POSCO
AUSTRALIA

Materials for Tomorrow, Innovation for Excellence

2024

POSCO Australia Modern Slavery Report 2024

This Modern Slavery Report, made by POSCO Australia Pty Ltd, is made in compliance with the *Modern Slavery Act 2018* (Cth) (the "Act") and has been prepared in respect to the financial year ending 31 December 2024.

About This Report

POSCO Australia Pty Ltd (ABN 54 002 062 160) has published the Modern Slavery Report 2024 to describing our commitment, strategy, and performance in advancing sustainable management for the protection of human rights. In this report, POSCO Australia transparently disclose POSCO Group's human rights management with ESG strategies and goals to protect human rights across POSCO Australia's business operations in Australia. At POSCO, we uphold and endorse the principles of internationally recognised human rights, such as 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 the ILO Conventions.

Reporting Principles

This report was prepared in accordance with the *Commonwealth Modern Slavery Act 2018* (the Act). As a member of the UN Global Compact, POSCO Group outlined its progress in compliance with the key principles defined for labour and human rights as well as our efforts to meet the UN Sustainable Development Goals (SDGs).

Reporting Period

This report provides a comprehensive overview of key activities and improvements made in managing modern slavey risks from 1 January 2024 to 31 December 2024 within POSCO Australia's business operations and supply chains.

Reporting Scope

This report addresses the mandatory reporting criteria set out under the Act and outlines the risk management systems adopted across the POSCO Group. It details how these systems are applied to POSCO Australia to identify, assess, and address modern slavery risks within its operations and supply chains in Australia. The report also describes the implementation and effectiveness of the Group's human rights policies and management frameworks in mitigating human rights risks.

POSCO Australia remains committed to maintaining transparency in its modern slavery reporting by disclosing the POSCO Group's medium-to-long-term strategies, objectives, and governance practices relating to human rights. In doing so, we aim to meet the expectations of our stakeholders and uphold our responsibility to respect and promote human rights across all aspects of our business activities.

For the purposes of this report, the terms "POSCO Australia", "we", "us", "our", and "the Company" refer to the reporting entity, unless otherwise specified. References to "POSCO" or "the Group" shall be construed to mean POSCO Group and its affiliated or related entities.

Disclaimer

This report contains forward-looking reports reflecting POSCO Australia's current expectations and strategic approach to human rights management and performance. While these reports are based on assumptions considered reasonable at the time of publication, they are subject to various risks, uncertainties, and factors beyond the company's control that may cause actual outcomes to differ materially. These reports do not constitute guarantees of future performance, and POSCO Australia makes no representation as to their accuracy or completeness. The company disclaims any obligation to update or revise forward-looking reports, except as required by law.

Our Commitment

POSCO Australia is committed to monitor and improve the human rights risk management under POSCO Group's ESG strategic framework to mitigate modern slavery risks across our business operations and supply chains in Australia.

POSCO Australia is committed to transparency in identifying and managing modern slavery risks through its Group-wide risk management framework. We aim to prevent and mitigate actual or potential modern slavery risks—directly or indirectly related to our operations—by conducting thorough and ongoing human rights due diligence. In collaboration with the POSCO Group, we align our practices with internationally recognised human rights standards, continually enhancing our due diligence and internal controls. The following key activities were undertaken as part of our ongoing risk management and governance framework:

- **Strengthening Human Rights Management** by joining global human-rights initiatives, embedding oversight within corporate governance structures, and conducting regular due-diligence reviews to identify and manage potential risks.
- **Enhancing Supply Chain and Partnership Oversight** through ongoing assessment and monitoring of partner companies' human-rights practices and compliance frameworks.
- **Building Internal Capability** by providing regular training and awareness programmes to deepen organisational knowledge, engagement, and responsiveness in managing modern-slavery risks.

These initiatives form part of POSCO Australia's broader commitment to responsible business conduct and the continual enhancement of ethical governance across its operations and supply chains. Efforts during the reporting period were focused on the structured identification, assessment, and mitigation of both inherent and potential modern slavery risks, in alignment with the company's established risk management framework. In parallel, POSCO Group is advancing the development of its ESG management system, with a particular emphasis on performance monitoring, risk evaluation, and transparent reporting mechanisms. The implementation of this enhanced framework across all business functions and supplier engagements reflects POSCO Australia's commitment to global best practices and its objective to be recognised as a leader in ESG and human rights governance,

