

SeAH Steel Holdings Sustainability Report 2023

# Inspired by SeAH



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# About This Report



**Cover Image**

The cover of SeAH Steel Holdings’ inaugural Sustainability Report features a background of a clear blue sky, drawing on SeAH Group’s CI, the ‘Rising Curve,’ symbolizing our strong dedication and ambitious goals toward sustainable management.

We invite you to join us in supporting SeAH Steel Holdings’ ESG Vision, “SeAH-in’s Journey Towards a Beautiful World.”

SeAH Steel Holdings

## Overview

This is SeAH Steel Holdings’ first Sustainability Report, outlining its ESG (Environmental, Social, and Governance) performance and plans. As a company determined to pursue sustainable values, SeAH Steel Holdings will publish Sustainability Reports annually to disclose its ESG management performance transparently to various stakeholders.

## Reporting Standards

GRI (Global Reporting Initiative) Standards  
SASB (Sustainability Accounting Standards Board)

## Reporting Period

January 1<sup>st</sup>, 2023 to December 31<sup>st</sup>, 2023

\* Some of the key performances include information from the first half of 2024.

\*\* In reporting quantitative performances, we disclose data from the past three years (2021-2023) to enable the analysis of year-over-year trends.

## Reporting Scope

Financial reporting: Based on Korean International Financial Reporting Standards (K-IFRS) for consolidated financial statements

Non-financial reporting\*: SeAH Steel Holdings, SeAH Steel, SeAH Coated Metal, DONG-A Steel (Some of the information in this report includes data on SeAH Wind, SeAH Steel International, as well as SeAH Steel International’s major overseas affiliates and its second-tier affiliates)

\* In case of divergence from the scope of this report, footnotes or additional information are provided.

## Assurance

Financial Information: KPMG Samjong Accounting Corp.  
Non-financial Information: Korea Productivity Center (See Third Party Assurance Statement on p.94-95)

## Review

Professor Jin Soo Han at KAIST School of Business reviewed the English version of SeAH Steel Holdings Sustainability Report 2023.

## Contact Information

ESG Part of SeAH Steel Holdings  
Address: 27<sup>th</sup> FL, SeAH Tower, 45 Yanghwa-ro, Mapo-gu, Seoul, South Korea  
Email: seahsteel.esg@seah.co.kr  
Website: www.seah.co.kr  
Phone: +82-2-6970-1141 to 1144

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# CEO Message

“

We extend our sincere gratitude to each of our stakeholders for your unwavering interest and generous support towards the sustainable growth of SeAH Steel Holdings.

”



## Dear Esteemed Stakeholders,

We extend our sincere gratitude to each of our stakeholders for your unwavering interest and generous support towards the sustainable growth of SeAH Steel Holdings. We are pleased to publish our inaugural Sustainability Report this year, encompassing the ESG management performance of SeAH Steel Holdings and our affiliates both at home and abroad, grounded in our ongoing communication with stakeholders.

SeAH Steel Holdings took root in 1960 in what was then a barren landscape for the steel pipe manufacturing industry in Korea. Since then, we have led the development of Korea's steel pipe industry with a challenging and pioneering spirit that consistently keeps us ahead of the curve and thriving in the face of challenges. In 1967, we became the first Korean company to export steel pipes to the United States, followed by our public offering in 1969. In recent times, the business environment has faced increasing uncertainties due to global financial risks, decoupling trends, and geopolitical tensions, all of which are accelerating structural changes. Despite these challenges, we have remained determined to fulfill our principles of “gratitude and humility” and pursue “principled management,” adhering to our core values of ethical business practices, social responsibility, and sustainable development. This approach has driven us to achieve a record-breaking operating performance last year, the best in our company's history.

Throughout a journey of growth, SeAH Steel Holdings has prioritized the role and responsibility of a company in fostering a sustainable society. We have fulfilled our environmental responsibilities actively by striving to create a clean and sustainable environment. Additionally, we have extended our research and development of products applicable to eco-friendly sectors like renewable energy. Furthermore, we have developed and implemented plans to reduce greenhouse gas emissions across our operations. These efforts are aimed at minimizing the environmental impact of our business activities.

We are dedicated to sharing sustainable values with both internal and external stakeholders, including employees, local communities, and suppliers. Our top management priority is workplace safety and health, and we have been continuously enhancing our safety management practices. Moreover, we have advanced our human rights management system based on international principles and norms, such as the UN Guiding Principles on Business and Human Rights (UNGPs). Additionally, we make consistent efforts to create social value, exemplified by establishing an ESG evaluation system for suppliers to enhance sustainability throughout our supply chain.

To create greater corporate value through the integration of business and ESG, SeAH Steel Holdings designated 2024 as the inaugural year of ESG management. We aim to embed ESG management practices throughout our operations. We will establish a sustainable management system for SeAH Steel Holdings and our affiliates at home and abroad to lay the foundation for unified progress. We will establish an ESG governance led by the Board of Directors and strengthen the capabilities of dedicated organizational units within each affiliate to expand ESG management practices. Furthermore, we will expand the role of “SeAH ESG Family,” a consultative body consisting of ESG-focused personnel from SeAH Steel Holdings and our affiliates in Korea, to build an organic cooperation system.

SeAH Steel Holdings has achieved significant growth as a sustainable company by effectively communicating with various stakeholders and listening to their voices in alignment with the fundamental principles of ESG management, which has recently come to the fore. Looking ahead, we will endeavor to empathize and communicate actively with various stakeholders, including shareholders, customers, suppliers, employees, and local communities. We are determined to do our utmost to enhance SeAH Steel Holdings’ sustainable value by transparently sharing ESG management goals and achievements internally and externally through Sustainability Reports and our sustainability blog.

Thank you.

June 2024

Youngbin Cho CEO, SeAH Steel Holdings

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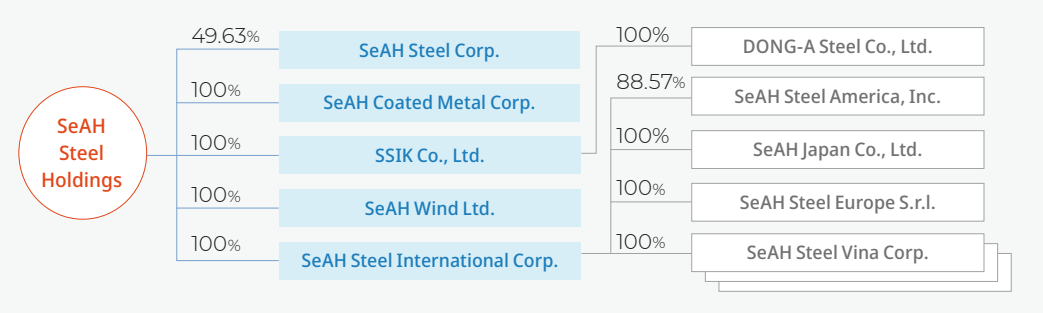
## SeAH Steel Holdings

SeAH Steel Holdings serves as a holding company overseeing both domestic and international investments, primarily in the steel pipe manufacturing sector while managing our affiliates. In line with expanded investments in domestic and international steel pipe businesses, we focus on efficient and specialized business management while advancing global strategic functions to analyze and adapt swiftly to rapidly changing trade and business environments.

Company Name	SeAH Steel Holdings Corp.	Head-quarters Address	27F, 45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea	Credit Rating	Korea Investors Service (KIS) <b>A2</b> (As of June 17, 2024) NICE Investors Service (NICE) <b>A2</b> (As of June 14, 2024)
CEOs	Joosung Lee, Youngbin Cho	Type of Business	Management Consulting	ESG Rating	SUSTINVEST Rating <b>BB</b> Korea Corporate Governance Service (KCGS) 2023 Rating Environmental <b>B+</b> Social <b>A</b> Governance <b>B+</b>
Established on	October 19, 1960				

## Affiliates

As of the end of 2023



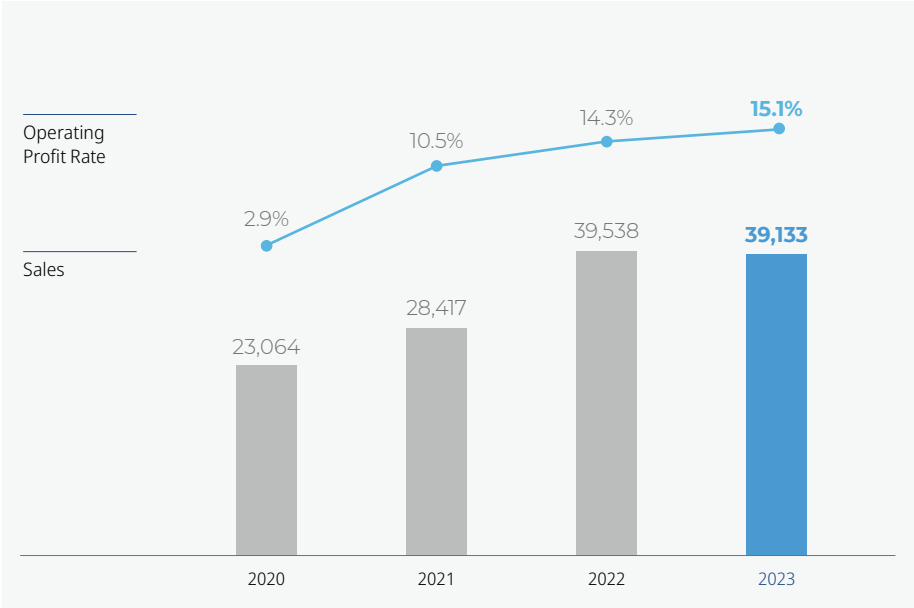
## Business Areas

Business Areas	Sales Type	Items	Specific Intended Uses
Steel Pipes	Product, Goods Processing, and Other Sales	Structural, Oil Well, Piping, Water Supply Usage, etc.	Oil & Gas, Building Materials, Piping, etc.
Steel Sheets		Color-coated Steel Sheets, Galvanized Steel Sheets, etc.	For Building Materials, Home Appliances, etc.
Investment	Operating Revenues	Dividend Income, Service Income	



## Financial Performance

(Unit: KRW 100 million)



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**SeAH Steel** is a steel pipe manufacturer that has led the pipe industry in Korea. Over the years, the company has pioneered new markets and developed high-value-added products. Its operations are centered on the Pohang Plant, a hub for producing high-value-added steel pipes for exports. SeAH Steel operates four production bases across South Korea: the Suncheon Plant specializes in the production of large-diameter thick-walled steel pipes, the Changwon Plant manufactures special pipes made of stainless steel and titanium, and the Gunsan Plant produces steel pipes for domestic use. In recent years, SeAH Steel has made significant strides in the green energy market, leveraging its manufacturing expertise in energy and construction materials. The company has entered the offshore wind power market and expanded its capacity for the production of foundation materials. Furthermore, SeAH Steel has bolstered its capabilities with a role-forming facility for 24-inch stainless steel pipes, the largest of its kind in South Korea, enhancing its competitiveness in the LNG market.

