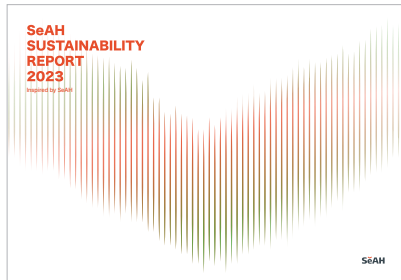


SeAH SUSTAINABILITY REPORT 2023

Inspired by SeAH

About This Report



Cover design

SeAH continues to adapt to a rapidly changing world and customer demands, staying nimble to ensure sustainable growth. SeAH's promise to make the world better is represented through its company logo design—the orange color symbolizes SeAH, while the green color symbolizes a better future.

Overview

This is the first Sustainability Report presenting the Environment, Social, and Governance (ESG) performance and plans of the SeAH Group. Going forward, the SeAH Group will publish this Report every year to share its ESG management performance with various stakeholders transparently as a company pursuing and delivering sustainable values.

Reporting Standards

GRI (Global Reporting Initiative) Standards 2021

Reporting Period

January 1, 2022 – December 31, 2022

* Data for some key performance areas reflect the information from the first half of 2023.

** For quantitative performance, data from the previous three years (2020-2022) have been provided so the readers can understand the yearly trends.

Reporting Scope

Financial reporting: Consolidated financial statements based on K-IFRS

Non-financial reporting: SeAH Holdings, SeAH Steel Holdings, SeAH Steel, SeAH Coated Metal, DOSCO, SeAH Besteel Holdings, SeAH Besteel, SeAH CSS, SeAH Special Steel, SeAH Metal, SeAH M&S, SeAH L&S
Business sites in Korea (deviations from the reporting scope are indicated as notes or presented additionally.)

Assurance

WITH Accounting Corporation (refer to p. 88 Third-party Assurance Statement)

Contact Information

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Chairman's Message



We wish to express our sincere gratitude for your unwavering interest and support for SeAH over the past 63 years.

We have come to publish SeAH's first Sustainability Report in an effort to share the company's ESG vision and activities and meet the rising demands and expectations of all our stakeholders.

Based on a management philosophy defined as "Integrity-based management," SeAH has long been building the foundations for equitable ESG management.

The ideas of creating values through the production of steel and contributing to the development of a better society through respect for its people have been at the core of SeAH's unchanging business DNA ever since its inception in 1960, and have continued to this date.

The year 2022 marks another turning point for SeAH. Following our corporate philosophy of making the world a better place, SeAH declared 2022 as the inaugural year of its ESG management vision and started introducing measures to strengthen the implementation of its ESG goals.

Implementation of ESG management is a promise to everyone, including SeAH and its employees, and a responsibility that we must bear now for the benefit of future generations. In the future, the SeAH Group will continue to advance the tenets of ESG management and make ceaseless efforts to transform the world into a better place for everyone.

July 2023

SeAH Group

Chairman **Lee, Soon hyung**

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Introduction of the SeAH Group

SēAH Holdings

SeAH Holdings is a holding company in charge of managing SeAH's subsidiaries and investment asset portfolios. The company maximizes the return on investment through professional management and resource allocation and develops new business to enhance the future value of SeAH as a whole. The company is persistently upholding SeAH's corporate culture of integrity and enhancing the value of brand assets and corporate image.

Company Name	SeAH Holdings Corp.
CEOs	Lee, Taesung / Yang, Youngju
Establishment	July, 2001
Head Office	45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Key Businesses	Investment and management consulting



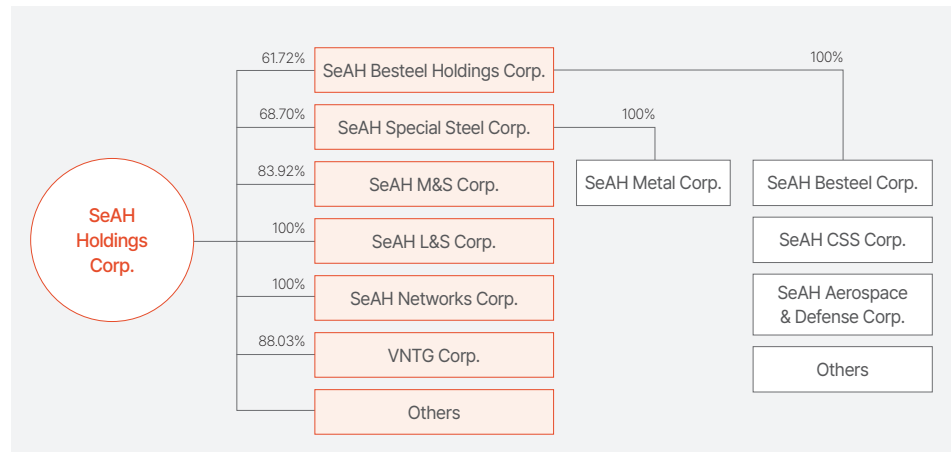
SēAH Steel Holdings

SeAH Steel Holdings manages domestic and overseas investments and subsidiaries, with a focus on welded steel pipe manufacturing. Having expanded its steel pipe business in Korea and abroad, the company is now dedicating more resources to efficient and professional business management. The company is constantly enhancing its global business strategy by analyzing and promptly responding to changing trade environments.

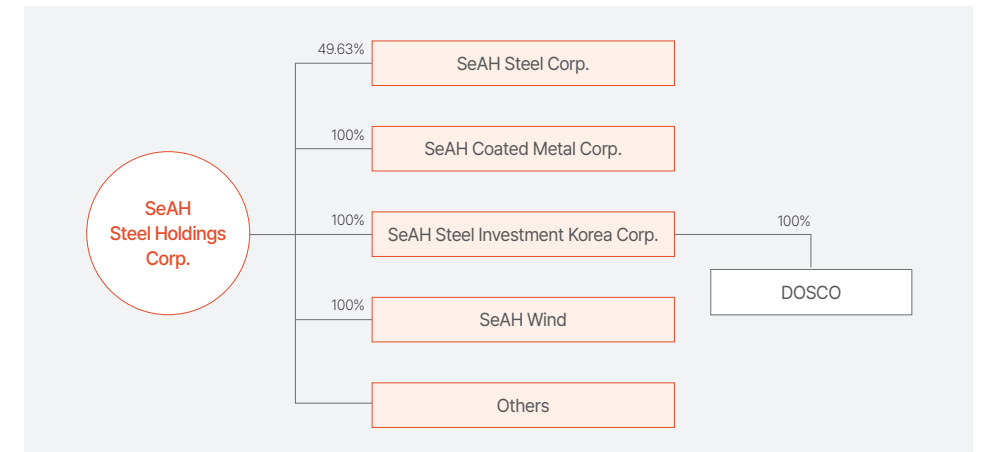
Company Name	SeAH Steel Holdings Corp.
CEOs	Lee, Joosung / Kim, Taihyun
Establishment	October, 1960
Head Office	45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Key Businesses	Investment and management consulting



Subsidiaries of SeAH Holdings



Subsidiaries of SeAH Steel Holdings



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SēAH Steel

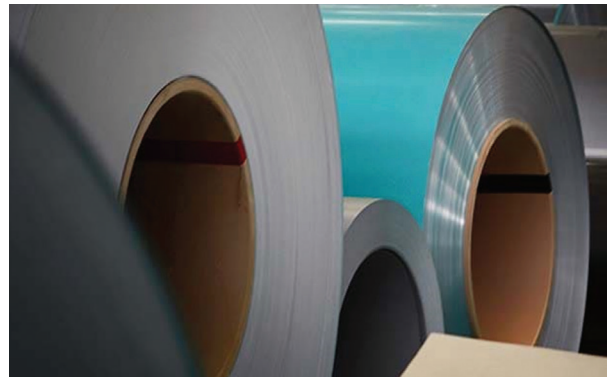
Company Name	SeAH Steel Corp.
CEOs	Lee, Howard Hwiyoung / Kim, Sukil
Establishment	September, 2018
Head Office	45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Key Businesses	Manufacturing of steel welded pipes and tubes



Founded in 1967, SeAH Steel was the first Korean company to export steel pipe overseas. Since then, SeAH Steel has been an industry leader, constantly developing new markets and supplying them with high-value products. The company operates four production plants in Pohang, Suncheon, Changwon, and Gunsan, which focus on high-value steel pipe products for export, large-diameter heavy wall pipes, stainless and titanium pipes, and steel pipes for the Korean market, respectively. SeAH Steel has a strong experience in manufacturing products for use in energy and construction industries. Building on this foundation of experience, the company has recently started developing products for the offshore wind power market, and it has enhanced its competitiveness in the LNG pipe market by operating Korea's largest 24-inch stainless steel pipe facility.

SēAH Coated Metal

Company Name	SeAH Coated Metal Corp.
CEOs	Kim, Dongkyu / Kim, Hudong
Establishment	July, 2017
Head Office	241, Jayu-ro, Gunsan-si, Jeollabuk-do, Republic of Korea
Key Businesses	Manufacturing of surface-treated steel sheets



SeAH Coated Metal is a comprehensive metal sheet manufacturer that specializes in manufacturing cost-effective color coated steel sheet, galvanized steel sheet, and pickled & oiled steel sheet products, which are used as interior and exterior building materials and exterior materials for home appliances. Currently, the company is expanding its portfolio of color steel sheets, which range from general-purpose products to premium products. The company places special focus on a range of high-end products that include color coating aluminized steel sheet, printed steel sheet, MATT steel sheet, and embossed steel sheet, occupying a unique position in the high-end building materials market.

DOSCO

Company Name	DOSCO
CEO	Cho, Jinho
Establishment	April, 1991
Head Office	15, Taein 4-gil, Gwangyang-si, Jeollanam-do, Republic of Korea
Key Businesses	Manufacturing of steel welded pipes and tubes



DOSCO manufactures steel pipes and tubes for structures, consistently improving and investing in its facilities to offer a diversified portfolio of products of the highest quality that meet the expectations of its customers. Its production bases, Gwangyang Plants 1 and 2, are equipped with integrated production lines for slitting, tubulation, and coating. Thanks to the DOSCO's diversified portfolio of products and investment in new facilities, the company has increased the quantities of domestic sales and exports, thus elevating its position in the market for structured pipes and tubes.

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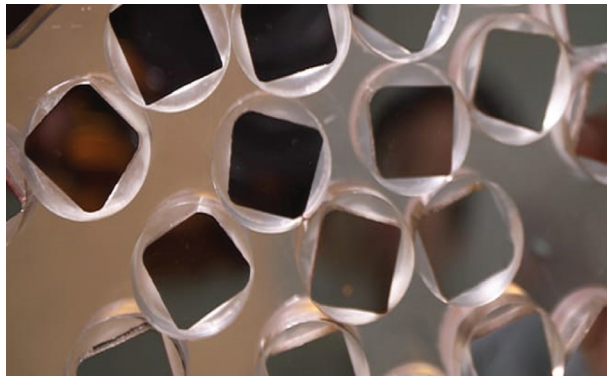
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SeAH Besteel Holdings

Company Name	SeAH Besteel Holdings Corp.
CEOs	Lee, Taesung / Kim, Suho
Establishment	February, 1955
Head Office	45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Key Businesses	Investment and management consulting



SeAH Besteel Holdings is a holding company that establishes strategies for the specialty metal manufacturing business, including special steel, and engages in systematic business management activities. In line with the developing global business environment, the holding company is focusing on the role of creating integrated synergies by strategically managing the product portfolio of its special metal businesses and strengthening its non-financial competencies through strategies such as ESG management and establishment of compliance policy for compliance management system enhancement.

SeAH Besteel

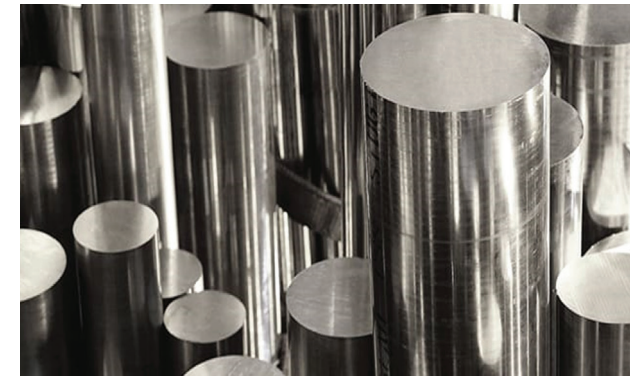
Company Name	SeAH Besteel Corp.
CEOs	Kim, Chulhee / Shin, Sangho
Establishment	April, 2022
Head Office	45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Key Businesses	Key Businesses



SeAH Besteel produces special steel products for automobiles, machinery, and heavy equipment for the construction industry. The company's production capacity is the largest in the Korean market, with an integrated production line comprising steelmaking, rolling, and refining aided by optimal automation processes. SeAH Besteel's R&D center ensures outstanding product quality, solidifying the company's position as a leader in the specialty steel market. Currently, the company is supplying proprietary special steel materials to automobile companies in Korea and overseas. The company is constantly enhancing its product competitiveness by actively signing OEM contracts with global automakers. At the same time, it is also supplying gearboxes for wind turbines and materials for offshore wind power generators, advancing its position in the renewable energy market.

SeAH CSS

Company Name	SeAH CSS Corp.
CEOs	Lee, Sangeun / Lee, Junghoon
Establishment	February, 1997
Head Office	147, Jeokhyeon-ro, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Republic of Korea
Key Businesses	Manufacturing of high-grade special steel



SeAH CSS is the only company in Korea that consistently produces stainless steel long products. Since joining SeAH in 2015, SeAH CSS has established its position in the high-end special steel market through expertise and differentiation. The company produces stainless steel wire rods, bars, and seamless steel pipes, along with a variety of products including tool steel and mold steel. The company's products serve as core materials in industrial machinery, industrial plants, automobiles, and shipbuilding.

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SēAH Special Steel

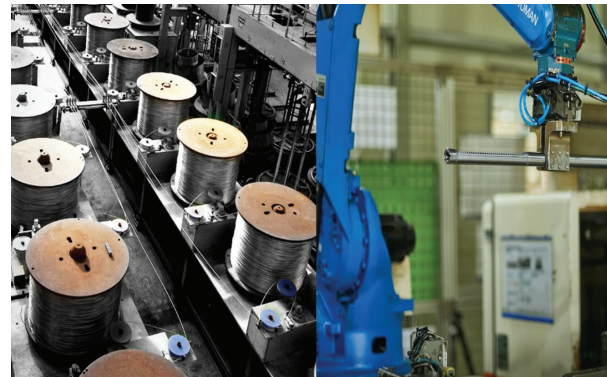
Company Name	SeAH Special Steel Corp.
CEO	Suh, Youngbum
Establishment	November 1986
Head Office	40, Goedong-ro, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea
Key Businesses	Manufacturing of special steel wires



SeAH Special Steel specializes in processing steel wire products as basic material for specialty parts used in electronics, automobiles, industrial machinery, ships, and construction. The company has innovated high quality products by developing its own Hydrogen Furnace to control and stabilize production quality. Consistent investment in R&D has resulted in outstanding product technology and competitiveness. The company has expanded its product portfolio to include high-value materials such as wire rods and steel bar.

SēAH Metal

Company Name	SeAH Metal Corp.
CEO	Lee, Kanghyun
Establishment	March 1994
Head Office	280, Gongdan-ro, Seongsan-gu, Changwon-si, Gyeongsangnam-do, Republic of Korea
Key Businesses	Manufacturing of stainless steel wires and automobile parts



SeAH Metal produces stainless steel wires and automobile parts. The company was launched as a specialty stainless steel wire rods processing company and later expanded its capacity into the production of automobile parts. Using the latest manufacturing facilities and strict quality control practices, the company produces a wide range of stainless steel wire products, supplying a variety of industrial sectors. SeAH Metal's rack bars and pinion shafts, for example, are used in a variety of car models by international vehicle manufacturers. The company is renowned for its prompt delivery of products that are reliable and boast outstanding quality.

SēAH M&S

Company Name	SeAH M&S Corp.
CEO	Cho, Kyuhwan
Establishment	February, 2006
Head Office	188, Sandanjungang-ro, Yeosu-si, Jeollanam-do, Republic of Korea
Key Businesses	Manufacturing of molybdenum ferroalloys and nonferrous metals



SeAH M&S produces ferro-molybdenum alloy, a rare metal that is key to the production of specialty steels and semiconductors. The supplies include various processed ferroalloy products, such as molybdenum oxide powder, ferromolybdenum, and ferrovandium, which are developed through advanced roaster facilities and environment-friendly technologies. Moreover, SeAH M&S is pursuing growth as a global company that provides comprehensive resource solutions by investing in resource development areas, such as the supply of coal (bituminous coal, anthracite) and other nonferrous metals (nickel) as core resources in resource, material, and energy industries.

Business Portfolio

SěAH L&S

Company Name	SeAH L&S Corp.
CEO	Cho, Kyuhwan
Establishment	February, 1985
Head Office	348, Cheolgang-ro, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea
Key Businesses	Logistics, transportation, and processing and distribution of steel materials



SeAH L&S is a logistics and processing distribution company specializing in special cargo for steel products. The company has accumulated experience and know-how in logistics and steel processing. Currently, SeAH L&S is focusing on developing ways to generate higher customer value using its nationwide network of branches and infrastructure.



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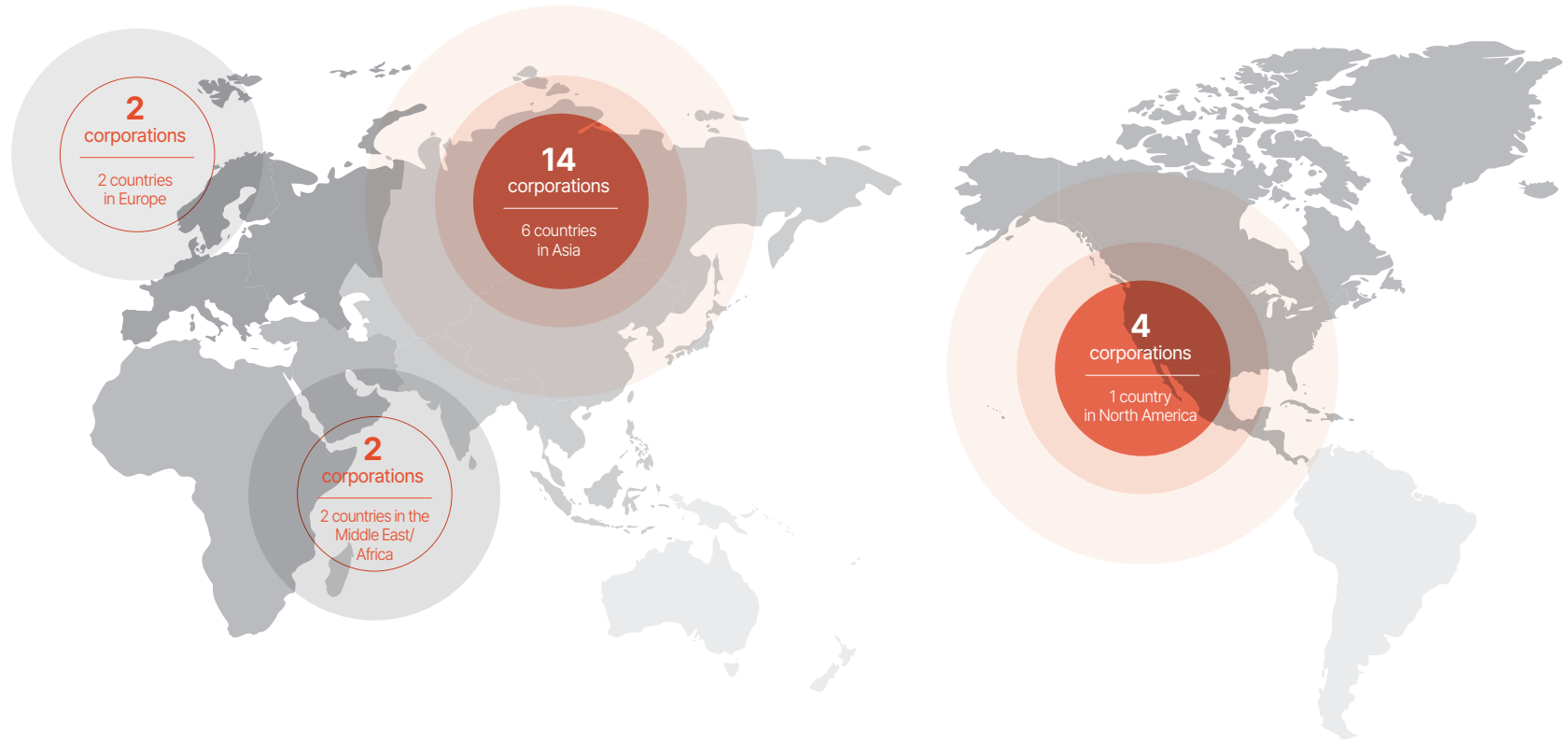
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Asia

SeAH Steel Vina
Vietnam Steel Pipe
SeAH Japan

SeAH Global Vina
SeAH Global(Thailand)
SeAH Global India
SeAH Global Japan
SeAH Global Indonesia
SeAH M&S Vietnam

POS-SeAH Steel Wire(Nantong)
POS-SeAH Steel Wire(Tianjin)
POS-SeAH Steel Wire(Thailand)
SeAH Automotive(Nantong)
SeAH CTC

North America

SeAH Steel America
State Pipe & Supply
SeAH Steel USA
SeAH Global Inc

Europe

Inox Tech
SeAH Wind

Middle East / Africa

SeAH Steel UAE
SeAH GSI

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SeAH History

Since the inception of Pusan Steel Pipe Industrial company in 1960, the SeAH Group has been constantly developing business areas with potential rather than settling for existing expertise. The group has aimed to become a leader in the steel industry, drive industrial development, and establish a presence in the global market. SeAH has developed into a group whose specialized steel products are produced and sold across a professional and diversified steel business network.

Group History

1960 ~ 1980

- 1960 Established Pusan Steel Pipe Industrial (currently SeAH Steel Holdings)
- 1967 First in the steel pipe and tube industry to export to the U.S. (Pusan Steel Pipe Industrial)
- 1975 Changed company name to Pusan Pipe
- 1979 Established Haiduk Transportation (currently SeAH L&S)

SeAH Steel's early-stage rolling roll



1981 ~ 2012

- 1988 Acquired Changwon Steel (currently SeAH Special Steel)
- 1994 Acquired the businesses of Sammi Metal (currently SeAH Metal)
- 1996 Changed the group name to 'SeAH' and announced the new name officially
- 1998 Launched the color-coated steel sheet business SeAH Steel and completed construction of the sheet plant in Gunsan (currently SeAH Coated Metal)
- 2001 Established SeAH Holdings
- 2003 Acquired KIA Special Steel (currently SeAH Besteel Holdings)
- 2010 Established Kwangyang Ferroalloy (currently SeAH M&S)

Initial SeAH logo announced in 1996



2013 ~ Present

- 2013 Moved headquarters to an integrated office building, SeAH Tower
- 2015 Acquired POSCO Specialty Steel (present SeAH CSS)
- 2017 SeAH Coated Metal Spin off from SeAH Steel's steel sheet business
- 2018 Established a system of two holding companies by splitting off SeAH Steel Holdings
- 2020 Acquired Arconic Korea (currently SeAH Aerospace & Defense)
- 2021 Established SeAH Wind
- 2022 SeAH Besteel split off from SeAH Besteel Holdings

SeAH Tower, an integrated office building



ESG History

1969

- 1969 Carried out an initial public offering Introduced Korea's first worker-ownership system
- 1970 Selected by the National Tax Service as a Faithful Tax Reporting Corporation
- 1998 SeAH Metal, Selected as a Company with Outstanding Labor-Management Cooperation

2000

- 2002 SeAH Special Steel, Selected as a company with Excellent New Labor-Management Culture
- 2003 SeAH Steel, Won a Circulatory Management Award at the First Ethical Management Awards
- 2012 SeAH CSS, Received a ministerial citation for gender-equal employment
- 2014 SSeAH CSS, elected by the Ministry of Employment and Labor as a Company with Excellent Labor-Management Culture

2020

- 2020 SeAH Besteel, Selected as an Exemplary Business Place for Industrial Peace of Jeollabuk-do
- 2020 SeAH Coated Metal, Acquired grade A (top 10% in the country) in the safety and health cooperation program conducted by the Ministry of Employment and Labor
- 2021 SeAH Group, Participated in the Joint 2050 Net Zero Declaration of the steel industry
- Established the stakeholder policy and the human rights management policy
- Announced its compliance management policy
- SeAH Steel, Issued the first ESG green bond
- SeAH CSS, Joined the Korea H2 Business Summit

2022

- 2022 SeAH Steel, Won the Presidential Award at the Labor-Management Culture Awards hosted by the Ministry of Employment and Labor
- SeAH Group, Built a system for the prevention of three zero tolerance actions
- Established the Third-party Code of Conduct

2023

- 2023 SeAH Steel Holdings, SeAH Steel, SeAH Coated Metal, Published the group's first Sustainability Report
- Acquired ISO 37301 for the first time in the steel industry
- SeAH Capital, Formed the SeAH ESG Investment Association Fund No. 1

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SeAH Identity

Core Value

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.

Passionate : Dedicated Passion

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

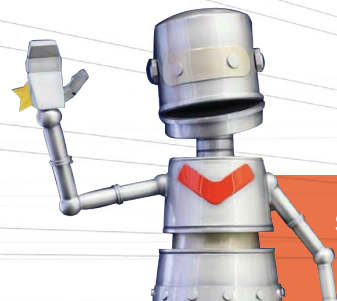
Honest : Virtuous Integrity

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



Professional : 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.



SERON, Our Core Value Character
SERON = SeAH + IRON

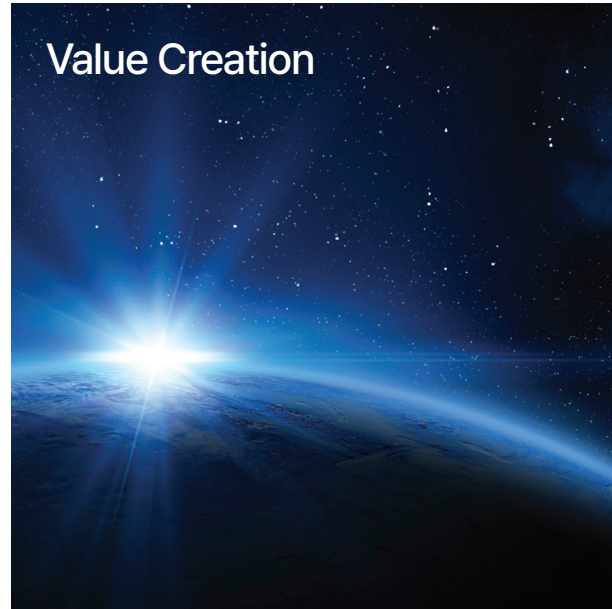
SERON is a name created by compounding the words SeAH and IRON, and is a mascot that diffuses three core values of SeAH. Affable SERON projects the image of SeAH's employees who strive to transform the world into a beautiful place by preserving SeAH's core values of honesty, passionate, and professional.

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SeAH Identity

Brand Story

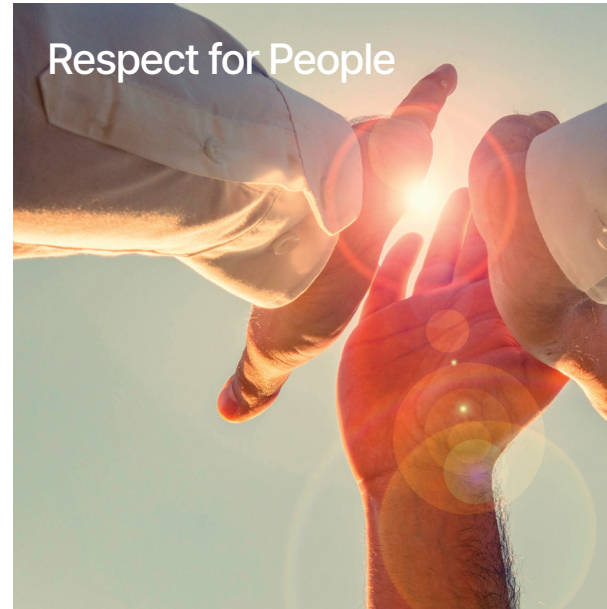
Value creation, respect for people, and social contribution are the cornerstones of SeAH's management philosophy. SeAH may be unnoticeable, but it is never far from society, delivering timeless values and working for a beautiful future.



We satisfy our customers by working constantly to develop better products and services, and do our utmost to create values that enrich our lives and society.

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'.



Based on its guiding principle that all values originate from people, SeAH engages in equitable personnel management and fosters the development of its talented workforce from a humanistic perspective, allowing employees to confidently maintain leisurely lives.

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.



In pursuit of its goal to better serve society and its people, SeAH has played a key part in developing the basic national industries. Moreover, SeAH fulfills its role and obligations as a corporate citizen, driven by a spirit of self-innovation and dedication to social service.

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.

Our Approach to ESG

The SeAH Group regards the implementation of ESG management as an opportunity to raise its corporate value. SeAH is thus advancing its ESG management strategies in order to become a more sustainable company.

The SeAH Group will strive to realize its aspirations of making the world better by minimizing its environmental impact, fulfilling its social responsibility, and pursuing Integrity-based management practices.



Minimizing the Environmental Impact

SeAH constantly seeks and considers ways to implement innovative measures that can improve the environment.

While researching the development of environmental-friendly materials and technologies for a healthier future, we strive to minimize our environmental impact through the reduction and replacement of pollutants throughout our production cycle.

