

포스코퓨처엠 공급사 행동규범			
(POSCO FUTURE M Supplier Code of Conduct)			
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The POSCO FUTURE M Supplier Code of Conduct (Code of Conduct) provides the basic rules that suppliers and subcontractors (collectively, Suppliers) that supply products and services to POSCO FUTURE M should follow.

POSCO FUTURE M's suppliers should create a safe workplace environment, treat employees with dignity and respect, and operate their business in an eco-friendly and ethical manner. To that end, the Code of Conduct encompasses the areas of E (environment), S (respect for human rights, mutual growth/social contribution, safety/health, trade secrets/intellectual property protection, and quality management), and G (ethics/fair trade).

※ The Code of Conduct refers to the RBA Code of Conduct ver.7.0.

LABOR RIGHTS

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

Voluntary employment

- All labor and work are performed voluntarily, and workers have the freedom to resign from their work without any penalty.
- Suppliers should not compel or engage their employees in forced labor (i.e., all and any involuntary labor, including slavery and human trafficking) or cause the workers to be unreasonably indebted and use this as an excuse to compel them into forced labor.
- Suppliers should 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.
- Suppliers should provide readily accessible employment terms and conditions using an understandable language and methods to workers when hiring or making changes to their employment agreements.

Prohibition of child labor

- Child labor is strictly prohibited. The term “child” refers to any person below the age of 15, or below the school-leaving age, or the minimum age for employment according to local laws and regulations, whichever is the highest.
- If a child worker is discovered, the Suppliers should stop the employment of the child worker immediately and improve their age verification system in the hiring process.
- Workers below the age of 18 should not be put to work on processes hazardous to safety and health, including night shifts and overtime works.
- When operating an trainee program, etc., Suppliers should provide support and training to all trainees under the trainee program, separately from other regular workers.

Compliance with working hours

- Working hours should comply with, and not exceed, the maximum working hours stipulated by local law, and all overtime work must be performed voluntarily.
- Employers should guarantee workers an average of at least one paid holiday per week.

Wages and benefits

- Compensation paid to workers comply with all applicable wage-related local laws, minimum wage, overtime hours, and legally mandated benefits.
- Employees should be provided with an understandable wage statement for each pay period so that they can ensure that their compensation for work has been paid accurately.

Humane treatment

- Suppliers must respect the human rights of all workers based on diversity, equity, and inclusion. There must be no threat or action of harsh or inhumane treatment including violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers based on diversity, equity and inclusion.
- Suppliers should not use any unfair discipline against their workers or threaten them with unfair discipline.
- Suppliers establish, implement, and promote policies and procedures relating to discipline that ensure a humane treatment of their workers.

Prohibition of discrimination

- Suppliers are committed to maintaining a workplace that is free from harassment and unlawful discrimination. Suppliers 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, or marital status in hiring and employment practices, including wages, promotions, rewards, and access to training.
- Workers should not be subjected to medical checkups or physical examinations that could be used for a discriminatory purpose unless required by local law or for workplace safety.
- When requested to do so, Suppliers should take reasonable measures in respect of the business to enable their workers to practice their religion within a reasonable scope.

Freedom of association

- Suppliers should 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 local laws and regulations, as well as the right to refuse such activities.
- Workers and their representatives should be able to communicate with the management regarding the workplace conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment. Additionally, suppliers exclude the use of security forces to interfere with freedom of association

SAFETY AND HEALTH

Suppliers should 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, Suppliers should endeavor to identify and solve health and safety issues in the workplace according to local laws and regulations.

Occupational safety

- Suppliers should design, develop, and implement safe processes, technical and administrative controls, preventive maintenance, safety regulations and safety measures, and 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, Suppliers should provide workers with educational materials about the hazards, as well as personal protective equipment for work and manage and supervise its proper wearing by workers.
- Additionally, Suppliers should take reasonable steps to remove pregnant or lactating women from highly hazardous working conditions, remove or reduce workplace health and safety risks to those women, and provide accommodations for lactating women at work.