Company Name	SeAH Steel Corp.
CEOs	Howard Whi Young Lee, Mangi Hong
Established on	September 3, 2018
Headquarters Address	25, 26 and 27 FLs, 45, Yanghwa-ro, Mapo-gu, Seoul, Republic of Korea
Main Business	Manufacturing and sales of welded steel pipes



**SeAH Coated Metal** specializes in manufacturing color-coated steel sheets, galvanized steel sheets, and pickled and oil steel sheets used for interior and exterior building materials, exterior materials, as well as for home appliances. The company has enhanced its competitiveness as a comprehensive sheet manufacturer covering a range of steel sheets from cold-rolled steel sheets to surface-treated steel sheets, while broadly expanding its product portfolio from general-purpose to premium color-coated steel sheets. In particular, SeAH Coated Metal focuses on securing production competitiveness for high-quality materials, such as aluminum color-coated steel sheets, printed steel sheets, MATT steel sheets, and embossed steel sheets, differentiating itself successfully in the domestic high-end construction materials market.

Company Name	SeAH Coated Metal Corp.
CEOs	Dong Kyu Kim, Houdong Kim
Established on	July 1, 2017
Headquarters Address	241 Jayuro, Gunsan-si, Jeollabuk-do, Republic of Korea
Main Business	Manufacturing and sales of surface-treated steel sheets



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**DONG-A Steel** is a structural steel pipe manufacturer determined to meet customer trust and expectations by consistently improving facilities, investing, and developing new products. By producing a diverse range of products and top-notch quality, the company strives to achieve customer satisfaction. The Gwangyang Plants 1 and 2 feature an integrated production line from slitting to pipe forming and coating. DONG-A Steel is enhancing its presence in both the domestic and export markets by investing in new equipment and diversifying the product range.

Company Name	DONG-A Steel Co., Ltd.
CEO	Jin Ho Cho
Established on	April 20, 1991
Headquarters Address	15 Taein 4-gil, Gwangyang-si, Jeollanam-do, Republic of Korea
Main Business	Manufacturing and sales of structural steel pipes and square pipes



**SeAH Steel America, Inc.** is a pioneer in the North and South American markets, supplying a wide range of steel products for the petrochemical, energy, construction, and agricultural sectors in the U.S. market. In the early 1990s, it expanded its business and restructured its sales network by acquiring State Pipe & Supply, a distributor in the western United States, and Panther Supply, an OCTG distributor in the Gulf region. With offices in Irvine, Houston, and Calgary, SeAH Steel America plays a crucial role in selling various steel products produced by global manufacturing affiliates under SeAH Steel Holdings, such as SeAH Steel, SeAH Steel Vina, Inox Tech, and SeAH Steel USA. This has contributed to the expansion of the Group's market share in the Americas. Additionally, SeAH Steel America ensures stable supply chain management by sourcing from third-party suppliers outside SeAH, consolidating its position as a specialized steel distribution company in the American region.

Company Name	SeAH Steel America, Inc.
CEO	Jun Lee
Established on	August 15, 1978
Headquarters Address	2100 Main St. Suite 100, Irvine, CA 92614, USA
Main Business	Trading of steel materials, including steel pipes and sheets

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**State Pipe & Supply, Inc.**, established in 1949, is a steel pipe distributor and manufacturer with seven branches across the United States and Canada. The company joined the SeAH family in 1990 when it was acquired by the SeAH Group. Since then, State Pipe & Supply has continuously expanded its business through investments. In 1996, the company acquired West Coast Pipe Lining Co., entering the steel pipe processing business and laying the foundation for manufacturing. In 2017, State Pipe & Supply began steel pipe manufacturing at the West Coast Spiral Pipe plant. In 2022, the company further strengthened its capabilities by acquiring Mobile Pipe, a coating specialist with 60 years of experience. This acquisition established State Pipe & Supply as a one-stop shop for pipe manufacturing, processing, and various coating processes, creating a more robust supply chain and solidifying its position as a prominent company in the western United States.

Company Name	State Pipe & Supply, Inc.
CEO	Jun Lee
Established on	January 23, 1990
Headquarters Address	183 S. Cedar Ave. Rialto CA 92376, USA
Main Business	Steel pipe manufacturing and coating, wholesale and retail



**SeAH Steel USA LLC** is the first Korean steel pipe manufacturer in North America to specialize in steel pipes for oil wells and oil transportation pipes. It boasts a one-stop production system, which manages activities ranging from pipe forming to post-processing. SeAH Steel USA is engaged actively in the supply of high-grade OCTG pipes, such as High-Collapse, Controlled Yield, and Semi-Premium Thread, to the North American energy market. Even amidst increasing uncertainty in the energy market and ongoing trade and supply challenges for steel products, SeAH Steel USA LLC has strengthened its dominance in the North American energy sector.

Company Name	SeAH Steel USA LLC
CEO	Gene Lee
Established on	October 24, 2016
Headquarters Address	16952 Leonard Road, Houston, Texas 77049, USA
Main Business	Manufacturing and post-processing of OCTG steel pipes



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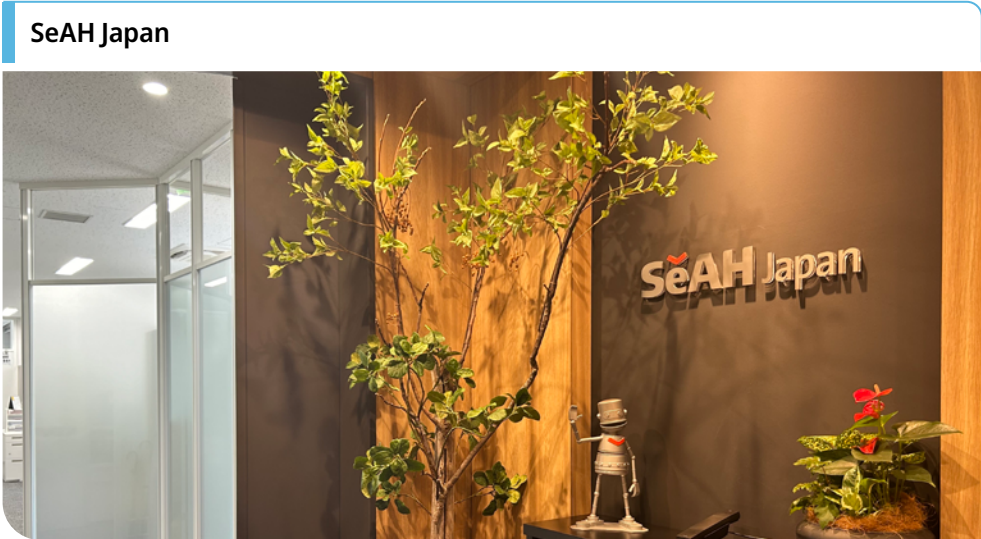
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**SeAH Japan Co., Ltd.** is a specialized steel trading company with a long-standing reputation for international trust, handling the import and export of steel pipes, sheets, and other steel materials. SeAH Japan imports Korean steel products for distribution in Japan and procures Japanese raw materials for Korea. SeAH Japan engages actively in trade intermediation with domestic and overseas affiliates of SeAH Steel Holdings, spearheading business operations in the Japanese market.

Company Name	SeAH Japan Co., Ltd.
CEO	Jungwook Kim
Established on	February 1, 1995
Headquarters Address	3F. Nan-o Bldg. 20-1, 2Chome, Nishi-Shinbashi, Minato-ku, Tokyo, Japan
Main Business	Trading of raw materials for steel pipes, etc.



**SeAH Steel Vina Corp.** is a steel pipe manufacturer located in southern Vietnam. Starting with the production of small-diameter steel pipes for markets in Vietnam and Southeast Asia in 1998, it became the first Vietnamese steel pipe company to export to the United States in 2006. In 2009, it obtained the API monogram certification and started operating a plant for manufacturing API steel pipes. The company produces a wide range of products for various applications and steel grades, including structural and piping steel pipes as well as API steel pipes, exporting to the United States, Canada, Australia, and Japan. Recently, SeAH Steel Vina completed its second plant, expanding its production capacity to 325,000 metric tons.

Company Name	SeAH Steel Vina Corp.
CEO	Youngkil Byun
Established on	August 8, 1995
Headquarters Address	No. 7 Street 3A, Bien Hoa II Z, Dong Nai, Vietnam
Main Business	Manufacturing and sales of steel pipes

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**SeAH Japan Co., Ltd.** (Vinapipe) is Vietnam’s first steel pipe manufacturer, established in northern Vietnam as a joint venture with VN Steel, the country’s largest state-owned steel company. Responding to the rising demand for construction materials in line with Vietnam’s infrastructure expansion in the 1990s, Vinapipe has been supplying steel pipes through its local production plant. Today, Vinapipe produces structural and piping steel pipes with three small-diameter steel pipe manufacturing lines, serving the Vietnamese and Southeast Asian markets.

Company Name	Vietnam Steel Pipe Co., Ltd.
CEO	SangUk Nam
Established on	October 1, 1993
Headquarters Address	Km 9, Quan Toan, Hong Bang, Haiphong City, Vietnam
Main Business	Manufacturing and sales of steel pipes



**SeAH Steel UAE LLC** is a specialized manufacturer of large-diameter thick-walled steel pipes located in the United Arab Emirates. It has established 3-Roll Bending and Press Bending pipe forming equipment and two heat treatment furnaces, producing pressure piping, structural, and oil transportation steel pipe products mainly for the construction, petrochemical, and energy markets in the Middle East and North Africa. In particular, SeAH Steel UAE has developed the capacity to produce up to 150,000 metric tons annually of large-diameter thick-walled steel pipes, with up to an outside diameter of 120 inches and wall thickness of 60mm. These pipes are used for transporting oil and natural gas, as well as in renewable energy projects. This competitive edge allows the company to actively meet the high demand in the Middle Eastern market, where large-scale construction and energy-related projects are abundant.

Company Name	SeAH Steel UAE LLC
CEO	Bong Yong Kong
Established on	February 7, 2010
Headquarters Address	Al Ghail Industrial Zone, Ras Al Khaimah, UAE
Main Business	Manufacturing and sales of steel pipes



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**Inox Tech S.p.A.** is a world-leading manufacturer of CRA (Corrosion Resistant Alloys) large-diameter thick-walled welded steel pipes used in the Oil & Gas field, focusing on project markets in Europe, the Middle East, and Asia. With global EPCs and traders in the LNG and Offshore fields as its customers, Inox Tech has been leading the CRA pipe market by conducting numerous projects together with partners. The company has a wide product portfolio ranging from general-purpose stainless 300 series to high value-added products such as Duplex, Super Duplex, Nickel Alloy, and Clad. Since 2019, Inox Tech has strengthened its position in the global CRA welded pipe market by winning large LNG projects and achieving record-breaking order volumes.

Company Name	Inox Tech S.p.A.
CEO	EunCheol Seol
Established on	June 4, 1989
Headquarters Address	Via Aldo Moro, 10/e Cap 45026 Lendinara (RO) Italy
Main Business	Manufacturing and sales of special pipes including stainless steel and large-diameter thick-walled pipes



**SeAH Wind Ltd.** is building a manufacturing plant in Middlesbrough, North Yorkshire, UK, to respond to the growing trend in power generation through offshore wind. This facility will have an annual capacity to produce up to 350,000 metric tons of monopiles, which serve as foundation structures for offshore wind towers. This initiative addresses the growing demand in the offshore wind sector. Notably, SeAH Wind Ltd. is the sole manufacturer participating in the foundation sector of the UK government’s 2020 Offshore Wind Power Value Chain Development Program.