ENVIRONMENTAL



Fulfilling Social Responsibility

SeAH strives to fulfill its social responsibility and prioritize corporate activities that generate a positive impact on our society.

We create an environment of respect for our employees, are considerate to neighbors in need, and pursue equitable corporate activities through legal compliance and ethical management policies.

SOCIAL



Integrity-based management

Since the early stage of its foundation, SeAH has been pursuing a integrity-based management system centered on equitable principles and building a corporate culture based on transparent, fair, ethical, and responsible management.

Recognizing that the accumulated trust in our company has given SeAH a robust path to success, we will continue to spare no efforts to live up to the expectations and trust of all our stakeholders.

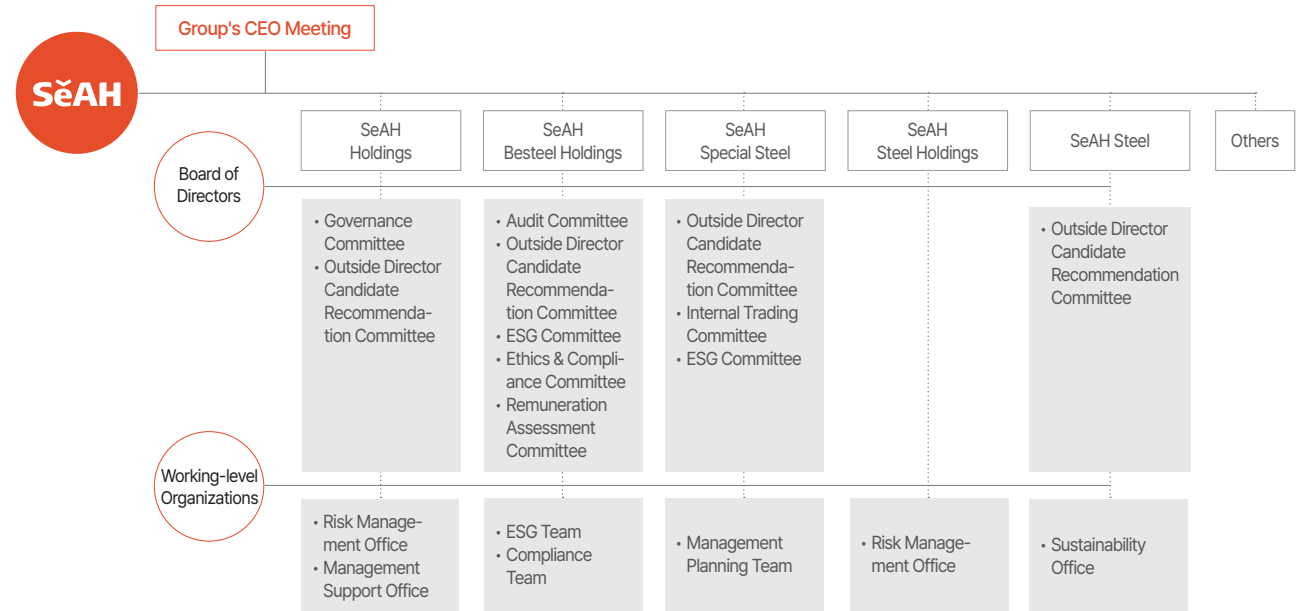
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ESG Governance

The ESG Governance System of SeAH Group

The SeAH Group convenes the **Group's CEO Meeting (Sustainability Meeting)**, a council comprising the CEOs of the Group's companies, in order to identify ESG risks from a holistic perspective and respond proactively to related issues. Additionally, we have reinforced our business management centered on the Board of Directors (BOD) to keep pace with the rapidly-changing ESG environment and installed various committees under the BOD of listed companies. We have also established a system where the CEOs of the Group's companies are evaluated based on ESG and compliance KPIs, ensuring that ESG performance is linked to corporate management performance.

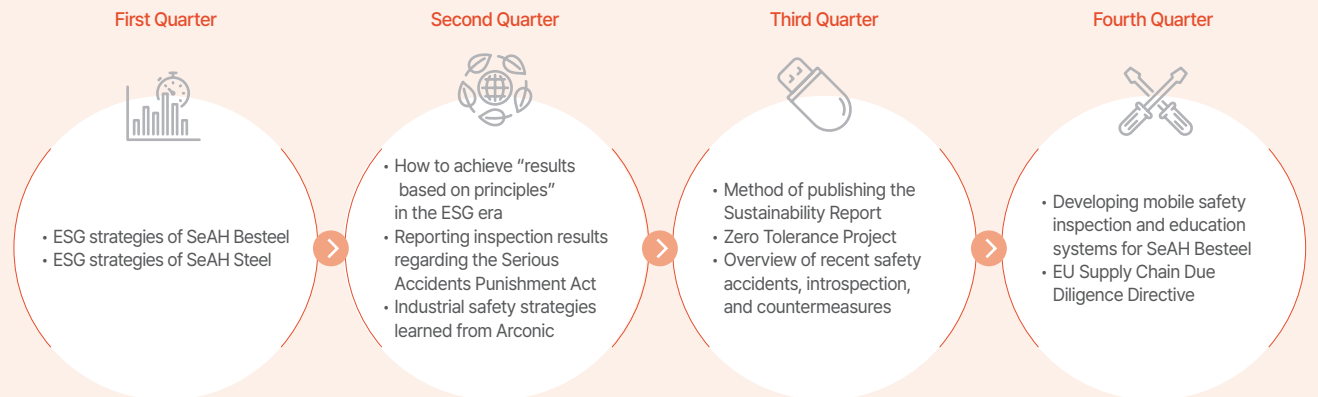


Group's CEO Meeting (Sustainability Meeting)

The affiliates of the SeAH Group are engaged in various activities that address the rising demand for corporate sustainability. These activities come as a result of enforcement of the Serious Accidents Punishment Act, the overall amendment to the Monopoly Regulation and Fair Trade Act, and mandatory ESG disclosure, and include inspecting compliance management capabilities, responding to the Serious Accidents Punishment Act, establishing ESG strategies, and building an integrated SHE system.

In March 2022, we launched the Group's CEO Meeting to check and share the current status and strategies of each Group company regarding ESG and compliance. The CEO Meeting, composed of the Chairman of the SeAH Group and the CEOs of each company, is the Group's highest operational meeting and is conducted quarterly. In 2022, the Meeting participants discussed 10 topics, including the ESG response strategies of SeAH Besteel and the Zero Tolerance Project. In the future, we will continue operating the Group's CEO Meeting to ensure systematic compliance with ESG-related laws and regulations.

Quarterly Topics of the Group's CEO Meeting



Stakeholder Engagement

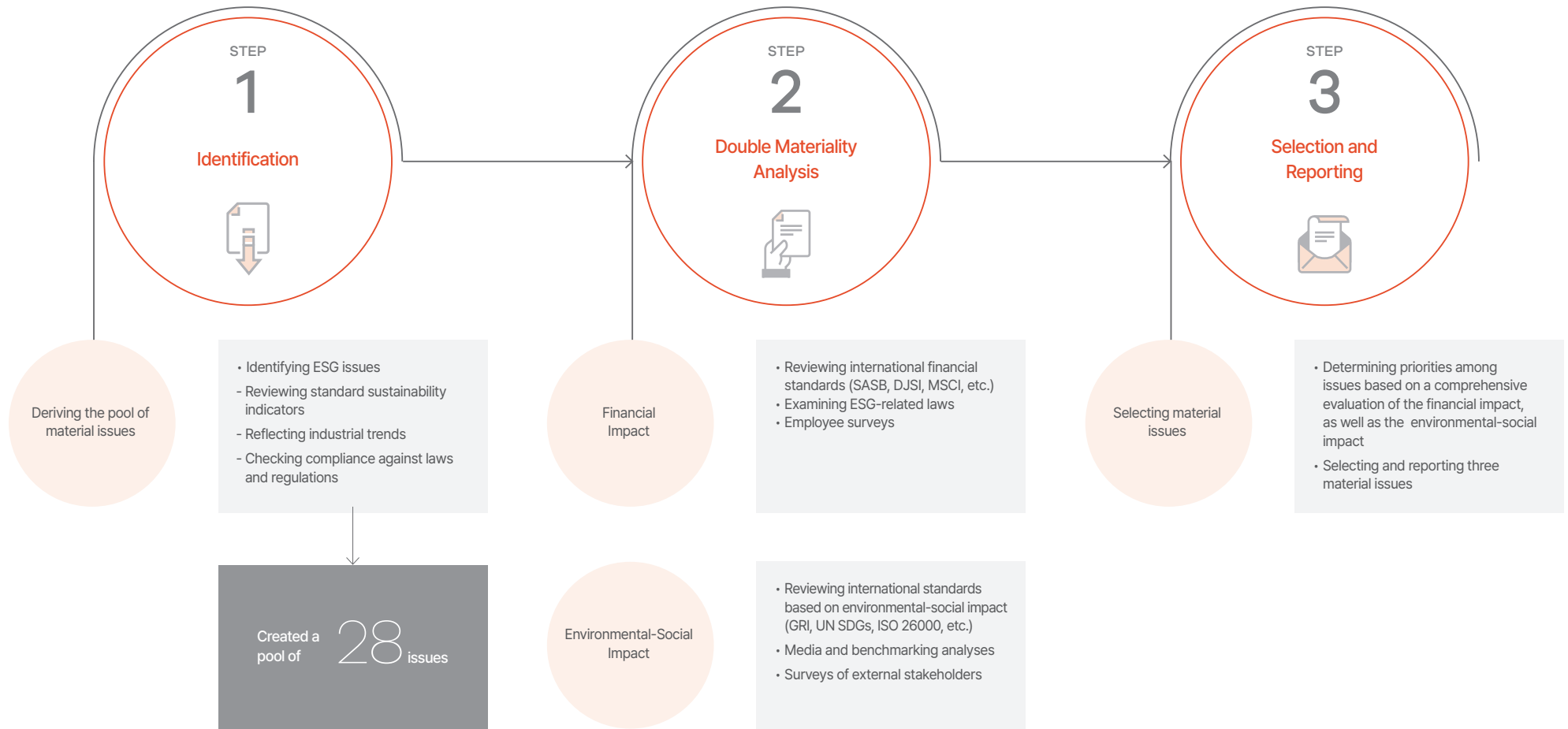
The SeAH Group considers that the formation and maintenance of a mutually beneficial relationship with stakeholders are the most important and valuable strategies for business success. We make the utmost efforts to learn the values and needs of our stakeholders and reflect them in our internal decision-making processes.

Category	Selection of Major Stakeholders	Communication Channels	Engagement Activities
Customers 	<ul style="list-style-type: none"> Building trust through the continuous maintenance of customer satisfaction Developing together with customers 	<ul style="list-style-type: none"> Website Customer Center Social media (blog) 	Product and service inquiries, suggestions and other comments, etc.
Executives and employees 	<ul style="list-style-type: none"> Core staff to ensure corporate growth 	<ul style="list-style-type: none"> Intranet Trade union Executive/employee surveys 	HR-related issues, such as changes in the management environment and wage negotiations
Competitors and partners 	<ul style="list-style-type: none"> Pursuit of shared growth and win-win strategies Business partners who work together with us for the benefit of customers 	<ul style="list-style-type: none"> Shared growth programs 	Issues related to work relations, such as fair contracts and unfair trade practices
Government and local communities 	<ul style="list-style-type: none"> Presentation of future directions and involvement in policymaking Shared growth with society through the creation of social value 	<ul style="list-style-type: none"> Government policy Fair Trade Commission Meetings 	Issues concerning the participation in national projects, government regulatory policies, environmental protection in local regions, community social contribution activities, etc.
Shareholders and investors 	<ul style="list-style-type: none"> Provision of capital to create a solid foundation for corporate management The need to enhance corporate value for continuous value creation 	<ul style="list-style-type: none"> General meetings of shareholders IR disclosures 	Issues concerning stock price and dividend fluctuations, management environment changes and management performance, general meetings of shareholders, etc.

Materiality Assessment

The SeAH Group conducted materiality assessment based on the concept of double materiality, which considers both the financial impact and external environmental-social impact of a company. The methodology was established according to the Global Reporting Initiative (GRI), comprehensively applying international standards, media analyses, benchmarking, and surveys on internal and external stakeholders.

Materiality Assessment Process



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Results of the Double Materiality Assessment

The SeAH Group analyzed the financial impact and environmental-social impact of ESG issues by means of the double materiality assessment process and classified the levels of impact into 'High,' 'Medium,' and 'Low.'

● High Impact ● Medium Impact ○ Low Impact

Material Issues	Impact		Global Disclosure Framework and Initiative		Report Page
	Environmental-Social	Financial	GRI	SASB	
✓ Strengthening anti-corruption measures and ethical management	●	●	205 (Anti-corruption)		74-76
✓ Creating a safe and healthy environment at business sites	●	●	403 (Occupational Health and Safety)	EM-IS-320a.1	60-64
✓ Responding to climate change	●	●	305 (Emissions)	EM-IS-110a.1, EM-IS-110a.2 EM-IS-130a.1, EM-IS-130a.2	32-36
Managing waste	●	●	306 (Waste)	EM-IS-150a.1	37-43
Managing pollutants	●	●			38-41
Ensuring the safety and quality of products	●	●			58-59
Pursuing fair trade policies	●	●	206 (Anti-Competitive Behavior)		76
Managing energy	●	●	302 (Energy)	EM-IS-130a.1 EM-IS-130a.2	32-36, 42-43
Pursuing shared growth	●	●	308 (Supplier Environmental Assessment), 414 (Supplier Social Assessment)	EM-IS-430a.1	57-59
Improving the atmospheric environment	●	●	305 (Emissions)	EM-IS-120a.1	39-40
Enhancing stakeholder communication	●	●			18
Engaging in labor-management cooperation	●	●	402 (Labor/Management Relations)		49

Selecting Material Issues

We have selected the 'strengthening of anti-corruption measures and ethical management,' 'creating a safe and healthy environment at business sites,' and 'responding to climate change' as material issues, and are disclosing response measures and goals accordingly.

Material Issue	Importance of Issue	Response Measures	Goals
Strengthening anti-corruption measures and ethical management	Against a backdrop of ever intensifying standards and expectations regarding corporate ethics in Korea and overseas, unethical behavior is subject to legal punishment and can lead to the degeneration of corporate reputation and social losses. Accordingly, companies must try to eliminate ethical risks.	In an effort to internalize ethical management practices, SeAH has launched the Group-wide Charter of Ethics and the Code of Ethics, and shared the Code of Ethics Practice Guidelines with all employees so they can actively engage in the practice of ethical management. Furthermore, SeAH operates several ethical management proposal centers and conducts ethical management education regularly for its employees.	<ul style="list-style-type: none"> • To achieve compliance KPIs • To inculcate a sense of ethics among employees
Creating a safe and healthy environment at business sites	As the government reinforced its safety and health regulations by enforcing the Serious Accidents Punishment Act, the importance of building and managing an industrial safety and health system has increased more than ever. Therefore, SeAH has introduced measures to strengthen safety and health capabilities and thereby enhance productivity and attain sustainable growth.	SeAH continues to strengthen its industrial safety and health environment by establishing safety and health policies and acquiring certifications for safety and health management systems. Top management and safety officers relentlessly strive to improve safety and health systems.	<ul style="list-style-type: none"> • Zero serious accidents and injuries • To strengthen safety and health systems
Responding to climate change	The efforts of companies to reduce greenhouse gas (GHG) emissions have become an essential element to doing business due to ongoing climate changes. The steel industry is directly associated with climate change, and has a significant impact on the raw material supply chain. Accordingly, we must focus on environment-friendly production activities in order to prevent financial risks and create sustainable social values.	Since its ESG declaration in 2022, the SeAH Group has been actively introducing appropriate climate change responses at the Group level. In particular, SeAH Steel, SeAH Besteel Holdings, and SeAH Special Steel have established GHG reduction targets and advanced their climate change management system to reach the 2050 Net Zero target.	<p>SeAH Steel, SeAH Besteel Holdings, SeAH Special Steel</p> <ul style="list-style-type: none"> • 2030: To achieve GHG reduction targets • 2050: To reach the 2050 Net Zero target

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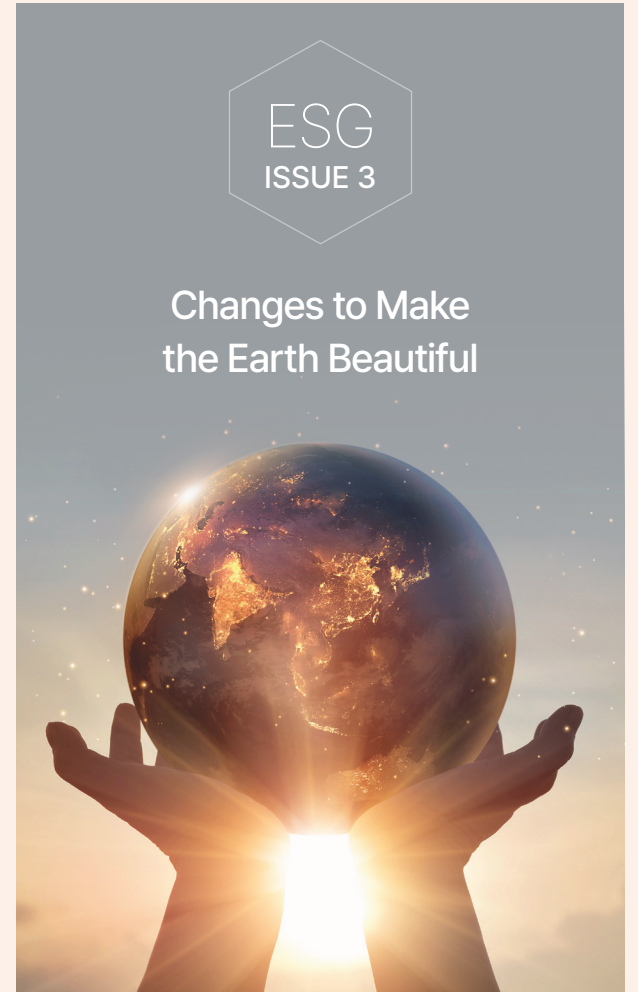
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ESG Focus

SeAH has long been making consistent efforts to tackle the following material issues: 'Strengthening anti-corruption and ethical management practices 'Integrity-based management' 'creating a safe and healthy environment at business sites (safety management)'; and 'responding to climate change (environmental management). Through this first Sustainability Report, SeAH aims to disclose its solid foundation for ESG-driven growth to its stakeholders.



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Integrity, A Heart like steel

Honesty has been an unchanging, absolute principle ever since SeAH's foundation.

SeAH upholds the ideals of righteous wisdom and action as core values.



“

Corrupt money and hard-earned money are fundamentally different.

Chairman haiam Lee, Jongdoek

Honesty is the root of SeAH.

Please keep a righteous mind as employees of SeAH. SeAH has survived the previous era of rapid economic growth due to honesty in its business practices, and will continue operating with honesty in the future era of grand transformation.

Chairman Lee, Woon hyung

Ethical management is not an option for us.

Ethical management is the calling of our times and a requirement for the sustainable growth of companies.

Chairman Lee, Soon hyung

”

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Integrity, A Heart like steel

SeAH's approach to ethical management goes beyond the basics of fulfilling legal obligations and avoiding unlawful behaviors. All executives and employees must perform their duties responsibly on behalf of SeAH, abide by its basics and principles, and seek continuous growth by fulfilling our social responsibilities.

SeAH Way to Ethics



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Integrity, A Heart like steel

2013

2013

Established the Compliance Control Standards and appointed a Compliance Officer

The SeAH Group has established and operates the 'Compliance Control Standards' regulations to execute its business fairly and transparently. Additionally, by appointing a Compliance Officer, we enabled an independent and professional management system of compliance control activities and prepared a systematic framework to practice compliance management.



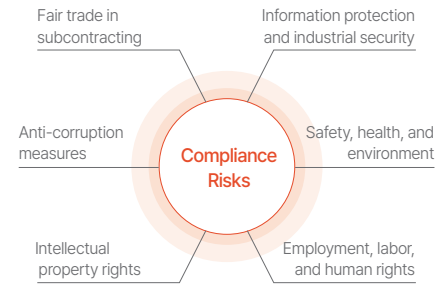
2021

SeAH Group Established the Charter of Compliance Management

We established the Charter of Compliance Management for the purpose of building up our compliance management system. The Charter sets decision-making and judgment standards based on compliance in the work process and company life of the SeAH Group employees.

Formed and convened the Compliance Operating Committee

The SeAH Group has formed and is regularly convening the Compliance Operating Committee as the council responsible for establishing the Group's compliance policy and promoting compliance management across the Group's affiliated companies.



2022

SeAH Besteel Received a citation from the Fair Trade Commission for excellence in 'Fair Trade Agreement Evaluation'

SeAH Besteel has been operating the Shared Growth Office since 2017 in order to run its businesses more systematically and practically and ceaselessly strive to better cooperate with SMEs. We received a citation from the Fair Trade Commission for obtaining the 'Excellence' Grade in Fair Trade Agreement Evaluation.

SeAH Group Introduced compliance KPIs

Compliance is a value that must be protected in the corporate environment for the sustainable growth of companies, and is an essential factor throughout all management activities and businesses. Accordingly, all Group companies have reflected compliance in their KPIs. Thanks to these efforts, we are closing the gap among Group companies and expect to create a united compliance culture at the Group level.

2023

SeAH Steel Holdings, SeAH Steel, SeAH Coated Metal Acquired the first ISO 37301 certification in the Korean steel industry

SeAH Steel Holdings, SeAH Steel, and SeAH Coated Metal acquired the ISO 37301 certification, an international standard for compliance management systems—a first in the Korean steel industry—thus advancing the companies' compliance and ethical management systems. The exclusive organization for compliance management took the lead in conducting systematic and intense compliance activities.



2023

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Safety Ensured through Practice

Safety and health management is the top priority at SeAH.

The SeAH Group strives to practice a culture of safety and health management so as to maintain harmony among people, nature, and businesses by minimizing damage to life and property that can arise through its business activities.



SeAH CSS, Seamless Pipe Equipment Team

Effort and collaboration are important for creating a safe work environment.

"No matter how excellent our work performance may be, it can all turn into a mere house of cards if safety collapses. Moreover, we cannot work properly on our own. On-site duties involve many complex problems that cannot be resolved without communication and collaboration. That is why interpersonal relations with coworkers are crucial at work."



SeAH Steel, SHE Planning Team

Establishing accident-free, environment-friendly business sites

"All sectors, including the head office and the Pohang, Gunsan, Suncheon, and Changwon plants, participated actively in building an integrated SHE system by gathering all know-how related to safety, health, and environment. We expect this system to help us execute SHE duties efficiently and build accident-free and environment-friendly business sites for SeAH Steel."



SeAH Coated Metal, Equipment Team, Electrical Maintenance Team

Safety habits are important.

"SeAH Coated Metal endeavors to prevent accidents involving its workers through continuous investment in equipment and safety education. The safety awareness of all workers has improved significantly. At first, our workers were using unscientific methods in their work, such as using their index finger to check machinery, but now they all use safe equipment for maintenance work. I try to educate employees through actions rather than verbal directions. By doing so, I attempt to set an example myself, so that employees can form proper safety habits."

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Safety Ensured through Practice

SeAH's employees are its most valuable assets. SeAH strives to ensure that all employees can work and return home safely. Safety is a religion at SeAH.

Zero Serious Accidents

SeAH Way to Safety

2011

SeAH L&S

Selected as an Excellent Cargo Transport Company (AA)

SeAH L&S received an AA grade at the 5th Excellent Cargo Transport Business Certification event supervised by the Ministry of Land, Infrastructure and Transport by scoring high in 12 categories, including the safety management system, quality of transport service, and satisfaction of internal employees.



2020

SeAH Coated Metal

Acquired Grade A in the Safety and Health Cooperation Program held by Ministry of Employment and Labor

SeAH Coated Metal participated in a project to establish and implement a 'Safety and Health Cooperation Program' jointly with partner companies, improve safety and health at business sites, and prevent industrial accidents. For its efforts, SeAH Coated Metal acquired an A grade, which corresponds to the top 10% in the nation.

2021

SeAH Holdings

Won the Minister of Trade, Industry and Energy Award for the first 'Digital Industrial Transformation' among Korean companies

SeAH Holdings has developed an AI-based safety solution for its the Smart Factory project, which it has conducted since 2018. In recognition for its contribution to building safe worksites, SeAH Holdings was selected as the first winner at the 2021 Korea Tech Com.



SeAH Steel

Built an integrated SHE system

SeAH Steel has built a data-based SHE platform for the efficient execution of SHE tasks and information sharing.

2022

SeAH Steel, SeAH Besteel, SeAH CSS

Advanced safety management system

SeAH Besteel, SeAH CSS, and SeAH Steel have advanced their safety management system to ensure compliance with the Serious Accidents Punishment Act and the Occupational Safety and Health Act.

SeAH Steel

Received a safety and health citation

In July 2022, SeAH Steel won the Minister of Employment and Labor Award for measures taken to prevent industrial accidents and contribute to safety and health. The preventive measures reflected the performance of the Safety Environment Committee and its accident prevention system, as well as various activities for improving on-site safety awareness.

SeAH Metal

Launched Occupational Safety and Health Committee

SeAH Metal has launched the Occupational Safety and Health Committee to meet safety and health standards that are stricter compared to the standards in the automotive manufacturing industry at large.

SeAH Special Steel

Acquired the 'S' grade in the evaluation of Process Safety Management (PSM) status

SeAH Special Steel acquired an S grade in the PSM status evaluation based on the PSM system implemented by the Ministry of Employment and Labor. The company was recognized for safe work procedures and compliance with the standards for PSM processes that involve the risk of large-scale accidents, such as fires, explosions, and leakages.

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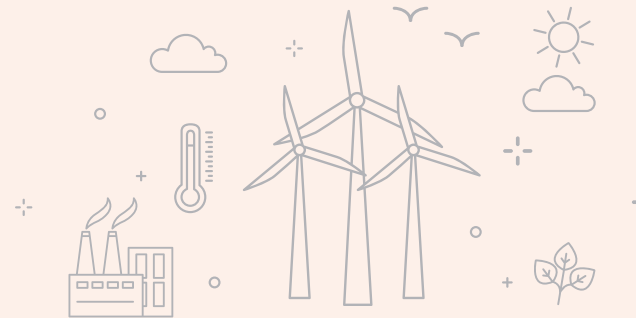
Changes to Make the Earth Beautiful

SeAH may be unnoticeable, but it is never far away from society, as it is striving to remain an environment-friendly company and working toward a healthy future.



On the way to becoming a top monopile player in the UK, the world's largest offshore wind power market

SeAH Wind, a production affiliate of SeAH Steel Holdings in the UK, received in 2021 a large-scale order from ØRSTED—the no. 1 global offshore wind power company from Denmark—for monopiles to be supplied to the world's largest offshore wind power project called the 'Hornsea 3 Project.' SeAH Wind has set the goal to become the world's no. 1 monopile company by 2030, and as such, will be an active participant in the efforts to expand the offshore wind power market and address the climate crisis.



Wide-spread potential for materials used in the hydrogen industry

The SeAH Group is proactively participating in efforts to expand the hydrogen industry as a core next-generation energy source, concentrating its technical capabilities on developing products for this industry. To this end, four subsidiaries of SeAH Besteel Holdings (SeAH Besteel, SeAH CSS, SeAH Aerospace & Defense, and CTC) participated in the 'H2 Mobility Energy Environment Technology (MEET) 2022,' an exhibition specialized in the hydrogen industry, on behalf of the SeAH Group, introducing the unique capabilities that SeAH brings throughout the hydrogen supply chain. SeAH demonstrated its core hydrogen technologies, represented by metallic materials that can maintain their durability under extreme temperature and pressure conditions used in hydrogen chargers, compressors, tanks, and liquefiers. The SeAH Group will continue growing as a global maker of materials for the hydrogen industry by strengthening the development of core hydrogen materials.



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Changes to Make the Earth Beautiful



Supplying steel welded tubes for Hyperloop, an environment-friendly future mobility system

In 2022, SeAH Steel became the first Korean company to supply steel welded tubes for Hyperloop to Hardt in the Netherlands. Hyperloop is a next-generation, environment-friendly mobility system that operates a magnetic levitation capsule in a vacuum tube at an ultra-high speed. Hardt in the Netherlands was the first company in the world to demonstrate a route change system for Hyperloop trains. The high-value-added steel welded tubes produced by SeAH Steel for Hyperloop deliver outstanding durability compared to ordinary steel welded pipes and tubes, as well as excellent airtightness that maintains the vacuum state for a long time, vacuum absorption, and seismic resistance. These properties ensure the stability of the Hyperloop system when driven at an ultra-high speed. Moreover, by participating in the latest 'Hyper Tube R&D Testbed' project by the Korean government, we have shown our desire to continue to play a role in promoting global carbon reduction policies.



Reducing carbon emissions through renewable energy

SeAH Besteel Holdings signed an MOU for the long-term trade of Renewable Energy Certificates (RECs) with Equis Energy Korea. Through this long-term REC trade agreement, we have secured a stable source of renewable energy corresponding to 2-3% of the total annual power consumption by SeAH Besteel for the next 20 years. SeAH Besteel Holdings plans to harness renewable energy received from solar power plants as electric power for affiliates such as SeAH Besteel and SeAH CSS, which are engaged in conducting carbon reduction activities. We expect to reduce our carbon emissions by 12,325 tons annually through these measures. SeAH Besteel Holdings started its efforts to reduce carbon emissions with the long-term REC trade agreement, and is planning to adopt other vigorous reduction activities, such as obtaining the global Green Steel certification and securing additional renewable energy sources.



