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WE GROW  
WITH  
GOOD &  
RIGHT WAY

Report Summary	This report is the first ESG Story Book of SeAH Holdings that contains the contents of SeAH Holdings and its affiliates, not SeAH Group. This report presents sincere stories of SeAH Holdings on ESG management in the format of storytelling. SeAH Holdings will continue to strengthen close communication with investors and stakeholders through the sustainability report and enhance the execution of ESG management.
Reporting Period	The financial and non-financial performance and activity reporting period in this report is from January 1, 2023, to December 31, 2023. For quantitative data requiring trend reporting, the performance for the three years from 2021 to 2023 was reported, and for some performances, content from the first half of 2024 is also included.
Reporting Principles and Standards	This report follows the requirements of the Global Reporting Initiative (GRI) 2021, an international reporting guideline for sustainable management. Additionally, it adheres to the standards of the Sustainability Accounting Standards Board (SASB) to reflect key issues appropriate to the characteristics of the industry.
Reporting Scope	The reporting scope of this report includes domestic subsidiaries based on K-IFRS consolidation for financial performance. Non-financial performance is reported based on domestic business sites including SeAH Besteel Holdings and its affiliates (SeAH Besteel, SeAH Changwon Special Steel, SeAH Aerospace & Defense), SeAH Special Steel, SeAH Metal, SeAH M&S, SeAH L&S, and SeAH Networks. However, some indicators of business sites with physical limitations in data collection were excluded from the reporting scope. If they differ from the reporting scope, they are indicated in the footnotes.
Third-party Assurance	In order to enhance the reliability and quality of the report, a third-party assurance was conducted by an external organization. The results are included on page 64.
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Intro

Making the world more beautiful,  
Now SeAH goes one step further.

SeAH dreams of a more beautiful tomorrow.  
And we are carrying out what can and must be done,  
step by step.



ESG Q&A

Most people know SeAH as “that building in Hapjeong Station” but not exactly what we do. Here are a few questions and answers about SeAH Group, SeAH Holdings, and SeAH’s ESG management.



What does SeAH Group do?

SeAH Group is a group of companies specializing in steel products for over 60 years, serving various industries ranging from automobiles to construction, machinery, and shipbuilding, based on its core competencies specialized in steel manufacturing. The Group has 55 affiliates at home and abroad, including SeAH Holdings and SeAH Steel Holdings, the two major holding companies; SeAH Besteel, which leads the special steel manufacturing business; and SeAH Steel, which leads the steel pipe manufacturing business.

\*Domestic and overseas affiliates within the holding company system as of the date of designation of large conglomerates in 2024.

What role does SeAH Holdings play in SeAH Group?

SeAH Holdings is a pure holding company. It provides professional strategy formulation and management support for subsidiary business areas and manages the portfolio of invested assets. Through management specialization and concentration of core competencies, it maximizes investment returns and actively seeks new businesses that increase synergy, thereby playing a role in increasing its future value. Moreover, it is taking the lead in furthering an honest corporate culture and enhancing brand value and image.

What is the most important value represented by SeAH? What kind of company do you want people to recognize it as?

Under the slogan of “Inspired by SeAH,” SeAH Group has developed a corporate culture that enriches everyone’s lives and makes the world more beautiful. Through this, we aim to become a company that spreads a positive influence to as many people as possible.

What is the direction of SeAH Holdings’ ESG management? What do you think is particularly important?

Since its establishment, the main criterion that has run through SeAH Group is honesty. ESG management is no different. Our goal is to create a system that can lead and guide SeAH’s ESG direction in an honest and upright manner, including achieving carbon neutrality, creating a safe workplace, promoting ethical and law-abiding management, and establishing a transparent governance structure.

What efforts are you making to ensure happiness for internal stakeholders of SeAH Holdings?

Above all, SeAH Holdings aspires to become a company where employees are happy. To achieve this, we have implemented various measures. We listen to and reflect the thoughts of employees through HALLS, an organization of labor and management created together, as well as through a variety of programs designed for interdepartmental communication. We also operate various benefits systems to ensure that employees can work safely in good health, maintain a work-life balance, and enjoy a happy life while experiencing personal growth.

What is SeAH Holdings’ role in terms of supply chain management for partners and suppliers?

As a holding company, SeAH Holdings establishes group-level policies that can be applied to each affiliate. From the perspective of the supply chain, we are creating a transparent and fair-trading culture by establishing a third-party code of conduct to comply with international standards and realize effective supply chain management. We also operate a complaint handling channel that stakeholders participating in the supply chain can use, such as the Ethics Management Reporting Center.

What activities does SeAH Holdings carry out for the local community and society?

In addition to donations and employees’ volunteer activities for the underprivileged, SeAH Holdings is making various efforts to spread the value of sharing through its solidarity with social organizations and companies. We also support promising academic and artistic talents through the SeAH Hae-am Academic Scholarship Foundation and the SeAH Lee Woon-hyung Cultural Foundation.

What efforts does SeAH Holdings make in terms of compliance?

We have a compliance team dedicated to ethical management and risk management, as the role of compliance is becoming increasingly important in terms of ESG. In particular, as a holding company, we also carry out the work of spreading the concept of compliance and supporting policies tailored to each affiliate.

What ESG-level efforts does SeAH Holdings make for its affiliates as a holding company?

We have established an ESG system that provides guidelines so that each affiliate can conduct ESG management with a common direction internally and externally. We also monitor ESG issues of affiliates and establish improvement measures to support the enhancement of ESG response capabilities tailored to each company’s characteristics.



Winner of the World's Most Ethical Companies Award 2024

# The upright values of SeAH Group are recognized by the world



SeAH Holdings has become the first Korean company to be selected as one of the World's Most Ethical Companies in 2024 by Ethisphere in the United States. Ethisphere, the global leader in defining and evaluating standards of ethical business practices, has helped SeAH Holdings reinforce its foundation management philosophy of uprightness and integrity.



Corporate ethics and compliance management are crucial indicators of ESG and are essential for achieving corporate sustainability. However, setting specific criteria or standards can be challenging. How can these standards be quantified and recognized? In March, SeAH Holdings distinguished itself as the first Korean company to be included in Ethisphere's World's Most Ethical Companies list. For 18 years, Ethisphere has been evaluating and recognizing the world's most ethical companies. The evaluation includes over 240 multiple-choice questions that assess various aspects such as corporate ethical culture, environmental and societal impact, governance practices, ethics and compliance programs, as well as diversity, equity, and inclusion. SeAH Holdings successfully met these stringent ethical standards, excelling in all evaluation categories and proving its commitment to sustainable and ethical business practices.

Inclusion in the Ethisphere list was spearheaded by the SeAH Holdings compliance team. Established to define and guide overall compliance and ethical management across the SeAH Group, the team sets and manages legal and institutional ethical standards not only for SeAH Holdings but also for its various affiliates.



This recognition by Ethisphere offered SeAH Holdings an opportunity to validate its ESG management strategy and enhance its global competitiveness. The Compliance Team dedicated significant effort to adapting and systematically applying Ethisphere's evaluation criteria to specific purposes and activities of various affiliates. While preparing for the application, they improved the internal management systems for compliance and ethical management at the group level by aligning global and domestic standards.

Notably, this recognition holds particular significance as it represents a first for any Korean company. SeAH Holdings' inclusion on the Ethisphere list has caught the attention of many domestic companies, particularly in terms of ESG activities and performance. SeAH Holdings is committed to fostering healthy, shared growth with both internal and external stakeholders through robust compliance and ethical management. The company places particular emphasis on producing tangible outcomes by advocating for compliance and ethical management at a global level, not only within SeAH Holdings but across all affiliates of the SeAH Group. Given these developments, expectations are high for the future ethical initiatives SeAH Holdings will undertake.



Interview: Compliance Team

Meet the SeAH Holdings Compliance Team, the top contributor to the Ethisphere Listing

**Q. How did you come to apply for Ethisphere’s World’s Most Ethical Companies list?**

**A.** SeAH Holdings CEO Lee Tae-sung heard about Ethisphere’s reputation, and he said, “We should give it a try, too.” An Ethisphere Task Force Team (TFT) was formed around the time the Compliance Team was established. Over the past few years, we analyzed the numbers and the standards set by Ethisphere, working diligently to identify and improve areas that were lacking.

**Q. What kind of organization is Ethisphere?**

**A.** Ethisphere is an organization established in the United States that has been conducting selection evaluations for 18 years. This year, a total of 136 companies from 44 industries across 20 countries were selected. When we attended the award ceremony in the United States, we could truly feel the pride of the recipients and understand the significance of the award. I think its importance is growing as corporate compliance is being strengthened worldwide.



| Kim Jeong-min, Team Leader of Compliance Team



| Lee Kun, Assistant Manager of Compliance Team

**Q. I heard that you have been preparing for this for quite a long time, and earnestly. Were there any difficulties?**

**A.** There were challenges where global standards, especially those in the US, did not align with our domestic standards. As the evaluations were in English, it was crucial to accurately understand and analyze the intent and nuances of the questions. Additionally, it required significant time and extensive cooperation from all departments to collect and organize data. Since Ethisphere does not disclose scores for evaluation categories, it was challenging to independently identify areas needing improvement or supplementation.