Company Name	SeAH Wind Ltd.
CEO	Chris Sohn
Established on	February 24, 2021
Headquarters Address	Stephenson House, High Force Road, Riverside Park Industrial Estate, Middlesbrough TS2 1RH
Main Business	Manufacturing and sale of offshore wind foundations (monopiles)



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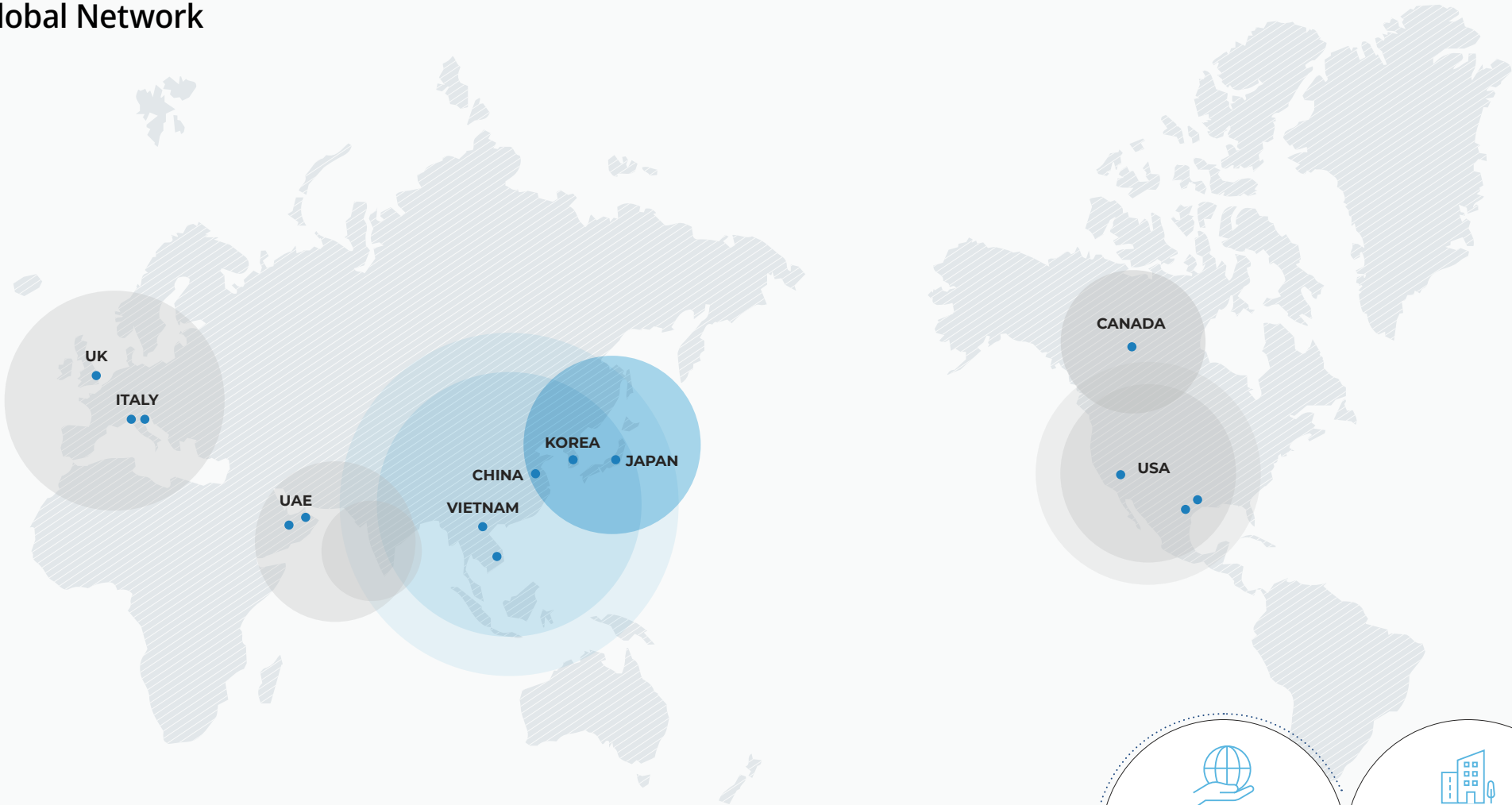
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SeAH Coated Metal Corp.  
DONG-A Steel Co., Ltd.

SeAH Steel Holdings Corp.  
SeAH Japan Co., Ltd.  
SeAH Steel Holdings Beijing Office  
SeAH Steel Vina Corp.  
Vietnam Steel Pipe Co., Ltd.  
SeAH Steel UAE LLC  
SeAH Steel Holdings Middle East Office

America

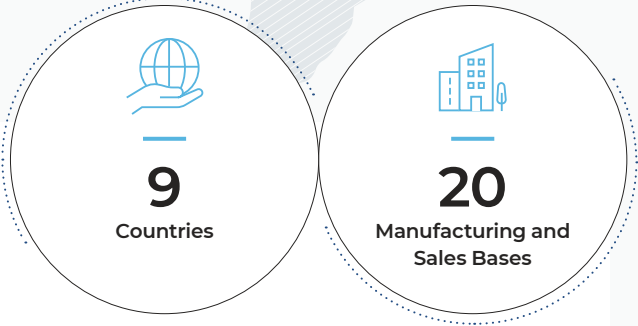
SeAH Steel America, Inc.  
State Pipe & Supply, Inc.  
SeAH Steel USA LLC

Canada

SeAH Steel America  
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SeAH Steel Europe S.r.l.  
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# ESG Legacy

## The Beginning of SeAH Steel Holdings' ESG

### “Asia’s Finest, Thriving in the Global Arena”

The name SeAH began with the dream of becoming “Asia’s Finest, Thriving in the Global Arena,” and this dream has taken root in the heart of all SeAH employees today, inspiring them to making the world beautiful. SeAH Steel was established in 1960 in what was then a barren landscape for Korea’s steel pipe manufacturing industry. Since then, we have blazed trails in the Korean steel industry, becoming the first to export steel pipes to the advanced U.S. market in 1967 and going public in 1969. Throughout this journey, we spearheaded the development of Korea’s steel pipe industry with a spirit that challenges norms constantly and pioneers new paths, anticipating the winds of change and flourishing even in times of crisis.

Along this path, SeAH has remained steadfast in its dedication towards “principled management,” grounded in its core values of gratitude and humility. This philosophy embraces ethical business practices, social responsibility, and sustainable development. SeAH’s unique traditions, such as implementing an “Employee Stock Ownership Plan (ESOP)” in the 1960s, have become the distinctive DNA of SeAH Steel in its efforts to make the world a more beautiful place.

## The Present of SeAH Steel Holdings' ESG

### “Making the World Beautiful”

SeAH Steel Holdings has ingrained ESG management into its DNA since its establishment and continues to manage activities rigorously across three key areas without compromise, driven by an unwavering dedication from top management.

1

Human rights management adhering to a zero-tolerance policy regarding bullying, sexual harassment, and violence at the workplace, guided by the SeAH Group's Human Rights Management Charter.

2

Ongoing safety and health initiatives to ensure the safety of employees across all affiliates and suppliers.

3

Strict adherence to ethical management practices, carrying forward the tradition of principled management.

A company must have a solid and resilient constitution to ensure its perpetuation, and it must contribute to society by offering stable employment and achieving industrial development with a spirit of gratitude and humility.

Late Honorary Chairman Jong-deok Lee,  
Founder of SeAH Group



SeAH, which has been carrying forward the spirit of the late chairman who practiced principled corporate management even amid the rapidly changing times, has grown alongside its customers and will continue to grow together with its customers in the future.

Woon Hyung Lee, late Chairman of SeAH Group



SeAH has laid a strong foundation for ESG management, rooted in its determination to fulfill “principled management” since its establishment in 1960. The core idea of contributing to a better human society through value creation with steel and respect for individuals has become SeAH's enduring management ethos. ESG management is not merely a responsibility for SeAH and its employees but a responsibility towards everyone today and an obligation towards future generations. The SeAH Group remains dedicated to leading the ESG era, striving to “Making the World Beautiful”.

Soon-hyung Lee, Chairman of SeAH Group

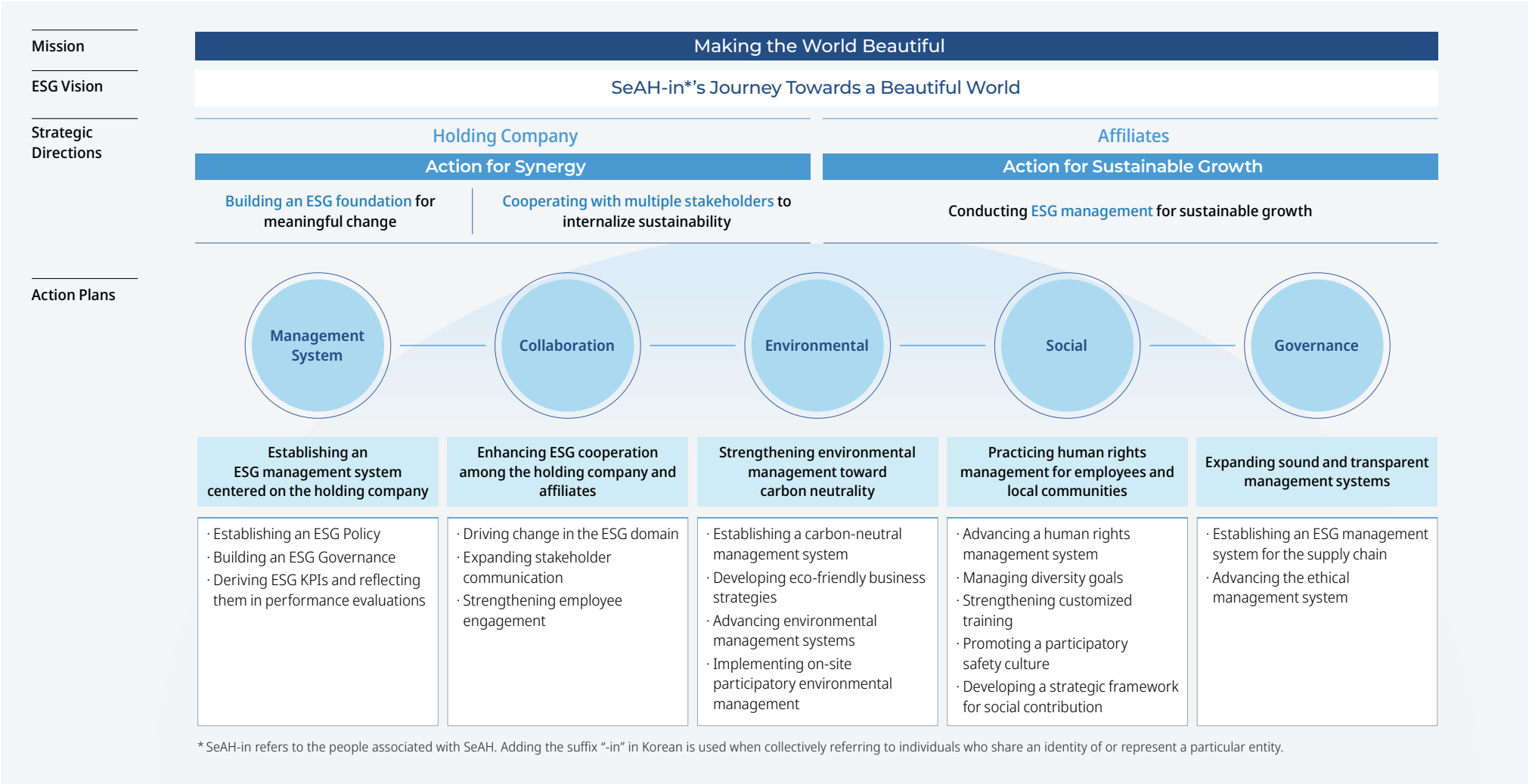


# ESG Strategy

## The Future of SeAH Steel Holdings' ESG

### “SeAH-in’s Journey Towards a Beautiful World”

SeAH Steel Holdings’ ESG strategy pursues the corporate mission of “Making the World Beautiful” as its orientation point; and all affiliates are concentrating their capabilities around three strategic directions.