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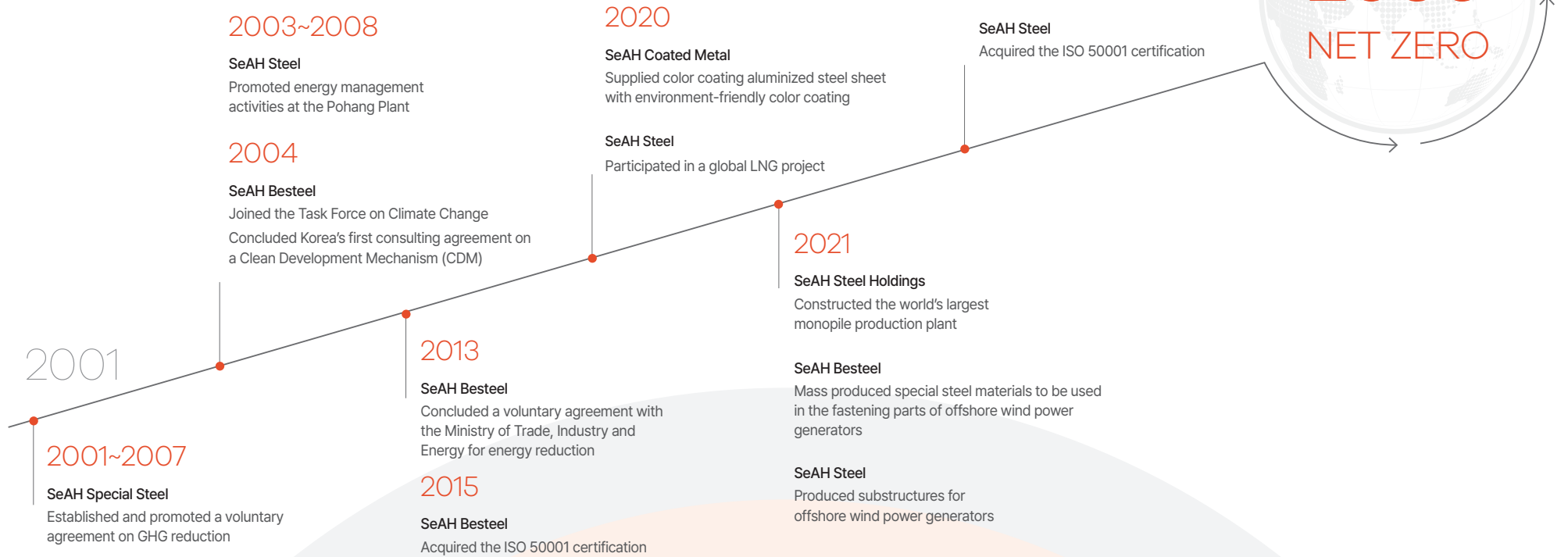
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Changes to Make the Earth Beautiful

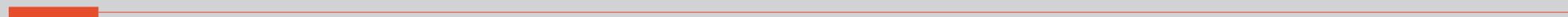
Earth is the living habitat of human beings and all other life forms. SeAH creates new values through management that is considerate to Earth's environment. SeAH envisions its sustainable future as a part of the green, Net Zero future of our planet.

SeAH Way to Net ZERO



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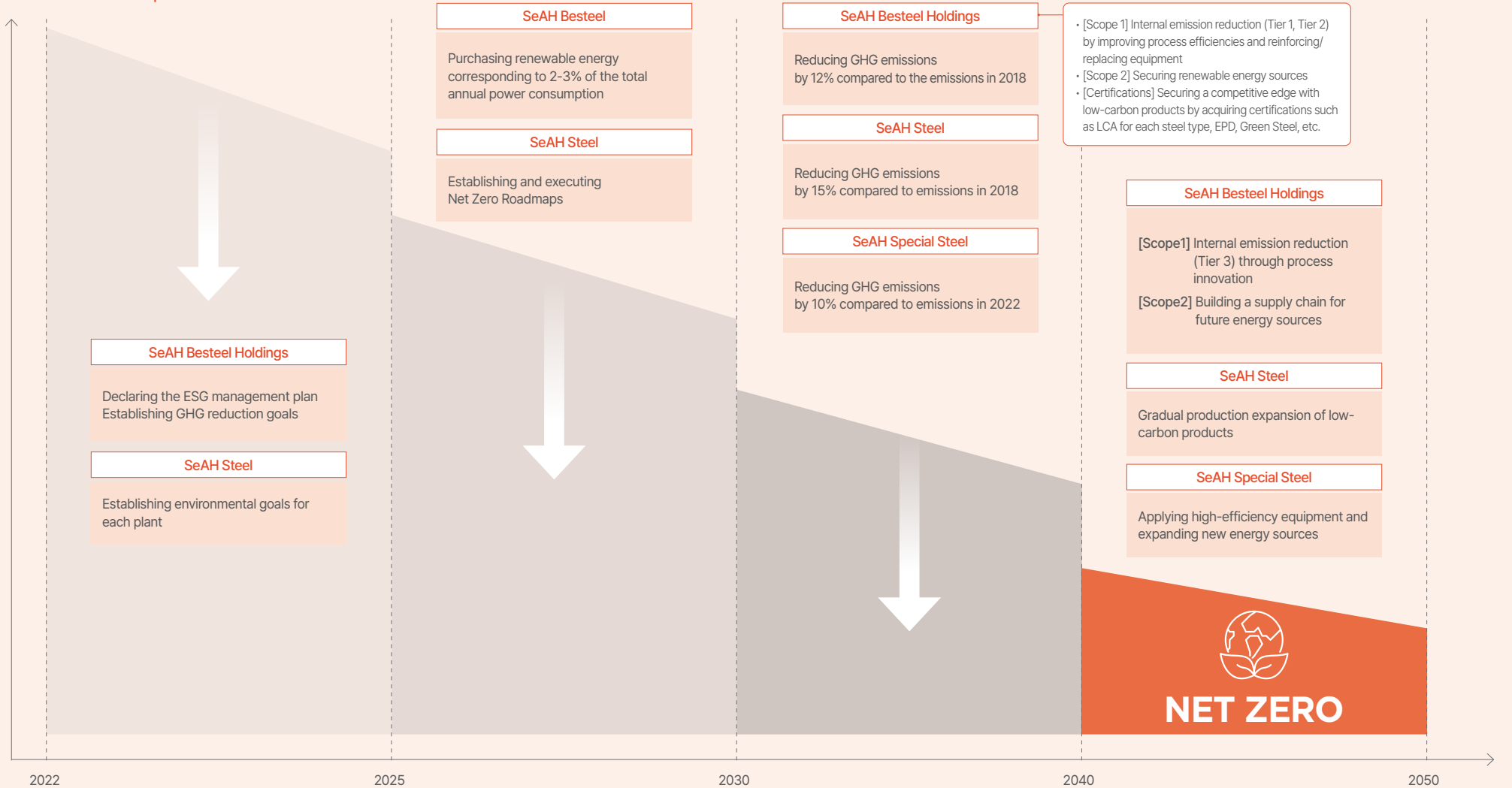
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Responding to Climate Change

The SeAH Group has established and implemented mid- to long-term roadmaps to attain the Net Zero status centered on the three major affiliates that account for 95% of the Group's total carbon emissions: SeAH Steel, SeAH Besteel Holdings (SeAH Besteel, SeAH CSS), and SeAH Special Steel.

Net Zero Roadmaps



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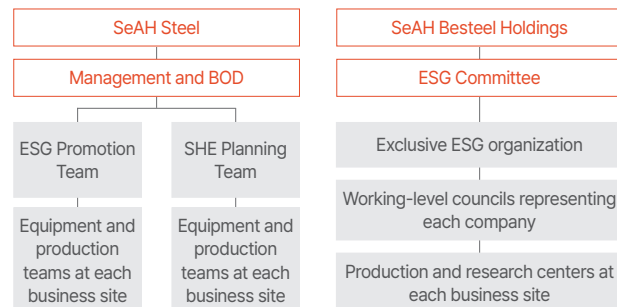
Governance

SeAH Steel's ESG Promotion Team and SHE Planning Team address climate change by managing environmental issues in a systematic manner. Equipment and production teams in charge of managing energy at each business site establish energy reduction goals and manage performance. Additionally, we have established the organizational composition and division of work in order to implement and execute improvement plans for carbon reduction. The energy usage, reduction plan, and performance are reported to the management monthly and annually, informing subsequent investment decisions by the BOD.

SeAH Besteel Holdings has established the goal of reducing 12% of carbon emissions (compared to 2018) by 2030 and achieving a Net Zero status by 2050 as the first task among the nine key ESG tasks it undertook in response to present GHG regulations in Korea and abroad. To reach our aims, we established the 'TFT on Low-Carbon Energy Strategy' in 2022 to secure renewable energy. In addition, SeAH Besteel established the ESG Technology Center in 2023 as an exclusive organization for conducting research on low-carbon technologies.

To further our efforts, working-level councils and executive councils convene quarterly to share climate change issues among participants from the holding company and other companies. In addition, the ESG Committee regularly reports its major decisions and monitoring results regarding climate change policies. Moreover, in 2023 we added the carbon reduction plan as an issue for C-level assessment, and during its implementation we will continue to actively practice Net Zero management policies.

Organization Chart



Strategy

SeAH Steel has set a goal of reducing GHG emissions by 15%, which is in line with set industrial goals based on the elevated Nationally Determined Contribution (NDC), and established the Net Zero Roadmap for the stepwise reduction of GHG emissions. From 2023 to 2024, we will strive to achieve the reduction goals set for each business site by focusing on enhancing energy efficiencies and reducing energy losses.

SeAH Besteel Holdings established its low-carbon business plan by focusing on 'Green Process, Green Product, and Green Recycle' strategies. The 'Green Process' strategy will aim to implement the recycling of waste heat low-carbon heat source materials, and smart control in the steelmaking stage by building green electric furnaces and green heating furnaces. In the rolling stage, technologies to convert pure oxygen combustion and natural gas fuels will be developed. The 'Green Product' strategy will guide activities to develop new steel materials required in wind, hydrogen, and nuclear power to accomplish a Net Zero state. We plan to manufacture green steel that reduces carbon emissions considerably through creating low-carbon processes. The 'Green Recycle' strategy will pursue resource-circulating processes that retrieve and reuse scraps produced and regenerate all by-products from the manufacturing process.

SeAH Special Steel aims to reduce GHG emissions by establishing a sound strategy for climate change response, using increased energy efficiency and improved processes. Through this strategy, SeAH Special Steel aims to reduce GHG emissions by 10% (compared to emissions in 2022) by 2030 and achieve a Net Zero status by 2050.

Strategic Directions



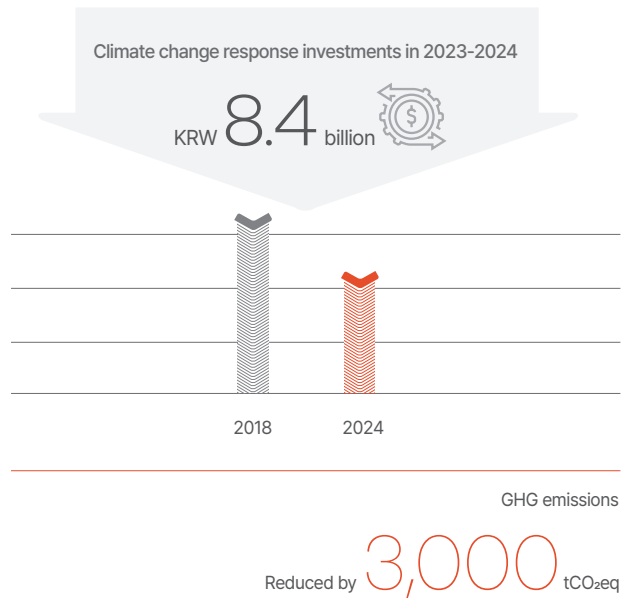
Activities and Performances

SeAH Steel

Introducing an Energy Management System

SeAH Steel introduced the ISO 50001 energy management system to monitor and manage the appropriateness of overall processes, from analyzing energy usage and efficiency to introducing improvements. The system also manages the effectiveness of improvement measures taken. SeAH Steel is now establishing plans for the stable implementation of the energy management system and for expanding application of the system at other business sites and affiliates.

Investment Plans to Reduce GHG Emissions



Investing in GHG Reduction Equipment

SeAH Steel plans to install inverters to forming oil and cooling water pump motors to reduce carbon emissions from processes. It also aims to reduce GHG emissions by enhancing energy efficiency through the replacement of existing electric heaters that provide hot water sources with heat pumps.

Furthermore, SeAH Steel invested KRW 8.4 billion in 2023 and 2024 to introduce a short-term reduction plan for enhancing equipment efficiencies and reducing GHG emissions by 3,000 tCO₂eq. This reduction plan is currently undergoing investment approval

Enhancing Energy Efficiency

SeAH Steel's Pohang Plant is in the process of replacing lighting fixtures in offices and other facilities with LED devices to enhance energy efficiency. In 2022, 1,456 lighting fixtures were replaced, and we estimate that this has helped reduce electric power consumption by 45,643 kWh/year and GHG emissions by 21 tCO₂eq/year. In 2023, SeAH Steel will additionally replace lighting fixtures at its Suncheon Plants 1 and 2 and at its main office building with LED devices. Moreover, the Pohang Plant has been removing energy-wasting factors by improving inefficiencies in equipment operation, such as prevention of idling and improving pneumatic device operations. Additionally, SeAH Steel is implementing designs for new equipment based on high-efficiency motors and low-energy systems to enhance energy efficiency.

SeAH Coated Metal

Introducing 2CCL Waste Heat Recovery System

SeAH Coated Metal installed economizers (equipment for recovery of waste heat) to reuse waste heat at around 190-250°C, which is generated during the production of products in the No. 2 Continuous Color Line (2CCL). Economizers can reduce the waste gases emitted into the atmosphere by producing steam using waste heat. We generated 7,200 tons of steam from waste heat in 2022 with the support of the Korean government for Net Zero projects, thereby reducing GHG emissions by approximately 1,101 tCO₂eq.

The 2CCL Waste Heat Recovery System



Reducing Energy Usage in Offices

SeAH Coated Metal has installed solar power generation devices on the rooftop of the main office building to reduce the energy usage in its office building. Moreover, annual energy consumption was reduced by 20,579 GJ and GHG emissions by 1,045 tCO₂eq through the installation of power-saving units on pump motors. The exhaust gas fuel economy analysis system has also been updated to accommodate all devices with high-efficiency power devices (transformers, motors) that reduce fuel usage by adjusting the air-fuel ratio.

Power-saving Units for Pump Motors



DOSCO

Managing GHG Emissions

DOSCO manages GHG emissions and intensity data in line with the global trend of reinforcing Net Zero regulations. In the second half of 2023, DOSCO will engage in various GHG reduction activities, such as installing medium-frequency painting equipment at the Gwangyang Plant 1, improving the pipe painting process that had previously only involved the burner method and reducing the usage of city gas.

Promoting Energy Reduction Activities

DOSCO plans to improve or replace aged utility equipment by diagnosing energy-wasting factors in its factories. DOSCO will implement energy reduction activities by blocking air leakage through the replacement of compressor cylinders, linking air-blowing devices to forming equipment, and eliminating inefficiencies.

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SeAH Besteel Holdings

Green Eco-system

SeAH Besteel Holdings operates a green ecosystem throughout its value chain along three axes—namely Green Process, Green Product, and Green Recycle.

We continuously develop low-carbon processes and technologies. We plan to continue developing technologies for recycling all scraps and byproducts and capturing CO₂ emitted from processes to be used as industrial raw material. In addition, we produce new steel materials required in direct and indirect areas of renewable energy, such as hydrogen, nuclear, solar, and wind power.

We plan to produce green steel, which considerably reduces carbon emissions, by reestablishing core future technologies at our plants and establishing low-carbon processes using renewable energy sources.

Stakeholder Communication

(Participating in the Net Zero EXPO, Making Net Zero Videos)

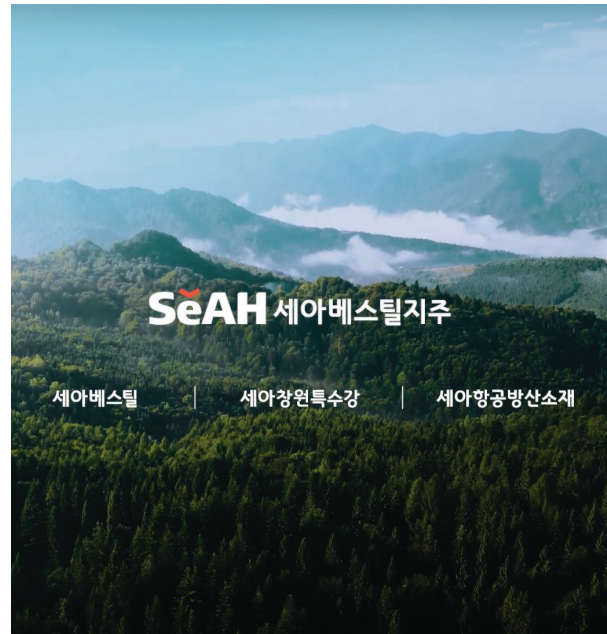
SeAH Besteel Holdings participated in the 2022 Net Zero EXPO, a platform to share the current status and forecast the future of the Net Zero initiative.

Through this EXPO, we shared our efforts to minimize our environmental impact and improve our technical capabilities based on our low-carbon business strategies, namely 'Green Process, Green Product, and Green Recycle.'

Additionally, we made a video that accurately depicts SeAH's Net Zero management vision to internal and external stakeholders, along with the message of "For a GREENer Tomorrow". In this sense, we strive to engage in continuous communication with clients based on similar efforts.



The 2022 Net Zero EXPO



SeAH Besteel

Developing Energy & Quality Smart Control Technologies

SeAH Besteel is developing smart energy and quality control technologies to reduce GHG emissions in the steelmaking process, as part of the drive to make its plants smart and automated. In 2022, we started a new national task for developing a work guide system based on data and work prediction models.

In addition, we aim to contribute to reducing GHG emissions by developing technologies for the advanced management of steel scraps from electric furnaces and the analysis used in the control of the combustion efficiency of electric furnaces.

SeAH CSS

Developing Pure Oxygen Combustion Technologies

SeAH CSS has formed a collaborative consortium with research institutes and industrial bodies in Korea, and has been developing pure oxygen combustion technologies since April 2022. Pure oxygen combustion technologies use the method of mixing pure oxygen with fuel and combusting them. These technologies help reduce the final fuel usage and GHG emissions by increasing the combustion efficiency and heating value. We expect to utilize pure oxygen combustion as bridging technology until the mass production and commercialization of hydrogen fuels.

Once the development and commercialization of technologies used in pure oxygen combustion are completed, we can reduce the fuel usage of heating furnaces by 40% and expect to also reduce emissions of carbon dioxide and nitrogen oxides (NOx) by more than 40%. Additionally, due to the need to install additional nitrogen reduction (SCR) equipment (which has become an issue recently), we expect to simultaneously reduce direct and indirect GHG emissions, as well as reduce manufacturing costs.

SeAH Special Steel

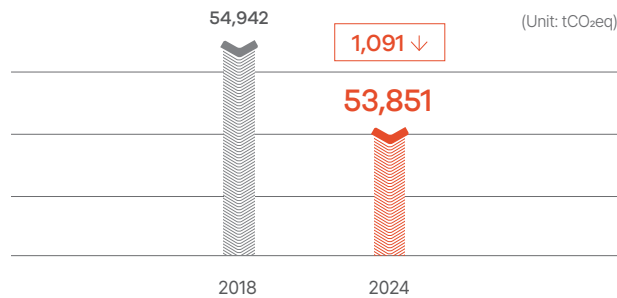
Improving Equipment and Monitoring Energy Usage

SeAH Special Steel reduced its electric power consumption by 3% through the control of cooling water pumps and fan motors. The total emissions at all business sites combined in 2022 were 53,851 tCO₂eq, reduced by 1,091 tCO₂eq compared to the previous year. Moreover, SeAH Special Steel has installed a real-time energy usage monitoring system and strengthen loss analysis and usage management on a continuous basis.

The Real-time Energy Usage Monitoring System



- Improving energy efficiency by analyzing usage of electric power and gas flow
- Saving energy by managing electric power and gas flow statistics and energy target
- Establishing and implementing reduction policies to monitor electric power and gas flow peaks



SeAH Metal

Investing in High-efficiency Equipment Renovation

SeAH Metal is not subject to the GHG emissions trading scheme and target management system, but nevertheless strives to reduce GHG emissions. In 2022, SeAH Metal redesigned the DC motor of wire-rod Drawing Machine No. 3 as an AC motor with relatively high efficiency, thereby reducing electric power usage by 35,623 kW and GHG emissions by 16.6 tCO₂eq. In 2023, we plan to redesign the DC motor of wire-rod Drawing Machine No. 1 as an AC motor to achieve a 20% reduction compared to 2022.

Reduced GHG emissions by 36% compared to the previous year

16.6 tCO₂eq



SeAH M&S

Introducing Waste Heat Generation Equipment

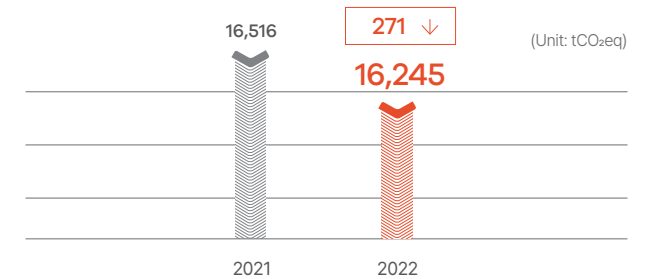
SeAH M&S calculates GHG emissions on a monthly basis and reevaluates them every quarter to strengthen management efficiency. SeAH M&S is replacing current equipment with high-efficiency equipment as part of its GHG reduction activities. In one such representative activity, we use waste heat from cooling fans in the roasting process and consider the viability of installing renewable energy equipment such as solar heat power plants.

Additionally, we have lowered the risk of fires from gas accidents or leaks by replacing LNG boilers in the office building with electric boilers and reduced carbon emissions by removing NOx.

SeAH L&S

Improving Fuel Economy of Trucks


About 93% of all GHG emissions from the business and production activities of SeAH L&S come from trucks. Accordingly, SeAH L&S conducts GHG reduction activities such as early scrapping of aged diesel vehicles and eco-driving education for drivers. We have improved fuel economy by more than 20% through early scrapping of aged diesel vehicles and replacing them with new ones. Quarterly eco-driving education has helped to enhance fuel efficiency. Moreover, we replaced trucks with vehicles equipped with the Euro 6 engine to reduce nitrogen oxides. As a result, we were able to reduce GHG emissions by 434 tCO₂eq, which goes beyond the target of 16,678 tCO₂eq set by the Ministry of Environment.



Environmental Management


The SeAH Group prioritizes the environment in its corporate activities and strives to become an environmentally-friendly company by applying environmental management practices in its business activities and processes based on company-wide directions.

Directions for Environmental Management Practices




Developing environmentally friendly products and technologies

We fulfill our commitment to building a Net Zero society by reducing GHG emissions through process improvement and environmentally friendly technologies.




Complying with environmental laws

We comply with laws by setting strict in-house management standards, in line with intensifying environmental regulations.




Recycling resources

We reduce the volume of generated waste by increasing the rate of resource recycling and raising the added value of byproducts.



Disclosing information

We pursue a corporate sustainability strategy based on a transparent disclosure of our environmental management activities and performances.



Employee engagement

All our employees engage in attentively implementing the practices needed to create and maintain low-carbon, low-pollution business sites.

Environmental Management System

Company	Business Site	Certification
SeAH Steel	Gunsan	ISO 14001
	Pohang	ISO 14001, ISO 50001
	Changwon	ISO 14001
SeAH Coated Metal	Head Office	ISO 14001
SeAH Besteel	Changnyeong	ISO 14001
	Gunsan	ISO 14001, ISO 50001
SeAH CSS	Head Office	ISO 14001
SeAH Special Steel	Head Office	ISO 14001
	Chungju	ISO 14001
SeAH Metal	Head Office	ISO 14001
	Wonju	ISO 14001
SeAH L&S	Dangjin	ISO 14001

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In 2022, SeAH Steel created the SHE Planning Team to engage in systematic environmental management and built a company-wide environmental management system for establishing and managing environmental management strategies. The SHE Planning Team, which responds directly to the CEO, periodically monitors the implementation performance of the departments involved by setting detailed plans and environmental goals. Furthermore, by establishing mid- to long-term environmental goals for each business site and annual plans based on the mid- to long-term ESG strategies, SeAH Steel strives to build environment-friendly business sites and achieve a 'clean and sustainable environment.'

SeAH Besteel Holdings has established a separate department in charge of environmental management staffed with experts in order to promote a responsible environmental management culture, and has strengthened its environmental management system. The in-house control criteria for air and water pollutants were set at or below 30% of the allowable emission standards. Through the Integrated Safety and Environment Council, supervised by the CEO on a monthly basis, SeAH Besteel reports crucial environment-related matters, such as emerging environmental issues and law amendments to the management.

Furthermore, SeAH Besteel directly links its ESG tasks to the KPIs (waste reduction and increased use of reclaimed water) through executives in charge of the environment. The Environment Team of SeAH CSS, which is in charge of environmental management tasks, conducts regular inspections on status of the establishment and execution of goals. The Production Planning Team, each Production Office, Equipment Headquarters, Technology Institute, and Quality Assurance Office at Changwon Plant then execute improvement tasks. The plans and results of environmental management activities are periodically reported to the management, including the CEO.

SeAH Special Steel aims to achieve high levels of safety and environmental management performance and thereby earn the trust of all stakeholders. By minimizing adverse environmental impacts, it aims to create a pleasant work environment for its employees. The Chief Safety and Environment Officer plays the central role in establishing the company's environmental and health management policies. Each business site strives to fulfill the safety and environmental management commitments toward employees and stakeholders. Moreover, we manage the environmental evaluation results in connection with the managers' KPIs.

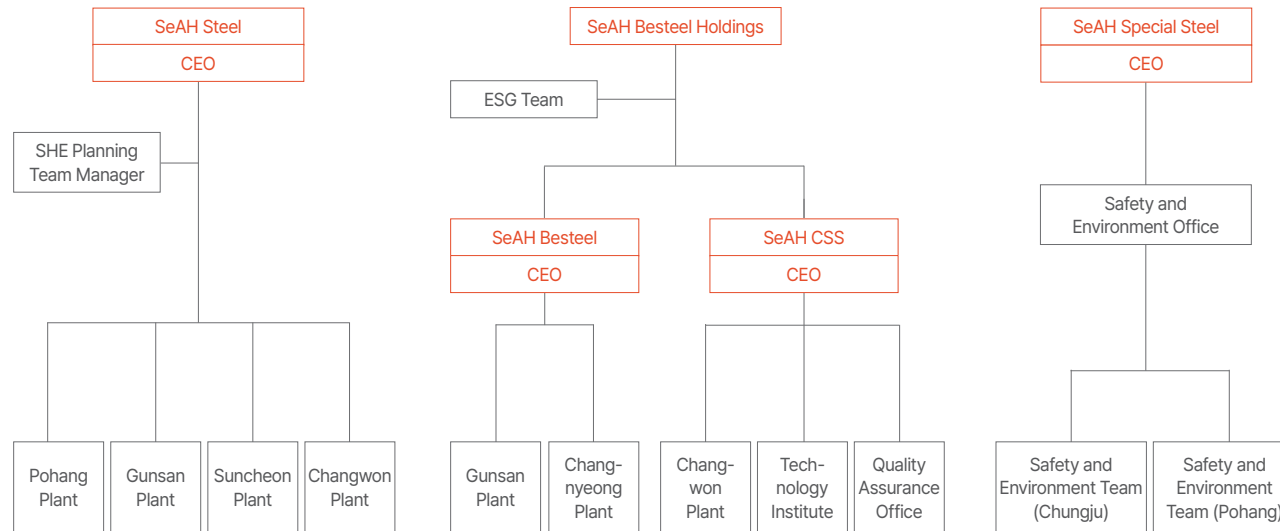
Strategy

All employees of SeAH Steel take part in the five major environmental policies established to manage the steel pipe and tube manufacturing business in an environment-friendly manner. By establishing mid- to long-term environmental goals for each business site and annual plans based on mid- to long-term ESG strategies, SeAH Steel tries to make business sites environmentally friendly and create a 'clean and sustainable environment.'

SeAH Besteel Holdings engages in environmental management according to three focused tasks: 'achieving a 2050 Net Zero status,' 'building a resource-circulating ecosystem,' and 'complying with environmental laws and minimizing environmental pollution.' ESG tasks are reflected in performances by linking them to the KPIs of executives in charge of the environment.

SeAH Special Steel considers ESG as the core value of its corporate operations. To this end, it has launched the 'Green Steps for the Next Generation' initiative, and is currently pursuing values that make the world better. Our major strategies include 'building clean business sites,' 'minimizing environmental pollutants,' and 'saving energy and achieving a Net Zero status.'