**Q. What factors do you think played a major role in SeAH Holdings being selected?**

**A.** Since this was not an achievement made in one or two years, the continuous support of management was the most powerful factor, internally. During the process, however, we were able to closely examine whether SeAH Holdings was aligning with global ethical standards and whether communication was effective across various fields. Externally, we focused on highlighting our strengths. Above all, I believe it was the result of systematizing the outcomes of SeAH Holdings’ various activities to promote “law compliance and ethical management.” We also cultivated a corporate culture that encourages recognition and participation from all employees and executives. I think we received high scores in this area.



| Park Jun-seop, Assistant Manager of Compliance Team

**Q. What is the significance of being evaluated as “The World’s Most Ethical Company”?**

**A.** Initially, we thought of ethics as the most fundamental of basics, so it was hard to understand why they needed to be evaluated or disclosed as an official standard. We believe ethics are a natural and essential element for any company. However, I think the evaluation underscores a culture where global companies are applauded for adhering to ethical and legal standards. The process of revealing ourselves also provided us with a clearer sense of direction, as these are important, precious, and meaningful values.







| Jeong Se-ho, Manager of Compliance Team

**Q. What do the companies with “mature ethical cultures” that Ethisphere talks about have in common?**

**A.** Ethisphere’s evaluation areas change slightly every year. However, there are a few steadfast standards, such as the type of culture that permeates the company’s identity, whether there is consideration and a system in place for employees, and whether leadership and communication are smoothly executed within it. Of course, you also need to have adaptability to the frequent and varied changes driven by the flow of the times and shifts in public awareness. By examining each of these evaluation items, you can discern what is important and more necessary for an ethically mature company.

**Q. What does being selected by Ethisphere mean to SeAH Holdings?**

**A.** Being recognized by Ethisphere means being acknowledged as the “World’s Best” in terms of ethical practices. This recognition is particularly meaningful as it aligns with SeAH Holdings’ value of “making the world beautiful.” Moreover, this selection enhances the external evaluations and assessments of the company’s reputation and influence. This is why leading domestic companies are actively seeking consulting from our team regarding the know-how and methodologies for Ethisphere selection.



**Q. I am curious about how SeAH Holdings’ direction has changed since this selection.**

**A.** Since the selection, we have been eager to share the achievements and know-how of SeAH Holdings not only with our affiliates but also with the entire Group, aiming to align more closely with global standards. This also entails creating a compliance system that can operate uniformly at the group level, because SeAH Holdings is a holding company and sometimes the name is used interchangeably with SeAH Group. We are focusing on establishing clear distinctions to enhance awareness of this.

**Q. What are the goals of the compliance team?**

**A.** The necessity and role of the compliance team are increasing as ESG company values become more pivotal. The legal landscape is evolving both domestically and globally, and we aim to support the reduction of risk factors and the practice of lawful management in response to these changes. Therefore, we plan to further strengthen both the hardware and software aspects of our ethical culture and compliance systems, setting these as global standards.



Brand Story

The name SeAH once symbolized the company’s dream to become a leader in Asia. Today, it represents its resolve the make the world a more beautiful place.

1 A Bold Dream and Unrelenting Resolve

The name SeAH embodies its philosophy and firm convictions. Its bold dream of becoming ‘Asia’s leading steel company in the world’ has materialized and evolved into a grand will to ‘transform the world into a more beautiful place’.

2 A Promise for a Better World

SeAH has been supplying core materials to various fields of industries for more than 60 years based on its core competencies in specialized steel manufacturing. Even at this very moment, we are adding new values to steel with our devotion to the highest quality and innovative materials to create a beautiful world.

3 Commitment for a Sustainable Future

SeAH’s superior steel pipes have accelerated the development of existing industries while its special steel products have ushered in new industrial possibilities. SeAH promises to provide the best value from the customers’ perspective and seeks sustainable ways to refine a prosperous future for mankind.

4 A Heart like Steel

SeAH has been silently practicing coexistence and cohabitation. With a heart like steel that remains unchanged over time while giving all it can, SeAH will create a beautiful future by flexibly responding to changes while continuing to convey its values.

The name SeAH embodies its philosophy and firm convictions. Its bold dream of becoming ‘Asia’s leading steel company in the world’ beyond Ko-rea has become a reality. It has now expanded into a grand determination to “make the world a more beautiful place” with steel.



Core Value

HONEST

PASSIONATE

PROFESSIONAL

Virtuous Integrity

SeAH pursues its ideals with virtuous integrity, wisdom, and actions.

Dedicated Passion

SeAH meets new challenges with passion, thus creating new possibilities.

Excellence in Professionalism

SeAH shares a wide range of expertise through collaboration with partners. When SeAH partakes in a project, it always fulfills its commitments.

Honest, Passionate, and Professional are the core values ingrained in SeAH's DNA over the past half a century of development. Every SeAH employee realizes SeAH's values based on these core values.



ESG Structure

We think about “How” rather than “How Much”

Honesty, which involves upright thoughts and actions, is SeAH’s long-standing core value. SeAH is committed to moving forward on the right path rather than the fast path. SeAH will be with you for the right growth, together with everyone.

ESG Vision

We Grow with Good & Right Way

ESG Essentials

Grow with People



SeAH members share positive influences and grow together with people

Grow with Society



SeAH creates and builds trust to foster a society where everyone is respected.

Grow with Earth



SeAH strives to pass on a clean and healthy planet to the next generation.



ESG Vision

We Grow with  
Good & Right Way

What is upright  
growth?



SeAH's answer is simple.  
It's about being more upright and more  
virtuous, among ourselves, the people  
around us, society as a whole,  
and even the Earth.

That is the upright growth that  
SeAH envisions.



ESG Essentials

Grow with People  
Grow with Society  
Grow with Earth



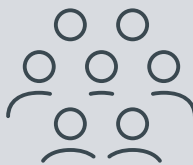
Grow with People



Together,  
we work to grow  
with everyone.

You can go faster if you go alone, but you can go farther only when you go together. SeAH chooses to go farther together, with people.  
**We will share a positive influence and grow together with people.**

Grow with Society



Together,  
we move towards a  
better world.

SeAH dreams of a society where trust and respect prevail. We consider individuals and extend our focus to society as a whole.  
**We aim to build trust with various stakeholders and grow together with society.**

Grow with Earth



Together,  
we cherish a clean  
and healthy Earth.

SeAH thinks about people and society and extends this care to our Earth. We consider today's Earth and tomorrow's Earth for future generations.  
**We are committed to growing alongside the Earth to pass on a better environment to those who come after us.**



# Grow with People

SeAH is always people-oriented because nothing can be achieved alone.

That's why both internal members and external stakeholders of SeAH Holdings respect each other and strive for mutual growth and development.



Interview: Chairman Yon Kang-Heum

SeAH Holdings, a company that grows one step-by-step with ESG values.



SeAH Holdings  
Yon Gang-Heum, Chairman of the Board

Professor Emeritus of Yonsei University Business School. Having received his Ph.D. from the Wharton School of the University of Pennsylvania, Mr. Yon became a professor at Yonsei University Business School in 1991, engaging in teaching, research, and social activities. With his expertise in corporate finance and capital markets, he has served as the President of the Korean Finance Association and the Vice President of the Korean Academic Society of Business Administration. He has also been a member of various committees related to capital markets and corporate activities. Additionally, he is the co-author of "All About Corporate Governance."



Q What activities do you undertake as the Chairman of the Board of Directors of SeAH Holdings?

I plan meeting schedules, set agendas, and manage the conduct of meetings. I lead meetings to promote cooperation among directors, coordinate discussions, and participate in and vote on agenda items when necessary. I also maintain an appropriate board composition and support the process of electing new directors to ensure efficient board operations. Furthermore, I oversee the activities of the board and evaluate the board's operations and decision-making processes. Through this, I aim to enhance the overall operation of the board of directors and strengthen the company's governance.

Q What has been the most important agenda within the board of directors recently?

Recently, the focus has been on closely analyzing and managing the business portfolios of Group affiliates, including subsidiaries and sub-subsidiaries. We are setting the direction for the companies and establishing standards and systems to implement the vision and goals pursued by SeAH Group. Specifically, we are discussing environmentally friendly production methods and management strategies that incorporate social responsibility for sustainable management. In alignment with the government's value-up program for listed companies, we are also tasked with increasing corporate value and maintaining market and investor trust through an appropriate shareholder return policy.

Q Are there any criteria for judging various agenda items of the board of directors?