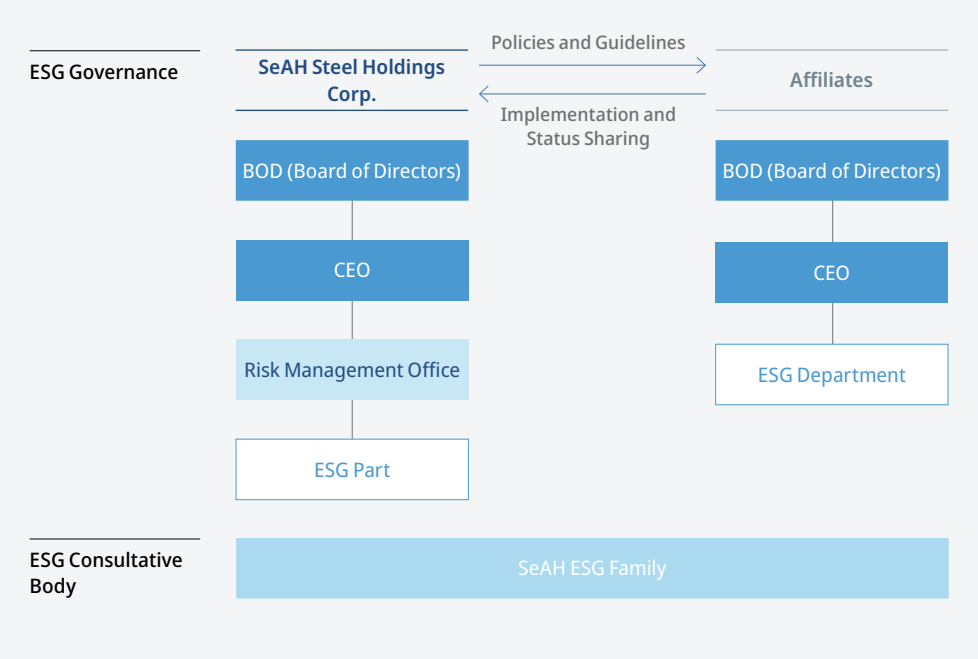
# ESG Governance

## ESG Decision-Making System

SeAH Steel Holdings has established its ESG Governance aimed at achieving sustainable growth through the autonomous management systems of its affiliates. This framework sets forth policies and minimum guidelines that all affiliates must adhere to collectively. Within this structure, each affiliate reviews and approves major ESG policies and strategies at the Board of Directors level. They develop and execute systematic and detailed implementation strategies, setting goals essential for achieving ESG management performance under the CEO's supervision. This approach ensures effective ESG management practices.

Additionally, to enhance the efficiency of ESG management activities, we have established an ESG Part within the Risk Management Office. Furthermore, we facilitate the “SeAH ESG Family,” a consultative body that includes personnel responsible for ESG tasks from key departments of SeAH Steel Holdings and its affiliates. This group fosters collaboration and facilitates the sharing of ESG management practices, thereby driving organic cooperation among all entities within the SeAH Steel Holdings group.

### Organizational Chart



### Roles

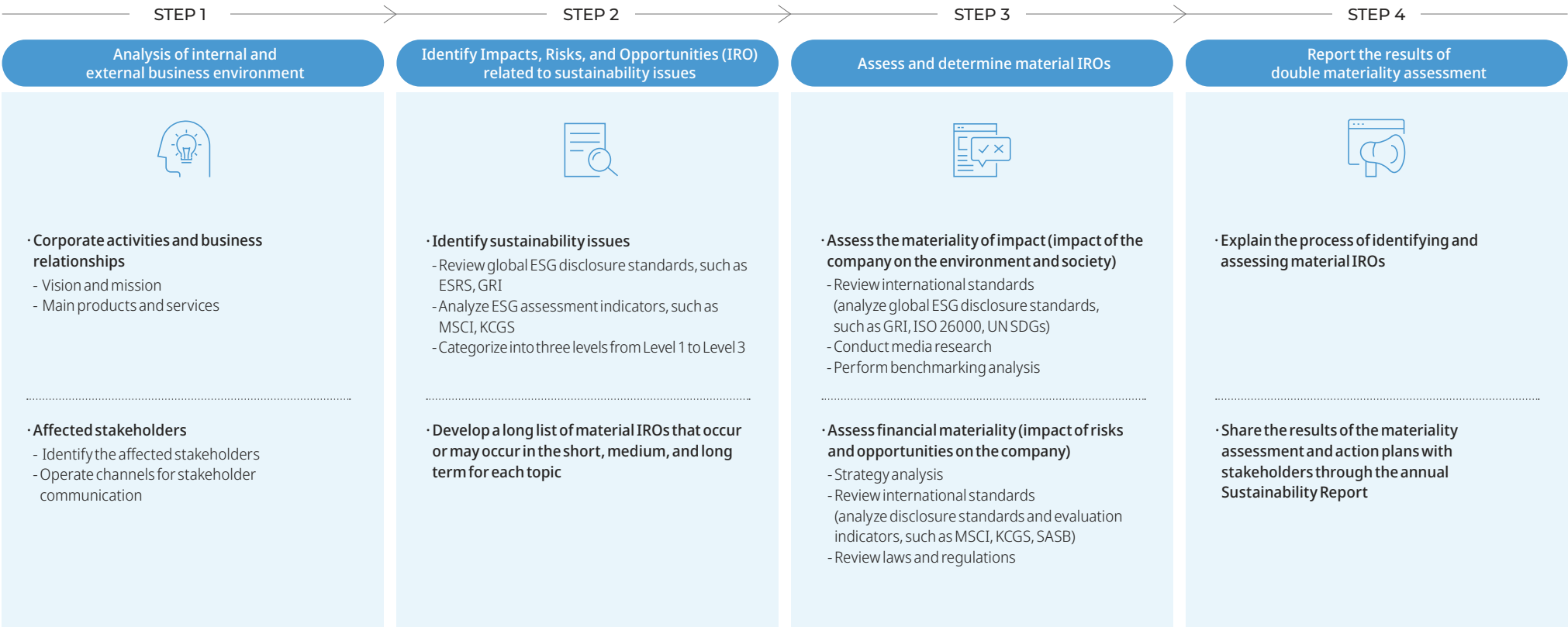
ESG GOVERNANCE	Presenting the Holding Company's Guidelines	· Presenting SeAH Holdings' minimum guidelines that affiliates must adhere to collectively, including the Human Rights Management (Charter) and ethical management (practice guidelines) to promote autonomous ESG management among affiliates.
	Strengthening Governance by Affiliate	· Each affiliate engages in ESG management activities autonomously to foster sustainable growth under the CEO's strong leadership, identifying major ESG-related business issues, setting KPI targets for each issue, and managing performance accordingly.
	ESG Part	· Acting as the dedicated ESG organizational unit of SeAH Steel Holdings, it monitors ESG-related tasks and issues within SeAH Steel Holdings and its affiliates and facilitates the implementation of ESG initiatives.
ESG CONSULTATIVE BODY	SeAH ESG Family	· Serving as a consultative body comprising personnel responsible for ESG-related tasks from SeAH Holdings and its affiliates, it facilitates the exchange of the latest ESG trends and ongoing initiatives among affiliates, fostering organic collaboration. · It is also responsible for addressing shared ESG challenges, such as publishing Sustainability Reports, responding to domestic and international ESG ratings, and conducting employee awareness programs. · The SeAH ESG Family is currently aimed at operating for ESG personnel from domestic affiliates. Starting from 2025, the scope of its activities is planned to expand to include personnel from overseas affiliates, laying the groundwork for promoting global ESG management. Currently, the SeAH ESG Family is operated for the domestic affiliates.

# Double Materiality Assessment

## Double Materiality Assessment Process

SeAH Steel Holdings conducted a double materiality assessment to identify key sustainability issues. This process evaluated both the financial materiality of environmental and social factors on our business and the impact materiality of our business activities on external stakeholders. In 2024, we adhered to the revised GRI (Global Reporting Initiative) standards of 2021 and enhanced our double materiality assessment methodology in accordance with the ESRS (European Sustainability Reporting Standards). To ensure more reliable results, we conducted focus group interviews with departments responsible for material topics. SeAH Steel Holdings has established and is managing sustainability indicators related to the identified material issues for effective response. We also systematically manage non-financial risks through our management’s review and approval of the double materiality assessment results.

### Double Materiality Assessment Process



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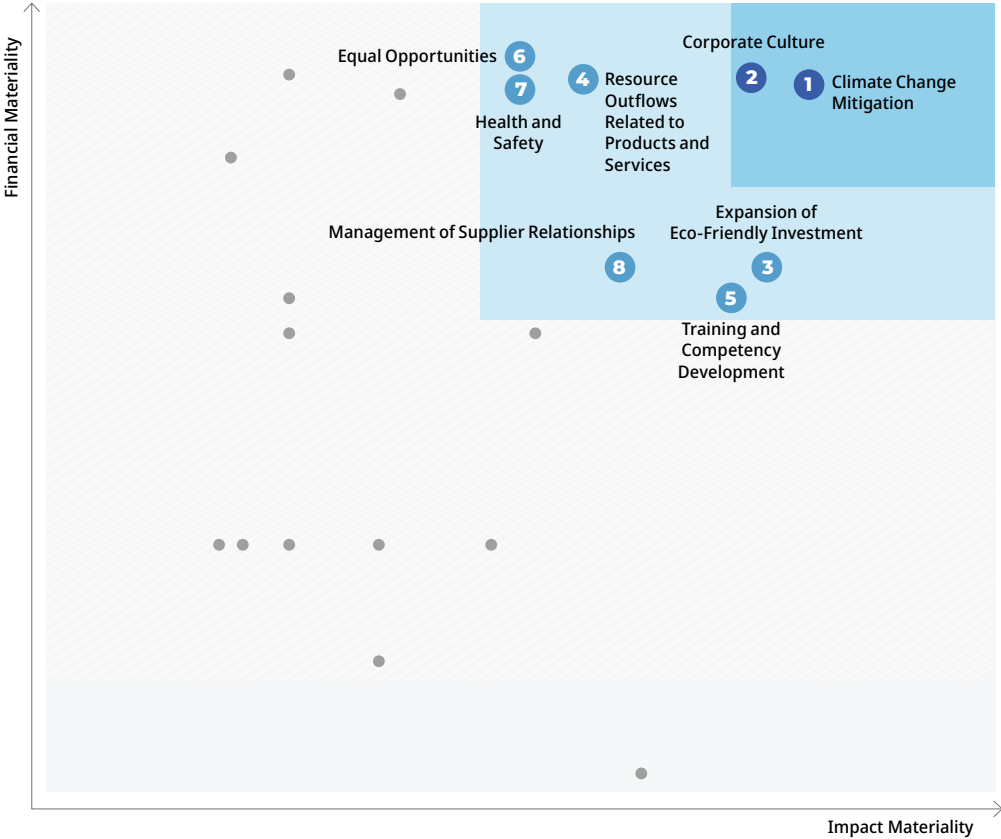
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# Double Materiality Assessment

## Results of Double Materiality Assessment

As a result of the double materiality assessment, the following eight issues were identified as highly material; and considering the severity and likelihood of occurrence for each of the material issues, we identified the materiality of each issue.