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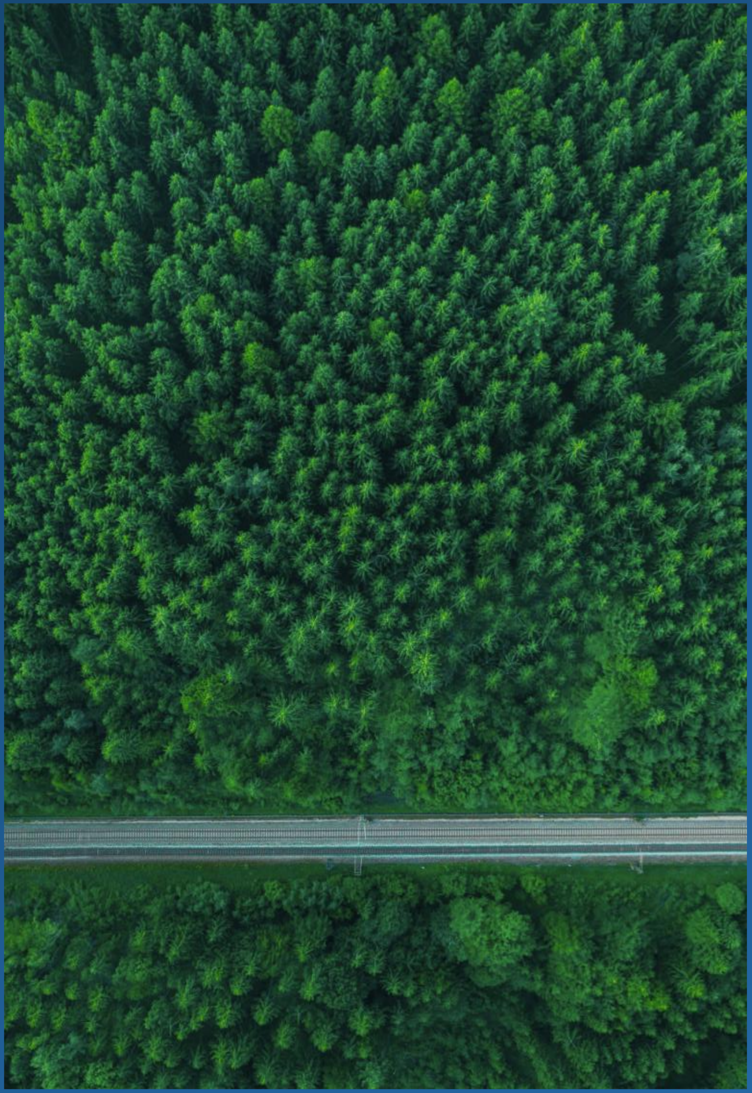

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POSCO Group Overview

POSCO Group, founded in 1968 as a steelmaking enterprise, has a rich and extensive history as a South Korean steel manufacturer and a global industry leader with a significant presence across diverse sectors. In 2022, POSCO Group implemented a holding company governance structure aimed at enhancing core competencies, strengthening growth businesses, and exploring future opportunities. Under the leadership of POSCO Holdings, the Group is accelerating balanced growth across its core businesses, including steel, rechargeable battery materials, infrastructure, and emerging industries.

Today, POSCO Group has expanded into the rechargeable battery materials sector, which is critical to building an eco-friendly future and sustaining its global identity and value. While steel remains the backbone of the Group's growth and the domestic industries it supports, POSCO is committed to delivering innovative products that meet customer demands, optimising processes to improve operational efficiency, and reinforcing its competitive advantage. Rechargeable battery materials represent the engine of future growth, with POSCO leveraging operational expertise gained from steelmaking to expedite project development, while simultaneously strengthening core competencies aligned with evolving market needs.

Globally, POSCO oversees a wide range of operations, including steel mills, processing centres, and raw material sourcing subsidiaries. Strategic investments in Indonesia, India, and the Americas—three rapidly growing steel markets—are integral to the Group's expansion plans. These investments encompass joint ventures, local manufacturing capacity development, and the adoption of eco-friendly processes. Furthermore, POSCO actively seeks partnerships with raw material and energy suppliers, such as in Australia's mining sector, to support sustainable growth and diversification.

POSCO Australia

Established in 1981, POSCO Australia Pty Ltd is a wholly owned subsidiary of the POSCO Group, headquartered in South Korea. Based in Sydney, POSCO Australia operates as an inbound investment company focused primarily on investment activities within the mining and energy sector, which remains its key operating segment during the reporting period. The company's registered office and head office are located at Suite 32.02 Level 32, 1 Farrer Place, Sydney, NSW 2000.

Guided by POSCO Group's vision, POSCO Australia embraces the founding ideal of "nation-building through steelmaking," which continues to evolve into the creation of "Materials for Tomorrow." This legacy is complemented by the entrepreneurial spirit of the founding generation, now refined into a forward-looking commitment to "Innovation for Excellence."

POSCO AUSTRALIA

POSCO ESG Strategic Framework

Towards "Materials for Tomorrow, Innovation for Excellence"

Building upon the proud legacy of epoch-making achievements and restoring our predominance across the overall operations, POSCO Group will progress towards achieving our new corporate vision 'Materials for Tomorrow, Innovation for Excellence'.

POSCO Group defines ESG management as a commitment to green leadership, the creation of a sustainable society, and the advancement of robust governance. Centred on GREEN as a core framework representing eco-friendly future materials, the Group has established five ESG strategies that comprehensively address the pillars of Environment, Social, and Governance.

GREEN Framework

Green Competency	To cope with climate change, we will pursue low-carbon processes and energy efficiency while developing eco-friendly products and services. Throughout this process, we intend to minimise our environmental footprint to build a future where people live and thrive in harmony with nature.
Responsible Value Chain	We are committed to promoting sustainability throughout our value chain by assisting our business partners to achieve the highest level of standards in all areas of low-carbon technology, human rights and safety.
Employee Happiness	With commitment to create a vibrant and safe workplace, we intend to build a corporate culture that values workplace safety, human rights, and diversity while nurturing creative talent to lead the way in the rapidly changing world.
Ethics & Integrity	To maintain the highest ethical standards in the entire business decision-making process, we will continue to enhance ethics and compliance and promote fair trade.
New Governance	We will uphold the independence, expertise, and diversity of the Board of Directors. Prioritising shareholder rights and transparency, we will reach new heights.