The primary criterion is whether "it creates value by ensuring the company's long-term profits and sustainable growth." We comprehensively assess whether the agenda item supports the company's vision and goals, meets the needs and expectations of stakeholders, complies with ethical standards and legal requirements, and what impact the agenda item has on the company's profitability, financial structure, cash flow, and risk profile.





**Q How important do you think the role of the board of directors is to corporate activities?**

The board of directors is a key body that makes strategic decisions regarding the company's direction. It plays a crucial role in creating value through the company's performance and sustainable growth. The board develops and establishes long-term strategies and implementation plans, identifies and manages various risks, supports and advises the management team, and supervises the management team's activities to ensure the company's efficiency and transparency.

**Q What do you think is the most important virtue that a board member should have?**

It is crucial for board members to prioritize the long-term interests of the company and make decisions independently and objectively. They should utilize their areas of expertise and experience to express their opinions responsibly and truthfully. Moreover, they should be able to collaborate with other members who bring diverse experiences and expertise to produce effective results. Of course, they must also comply with the company's regulations, laws, and ethical standards.

**Q Can you share any significant achievements that the board of directors has achieved?**

I recall establishing a transparent governance structure through board-centered management by forming the Outside Director Candidate Recommendation Committee and the Governance Committee within the board of directors. We also established the Group's zero tolerance principle for the three major acts—workplace bullying, sexual harassment, and violence—that lead to disciplinary actions up to dismissal. Furthermore, we enacted and implemented various regulations to proactively respond to internal risks that have become social issues.

**Q What kind of company is SeAH from the perspective of the board of directors?**

From the perspective of the board of directors, SeAH is an honest and strong global steel company, built on the principle of ethical management established by the late Chairman Lee Jong-deok, who founded and developed the company. The company has various affiliates engaged in steel and metal businesses, supplying products to multiple industries. Each affiliate boasts high technology and quality management systems and is highly regarded in both domestic and international markets. However, due to the nature of the industry, there are risk factors such as economic downturns or fluctuations in raw material prices, which are influenced by the volatility of the steel and metal industries. Thus, it is necessary to continuously develop technology, strengthen cost efficiency to increase price competitiveness, and adopt eco-friendly production methods in compliance with environmental regulations.

**Q Why is ESG value important to the sustainability and growth of a company?**

Adhering to and managing ESG principles can reduce costs and improve profitability through sustainable operations and investments. This adherence also attracts investors' attention and creates new opportunities, thereby improving long-term financial performance. Companies that actively practice ESG values increase their brand value and build a positive reputation. Furthermore, they gain the trust and support of stakeholders such as shareholders, customers, employees, suppliers, and the local community. This enables the company to effectively respond to long-term risks and seize opportunities for continuous growth and development. It also adds stability to the company's operations and reduces legal risks by complying with relevant regulations and laws.

**"Companies that actively practice ESG values increase their brand value and build a positive reputation."**



**Q ESG is an important future agenda for companies. As a board member, what role do you think should be emphasized more in the future, especially in terms of ESG?**

The board of directors needs to strengthen its governance structure to enhance interaction with shareholders and increase transparency. It also needs to establish policies and procedures to effectively manage ESG factors. Board members should develop and promote the company's ESG strategy, support ESG-related initiatives, and integrate them into the board's major decisions. Additionally, they should identify ESG-related risks facing the company and respond to them promptly, developing measures to mitigate these risks to maintain the company's financial stability. Furthermore, the board should engage in regular dialogue and cooperation with various stakeholders to evaluate and report on ESG performance.

**Q Are there any systems or measures being prepared at the committee level for this?**

To strengthen the role and responsibility of the board, a board evaluation system was introduced in May 2024. All board members, including the board chairman, will participate in evaluating the entire board's role and function, decision-making process, and meeting operations. We are open to engaging external experts or consultants if a more objective and independent perspective is deemed necessary. The evaluation will be conducted annually through a questionnaire or interview, and it is expected that this process will enable the board of directors and its members to enhance their capabilities and pursue continuous improvement.



HALLS Talks

# The true meaning of “Togetherness” SeAH Holdings HALLS\* 1<sup>st</sup> Team

**\*SeAH Holdings HALLS (Holdings ALL Speaks)**

An employee council comprised of current SeAH Holdings employees. The management committee is appointed by the CEO, while the employee committee is selected through applications, recommendations, and elections. The term is three years. The initiative began with the first team in 2021, and currently, the second team has commenced. The management committee consists of seven members from various departments and generations.



| SeAH Holdings HALLS 1st Team Management Committee (from left):  
Cho Seong-jae, Lee Yu-jin, Lee Mi-jung, Lee Woon-sang, Lee Sang-keun, Choi Ji-eun  
Interviewees | Lee Woon-sang, Lee Mi-jung, Lee Yu-jin

What brought about the launching of HALLS?

**Lee Woon-sang** To be exact, HALLS was not newly launched in 2021. It evolved from discussions about how to transform the labor-management council, which was previously only formally operated, into a practical mechanism that would satisfy both employees and the company. This process confirmed the management's and employees' willingness to create a good workplace through communication, sharing opinions, and building systems together. That's why we decided to reinvent the labor-management council as HALLS, operating it under the new name in a practical manner.

**Lee Mi-jung** The commitment of the executives was crucial in establishing HALLS. A budget was also allocated for it. The aim was not to foster an environment of conflict but of coexistence between labor and management. Hence, we shifted from using the term “labor-management” to running it as an employee council, which allows for quicker decision-making and reflection on agendas. Our activities began in earnest with the election of the operating committee in May 2021.

How is HALLS different from a typical labor-management committee?

**Lee Yu-jin** Before the launch of HALLS, there was a briefing session for employees to discuss the company's direction regarding labor-management activities and the future organization of the committee. The goal was to clearly promote a sense of coexistence and belonging. This session made a positive impression on the employees and management, and it increased mutual understanding. It served as a foundation for HALLS. Probably for that reason, decisions of HALLS are not overridden by management, although we do make advance reports on progress.

**Lee Mi-jung** The inception of the first HALLS team was followed by many changes, large and small, within the company. Notably, the operating committee members meet frequently. Regular meetings are held once a month, but we often have more informal gatherings. This frequent interaction allows us to share opinions, which often become agenda items. This approach is distinctly different from the labor-management committees seen at other companies.



| Employees Committee, **Lee Mi-jung**



| Management Committee, **Lee Woon-sang**

How are agenda items presented and discussed?

**Lee Woon-sang** Official regular meetings are conducted quarterly, while regular meetings occur monthly, accompanied by ad hoc meetings as needed. Ideas generated during these ad hoc meetings become agenda items. After discussing these items, we categorize them into those requiring immediate resolution and those needing further deliberation. Resolution items are decided on the spot, whereas deliberation items are revisited for more in-depth discussion.

What is usually discussed as an agenda item? And what agenda items have been adopted as actual systems so far.

**Lee Yu-jin** There are many agenda items related to systems and benefits within the company. We introduced a vaccine vacation system during the COVID period, and a few other things, including flextime work schedules, psychological counseling programs, and self-approval of PTO. We improved systems that were inconvenient to use, created systems that did not exist before, and eliminated unnecessary systems.



Are employees utilizing the systems created by HALLS well, and are they satisfied? How are related operations and management carried out?

**Lee Woon-sang** We have two HR team members in HALLS. The HR team has a significant workload, focusing on implementation, and it receives considerable support from HALLS. Seeing the systems that have actually been implemented brings great satisfaction to all involved.

**Lee Mi-jung** We managed to materialize many agenda items, though not all. Some items have been in discussion for over a year. Since a system established by SeAH Holdings might become a system for the entire Group's affiliates, we have to be prudent. However, an agenda that has come together reflects much thought and discussion, and reflects what employees truly want and can benefit from.

How do you think HALLS is perceived by employees of various generations and needs?

**Lee Woon-sang** It's very important that HALLS provides opportunities for employees to express themselves and so it holds briefing sessions. During these sessions, employees can learn about different aspects of the business, such as the reasons behind their welfare benefits, not just the fact that they receive them. They can give opinions, and although not all opinions are adopted, seeing some revised and created through this process fosters a greater sense of belonging.

**Lee Yu-jin** I believe that the work environment significantly impacts the satisfaction of both executives and employees. Knowing that there is an organization like HALLS within reach, where one can comfortably communicate, enhances and facilitates communication.

**Lee Mi-jung** I've realized that Millennials and Gen Z employees want a clear and accurate understanding of the company's vision more than I initially thought. Despite their individualistic tendencies, these young employees are particularly eager to know if their personal growth aligns with the company's growth.



What did you perceive through the activities of the first team?

**Lee Woon-sang** In the case of the first team, there weren't many single or younger generation employees. I hope that the next team's operating committee will include more diverse backgrounds in terms of generation and gender.

**Lee Yu-jin** That doesn't mean the opinions of the first HALLS team were not diverse. For example, the proposal for a company-run daycare center came from someone who does not have children. HALLS is a system where anyone can freely discuss the company's systems and benefits.