Rank	Issue	Impact Materiality	Financial Materiality	Pages in the report
1	Climate Change Mitigation	●●●	●●●	22 ~ 24p, 42 ~ 44p
2	Corporate Culture	●●●	●●●	76 ~ 77p
3	Expansion of Eco-Friendly Investment	●●●	●●	39p
4	Resources Outflows Related to Products and Services	●●	●●●	47 ~ 48p
5	Training and Competency Development	●●	●●	61 ~ 62p
6	Equal Opportunities	●●	●●●	58 ~ 60p
7	Health and Safety	●●	●●●	25 ~ 26p, 51 ~ 57p
8	Management of Supplier Relationships	●●●	●●	73 ~ 75p



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# Double Materiality Assessment

Core Issues	Materiality of the Issue	Action Plans	Targets
Climate Change Mitigation	<ul style="list-style-type: none"><li>• Contribution to reducing global GHG emissions and concentrations</li><li>• Loss of competitiveness in the case of inability to respond to the expanding renewable energy market in the steel pipe industry</li></ul>	<ul style="list-style-type: none"><li>• Process improvements through investment in low-energy consumption facilities</li><li>• Establishment of an energy management system</li><li>• Operation of a resource circulation plant</li><li>• Development of eco-friendly products, such as steel pipes for H<sub>2</sub> transportation</li></ul>	<ul style="list-style-type: none"><li>• 15% reduction in carbon emissions by 2030 and 100% reduction by 2050 relative to the emissions in 2018</li><li>• Transition of 7.5% energy consumption to renewable energy by 2030</li></ul>
Corporate Culture	<ul style="list-style-type: none"><li>• Reputational damage due to unethical behavior</li></ul>	<ul style="list-style-type: none"><li>• Operation of an Ethics Suggestion Center</li><li>• Acquisition of Compliance Management System (ISO 37301) certification</li><li>• Making an ethics pledge and conducting training</li></ul>	<ul style="list-style-type: none"><li>• Maintaining Compliance Management System (ISO 37301) certification</li></ul>
Expansion of Eco-Friendly Investment	<ul style="list-style-type: none"><li>• Enhancing brand image through a transition to an environmentally friendly business structure and disclosure of climate change action strategies</li></ul>	<ul style="list-style-type: none"><li>• Revising the investment review process</li><li>• Increasing investments in process management</li><li>• Investing in low-carbon initiatives and developing eco-friendly technology</li></ul>	<ul style="list-style-type: none"><li>• Supplying plate materials suitable for eco-friendly energy works, improving pipe-forming quality</li></ul>
Resource Outflows Related to Products and Services	<ul style="list-style-type: none"><li>• Resource circularization by minimizing waste and increasing recycling</li></ul>	<ul style="list-style-type: none"><li>• Managing the details of waste disposal using the Ministry of Environment's electronic waste information system</li></ul>	<ul style="list-style-type: none"><li>• Implementing a real-time monitoring system for the waste disposal process</li></ul>
Training and Competency Development	<ul style="list-style-type: none"><li>• Increasing work efficiency and productivity based on enhanced competencies</li></ul>	<ul style="list-style-type: none"><li>• Conducting coaching programs for new executives</li><li>• Conducting leadership training</li><li>• Conducting training for core personnel</li><li>• Conducting an invitational program to the headquarters for locally hired employees of overseas affiliates</li></ul>	<ul style="list-style-type: none"><li>• Conducting leadership training for women</li></ul>
Equal Opportunities	<ul style="list-style-type: none"><li>• Fostering an equitable culture by providing opportunities without discrimination against gender, race, etc.</li></ul>	<ul style="list-style-type: none"><li>• Giving preferential points additionally to applicants with disabilities</li><li>• Investing in the shares of standard workplaces for people with disabilities</li><li>• Encouraging telecommuting for employees with disabilities, providing financial support to cover monitors and communication expenses</li></ul>	<ul style="list-style-type: none"><li>• Reviewing preferential hiring policies for socially vulnerable groups</li></ul>
Health and Safety	<ul style="list-style-type: none"><li>• Costs incurred for medical services and treatment in case of safety accidents and subsequent costs related to investigation and labor management</li><li>• Prevention of industrial accidents through enhanced risk assessment and improvement of the work environment</li></ul>	<ul style="list-style-type: none"><li>• Advancing the integrated SHE system</li><li>• Establishing a system for prevention of safety accidents through a smart safety system (SSE)</li><li>• Conducting safety environment exchange meetings</li><li>• Enhancing risk assessments</li></ul>	<ul style="list-style-type: none"><li>• Achieving 100% risk assessment improvement rate</li><li>• Zero occupational safety accidents and serious accidents</li><li>• 100% improvement of high-risk factors with risk level 8 or higher</li></ul>
Management of Relationships with Suppliers	<ul style="list-style-type: none"><li>• Building a healthy industrial ecosystem through the operation of nurturing and support programs for suppliers</li><li>• Securing efficiency and cost reduction through timely procurement of raw materials, equipment, parts, personnel, etc.</li></ul>	<ul style="list-style-type: none"><li>• Conducting assessments of the supply chain's safety level and supplier qualifications</li><li>• Addressing grievances through regular meetings</li></ul>	<ul style="list-style-type: none"><li>• Establishing conflict minerals management system</li><li>• Increasing the purchase of low-carbon raw materials</li><li>• Providing consulting support for suppliers</li></ul>



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# Stakeholder Engagement

**SeAH Steel Holdings** recognizes that building and maintaining mutually beneficial relationships with stakeholders is an important and valuable asset for business success. We are determined to understand our stakeholders' values and needs so that they are incorporated into our internal decision-making processes.

Targets	Communication Channels	Engagement Activities
<div> Customers</div>	<div><ul style="list-style-type: none"><li>· Website</li><li>· Customer center</li><li>· Social Media (Naver blog, LinkedIn)</li></ul></div>	<div>Inquiries, suggestions, and other comments about products and services</div>
<div> Employees</div>	<div><ul style="list-style-type: none"><li>· Intranet</li><li>· Labor union</li><li>· Employee surveys</li></ul></div>	<div>HR-related issues such as changes in the business environment, wage negotiations, etc.</div>
<div> Competitors/Suppliers</div>	<div><ul style="list-style-type: none"><li>· Co-growth programs</li><li>· Meetings among local business owners</li></ul></div>	<div>Issues related to inclusive growth (win-win cooperation) such as fair contracting, prohibition of unfair trade, etc.</div>
<div> Government/Local Community</div>	<div><ul style="list-style-type: none"><li>· Public hearings related to government policy</li><li>· Discussion meetings</li></ul></div>	<div>Matters such as participation in national projects, governmental regulatory policies, environmental protection in the region, community contribution activities, etc.</div>
<div> Shareholders/Investors</div>	<div><ul style="list-style-type: none"><li>· Shareholders' meetings</li><li>· IR disclosures</li></ul></div>	<div>Issues related to fluctuations in stock price and dividends, changes in business environment and business performance, shareholders' meetings, etc.</div>

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## Action 1

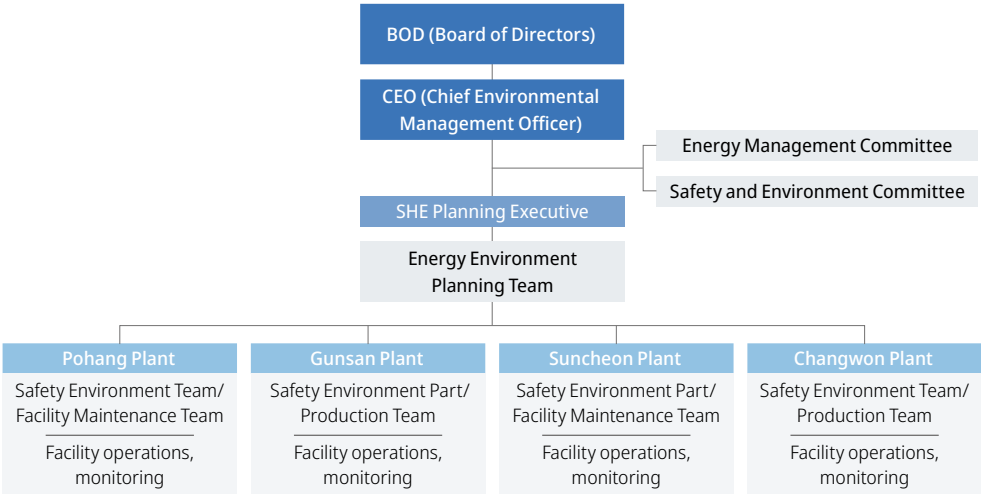
### A Clean and Sustainable Environment: Climate Action

SeAH Steel, together with six other major Korean steel companies, participated in the Green Steel Committee and has announced a joint declaration on the “2050 Carbon Neutrality of the Korean Steel Industry,” in line with the government’s vision of achieving carbon neutrality by 2050. Accordingly, SeAH Steel has formulated eco-friendly management strategies aimed at achieving carbon neutrality and enhancing resource circulation by 2050. The company is pursuing strategies along four key directions: process improvement, establishment of systems, resource circulation, and eco-friendly R&D. Through these initiatives, SeAH Steel aims to transition to a low-carbon production system and establish sustainable manufacturing facilities.

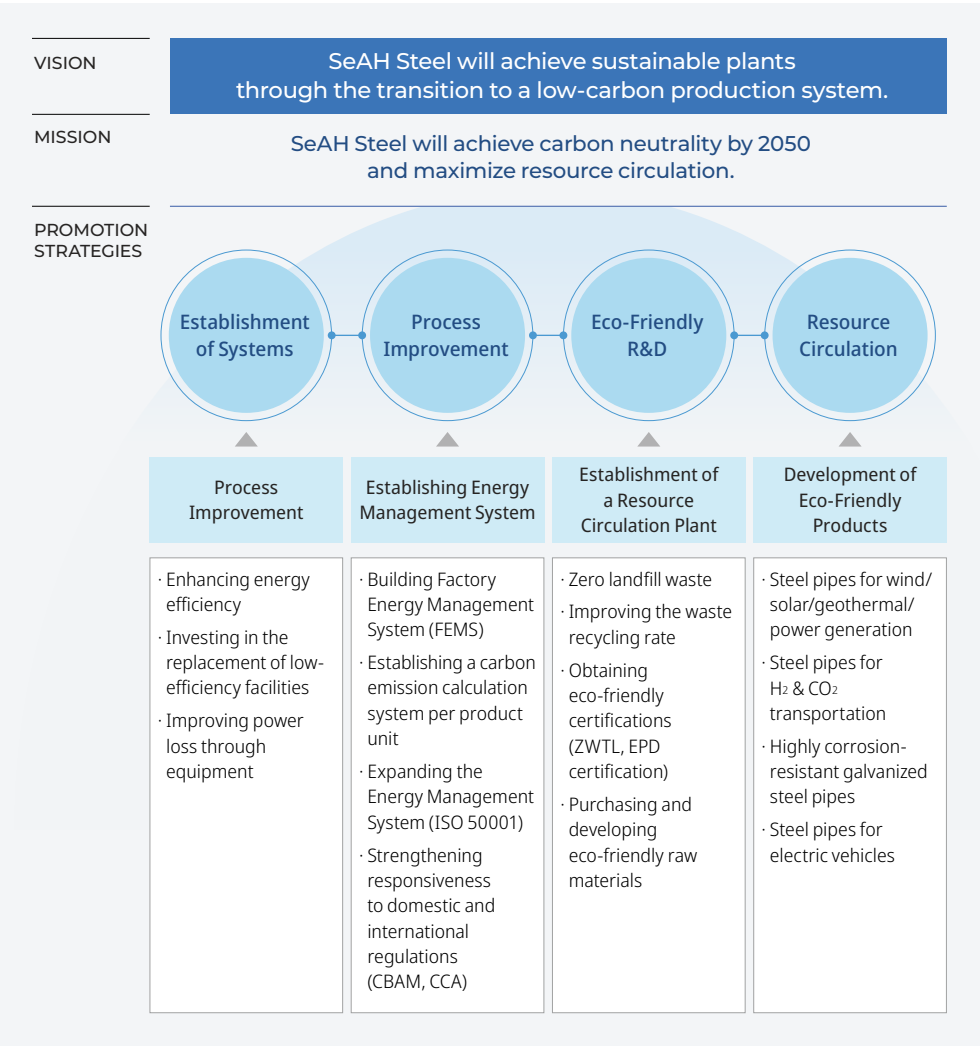
#### Organizational Unit for Climate Action

SeAH Steel oversees climate change matters through its Energy Environment Planning Team, ensuring comprehensive management. Regular reports on energy consumption status, reduction plans, and progress of implementation are submitted to the management by the energy management department at each business site. SeAH Steel aims to manage its performance systematically by integrating environmental and energy management indicators with the KPIs of top management, business site executives, and management departments.