POSCO Australia is dedicated to becoming a leading investment company in future materials, creating sustainable value in a safe and ethical manner. Aligned with the POSCO Group's GREEN ESG strategy framework, we prioritise key development areas including carbon neutrality, safety, supply chain management, and human rights. Our objective is to strengthen our management systems, transparently communicate our initiatives and outcomes, and build a trusted ESG framework that earns the confidence and trust of our stakeholders.

Risk Management for Investments in Australia

POSCO Group is committed to promoting robust governance through the establishment of an advanced system of checks and balances between management and the Board of Directors. The Group operates a comprehensive risk management framework designed to continuously identify, assess, and monitor risks across all business operations. Key risk issues and corresponding mitigation measures are regularly reported to the Board of Directors to ensure effective oversight. In relation to ESG risk management, the ESG Team—operating within the Corporate Compliance and Ethics division—develops and manages a Group-wide ESG risk response system. This system facilitates the identification and evaluation of ESG risks requiring coordinated management across the Group. Monthly ESG risk assessments are conducted at each operating company, with significant ESG issues escalated quarterly to the Group ESG Council, a senior consultative body comprising chief executive officers of the POSCO Group. The Council reviews these matters and determines appropriate corrective actions.

Regarding investment decision-making, all proposed investments are subject to a structured deliberation process to effectively manage associated risks. The Investment Deliberation Committee, which includes representatives from relevant departments and the Corporate Compliance and Ethics Team, undertakes an initial review. Final investment approvals are made by the Investment Committee, chaired by the CEO, and subsequently ratified by the Board of Directors. An ESG checklist is distributed to personnel within operating companies and POSCO Holdings to proactively assess potential ESG impacts prior to investment. The outcomes of these assessments are integrated into the overall investment performance evaluations. Post-approval, continuous monitoring is conducted to oversee general operational issues and ESG risks. Key ESG considerations relating to social and governance factors are specifically evaluated as part of the investment deliberation process.

Check Items	Details
Safety	Assessment of safety risks associated with construction and manufacturing processes, and confirmation that appropriate management plans are established to mitigate such risks.
Raw materials	Review of ESG factors related to the sourcing, transportation, and utilisation of raw materials within the proposal.
Local community	Consideration of whether the proposal includes regular and open communication channels with stakeholders, such as public consultations, to facilitate ongoing engagement.
Human rights	Advance assessment of potential risks concerning labour rights and diversity, including the prevention of child labour and forced labour.
Compliance/ disclosure	Verification that the proposal complies with applicable global and local anti-corruption and ethical standards, as well as adherence to the Group's ESG policies. For joint ventures, the proposal must clearly identify the entity responsible for consolidated ESG disclosures in accordance with the shareholding structure.

Our Structure and Operations

POSCO Australia Pty Ltd, as a wholly owned Australian subsidiary of the POSCO Group, plays a strategic role in supporting the Group's global resource procurement and investment strategy. The company focuses on inbound investment activities in the Australian mining and energy sectors, with core operations centred on the management and oversight of equity interests in a range of joint ventures and resource development projects. These projects span key commodities such as iron ore, manganese, lithium, and metallurgical coal, located across major mining jurisdictions including New South Wales, Queensland, and Western Australia. The following diagram illustrates our group structure:

POSCO Korea

100% Owned

POSCO Australia Pty Ltd

To date, the POSCO Group—through its various Australian subsidiaries—has invested approximately AUD 4.7 billion in Australian resource projects. The Group also remains a major customer of Australian exports, with annual purchases of Australian raw materials exceeding AUD 7 billion, making POSCO Group the largest single private customer of Australian mineral exports.

Operationally, POSCO Australia maintains an office-based corporate environment in Sydney, employing a team of local professionals and executive-level expatriates. The company's key functional areas include investment strategy, finance, accounting, taxation, human resources, and external affairs. Employment arrangements are governed by a combination of modern awards and individual employment contracts, all of which comply with— and in many cases exceed—the minimum standards set out under Australia's National Employment Standards (NES). POSCO Australia does not engage in direct mining or extractive activities. Its core operations focus on investment management, commercial oversight, financial administration, and coordination with joint venture partners and project operators.

The company actively monitors the performance and compliance of its investments, participates in governance and advisory roles where appropriate, and provides strategic input into the development and operation of resource projects across Australia. As POSCO Australia continues to expand and diversify its investment portfolio, it is also actively exploring opportunities aligned with the global transition to a low-carbon economy. In this context, the company is promoting new investments in clean hydrogen, green materials, and renewable energy projects, with the objective of supporting both the sustainability goals of the POSCO Group and POSCO Australia's broader energy transition efforts.

Our Supply Chains

POSCO Australia Pty Ltd is an investment and holding company within the POSCO Group, with interests in various Australian mining and resource projects. Accordingly, the company's supply chains encompass both the direct procurement of goods and services necessary for its corporate operations, as well as indirect supply chains associated with the projects in which it holds an investment interest.

For its direct operations, POSCO Australia engages a range of Australian-based suppliers to support its day-to-day business activities. These suppliers include providers of administrative, legal, accounting, and other professional services; information technology and telecommunications support; corporate travel and accommodation services; office leasing and facilities management; and general office supplies and equipment. These goods and services are sourced primarily from within Australia and are used to support the company's business functions at its head office in Sydney.