Employees Committee, **Lee Yu-jin**

Currently<sup>(as of May 2024)</sup> you are recruiting for the second term of HALLS. Do you have anything to say to the new operating committee members?

**Lee Woon-sang** It would be beneficial to think of everyone as colleagues working from the same position. The atmosphere is open and free, but sometimes there is concern that speaking up might lead to disadvantages. However, that is not the case at all, and you should feel free to voice your opinions actively. Of course, everyone has their primary job responsibilities, so time management is necessary. I am very proud and happy that our opinions are being expressed and addressed because we are building greater cohesion in the company.

**Lee Mi-jung**

**Lee Yu-jin**



# Grow with Society

## Respect and Trust for All

SeAH dreams of a society where everyone lives well together. That's why we are committed to caring about the company's stakeholders, the community, and the society to which the company belongs. In all our activities, we seek mutual growth and sustainability based on trust and respect.



Interview: Park Eui-Sook, Chairman

# SeAH Woon Hyung Lee Foundation



SeAH Woon Hyung Lee Foundation celebrated its 10th anniversary last year. The legacy of the late Chairman Lee Woon-hyung of SeAH Group, whose interest and love for opera led to its sponsorship, continues to this day. According to Park Eui-sook, opera is a precious value that transcends comprehensive art and is shared and enjoyed by many.

**The sponsorship of opera began with the late chairman and has continued quietly and firmly to this day. What did the late chairman mainly think and say about opera?**

It was never just a formality. While serving as the director or sponsor of the opera company, he embraced the role not as an honorary position with a limited term but as a lifelong passion, earnestly studying the art form and sharing it with others. He pored over books on opera and kept opera CDs in his car, listening to them constantly. Employees who traveled with the chairman said that their appreciation for opera was awakened, and they grew to enjoy it. He not only listened to works prepared by the National Opera but also explored world-famous arias individually, and he always studied them by attending classical lectures hosted outside the company every week. An acquaintance who attended classical lectures with the chairman remarked that Chairman Lee Woon-hyung resembled a student studying for a college entrance exam.

**As the chairman, what do you think is the charm of opera?**

Opera is unmatched in its musical significance and has been cherished by audiences through the ages. There are many reasons for its enduring appeal, but primarily, opera is a complex and comprehensive performing art that encompasses all forms of art. In one performance, you can enjoy the ensemble of vocal music, instrumental music, and choir. Opera combines literature, acting, dance, art, and performing arts into a singular artistic experience.

**What is your personal favorite opera or opera stage?**

I particularly admire Verdi’s opera La Traviata, especially the performance I attended at the Salzburg Festival in Austria in 2005. Another favorite is Bellini’s I Puritani, which is considered the pinnacle of his bel canto operas and his final work. This opera was also featured in a regular concert at the Seoul Arts Center this year.

**Is there a way to enjoy opera more easily and conveniently?**

Given that operas have been performed in their original language from the time the music was composed, it can be challenging to understand them just by watching the performance and reading subtitles simultaneously. However, as the saying goes, “You see as much as you know.” Familiarizing yourself with the historical background or the plot in advance can greatly enhance your enjoyment of the opera.





**I think you are putting a lot of effort into sharing opera with SeAH employees and expanding opportunities for them to appreciate it.**

In our headquarters building, there is a small auditorium where I have been lecturing and studying opera with the employees. I spend over a month preparing for a two-hour lecture. The more employees learn, the more interested they become. Now, instead of having formal conversations at company dinners, they discuss things like “How did you like that opera’s aria?” I am thrilled about teaching and receiving such engaging feedback.

**What criteria do you use to select the works that the Foundation hosts or sponsors?**

There are two approaches. Regular concerts introduce works that we want to share with the public, while regional concerts present opera pieces that are familiar and relatively accessible for the audience. For sponsorship of arts organizations, we comprehensively review the project’s significance and its potential for future expansion and impact. For instance, we sponsor the Korea Small Theater Opera Festival to promote Korean opera and the Korea National Opera Vocal Competition.



**What kind of activities does the SeAH Woon Hyung Lee Foundation mainly carry out?**

Since 2015, the Foundation has been hosting the SeAH Woon Hyung Lee Foundation Concert as an annual event. The purpose is to enhance the public’s interest in and understanding of opera, as well as to provide a platform for artists to perform and engage with one another. This concert event features vocalists sponsored by the SeAH Woon Hyung Lee Foundation alongside world-class vocalists. Additionally, our ‘Concert for the Beautiful World’ initiative aims to bring cultural and artistic experiences to local communities. This program has been held in locations such as Gunsan, Busan, Changwon, and Chungju, receiving enthusiastic responses. Another key aspect of our work is supporting future opera talents, which we consider vital. Lastly, we support musicology research by publishing music books to provide a stable environment for scholars and so lay a foundation for deeper artistic research. Unlike many foundations that support performers of classical instruments like piano and violin, our support extends to scholars, making our efforts particularly significant. The SeAH Woon Hyung Lee Foundation Collection, published in collaboration with Seoul National University’s College of Music, is even used as a textbook for undergraduate and graduate students.



**I think one of the great achievements of the SeAH Woon Hyung Lee Foundation is nurturing talent.**

Nurturing talent was the first initiative the Foundation undertook after its establishment in 2013. We select opera talent from vocalists who have won awards in prestigious domestic and international competitions through three rounds of evaluation. Once a relationship is established, we continue to support them for up to five years. My aim is to support talent who are dedicated to the path of authentic classical music, focusing the Foundation’s support of pure art. I also want to support talent who can devote themselves to Korean opera.

**Would you share details about a particular talent sponsored by the SeAH Woon Hyung Lee Foundation or who we should pay attention to in the future?**

I’d like to highlight tenor Son Ji-hoon, an opera talent we’ve been sponsoring since 2018. He won The International Tchaikovsky Competition, one of the world’s top three music competitions, in June 2023. In a major news interview after his victory, he honored the late Chairman Lee Woon-hyung, a fervent opera lover, as his most respected figure. This year, Son Ji-hoon made his debut in Korean opera at the Seoul Arts Center with the regular concert I Puritani. He also took the lead role in La Traviata at the Sejong Center for the Performing Arts in April this year. Looking ahead, he is scheduled to perform the lead in I Puritani at the Barcelona Liceu Theater and Rusalka at the Royal Swedish Opera House. Son Ji-hoon is definitely a talent to watch.

**When was the most rewarding and fulfilling moment while running the Foundation and carrying out cultural projects?**

I frequently encounter such moments, especially during our free local concert series, ‘Concert for the Beautiful World’. When I greet attendees in the lobby, I often meet many people experiencing opera for the first time. Their expressions of gratitude, holding my hands and telling me how much they appreciate the opportunity, are incredibly rewarding. Additionally, during the COVID-19 pandemic, we initiated the COVID-19 Special Sponsorship Fund to support artists living in Europe. Receiving heartfelt thank-you letters and personal visits from these artists upon their return to Korea have been both proud and touching moments for me.

**What are the cultural projects and plans that the SeAH Woon Hyung Lee Foundation will carry out in the future?**

We aim to discover opera works that are not often performed in Korea due to their complex interpretation, musical difficulty, and high production costs. In 2025, we plan to present Dvorak’s Rusalka, a Czech opera. Following that, in 2026, we plan to stage Donizetti’s Roberto Devereux, one of the operas from the so-called Queen Trilogy.



## Introduction to the Scholarship Foundation

# The true meaning of support, SeAH Haiam scholarship foundation



The SeAH Haiam Scholarship Foundation is a public interest corporation founded in 1992. It was founded with private funds by Lee Jong-deok, the late founder of the SeAH Group, who is also known by his pen name, Haiam. Celebrating its 32nd anniversary this year, the Foundation is primarily focusing on scholarship programs while also remaining committed to academic research and support for educational institutions. Helping people grow requires constant effort, interest, and patience, akin to the smelting process used to obtain pure steel. Conse-

quently, the Foundation does not prioritize short-term results or outcomes. Moreover, all of the Foundation's activities are independent of SeAH public relations or management strategies. Its sole focus is always on people. This explains our support not only for students but also for new researchers to establish their positions, and our non-interventionist approach with scholarship recipients, as we emphasize personal development over goal achievement.

**“The purpose of the Foundation is to help excellent domestic talent contribute to the development and advancement of science and technology.”**

Team Leader of the Foundation Office

Most of the Foundation's scholarship recipients are affiliated with engineering. While they are related to SeAH's business, there are no restrictions on their majors. The Foundation employs a flexible method of supporting scholarships. As a result, additional scholarship recipients were selected during the COVID-19 pandemic, and a startup scholarship was established three years ago, which continues to this day. Every year, many students apply for the Foundation's scholarships, resulting in a high competition rate, yet the criteria for applying are not overly stringent. The guiding principle, however, is clear.