#### Climate Action Organizational Chart



#### Eco-Friendly Management Implementation Strategies



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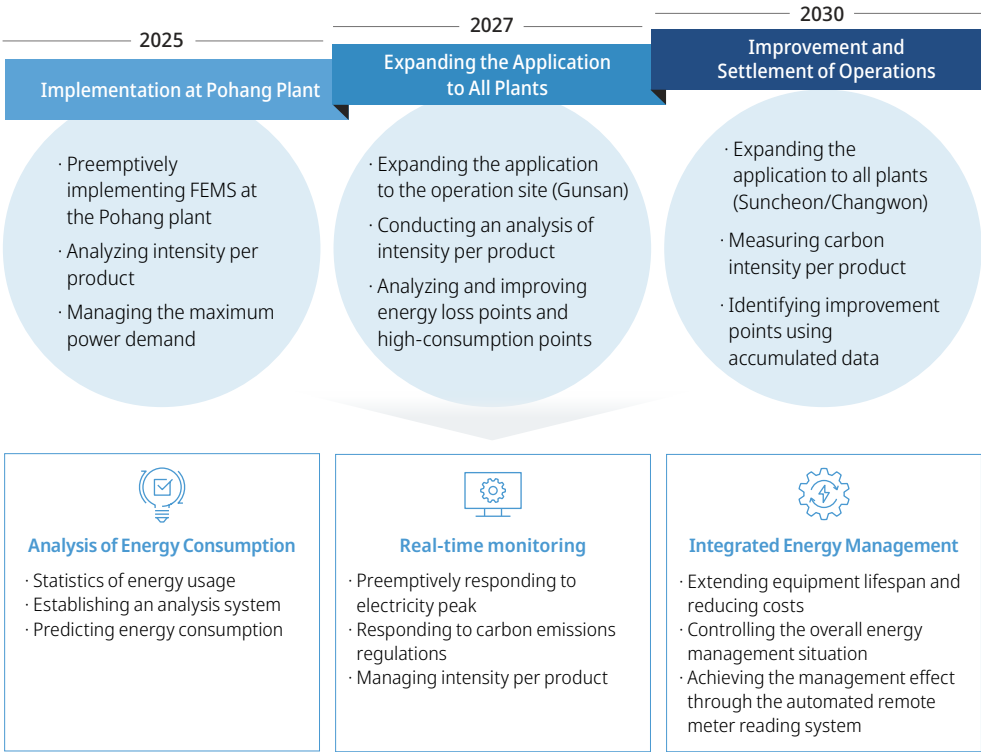
A Clean and Sustainable Environment: Climate Action

Establishment of an Energy Management System

SeAH Steel is advancing its energy management system for systematic energy saving and management. The company has established and thus operates an energy center at the Pohang plant. Moreover, SeAH Steel has implemented a Plant Energy Management System (FEMS\*) at all business sites to track and manage energy intensity per product, aiming to improve energy-inefficient equipment.

\* FEMS: A management system that optimizes energy supplied and consumed within a plant through measurement, monitoring, analysis, planning, and control of energy consumed in plant facilities

FEMS Implementation Strategy

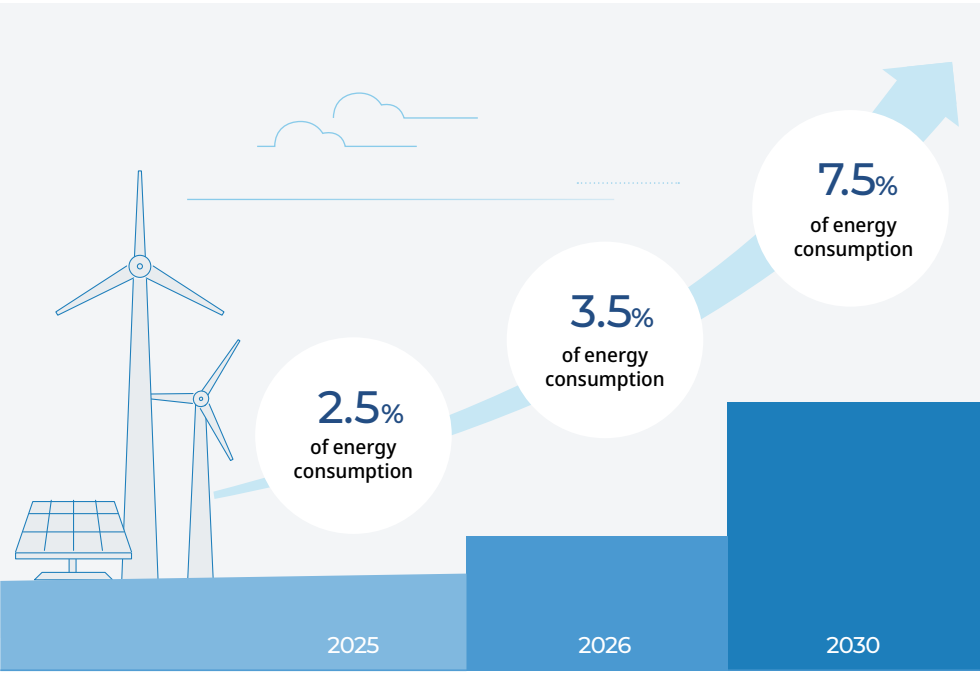


Securing Renewable Energy

Recognizing that over 80% of SeAH Steel's greenhouse gas emissions stem from indirect sources like electricity use, the company has devised a strategy to increase renewable energy usage. Its primary focus involves forming long-term REC purchase agreements with third-party solar power providers and converting corporate vehicles to 100% pollution-free vehicles. These efforts aim to secure Renewable Energy Certificates (RECs) equivalent to 7.5% of its energy consumption by 2030, thereby reducing greenhouse gas emissions and achieving Net-Zero emissions by 2050.

\* REC (Renewable Energy Certificate): A certificate that verifies energy has been generated and supplied using renewable energy facilities.

Transitioning to Renewable Energy



Action 1

A Clean and Sustainable Environment: Climate Action

SeAH Steel

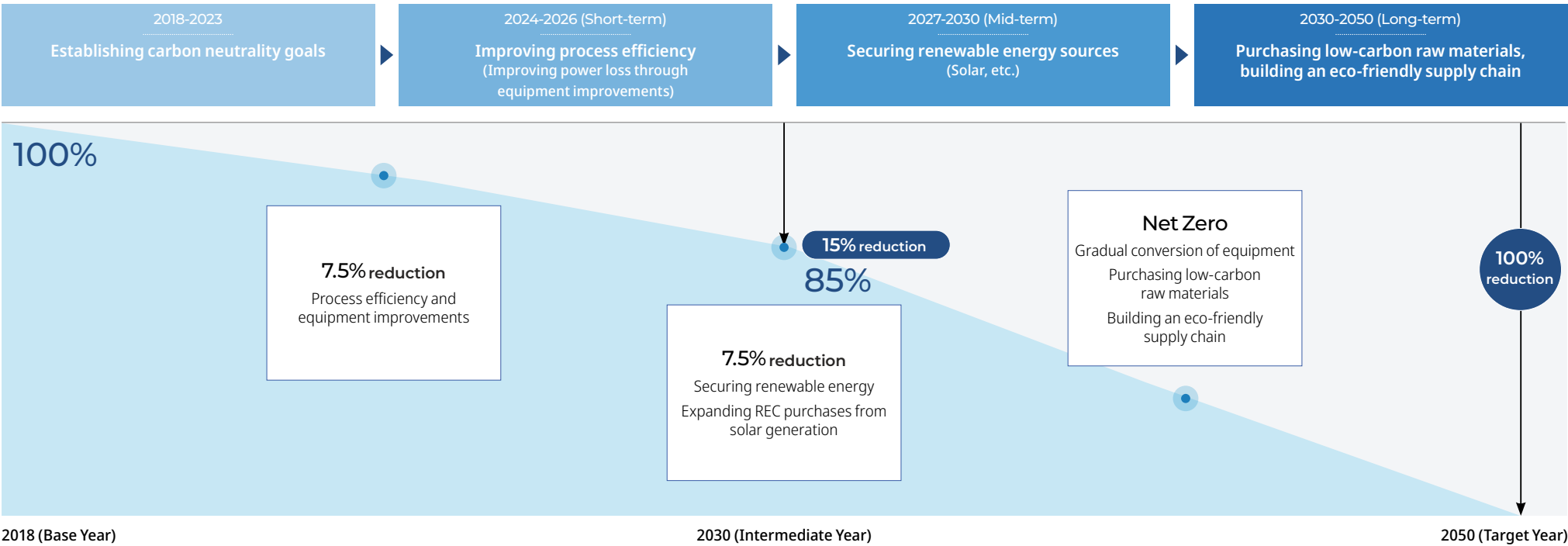
Carbon Neutrality Roadmap

SeAH Steel has established a carbon neutrality roadmap with the goal of reducing greenhouse gas emissions by 15% from that of 2018 (based on the same production volume), or 5% in the case of production levels increasing by 125,000 metric tons, by 2030. The company aims to achieve carbon neutrality by 2050. The plan includes achieving a 7.5% reduction through process improvements and another 7.5% through the procurement of renewable energy. Performance is monitored through Scope 1 and 2 emission calculations. Looking ahead, SeAH Steel will set up a basis for calculating emissions from raw material extraction to product transportation and distribution within the 15 categories of Scope 3 and will establish and implement measures to reduce them.

Investment Review Process

Previously, SeAH Steel evaluated general aspects, such as regulatory compliance and cost considerations when reviewing its investments. Recognizing the need for improvement, the company plans to revise its investment review process to include a broader range of issues from an ESG perspective. This includes estimating and incorporating the environmental values that projects expect to generate. This revised approach will facilitate the assessment of risks and opportunities in the environmental and energy sectors arising from the projects, such as the adoption of renewable energy and the levels of environmental pollutant emissions. The goal is to minimize environmental pollution that could arise during the course of business operations.