POSCO Australia is also connected to a broader set of indirect supply chains through its equity interests in various mining and infrastructure joint ventures. These indirect supply chains are associated with the development, construction, and operation of resource projects managed by third-party operators or joint venture partners. They may include, among others, mining and exploration contractors, engineering and construction firms, heavy equipment and machinery manufacturers, transport and logistics providers, energy and utility services, and labour hire firms engaged by the project operators. Goods and services used in these projects—such as raw materials, industrial components, specialised machinery, and construction materials—may be sourced from both domestic and international suppliers, depending on the requirements and procurement arrangements of each project.

Modern Slavery Risks

During this reporting period, POSCO Australia has not identified any modern slavery practices within its operations and supply chains, and our overall exposure to modern slavery risks remains low.

POSCO Australia recognises that modern slavery may manifest in a range of exploitative practices, including human trafficking, forced labour, servitude, deceptive recruiting, and child labour. The likelihood of such risks depends on intersecting factors such as the nature of a company's business activities, the structure of its labour force, and the regulatory and environmental conditions in the countries where it and its suppliers operate. Key indicators include vulnerable populations, business models reliant on high-risk work practices, certain product or service categories, and operations in high-risk geographies. In the mining and energy sector, these risks are heightened by demand for low-skilled labour, limited transparency across long and complex supply chains, the presence of lower-tier suppliers in high-risk regions, and pressures created by tight project deadlines and seasonal peaks.

Throughout the reporting period, POSCO Australia remained focused on identifying potential modern slavery risks within both its operations and supply chains. This assessment considered business-related risks—such as human rights issues and supply-chain integrity—as well as non-business risks associated with investment activities. Responsibility for each risk category rests with the relevant internal departments, ensuring that mitigation measures are effectively implemented.

Business operations

POSCO Australia operates within a corporate, office-based environment and is principally engaged in investment management rather than direct project execution. Consequently, the inherent risk of modern slavery within its own operations is assessed as low. This assessment reflects the company's commitment to a workplace culture that respects human dignity, supported by POSCO Group's shared values and robust human-rights governance structures. Notwithstanding the low risk in its direct workforce, POSCO Australia recognises its pivotal role in identifying and addressing modern slavery risks linked to both internally and externally managed investments.

Through its participation in the mining and energy sectors—primarily via joint-venture interests and project partnerships—POSCO Australia may be indirectly exposed to modern slavery risks further down the value chain, particularly where labour-intensive supply chains, remote operations, or subcontracting arrangements are present. The company therefore remains committed to collaborating with partners to promote responsible business practices and to undertake rigorous due-diligence measures designed to identify, manage, and mitigate modern slavery risks throughout the life cycle of each investment.

Supply chains

POSCO Australia's direct supply chains, which primarily relate to its corporate office operations, have been assessed as presenting a low risk of modern slavery. However, as an investor in the mining and energy sectors, the company acknowledges the potential for indirect human rights risks to arise due to the complexity of sector-specific value chains and the nature of certain goods and services procured by joint venture partners or project operators. These risks may include limited visibility over lower-tier suppliers involved in the procurement of machinery, equipment, and materials, particularly where such supply chains extend into higher-risk jurisdictions. Additional areas of concern may involve the engagement of labour-hire firms or outsourced service providers—such as cleaning and security personnel deployed at construction or operational sites—where subcontracting arrangements or the presence of vulnerable worker populations could elevate the risk of modern slavery. While these risks remain low within POSCO Australia's current operations, the company remains committed to undertaking ongoing due diligence and maintaining proactive engagement with suppliers and partners to support ethical and responsible supply chain practices.

Risk Assessment

POSCO Australia identifies and monitors modern slavery risks through the POSCO Group's comprehensive risk management system, which is applied across all levels of the organisation. Group-wide human rights policies provide the foundational framework for guiding workplace conduct and delineating responsibilities relating to the protection of human rights. These policies are closely overseen by the Board of Directors and the Human Rights Centre within POSCO's Legal Affairs Office, which work collectively to enhance governance and risk management capabilities on human rights-related matters.

Human rights due diligence is conducted by designated personnel to proactively identify, prevent, and mitigate any potential adverse impacts. POSCO Australia, as an overseas subsidiary, is further subject to head office oversight, including periodic human rights impact assessments of its managerial and general workforce. In respect of suppliers and business partners, POSCO Australia applies the Group's Supplier Relationship Management (SRM) framework—a structured ESG risk management process encompassing supplier registration, pre-engagement screening, performance evaluation, and post-contractual monitoring. This system enables early identification and mitigation of risks related to human rights, environmental sustainability, and other key ESG areas throughout the supply chain.

POSCO Australia is committed to minimising modern slavery risks in all investment projects through adherence to POSCO Group's ESG risk management standards, which are aligned with both Australian legislative requirements and international best practice. The company maintains a zero-tolerance policy towards modern slavery and will not knowingly engage any consultant, supplier, or contractor involved in such practices. Further details on POSCO Group's approach to human rights and supply chain governance are outlined in the following sections of this report.