Organization Chart



Strategic Directions

SeAH Steel	SeAH Besteel Holdings	SeAH Special Steel
Preventing regulatory violations - Building a system to prevent violations of environmental regulations - Advancing environmental CP - Raising the level of regulatory implementation	2050 Net Zero status - Reducing carbon intensity by 0.5% compared to 2022	Building clean business sites - Monitoring and responding continuously to the enactment and amendment of safety and environmental regulations - Strengthening chemicals control and accident prevention activities
Minimizing environmental impacts - Minimizing the generation of waste and maximizing resource circulation - Managing pollutants optimally - Improving environmental education offered to employees	Building a resource-circulating ecosystem - Improving the recycling rate by 0.5% compared to 2022 - Constructing a byproduct recycling center	Minimizing environmental pollutants - Treating wastewater stably through preventive maintenance of wastewater treatment centers - Continuously improving the waste recycling rate
Net Zero - Creating a company-wide Net Zero Roadmap - Increasing energy efficiency through employee participation	Complying with environmental regulations and minimizing environmental pollutants - Investing in an integrated SHE system	Saving energy and achieving Net Zero - Promoting the energy target management system - Increasing productivity through the management of operating hours - Developing activities to reduce the cost of materials

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Activities and Performances

SeAH Steel

Selected as an Excellent Company for Driving Resource Circulation

In recognition of its performance in reducing waste and circulating and recycling resources, SeAH Steel received a citation from the Prime Minister at the "16th Excellent Company Driving Resource Circulation" hosted by the Korea Environment Corporation in 2022. Water-soluble cutting oil used when manufacturing steel welded pipes and tubes causes the deposition of iron dust in the drain, requiring periodic dredging work. We analyzed the problem where cutting oil had to be disposed of entirely as waste oil to increase efficiency and quality, even if it could be reused. We improved the existing dredging process by transporting cutting oil to a preliminary sump and then replenishing the oil. By changing the process, we were able to reduce about 45 tons of waste oil annually. As for slag waste that had previously been treated by the landfill method at business sites, we raised the recycling rate and minimized the volume of waste generated by concluding a contract with a waste treatment company.



Improved Water Resource Treatment Equipment

Water pollutants generated in production are primarily treated using physical and chemical methods. Wastewater containing nitrogen is treated biologically at the wastewater treatment facility and released into nearby waters to minimize the impact on the water ecosystem. After primary and secondary treatments, we collect wastewater at the final wastewater treatment facility for tertiary treatment before releasing it with pollution levels below the legal standard. Rec-

ognizing the importance of protecting rivers nearby business sites, SeAH Steel will continue to strive to find the optimal water management method.

Environmental Product Declaration (EPD)

In November 2022, Pohang Plant of SeAH Steel acquired the Environmental Product Declaration (EPD) for Electrical Resistance Welding (ERW) and Submerged Arc Welding (SAW) for the first time in Korea from the Underwriters Laboratories (UL), a global certification body. Thanks to the EPD certification, SeAH Steel will be able to respond pro-actively to carbon regulations, laws, and institutional regulations. The EPD certificate for steel welded pipes and tubes at the Pohang Plant can be downloaded on the UL SPOT Platform and SeAH Steel website (www.seahsteel.co.kr).

SeAH Coated Metal

Installed 1CCL Regenerative Thermal Oxidizer (RTO) Equipment

In 2022, SeAH Coated Metal acquired integrated environmental approval for its activities, and reinforced the environmental management standards for some facilities. Among these facilities, the aging 1CCL Direct Thermal Oxidizer (DTO) facility had a high energy usage and a large volume of air pollutants. Accordingly, we discarded the existing DTO and installed new RTO equipment that generates heat using a heat storage body. By doing so, we reduced LNG usage and nitrogen oxide emissions by about 40%.



New RTO system equipment at SeAH Coated Metal

Newly Installed Wastewater Treatment Center

In 2022, SeAH Coated Metal installed a new wastewater treatment center based on the calculation that the volume of wastewater discharged would increase by 20-30% due to the extension of 3CCL. As a result, our daily treatment capacity has been increased from 1,000 m³ to 2,000 m³.



The new wastewater treatment center at SeAH Coated Metal

DOSCO

Minimized Pollutant Emissions

DOSCO's Gwangyang Plant contributes to the prevention of water pollution by collecting water used in production and entirely reusing it. For forming oil that flows in during production or can be polluted by the work environment, oil skimmers are installed to separate the pollutants and treat waste (waste oil), thereby minimizing the emission of pollutants.

Transitioning to Environmentally-Friendly Subsidiary Materials

DOSCO has selected product groups for which constituent materials can be transitioned to environmentally-friendly materials to prevent environmental pollution and reduce the use and exposure of harmful substances. The replacement work is being systematically carried out. Marking inks and cleaners have been transitioned to environmentally-friendly subsidiary materials, and paint products will be switched to environmentally-friendly subsidiary materials in the second half of 2023 to be used in production.

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SeAH Besteel Holdings

Acquiring the EPD Certification

In 2023, SeAH Besteel and SeAH CSS are preparing to acquire the international EPD certification, a system that certifies the environmental performance of products by measuring and labeling the environmental impact through Life Cycle Assessment (LCA). By acquiring and maintaining this certification, we will be equipped to adequately respond to the carbon intensity demand of our clients and the EU CBAM and lay the foundations for responding to carbon regulations in Korea and abroad.

- SeAH Besteel: 3 certifications (carbon steel wires, forged squares, and bars)
- SeAH CSS: 10 certifications (carbon steel wire rods and bars / STS wire rods, bars, rolled flat bars, and pipes and tubes / tool steel bars and rolled flat bars / special alloy wire rods and bars)

Additionally, SeAH Besteel has acquired the ISO 50001 certification, enabling it to systematically manage GHG emissions and energy. The certification is maintained by undergoing rescreening every year to meet stakeholders' needs.



SeAH Besteel

Managing Environmental Risks

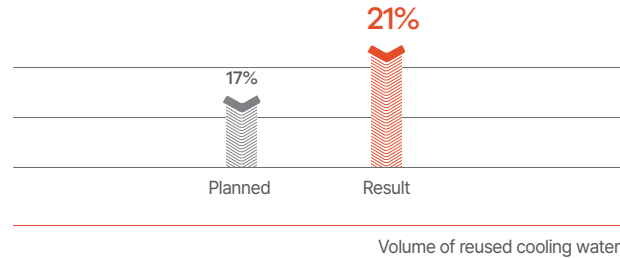
SeAH Besteel manages environmental risks stringently through a routine inspection system. Besides identifying and improving environmental risks, we prevent the recurrence of risks by reclassifying them according to risk levels and following the prescribed improvement process. Additionally, we have reinforced our environmental monitoring system through continuous checks by the Safety and Environment Protectors.

Reusing Wastewater Effluents

SeAH Besteel reuses wastewater in an effort to increase the recycling of water resources and minimize the risk of water shortage. The Gunsan Plant reuses wastewater effluents instead of industrial water in the process of

cooling the slag generated in the steelmaking process. As a result, we were able to reduce about 603,000 tons of industrial water in 2022, as the water pollutant emissions declined by about 21%. In addition, seven non-point pollutant reduction facilities were installed to minimize the emission of water pollutants from non-point pollutants, such as rainwater.

Increased Volume of Reused Water



603 thousand tons

Constructing a Byproduct Recycling Center

By constructing a Byproduct Recycling Center, SeAH Besteel aims to resolve the issues of non-recyclable waste and increased cost of treatment caused by the lack of a byproduct treatment process. Our goal is to recycle and circulate 100% of in-house byproducts. While our current byproduct recycling rate is 98%, we are carrying out investment and development to recycle plant byproducts into in-house resources. Meanwhile, we achieved a scrap iron replacement effect of KRW 7 billion and reduced the entrusted treatment cost by KRW 300 million annually by turning byproducts into in-house resources. After the completion of the Byproduct Recycling Center, we expect to expand the treatment volume and reduce the cost of entrusted treatment by a further KRW 2 billion.

SeAH CSS

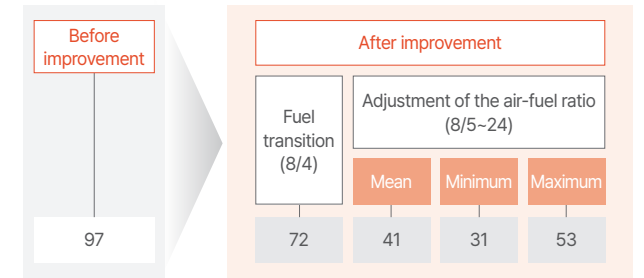
Introducing the NOx Reducing Heat Treatment Method

SeAH CSS introduced a heat treatment method that can reduce NOx emissions without installing a Selective Catalytic Reduction (SCR) system to resolve issues such as the high installation and maintenance expenses of SCR and additional fuel consumption. By applying this heat treatment method to three facilities using clean fuels (LNG/LPG), we were able to significantly reduce NOx emissions

and suppress carbon emissions. As a result, the NOx concentration declined drastically, from 97 ppm to 41 ppm. For its efforts in achieving such an exemplary reduction case, SeAH CSS received a citation from the Minister of Environment at the 'Dinner Party of Institutions Managing Air Pollutants at Business Sites.'

NOx Reduction Outcome

(Unit: ppm)



Installing Sluices for Rainwater Drains

SeAH CSS manages rainwater drains by installing sluices, in compliance with the Clean Water Act. As such, sluices for two upstream rainwater drains that involve a large volume of harmful chemicals were installed so that timely response can be provided to any water quality incident. The sluices that block rainwater drains are designed to prevent the leakage of water pollutants and the spread of environmental pollution, issue automatic alerts on water quality measured by the pH value, and take immediate action on any incidents detected. Thanks to the installation of the sluices, we were able to contribute to preserving the health of the nearby river water ecosystem and safety of neighboring regions and by preventing the outflow of pollutants into the downstream river.

The VFS(Valve, Flange, Switch) Campaign

SeAH CSS has been conducting the VFS Campaign jointly with the Ministry of Environment since 2021 as part of the Joint Private-Public Council for Response to Chemical Accidents in the Changwon National Industrial Complex program. During the VFS Campaign, the safety of valves, flanges, and switches is checked in facilities that handle harmful chemicals in order to prevent chemical accidents. SeAH CSS places strong efforts into enhancing the effectiveness of the campaign and keeping business sites free of chemical accidents. Throughout the campaign, banners are displayed at business sites and safety helmets, stickers, and campaign posters are distributed to participants.

SeAH Special Steel

Evolving the Environmental Management System

SeAH Special Steel has evolved its environmental management system by incorporating the existing Safety and Environment teams, which fall under the supervision of individual plant managers, into the Safety and Environment Office, which is headed by the CEO. The Safety and Environment Office engages in various safety and environment improvement activities, such as preventing industrial accidents at business sites and strengthening monitoring in an effort to control and maintain the level of environmental pollutants below the legal standards. Furthermore, the Office conducts annual environmental education for all employees, including key issues related to environmental regulations.

Enhancing Waste and Wastewater Recycling Rates

SeAH Special Steel increases recycling rates by storing flammable and non-flammable waste separately and transporting recyclable waste to a recycling treatment company. As for the wastewater treatment, about 70% of the sludge that was entirely subject to landfill treatment was switched to be treated by a recycling treatment company. Wastewater generated in the production process is reused as cleaning water in prevention facilities through chemical treatment, thereby reducing about 160 tons of industrial water daily.

SeAH Metal

Efforts to Minimize Air and Water Pollution

SeAH Metal demolished the air pollution prevention facility that used the wire-rod process and constructed a new facility in order to prevent the violation of environmental regulations on account of poor performance. In 2023, SeAH Metal will also replace its air pollution prevention facility, which uses the solvent cleaning process. Meanwhile, the Changwon Plant changed the chemicals in use to reduce the volume of process sludge generated in the wastewater treatment process. At the same time, the Wonju Plant conducts periodic in-house inspections on the final effluent of the wastewater treatment center to minimize water pollution, and manages the concentration of major pollutants through inspections by specialized measuring institutions.

Enhancing the Reliability of Industrial Waste Treatment

SeAH Metal selects companies that check the industrial waste collection,

transportation, and treatment processes transparently. The reliability of waste volume measurement was enhanced by using the truck scale selected by our company. When entrusting waste treatment, registration is done on the All Baro system for comprehensive management of waste, and the hazard information is provided to the transportation company to thoroughly apply the relevant environmental laws. Additionally, all containers used in the product shipment process made of wood and Styrofoam were changed to corrugated cardboard, except for anti-rust vinyl ones.

SeAH M&S

Acquiring the Resource Circulation Certification for Steel Slag

Steel slag, a type of waste discharged from the FeMo process, is entrusted to a waste treatment company and used as banking and covering material. SeAH M&S is considering the acquisition of Resource Circulation Certification for steel slag due to the issue of resource circulation coming to the fore as a result of the depletion of the landfill site for banking and covering materials and the reinforcement of environmental regulations. Under these circumstances, we plan to participate in government-supported projects, such as the project for resource circulation performance management and the project for building smart ecological plants. SeAH M&S is also considering the installation of byproduct manufacturing equipment for steel slag.



Steel slag of SeAH M&S

SeAH L&S

Suppressing Dust through the Installation of Dust Collectors

SeAH L&S has installed dust collectors to suppress dust generated in some of its production activities. Our company manages dust thoroughly by treating the remaining dust as waste and registering it on the government's All Baro system. Waste generated by our company other than dust is considered domestic waste and treated by a resource development company that runs recycling and steam production businesses.



Dust collection facility at SeAH L&S's Dangjin Plant

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SeAH Steel



Offshore Wind Power

SeAH Steel has been consistently supplying products to major offshore wind power projects since 2017, with the goal of becoming an energy transition leader. In 2020, we took over Syntek's Gwangyang Plant and decided to enlarge the production facility for a roll bender unit and post-treatment equipment for manufacturing pin piles. The investment for this extension was completed in the first quarter of 2023. In addition, using our synergy with SeAH Wind, a monopile manufacturing affiliate in the U.K., we are now constructing the world's largest monopile plant with the help of new equipment, such as R/B, and an organization system specialized in Offshore Foundation (OF). Going forward, SeAH Steel aims to continue placing great efforts into providing total solutions for the offshore wind power industry.

LNG

Given the growing importance of LNG in the process of transition from fossil fuels to environment-friendly energy, large-sized LNG plants are presently being constructed worldwide. In this regard, SeAH Steel has been acknowledged for its global top-tier LNG pipeline manufacturing capabilities by winning orders for large-scale LNG projects in Canada, Mozambique, and Qatar. SeAH Steel is now investing in the production of STS 24" forming equipment, Korea's largest roll-forming method. Through environment-friendly and economically feasible manufacturing methods with lower power consumption and a faster speed compared to the conventional production method, we aim to become a leading company in the growing environment-friendly LNG industry.

Hydrogen

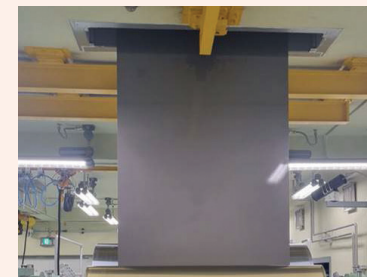
The hydrogen and Carbon Capture, Usage, and Storage (CCUS) industries are showing continued growth, in step with development of environmentally-friendly energy technologies for carbon reduction. It is therefore essential to develop transport pipes that have different characteristics compared to conventional construction pipes and oil and gas pipes. To meet this demand, SeAH Steel is improving equipment for producing pipes that can transport hydrogen and carbon dioxide. Presently, we are focusing our R&D capabilities on a private-public collaboration project on core renewable energy development supervised by the Ministry of Trade, Industry and Energy. Through these efforts, we aim to play a leading role in the renewable energy and carbon-related industries in the future.

SeAH Coated Metal

All Biomass Color-Coated Steel Sheets

In 2022, SeAH Coated Metal developed 'All Biomass Color Coated Steel Sheets' using raw materials extracted from natural substances, such as castor oil, sugar cane, and corn cob, thus replacing raw materials derived from petroleum substances. Biomass materials had been limited to solvents so far, but 'All Biomass Color Coated Steel Sheets' developed by SeAH Coated Metal applied environmentally-friendly raw materials to the entire paint process for the first time in the industry. As a result, the C14 content of 'All Biomass Color Coated Steel Sheets' developed by SeAH Coated Metal reached 29.5%, significantly exceeding the standard value of 20% required for ordinary environmentally-friendly products.

The biomass color coated steel sheets, while maintaining the excellent properties of existing products (such as the exterior of coated surfaces, processability, and durability), also have various environmentally-friendly advantages, such as using materials obtained by recycling agricultural waste, being harmless to the human body, and reducing carbon emissions. We expect these products to achieve a dominant position in the market, since they can provide a solution to the accelerating environmental regulations in Korea and abroad while increasing our global market competitiveness.



SeAH Coated Metal's all biomass color-coated steel sheets

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SeAH Besteel Holdings

Materials for the Hydrogen Ecosystem

SeAH CSS supplies core materials throughout the hydrogen value chain. These materials are applied to production equipment utilized as components in hydrogen plants. In particular, high-quality STS parts are utilized in different equipment to prevent the leakage of hydrogen when it is delivered to consumers. Our materials can be used in the hydrogen transportation process regardless of whether the hydrogen is in liquid or gas form. Our STS and aluminum materials are also applied to parts used in a range of applications, from tanks on hydroelectric vehicles to fuel cells.

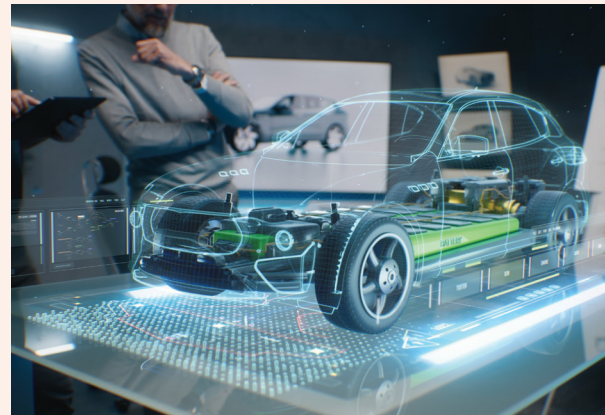
Nuclear Waste Casks

SeAH Besteel strives to resolve the issue of nuclear fuel processing, which poses the greatest risk in the process of nuclear power generation. The casks used in the intermediate storage stage are storage containers that provide shielding from the radioactivity of fuel rods, and they can store radioactive substances for about 50 years. In this regard, SeAH Besteel Holdings has acquired a license for manufacturing casks using safe technologies. We are conducting additional research to develop technologies for manufacturing disposal containers and safety technologies for the management of nuclear fuel, and have fulfilled the quality system requirements of the U.S. NRC. In 2022, we secured independent manufacturing technologies, such as welding and shrinkage fitting, and became the first Korean company to export such technologies to the U.S.



High Alloy Lightweight Steel for Electric Vehicles

SeAH Besteel manufactures 24 types of EV parts, including motor modules and chassis. In line with the high demand for the production of EVs and the increased weight of EVs due to current battery weight, lightweight materials have become crucial for increasing driving efficiency. SeAH Besteel Holdings is engaged in efforts to reduce the weight of vehicles by developing lighter materials. For example, we are developing lightweight materials that combine the strengths of Fe (iron) and Al (lightweight element) by utilizing the characteristics of Al, which reduces density through the lattice expansion effect when added to Fe. Through these efforts, we are contributing to the increase of fuel economy and the reduction of carbon emissions.



Materials for Wind Power Generation

SeAH Besteel is developing various technologies to keep pace with growing demand in the wind power generation industry and the expansion of the renewable energy market. In line with the increasing sizes of wind power generators, we created a process for producing 10-20 MW gear materials, supplied the prototype in 2022, and subsequently received approval from clients. Currently we are mass producing fixed-type mooring chain materials (R3-R5 grade) used in floating offshore wind power generators, and we are developing the highest grade of mooring chains (R6) with increased strength and reduced weight. Through its continuous R&D efforts to develop materials for the wind power generation industry, SeAH Besteel Holdings is contributing to the reduction of carbon emissions.

SeAH Special Steel

Environmentally-Friendly Graphite Free-Cutting Steel

Steelmaking companies and SeAH Special Steel have jointly developed environmentally-friendly graphite free-cutting steel, a material that has excellent machinability and represents an alternative for lead free-cutting steel, by utilizing graphite particles that are harmless to the human body. We are currently in the process of expanding the applications of these materials. In addition to increasing the cutting efficiency and preventing the wear of cutting tools, we also expect to prevent environmental pollution through the transition to environmentally-friendly materials.

Non-phosphorous Coating

CHQ wires supplied to automotive parts makers are materials coated with zinc-calcium phosphate. These wires are thermally treated after removing the phosphorous. SeAH Special Steel has developed a non-phosphorous coating to reduce costs and environmental pollution by eliminating the phosphorous removal step. Since this coating does not contain phosphorous (P) on the material surface, the phosphorous removal process is unnecessary. Applications of non-phosphorous coating are currently increasing, as the coating in these materials is easier to clean compared to phosphorous-coated materials.

Oil-Clean Coating

SeAH Special Steel has developed an oil-clean coating solution to resolve the problem of work environment pollution when forging CHQ wire materials. The oil-clean coating does not have the unreacted soap layer, and therefore causes less dust from coating powder and less pollution from forming oil. Additionally, the coating powder does not remain in the mold during the process, thereby increasing the life span of the mold and reducing costs. We have achieved a higher-level forging work that involves the lubrication of heavy processing polymers compared to existing phosphate coatings.



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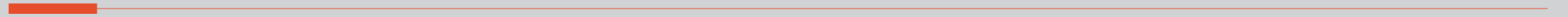
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Human Resource Management

The SeAH Group recruits employees who make the world better. The company's DNA remains rooted in the values of 'Honest, Passionate, Professional,' which enables all its employees to live happy and abundant lives by growing as individuals together with the organization. The SeAH Group aims to elevate its status to the level of a company that truly inspires the world.

Core Values

The core values of being Honest, Passionate, and Professional are the essential criteria for judging the thoughts and behaviors of employees of the SeAH Group. The SeAH Group grows its workforce in accord with its core values, and operates systems for education, evaluation, and reward to promote the happy lives and shared growth of individual employees while continuing to build a culture of mutual respect.

SeAH's Way of Working



It can be said that 'Honest' is the head of SeAH, 'Passionate' is at the heart of SeAH, and 'Professional' is in the hands and feet of SeAH. All SeAH employees practice the Nine Codes of Conduct, pursuing the values of being Honest, Passionate, and Professional as the core standards for their way of working.

Honest	Gratitude and modesty	Basics and principles	Consistency between words and actions
Passionate	Spirit of ownership	Agility	Adventurous mindset
Professional	Insight	Collaboration	Completion

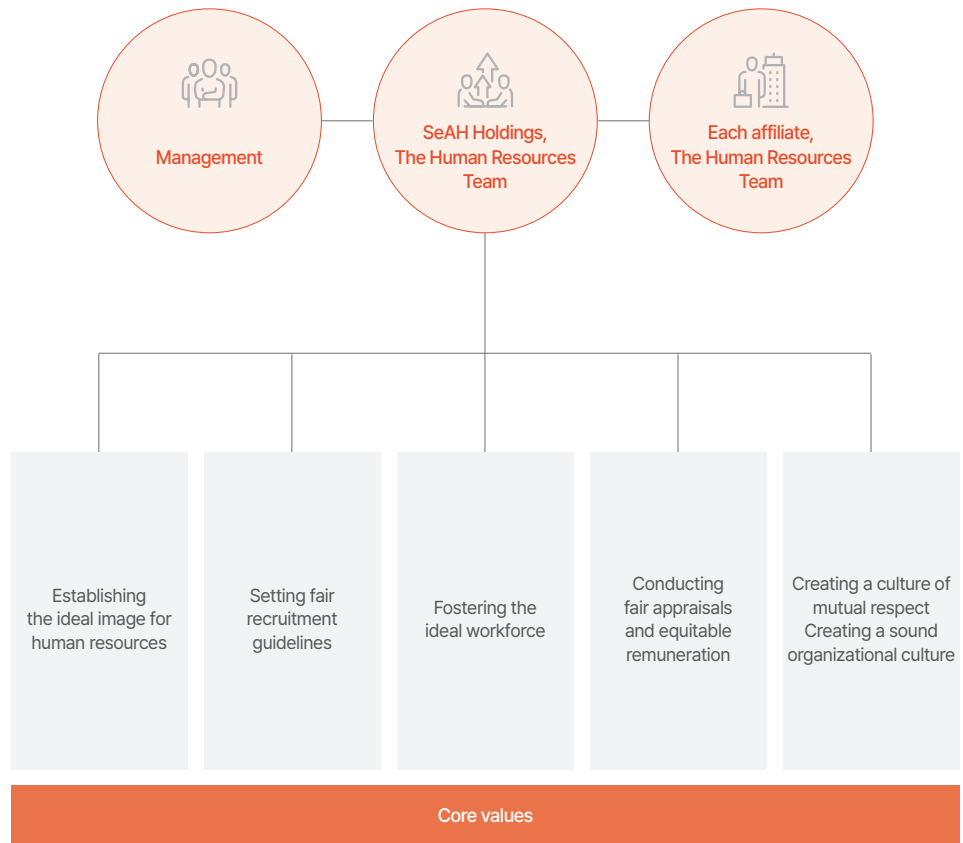
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Governance

The SeAH Group recruits and fosters a talented workforce based on its strategic goals. Each affiliate recruits employees separately. The Group runs common educational programs, and each company operates separate OJTs. Additionally, the SeAH Group oversees improvements in its human resource management system to ensure that its workforce is secured, cultivated, appraised, and remunerated fairly and organically.

SeAH Holdings' Human Resources Team of SeAH Holdings establishes annual human resource management and training plans to guide its human resource policies, conducts education for employees of all affiliates, and frequently reports outcomes to the management.

The Human Resource Management System



Strategy

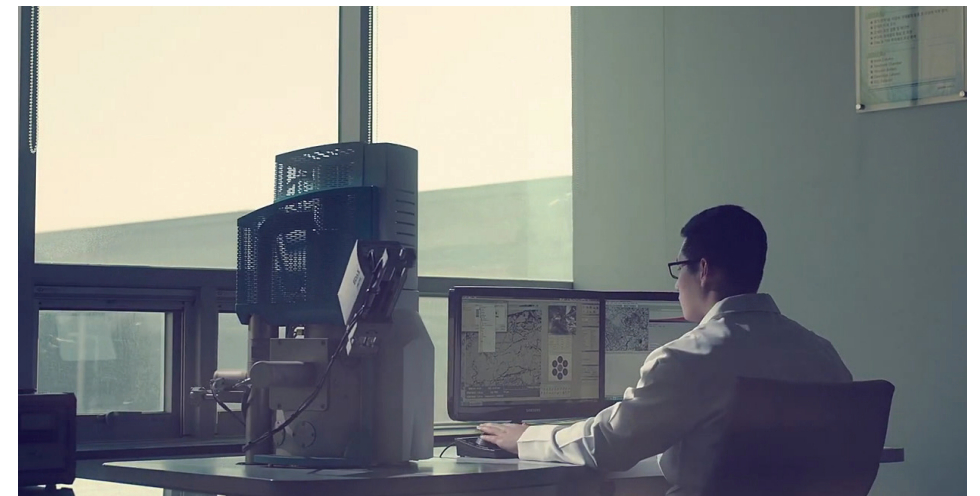
Recruitment

The SeAH Group selects a diversified workforce that displays job expertise as well as potential based on its core values of being Honest, Passionate, and Professional. When selecting our workforce, we ensure fair recruitment practices to achieve diversity and prevent discrimination against region, age, physical characteristics, gender, or religion. The recruitment guidelines are stipulated in the employment rules and human resource management regulations of each affiliated company. The SeAH Group evaluates the competency and qualification of job applicants objectively and fairly, according to systematic screening procedures and criteria, including the Fair Hiring Procedure Act.

Appraisal and Remuneration

The SeAH Group operates an appraisal system that can objectively appraise the performance of its organizations and individual employees based on the strategies of each affiliate company, thus encouraging an environment of mutual collaboration. By performing multilateral appraisals on all employees, we encourage feedback from various perspectives—such as the degree of practicing core values, the ability to execute duties, and leadership—so that employees can reflect on how to continue to refine their skills.

The SeAH Group determines equitable pay raises based on the strategies and management environment of each affiliate company in order to enable employees to maintain stable living standards. The companies' profits are distributed among employees through a performance-based pay system. In addition, employees and organizations that have shown outstanding contributions are recognized yearly with the 'Achievement Award.' We measure work performance by conducting one to three appraisals each year based on the personal work performance of each individual, and continue to provide frequent coaching and feedback.



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The Training System



The SeAH Group is operating 10 collective education courses for different cadres, positions, and core employees, as well as about 6,000 e-learning programs, covering areas such as job skills, common jobs, global competencies, and IT competencies for all employees—including contract workers—to secure sustainable levels of competitiveness. We have set the core values, business essence, relationships, and organizational culture as the main directions for collective education, and are striving to maximize the immersion and effectiveness of our education programs. Additionally, we have built a learning platform to increase convenience and learning effects for employees in the post-COVID-19 era and are operating comprehensive online education programs.

Leadership Education

The SeAH Group conducts onboarding education programs for newly appointed leaders. We educate new executives on the eight core competencies that executives must possess for the sustainable growth of the Group, including their roles, strategies, marketing, finance, and coaching. New team managers can participate in workshops on topics such as 'What Leadership Means,' and receive the coaching necessary to train team members, which includes the setting of annual targets, conducting evaluations, and providing feedback. In 2022, about 100 team managers were selected from all affiliates and business sites to provide focused coaching in small groups, aiming to balance the soundness of the organizational culture and performance management. Additionally, we operate an executive education platform for all executives, delivering essential information and knowledge in an easy-to-understand and timely way.

Education for Core Human Resources

The SeAH Group selects annually core employees from all employment ranks and trains them as candidates for the next generation of leadership positions. Three courses for core employees are provided at each employment rank: the Challenge Leader Course cultivates trainees' ability to solve working-level problems in a short time; the Advanced Leader Course facilitates new business models through a short-term MBA curriculum; and the Business Leader Course provides entrusted education on change and innovation, strengthening the competencies and leadership skills of leaders and offering an opportunity to expand networking with core employees of other companies.