**“Scholarship recipients are selected based on Honest, Passionate, Professional, which are core values shared by SeAH and the Foundation. While ability is important, we prioritize a healthy mindset and sincerity. In essence, we aim to select talent who embody the spirit of SeAH.”**



What matters is the applicants' potential, and the Foundation proactively supports this potential. To this end, the Foundation selects the best applicants who embody the spirit of SeAH through systematic steps including document screening, AI screening, and interview screening. An eye for recognizing growth-oriented talent and a heart that firmly believes in and supports them—these are the driving forces behind the SeAH Haiam Scholarship Foundation, which has supported Korean engineering talent for the past 32 years.

Many of SeAH's former scholarship recipients have established solid positions in society. They maintain a strong sense of gratitude towards the Foundation, continuously interacting with it and providing support. Once they become the Foundation's scholarship recipients, they can participate in various networking activities such as camps and field trips, in addition to receiving financial support. This fosters a virtuous cycle among the scholarship recipients, as well as between seniors and juniors and between the Foundation and its recipients.

Moving forward, the Foundation plans to increase its support for entrepreneurial talent. This shift responds to the growing interest among young people in entrepreneurship, equal to their interest in job searching or research. The support offered is not just for show; it's about providing practical support and assistance that young talents need, thereby helping them grow, achieve their dreams, and contribute to the advancement of science and technology in Korea. This enduring commitment is the Foundation's unchanging dream for the future.



SeAH Academy

# A bridgehead for future table tennis talent: SeAH Academy

SeAH meets table tennis

The gymnasium echoes with the cheerful sound of the ball. Young players clad in SeAH Academy uniforms focus intently on the ball and their opponents. These SeAH Academy players are supported by SeAH as part of a program to develop future Korean table tennis talent. The academy was initiated in 2022 through a Memorandum of Understanding (MOU) between the Korea Table Tennis Association and SeAH. Aiming to expand the domestic table tennis base and nurture future talent, SeAH Holdings adopted a macroscopic approach to develop the sport. It established the SeAH Academy in partnership with the Korea Table Tennis Association, targeting the development of young players. Official recruitment began in March of the previous year, marking just over a year since training commenced.

The first corporate-sponsored table tennis talent development

SeAH Academy stands as the first corporate-sponsored table tennis academy in Korea targeting young players. The academy trains about ten boys and girls from second to fourth grade, focusing on developing their basic skills. Reflecting SeAH's long-term vision, the academy emphasizes nurturing players not only with skills in table tennis but also with personality and intelligence, aiming to represent Korea as world-class athletes. The academy provides systematic and comprehensive education tailored to age groups, including character development and foreign language instruction.

Moreover, SeAH Academy aims to enhance the youth table tennis training environment and rekindle public interest in the sport through the progress of its players. The player selection process is rigorous, involving around ten experts including the national table tennis team coach and officials from the Korea

Table Tennis Association and technical federation insiders. Candidates are evaluated through a variety of methods, including physical tests, table tennis skills assessments, and self-introductions. Selected players engage in intensive training during after-school hours and weekends, participating in a range of programs such as overseas training, mentoring courses, and joint training sessions.

SeAH Academy players also have opportunities to test their skills and gain insights by participating in youth competitions. Many of these players have achieved commendable results in grade-level or regional competitions. They benefit from various opportunities, such as participating as escort kids in the WTT (World Table Tennis) international tournament sponsored by SeAH and attending master classes from world-class players.





**For the future  
table tennis  
gold medalist**

SeAH's support for table tennis extends beyond corporate promotion, image enhancement, or immediate performance outcomes. Young table tennis talent, already gaining international recognition, are receiving quiet and steady support from SeAH. The initiatives of SeAH Academy can set a commendable precedent for the field of table tennis and broader sports disciplines. Long-term and macroscopic support requires patience. However, with SeAH's continuous support and its systematic educational program, the young players at SeAH Academy are poised to develop into outstanding table tennis athletes, endowed with both character and skills. With SeAH's strong backing, these young players with boundless potential are assured continued interest and affection.



# Mini Interview

**When and how did you join the Academy as the director?**

Previously, I was a full-time director of national team candidates at the Korea Table Tennis Association. I joined the Academy in December 2022, and my transition followed shortly after the Korea Table Tennis Association and SeAH signed an MOU.



| Cho Yong-soon, Director of SeAH Academy

**What kind of players do you have at the Academy?**

Most of our players are kids who have been engaged with table tennis or have shown an interest in it since childhood. They come from various regions, including Daejeon and Jeju. The Academy is currently based in Anyang, and because of this location, some students have moved to the city with their entire families to attend the Academy. Considering the logistical challenges, we initially recruited a small group of 20 to 30 students. After an objective selection process, we have finalized around ten players for the Academy.

**What are the characteristics and advantages of SeAH Academy?**

Many people invest only in the immediate results they can see, but SeAH is dedicated to supporting individuals from the foundation up. The company consistently demonstrates an attitude of, "What more can we support?" In particular, I admire its commitment to nurturing young athletes into table tennis players who are both skilled and of excellent character over the long term, rather than focusing solely on short-term results. This approach is quite rare, and it compels me to strive for excellence.

**I understand that SeAH has a long history of sponsoring table tennis, supporting promising players from around the world.**

A few examples include Lee Seung-soo, a male player, and Heo Ye-rim, a female player. SeAH has sponsored Lee Seung-soo since he was in elementary school, and we continue to sponsor Heo Ye-rim. These players are currently achieving incredible results in world competitions. Table tennis is almost unique in that young players can outperform adult players through skill alone, which is why the impact of sponsorship is so significant.

**I am keen to understand the reactions of not only the young hopefuls but also their parents.**

Currently, everyone is eager to join us. Perhaps this enthusiasm is due to the programs supported by SeAH, which are designed not solely around training but also to foster proper growth in young players. I feel a strong sense of mission and responsibility. Having primarily selected SeAH Academy players from children just starting out, I plan to approach the recruitment of additional players with care. Depending on our current progress, I think I may be able to add one or two more players later.

**How do you plan to operate the Academy and train players in the future?**

I plan to establish a youth team at the Academy for children up to the 9th grade, organizing it into separate academy and youth teams. I'm planning to build an organic system to support this structure. Where players with exceptional skills can transition directly to professional teams while still in high school.

**What are your personal goals or dreams as a coach?**

Given that table tennis is currently experiencing a downturn, my goal is to revitalize it as a medal-winning sport through a long-term project. We aim to secure medals at the 2032 and 2036 Olympics. I also want to establish a youth table tennis team. I believe that if we can create a successful model, it will draw significant attention and boost interest in table tennis.



# Grow with Earth

## Steps for the Environment

The Earth does not belong to us alone. To ensure future generations can inhabit a cleaner Earth and pursue sustainable coexistence, SeAH is dedicated to finding and implementing solutions that extend beyond its business areas, benefiting everyone living on Earth.



H<sub>2</sub> MEET 2023

A beautiful wave,  
inspired by SeAH

Hydrogen: The next-generation energy,  
SeAH's new growth engine that makes the  
world beautiful

Developing next-generation energy is a crucial task for our future, our planet, and all industrial sectors. Research and innovation in eco-friendly alternative energies like wind and solar are the key to ensuring corporate sustainability. The H<sub>2</sub> MEET exhibition, held at KINTEX in September 2023, served as a crucial platform to showcase SeAH's commitment to a sustainable future. H<sub>2</sub> MEET is an industry exhibition focused on the hydrogen ecosystem's supply chain. At this event, SeAH established integrated booths for six affiliates—including SeAH Steel, SeAH Besteel, SeAH Changwon Special Steel, SeAH Special Steel, SeAH Aerospace & Defense Materials, and CTC—to demonstrate SeAH Group's hydrogen-related products and technological prowess. As the hydrogen industry garners interest from both public and private sectors, numerous stakeholders from the political and business communities visited the H<sub>2</sub> MEET exhibition and praised the SeAH booth for being the most beautiful at the exhibition.

SeAH's booth, themed 'A Beautiful Wave, inspired by SeAH', featured transparent acrylic pipes designed to mimic a wave of water—a symbol of the hydrogen industry. The booth's front was particularly striking, displaying media art that illustrated how SeAH's technology supports hydrogen producers, distributors, and end-users, portraying a flourishing hydrogen ecosystem.







The hydrogen-related materials and products developed by SeAH are vital for building a comprehensive hydrogen ecosystem and align with SeAH's vision of making the world beautiful. SeAH envisions to become a leader in advanced metal materials by supplying various hydrogen pipes and parts that connect the entire supply chain of the hydrogen ecosystem—from production and storage to transport and utilization.

Furthermore, SeAH has been an active participant in the H<sub>2</sub> Business Summit, a voluntary consultative body of companies established in 2021 to achieve carbon neutrality. Through its involvement, SeAH is spearheading efforts towards a global hydrogen economy, emphasizing R&D investment and collaboration with diverse enterprises.