POSCO AUSTRALIA

POSCO Human Rights Management

POSCO Australia is committed to upholding human dignity and protecting human rights throughout all aspects of its business conduct. In alignment with international human rights standards, POSCO Australia implements the POSCO Group's overarching human rights policies and governance framework, which reflects our strong commitment to the prevention of human rights violations across all business activities.

Human Rights Governance

The POSCO Group is dedicated to respecting and safeguarding human rights in accordance with globally recognised principles. Matters relating to human rights—along with corresponding risk assessments and improvement plans—are reported biannually to the Audit Committee of the Board of Directors as part of the internal audit process. Progress on human rights management, including developments related to supply chain due diligence and any human rights-related controversies, is also reported through the ESG Committee and the ESG sessions attended by both internal and external directors of the Board.

Group Council on Respect for Human Rights

To further strengthen its governance framework, POSCO Group established the Group Council on Respect for Human Rights in 2023. The Council comprises the Chief of Corporate Audit at POSCO Holdings, the heads of the Corporate Audit Offices from 20 Group affiliates, and the heads of the Human Rights Centre and Audit Planning Group. The Council serves as a strategic platform for discussing key human rights issues, sharing monitoring results from overseas subsidiaries, and issuing guidance on human rights management practices. Significant outcomes from these discussions are incorporated into the internal audit department's work reports and formally presented to the Audit Committee of POSCO Holdings, which is composed solely of independent non-executive directors.

Establishing the Human Rights Centre

In January 2023, POSCO established a dedicated Human Rights Centre within the Legal Affairs Office to strengthen its capabilities in managing human rights-related risks, including those arising from workplace misconduct such as sexual harassment, bullying, and abuse of authority. The Human Rights Centre is overseen by the Legal Affairs Office and is responsible for providing human rights education to employees, conducting counselling and investigations into reported incidents, and implementing human rights due diligence across both domestic and international business sites.

Human rights matters, along with associated improvement measures, are incorporated into the internal audit performance and planning reports, which are submitted biannually to the Audit Committee of the Board of Directors.

In support of a culture of integrity and respect, all employees are required to annually affirm their commitment to the POSCO Code of Ethics, which explicitly includes respect for human rights. The Human Rights Centre also actively promotes awareness through a combination of online and in-person education programs and internal campaigns, reinforcing the Group's commitment to fostering a safe, inclusive, and respectful working environment.

Human Rights Policy

POSCO Group announced in its Group-wide human rights management policy to abide by human rights-related international standards, including the UN Guiding Principles on Business and Human Rights, the UN Global Compact (UNGC), the Universal Declaration of Human Rights, and the OECD Guidelines for Multinational Enterprises.

This policy applies to all employees of the POSCO Group, as well as to its suppliers and business partners across the value chain. It sets out detailed measures for implementation, including grievance mechanisms and standards that prohibit discrimination, forced or child labour, and workplace harassment. It also affirms commitments to freedom of association and collective bargaining, occupational health and safety, anti-corruption and anti-bribery practices, responsible supply chain management, protection of environmental rights, and the safeguarding of human rights for both local communities and consumers.

The Human Rights Policy is supported by related frameworks such as the POSCO Group's Supply Chain Policy and Stakeholder Engagement Policy, which outline the procedures for engaging with stakeholders, monitoring human rights impacts, and reporting concerns across supply chains and affected communities.

Since 2014, POSCO Group has enforced internal work guidelines that specify the organisation's responsibilities and approach to human rights, including mechanisms for handling grievances and protecting victims. The Group has also introduced conduct rules tailored to employees by job level and context to prevent misconduct, including bullying and sexual harassment in the workplace. To ensure transparency and accessibility, POSCO has published its Human Rights Management Guidelines on its official website. Additionally, the Group has established the POSCO Human Rights Protection Guidelines, which serve as operational standards governing its activities related to the protection and promotion of human rights throughout its global operations.

POSCO AUSTRALIA

POSCO Supply Chain Management

In response to evolving global standards, including the EU's proposed Corporate Sustainability Due Diligence Directive, POSCO Group recognises ESG considerations as critical components of sustainable business operations. In alignment with these developments, POSCO Group is actively engaged in strengthening supply chain sustainability by building a resilient industrial ecosystem and implementing responsible sourcing practices across its global value chains.

Supply Chain Governance

Under the leadership of the Board of Directors of POSCO Holdings, the Group establishes overarching ESG policies and monitors ESG issues across its operating companies. ESG matters relating to supply chains are classified as key issues requiring Group-level oversight and are regularly reported to the ESG Committee of POSCO Holdings. This process enables high-level review of emerging risks and supports the formulation of strategic responses.

Group Supply Chain Management Council

Since 2021, POSCO Group has operated a Group Purchasing Executives Council led by POSCO's Purchasing and Investment Division to oversee supply chain performance. In response to increasing global regulatory scrutiny on supply chain-related human rights and environmental risks, the council was restructured and renamed the Group Supply Chain Management Council in 2023. The Council now convenes biannually to promote innovation and advance best practices in sustainable and ethical supply chain management across the Group.

Supply Chain Policy

To foster a responsible and high-performing supply chain built on mutual trust, POSCO Group has implemented comprehensive ESG management guidelines. These are supported by the adoption of a Supplier Code of Conduct and related policies that outline expectations for ethical conduct, sustainability, and regulatory compliance throughout the supply chain.