Onboarding Education for New Employees

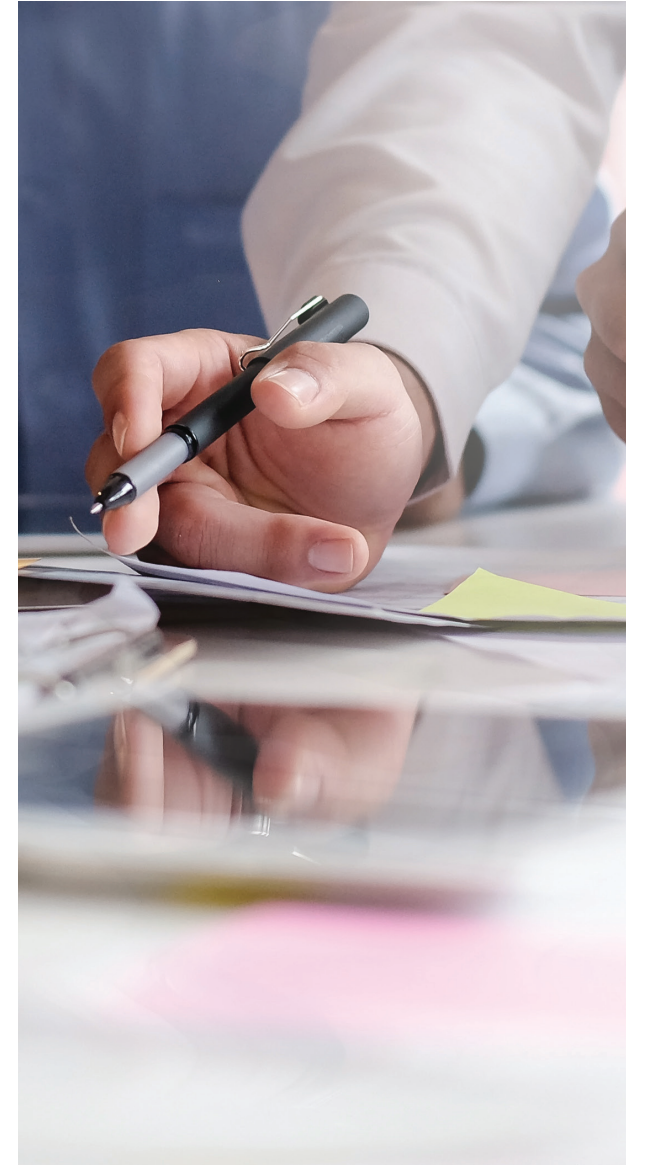
The SeAH Group provides an onboarding education program in order to enable the quick adaptation of newly hired employees, both experienced and new to the job. We assist these employees in assimilating SeAH's core values and way of working swiftly, thus actively supporting the start of their careers at SeAH.

Learning Cloud Platform

The SeAH Group operates a learning cloud so that employees can participate in education programs for self-development and knowledge sharing at any time and place using a mobile device or PC. The learning cloud provides various e-learning contents for a multitude of job areas and specializations, such as industrial jobs, licenses, job experts, common job competencies, and IT competencies, as well as 6,000 learning content items such as leadership competencies, global competencies, and business trends. Furthermore, SeAH employees can participate in an autonomous online campus.

Special Lectures by Celebrities

The SeAH Group organizes special lectures by celebrities to create the motivation for behavioral changes that can shape a sound organizational culture, encourage participants to contemplate the nature of their work, and share contemporary trends and future directions. All employees can freely participate in these special lectures. Special lectures by celebrities in 2022 included the topics, 'Understanding MZ Generations and the Organizational Culture for Strengthening Performance,' 'What Does Work Mean to You,' and 'How Startups Work,' while topics in 2023 included, 'Read the Population and Open the Future' and 'How to Avoid and Not Become Office Villains.'



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Group's Educational Performance

Targets	Course	Purpose	Number of Attendees
Leadership	Education for New Executives	To secure core competencies as executives	25 employees (2022), 12 employees (2023)
	Education for New Team Managers	To strengthen leadership competencies	50 employees (2022), 50 employees (2023)
	Group Leadership Coaching	To create a sound organizational culture and manage performance	103 employees (2022)
Core Employees	Business Leader Course	Change and Innovation, Leadership Diagnosis	14 employees (2022), 14 employees (2023)
	Advanced Leader Course	Short-term MBA, Improvement and Innovation of Business Models	22 employees (2022)
	Challenge Leader Course	Short-term Collaborative Tasks and Growth	26 employees (2023)
New Employees	Education for Employees without Experience	To internalize and get immersed in SeAH's core values	120 employees (2022), 113 employees (2023)
	Education for Experienced Employees	To align personal and organizational goals	71 employees (2023)
Promoted	Education for Employees Promoted to the Position of Deputy or Department Managers	'Zoom in/out' of employees who play a leading role in team building	87 employees (2022), 102 employees (2023)
	Education for Employees Promoted to the Position of Section Managers	To manage the organizational culture/performance of the 'sandwich generation'	69 employees (2022), 53 employees (2023)
	Education for Employees Promoted to the Position of Assistant Managers	Personal growth and organizational vision	62 employees (2022), 57 employees (2023)

SeAH Special Steel

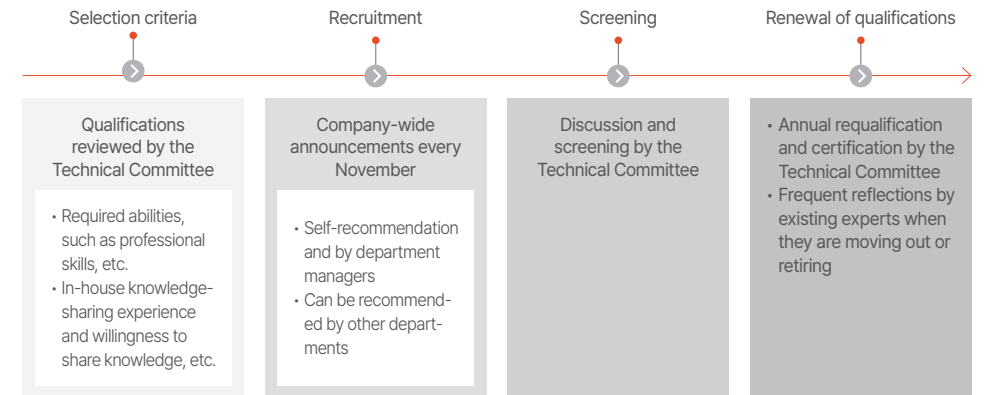
Operating the MBA System

SeAH Special Steel identifies and selects core employees from within the company and operates an online MBA system linked to university courses to foster its future managers in the mid- to long-term period. This six-month curriculum encompasses all management areas, including management strategies, financial management, marketing management, personnel organization, and value-creation process for products and services. Going forward, we will conduct and continue reinforcing yearly competency education for core employees.

Fostering Process Experts

SeAH Special Steel creates a virtuous cycle of knowledge by fostering the development of process experts. Process experts provide training to employees in their areas of expertise. Newly hired employees can utilize this opportunity to acquire process knowledge and contribute to creating greater performance by enhancing their competencies. We produced one process expert in 2021, and currently process experts are actively utilized to share knowledge internally.

The Process Expert Operation Process



SeAH Coated Metal

Supporting the Acquisition of Licenses

SeAH Coated Metal operates a license acquisition system for different job ranks to enhance the competency of professional positions held by its employees. The acquired licences depend on the characteristics of each duty on the production line: the Craftsman Surface Treatment License, for example, is awarded to pickled and galvanized coating line workers; the Craftsman Rolling License is awarded for rolling line workers; and the Craftsman Electricity and Craftsman Machinery License for workers on the machinery and electricity sector lines. We support the acquisition of licenses by designing courses with the Jeollabuk-do Human Resources Development Institute and operating them from March to December each year. The license courses allow SeAH Coated Metal to gain a competitive edge and open the path for giving our workers higher skillsets.

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Strengthening SeAH's Organizational Culture

The SeAH Group pursues an organizational culture imbued with a sense of peace of mind and mutual respect, where employees do not suffer disadvantageous treatment for presenting personal opinions on work or work culture. Additionally, we prohibit discrimination against gender, nationality, race, and disability, recognize diversity and cultural differences, and strive to create a workplace that is conducive to mutual growth.

Organizational Diagnoses and Activities to Improve SeAH's Organizational Culture

The SeAH Group receives input from the employees of all its affiliates, in an effort to examine and improve the organizational culture of each affiliate company. Organizational diagnoses comprise four items, including satisfaction with the organization, job satisfaction, assessment of the organizational culture, and ethics and compliance. The survey results are handed over to the Human Resources Team of each affiliate company and utilized to help all employees within the organization create a better workplace.

Improving Diversity

The SeAH Group has been increasing the recruitment of female employees and gradually upping the ratio of female managers in order to achieve a more balanced gender diversity. Three new female executives were appointed in 2022 and one in 2023. These figures correspond to a combined 4.3% of all executives of the Group. In addition, we are continuing to increase the number of female intermediate-level managers—there were 43 female intermediate-level managers as of 2022.

Activating Employee Communication

All affiliates of the SeAH Group conduct negotiations with the labor union regarding wages, and either conduct collective bargaining or install labor-management councils to ensure that employees can grow with the company and live happy lives. Employees can freely present their opinions on how to create better life-work systems for the company and individuals, such as better welfare, grievance handling, and improving the work environment. Going forward, the SeAH Group will keep making consistent efforts to maintain a win-win labor-management relationship.

| ESG Story | SeAH Holdings HALLS

SeAH Holdings has organized a labor-management council named Holding ALL Speaks (HALLS). The name indicates that all employees of the company can speak up and contribute to creating a healthy organizational culture and relevant life-work systems. HALLS also oversees the Deputy Chief Committee and the Newcomer Committee. HALLS operates on the premise that systems are created based on trust instead of control and surveillance. Thanks to HALLS, we were able to build the confidence that nobody can receive disadvantageous treatment for expressing their opinions about work.

| ESG Story | SeAH Steel Labor-Management Culture Award

SeAH Steel shares annually information on the common management performance of the company through labor-management consultation. When employees have grievances, the 'Proactive Grievance Handling System' allows working-level managers to handle such grievances through field-oriented labor management practices. By operating ongoing councils for empathetic communication and autonomous improvement, we were able to reach wage and collective bargaining agreements without negotiations for three consecutive years. In 2022, SeAH Steel won the Presidential Award for Labor-Management Culture, which is awarded to companies that practice a sound labor-management culture based on win-win and

cooperation practices, and was recognized by the Ministry of Employment and Labor for creating a healthy culture of cooperation between labor and management.

| ESG Story | SeAH Besteel Holdings Holds the 'Refresh' Labor-Management Council

SeAH Besteel Holdings convenes the Refresh Labor-Management Council each quarter. 'Refresh' is a platform that can build a happy work environment for employees by gathering and finalizing the opinions of the management and employees. Refresh also determines the adoption and priorities of agendas. Agendas that have been approved through meetings and reports are shared transparently through internal announcements. We will continue to run various programs to continue the development of a happy organizational culture.

| ESG Story | SeAH Besteel / SeAH CSS Junior Board

SeAH Besteel and SeAH CSS have launched the Junior Board, which is composed of young, working-level employees. The Junior Board will be operated with the goals of promoting horizontal communication with employees, innovating the corporate culture, and fostering the development of original ideas.



Won the Presidential Award for Labor-Management Culture in 2022

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Human Rights Management

In line with its core belief of being 'Honest,' the SeAH Group complies with and supports international principles and standards regarding human rights and strives to ensure the respect and protection of human rights in all human relationships. In November 2021, we established the Group's Charter of Human Rights and distributed it among all affiliates after a resolution by the BOD of SeAH Holdings. Each Group company has established and operates human rights management policies, which include internal and external communication, grievance handling, and relief procedures.

Group's Charter of Human Rights

● Article 1. Establishment of Human Rights Management System

SeAH Group shall respect all officers and employees and stakeholders as human beings, provide them with regular human rights training to prevent any mental or physical infringement of human rights, and conduct monitoring and complaint handling procedures for human rights infringement through its Ethics Management Office.

● Article 2. Prohibition of Discrimination in Employment

SeAH Group shall not unfairly discriminate against any person based on his/her gender, nationality, religion, social status, race, age, academic background, disability, gender identity, among others, in its human resources management, including its recruitment, promotion, compensation, and provision of educational opportunities.

● Article 3. Guarantee of Freedom of Association and Collective Bargaining

SeAH Group shall encourage the Company and its officers and employees to freely communicate with each other to foster a sound organizational culture and guarantee their right to join the union and collective bargaining. In addition, SeAH Group shall not unfairly disadvantage any person based on his/her union activities.

● Article 4. Prohibition of Forced Labor

SeAH Group shall not force any person to work against his/her free will by unreasonably restricting his/her mental or physical freedom, such as by using violence, intimidation, or confinement, nor shall it require any officer or employee to transfer his/her identification card or other important personal information as a condition of employment.

● Article 5. Prohibition of Child Labor

SeAH Group shall comply with the minimum employment age standards provided by national and local laws and regulations and shall not expose minors to a working environment that is harmful or dangerous to the human body.

● Article 6. Guarantee of Industrial Safety

SeAH Group shall regularly inspect the facilities, equipment, tools, etc. of its places of business to ensure that all officers and employees can work in a safe working environment and shall strictly comply with health and safety standards under national and local laws and regulations. In addition, SeAH Group shall provide regular training which covers legal requirements for industrial safety and raise awareness among the officers and employees.

● Article 7. Responsible Management of Supply Chain

SeAH Group shall endeavor to share the values and principles of this Human Rights Management Charter with its affiliates and suppliers. If any affiliate or supplier violates this Human Rights Management Charter, SeAH Group may take necessary measures, such as suspending transactions with the violator.

● Article 8. Protection of Local Residents' Human Rights

SeAH Group shall manage any potential changes in the community's society and environment affected by its place of business and protect human rights. SeAH Group shall raise concerns regarding potential impact of its place of business on the neighborhood and the residents, and listen to and reflect the community's opinions in its business activities to address problems.

● Article 9. Protection of Environmental Rights

SeAH Group shall implement and carry out activities to protect the environment and encourage its domestic and overseas places of business, suppliers, and local communities to participate in its environment protection activities.

● Article 10. Protection of Human Rights of Customers

All officers and employees of SeAH Group shall prioritize the protection of life, health, and property of customers when providing products and services and shall take the best measures to protect personal information collected during their business activities.

● Article 11. Prevention of Workplace Harassment and Gapjil*

The officers and employees of SeAH Group shall neither engage in any harassment or aggressive acts that may interfere with other employees from performing their duties, nor shall it give any inappropriate instruction to other employees to perform tasks that violates applicable laws and regulations and the Company's regulations and processes or is unrelated to the duties assigned.

*'Gapjil' is a Korean expression that refers to an arrogant or authoritarian attitude or actions of people who have positions of power over others.

● Article 12. Protection of Personal Information

SeAH Group shall protect the personal information of stakeholders, including customers, under national and local laws and regulations and shall not use any personal information for any other purpose without prior consent of the data subject. In addition, SeAH Group shall provide correct information and shall not provide any false information.

● Article 13. Compliance with Legal Working Hours and Conditions

SeAH Group shall fully comply with the working hours under national and local laws and regulations and other requirements under the labor law such as minimum wage, social insurance, breaks and leaves.

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Governance

The SeAH Group actively promotes human rights management practices so as to internalize a culture of respect for human rights throughout its business operations, foster respect, and protect all stakeholders. The SeAH Group has built a group-wide human rights management promotion system by having an exclusive organization collaborate with relevant departments and establishing a system for reporting activities to the BOD and other top management.

The exclusive organization generally manages major human rights risks that occur within and outside the Group. It periodically reviews and reorganizes the human rights policies of the SeAH Group, striving to identify and mitigate potential risks by performing human rights impact assessments. Furthermore, the organization checks whether reports received through the grievance handling channel have been handled objectively and transparently. Additionally, the organization collaborates with relevant departments of the Group on improvement tasks related to the Group's risks identified through human rights impact assessments and grievance handling channels, adopts measures to protect human rights, and ensures that grievances are resolved.

The Human Rights Management System



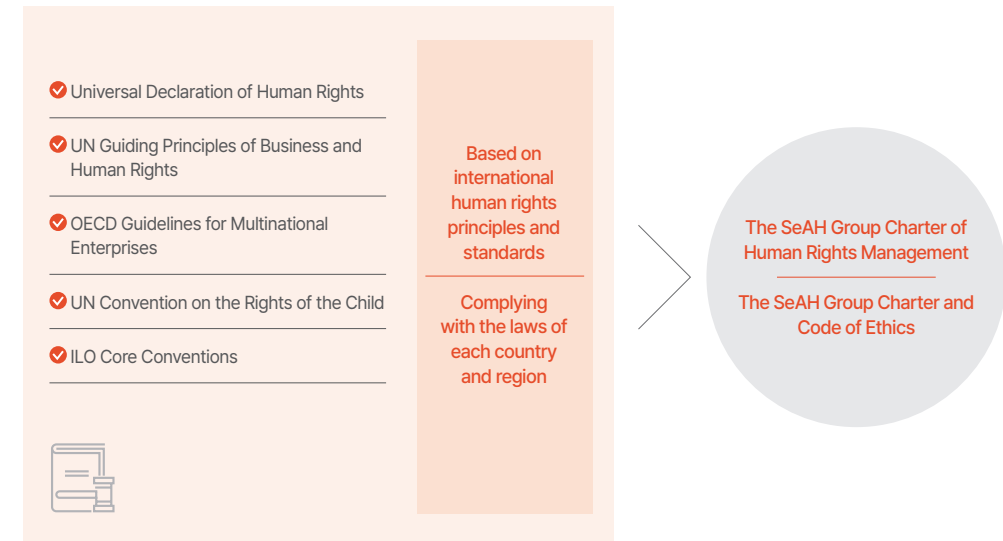
Strategy

SeAH Group complies with the laws and regulations of each country and region and respects international principles and regulations on human rights, including the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises, the UN Convention on the Rights of the Child and the Core Conventions of the International Labor Organization. To abide by the above, SeAH Group has established and implemented human rights management policies covering matters relating to internal and external communication, handling of complaints, and remedial procedures.

SeAH Group's human rights management policies shall apply to all of SeAH Group's domestic and overseas places of business, and 13 human rights management guidelines have been prepared for common understanding and group-wide practice.

SeAH Group's Human Rights Management Policies

The 'SeAH Group Charter of Human Rights Management' and the 'SeAH Group Charter and Code of Ethics' were established and announced externally in order to ensure respect for the human rights of all stakeholders throughout our management activities.



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SeAH's Human Rights Management History

The SeAH Group initially established the Group's Charter of Human Rights Management in 2021 with the aim to establish the foundation for a sustainable growth that can create a "world inspired by SeAH." As part of that effort, SeAH Holdings performed due diligence on its human rights management and reported the results to the BOD. We subsequently implemented and distributed the Charter of Human Rights Management among all affiliates. SeAH Holdings' human rights due diligence framework was formulated by considering: 1) the human rights impact assessment; 2) the organizational diagnosis survey on employees; and 3) the outcome of a diagnosis performed by an external law firm.

In 2022, the Group announced zero-tolerance principles against human rights violations and formed the groundwork for establishing a culture of mutual respect by conducting objective investigations and responding to workplace bullying, sexual harassment, and violence among employees. The zero tolerance culture was implemented with oversight from third-party law firms and labor firms. SeAH Besteel, an affiliate, participated in the private demonstration project on human rights management by the National Human Rights Commission and reported the project outcomes to the BOD in order to advance human rights management beyond the scope of problem-solving and legal compliance. Additionally, the SeAH Group conducted 31 sessions of face-to-face human rights education programs at 20 business sites, apart from the four human rights education programs* available on the learning cloud of all affiliates.

* Prevention of workplace bullying, prevention of sexual harassment, improvement of disability awareness, and protection of personal information

The SeAH Group is continuing its efforts to strengthen its human rights management as of 2023. In 2023, we introduced an anonymous mental counseling program for all employees of the Group who are internal stakeholders. At the same time, we are investing in and supporting the labor expenses of Bear Better Incheon/Gyeonggi, an external stakeholder that provides stable jobs to persons with developmental disabilities.

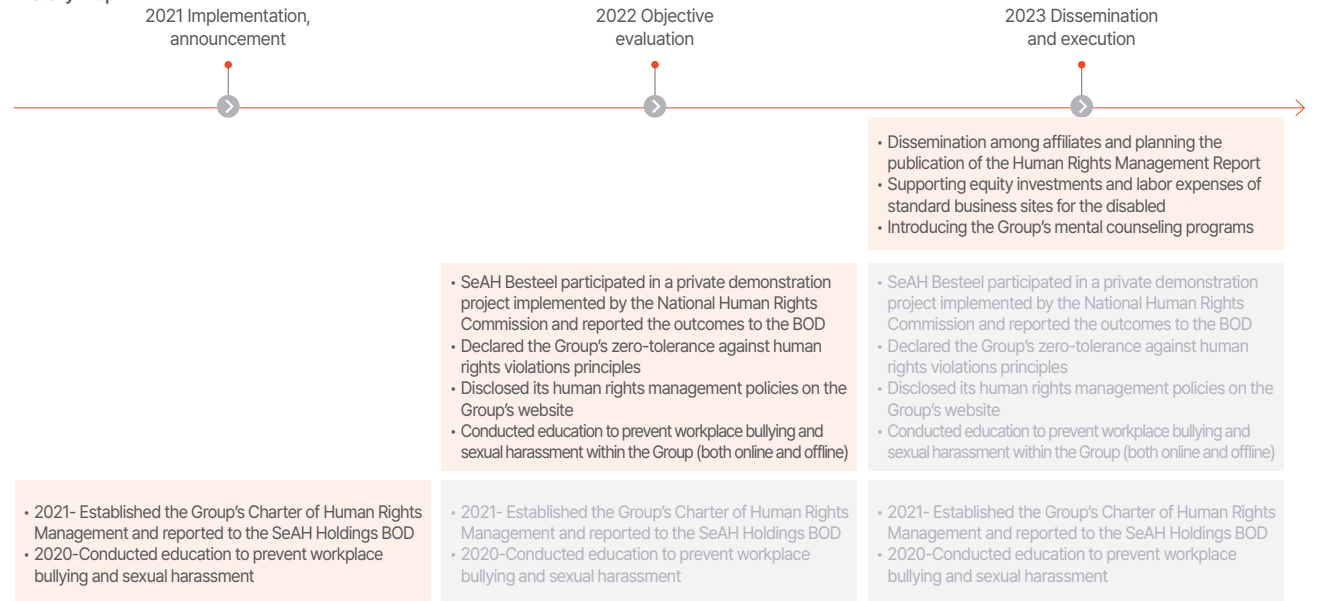


SeAH Group's Human Rights Due Diligence Principles

- ✓ Sharing the Charter of Human Rights with all stakeholders to identify and prevent human rights violations that can occur during management activities
- ✓ Responding to potential human rights risks through the diagnosis of human rights management performance
- ✓ Frequently checking factors that violate employees' labor rights and potential risks by operating various response channels
- ✓ Taking timely action against human rights risks under the supervision of the Compliance Team and Human Resources Team of each affiliate company
- ✓ Sharing the results of the evaluation on relevant departments and requesting analysis and improvement of causes
- ✓ Managing human rights risks continuously through regular evaluation of human rights status



History Map



Protecting human rights, inspired by SeAH

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Activities and Performances

SeAH Holdings

Zero-Tolerance Principles

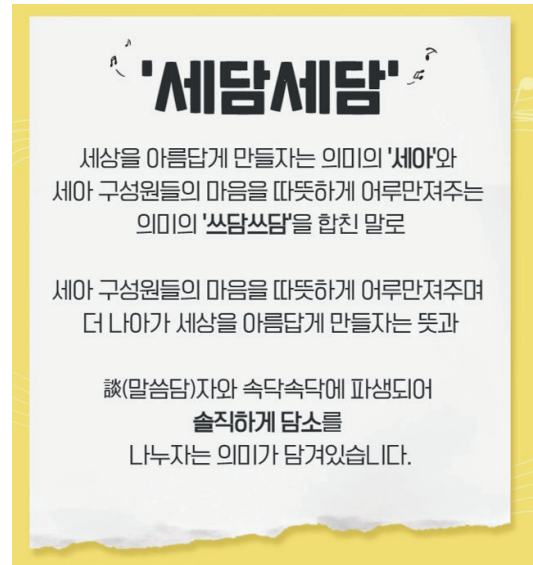
The SeAH Group has designated workplace bullying, sexual harassment, and violence among employees as the three major workplace offenses, and is responding to them with a zero tolerance attitude. The short-term purpose of our zero-tolerance policy is to protect victims and prevent the occurrence of these three major offenses through monitoring and stern disciplinary actions. The ultimate purpose is to create an organizational culture based on mutual respect and trust.

The 'SeAH Pat Pat' Counseling Center for All Employees

The SeAH Group implemented an employee assistant program(EAP) to ensure a sense of safety for employees and enable them to live happy lives. A total of 254 employees from 166 group companies participated in this program, called 'SeAH Pat Pat'.

SeAH Pat Pat is available to all employees of the SeAH Group (eight times a year), and it guarantees perfect anonymity. Through SeAH Pat Pat, the SeAH Group resolves various work-related grievances of employees such as overwork, bullying, and communication, as well as personal issues like family disputes and depression. The program is intended to offer healing and recovery from troubles experienced in the daily life.

'SeAH Pat Pat': A Counseling Center for Employees



Zero-Tolerance Principles and Efforts Against Human Rights Violations

Zero-Tolerance Policy Against Human Rights Violations

We take strict disciplinary actions according to regulations **against acts of workplace bullying, sexual harassment, and violence among employees**, with a zero tolerance policy toward even minor violations.

Short-term Purpose

To monitor strict implementation of the zero-tolerance policy, protect victims through definitive punishment, and prevent the three major offenses from occurring

Long-term Purpose

To eradicate the three major offenses by continuously conducting education programs and raising awareness and creating a culture of mutual respect and trust throughout the SeAH Group

Improvement Efforts



Reflecting on the SPS evaluation of the CEO



Investigating complaints and incidents objectively through an external agency



Distributing relevant guidelines and sharing outcomes of zero-tolerance cases



Conducting related education



Opened 'SeAH Pat Pat,' a face-to-face counseling center for all employees of the Group (March 2023)

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Investing in Bravo Beaver (Bear Better) to Provide Stable Jobs to Disabled Persons

The SeAH Group provides stable jobs to persons with developmental disabilities by making equity investments in standard business sites for persons with disabilities. Equity investments in standard business sites refer to the businesses of companies that are obliged to employ persons with disabilities but have difficulty offering employment to them due to their business characteristics. These businesses comply with Article 3 of the Enforcement Rules of the Act on the Employment Promotion and Vocational Rehabilitation of Persons with Disabilities in attaining the mandatory employment ratio of the disabled and receiving products made by persons with disabilities by investing equity in a business place certified by the Minister of Employment and Labor and providing labor expenses to the business place.

The SeAH Group invested in Bravo Beaver, a company certified as a standard business place that offers stable employment for persons with developmental disabilities pursuant to relevant laws, with over 70% of all employees being persons with developmental disabilities. SeAH CSS, SeAH Metal, and VNTG invested in Bravo Beaver Incheon, which produces stationeries. Meanwhile, SeAH Steel, SeAH Special Steel, and SeAH Coated Metal invested in Bravo Beaver Gyeonggi, which produces fruit syrups. The total amount of investment was KRW 340 million. In return for providing monthly labor expenses, we receive products made by persons with developmental disabilities. Various items produced by disabled persons, including stationeries, cookies, and fruit syrups, are either provided as gifts to SeAH's employees or donated to neighbors in the local community. In the future, the SeAH Group will continue to strengthen the human rights and diversity of the persons with disabilities with whom it conducts business.

Human Rights Education

The SeAH Group conducts human rights education programs for employees every year. All employees of the Group completed education on preventing sexual harassment and workplace bullying (4,401 participants in 2022), and all office employees completed education on raising disability awareness and protecting personal information (1,682 participants in 2022). In 2022, we conducted human rights sensitivity education at 31 business sites. In 2023, we will continue strengthening the protection of human rights within our business sites by expanding the scope of human rights education programs, such as education on zero-tolerance against human rights violations principles.

Invested in Bravo Beaver, a company that offers stable jobs to disabled persons



Handling Grievances

The SeAH Group operates counseling and reporting channels for all employees, partner companies, and various external stakeholders, such as local communities, allowing them to report any grievances related to human rights or matters that violate the soundness of our corporate culture. The Ethical Management Office is the exclusive organization in charge of these channels. We ensure the complete protection of the whistleblowers' confidentiality.