Response to emergency

- Suppliers must minimize harm to life, environment, and property by identifying and assessing potential emergencies and incidents.
- Emergency plans and response procedures include emergency monitoring and reporting, notification and evacuation procedures for workers, emergency evacuation drills for workers, evacuation facilities, fire detection, fire extinguishing equipment recovery, and recovery plans.
- Emergency plans should also include appropriate fire detection and suppression equipment, clear and unobstructed exits, contact information for an emergency response officer, and recovery plans.

Occupational accidents and illnesses

- Suppliers establish and follow the procedures and systems to prevent, manage, track, and report illnesses such as occupational accidents and illnesses.
- These should include regulations to encourage reporting by workers, classify and record accidents and illness cases, provide necessary medical treatment, implement corrective actions upon occurrence of such occupational accidents and illnesses, and facilitate the return of workers.

Occupational hygiene

- Suppliers identify, evaluate, and control workers' exposure to chemical, biological, and physical factors regularly.
- If potential hazards are identified, Suppliers should be able to eliminate and/or reduce them and control them through proper design, engineering, and administrative controls.
- When the hazards cannot be adequately controlled by such means, workers will be provided with appropriate, well-maintained, personal protective equipment free of charge, and the workers must use them.
- Protective programs should include educational materials about the risks associated with these hazards.

Physical labor

- Suppliers should identify labor that is physically intensive, such as repetitive work and handling of heavy objects, and implement relevant measures such as process improvement to prevent musculoskeletal disorders, etc., from occurring in workers.

Management of dangerous equipment and facilities

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

Sanitation, food, and housing

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

Health and safety training

- Suppliers 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 an understandable language to workers.
- Suppliers should post or place health and safety-related information in readily identifiable locations that are accessible by workers.
- Moreover, Suppliers should encourage workers to raise any health and safety concerns at any time.

ENVIRONMENT

Suppliers must comply with laws and regulations on environmental protection and recognize that environmental protection is one of their basic social responsibilities as an enterprise. Suppliers should identify environmental impacts and minimize adverse effects on the community, environment, and natural resources in their manufacturing operations while protecting the health and safety of the public at large.

Environmental permits and licenses

- Suppliers must obtain, maintain, and manage all required environment-related permits, licenses (e.g., installation, operation, notification of change of air discharge facilities), and registrations necessary for business operation, and reflect the latest legal amendments and comply with the reporting obligations.

Preventing pollution and reducing resource use

- Suppliers should endeavor to minimize or eliminate pollutant emissions, waste discharge and noise emissions through process improvement, substitution of raw materials, preventive maintenance, resource conservation, recycling, reuse, etc. In addition, Suppliers should endeavor to reduce electricity and fuel consumption and minimize Greenhouse gas(GHG) emissions by improving energy efficiency.
- The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, must be conserved through production process improvement, use of substituted materials, recycling materials, or other means.

Hazardous substances

- Suppliers should identify and separately manage all chemicals that may potentially prove to be hazardous to humans or environment through identification marks, labels, etc., for the safe storage, transport, keeping, recycling or reuse, and disposal of the chemicals, and conduct response drills.

Solid refuse

- Suppliers should identify, manage, and reduce solid refuse that is non-hazardous and dispose of it as per the relevant laws and regulations, while committing to reduce the amount generated.

Air pollutant emissions

- Suppliers should identify the characteristics of volatile organic compounds, aerosols, corrosive gases, particulates, ozone-depleting substances, and combustion byproducts in the process, and dispose of them after treatment under the relevant laws and regulations, and constantly monitor the emission status of the air pollutant.
- Suppliers should also regularly check the performance and operation of their air emissions monitoring system.

Regulations on materials

- Suppliers should label materials for recycling and disposal and comply with all laws and customer requests regarding the prohibition and restriction of the use of specific substances in production and manufacturing.

Water resources management

- Suppliers should monitor their usage and discharge of water resources, seek preservation methods for water resources, and control the contamination channels.
- All wastewater is to be characterized, monitored, and treated as required by the regulations before discharge or disposal. Suppliers should regularly monitor the performance of their wastewater disposal system.