Policy	Details
Supply Chain Policy	This policy enables POSCO Holdings to promote fair trade based on mutual trust with its supply chain and partners, build a sustainable supply chain, and ultimately create an inclusive business environment where POSCO Holdings can coexist and grow together with its stakeholders.
Responsible Minerals Policy	This policy outlines POSCO Holdings' commitment to using only "responsible minerals" mined in a way that respects human rights and protects the environment without financing armed conflict and sets out the code of conduct and action plans for achieving the above goal.
ESG Purchasing Policy	POSCO follows the basic principle of sourcing from suppliers who establish eco-friendly operational processes and fulfill social responsibility, playing a leading role in sustainable procurement. Our ESG purchasing policy applies to our supply chain participants to advance ESG management hand-in-hand with suppliers as our key stakeholders.
Supplier Code of Conduct	POSCO's Supplier 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.

Supply chain ESG management guidelines

The Supply Chain ESG Management Guidelines outline the processes undertaken by POSCO Group to identify, assess, mitigate, and monitor ESG risks within its supply chains, thereby ensuring their long-term sustainability. These guidelines specifically aim to prevent human rights violations and other critical ESG issues across key supply chain segments. POSCO Group conducts regular due diligence assessments as part of its comprehensive risk management framework.

Sustainable Supply Chain Management

To uphold environmental stewardship, human rights protections, and address other essential ESG concerns throughout its supply chains, POSCO implements a systematic ESG risk management approach. This process encompasses all stages from initial supplier registration through to performance evaluation during contract execution and ongoing supplier management.

Step 1	New Supplier Registration	Supplier registration criteria are maintained and updated throughout the year for each sourcing category. Prospective suppliers are required to formally agree to POSCO's Supplier Code of Conduct and Special Ethics Terms and Conditions as a prerequisite for registration.
Step 2	Performance Assessment	POSCO conducts regular SRM assessments to evaluate supplier performance comprehensively. This includes dedicated ESG due diligence to identify and address potential risks within the supply chain.
Step 3	Follow-up Management	Assessment outcomes are compiled into quarterly and annual reports, which are made accessible to suppliers. POSCO provides detailed feedback on suppliers' strengths and areas for improvement based on these assessments, fostering continuous enhancement of supplier practices.

Actions Taken to Assess and Address Modern Slavery Risks

During the reporting period, POSCO Australia continued to strengthen its human-rights management, supply-chain oversight, and employee awareness programmes in support of sustainable and ethical investments in Australia.

POSCO Australia has taken significant steps to prevent human-rights violations and to mitigate any adverse impacts arising from its business activities. Our efforts were focused on three principal areas:

- **Strengthening Human Rights Management** by joining global human-rights initiatives, embedding oversight within corporate governance structures, and conducting regular due-diligence reviews to identify and manage potential risks.
- **Enhancing Supply Chain and Partnership Oversight** through ongoing assessment and monitoring of partner companies' human-rights practices and compliance frameworks.
- **Building Internal Capability** by providing regular training and awareness programmes to deepen organisational knowledge, engagement, and responsiveness in managing modern-slavery risks.

The specific actions implemented in 2024 under each of these focus areas are detailed in the following sections.

1. Strengthening Human Rights Management

Joining Human Rights Initiatives

As a member of the UNGC, POSCO Group is fully committed to upholding its 10 principles, which are designed to promote corporate responsibility and contribute to a more sustainable and inclusive global economy. Our human rights management and due diligence processes are aligned with these principles, covering the areas of human rights, labour standards, environmental protection, and anti-corruption.

In 2024, POSCO Group further strengthened this commitment by joining the Business & Human Rights Accelerator programme, an initiative that supports participating companies in advancing the implementation of the UNGC principles and embedding respect for human rights throughout their operations and value chains.

Monitoring Grievance Mechanism

POSCO Group maintains a formal grievance mechanism to address human rights-related concerns arising from its business activities. This mechanism is accessible to all stakeholders—including employees, suppliers, local communities, and Indigenous peoples—who can raise concerns via email, telephone, post, or in person. Upon receipt, the Human Rights Team responds promptly and, where necessary, initiates investigations and appropriate corrective or disciplinary actions, depending on the nature and severity of the issue. The process ensures confidentiality, protects the anonymity of reporters, and prohibits retaliation. Breaches of these protections are subject to disciplinary measures to maintain procedural integrity and trust.

POSCO Australia collaborates with POSCO Group to regularly review and enhance the grievance framework, including whistleblower protections, investigation protocols, and staff training. These efforts ensure that the grievance mechanism remains effective, legally compliant, and aligned with global human rights standards across all operations and supply chain engagements.

Human Rights Assessment

Human rights due diligence at POSCO Group is carried out by designated personnel to proactively identify and mitigate any potential or actual adverse human rights impacts. This process involves analysing risks across major domestic and international operations, engaging internal experts, and consulting external professionals when necessary. Practical interviews with potentially affected stakeholders may be conducted, and findings are used to implement prevention, mitigation, or remediation measures as appropriate. A structured checklist guides the assessment of key human rights factors, and results are shared across all levels of the organisation.

As a subsidiary of POSCO Group, POSCO Australia's performance is reviewed through formal human rights impact assessments. These assessments include approximately 30 questions across eight key domains, including anti-discrimination, workplace safety, child and forced labour prevention, data privacy, and freedom of association. Assessment outcomes inform necessary improvements, which may include staff training and updates to internal human rights policies to ensure alignment with international standards.