Handling Stakeholders' Grievances



- Operating an Ethical Management Suggestion Center to report all human rights issues that violate the soundness of our corporate culture, such as unsound practices within the SeAH Group, unfair handling of work, and human rights violations
- Investigating and taking actions against problems reported by partner companies, citizens, and retirees according to relevant standards
- Reports are only accessed by the Audit Office, with complete protection of the whistleblowers' confidentiality

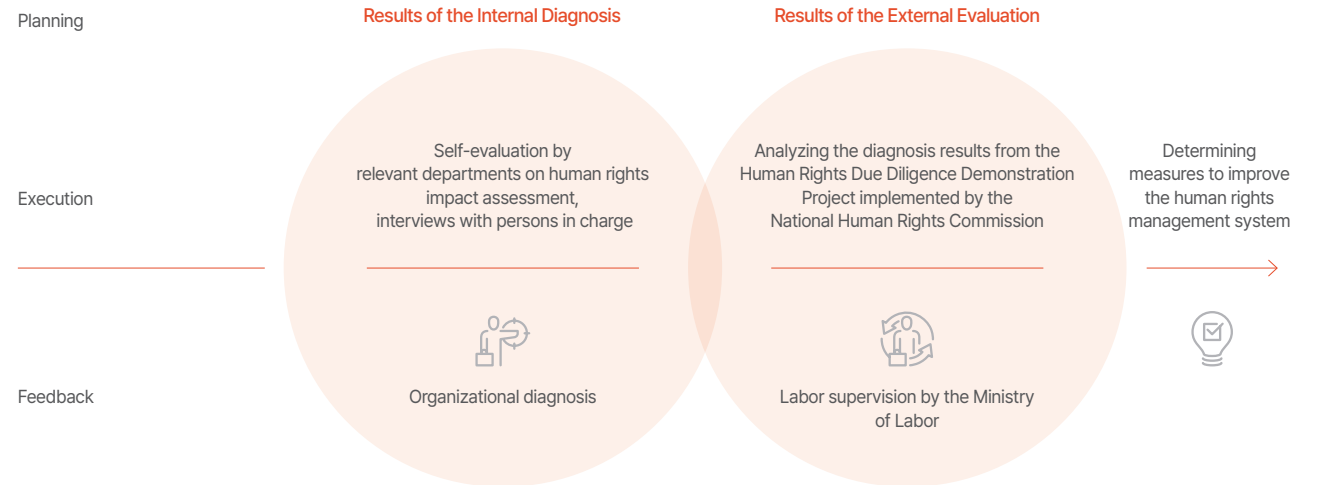
Handling Employees' Grievances



- Operating a grievance handling center to provide counseling and handle reports on employees' concerns about work and daily life, sexual harassment, and workplace bullying
- Employees can request anonymous or non-anonymous counseling via phone calls, emails, or interviews
- The whistleblower is notified of actions against grievances and results within 10 days
- We are taking protective actions such as: separating personal space and work space and providing leaves from work to prevent secondary damages upon receiving reports on sexual harassment and workplace bullying; suspending actions based on the investigation results; taking measures such as demanding apologies; imposing disciplinary actions and helping the victim recover; establishing measures to prevent recurrence; and conducting further education

Subsidiary ESG Story Human Rights Due Diligence Conducted by the National Human Rights Commission on SeAH Besteel

SeAH Besteel has recognized the importance of conducting human rights due diligence within its value chain, including the supply chain. It has thus established a process for monitoring human rights and labor regulations, and diagnoses human rights risks regularly to resolve any arising problems. In April 2022, SeAH Besteel participated in the Human Rights Due Diligence Demonstration Project implemented by the National Human Rights Commission for large companies, analyzing the evaluation results and identifying potential human rights risks. After determining improvement tasks, we officially launched our human rights management policy through a BOD resolution in February 2023 and implemented a human rights management system chaired by the Head of the Support Headquarters.



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SeAH Besteel Holdings

Grievance Handling Process

SeAH Besteel Holdings has established a number of channels where employees can report any cases related to the three major zero-tolerance against human rights violations offenses. By establishing a response process, we have been able to investigate and handle the reported matters transparently and thoroughly. Additionally, we now have a preventive process in place to conduct activities such as education of employees, distribution of leaflets, and promotion of reporting channels.

Grievance Handling Channels

Internal Reporting Channels	External Reporting Channels
<ul style="list-style-type: none"> • Composed of nine reporting members, including the Legal Affairs Team and Compliance Team, members of the Grievance Handling Committee, the Ethical Management Office, and team managers • Regular education on the response process and counseling methods • Signing of confidentiality pledges regarding details of the reports received 	<ul style="list-style-type: none"> • Introduced the 'Secure Attorney' system in March 2023 • Anonymous and non-anonymous reporting and counseling • Counseling and response by an expert group of attorneys once the reports are received • Submission of the received reports after completion of counseling

The Preventive Process

Employee Education	<ul style="list-style-type: none"> • Education on zero-tolerance toward human rights violations principles has been designated as mandatory for all employees. • We are making and providing separate video educational programs for technical employees to minimize the educational gap among job groups. • We are providing packaged educational materials (education, confidentiality pledges, process guides, etc.) on zero-tolerance toward human rights violations principles to newly recruited employees.
Leaflet Distribution	<ul style="list-style-type: none"> • We are distributing leaflets with answers to questions received through employee education programs among departments and executives, and also making them available in the public lounges of each workplace. • The 'Collection of Q&As on Zero-Tolerance Principles' is updated continuously, providing answers to questions from employees.
Promotion of Reporting Channels	<ul style="list-style-type: none"> • We are continuously promoting channels and processes during the intense zero-tolerance toward human rights violations period that takes place at the end of each year. • Feedback from employees received during the intense zero-tolerance toward human rights violations periods is used to supplement the zero-tolerance system.

SeAH Special Steel & SeAH Metal

Managing Human Rights Risks

SeAH Special Steel and SeAH Metal have established and strictly abide by the SHE policy, human resource recruitment policy, Code of Ethics, Code of Conduct for Suppliers, and Code of Purchasing Ethics to prevent direct and indirect human rights violations throughout their business value chains. Additionally, we established the Compliance TF in April 2022 with the aim to conduct company-wide education and publicity activities related to the preservation of human rights. In 2023, we will initiate the Compliance Team in an effort to establish and implement the principles of human rights management and manage compliance risks.

Operating Grievance Counseling Channels

SeAH Special Steel and SeAH Metal operate grievance counseling channels that can be utilized by employees who seek consultation and wish to report issues such as workplace bullying and sexual harassment. Employees can make use of these services using various channels, such as phone calls, emails, and social media. Details of counseling and reports are kept strictly confidential and undisclosed. Additionally, there are many counselors to provide counseling regardless of the work region, and we guarantee the upholding of human rights by taking appropriate measures against actions that go against the principles of human respect through a grievance-handling process.

10^{CASES}*

Number of zero-tolerance violations received and handled in 2022

Workplace bullying, sexual harassment, and violence

Please notify us immediately!

Have you been bullied, sexually harassed, or attacked at work? Or have you witnessed or heard of such acts? SeAH Besteel Holdings responds to these three major offenses, namely workplace bullying, sexual harassment, and violence, with an attitude of zero-tolerance.

We are here to help you. Do not suffer alone. Please contact us and speak out.

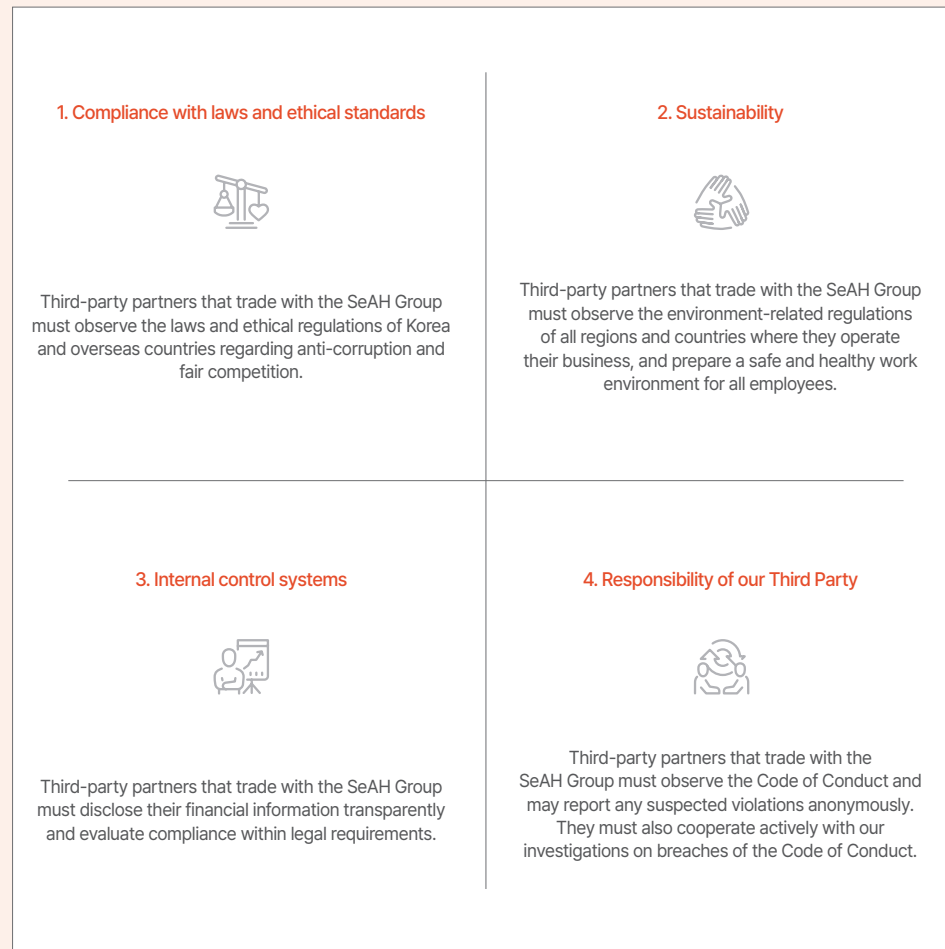
No matter who it is, ask our reliable employees for help.

*Based on SeAH Besteel Holdings

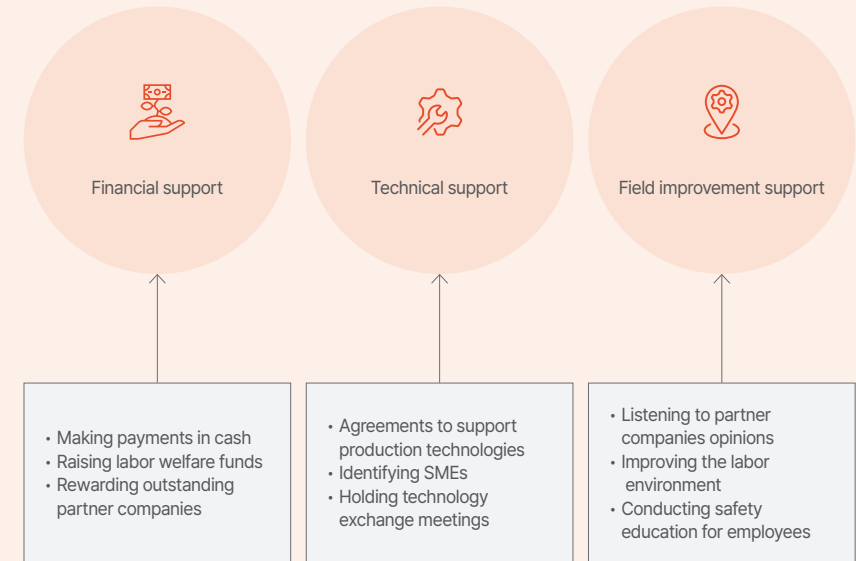
Managing the Supply Chain

The SeAH Group follows international standards and rules in its operations, has created a transparent and fair trading culture by establishing the Third-party Code of Conduct to manage the supply chain effectively, and manages its supply chain from an ESG perspective. Additionally, we strive to internalize a culture of fair trade and shared growth and fulfill our social responsibility by focusing on financial and technical support and field improvement.

The Third-Party Code of Conduct



Directions for Shared Growth



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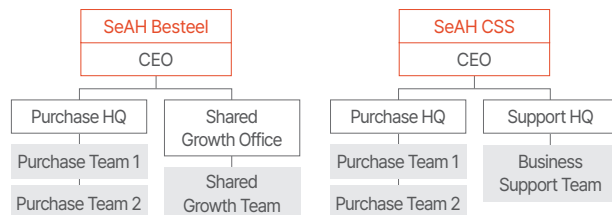
Governance

The SeAH Group established the 'Third-Party Code of Conduct' in 2022 and has been operating it to spread the value of compliance and build a sustainable supply chain for shared growth with partners. The Third-Party Code of Conduct embodies SeAH's firm commitment toward upholding the order of the free market economy based on an ethical corporate culture. This commitment ensures that SeAH remains a company that can grow with customers, employees, partner companies, and shareholders by fulfilling its corporate social responsibility. The SeAH Group advises various third-party partners, including its suppliers, contracting parties, and business partners, to take part in SeAH's effort to become a 'company that makes the world better' by observing the Third-Party Code of Conduct.

The Third-Party Code of Conduct	Compliance with laws and ethical standards	
	<ul style="list-style-type: none"> - Anti-corruption - Fair competition - Anti-money laundering and prevention of tax evasion - Data privacy 	<ul style="list-style-type: none"> - Prevention of conflicts of interest - Prohibition of insider trading - Prohibition of Use Conflict Minerals - Compliance with trade laws
Sustainability	The internal control system	Responsibility of our Third Party
<ul style="list-style-type: none"> - Environment - Health and safety - Human rights 	<ul style="list-style-type: none"> - Transparent financial and accounting information - Audit and evaluation - Anonymous reporting 	<ul style="list-style-type: none"> - Compliance with the SeAH Code of Conduct - Guarantee of confidential reporting - Active cooperation with investigation

SeAH Besteel Holdings has established the Purchase Headquarters and Shared Growth Office under the leadership of the CEO, and is carrying out systematic management policies to secure a sustainable supply chain, shared growth, and win-win cooperation with partners.

Organization Chart



Strategy

Managing Supply Chain ESG Risks

SeAH Steel introduced an electronic bidding system in 2018 to increase purchasing transparency, engage in fair purchases, and enhance purchasing competitiveness and work efficiency. In March 2023, an advanced bidding system was established to provide impartial information when selecting partner companies. When selecting suppliers, we identify the management risks and financial risks of candidate companies, analyze financial and non-financial factors that impact their credibility, and reflect the results of the analysis in the management of the purchasing process. Non-financial factors include risk of environmental damages in the manufacturing process, compliance with occupational safety and health regulations, transparency of management activities, and evaluation of legal compliance management. We aim to establish improvement measures based on the evaluation results and further advance SeAH Steel's supply chain ESG management system.

When considering new suppliers, SeAH Besteel and SeAH CSS evaluate not only management-related criteria such as credit rating, but also technologies, environmental management (ISO 14001 certifications), and

safety (safety and health management system certifications, industrial accidents, and safety and health education status). Only companies that score 70 points or above are registered as new suppliers, and we concurrently conduct due diligence at the evaluated sites in addition to the evaluation of submitted documents.

In addition, we conduct quality evaluations of subcontracted work and regular evaluations of existing partner companies, as well as evaluations of safety and health activities by the Safety Team, and regular evaluations by the Human Resources Operation Team. We comprehensively evaluate criteria such as deadlines, quality, safety, and the environment, and issue warnings to companies that receive a C grade or lower so that we may establish an improvement plan. The best company is selected as an outstanding partner and rewarded as such.

In 2023, we aim to review the entire process of conducting systematic due diligence on supply chain ESG performance, improve our monitoring methods, and build a sustainable ESG supply chain ecosystem.

The Risk Management Process



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Activities and Performances

SeAH Steel

SeAH Steel's Pohang Plant, Gunsan Plant, Suncheon Plant, and Changwon Plant pursue a strategy of mutual growth with partner companies. In this regard, they have adopted systems that allow them to listen to their partners' grievances for needed improvements.

Pohang Plant	The Pohang Plant convenes monthly councils with the CEOs of 11 partner companies. Through on-site visits and joint inspections on safety, health, educational support, and supply of goods, 88 grievance cases were found in 2022. Subsequently, the Pohang Plant achieved a 100% improvement rate through continuous monitoring efforts.
Gunsan Plant	The Gunsan Plant convenes monthly CEO councils and weekly subcontract meetings to identify and improve the grievances of partner companies. It receives reports on problems through the CEOs and field representatives of partner companies and by consulting relevant departments. In 2022, Gunsan Plant resolved all of the 159 grievances it had received.
Suncheon Plant	The Suncheon Plant convenes monthly councils with the CEOs of 13 partner companies to identify and resolve the complaints and grievances of partner companies. In 2022, the Plant verified 109 grievances through on-site visits and joint inspections on safety, environment, health, and education, and resolved 100 grievances through monthly monitoring efforts.
Changwon Plant	The Changwon Plant convenes monthly councils and actively collects suggestions from attendees. In 2022, the Changwon Plant handled 100% of the suggestions collected from 12 CEO councils. Additionally, the Changwon Plant pays subcontract prices on the billed date so that partner companies can have a seamless access to funds.

SeAH Coated Metal

Actively Finding Small and Medium Supply Lines

SeAH Coated Metal also uses small and medium supply lines when purchasing raw materials in an effort to provide equal opportunities to small, medium, and large suppliers. In particular, for aluminum coil transactions, we actively seek small and medium supply lines that are competitive in terms of quality and price, selecting new suppliers each year and engaging in periodic transactions. In addition, we provide unstinted technical support for small and medium supply lines, and we plan to hold technical exchange meetings in 2023 with these suppliers.

DOSCO

Implementing QSS Activities

DOSCO has carried out Quick Six Sigma (QSS) activities in cooperation with the POSCO Human Resource Development Center in an effort to strengthen the on-site management of in-house partner companies. After diagnosing problems related to the management of safety, environmental measures, equipment, and tools for field innovations and improvement activities focused on safety, we created a safe work environment by introducing improvements at the site. Moreover, we convene monthly councils with the CEOs of partner companies as we seek to provide support with solutions to our partners' requests and grievances.

SeAH Besteel

Operating Grievance Handling Channels

SeAH Besteel convenes annual meetings with the CEOs of partner companies, regular and non-regular CEO meetings, and monthly councils with the working-level managers of partner companies with the aim to increase productivity and handle partner companies' grievances through strengthened communication. In addition, SeAH Besteel visits its partner companies regularly to identify and handle safety issues and make needed improvements.

Supporting Loans and Labor Welfare

SeAH Besteel pays subcontract bills 100% in cash and operates a support loan system for partner companies to enable them to avail of loans necessary for their operations. In such a case, SeAH Besteel financed KRW 200 million for one company in 2022. Moreover, we pursue a shared growth policy by offering performance-sharing incentives to employees of partner companies.

In addition, SeAH Besteel raises an in-house labor welfare fund to be used as a labor welfare system for partner companies that provides yearly scholarships to employees' children attending high school or university. Through this fund, we provided KRW 79 million to 103 employees of 26 companies in the first half of 2022 and KRW 75 million to 99 employees of 25 companies in the second half.

SeAH CSS

Communicating with Partner Companies

SeAH CSS has been convening monthly councils and regular meetings with partner companies since 2022 to handle the grievances of in-house partner companies. The senior membership of the Partner Company Council receives requests and complaints from the CEOs of partner companies each month and submits them as points of agenda for regular meetings and for discussion of solutions. In the future, we plan to hold regular meetings with all partner companies and expand the topics of discussion so that the meetings can be easily accessed by anyone.

SeAH CSS also operates a suggestion center for partner companies, which gathers suggestions from our partners regarding the localization of products and the development of substitutes. In January 2023 we received and approved a proposal for extending the life span of process tanks and resolved the environmental pollution issues associated with toxic gases and metals and periodic maintenance necessitated by the fatigue of process tanks.

Paying Bills Early and Providing Support for Performance Bonuses

SeAH CSS pays its subcontract bills 100% in cash on the 15th day of the following month to maintain the financial liquidity of partner companies. When necessary, we pay the subcontract prices early, before national holidays, in order to assist partner companies in maintaining liquidity over national holidays. Additionally, we offer the same performance bonuses to the employees of partner companies as the ones given to our employees in an effort to boost their morale.

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Safety and Health

The top management, Chief Safety and Health Officer, and field safety managers of the SeAH Group work together constantly to inspect the overall safety management system and improve problems and thereby achieve our goal of 'zero serious accidents.' Additionally, we ensure compliance with legal requirements and regulations related to health and safety by establishing safety and health policies and acquiring certifications for our safety and health management systems. The SeAH Group will concentrate all its capabilities to create a safe work environment for everyone by continuously improving, maintaining, and managing its safety and health management systems, aiming to achieve targets based on local and overseas safety and health policies.

Safety and Health Policy

- 
 - We faithfully abide by safety and health regulations and requirements in Korea and overseas, such as international conventions, and respond to regulations preemptively by setting strict in-house standards.

- 
 - We understand and comply with safety and health regulations and management policies, and are building a base system for setting up safety and health goals and evaluating the results of ongoing improvement activities.

- 
 - We build and implement safety and health management systems to minimize damage and prevent loss of human life and property in cases of accidents and emergencies, striving to enhance the health of employees with the goal of making business sites accident-free and disaster-free.

- 
 - We secure the transparency of safety and health management activities by building a communication system that gathers opinions from employees and provides information based on a corporate culture that sticks to our basic and valued principles.

- 
 - We provide active support to ensure the safety of existing employees and continuously identify and improve safety and health risks.

Safety and Health Management Systems

Company	Business Site	Certification
SeAH Steel	Suncheon	ISO 45001
	Pohang	ISO 45001
	Changwon	ISO 45001
SeAH Coated Metal	Head Office	ISO 45001
SeAH Besteel	Changnyeong	ISO 45001, KOSHA-MS
	Gunsan	ISO 45001, KOSHA-MS
SeAH CSS	Head Office	KOSHA-MS
SeAH Special Steel	Pohang	ISO 45001
	Chungju	ISO 45001

Safety and Health Goals



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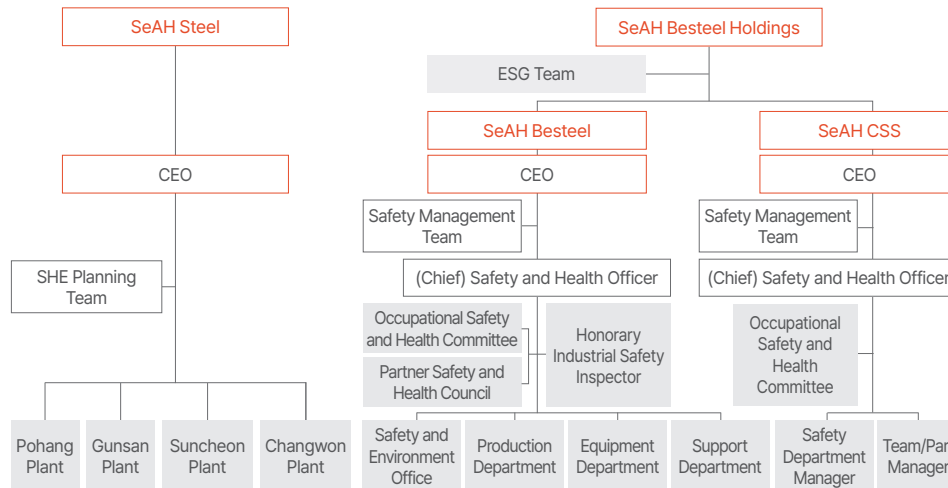
SeAH Steel designated the CEO to be in charge of safety and health and reinforced the safety and health management systems to implement safety and health measures more actively. The SHE Planning Team, a company-wide department exclusively in charge of safety and health, conducts periodic safety prevention activities, such as CP inspections and SHETOP diagnoses, to identify actual risk factors. In addition, we assign 'safety protectors' to oversee safety management measures for high-risk tasks. Moreover, the Safety and Environment Committee exchanges safety information and makes decisions in connection with all business sites. Safety and health plans are reported annually to the BOD and implemented according to the Occupational Safety and Health Act.

SeAH Besteel Holdings has established a systematic safety and health organization that protects the safety and health of all workers, aiming to create safe business sites. An established safety and health council provides the ability to execute the planned safety and health measures.

In 2022, SeAH Besteel established the Safety Management Team as a control tower for safety and health activities. To strengthen its safety and health activities, the Gunsan Plant executes various tasks for strengthening safety, such as having established and now operating the Safety Culture Improvement Group and Fire Emergency Team, and enlisting safety protectors. In addition, we continue to inspect, improve, and support the safety management status of partner companies through the appointment of a partner safety officer in the Shared Growth Office.

In January 2022, SeAH CSS established its safety and health management systems by forming the Safety Management Team under the leadership of the CEO. The Safety Team operates by appointing a safety manager, health manager, and fire manager. Team and area managers, as well as chief officers play the role of on-site supervisors at plants. The Safety Management Team has set a goal of zero serious industrial accidents in addition to rates of improving risk factors as its KPIs. In 2022, we improved 19,262 risk factors within our company and 10,800 risk factors associated with partner companies.

Organization Chart



Strategy

SeAH Steel establishes and implements strategic directions for safety and health according to the serious accident reduction roadmap put forth by the Korean government. We aim to strengthen safety by setting strategic directions focused on implementing and expanding various systems: the SHE system, which analyzes the cause of safety accidents; and the SMART Safety Eye, a safety accident prevention system that prevents serious accidents by controlling danger signals and equipment. In addition, we strive to build a safe workplace for all employees by continuously identifying and improving dangerous areas.

Based on the safety and health management policy intended for creating a safe and healthy workplace, SeAH Besteel Holdings attempts to achieve zero serious accidents by establishing an actionable safety and health roadmap.



Strategic Directions

Category	SeAH Steel	SeAH Besteel Holdings	SeAH Special Steel
Goals	Zero serious accidents and serious injuries 100% improvement of high risks	Zero serious accidents 0% safety accident rate	Zero serious accidents and safety accidents
Strategic tasks	Strengthening the SHE system	Strengthening activities to identify and improve hazards and risks Preparing organizations and systems to strengthen safety awareness	Zero occupational accidents
	Expanding the SMART Safety Eye	Strengthening the skillset of safety and health workers Listening to workers' opinions regarding safety and health and strengthening management	Continuously operating safety and health management systems
	Tailored activities to improve the SHE system	Complying with obligations to implement regulations Strengthening the health management system for workers	Creating a safe and pleasant work environment

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Activities and Performances

SeAH Holdings

Producing and Distributing Safety Education Videos for the SeAH Tower

SeAH Holdings has produced safety education videos to educate its employees working in the SeAH Tower and visitors on procedures for evacuation in the event of fire and earthquakes and shared relevant manuals. We plan to screen the educational videos in our elevators so that all employees can watch them frequently. The videos will also be available in English, in consideration of foreign visitors.

SeAH Steel

Strengthening the Safety Management System (SHE System)

In April 2022, SeAH Steel implemented an integrated SHE system to strengthen corporate responsibility for safety and health, prevent accidents, and analyze causes. We listen actively to employees' opinions through the safety reporting function within the integrated SHE system and examine real-time statistical data to develop safety and health management plans. Additionally, we have incorporated these obligations according to the Serious Accidents Punishment Act and Process Safety Management (PSM) operations into the management system. We also run an efficient on-site safety management system linked to a practical mobile app called 'SeAH Keeper'.

Building the Safety Accident Prevention System (SSE System)

SeAH Steel has built the Smart Safety Eye (SSE) System, a smart safety system tailored to individual work sites and tasked to prevent safety accidents and eliminate high-risk factors. The SSE system comprises a crane safety system, a roll conveyor safety control system, an intelligent fire prevention system, and a smart camera. It monitors risk factors in the work environment in real-time and pauses equipment when workers access dangerous areas. Through such innovations, SeAH Steel strives to fundamentally resolve problems related to safety accidents.

Reinforcing Risk Assessments

SeAH Steel has replaced the conventional 4M technique with the KRAS technique in an effort to reinforce its risk assessments. We perform risk assessments on all processes by subdividing the assessment items. Additionally, by

implementing the SHE system, we monitor and supplement inadequacies in all risk assessment categories. We continuously enforce the Korea Occupational Safety and Health Agency (KOSHA) MS for partner companies and provide certification for excellent risk assessment sites to raise the level of their risk assessments. In 2022, we set and achieved the goal of improving 100% of risks based on the improvement action plan.

Activities to Prevent Serious Accidents

We selected the areas that display the highest risk of serious accidents and conducted joint activities with specialized external agencies to identify and improve hazards and risk factors. In 2022, we installed signs at the points where accidents had occurred in the past to alert our employees about accident risks. While trying to prevent accidents by means of a process for immediately stopping operations, we also conduct emergency response training and firefighting training to prepare for potential serious accidents.

SeAH Coated Metal

Inspecting and Improving the Level of Safety Management

SeAH Coated Metal conducted safety management consulting activities for business sites from May to December 2022 in response to the Serious Accidents Punishment Act, established measures to prevent the recurrence of major issues requiring improvement, and took actions to fulfill obligations. In addition, we determined 152 criteria to be strengthened by checking the level of partner companies' safety management systems, supported them in making improvements, and rewarded exemplary safety cases.



Inspecting the safety management systems of partner companies



Emergency action training

Conducting Emergency Action Training

SeAH Coated Metal subdivided the emergency action training that was previously focused on fires into leakage of hydrochloric acid, rolling equipment fire, leakage of nitrogen and hydrogen, and LNG explosion, and implemented emergency action training based on these various scenarios.

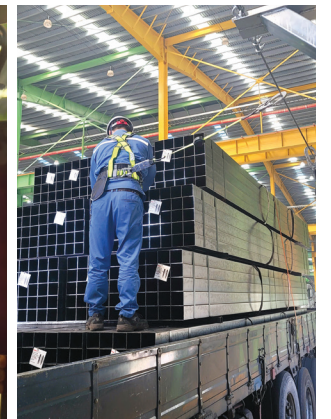
DOSCO

Introducing the Smart Safety System for Forklifts

In 2022, DOSCO appointed the CEO as the Chief Safety and Health Officer, created a safety organization, and assigned exclusive personnel as part of the safety and health systems in order to actively manage safety and health affairs. Furthermore, we are conducting periodic inspection activities, such as joint inspections with partner companies for the purpose of identifying on-site risk points. Moreover, plant managers also conduct safety diagnoses. We also facilitate professional safety education programs by external instructors and conduct field trips to external safety education centers. As a part of our accident-prevention measures, we have introduced a smart safety system for forklifts, installed a fall prevention facility for shipment work, and acquired certifications for sites with outstanding risk assessment performance.