Energy consumption and GHG emissions

- Suppliers should make efforts to establish own governance for GHG reduction and implement a system that enables execution.
- Suppliers should consider establishing a GHG reduction target. Suppliers shall strive to track and document energy consumption and GHG emissions (Scope 1 for direct emissions and Scope 2 for

indirect emissions) and seek ways to improve energy efficiency and minimize their energy consumption and GHG emissions.

- Suppliers should comply with domestic and international laws and agreements related to GHG emissions and make efforts to fulfill a responsible role in reducing GHG emissions and addressing climate change such as improving energy efficiency, expanding the use of renewable energy, and increasing the use of environmentally friendly raw materials and recycled materials.
- Suppliers must submit information within legal limits according to relevant regulations when POSCO Future M requests information related to GHG emissions, and actively cooperate with on-site inspections for information verification.

Management of other environmental issues

- The suppliers should be able to appropriately and effectively manage other socially significant environmental issues, such as rights of minorities and indigenous peoples, biodiversity, land use and deforestation, soil quality, etc., beyond those mentioned

ETHICS AND FAIR TRADE

In order to fulfill social responsibilities and achieve sustainable growth, POSCO FUTURE M and Suppliers must comply with the following:

Business integrity

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

No improper advantage

- Suppliers must not promise, offer, authorize, give, or accept bribes or other means of obtaining an unfair or improper advantage.
- This prohibition includes any act of promising, offering, authorizing, giving, or accepting anything valuable, either directly or indirectly from a third party, to acquire from or to provide to a certain person a business opportunity, or otherwise to gain an improper advantage.
- Also, inspection and monitoring shall be continuously implemented to ensure compliance with anti-corruption laws.

Compliance with special terms and conditions

- Suppliers are obliged to comply with the provisions of POSCO FUTURE M's Special Terms and Conditions for Ethical Practice, and if a Supplier violates these provisions, sanctions shall be imposed according to such Terms and Conditions and contract-related regulations.

Information disclosure

- All transactions of Suppliers must be transparent and accurately recorded and maintained in their books of account.
- Information regarding Suppliers' labor, health and safety, environmental practices, business activities, governance, financial status, and performance should be disclosed as per the applicable laws, regulations, and prevailing industry practices. Forgery or misrepresentation are not permitted.

Protection of intellectual property

- Suppliers should respect intellectual property rights and protect relevant rights when transferring technology and/or know-how. Suppliers shall safely and actively protect all information (technical data, information, intellectual property, etc.) of POSCO FUTURE M that is acquired through transactions with POSCO FUTURE M.
- Furthermore, Suppliers must not infringe or use intellectual property, such as patents, software, designs, or trademarks of others illegally while supplying products and services to POSCO FUTURE M.

Fair trade, advertising, and competition

- Suppliers should comply with the standards for fair trade, advertising, and competition and not engage in acts that undermine the order of fair trade, such as unfair trade practices.

Protection of identity and prohibition of retaliation

- Suppliers should maintain programs that protect the anonymity of internal whistleblowers, except where prohibited by law. Suppliers should also notify their officers and employees of the relevant procedures and enable them to raise concerns without any fear of retaliation.

Data protection

- Suppliers endeavor to protect the personal information of all stakeholders (including suppliers, customers, consumers, and officers and employees) in their business.
- Suppliers must comply with data protection and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

MANAGEMENT SYSTEM

Suppliers should adopt or build a management system related to the Code of Conduct. The management system should be designed to ensure compliance with the applicable laws, regulations, and customer demands. It should conform with the Code of Conduct and identify operational risks related therewith. It should also facilitate continuous improvement.

Company's commitment to compliance

- A statement of corporate social and environmental responsibility that affirms Suppliers' commitment to compliance and continuous improvement, must be approved by the management and published in a local language.

Management duties and responsibilities

- Suppliers should identify the responsibilities of their senior officers and company representative(s) to ensure the implementation of the management system and associated programs. The management should review the operational status of the management system regularly.