For SeAH, which underpins the entire industry with its steel products, developing hydrogen energy represents a commitment to a sustainable future through the transition to eco-friendly energy sources. Looking forward, SeAH intends to explore new alternative energy markets such as offshore wind power and electric vehicles, driven by ongoing technological research aligned with eco-friendly energy transitions. SeAH's commitment to making the world a better place is more than a promise—it's an actionable plan starting now.



The product zone at the booth was creatively divided into four categories—production, storage, transport, and utilization—all within the hydrogen ecosystem. It showcased various pipes and fittings through the use of infinity mirrors, receiving favorable reviews from visitors. While hydrogen is a promising next-generation energy source, it poses challenges such as its expanding properties and the need to maintain low temperatures. However, the unique material properties of hydrogen necessitate the use of advanced materials and special metals like stainless steel and aluminum, which were prominently featured in SeAH's showcase of various hydrogen-related parts at the H<sub>2</sub> MEET exhibition.

In fact, four affiliates under SeAH Besteel Holdings supply special steels, stainless steel, and aluminum alloy materials enhanced for hydrogen embrittlement resistance. They also provide critical components such as fittings and valves related to piping and joining. Noteworthy products include SeAH Changwon Special Steel's 316-series stainless steel bars and 316L stainless seamless steel pipes—made without welding—which are gaining significant attention in the hydrogen sector. Also standing out are CTC's stainless precision pipes, used as fuel supply tubes for hydrogen cars and charging stations. Additionally at the exhibition, SeAH Aerospace & Defense showcased aluminum alloy hydrogen tank parts and hydrogen car compressor wheels, demonstrating the extensive material capabilities within the hydrogen ecosystem.





Green Achievement

SeAH Achievement Award winners who practice SeAH's ESG

Seah Achievement Award

The SeAH Achievement Award annually recognizes teams for their outstanding achievements in the previous year, and selections have taken place every January since 1997. The awards feature several categories including the Grand Prize, Gold Prize, Silver Prize, and Special Prize. The selection criteria, both quantitative and qualitative, are stringent, leading to only seven teams being selected for the Grand Prize over the past 25 years. In 2023, however, five teams were recognized through rigorous screening processes and recommendations from each affiliate. Notably, with the increasing importance of ESG management, awards for environment-related achievements were in the Gold and Silver Prize categories.



2023 SeAH Achievement Award Gold Prize  
SeAH Changwon Special Steel | Green Steelmaking New Technology, ECO-SeRO<sup>1)</sup>

The shift towards “green steel” is a critical and ongoing transformation in the steel industry, characterized by an increasing adoption of electric furnaces due to their relatively low carbon emissions. SeAH Changwon Special Steel has taken this a step further with the development of a pioneering eco-friendly electric furnace technology called ECO-SeRO. This innovation reimagines the potential to further reduce carbon emissions from electric furnaces. Traditionally, An electric furnace is a facility that melts iron scrap and alloy iron using electricity to produce molten iron, with oxygen and the heat generated by the electric arc. The 3rd Steelmaking Team at SeAH Changwon Special Steel developed a groundbreaking oxygen-free operation technology that relies solely on the heat from the electric arc, eliminating the oxidation process. This not only lowered manufacturing costs but also cut carbon emissions by 24% compared to 2018. This advancement, following their earlier development of low-oxygen operation technology, showcases SeAH Changwon Special Steel’s technological expertise and commitment to sustainable process systems.

**Awarded Team** The 3rd Steelmaking Team at SeAH Changwon Special Steel



<sup>1)</sup> ECO-SeRO (SeAH non-Environmental CO<sub>2</sub>/NO<sub>x</sub> zeRO): Eco-friendly electric furnace technology at SeAH Changwon Special Steel’s Steelmaking Plant.



2023 SeAH Achievement Award Silver Prize  
SeAH Besteel | “Scrap Substitute” using by-products

The utilization of scrap iron, an essential core material in the steel industry, is also a critical sustainability issue for SeAH. In a time when the transition to green steel—indispensable yet environmentally harmless—is necessary, SeAH Besteel developed the BRM (Briquette for Reduced Metal), a first in Korea, to recycle various iron (Fe)-containing by-products generated within the plant. This technology, which took four years from development to production and application, has allowed SeAH Besteel to establish a process for securely sourcing iron through its own resource circulation process while minimizing waste generation. BRM is created by mixing various by-products such as dust and sludge, both in the form of iron oxides, with reducing agents and bituminous coal to form lumps. When introduced into an electric furnace, BRM produces the same iron as that obtained using scrap iron. Utilizing BRM not only reduces waste disposal costs but also replaces scrap iron, the raw material for special steel. With its patent now registered, BRM is expected to increase profitability by more than KRW 3 billion per year. Looking ahead, SeAH Besteel is exploring opportunities to expand the use of BRM raw materials, improve energy efficiency by converting BRM carbon material to biomass, maximize input efficiency, and establish a preliminary BRM reduction system using waste heat from an electric furnace.

**Awarded Team** SeAH Besteel Process Research Center, Steelmaking Production Office, Material Management Team, Purchasing Team 1.





Interview: SeAH Innovation Center

# SeAH’s lab for the future: SeAH Innovation Center



| Kim Su-jin, Head of Innovation Center

Discovering SeAH’s potential

No business remains stable and sustainable indefinitely. As the world evolves rapidly, industries, technologies, and the environment are in constant flux, seeking improvements. SeAH, with its strong foundation in the steel industry, is actively responding to these shifts through internal innovation and by exploring both the potential of its existing businesses and new business opportunities. The SeAH Innovation Center (SIC), established in January 2019, was created in response to these needs. SIC features a virtuous cycle where key personnel from major affiliates like SeAH Besteel and SeAH Changwon Special Steel rotate through the center. This model enables the best talents within the SeAH Group to creatively apply their knowledge and experience. Suggestions from SIC are then implemented and realized directly in the field, ensuring practical impact.

Challenges toward green steel

A key focus of the SeAH Innovation Center (SIC) is sustainability and ESG, particularly addressing critical environmental challenges like achieving carbon neutrality—a paramount concern in the steel industry. SIC is at the forefront of projects aimed at developing eco-friendly technologies that can be integrated across the SeAH Group. The center is committed to driving business innovation through analyzing technology trends and reviewing investments in areas such as the hydrogen industry, small modular reactors (SMR), nuclear fusion power generation, carbon capture, utilization, and storage (CCUS), decarbonized steelmaking, material recovery, and recycling.

Beyond fostering business innovation, SIC has made significant advancements in operational innovations to tackle the immediate challenges faced by each plant. Noteworthy projects include a technology review and a demonstration agreement to reduce nitrogen oxides at the SeAH Besteel Gunsan Plant, establishing a carbon dioxide emission management system, and conducting a feasibility study on using direct reduced iron as an alternative to steel scrap. Director Kim Su-jin describes these initiatives as a process “to quickly identify signals of changes in market definition and competition rules, and make necessary preparations from a mid- to long-term perspective.”

SIC’s efforts are not limited to problem-solving and threat mitigation in core operations; they also involve anticipating technological and economic developments in emerging and growing industries, transforming these insights into new business opportunities for SeAH. Through these activities, SIC is playing a crucial role in securing future growth engines and ensuring sustainable growth for SeAH.

In addition, SIC is actively exploring new methods to enhance the safety environment at manufacturing sites. It has established a venture that develops industrial safety solutions, which detect workers’ unsafe behaviors, inform them of these behaviors, facilitate behavior change, and utilize data for education and operation. Recently, these solutions have been implemented at steel and construction company worksites in the United States, extending beyond Korea.



The beginning and end of innovation

SIC is dedicated to fostering a new, stronger SeAH by generating innovative ideas and ensuring their effective implementation and widespread adoption. To this end, SIC’s culture of encouraging challenge and growth, fostering open communication, and promoting collaboration, along with its efforts to develop the capabilities of its members, serve as the driving force behind innovation. Director Kim Su-jin emphasizes, “It is important for both former and current SeAH employees to possess exceptional skills from business, operational, and cultural perspectives, and become leaders who not only excel in their roles but also drive the changes needed for collective growth.” Executives and employees witness the transformative process firsthand, executing it to forge a blueprint for sustainable business growth. This ongoing innovation of SIC is a core reason why the future of SeAH holds such promise.



Interview: SeAH Capital

# Increasing SeAH's domestic and international value



01

Future direction initiated with steel

For SeAH, which operates in the traditional steel business, growth and innovation are even more critical. As a holding company, SeAH Holdings recognized that while internal activities are crucial, there is significant value in operating as a Corporate Venture Capital (CVC) with high strategic and financial utility in the capital market. Thus, SeAH Capital was established in 2022. This entity not only streamlines resource management for internal investments at the Group level but also provides a broader perspective when evaluating external investments. It supports and collaborates with promising startups, positioning SeAH Capital as a blueprint for strategic growth and coexistence. From the standpoint of strategic investment for the future, SeAH Capital is interconnected with the previously mentioned SeAH Innovation Center. While the SeAH Innovation Center focuses on progress through ideation and issue identification, SeAH Capital's role is to solidify and review business opportunities through strategic investments while seeking external collaborations. SeAH Capital CEO Kim Chul-ho elaborates, "At SeAH Capital, the key criteria are the creation of strategic synergy at the group level and the resolution of needs for business departments and employees. As a strategic investor, SeAH Capital identifies industry trends and demands, while also fulfilling its financial role as an investment institution."