The smart safety system for forklifts



Fall prevention facility

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SeAH Besteel

Executing Risk Assessments

SeAH Besteel has identified unsafe factors and behaviors, finding 1,000 such issues company-wide, and performed frequent risk assessments on the issues that had been identified. We have also advanced the assessment procedure so that the risk factors can be improved. In addition, we support our partner companies in acquiring certifications for excellent risk assessment sites, linking this certifications to actual risk assessments and improvement activities.

Investing in Safety and Health

In 2022, SeAH Besteel invested about KRW 9 billion into business site safety and health sectors to reinforce safety and health procedures. We invested in a comprehensive, AI-based safety solution to strengthen safety prevention activities and introduced robots at two electric furnaces to protect our workers from exposure to unsafe work environments.

Strengthening Safety and Health Communication

SeAH Besteel listens to the safety and health issues shared by workers and partner companies, and discusses improvement measures through various channels, such as the Integrated Safety and Environment Council and the SeAH Group Safety Management Exchange Meeting. Additionally, we try to manage safety and health issues at the company level and increase work efficiency by implementing IT solutions such as non-contact biometric systems and comprehensive, AI-based safety solutions.

SeAH CSS

Executing Risk Assessments

SeAH CSS performs risk assessments on the company and partner companies, as well as on indirect production departments such as offices and research centers. We make sure that risk assessments and tool box meetings are faithfully carried out at sites as core activities according to the

strict accident reduction roadmap announced by the Korean government. Additionally, we have formed a cooperative group with the aim to close the safety gap with partner companies and operate symbiotic safety and health cooperation programs based on risk assessments. In 2022, we obtained the highest grade of A in this regard.

Activities to Prevent Safety Accidents

In order to prevent the recurrence of accidents, SeAH CSS operates Triple 4 Safety Inspection Days: Joint labor-management inspections on the 4th day of each month, production executive inspections on the 14th, and inspections by honorary inspectors on the 24th. Regarding dangerous machines and instruments, we execute autonomous work safety diagnoses in cooperation with a specialized external agency in an effort to develop risk improvement measures. The 'task suspension authority system' is in place to grant workers the authority to suspend their tasks for the prevention of accidents. In addition, we constructed the Safety Culture Experience Center to operate eight experiential facilities, such as the CPR Practice, Safety Bar, and VR, and raise the safety awareness of workers.

Safety and Health Education

SeAH CSS conducts safety and health education programs divided into compulsory education and competency education. We provide education for executives at our company and at partner companies, CEOs of partner companies, managing supervisors, and all workers in order to establish a culture of safety.

Health Promotion Activities

SeAH CSS executes work environment measurements and medical examinations tasks in order to promote employees' health. In evaluating the work environment, we measure noise, dust, metals, high-temperature gases, acids, alkalis, metalworking fluids, and organic compounds for all in-house processes and take improvement actions whenever we find processes that require improvements. Medical examinations are classified into general examinations, special examinations, and comprehensive examinations. Through an advisory system for managing illnesses, we provide counseling based on the results of medical examination and perform follow-up examinations.

Operation of Safety and Health Councils

Category	Cycle	Targets	Description
The Integrated Safety and Environment Council	Convened once a month	Company-wide	<ul style="list-style-type: none"> Sharing the current status of safety and health management Discussing and determining changes to safety and health policies and new technologies/systems
The Partner Safety and Health Council	Convened once a month	Partner companies within business sites	<ul style="list-style-type: none"> Sharing the safety and health status and policy changes within the company Discussing improvement measures to secure the safety of partner companies
The SeAH Group Safety Management Exchange Meeting	Convened once a quarter	Safety management departments of the SeAH Group	<ul style="list-style-type: none"> Sharing and benchmarking the safety and health management systems of each affiliate company Comparing and checking the fulfillment of obligations according to relevant laws
The Occupational Safety and Health Committee	Convened once a quarter	Labor and management	<ul style="list-style-type: none"> Suggesting and performing deliberations on improvement measures to secure on-site safety and manage health

SeAH Special Steel

Acquiring the ISO 45001 Certification

SeAH Special Steel has acquired ISO 45001 (safety and health management systems) certification to manage safety and health risks at its business sites through highly efficient safety and health management systems. Each department is assigned with particular safety and health duties.



ISO certificate

Improving the Work Environment

SeAH Special Steel has raised its PSM grade to 'S' in order to enhance its ability to manage process safety according to the directive of the Ministry of Employment and Labor for reducing serious occupational accidents. We developed safe work procedures by regulating safety management tasks for processes that involve the risk of large-scale accidents, and we ensure that our employees follow these procedures. Meanwhile, we improved the safety environment for forklifts—which can cause serious accidents—by introducing fool-proof and fail-safe systems for forklifts and implementing an approach warning system.



Raised the PSM grade

SeAH Metal

Reducing the Use of Harmful Chemicals

SeAH Metal's Changwon Plant replaced wastewater treatment chemicals by examining and testing them in consultation with a company specialized in wastewater treatment chemicals to reduce harmful chemical substances. So far we have replaced five existing harmful chemicals with three chemicals that are not harmful. By setting optimal doses of such chemicals, we were able to minimize the frequency of workers' exposure to harmful chemicals.



Identifying potential risks

Launching the Occupational Safety and Health Committee

In 2022, SeAH Metal's Wonju Plant launched the Occupational Safety and Health Committee to satisfy safety and health standards that are stricter compared to the average standards in the automotive manufacturing business.

In 2022, we implemented various improvement activities, such as covering plant floor holes with urethane to prevent truck turnovers, repairing plant access roads for heavy vehicles, and replacing electric outlets outside buildings as well as pressure relief devices for plant boilers.



Subcontract councils

SeAH M&S

Identifying and Improving Potential Risks

In 2022, SeAH M&S identified 72 risk factors by conducting activities for finding potential risks, 53 of which have been improved. After testing the fitness of earplugs to prevent noise-induced hearing loss in employees, we started distributing earplug products and educating employees on how to properly wear them.

Operating Subcontract Councils

SeAH M&S communicates with partner companies on safety issues through subcontract councils, actively introducing improvement measures for all topics discussed, including subcontract process equipment. We have also appointed a subcontractor safety manager to perform risk assessments at subcontractors' business sites, establish safety regulations and work standards, and provide protective equipment as necessary.

SeAH L&S

Safety and Health Education

SeAH L&S conducts regular safety education programs at each business site, at least on a semiannual basis. We also perform and supervise monthly inspections on fire protection facilities and periodically manage 5S (Sort, Set, Shine, Standardize, Sustain) activities.

Risk Assessments

We perform annual risk assessments at each business site by identifying and improving potential risks. We also conduct practical improvement activities. Additionally, we periodically conduct joint safety inspections with partner companies and reinforce our evaluations of partner companies' safety management by operating safety and health councils.

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Sharing Management

The Group's Sharing Management Policy

The SeAH Group serves socially vulnerable groups, such as North Korean defectors, starving neighbors, single-parent children, and abandoned animals, through genuine social contribution activities. We strive to exert a good influence on those in need and spread the value of co-prosperity in order to make the world better.



SeAH pursues genuine social contribution activities that can improve the lives of neighbors who need a helping hand, helping our society grow through practical measures.



SeAH conducts the Sharing SeAH Campaign throughout the year with the participation of its employees and the aim to achieve consensus on a vision of sharing driven by voluntary engagement.



SeAH shares and communicates the results of its various activities internally, creating a culture of sharing, in which SeAH employees can feel proud and empathize with their generous intent.

Governance

The SeAH Brand Management Committee and the Communication Office, which fall under the leadership of SeAH Holdings has jointly established mid- to long-term directions and business plans for the sharing management activities of the SeAH Group. The SeAH Group practices a culture of sharing to build a 'world inspired by SeAH' through 'donations and sponsorships' for various vulnerable groups, 'volunteer services by employees,' and 'solidarity with social organizations and companies.' Additionally, the SeAH Group founded the SeAH Haiam Scholarship Foundation in 1992 and the SeAH Woon Hyung Lee Foundation in 2013 to further enhance the value of passion and effort shown by promising and talented academic and artistic individuals.

Furthermore, the affiliates of the SeAH Group, located in 30 cities in 11 countries, are developing various social contribution activities for the local communities and stakeholders of each local business site in an effort to join the cause of spreading the true value of sharing.



Scholarship certificate award ceremony of SeAH Haiam Scholarship Foundation



Music Concert that Makes the World Better, Woon Hyung Lee Foundation

Strategy

Various sharing management activities of the SeAH Group are developed based on the three directions below.



Donation Execution Results

In 2022, the SeAH Group donated KRW 460 million through the SeAH Brand Management Committee. In 2023, we allocated a budget of KRW 900 million for donations and the sharing of SeAH campaigns, and plan to spread the value of sharing by enhancing the life quality of vulnerable groups and taking an active role in activities aimed at social growth.

Receiving Institution and Details	Amount (KRW)
Supported scholarships and development funds for international students of the Global Leaders College at Yonsei University	132,000,000
Donations that apply the matching gift system of Holt Children's Services	6,832,600
Sponsored performances of Korean-Americans related to the independence movement (Philadelphia 1919)	30,000,000
Sponsored supplies and volunteer work for the Anseong Princess Pyeonggang Animal Shelter	558,820
Sponsored supplies for Daesinyahak	2,200,000
Sponsored the descendants of independence patriots of Habitat Korea to improve the quality of their residences	8,150,000
Supported the stainless water tank installation project of the Korea Food for the Hungry International (KFHI) in Tanzania	30,000,000
Others	257,040,000
Total	466,781,420

* Executed about KRW 2.4 billion, including donations and sponsorships of affiliates

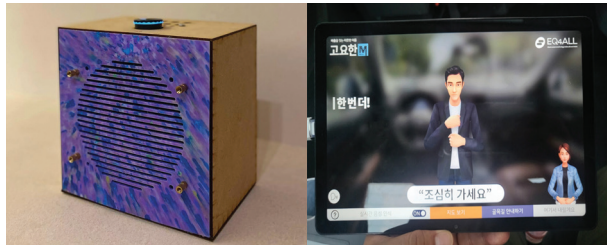
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Activities and Performances

SeAH Group

Solidarity and Diffusion

The SeAH Group held a contest called "Pleasant SeAH" with 'Pleasant Rebellion,' a corporation that supports businesses with social impact, with the aim to collect ideas that can inspire the world and are based upon solidarity and diffusion. This idea was presented by a social impact company that was selected through a public contest. Plastic bottle caps and waste automotive speakers have been turned into Bluetooth speakers through upcycling. We also developed a taxi application using sign language to guarantee the mobility rights of the traffic vulnerable, such as persons with visual and hearing disabilities.



SeAH X Pleasant Rebellion, 'Pleasant SeAH' Contest
(Left) Bluetooth speakers made using waste speakers
(Right) Taxi application for traffic vulnerable

SeAH practices direct sharing through an employee-participatory campaign, where our employees take part in volunteer activities such as walking and cleaning at the Anseong Princess Pyeonggang Animal Shelter, a shelter for abandoned dogs and cats.



SeAH X Anseong Princess Pyeonggang Animal Shelter, a shelter for abandoned dogs and cats

Aiding the Socially Vulnerable

The SeAH Group engages in various activities to provide support to socially neglected and vulnerable groups. In 2022, we installed a stainless steel water tank with a capacity of 30 tons at Muungano Primary School in Kagera, Tanzania, Africa, a place affected by chronic shortage of drinking water. The water tank offers safe drinking water to students and nearby residents.



SeAH X Korea Food for the Hungry International (KFHI), 'Installing Stainless Water Tank in Tanzania'

The SeAH Group operates a group-wide program called the "Sharing SeAH Supporters," where employees can practice sharing by suggesting places for donations and volunteer activities. Through this program, we provided materials necessary to build study rooms and welfare facilities for senior citizens. Furthermore, we have consistently been organizing child sponsorship campaigns jointly with Holt Children's Services, involving employee participation.



SeAH X Daesinyahak: The 'Beam Projector Sponsorship'

Enhancing Environmental Awareness

The SeAH Group has joined the effort to expand awareness of environmental problems, and is now conducting various campaigns to encourage employee participation. The in-house café in the SeAH Tower held a campaign for using reusable cups for a month, before returning them. Another campaign involved personal mugs that were handed out to employees to reduce the use of disposable cups.



SeAH X Trash Busters: The 'Plastic-free Challenge'

SeAH is running a campaign called "Small Steps for Our Planet" in conjunction with 'Beautiful Store' with the aim to donate used clothes and spread the value of resource circulation at all business sites in Korea. This campaign places focus on raising awareness of environmental problems through discussion for the benefit of future generations.



SeAH X Beautiful Store: 'Small Steps for Our Planet'

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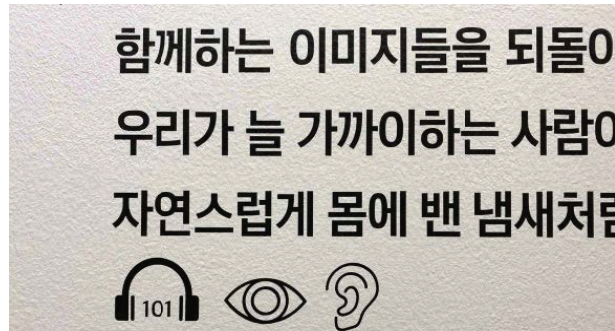
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SeAH Steel Holdings

Developing Sign Language Guide Videos for the National Art Museum

SeAH Steel Holdings seeks practical social contribution activities based on its strategy of active communication among employees and with the society. In 2022, we sponsored the project for developing sign language guide videos for persons with hearing disabilities, supervised by the National Museum of Modern and Contemporary Art, to encourage persons with hearing disabilities to participate actively in cultural and artistic activities and exercise their right to enjoy culture by providing assistance so that they may appreciate artworks at the museum. The sign language guide videos were made for exhibition rooms at MMCA Deoksugung. The videos were launched in March 2022 and will be in use until December 2023.



Supporting sign language video guides for persons with hearing disabilities



Supporting sign language exhibitions for persons with hearing disabilities

SeAH Steel

Social Contribution with the Participation of Employees

SeAH Steel promotes various social contribution activities for vulnerable groups with employee participation, such as the serving of meals and delivery of boxed meals. Employees deliver boxed meals to vulnerable residents in person every Wednesday. Our employees have participated in such social contribution activities for four years (since 2019), baking cookies and bread and then delivering them to vulnerable groups in Seoul.

Additionally, as part of our efforts to provide compassionate assistance and build a bridge between employees and local residents, SeAH Steel provided daily necessities to the Pohang Northern Welfare Center for the Disabled and took part in voluntary environmental cleanup activities in areas nearby business sites in 2022.



Providing daily necessities to the Welfare Center for the Disabled



Environmental cleanup activities in nearby areas

SeAH Coated Metal

The 'Small Sum Sharing' Donation Program

SeAH Coated Metal conducts the 'Small Sum Sharing' program, where employees donate a portion of their monthly wages to the needy. By donating between KRW 1,000 and KRW 50,000 from their monthly wages, employees have been able to offer KRW 2.4 million (KRW 1.2 million per household) annually to child-headed families and to volunteer at care facilities using the raised funds.

Volunteering at Care Facilities

As part of our volunteer services carried out every quarter at care facilities, we plant beans or trees on dry fields managed by care facilities or visit the houses of senior citizens who live alone nearby care facilities to offer cleaning services. In addition, we select six candidates in need of basic livelihood support and deliver 300 charcoal briquettes to them every December.



Volunteering at care facilities and donating supplies

Charcoal briquette volunteer activity

DOSCO

Participating in the Win-Win Council

DOSCO participated as the founding member of the Win-Win Council of the Gwangyang Industrial Complex in 2022 in order to actively fulfill its social responsibility through social contribution, conducting sponsorship activities over the Chuseok holidays, and holding social welfare events at the end of the year.

Cleaning Taein-dong

DOSCO practices environmental cleanup activities within the industrial complex every year. As a member company of the Making Clean Taein-dong Council, DOSCO pays monthly membership fees and raises funds, in order to create a cleaner environment for residents in the area where its Gwangyang Plant is located.

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SeAH Besteel

Hope-sharing Regional Welfare

Owing to its vision of creating a world 'inspired by SeAH,' SeAH Besteel has been conducting consistent social contribution activities for neighbors in need and welfare facilities through the 'Hope-Sharing Regional Welfare' agreement since 2012. Through this effort, we have been raising funds by collecting voluntary donations from employees as well as small donations from their wages every month. We donate polished rice for New Year's and Chuseok holidays and provide financial support to secondary poor and low-income groups to help them meet the additional expenses incurred during the peak summer and winter seasons. We have also been raising charity funds from employees at the end of each year.

Additionally, the Gunsan Plant conducts monthly meal-serving volunteer activities at a meal center for senior citizens in Gunsan-si, providing refreshments like bread and milk for visitors to the meal center. We have also provided scholarships to 30 students attending 12 high schools in Gunsan and one high school in Changnyeong, where our plants are located.



Donation projects for summer and winter seasons

My Dream Shelter Study Room

SeAH Besteel has successfully carried out the 'My Dream Shelter Study Room' project for children and adolescents of low-income households. Employees of SeAH Besteel and Gunsan City Hall worked together to create a pleasant residential environment by repairing aged facilities, replacing wallpapers and floor papers, and replacing furniture. Going forward, SeAH Besteel aims to continue to provide support to local communities and contribute to their development.

SeAH CSS

The Happy Dream Housing Project and Eco Nuri Voucher Project

SeAH CSS has been participating in the Happy Dream Housing Project, a project implemented since 2015, aiming to improve the residential environment for low-income groups in the Gyeongsangnam-do Province. We financed project expenses of about KRW 120 million until 2020 and carried out projects for removing slate roofs and renovating housing for vulnerable households with color-coated steel sheets. In 2021, we participated in the 'Heat Reducing Roof (Cool Roof) Support Project' as a part of our climate crisis response strategy to prevent heat damage in the summer, increase the energy efficiency of buildings, and reduce GHG emissions.

SeAH CSS has been sponsoring the Eco Nuri Voucher Project since 2019, enhancing the levels of life satisfaction of the socially vulnerable by offering them opportunities for cultural experience. The Eco Nuri Voucher Project provides socially vulnerable groups with a free chance to visit outstanding ecological areas. The visited areas include nine ecotourism sites designated by the Ministry of Environment, such as Uponeup Marsh in Changnyeong and Aenggangman Bay in Namhae. Various experience programs have been made available by linking experiential activity courses with visits to wetlands, such as the boat ride in the Uponeup Marsh and the visit to the Hwapocheon Wetland.



Eco Nuri Voucher Project

Environmental and Social Contribution Activities

SeAH CSS has formed the Clean Ocean Volunteer Group with members of 'Poseidon,' an in-house scuba diving club, in order to engage in water purification activities. Taking advantage of the plant's location on the coast, we purify the underwater ecosystems of nearby Masanman Bay and Jinhaeman Bay together with the Changwon Branch of the Korea Maritime Rescue and Salvation Association. Divers collect underwater waste, and family volunteers strive to make our seas safe and clean through coastal cleanup activities. Moreover, we conduct the 'Falling into Plogging' volunteer activity with 'Plogging Mate,' a volunteer group of employees, families, and youths. This activity involves collecting disposable products dumped in the streets using plogging kits. In the future, we plan to conduct a Companion Beach activity concurrently with our clean ocean activities.



Clean ocean volunteer activities



Falling into Plogging

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SeAH Special Steel

Forming the Smile Volunteer Group

SeAH Special Steel formed the Smile Volunteer Group in March 2023 and established volunteer plans to contribute to regional development by actively practicing a sharing management strategy.

Volunteer Plans

Business Site	Schedule in 2023	Volunteer Activity
Pohang	May	Environmental cleanup at Yeongildae Beach, Pohang (completed)
	July	Blood donation of love
	September	Environmental cleanup at Songdo Beach, Pohang
	November	Environmental cleanup at Yeongildae Beach, Pohang
	December	Book donation and charity events, etc.
Chungju	May	Environmental protection at Chungju Plant (Completed)
	June	Volunteer activity at the Chungju Sacred Heart Rehabilitation Center for the Blind
	July	Blood Donation of Love
	September	Volunteer activity at a shelter for abandoned dogs
	November	Environmental cleanup at tourist attractions in Chungju
	December	Book donation and charity event, etc.

Environmental Cleanup at a Beach in Pohang



Environmental cleanup activity at Yeongildae Beach

SeAH Special Steel's Pohang Plant conducted environmental cleanup activities at Yeongildae Beach in Pohang-si. Employees of SeAH Special Steel contributed to creating a clean community environment by picking up garbage at the beach.

Volunteer Activity at Chungju Sacred Heart Rehabilitation Center for the Blind

Employees at the Chungju Plant of SeAH Special Steel visited the Chungju Sacred Heart Rehabilitation Center for the Blind in June 2023 and engaged in bicycle riding and boxed meal sharing activities with the patients at the Center.



Volunteer activity at the Chungju Sacred Heart Rehabilitation Center for the Blind

SeAH M&S

Environmental Cleanup at the Yeosu Industrial Complex

SeAH M&S designates the 'Cleanliness Activity Day' each year to create a pleasant environment at the Yeosu Industrial Complex and improve the work environment for its workers. SeAH M&S conducts environmental cleanup activities nearby the Industrial Complex in collaboration with relevant institutions and other companies in Yeosu-si. This cleanup activity was not carried out in 2022 due to COVID-19 restrictions but will be resumed in 2023.

Providing Books for Adolescents

SeAH M&S receives financing from the SeAH Haiam Scholarship Foundation to select and distribute books worth KRW 3 million each for elementary, middle, and high schools in the eastern part of Jeollanam-do Province yearly in October, aiming to help adolescents realize their dreams and build a brighter society.



Environmental cleanup activities at the Yeosu Industrial Complex



Environmental cleanup activities at Yeosu Industrial Complex

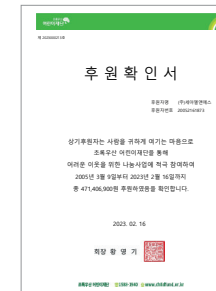
SeAH L&S

Tree Planting Activities

SeAH L&S participated in tree planting and weed-cutting activities at Haneul Park, hosted every month from 2015 to 2020 by the Friends of Noeul Park. Through these activities, we were able to plant over 1,000 seedlings.

Donating Money and Valuables

SeAH L&S has donated KRW 3 million per month to the Child Fund Korea for about 20 years since 2005, amounting to donations of KRW 470 million in total. In 2023, we aim to implement volunteer activity programs according to the plan of SeAH M&S and its Integrated Ethical Management Office. As part of the workshops held by the Ethical Management Office, we plan to conduct various social contribution activities, such as visiting institutions in each region, providing relief supplies, volunteering, and manufacturing goods.



Donation activity



Tree planting activity



Tree planting activity

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Governance

BOD Composition

The BOD of SeAH Holdings comprises six directors, including three inside directors, one non-executive director, and two outside directors. The ratio of outside directors within the BOD is maintained at one-fourth or higher, as required by the Commercial Act to ensure independent and effective supervision and monitoring of management. Committees under the leadership of the BOD include the Outside Director Candidate Recommendation Committee and the Governance Committee.

BOD Composition of SeAH Holdings

Category	Name	Gender	Career Experience	Term	Committee in Charge
Inside Director (BOD Chair)	Lee, Soon hyung	Male	<ul style="list-style-type: none"> Graduated from the Department of Business Administration, Hanyang University (Present) Chairman of SeAH Holdings (Present) Chairman of SeAH Steel Holdings 	2024.03.25	Governance Committee (Chair)
Inside Director	Lee, Tae sung	Male	<ul style="list-style-type: none"> Graduated from the Department of Psychology, University of Michigan Master of Business Administration, Tsinghua University (Present) CEO of SeAH Holdings 	2026.03.28	Governance Committee, Outside Director Candidate Recommendation Committee (Chair)
	Yang, Young ju	Male	<ul style="list-style-type: none"> Graduated from the Department of Economics, Korea University Master of Business Administration, Duke University (Former) CEO of SeAH Besteel Holdings (Present) CEO of SeAH Holdings 	2025.03.28	-
Outside Director	Cho, Sung jin	Male	<ul style="list-style-type: none"> Graduated from the Department of Economics, Northwestern University Master and Doctor of Economics, Yale University (Former) Professor of Economics and Finance, Hanyang University (Present) Professor of Economics, Seoul National University 	2026.03.28	Governance Committee, Outside Director Candidate Recommendation Committee
	Yon, Kang heum	Male	<ul style="list-style-type: none"> Graduated from the Department of Law, Yonsei University Master of Business Administration, State University of New York Doctor of Finance, Wharton School, University of Pennsylvania (Former) Chief of Fund Operation Evaluation Group, Ministry of Strategy and Finance (Former) Professor of Business Administration, Yonsei University (Present) Honorary Professor of Business Administration, Yonsei University 	2025.03.24	Outside Director Candidate Recommendation Committee
Non-executive Directors	Park, Eui sook	Female	<ul style="list-style-type: none"> Graduated from the Department of French Language and Literature, Ewha Womans University Master of Business Administration, Yonsei University (Present) Chairman of SeAH Networks 	2026.03.28	-

The BOD of SeAH Steel Holdings comprises four directors, including three inside directors and one outside director. The number of BOD members is kept at or above three directors pursuant to Article 28 of the Articles of Association, and the ratio of outside directors within the BOD is maintained at one-fourth or higher, as required by the Commercial Act. The BOD is operated with the minimum number of directors to facilitate effective and quick decision-making.

BOD Composition of SeAH Steel Holdings

Category	Name	Gender	Career Experience	Term
Inside Director (BOD Chair)	Lee, Soon hyung	Male	<ul style="list-style-type: none"> Graduated from the Department of Business Administration, Hanyang University (Present) Chairman of SeAH Holdings (Present) Chairman of SeAH Steel Holdings 	2024.03.20
Inside Director	Lee, Joosung	Male	<ul style="list-style-type: none"> Graduated from the Department of Economics, University of Chicago Master of Business Administration, Columbia University (Present) CEO of SeAH Steel Holdings 	2024.03.26
	Kim, Taihyun	Male	<ul style="list-style-type: none"> Graduated from the Department of Mechanical Engineering, Sungkyunkwan University Master of Mechanical Engineering, Kookmin University (Present) CEO of SeAH Steel Holdings 	2024.03.26
Outside Director	Do, Jungwon	Male	<ul style="list-style-type: none"> Graduated from the College of Natural Sciences, Seoul National University Graduated from the Department of Business Administration, MIT Graduate School (Present) CEO of J&J International 	2024.03.26

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BOD Operation

SeAH Holdings and SeAH Steel Holdings hold regular BOD meetings each quarter and call temporary BOD meetings as necessary. The BOD is operated according to the BOD Operating Regulation. The CEO convenes BOD meetings, notifying each director and auditor of the meetings using communication means until one day prior to the meeting date.

If acknowledged as necessary for work, directors or auditors may request the CEO to convene a BOD meeting by explaining the agenda and reasons for it. If the CEO declines to convene a BOD meeting without a justifiable reason, the corresponding director may convene the BOD meeting. BOD agendas are notified one to four days prior to the meeting, depending on the preparation status of agenda details and supporting materials.

Unless stipulated otherwise in relevant laws, BOD resolutions are made on the conditions that the majority of directors are present and that the proposal receives the consent of the majority of attending directors. In addition, all or some directors may not attend the meeting directly and may participate in resolutions by communication means that transmit and receive voices simultaneously. In this case, the corresponding directors are considered to be present at the BOD meeting.

According to Article 9 of the BOD Operating Regulation, directors who have a special interest in matters submitted to the BOD are restricted from exercising their voting rights, thereby systematically eliminating the possibility of conflicts of interest.

BOD Operation Status of SeAH Holdings

Category	Unit	2020	2021	2022
Number of BOD meetings held	Case	11	10	6
Regular	Case	4	4	4
Temporary	Case	7	6	2
Total number of agendas discussed	Case	12	23	19
Number of agendas rejected or modified	Case	0	0	0
Average BOD attendance rate	%	92	95	93
Attendance rate of inside directors	%	95	98	100
Attendance rate of outside directors	%	86	90	83
Average office term of directors	Year	8.11	8.96	9.11

BOD Operation Status of SeAH Steel Holdings

Category	Unit	2020	2021	2022
Number of BOD meetings held	Case	19	13	13
Regular	Case	3	4	4
Temporary	Case	16	9	9
Total number of agendas discussed	Case	25	26	16
Number of agendas rejected or modified	Case	0	0	0
Average BOD attendance rate	%	100	98	100
Attendance rate of inside directors	%	100	100	100
Attendance rate of outside directors	%	100	92	100
Average office term of directors	Year	3.6	4	5

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Committees within the BOD

SeAH Holdings has formed the Outside Director Candidate Recommendation Committee and the Governance Committee within the BOD and clarified the roles and responsibilities of each member to maintain checks and balances among all members.

The Outside Director Candidate Recommendation Committee comprises the majority of outside directors to ensure fairness and independence in the processes for recommendation and appointment of candidates.

The Outside Director Candidate Recommendation Committee Operating Regulation stipulates that directors shall be appointed by evaluating and verifying the qualifications of candidates comprehensively and assessing the expertise for practical contributions defined in relevant laws through candidate interviews.

Through its Governance Committee, SeAH Holdings makes decisions regarding management principles, sustainability, and social value-enhancing activities of the company and affiliates, striving to establish a transparent governance system based on BOD-driven management practices.