POSCO AUSTRALIA

2. Enhancing Supply Chain and Partnership Oversight

SRM Assessment and Supply Chain Due Diligence

POSCO operates a comprehensive ESG risk management process through its Supplier Relationship Management (SRM) system, ensuring that environmental, human rights, and other critical risks are identified and addressed across the supply chain. This process encompasses supplier registration, performance assessment during contractual execution, and ongoing follow-up management. Assessment results are published quarterly and annually, and constructive feedback is provided to suppliers to encourage continuous improvement.

In alignment with the EU's Corporate Sustainability Due Diligence Directive and evolving global ESG rating requirements, POSCO Group established a formal supply chain ESG due diligence framework in 2023. During the reporting period, this due diligence process continued to be implemented across operations. POSCO Australia supports this approach by working closely with POSCO Group to enhance ESG practices throughout the supply chain. The Group remains committed to building a trusted ESG management system, fostering a resilient industrial ecosystem, and promoting sustainable, shared growth with its suppliers.

Supplier Engagement and Support

POSCO conducts its business in strict compliance with applicable national and international laws, supported by comprehensive internal guidelines and ethical standards. We expect all suppliers and subcontractors to uphold these values and act in accordance with them. Committed to fostering mutual trust, POSCO aims to create an inclusive and collaborative business environment that supports co-prosperity and sustainable growth with its partners. POSCO's Supplier Code of Conduct, encompassing 49 clauses across seven key areas, aligns with the Responsible Business Alliance (RBA) standards and POSCO's own governance principles. The Code mandates suppliers to provide an environmentally responsible and safe workplace, respect worker dignity, and adhere to ethical governance. Since 2024, all raw material, equipment, and industrial input suppliers have been required to formally agree to comply with the Supplier Code of Conduct via POSCO's e-Procurement portal.

Suppliers are obligated to protect and respect the human rights of all workers—including temporary, migrant, trainee, and contract workers—ensuring lawful employment and compliance with local labour laws. Throughout the reporting period, POSCO Australia has maintained active engagement and transparent communication with key partners to promote human rights awareness and continuous improvement in identifying and mitigating modern slavery risks across the supply chain.

3. Building Internal Capability

Ethics Pledge

Since the adoption of our Code of Ethics in 2003, POSCO has upheld ethics as a core value in all business conduct, fostering a culture aligned with the highest global standards. To ensure ongoing compliance, all employees annually reaffirm their commitment by signing an Ethics Pledge every January, which explicitly includes provisions related to human rights. This commitment is also extended to our partners. POSCO Group reinforces this pledge with mandatory regular ethics training and awareness campaigns across all global operations. Specialised in-person training sessions are conducted to address critical human rights issues such as preventing discrimination, bullying, sexual harassment, and workplace harassment, including power harassment and secondary harm. These measures collectively strengthen employees' understanding of ethical responsibilities and promote a respectful, safe working environment in line with POSCO's corporate values and legal obligations.

Human Rights Awareness and Training

As part of our ongoing commitment to ethical conduct, POSCO Australia provides continuous training to ensure all employees adhere to the highest human rights standards. This includes mandatory annual online training for all staff. POSCO Australia also distributes educational materials and conducts training on ethical management, with a particular emphasis on raising awareness of modern slavery risks, including dedicated online modules on this subject.

Looking ahead, POSCO Australia is developing a more formalised and comprehensive framework to assess the effectiveness of modern slavery training and awareness initiatives. This will enhance internal capabilities and strengthen accountability at all organisational levels for the protection of human rights.

POSCO AUSTRALIA

Effectiveness Assessment

POSCO Australia recognises that an effective response to modern slavery requires a structured, transparent, and proactive approach. Our focus during the reporting period was centred on three key pillars:

- **Strengthening Human Rights Management** by aligning with international human rights initiatives, embedding oversight responsibilities within our corporate governance framework, and undertaking regular human rights due diligence to proactively identify and address potential risks.
- **Enhancing Supply Chain and Partnership Oversight** through the continuous monitoring and evaluation of human rights practices within our supply chains and investment partnerships. This includes engaging with partners to assess compliance, address risks, and promote responsible business conduct.
- **Building Internal Capability** by delivering targeted training and awareness initiatives across the business to equip staff with the tools and knowledge needed to recognise, assess, and respond to modern slavery risks. These efforts aim to cultivate a culture of accountability and continuous improvement in support of ethical and sustainable operations.

The following table outlines our approach to assessing the effectiveness of key risk management actions undertaken during the reporting period.

