject to the Improper Solicitation and Graft Act shall not exceed KRW 50,000, excluding floral wreaths or arrangements.
- Congratulations and condolence money from external stakeholders shall not be accepted under any circumstance. Congratulations or condolence money that has been accepted due to unavoidable circumstances shall be returned or donated to the department in charge of ethical management.
- Employees shall submit the relevant information, such as proof of return of congratulations or condolence money accepted from a stakeholder, when requested by the department in charge of ethical management.
- Condolence flowers from stakeholders shall not be accepted, and those that are accepted due to unavoidable circumstances shall not be displayed.

Article 8 Restrictions concerning solicitations and recommendations

- Employees shall not make solicitations or recommendations through an internal acquaintance or an external party regarding the following. If an employee has received a solicitation or recommendation, he/she shall register it in the "Clean System."
 - Requests for preferential treatment regarding various contracts, such as equipment/materials purchases
 - Requests for favorable and preferential treatment regarding personnel decisions such as hiring, promotions, rewards and punishments, and transfer of positions
 - Requests for excessive convenience, preferential treatment, etc. outside of usual procedures
 - Requests to neglect management and supervision tasks such as inspections and tests
- Employees shall not unlawfully solicit favors directly or through a third party in relation to duties subject to the Improper Solicitation and Graft Act.

Article 9 Restrictions concerning monetary transactions

- Employees shall not engage in cash loans, loan guarantees, name lending, or other monetary transactions with stakeholders.
- An employee who has engaged in a monetary transaction with a stakeholder due to a personal connection shall report it to the department in charge of ethical management.

Article 10 Restrictions concerning event sponsorship

- Sponsorships from stakeholders shall not be accepted for events funded by the Company, such as department events or club activities.
- The acceptance of vehicles, venues, services, or other conveniences required for an event shall be construed as acceptance of sponsorships.
- A sponsorship that has been accepted due to unavoidable circumstances shall be reported to the department in charge of ethical management.

Article 11 Principles concerning the use and protection of Company assets

- The Company's budget resources, such as meeting expenses and operating expenses, shall be used as intended by the budget and in accordance with legal requirements, and shall not be used for personal purposes.
- As a general rule, business expenses shall be paid with a Company card.
- In addition to the budget, all tangible and intangible assets, including Company supplies and facilities, shall be used for work-related purposes only. Ongoing efforts shall be made to protect assets by periodically reviewing asset classification and protection measures.
- Employee information (telephone numbers, email addresses, etc.) is also considered Company assets and shall not be used for personal purposes.

Article 12 Principles concerning information protection

- Important or confidential Company information shall be strictly protected and controlled.
- Important information shall be relayed to the intended recipient immediately upon recognition.
- The falsification, concealment, or distortion of work-related information or the reporting or distribution of incorrect information shall be regarded as fabrication of information.
- Employees shall manage internal Company information acquired during the course of work according to the security level, and shall not use the information for personal purposes.

Article 13 Fair trade regulations and building mutual trust with suppliers

- Employees shall comply with international standards and national laws and regulations concerning fair trade to ensure fair competition in domestic and international markets and refrain from engaging in unfair trade practices such as colluding with competitors regarding production, prices, bidding and market segmentation.
- Employees shall fulfill their social responsibility by refraining from using a position of power against a client or supplier to make demands or unlawful requests.
- Employees shall respect the rights and property of others, including intellectual property rights, and shall not infringe upon them to create business or generate profit.
- The information acquired from a supplier shall be strictly protected as stipulated in relevant laws and regulations and contract terms.
- Employees shall support suppliers to comply with laws and regulations concerning fair trade and ESG.

Article 14 Principles concerning the prevention of conflicts of interest

- “Conflict of interest” means a situation where a personal relationship with an employee of a supplier has an improper influence on an employee’s work performance.
- Employees shall not engage in unfair trade practices such as signing unlawful private contracts, making high-price purchases, tunneling work, or leaking trade information to give preferential treatment to a certain individual or corporation.
- Employees shall prevent conflicts of interest by strictly denying improper requests from a supplier’s employee with whom there is a personal connection, including former employees.
- Employees shall not make unofficial contact with a supplier’s employee with whom there is a personal connection, and shall report any unintentional contact to the head of the department or the department in charge of ethical management.
- Employees shall not attend gatherings of former employees without the Company’s approval.
- Where an employee has a personal connection to a supplier’s employee, he/she shall consult the head of the department or ethics officer and adjust his/her duties, etc. accordingly.
- When the head of the department recognizes a work-related conflict of interest involving himself/herself or a staff member, he/she shall adjust the relevant duties or otherwise take action to avoid the conflict of interest. If it is impracticable to avoid the conflict of interest due to the nature of the work, he/she shall consult the department in charge of ethical management.
- Retired employees shall also prevent conflicts of interest with POSCO Future-M and its business entities.

Article 15 Developing an organizational culture of human respect

- Employees shall not engage in verbal, physical, or visual behavior that may offend others, such as the use of profanities, verbal abuse, physical abuse, or sexual harassment that violates the human rights of an individual.
- Violations of human respect may be subject to disciplinary action in accordance with the relevant regulations.
- Employees shall respect each other’s privacy and shall not slander or undermine others or disclose personal information.
- Employees shall comply with national labor laws and international standards, including working conditions for minors and minimum working age requirements.
- Safety rules shall be strictly observed, and any risks identified shall be addressed appropriately.

Article 16 Principles related to accounting treatment

- Financial statements should not be prepared in violation of accounting standards
- If accounting fraud is committed or recognized, it shall be reported to the department in charge of ethical management.

Chapter 3. Reporting Unethical Conduct and Rewards and Sanctions

Article 17 Reporting obligations and confidentiality

- Employees who recognize the fact that he/she or someone else has violated the Code of Ethics or these Guidelines shall actively protect the Company and employees from unethical practices by reporting to or consulting the head of the department or the department in charge of ethical management as quickly and conveniently as possible. However, violations of human respect shall be reported to the department in charge of ethical management without delay.
- Executives and department heads shall report to and consult the department in charge of ethical management immediately upon being informed of a violation of the Code of Ethics by a staff member, and shall not downplay or conceal the incident.
- The department in charge of ethical management may conduct a fact check of the reported incident if necessary, and the employees concerned shall actively cooperate.
- Employees shall not take adverse action against, or disclose the identity of, an informant or whistleblower.
- Where it is likely that an informant or whistleblower may be subject to adverse action in terms of employment, a change of position or other personnel measures shall be taken if so desired by the informant.
- If an employee becomes aware of the fact that an incident has been reported, either by chance or during the course of work, he/she shall keep it confidential or face disciplinary action.

Article 18 Rewards and sanctions (disciplinary action)

- The Company may award part of the clawback resulting from an ethical misconduct investigation to the informant as compensation in accordance with the relevant regulations.
- The compensation criteria shall be in accordance with the guidelines on compensation and indemnity for informants of ethical misconduct and other relevant regulations.
- The Company shall firmly reprimand employees who violate the Code of Ethics and Practice Guidelines in accordance with the relevant regulations.
- The Company may restrict Company access and business to employees who have been dismissed after violating the Code of Ethics.

Article 19 Reporting of violations and protection of informants

- Employees who become aware of a violation of the Code of Ethics or these Practice Guidelines shall actively protect the Company and employees from the violation by reporting it to the head of the organization or department or the department in charge of ethical management for timely resolution.