Independence of the BOD

The BODs of SeAH Holdings and SeAH Steel Holdings are set up to execute functions that are independent of the management and controlling shareholders.

Expertise and Diversity of the BOD

SeAH Holdings and SeAH Steel Holdings form their BOD with members who satisfy the qualification requirements under relevant laws (such as the Commercial Act) and have expertise, a sense of responsibility, and demonstrated ability for strategic thinking. In appointing directors, we do not discriminate against gender, age, and religion.

Candidates are recommended by the BOD and the Outside Director Candidate Recommendation Committee, and directors are appointed for a term of three years or less at the general meeting of shareholders in accordance with the Commercial Act and the Articles of Association. Through ensuring expertise and diversity of the BOD, SeAH Holdings and SeAH Steel Holdings are enhancing the competitiveness of the BOD and making resolutions based on the expertise of the directors.

Evaluation and Remuneration of the BOD

SeAH Holdings and SeAH Steel Holdings do not evaluate their BOD, but they continuously monitor the job activities of individual outside directors and disclose the details on their business reports. We decide reappointment of directors by comprehensively considering these factors.

We pay remuneration for directors within the remuneration limit for directors approved at the general meeting of shareholders according to Article 388 of the Commercial Act and the Articles of Association. Remuneration for outside directors is limited to a fixed payment to guarantee their independence, and we do not offer stock options. The history of remuneration payments to outside directors is disclosed through our business reports.

Shareholder-Friendly Management

SeAH Holdings and SeAH Steel Holdings announce the date, time, place, and agendas of the general meeting of shareholders through the electronic disclosure system at least two weeks prior to the meeting date, which is the minimum criterion according to the Commercial Act, to make it easy for shareholders to exercise their rights. A meeting notification is sent out to all shareholders, including shareholders whose share ratio is 1% or below, to provide information about the general meeting of shareholders. We participate in the 'Autonomous Shareholder Meeting Dispersion Program' to increase convenience for shareholders and guarantee their right to exercise voting rights. SeAH Holdings has avoided peak shareholder meeting periods since the 21st regular general meeting of shareholders (2021), and SeAH Steel Holdings since the 63rd regular general meeting of shareholders (2022). By doing so, we have secured the convenience of shareholders in exercising their voting rights and participating in the quorum for resolutions.

We have implemented and have been operating an electronic voting system pursuant to Article 368 of the Commercial Act to guarantee the voting rights of minority shareholders. SeAH Holdings has enforced electronic voting since the 21st regular general meeting of shareholders (2021), and SeAH Steel Holdings since the 63rd regular general meeting of shareholders (2022). Through the electronic voting system, we strive to encourage shareholders to actively exercise their voting rights and present their opinions.

SeAH Holdings and SeAH Steel Holdings provide dividends through resolutions at the BOD and general meetings of shareholders in accordance with the Articles of Association. Cash dividends are offered to shareholders within the scope of distributable profits, while setting aside investments for the continuous growth of the company and the maximization of mid- to long-term interests of shareholders and stakeholders. Based on mid- to long-term dividend policies, we establish plans for increasing dividends continuously according to our business performance, respecting the shareholders' rights to benefit from shareholder returns.

Mid- to Long-Term Dividend Policies

Under the basic direction of continuously enhancing shareholder value by maintaining a stable dividend scale, SeAH Holdings and SeAH Steel Holdings determine dividends, considering investments for sustainable growth of the company, financial structure, and the business environment in a comprehensive fashion.

SeAH Holdings and SeAH Steel Holdings disclose mid- to long-term dividend policies to provide more transparent and predictable information on dividends. The mid- to long-term goal for the dividend payout ratio is 25% for SeAH Holdings and 30% for SeAH Steel Holdings, based on the current term net profit on separate financial statements excluding one-time non-recurring profits and losses.



Ethical Management

Ethical Standards

The SeAH Group declared its ethical management plan in January 2005 and initially established and distributed the Code of Ethics, the ethical management philosophy and practice ideology, in January 2006. We have been revising the Code by reflecting the social and timely needs, and the Ethical Standards now comprise the Charter of Ethics, Code of Ethics, and Code of Ethics Practice Guideline. All employees take a pledge to practice ethical management every year, promise to comply with the Ethical Standards, and prepare a statement on their readiness for practice.

Ethics Charter

SeAH respects the order of the free market economy that pursues fair and transparent competition based on an ethical corporate culture that adheres to the basics and principles, and complies with all laws and regulations. SeAH aims to become a "company that makes the world more beautiful" by creating rich values and growing together with its stakeholders.



Ethical Management Organization System

The SeAH Group has formed the Ethical Management Office directly under the leadership of the CEO, as a separate organization for managing the Group's ethical management system. The Ethical Management Office of SeAH Holdings establishes the Group's behavioral standards and develops ethical management policies. It cooperates with the Ethical Management Office of each affiliate to raise employees' awareness and operate various policies for the sustainable growth of the Group. Major activities and pending issues of the Group's Ethical Management Offices are reported to the controlling body, and we make utmost efforts to create an environment that is conducive to transparent and fair business management.

Operating the Ethical Management Suggestion Center

The SeAH Group operates the Ethical Management Suggestion Center to implement ethical management practices that stick to our core values and principles. The Ethical Management Suggestion Center receives suggestions that can increase corporate value, transparency, and efficiency, and recommends improvements on nonproductive practices and inefficiencies, unfair work processes, and other matters that violate the soundness of the corporate culture. Employees and all internal and external stakeholders of the SeAH Group can make suggestions. They can submit reports via convenient means such as the website, phone, fax, postal mail, or make a direct visit to the Ethical Manage-

ment Suggestion Center. Information on the reporters and report details is kept strictly confidential, and the reporting system is safely protected by a security system. The Audit Office of SeAH Holdings verifies the factual matters regarding the reports received, investigates the matters, and takes active follow-up measures, such as legal actions and work process improvements.

Ethical Management Activities

'Ethical Management Awareness Diagnosis' Surveys and 'Self-Evaluation of Ethical Management Risks'

The SeAH Group measured the level of employees' ethical management involvement by conducting regular 'ethical management awareness diagnosis' surveys and 'self-evaluation of ethical management risks,' and identified major risks. We have set priorities among activities for supplementation and improvement based on the results of measurement and identification. Accordingly, we develop various plans for inspecting work processes, providing guidelines, raising employees' awareness, and strengthening communication channels. The SeAH Group strives relentlessly to create an ethical management culture where employees communicate freely to strengthen our ability to prevent major ethical management risks.

Ethical Management Education

The Ethical Management Office of each affiliate of the SeAH Group supervises ethical management education programs conducted at least twice a year to internalize ethical awareness among all employees. In 2022, employees of the Ethical Management Office made educational videos based on three topics: the 'Importance of ethical management,' 'cases of unethical behaviors within the SeAH Group,' and 'dilemmas of ethical management at work.' These videos helped raise employees' interest and allowed them to better understand ethical management strategies and practices. Additionally, we are operating various ethical guidance materials, such as Ethics Cartoon, Ethics Q&A, and Ethics Dilemma, so that our employees can find answers to various workplace dilemmas.

Movement for Not Giving and Receiving Presents

The SeAH Group clearly recognizes the unethical nature of acts of giving and receiving presents to and from customers with an interest in creating business relations. By sending out an ethical management letter describing the campaign called 'No Giving and Receiving Presents' before New Year's and Chuseok holidays each year, we clarify our principles prohibiting bribery and strive to create a sound holiday culture.

Code of Ethics



Compliance Management

Compliance Management System

Introducing Compliance Management and Establishing the Charter for Compliance Management

In July 2021, the SeAH Group introduced its compliance management policy and established the Charter for Compliance Management in an effort to build a compliance management system and provide judgment criteria that employees can utilize as reference to ensure that their work-related decisions are based on legal compliance. The Charter for Compliance Management is the highest standard that regulates the basic procedures and accompanying matters of compliance management, applied as the principles and standards for compliance management within the SeAH Group.

The Compliance Organization Operating Regulations

To realize the compliance management policy introduced in July 2021, the SeAH Group established in Sept. 2021 the Compliance Organization Operating Regulations, which describe the installation and operation of the compliance organization. Through the regulation, we strive to execute compliance management policy effectively and systematically based upon the Charter of Compliance Management. We continuously review changes that need to be made according to in-house reorganizations.

The Compliance Officers

The SeAH Group has appointed compliance officers who satisfy legal qualifications for affiliates that are subject to appointing compliance officers pursuant to Article 542-13 of the Commercial Act, to check adherence to the compliance control standards. Compliance officers prepare the compliance control system, update the control standards and practice guidelines periodically according to operating plans, and conduct frequent monitoring. Additionally, compliance officers report their duties and the method of operating the compliance control system to the BOD, thereby raising the compliance awareness of the management and employees and enabling effective compliance control activities.

Compliance Assistants

Compliance assistants are in charge of preventing legal risks to the company by executing compliance assistance duties at various departments in cooperation with the compliance-related departments. All affiliates of the SeAH Group have designated compliance assistants. Through the compliance assistant system, our employees can participate in compliance activities, identify the compliance risks of each company in advance, and promote practical compliance operations by preventing or mitigating risks.

The Compliance Operating Committee

Since organizations and departments of each affiliate are executing practical compliance support duties in their respective areas of expertise, the SeAH Group has organized the Compliance Operating Committee as a permanent council that gathers regularly to make unified policy decisions and provide mutual support. The Compliance Operating Committee comprises the Chair, compliance officers, and related executives and officers from each affiliate company. Regular Committee meetings are held once a quarter, and non-regular meetings are held when certain legal issues arise. Committee members share information and trends and present their opinions on policy directions to strengthen the Group's compliance management system.

Establishing and Evaluating Compliance KPIs

All group companies implemented compliance KPIs in 2022 and have been reflecting them in performance appraisals by the CEO of each affiliate company with the aim to build an organized compliance management system and spread the compliance culture by advancing compliance goals, evaluation, and feedback. Through these KPIs, the SeAH Group plans to create a unified compliance management culture that encompasses the entire Group.

Compliance Declaration

As of July 1, 2021, we declare compliance as the core value of SeAH Group wide, and we will endeavor with all officers and employees of the company to establish compliance as a company culture. SeAH Group can grow into a business that complies with the basics and principles, a business well respected by customers and the society, and a mature business that "makes the world beautiful" depending on the efforts of all officers and employees to implement compliance with high pride and ethical consciousness as a member of SeAH. Therefore, SeAH Group will strictly practice compliance, and continue to devote management resources necessary to become an exemplary corporate citizen.

(quotation from the 2021 Declaration of Compliance Management)

July 1, 2021, Chairman Lee, Soon hyung



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Managing Compliance Management Risks

Building an Information Protection System

The importance of protecting corporate information is growing in step with the advancement of information and communication technologies. Accordingly, the SeAH Group has initiated endeavors to build an information protection system for all group companies. In 2023, we established an integrated information security organization for the SeAH Group under SeAH Holdings and appointed the CPO and CISO of each affiliate from among candidates who satisfy legal requirements and qualifications to build the Group's information protection system. By operating a council comprising the exclusive organization for information security in the future, we plan to diagnose the level of information protection and develop effective information protection policies based on our findings.

Inspecting the Current Status of the Serious Accidents Punishment Act

The SeAH Group has formed an exclusive organization to implement safety and health measures for each affiliate, diagnosed the current status, and fulfilled obligations in response to the Serious Accidents Punishment Act. In 2023, we aim to build a safer work environment and prevent legal violation risks by performing self-diagnosis and supplementing the obligations regulated by the Serious Accidents Punishment Act.

Inspecting Compliance Management Capabilities in the Fair Trade Area

With the overall amendment and enforcement of the Monopoly Regulation and Fair Trade Act, regulations being strengthened by the regulatory authorities, and the increasing demand for ESG management, the fair trade area has become a key factor related to corporate competitiveness. Accordingly, the SeAH Group has built and is operating evaluation and control systems by identifying the fair trade area as a major compliance risk. We strive to minimize legal violation risks related to fair trade through periodic monitoring, reporting, and activities that raise fair trade awareness among employees.

Implementing a Zero-Tolerance Policy against Workplace Bullying, Sexual Harassment, and Violence

The SeAH Group has designated workplace bullying, sexual harassment, and violence as the 'three major zero-tolerance offenses' and is responding rig-

orously to offenders while prioritizing the protection of victims when relevant offenses arise. By implementing a zero-tolerance policy toward violation of human rights, we aim to ensure compliance with relevant laws, such as the Labor Standards Act, and establish a culture of mutual respect among employees.

Activities to Practice Compliance Management

Compliance Management Education for Employees of Group Companies

In 2022, we conducted compliance management education for employees of group companies, including topics such as the Monopoly Regulation and Fair Trade Act, Serious Accidents Punishment Act, document management and security, ESG management and governance, and prevention of and response to workplace bullying, sexual harassment, and violence. In addition to group-wide education, each affiliate conducts its own compliance management education to inspire compliance awareness among employees and prevent risks of legal violation.

Group Company Benchmarking Programs Related to Occupational Safety

The importance of occupational safety has been emphasized with the recent enforcement of the Serious Accidents Punishment Act. The SeAH Group operates in-house benchmarking programs for persons in charge of occupational safety at each company through its affiliates that have outstanding systems and cultures related to occupational safety within the Group. We offer various programs, such as presentations by exemplary companies, field trips to plants, Q&A, and debates to exchange information on occupational safety. We will continue operating the programs in 2023.

Creating an In-House Compliance Management Culture

The SeAH Group engages in various activities to spread and disseminate its compliance management culture among employees. We create monthly newsletters on new topics and post them on the in-house bulletin board, conduct quiz events, distribute information letters, manufacture portable pocketbooks, and run an online compliance community. Through these activities, we encourage our employees to conveniently participate in compliance management practices. In the future, the SeAH Group plans to build a compliance management culture and strive to help its employees gain compliance awareness in a friendly way and identify and judge legal violation risks on their own.

The World's Most Ethical Company

The SeAH Group is trying to be recognized as the 'World's Most Ethical Company,' a title announced annually by the Ethisphere Institute in the United States, an institute that measures corporate ethical standards and facilitates exemplary cases in an effort to closely respond to changes in the internal and external environments and improve corporate competitiveness through ethical management. To do so, we must consider and resolve about 200 core issues related to internal governance, leadership, reputation, ethical and compliance programs, and environmental and social responsibilities. By meeting such global standards, we aim to become a more systematic and ethical company.



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ESG Data

Environmental

Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
GHG	Total GHG emissions	tCO ₂ eq	1,697,520	2,011,265	1,949,532
	Scope 1 (direct emissions)	tCO ₂ eq	725,170	846,932	812,070
	Scope 2 (indirect emissions)	tCO ₂ eq	972,626	1,146,581	1,137,704
Energy	Total energy usage	GJ	27,851,808	33,365,736	32,038,488
	Direct energy	GJ	8,081,496	9,426,683	8,743,098
	LNG (city gas)	GJ	5,720,715	6,811,153	6,567,739
	LPG	GJ	2,168,793	2,375,352	2,023,626
	Diesel	GJ	186,504	230,937	112,863
	Gasoline	GJ	2,292	3,505	3,605
	Indirect energy	GJ	19,770,312	23,939,053	23,293,416
	Electric power	GJ	19,635,953	23,631,870	22,788,518
	Steam	GJ	134,359	307,183	504,898

Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
Waste	Total waste generated	Ton	578,235	679,800	624,792
	General waste	Ton	480,484	561,502	500,518
	Landfilled	Ton	12,987	22,932	28,396
	Incinerated	Ton	1,756	2,111	1,833
	Recycled	Ton	465,728	536,457	470,254
	Others	Ton	14	2	7
	Construction waste	Ton	1,614	3,410	1,070
	Recycled	Ton	717	2,331	469
	Others	Ton	897	1,078	601
	Designated waste	Ton	96,136	114,888	123,204
	Landfilled	Ton	332	712	1,119
	Incinerated	Ton	23,159	28,063	36,323
	Recycled	Ton	72,466	85,654	85,546
	Others	Ton	179	459	207
	Percentage of designated waste	%	17	17	20
Volume of waste recycled (byproducts recycled)	Ton	538,911	624,443	556,269	
Percentage of waste recycled (percentage of byproducts recycled)	%	93	92	89	

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Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
Air pollutants	Dust emissions	Ton	90	101	105
	NOx emissions	Ton	758	777	938
	SOx emissions	Ton	65	41	125
Raw materials	Total raw material usage	Ton	4,159,773	4,859,117	4,535,426
	Renewable raw material usage	Ton	2,230,529	2,871,258	2,651,890
	Percentage of renewable raw materials	%	54	59	58
Environmental management	Percentage of environmental management system certifications (ISO 14001)	%	79	79	79
	Number of business sites that acquired certification	EA	15	15	15
	Total number of business sites	EA	19	19	19
	Environmental investment amount	KRW million	6,608	15,842	22,835

Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
Water	Total water usage	1,000 m ³	8,602	9,399	8,930
	Industrial water	1,000 m ³	7,370	8,321	7,740
	Waterworks	1,000 m ³	1,232	1,078	1,098
	Total wastewater treatment volume	1,000 m ³	3,399	4,196	5,260
	Discharge volume	1,000 m ³	3,299	3,774	4,482
	Reused volume	1,000 m ³	100	422	778
Water pollutants	Suspended solids (SS)	Ton	65.1	47.4	61.1
	Chemical oxygen demand (COD)	Ton	101.8	123.3	101.6
	Biological oxygen demand (BOD)	Ton	21.4	20.3	9.9
Harmful chemicals	Harmful chemical usage	Ton	22,416	27,003	47,642*

*Affected by changes in harmful chemical designation standards (12. 29. 2021)

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Social

Data	Details	Unit	SeAH Group Combined				
			2020	2021	2022		
Employee status	Total number of employees		Person	4,284	4,329	4,401	
	Gender	Male	Person	4,059	4,100	4,164	
		Female	Person	225	229	237	
		Below 30 years old		Person	370	408	436
	By age group	30-50 years old	Person	2,288	2,247	2,232	
		50 years old or above		Person	1,626	1,674	1,733
		Regular employees		Person	4,206	4,190	4,260
	By employment type	Male	Person	4,007	3,985	4,045	
		Female	Person	199	205	215	
		Non-regular employees		Person	78	139	141
		Male	Person	51	115	118	
		Female	Person	27	24	23	
		By job group	General jobs	Person	1,575	1,634	1,683
Technical jobs	Person		2,709	2,695	2,718		
Non-employee workers		Person	2,581	2,741	2,788		

Data	Details	Unit	SeAH Group Combined				
			2020	2021	2022		
Newly recruited	Newly recruited employees		Person	150	313	389	
	Gender	Male	Person	119	281	336	
		Female	Person	31	32	53	
		Below 30 years old		Person	77	174	217
	By age group	30-50 years old	Person	55	79	135	
		50 years old or above		Person	18	60	38
		Number of female employees in managerial positions or higher		Person	36	39	47
Diversity	High-level managers (number of female managers in top management)		Person	1	1	4	
	Intermediate managers (number of female junior managers)		Person	35	38	43	
	Number of minority employees		Person	206	200	191	
	Number of disabled employees		Person	116	110	100	
	Number of foreigner employees		Person	8	8	8	
	Number of veteran employees		Person	82	82	83	
Percentage of disabled employees		%	2.7	2.5	2.3		

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Data	Details	Unit	SeAH Group Combined			
			2020	2021	2022	
Turnover and retirement	Number of turnover and retired employees	Person	275	273	405	
	Gender	Male	Person	237	238	347
		Female	Person	38	35	58
		By age group	Below 30 years old	Person	50	74
	30-50 years old		Person	91	80	130
	50 years old or above		Person	134	119	170
	By type	Number of regular retirees	Person	113	71	96
		Number of voluntary retirees	Person	119	166	267
	Percentage of voluntary retirement (turnover)*	%	43	61	66	

Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
Pension support	National pension (company's burden)	KRW million	10,769	10,959	11,392
	Amount of retirement pension	KRW million	261,024	272,139	329,166
	Number of retirement pension holders	Person	3,428	3,368	3,463
Collective bargaining	Number of employees subject to join labor unions	Person	2,737	2,699	2,667
	Number of labor union members	Person	2,590	2,524	2,489
	Percentage of labor union membership	%	95	94	93
Employee education	Total hours of education	Hour	118,047	132,819	145,342
	Hours of education per person	Hour	28	31	33
	Total cost of education	KRW million	1,066	1,880	2,578
	Cost of education per person	KRW million	0.2	0.4	0.6

*Not reflecting turnover (resignation) from transference between affiliates, contract termination of interns, and regular retirement

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			2020	2021	2022
	Number of parental leave users	Person	17	25	21
	Male	Person	10	10	8
	Female	Person	7	15	13
	Number of employees who returned from parental leaves	Person	14	9	14
Parental leaves	Male	Person	5	4	7
	Female	Person	9	5	7
	Percentage returned after parental leaves	%	82	36	67
	Male	%	50	40	88
	Female	%	129	33	54

Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
	Number of victims	Person	33	36	47
	Direct (employees)	Person	22	26	29
	Partner companies	Person	11	10	18
	Number of deaths	Person	1	-	2
Occupational safety and health	Direct	Person	1	-	1
	Partner companies	Person	-	-	1
	Percentage of safety and health management system certifications (ISO 45001)	%	64	64	91
	Number of business sites that acquired certification	EA	7	7	10
	Total number of business sites	EA	11	11	11

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			2020	2021	2022
Social contribution	Total hours of volunteer activities	Hour	2,028	2,521	7,394
	Number of volunteer participants	Person	381	512	949
	Hours of volunteer activities per person	Hour	5.3	4.9	7.8
	Social contribution expense	KRW million	564	672	867
Shared growth	Support for partner companies	KRW 100 million	47	251	145
	Support for partner companies of Purchase Team / Head Office	KRW 100 million	22	51	21
	Support for partner companies of plants	KRW 100 million	10	14	18
Current status of partner companies	Number of partner companies	EA	1,199	1,263	1,249
	Amount purchased from partner companies	KRW 100 million	15,936	27,305	30,630
Performance evaluation	Number of employees subject to performance evaluation	Person	1,848	1,878	1,927
	Number of employees who received regular performance evaluation	Person	1,486	1,519	1,557
	Percentage of employees who received regular performance evaluation	%	80	81	81

Data	Details	Unit	SeAH Group Combined		
			2020	2021	2022
Corruption cases and actions	Number of corruption cases	Case	1	-	4
	Number of disciplinary actions	Case	2	3	5
	Dismissal	Case	-	1	-
	Suspension	Case	-	-	-
	Pay cut	Case	1	1	4
	Caution	Case	-	-	-
	Others	Case	1	1	1
Current status of legal violations	Number of legal violations	Case	3	6	6
	Violations of environmental laws and regulations	Case	2	6	6
	Violations of anti-competition laws and regulations	Case	-	-	-
	Violations of occupational safety laws and regulations	Case	1	-	-
	Penalties imposed	KRW million	8	16	25
	Violations of environmental laws and regulations	KRW million	2	16	25
Current status of legal violations	Violations of anti-competition laws and regulations	KRW million	-	-	-
	Violations of occupational safety laws and regulations	KRW million	6	-	-

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Reporting Scope

Environmental

Division	Data Item	Reporting Scope
GHG	Scope 1 (direct emissions)	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings
	Scope 2 (indirect emissions)	SeAH Steel Holdings
Energy	Direct energy usage	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings
	Indirect energy usage	SeAH Steel Holdings
Air pollutants	Dust emissions	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings, DOSCO, SeAH L&S
	NOx emissions	SeAH Steel Holdings, DOSCO, SeAH L&S
	SOx emissions	SeAH L&S
Raw materials	Raw material usage	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings
	Renewable raw material usage	SeAH Steel Holdings
	Percentage of renewable raw materials	SeAH Steel Holdings
Water	Water usage	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings
	Wastewater treatment volume	SeAH Steel Holdings
Water pollutants	Suspended solids (SS)	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings, DOSCO, SeAH L&S
	Chemical oxygen demand (COD)	SeAH Steel Holdings, DOSCO, SeAH L&S
	Biological oxygen demand (BOD)	DOSCO, SeAH L&S
Waste	Volume of waste generated	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings
	Volume of waste recycled	SeAH Besteel Holdings, SeAH Steel Holdings
	Percentage of waste recycled	SeAH Steel Holdings
Harmful chemicals	Usage	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings, DOSCO, SeAH L&S
Environmental management	Percentage of environmental management system certifications (ISO 14001)	Excluding SeAH Holdings, SeAH Besteel Holdings, SeAH Steel Holdings
	Environmental investment amount	SeAH Steel Holdings

* For air pollutants, water pollutants, and harmful chemicals, DOSCO and SeAH L&S have been excluded from the scope as they are business sites not subject to management.

Social

Data	Details	Reporting Scope
Employee status	Total number of employees	All 12 companies
	Non-employee workers	
Newly recruited	Newly recruited employees	All 12 companies
Turnover and retirement	Number of turnover and retired employees	All 12 companies
	Percentage of voluntary retirement (turnover)	
Diversity	Number of female employees in managerial positions or higher	All 12 companies
	Number of minority employees	
Pension support	National pension (company's burden)	All 12 companies
	Amount of retirement pension	
Parental leaves	Number of retirement pension holders	All 12 companies
	Number of parental leave users (gender)	
	Number of employees who returned from parental leaves (gender)	All 12 companies
	Percentage returned after parental leaves (gender)	
Occupational safety and health	Number of victims (direct/partner companies)	All 12 companies
	Number of deaths (direct/partner companies)	
	Percentage of safety and health management system certifications (ISO 45001)	
Collective bargaining	Number of employees subject to join labor unions	Including SeAH Besteel, SeAH CSS, SeAH Steel, SeAH Special Steel, SeAH M&S
	Number of labor union members	
Employee education	Percentage of labor union membership	
	Total hours of education	All 12 companies
Employee education	Hours of education per person	
	Total cost of education	
	Cost of education per person	
	Total hours of volunteer activities	
Social contribution	Number of volunteer participants	All 12 companies
	Hours of volunteer activities per person	
	Social contribution expense	
Shared growth	Support for partner companies	Including SeAH Besteel, SeAH CSS, DOSCO, SeAH Special Steel
	Number of partner companies	
Current status of partner companies	Number of partner companies	Including SeAH Besteel, SeAH CSS, SeAH Coated Metal, DOSCO, SeAH Special Steel, SeAH M&S
	Amount purchased from partner companies	
Performance evaluation	Number of employees subject to performance evaluation	All 12 companies
	Number of employees who received regular performance evaluation	
	Percentage of employees who received regular performance evaluation	
Corruption cases and actions	Number of corruption cases	All 12 companies
	Number of disciplinary actions	
Current status of legal violations	Number of legal violations	All 12 companies
	Penalties imposed	

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Independent Assurance Report on the Identified Sustainability Information in SeAH's Sustainability Report

To the Management of SeAH

We have undertaken a limited assurance engagement in respect of the selected sustainability information (the 'Identified Sustainability Information') in the SeAH's Sustainability Report for the year ended 31 December 2022 ('the Sustainability Report') listed below.

Identified Sustainability Information

The Identified Sustainability Information included in the SeAH's Sustainability Report for the year ended 31 December 2022 is summarized below:

- 'ESG DATA' on pages 78 ~ 84
- GRI (Global Reporting Initiative) Standards 2021 Index on pages 85 ~ 86

Our assurance was with respect to the year ended 31 December 2022 and the first half of 2023 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Sustainability Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by SeAH to prepare the Identified Sustainability Information on 'GRI Standards 2021'

SeAH's Responsibility for the Identified Sustainability Information

SeAH is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability.

Our Independence and Quality Control

We have complied with the ethical requirements of the Republic of Korea, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. Our firm applies International Standard on Quality Control 1 and accordingly maintains

a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board. These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of SeAH's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interview with the personnel responsible for internal reporting and data collection regarding SeAH's Identified Sustainability Information to understand their approaches to managing material issues.
- Understand the systems and processes in place for managing and reporting the Identified Sustainability Information of SeAH's Seoul office.
- Review documents relevant to output from the risk assessment process, sustainability-related policies and standards, materiality assessment, engagement activities of the stakeholders and others.
- Assessment the adequacy of the design and operation of processes and control activities for managing and reporting sustainability information during the reporting period.
- Perform inquiries and analytical reviews on the Identified Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether SeAH's identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that SeAH's Identified Sustainability Information the year ended 31 December 2022 and the first half of 2023 is not prepared, in all material respects, in accordance with the Criteria.

Restricted Use

This Report is prepared solely for the management of SeAH to assist in obtaining understanding of SeAH's sustainable management performance and activities. Accordingly, we accept no liability or responsibility to any third party, other than SeAH and its management, who gains access to this report.

WITH Accounting Corporation

Seoul, Korea



위드회계법인

23 June 2023
YoungSuk Lee

Chief Executive Officer



This assurance report is valid as of the assurance report date (23 June 2023). This may result in events or situations that may have a significant impact on the company's web report between the date of the assurance report and the time it is viewed, which may result in modification of the assurance report.

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Membership Associations

World Steel Association	Korea Iron & Steel Association	Korea Enterprises Federation
Korea Listed Companies Association	Korea Chamber of Commerce and Industry	Federation of Korean Industries
Korea International Trade Association	Korean Standards Association	Korea Management Association
Korea Automobile Manufacturers Association	Korea Construction Equipment Manufacturers Association	Korea Machine Tool Manufacturers' Association
Korea Industrial Safety Association	Korea-Japan Economic Association	Korea Personnel Improvement Association

Inspired by SeAH

SeAH SUSTAINABILITY REPORT 2023



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