Focus Area	Purpose	Scope of Application	Measuring Effectiveness
Joining Human Rights Initiatives	To strengthen our human rights management framework by participating in the Business & Human Rights Accelerator programme, supporting the implementation of the UN Global Compact (UNGC) principles.	As a signatory to the UNGC, POSCO Group is committed to upholding its ten principles, which promote responsible business conduct in the areas of human rights, labour, environment, and anti-corruption.	The effectiveness of this initiative is measured by the Group's ability to demonstrate progress in aligning with international labour and human rights standards, as well as its contribution to the achievement of the UN Sustainable Development Goals (SDGs).
Monitoring Grievance Mechanism	To provide a safe, accessible, and transparent grievance mechanism that allows employees, suppliers, and other stakeholders to raise concerns anonymously or by name. The mechanism supports the identification, investigation, and resolution of potential human rights violations, with institutional safeguards against retaliation.	The grievance mechanism applies to all employees, suppliers, and stakeholders across POSCO Australia's operations and investment activities.	The grievance mechanism is regularly monitored and assessed for timeliness, responsiveness, and transparency. Effectiveness is measured by the number of reports received, timeliness of responses, and the implementation of appropriate remedial actions.
Human Rights Assessment	To implement a robust human rights due diligence framework that proactively identifies, assesses, and mitigates actual or potential adverse impacts on human rights and labour rights across all operational and investment activities. This includes documenting response activities and engaging stakeholders to prevent and address human rights risks.	The human rights assessments, developed and overseen by POSCO headquarters, apply to both domestic and overseas subsidiaries, including POSCO Australia. Assessments are conducted using a structured questionnaire covering approximately 30 indicators across eight key domains: human rights governance, stakeholder engagement, non-discrimination, elimination of forced labour, occupational health and safety, freedom of association, abolition of child labour, and data privacy.	POSCO Australia adheres to POSCO Group's internal risk governance and compliance framework, ensuring alignment with both Australian and international human rights standards. The effectiveness of assessments is measured through the completion and review of the questionnaire, the identification of risk areas, and the implementation of corresponding corrective or preventative actions to support sustainable business operations.

Focus Area	Purpose	Scope of Application	Measuring Effectiveness
Enhancing Supply Chain and Partnership Oversight	To ensure all suppliers and partners comply with POSCO's Supplier Code of Conduct and Special Ethics Terms and Conditions, thereby promoting fair trade, mutual trust, and the establishment of a sustainable and inclusive supply chain ecosystem conducive to shared growth.	The Supplier Code of Conduct and Supplier Relationship Management (SRM) assessment framework apply to POSCO Australia, including new supplier registration and ongoing performance evaluations through SRM and supply chain due diligence for existing suppliers and partners. Employees, suppliers, and partners are required to comply with this policy or implement equivalent standards.	Effectiveness is measured by rigorous SRM assessments, which enforce strict prohibitions against unlawful child labour, human trafficking, and forced labour, in accordance with the UN Guiding Principles on Business and Human Rights and the International Labour Organisation's standards. This enables effective risk management of indirect modern slavery exposures within POSCO's investment portfolio in Australia.
Building Internal Capability	To enhance employees' knowledge and ability to identify, assess, and respond to modern slavery risks through the annual Ethics Pledge and regular human rights awareness and training programs, fostering a culture of accountability and continuous improvement in ethical and sustainable business practices.	This initiative applies to all officers and employees of POSCO Australia. Participation in compulsory training and signing of the Ethics Pledge is strongly encouraged and monitored.	Effectiveness is measured by tracking training attendance rates and completion percentages. POSCO Australia ensures full compliance by its officers and employees with mandatory training requirements.

POSCO AUSTRALIA

Consultation

This report has been prepared in consultation with relevant internal stakeholders and subject matter experts, including external advisors, to ensure an accurate and comprehensive account of POSCO Australia's approach to identifying, assessing, and managing modern slavery risks. POSCO Australia has engaged in ongoing consultation with POSCO Group throughout the reporting period, including discussions on the requirements of the *Modern Slavery Act 2018* (Cth) and the actions undertaken or proposed in response to those obligations.

The content of this Report was developed in alignment with the most recent POSCO Group Sustainability Report available at the time of preparation, ensuring consistency with group-wide policies and commitments. It was reviewed and approved by POSCO Australia's Board of Directors, with oversight guided by the POSCO Human Rights Management Guidelines.

The Group Council on Respect for Human Rights, established by POSCO Group, continues to oversee and monitor group-wide human rights matters, including the provision of guidance on human rights risk management applicable to POSCO Australia. Further support is provided by the Human Rights Centre, established within POSCO's Legal Affairs Office, which enhances the organisation's capability in managing human rights-related risks.

Principal Governing Body Approval

This Modern Slavery Report was approved by the Board of POSCO Australia Pty Ltd in their capacity the principal governing body of

POSCO Australia Pty Ltd

as defined by the *Modern Slavery Act 2018* (Cth) ("the Act") on

30 June 2025

Signature of Responsible Member

This Modern Slavery Report for POSCO Australia Pty Ltd is approved and signed by a responsible member of

Mr Ki Ho Han

in his role as the Managing Director of POSCO Australia Pty Ltd on behalf of the Board. as defined by the Act:

This Modern Slavery Report is signed on

30 June 2025

POSCO AUSTRALIA

Mandatory Criteria

This Modern Slavery Report is made pursuant to the *Modern Slavery Act 2018*, which includes seven mandatory reporting criteria in section 16 of the Act:

Mandatory Reporting Criterion	Reference in This Report
a) Identify the reporting entity	About This Report
b) Describe the reporting entity's structure, operations and supply chains	Our Structure, Operations and Supply Chains
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Modern Slavery Risks
d) Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Actions Taken to Assess and Address Modern Slavery Risks
e) Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Effectiveness Assessment
f) Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a joint statement, the entity giving the statement	Consultation and Approval
g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	POSCO ESG Strategic Framework POSCO Human Rights Management POSCO Supply Chain Management


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