Carbon Neutrality Roadmap



## Action 2

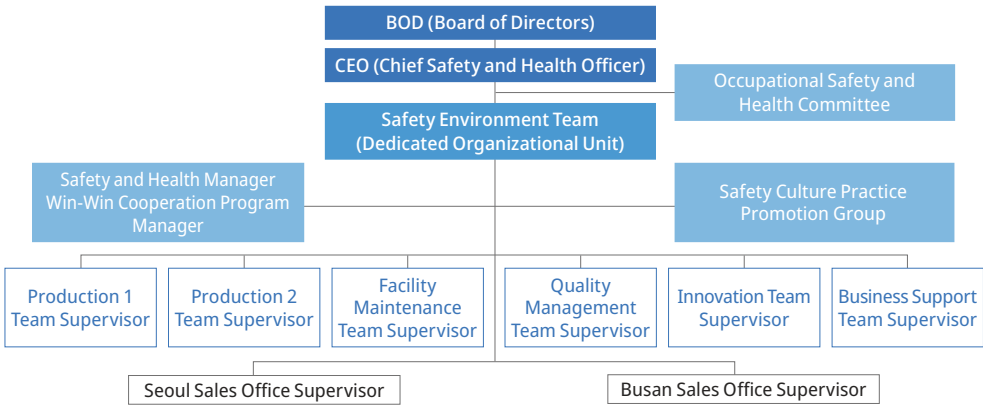
### Valuing People: Win-Win Cooperation in Safety and Health

SeAH Coated Metal initiated a win-win cooperation project involving 11 suppliers in 2023 to bolster the safety and health management capabilities of both resident and external partners. SeAH Coated Metal aims to achieve mutual growth with its suppliers through various capacity-building programs, such as consulting services and offering incentives to suppliers who implement best practices.

#### Dedicated Organizational Unit for Safety and Health Win-Win Cooperation

SeAH Coated Metal has established and operates a dedicated organizational unit to facilitate win-win cooperation activities. In 2023, the company appointed a lead for the win-win cooperation program within the Safety Environment Team and established a structured system for win-win cooperation, which includes the Win-Win Cooperation Director (Chief Safety and Health Officer), Operation Team Manager (Safety Environment Team Manager), designated personnel, and an Advisory Group. Additionally, SeAH Coated Metal initiated a Safety Culture Practice Promotion Group to support supplier safety initiatives, including safety campaigns. SeAH Coated Metal also ensures annual CEO approval for evaluations of its safety and health management systems, safety plans, and performance, conducting semi-annual management reviews under the supervision of the management officer.

#### SeAH Coated Metal's Safety and Health Organizational Chart



#### Ensuring Safety and Health in Contracting, Hiring Services, and Outsourcing

SeAH Coated Metal incorporates a 40% weight for safety management in the evaluation criteria for selecting qualified suppliers, ensuring the safety and health capabilities of its supply. The company conducts regular evaluations of qualified suppliers, and for those scoring below 70 points, a special diagnostics is performed, requiring them to develop an improvement plan; and a bidding restriction is imposed for 5 months.

## SeAH Coated Metal

#### Guaranteeing Rights to Suspend Work for Suppliers

SeAH Coated Metal has instituted and implemented procedures for Work Suspension to uphold suppliers' rights. Since its establishment in September 2023, there have been a total of 2 confirmed cases where work suspension was implemented. The company aims to encourage further utilization of the right to suspend work by providing rewards to workers who exercise this right properly.

#### Intensive Safety Observation System

SeAH Coated Metal operates a safety-intensive observation system for resident suppliers. Every year, Safety Environment Team managers, safety experts (Korea Industrial Safety Institute), and health experts (Korea Industrial Health Association) participate in inspections on document and site safety management practices, contributing to the establishment of a safety culture among the suppliers.

#### Risk Assessment

SeAH Coated Metal conducted risk assessments for the company and its suppliers in 2023, establishing improvement plans for a total of 141 cases and completing improvements for 139 cases. In addition, 9 resident and external suppliers conducted risk assessments led by the Korea Occupational Safety and Health Agency (KOSHA) in 2023, in which 11 suppliers participating in the win-win cooperation program achieved a 100% risk assessment recognition rate.

#### Identification of Risks and Establishment of Emergency Plans for Suppliers

SeAH Coated Metal identified 49 hazardous risks among its suppliers and developed safety operation procedures tailored to each type of hazard. Additionally, the company strengthened its ability to prevent actual safety incidents by implementing an emergency response system, establishing emergency contacts, and setting up procedures for reporting to relevant authorities in case of emergencies.



Risk Assessment Certification



Supplier Safety Management Inspection (SeAH Coated Metal)

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Valuing People: Win-Win Cooperation in Safety and Health

SeAH Coated Metal

Consulting and Matching Support Program

SeAH Coated Metal implements a matching support program for suppliers in establishing safety and health systems and conducting risk assessments. In 2023, the company provided consulting support for JSA risk assessment, HAZOP risk assessment, and the establishment of safety and health systems to 10 suppliers. This initiative aims to enhance safety and health standards among suppliers, achieving a 100% completion rate for the designated tasks.

Activities Promoting Safety Culture

SeAH Coated Metal actively promotes a culture of win-win cooperation in safety and health through various initiatives. These include implementing a guideline declaration for win-win cooperation in safety and health, installing comprehensive safety bulletin boards in the offices and posting relevant contents on the website. The company also contributes to enhancing safety culture among its suppliers through various programs, such as seminars on the Serious Accident Punishment Act, leadership seminars for safety culture managers, and training for employees supporting risk assessment. Furthermore, SeAH Coated Metal raises awareness by organizing annual contests promoting a safety culture and periodic safety campaigns for both company employees and resident suppliers. SeAH Coated Metal has also created an environment conducive to real-time monitoring by sharing pre-shift pointing and TBM (Tool Box Meeting) activities through social media channels with its dedicated win-win cooperation organizational unit.

Other Support Activities

SeAH Coated Metal supports its suppliers by providing essential safety resources, such as safety scaffolding, serious accident casebooks, and emergency first-aid kits to mitigate workplace hazards. Additionally, the company runs a rental program where small and medium-sized construction firms in the region can borrow safety equipment free of cost. SeAH Coated Metal also conducts initiatives aimed at assisting local small and medium-sized enterprises in establishing robust safety and health management systems. Through these programs, SeAH Coated Metal shares expertise and know-how on establishing effective safety and health management systems, guidelines for complying with the Serious Accident Punishment Act, techniques for conducting Job Safety Analysis (JSA) risk assessments, and practical advice for developing safety operation procedures.

“ We are determined to enhance support for establishing safety culture systems among suppliers and local small and medium-sized enterprises, aiming to contribute to the local community.

Houdong Kim, CEO of SeAH Coated Metal



Incentive System for Outstanding Suppliers

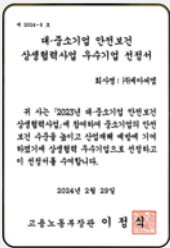
SeAH Coated Metal implements an incentive system to encourage active participation from partner companies in collaboration activities. The company has created a co-growth fund to provide safety equipment and support facility improvements within an annual limit of KRW 10 million to suppliers that have adopted best practices. The criteria for selecting outstanding partners are based on the results of the Safety and Health Corporation risk assessment (50%), monitoring of the co-growth program (30%), and evaluation by dedicated co-growth managers (20%). In addition, SeAH Coated Metal is also strengthening the capabilities of suppliers' managers by conducting externally commissioned training on risk assessment for best practice managers.

Selected as a Best Practice Enterprise in the Safety and Health Win-Win Cooperation Program

In recognition of its efforts related to Win-Win Cooperation in Safety and Health, SeAH Coated Metal was selected as a Best Practice Enterprise in the “2023 Project for Large and SME Enterprise Win-Win Cooperation in Safety and Health,” hosted by the Ministry of Employment and Labor and the Korea Occupational Safety and Health Agency. This recognition highlights SeAH Coated Metal's exemplary initiatives in safety and health win-win cooperation activities. The company was recognized for programs such as the Intensive Safety Observation System, designation of dedicated persons for risk assessment, and joint safety campaigns, as well as for achieving zero accidents in 2023 among the participating workplaces. Building on these achievements, SeAH Coated Metal will continue to collaborate with its stakeholders to prevent occupational safety accidents.



2023 Large and Small-medium Enterprise Safety and Health Win-Win Cooperation MOU Ceremony (SeAH Coated Metal)



2024 Best Practice Enterprise Certificate for the Large and Small-medium Enterprise Safety and Health Win-Win Cooperation Project (SeAH Coated Metal)



2024 Large and Small-medium Enterprise Safety and Health Win-Win Cooperation MOU Ceremony (SeAH Coated Metal)

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# Governance

## Composition of the BOD

SeAH Steel Holdings’ Board of Directors (BOD) consists of four directors in total, including three inside directors and one outside director. In accordance with Article 28 of the Articles of Incorporation, the number of BOD members is kept at three or more, and based on the requirements set by the Commercial Act, the number of outside directors on the BOD is maintained at one-fourth or more. The BOD is operated with the minimum number of members for effective and swift decision-making.

Current Composition of the BOD (As of March 2024)

Category	Name	Gender	Date of term expiration	Major experiences
Inside Director (Chairman of the BOD)	Soon-hyung Lee	Male	Mar.20, 2023	<ul style="list-style-type: none"><li>· Graduated from the Department of Business Administration, Hanyang University</li><li>· Current Chairman of SeAH Steel Holdings</li><li>· Current Chairman of SeAH Holdings</li></ul>
Inside Director	Joosung Lee	Male	Mar.26, 2023	<ul style="list-style-type: none"><li>· Graduated from the Department of Economics, University of Chicago</li><li>· MBA from Columbia University</li><li>· Current President of SeAH Steel Holdings</li><li>· Current President of SeAH Steel</li><li>· Current CEO of Apac Investors Co., Ltd.</li></ul>
	Youngbin Cho	Male	Mar.26, 2023	<ul style="list-style-type: none"><li>· Department of Business Administration, Chung-Ang University</li><li>· Current Head of Holding Company Division and Risk Management Office, SeAH Steel Holdings</li><li>· Current Executive Managing Director and Head of Risk Management Office, SeAH Steel Holdings</li></ul>
Outside Director	Seong-taek Hwang	Male	Mar.26, 2023	<ul style="list-style-type: none"><li>· Department of Civil Engineering, Yonsei University</li><li>· Current CEO of Phoenix Property Investors</li></ul>

## Operation of the BOD

SeAH Steel Holdings holds regular quarterly Board of Directors (BOD) meetings and also convenes ad-hoc meetings as required. We have established operational regulations for the BOD, where the CEO convenes meetings and notifies each director and auditor at least one day in advance of the meeting date using appropriate means of communication. Directors or auditors can request the CEO to convene a BOD meeting by specifying the agenda and reasons, as necessary for business performance. If the CEO declines to call a meeting without justifiable reasons, the concerned director may initiate the BOD meeting directly. Agenda items and supporting materials are notified 1-4 days prior to the meeting, depending on the nature of the agenda and preparation requirements. BOD resolutions require the presence of a majority of directors and the consent of a majority of those present, except where specific provisions in relevant laws and regulations state otherwise. Furthermore, directors may participate in resolutions via modes of telecommunications that enable simultaneous voice transmission and reception, and they are counted as attending the meeting. In adherence to Article 10 of the BOD Operating Regulations, directors with potential conflicts of interest are restricted from voting on agenda items related to the conflict of interest, to prevent conflicts of interest at the institutional level.