Regulations and customer requirements

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

Risk assessment and management

- Suppliers should have a process to identify legal compliance, environment, health, safety, labor practices, and ethical risks associated with their business operations.
- Suppliers should determine the relative significance of each risk, control the identified risk, and check regulatory compliance in a regular manner.

Improvement objectives

- Suppliers should prepare a written documentation of objectives, targets and implementation plans to improve their social, environmental, health and safety performances, and periodically assess their performances relative to the objectives.

Training

- Suppliers should have training programs in place for managers and officers and employees to implement their policies, procedures, and improvement objectives and to comply with applicable legal and regulatory requirements.

Communication

- Suppliers should have a procedure for communicating clear and accurate information regarding their policies, practices, expectations, and performance to employees, suppliers, and customers.

Worker feedback, participation, and grievance handling

- Suppliers should establish a process, including an effective grievance mechanism, to obtain worker feedback about the demands in the Code of Conduct for continuous improvement.
- Suppliers must provide an environment in which employees can provide grievances and feedback without fear of reprisal or retaliation.

Audits and assessments

- Periodic self-evaluations must be implemented to ensure conformity with POSCO FUTURE M's requirements, such as legal and regulatory requirements, the provisions of the Code of Conduct, and social and environmental responsibilities.

Corrective action process

- Suppliers should have a procedure in place for a timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

Documentation and records

- Suppliers should 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.

Supply chain participation and responsibility

- Suppliers should have a process of communicating the requirements of the Code of Conduct to their suppliers and monitor their compliance with the Code of Conduct.

Management of other managing issues

- The supplier must be able to appropriately and effectively manage other socially significant managing issues, such as export controls, economic sanctions, etc., beyond those mentioned

SHARED GROWTH AND SOCIAL CONTRIBUTION

Suppliers should actively participate in developing the local community as well as creating a sound corporate ecosystem through shared growth and social contribution.

Shared growth

- Suppliers should make best efforts to implement fair trade and proliferate shared growth to their own secondary and tertiary suppliers by actively participating to create and build a sound corporate ecosystem.

Social contribution

- Suppliers should actively carry out social contribution activities to continuously create jobs and develop local communities and the economy.

QUALITY MANAGEMENT

Suppliers should strive to create the World's Best Supply Chain by providing the highest quality products and services to POSCO FUTURE M.

Quality control

- Suppliers endeavor to supply products of self-proven quality so that POSCO FUTURE M can produce and supply world-class products.
- Suppliers endeavor to supply products of self-proven quality, through methods such as verifying counterfeit parts, so that POSCO FUTURE M can produce and supply world-class products.

Change management

- Suppliers shall notify POSCO FUTURE M in advance and prevent defects if there are factors that may affect the quality due to changes in equipment, materials, and work methods.

Mutual quality control between suppliers

- Suppliers should provide technical and quality support to their suppliers, to contribute to securing the quality of their products and services.

MANAGEMENT OF RESPONSIBLE MINERALS

Suppliers should comply with the following in order to ensure responsible sourcing of raw materials.

Establishment of policies and systems

- Suppliers must establish a policy of not using raw materials acquired through illegal and unethical means (e.g., minerals mined in mines occupied by armed groups).
- Suppliers must include a conflict minerals provision in their relevant policies and establish a system that can guarantee that the raw materials, components, and products supplied to POSCO Future M do not directly or indirectly provide financial support or benefits to armed groups violating human rights in the

Democratic Republic of Congo or neighboring countries, specifically for tin, tantalum, tungsten, gold (collectively referred to as 3TG), and cobalt.

Conducting audits in accordance with OECD Guidance

- Suppliers must conduct inspections on the origin and supply chain of 3TG and cobalt raw materials, components, and products supplied to POSCO Future M, and must be able to provide inspection data upon request from POSCO Future M.
- Upon request from POSCO Future M, suppliers must promptly provide inspection results including the origin, smelters, and refining companies information of 3TG and cobalt raw materials, components, and products supplied to POSCO Future M.