Visible results of SeAH Capital

SeAH Capital established three funds by 2023, all focused on investing in companies that synergize with the Group's ESG management goals. From the initial investment review stage, technology verification and business feasibility are rigorously examined through interactions with relevant departments. This strategic approach has enabled collaborations aimed at carbon reduction, eco-friendly product development, and waste resource recycling. Specifically, investments include LD Carbon, which has developed technology for separating carbon black and oil from used tires, and Retech, which specializes in recycling nickel wastewater. These investments are enhanced by production collaborations involving SeAH's steel materials. Additionally, the acquisition of Samjung Development, which operates in the waste resource recycling sector, facilitates the upcycling of various wastes and wastewater.

02

SeAH Capital plays a critical role as a strategic bridge, investing in and acquiring companies and technologies that align with SeAH's core business areas, including those related to industrial accidents and construction. The company also prioritizes discovering new growth engines in foundational industries to the steel sector, such as secondary batteries and semiconductors, with a particular focus on recycling initiatives.



| Kim Jae-ryong, Director of SeAH Capital



| Kim Chul-ho, CEO of SeAH Capital

03

Finding the intersection between tradition and future

SeAH Capital continuously questions itself to achieve strategic outcomes in alignment with its founding purpose as a Corporate Venture Capital (CVC) within the Group, while maintaining a balanced role as an investment company. This commitment to meticulous investment review processes, coupled with valuing flexible thinking and strong communication skills among team members, is foundational to their approach. Their strategy is underpinned by a deep understanding of the industry and an openness to new ideas. This is evidenced by the visible technical results and synergy achieved, even though the company was only recently established. Most importantly, SeAH Capital is dedicated to establishing a successful CVC model, a significant endeavor considering the rarity of CVCs being operated successfully and sustainably. The company is methodically preparing for the future by organizing its efforts into single project funds and blind funds, and plans to continue strategic investments, collaborations, and support based on timing, duration, and need. Observing whether their example will serve as a positive role model not only within their industry but also across the broader industrial landscape is certainly worthwhile.

Future of ESG

# ESG at SeAH as told by SeAH People



**What does SeAH’s slogan, “Make the World Beautiful” mean to you? Personally, or from the perspective of a company executives and employees.**



**Attorney Shin Jih-hye**, Legal Affairs Team, SeAH Holdings

SeAH’s slogan, “Make the World Beautiful,” is something I pondered deeply while preparing to join SeAH, and it held significant meaning for me. When I joined SeAH, I envisioned it as a small yet robust organization that could enhance the larger entity known as the world through its corporate culture, guided by good and honest standards. Now, having been with SeAH for over a year, I have encountered many situations that truly embody this slogan, further convincing me that SeAH is a company I am proud to be a part of.



**Kim Min-ho**, Manager of Business Planing Team, SeAH Special Steel

I see it as a powerful keyword that underscores a company’s responsibility to society. At the corporate level, it is not easy for a steel company to build a positive image, especially in terms of environmental friendliness and societal contributions. However, the slogan “Make the World Beautiful,” inspired by the meaning of the company’s Korean name “SeAH,” carries a natural persuasive power.

**How much are you aware of ESG, a future topic for many companies?**



**Kim Youn-hye**, Associate of Market Solutions Team, SeAH Special Steel

Until a few years ago, ESG was seen as an optional approach, primarily pursued by companies specializing in eco-friendliness. However, with the push for the 2050 carbon neutrality goal, I’ve come to realize the importance of corporate responsibility towards the environment, society, and the need for ESG preparedness. Particularly having been working in the steel industry, which is closely linked to carbon emissions, I have had the opportunity to reflect on our impact on the environment and society. Having worked in sales and marketing before joining the market solutions team, I’ve had firsthand experience with customer perspectives, which has deepened my understanding of our responsibilities in environmental, social, and governance aspects.

**Considering the characteristics of the SeAH Group, which aspect of ESG values do you think is more important?**



**Ahn Jae-chan**, Senior Manager of Environment Management Team, SeAH Besteel

It is how we respond to climate change regulations. SeAH Besteel is committed to achieving carbon neutrality by 2050. As carbon neutrality becomes a crucial global corporate strategy, its success will significantly influence SeAH Besteel’s corporate value and business operations. Achieving carbon neutrality requires substantial investment and concerted efforts. Given that the steel industry is energy-intensive and emits significant greenhouse gases due to its production processes, maximizing the effectiveness of greenhouse gas reduction investments requires company-wide efforts. This includes on-site activities, alongside those of the responsible departments, to focus on internal reduction initiatives.

**Are there any systems, performances, policies, or events that you think SeAH has been consistently performing well in terms of ESG?**



**Lee Na-rae**, Manager of IR Team, SeAH Besteel Holdings

Personally, I believe that compliance management is the area where our company excels the most. We have various committees within the board of directors that promote board-centered management and operate transparently. I am also impressed by the numerous training programs and initiatives designed to encourage compliance and ethical management among employees. Additionally, I think our shareholder-friendly management activities, such as differential dividends and transparent dividend policy announcements, are other areas where SeAH has consistently performed well.

**What is the slogan that resonates the most with you among SeAH Holdings’ new ESG values?**



**Lee Yoon-ah**, Director of SeAH Holdings Communications Unit

The slogan ‘Grow with People’ resonates with me the most. Since those who belong to society (Grow with Society) and live on the stage called Earth (Grow with Earth) are also ‘people,’ I believe the slogan ‘Grow with People’ encapsulates the essence of the other slogans. Furthermore, the term ‘SeAH people’ effectively captures SeAH Holdings’ ESG philosophy of valuing individuals, more aptly than ‘executives and employees’. The direction of ‘SeAH members sharing a positive influence and growing together’ aligns deeply with the philosophy of SeAH’s top management.



“I don’t think ESG is something new or special. It’s simply a different way to describe many of the activities we’ve already been doing, and it doesn’t require any specialized knowledge or expertise. If we can overcome our aversion to and the burdens associated with ESG, and embrace more challenges and initiatives in our respective roles, it will provide a great opportunity to break out of our current constraints.”

**Small practices within the company are also crucial for macro-level environmental protection and clean energy. Are there any environmental practices currently being implemented at the company, either at an awareness level or individually?**

**Choi Yoon-nyung**, Senior Manager of the Environment Team, SeAH Changwon Special Steel

As a member of the Environment Team, I am dedicated to building an evaluation system capable of promoting eco-friendly production. I ensure the thorough implementation of safety and environment pre-inspections before introducing new processes, facilities, or materials, and irregular environmental impact assessments to evaluate the effects of actual changes in processes, facilities, and materials on the environment. When seeking solutions, I am committed to finding ways that fundamentally prevent environmental pollution. Additionally, we seize every opportunity to use environmental education sessions to communicate the significance of ESG, including environmental concerns, to our employees.

**Yang Seon-jin**, Assistant Manager of Mutual Growth Team, SeAH Besteel

I believe that, even though ESG management may not be directly approachable for individuals, it is not difficult for individuals to contribute to ESG initiatives. In SeAH Besteel factories, many disposable products are used, with paper cups being the most common. Although it may seem like a minor detail, I encourage my colleagues to use tumblers instead of paper cups, and I personally follow this practice as well. Reducing carbon emissions can require significant effort and investment, such as facility improvements, making it challenging to implement on a larger scale. However, opting for tumblers over disposable paper cups is a simple yet effective effort that anyone can make.

**Can you suggest any systems or improvements that you would like to see SeAH establish in terms of ESG?**

**Choi Ju-sik**, SeAH Aerospace & Defense Finance Team Leader

I would like to see more opportunities for periodic education and discussion on the concept and importance of ESG. This would include understanding the background of ESG, identifying specific activities or systems that fall under ESG, and exploring possible improvements to SeAH Group's ESG activities. For more in-depth and active participation, it is crucial to create an environment where ESG considerations are given more prominence and focus.

**In what ways will ESG become a more important value for SeAH?**

**Kim Sung-yu**, Director of ESG Technology Center, SeAH Besteel

Each of the Group’s affiliates may have different strengths and weaknesses and occupy varying market positions, but ESG presents us with an opportunity to advance and get ahead. It is challenging for the manufacturing industry, which has grown large, to adapt in terms of ESG. However, we must make more attempts and embrace challenges, viewing it as a chance to secure competitiveness and increase value, rather than seeing it as a costly and laborious process. I don’t believe ESG is something new or special. It is simply another way to articulate the many initiatives we have undertaken repeatedly, and it does not necessitate specialized knowledge or professional skills. By setting aside our aversion to and the burden of ESG, and embracing more challenges and initiatives in our respective roles, it presents an excellent opportunity to break out of the constraints that surround us.

**Yang Seon-jin**, Assistant Manager of Mutual Growth Team, SeAH Besteel

Interest in and responsibility for ESG are not optional for any company; they are requirements. Currently, the most significant aspects within the Group seem to be environmental factors and governance structure. Particularly in today’s market, where uncertain situations occur frequently, the ability to respond effectively begins with a robust corporate governance structure. The company must also be competitive, for the sake of enhancing environmental performance. And I believe the foundation of this competitiveness is a solid governance framework, characterized by ethical management and accounting transparency.





CEO Message

# "We Grow with Good & Right Way"

I would like to express my deepest gratitude to everyone who has shown continuous interest and support for the growth and development of SeAH Holdings. Although we anticipate a challenging business environment this year as well, we are committed to achieving sustainable growth based on business operations that adhere to the fundamentals and the Group's management philosophy of "the Right Way(Jeong-do) Management"

Following the "SeAH Group Sustainability Report", published for the first time in 2023, we are releasing this year's "SeAH Holdings Sustainability Report". Through this report, we aim to share SeAH Holdings' ESG vision and achievements to date with our stakeholders.

Over the past year, SeAH Holdings' ESG management has achieved meaningful results and undergone various changes. We were honored to be selected as the "World's Most Ethical Company in 2024" by Ethisphere, a global corporate ethics evaluation agency, marking the first time a domestic company has received this recognition. This accolade is a testament to the combined efforts of our management and employees in fostering a mature ethical culture. We will continue to uphold a high standard of compliance and ethical management to be a company that is trusted by all stakeholders and exerts a positive influence.

Additionally, to further strengthen ESG management, we established the vision of "We Grow with Good & Right Way," which outlines our direction for sustainable growth. We also created an ESG value system that pursues balanced growth for people, society, and the planet. Through these initiatives, we aim to enable SeAH Holdings affiliates to practice ESG management with a unified direction and to engage with stakeholders through SeAH Holdings' unique growth story.

Lastly, as the Group's holding company, we are committed to establishing a more transparent governance structure. To strengthen board-centered management and enhance independence, we appointed the chairman of the board as an external director and introduce a board evaluation system along with the Board Skills Matrix (BSM). These measures are designed to assess the expertise of directors, thereby increasing the efficiency and expertise of the board.

Dear stakeholders, SeAH Holdings will continue to contribute to creating a more beautiful world by creating value through steel and by showing respect for people, society, and the earth. We ask for your continued support for SeAH Holdings' challenges and innovations toward sustainable growth.

Thank you.

CEO 양영구





**Outro**

**So that everyone can lead a sustainable and happy life.**

SeAH will strive harder to envision an upright and positive influence. Together, we will work for a better tomorrow for all members and stakeholders of SeAH, the community, society, and the earth.



# Third-party Assurance Statement

**To Management and Stakeholders of SeAH Holdings**

NICE Information Service (hereinafter referred to as the “Assurer”) was commissioned by SeAH Holdings to provide independent verification of the “SeAH Holdings Sustainability Report 2024” (hereinafter referred to as the “Report”). SeAH Holdings is responsible for all information and claims included in the Report, and the independent verification opinion was prepared based on the verification results and information disclosed by SeAH Holdings in the Report.

**Assurance Criteria and Scope**

Our assurance engagement was conducted at a moderate level according to international verification standards, specifically AA1000AS v3 (Type 2). Additionally, our review included an assessment according to the GRI (Global Reporting Initiatives) Standards 2021.

- Review of AA1000AP (2018) principles of Inclusivity, Materiality, Responsiveness, and Impact.
- Review of the reliability of the reported data and performance indicators.
- Review of the GRI Standards 2021 reporting principles.
- Review of compliance with the GRI Standards 2021.

We confirmed and verified that the topic-specific Standards of the GRI Standards 2021, linked to the significant topics derived through the materiality assessment, are as follows:

No.	Key Topics	Topic-specific Standard	
		Disclosure Indicators	Reporting Indicators
1	Climate Change Response	201-2, 302, 305	302-1, 302-3~302-4, 305-1~305-2, 305-4~305-5, 305-7
2	Creating a Safe Workplace	403	403
3	Promoting Ethical/ Compliance Management	205, 206	205, 206

**Assurance target and approach**

The Assurer undertook the following activities using the standards outlined above:

- Reviewed the quality of the contents in the Report.
- Reviewed the selection of material topics through the double materiality assessment methodology and the assessment report.
- Reviewed the reliability of reported data and performance indicators of material topics.
- Interviewed personnel responsible for sustainable aspects such as strategies, commitments, and plans included in the Report.
- Reviewed disclosure materials (business reports, website, etc.) to confirm the credibility of information in the Report.
- Reviewed the internal management system, including data generation, management, and reporting processes, for reported performance (using sampling methods).
- Conducted due diligence on-site to confirm the suitability of evidence for key data and information (visited SeAH Holdings HQ).

**Limitations**

The Assurer confirmed the information described in the Report in accordance with the aforementioned verification standards and scope. Some of the reported data were confirmed through external disclosure sources such as business reports and electronic disclosure systems; however, externally published data were not included in the verification scope. The Assurer did not conduct separate interviews with external stakeholders during the verification activities and performed ground verification and interviews with each performance manager during the on-site verification. Data verification was conducted within a limited scope under the assumption that the management processes and data provided by SeAH Holdings were accurate. Data and information related to partners, contractors, or third parties outside the reporting boundary specified in the report are not included in the verification scope.

**Assurance results and opinion**

Based on the document reviews and interviews, we did not find any inappropriate parts in the information and data in the Report based on methods for assurance standards, scope, and targets. Here are our opinions according to each principle.

● **Inclusivity**

SeAH Holdings identifies main stakeholders who influence the business activities as Shareholders and Investors, Customers, Employees, Local Communities, Partners, and Government. SeAH Holdings operates engagement processes tailored to the characteristics of these groups. We confirmed that the company identifies and listens to stakeholders’ opinions in order to reflect them in business decision-making.

● **Materiality**

SeAH Holdings has conducted a double materiality assessment to select material topics. We confirmed that the company selects major issues by analyzing their social and environmental significance through an ESG issue pool, media analysis, benchmarking, and stakeholder surveys, along with financial importance analysis through quantification of ESG strategy linkages and stakeholder requirements analysis. We have identified that three material issues derived from the double materiality assessment were reflected in the Report without omission.

● **Responsiveness**

We have confirmed that SeAH Holdings shares and discusses ESG-related agenda items through the operation of the Group’s CEO Meeting, which is a consultative body of CEOs of affiliates, and proposes and decides on agenda items related to ESG management activities through the operation of the Board of Directors. Additionally, in order to reflect the interests and expectations of stakeholders, SeAH Holdings is actively managing the opinions collected by operating internal and external communication channels such as customer service operations, employee communication channels (including the company intranet and surveys), and partner growth programs.

● **Impact**

SeAH Holdings is setting quantitative indicators and monitoring them to identify and manage the direct and indirect impacts of material topics. We have confirmed that the company measures the impacts of how its activities affect stakeholders in terms of sustainability. It also analyzes values affecting stakeholders from both mid- and long-term perspectives and considers their impacts.

● **Reliability of Performance Information**

Upon verifying the reliability of the performance information through data sampling and reviewing relevant documents concerning SeAH Holdings’ material issues, we did not find any intentional errors or misstatements. SeAH Holdings has been disclosing information on sustainable performance for the past three years, enabling time-series comparisons. We confirmed that certain errors identified during the assurance process were corrected before the publication of the Sustainability Report.

**Recommendation**

The Assurer believes that SeAH Holdings excels in actively responding to internal and external ESG-related laws and regulations through participation in the Group’s CEO meetings. In particular, the Assurer highly values the fact that SeAH Holdings was listed as the World’s Most Ethical Company by Ethisphere in 2024, becoming the first domestic company to achieve this recognition, through continuous management of the ESG performance of its affiliates and the establishment and operation of a transparent ethics management system.

The Assurer recommends the following for the future improvement of SeAH Holdings’ sustainability performance.

1. To enhance ESG performance management, it is recommended that management scope and criteria for each issue be clearly defined, and that the measured performance be continuously managed.
2. Since the management of material issues identified through the materiality assessment is crucial for responsiveness to changes in the corporate environment and risk management, it is recommended to set key KPIs for each identified material issue and to continuously manage their performance.

**Competencies and Independence**

NICE Information Service, which is commissioned by SeAH Holdings to conduct assurance, is an independent assurance provider and an officially licensed provider of AA1000, certified by the UK-based AccountAbility. The assurance was conducted by a team with adequate ESG knowledge and expertise in assurance. We did not participate in filling out the report, and we do not have any interests that could undermine our independence.



**SeAH** Holdings