BOD Operation Status (As of the end of 2023)

Category	Unit	2021	2022	2023
No. of BOD meetings held	Times	13	14	12
Regular	Times	4	4	4
Extraordinary	Times	9	9	8
No. of agenda items discussed	Agenda	26	16	26
No. of agenda items rejected/amended	Agenda	0	0	0
Average rate of attendance in BOD meetings	%	98	100	93
Attendance rate (Inside Directors)	%	100	100	91
Attendance rate (Outside Directors)	%	92	100	100

## Independence, Expertise, and Diversity of the BOD

SeAH Steel Holdings operates its Board of Directors independent from the influence of the management and controlling shareholders. The Board comprises individuals who meet the qualifications specified in the Commercial Act and other relevant laws, and who possess expertise, responsibility, and capacity for strategic thinking. In appointing directors, SeAH Steel Holdings ensures there is no discrimination based on gender, age, religion, or other factors. Candidates are recommended by the Board and appointed at the general shareholders’ meeting for a term of up to three years, in accordance with the Commercial Act and the Articles of Incorporation. SeAH Steel Holdings aims to enhance the BOD’s competitiveness and reach resolutions by ensuring the Board comprises members with diverse expertise and backgrounds.



## Governance

### Evaluation and Remuneration of the BOD

**SeAH Steel Holdings** does not conduct evaluations of its Board of Directors (BOD). However, we monitor the activities and performance of individual outside directors continuously, with these details disclosed in annual reports and other relevant documents. This comprehensive review process is used to determine the directors’ suitability for reappointment.

Directors’ remuneration is paid within the limits approved by the general shareholders’ meeting, in accordance with Article 388 of the Commercial Act and the company’s Articles of Incorporation. To ensure the independence of outside directors, they are provided only a fixed salary, with no stock options granted. The details of outside directors’ remuneration are disclosed in the annual report. CEO remuneration includes a base annual salary and performance-based bonuses determined by evaluating management performance for the fiscal year, including sales and operating profit, as assessed by the BOD. These payments are made using transparent and objective methods.

#### Current Remuneration for the BOD

Category	Unit	2021	2022	2023
CEO’s Remuneration	KRW million	258	425	481
Median Remuneration for Employees	KRW million	74	98	101
Ratio of CEO’s Remuneration to Median Remuneration for Employees	%	348.6	433.7	476.2

### Training for Outside Directors

**SeAH Steel Holdings** enhances the efficiency and expertise of its directors by distributing training materials and facilitating participation in external training programs. These efforts are documented in the quarterly reports, semi-annual reports, and annual reports. Additionally, outside directors can seek advice from external experts in accordance with the BOD regulations.

#### Outside Director Training Status

Date	Provided by	Outside directors who attended the training	Training content
July 4, 2023	In-house training	Jeong-won Do	· Employee training on the internal accounting management system
October 26, 2023	In-house training	Jeong-won Do	· Employee training on the compliance management system (ISO 37301)

### Mid- to Long-term Dividend Policy

**SeAH Steel Holdings** determines dividends based on the principle of enhancing shareholders value continuously through maintaining stable dividend scales. In making these decisions, the company comprehensively considers investments for sustainable growth, financial structure, and the overall business environment. SeAH Steel Holdings discloses its mid-to-long-term dividend policy to provide more transparent and predictable information on dividends. Based on the current term net income shown in a separate financial statement excluding one-time non-recurring profit and loss, SeAH Steel Holdings aims to maintain a mid-to-long-term dividend payout ratio of 30% or more.

### Shareholders-friendly Management

To facilitate the exercise of shareholders rights, **SeAH Steel Holdings** announces the date, place, and agenda of the general shareholders’ meeting through an electronic disclosure system two weeks prior to the meeting date, which is the minimum standard under the Commercial Act. Additionally, we send convocation notices to shareholders holding shares exceeding 1% of the total holdings to provide information about the general shareholders’ meeting. To enhance shareholders’ convenience in attending the general shareholders’ meeting and ensure their rights to exercise voting rights, we participate in the “Voluntary Dispersal Program for General Shareholders’ Meetings.”

Since the 63<sup>rd</sup> regular general shareholders’ meeting in 2022, SeAH Steel Holdings has scheduled the meeting to avoid dates when general shareholders’ meetings are commonly concentrated, ensuring greater convenience for shareholders in exercising their voting rights and securing a quorum. An electronic voting system has been implemented and operated in accordance with Article 368 of the Commercial Act to further facilitate the exercise of voting rights by minority shareholders. These efforts are aimed at encouraging shareholders to actively participate in exercising their voting rights and expressing their opinions.

SeAH Steel Holdings declares dividends through the resolutions of the Board of Directors and the general shareholders’ meeting in accordance with the Articles of Incorporation. We pay out cash dividends to shareholders within the range of distributable profits, premised on investments for its continued growth and maximization of mid-to-long-term benefits for shareholders and stakeholders. Based on the mid-to-long-term dividend policy, SeAH Steel Holdings plans to increase dividends continuously in line with improvements in its operating performance, respecting the rights of shareholders to receive returns.

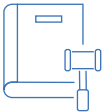
# Compliance Management

## Compliance Dedication Statement

SeAH Steel Holdings has established and proclaimed a compliance guideline, gathering ethical practice pledges from employees on an annual basis to underscore our will to implement compliance management.

### Compliance Guideline

- 1 — The Company and its employees shall comply with all applicable domestic and international compliance obligations.
- 2 — If an employee violates compliance obligations or fails to take reasonable measures to prevent a violation after coming to know about it, the Company shall not be held liable on behalf of the employee and may take disciplinary action in accordance with the Company’s regulations.
- 3 — All employees are responsible for managing and reporting compliance issues to the Compliance Officer.
- 4 — The Company shall establish a system for employees to report non-compliance with the norms of compliance obligations, keep the contents of the report and the personal information of the informant confidential, and protect them from unfavorable treatment based on the report.
- 5 — The Company shall establish a compliance management system that can achieve the purpose of compliance management and manage and improve the system continuously.
- 6 — The Compliance Officer shall have direct and regular reporting obligations to the governing body with appropriate authority and independence.



## Implementation of the Compliance Management System

SeAH Steel Holdings acknowledges the critical role of compliance management in achieving sustainable corporate growth through strict adherence to legal requirements. To this end, three affiliates—SeAH Steel Holdings, SeAH Steel, and SeAH Coated Metal— have implemented an internal Compliance Management System and obtained the ISO 37301 (Compliance Management System) certification in March 2023. In March 2024, SeAH Steel successfully underwent the first follow-up audit assessing the operational performance of its Compliance Management System for 2023, affirming its systematic and effective operation.



# Compliance Management

## Compliance Management System

SeAH Steel Holdings operates the Compliance Management System systematically under the supervision of the Compliance Officer. Departmental Compliance Helpers are appointed to conduct internal audits and identify and manage risks. Compliance managers identify compliance obligations and monitor them through impact assessments and performance evaluations.

Furthermore, through the Integrated Compliance Committee, the highest-level implementation body for compliance management, we report, support, manage and evaluate employees' compliance activities.

### Compliance System



### Integrated Compliance Committee Meetings Held

Date	Agenda
July 2023	· Report on the changes to the proposed plan for the operation of the Integrated Compliance Committee · ISO 37301 operation (advancement of risk management, compliance goal setting, interim monitoring, and other issues) · Implementation of the Compliance Project (new): Improvement of the subcontracting process
October 2023	· Interim report on the Compliance Project: Progress of improvements made to the subcontracting process · Report on the evaluation results for the 2023 Sustainability Management Indicators
April 2024	· Report on the 2024 compliance operation plan · Improvement of the evaluation system for Sustainability Management Indicators · Report on the completion of the ISO 37301 follow-up audit (certification renewed) · Final report on Compliance Project (improvement of the subcontracting process)

## Compliance Officer

SeAH Steel Holdings has appointed a Compliance Officer and operates a compliance management support organizational unit in accordance with Article 542-13 of the Commercial Act. The appointment of legal experts allows us to prevent and manage legal risks effectively while actively conducting compliance training to enhance employee capabilities.

### Key Activities of the Compliance Officer

Date	Main Description
January 2023	Collected ethics/compliance management practice pledges
January - February 2023	Submitted a report related to the establishment of the Compliance Management System to the BOD and obtained approval
January - March 2023	Published Compliance Newsletters
	Monitored the sales management system
	Pre-reviewed transactions between affiliates
	Obtained the ISO certifications
March 2023	Set compliance goals
	Performed due diligence following regular personnel changes
	Conducted compliance-related training
	Established evaluation indicators for the CEO and executives
April 2023	Established plans for the promotion of compliance
April 2023	Conducted a due diligence evaluation for transferred and newly hired personnel

# Compliance Management

## Compliance Management Goals

SeAH Steel Holdings has established mid-to long-term compliance management strategies to ensure the efficient and effective implementation of the ISO 37301. Specific action plans include ① building a Compliance IT Platform (CP Lounge), ② establishing internal processes for legal compliance, ③ establishing a compliance evaluation system for domestic and overseas affiliates, and ④ establishing an organizational culture rooted in compliance through regular training.

Mid- to Long-term Compliance Management



## Compliance Management Activities

### Management of Compliance Risks

SeAH Steel Holdings conducts risk assessments for collusion, unfair trade practices, and internal transactions in accordance with ISO 37301 requirements and internal procedures to proactively manage compliance risks related to fair trade. We have established a proactive monitoring system to identify further actions and implement improvements through various monitoring activities, including proactive management and operational status checks across relevant departments. These efforts are reported to management and the Compliance Officer through the Integrated Compliance Committee. Additionally, compliance management activities and plans are regularly communicated to the Board of Directors.

Activities for Mitigation of Compliance Risks

- Proactive monitoring system
  - Appointing a self-compliance manager or implementing prior work consultation to prevent risks related to tasks with potential fair-trade issues
  - Operating pre- and post-reporting processes to prevent risks associated with employees' interaction with competitors
- Building a dedicated IT platform for compliance to enhance management of compliance activities and improve accessibility for employees
- Establishing a proactive prior review process for any transactions between affiliates
- Enacting a corporate governance charter to establish and operate a balanced governance structure
- Establishing a serious accident prevention process in response to the implementation of the Serious Accidents Punishment Act

### Evaluation of Compliance Management

SeAH Steel Holdings addresses risks related to fair trade and competition through scheduled internal audits conducted under the ISO 37301 Compliance Management System. These audits assess risks and identify improvement measures. We ensure transparent corporate activities by verifying compliance with internal procedures and relevant laws and implementing follow-up actions.

### Providing Compliance Guidelines

SeAH Steel Holdings conducts biannual reviews of legal amendments and new regulations relevant to the company, such as the Serious Accidents Punishment Act and the Monopoly Regulation and Fair Trade Act to establish compliance guidelines. We strive to minimize legal risks by continuously identifying internal and external changes.

### Raising Employees' Compliance Awareness

SeAH Steel Holdings plans and implements various training programs to enhance employees' awareness of compliance. In collaboration with the legal departments within the SeAH Group, we conduct in-house training and seminars on essential laws for raising employees' awareness. Additionally, SeAH Steel Holdings publishes a monthly compliance newsletter, which covers legal issues related to the steel industry and recent legal amendments on various topics.

Compliance Training Programs (Unit: persons)

Content	Target audience	No. of employees who completed training
Revised the definition of the term "fair transactions" in the Subcontracting Act & Act on the Promotion of Mutually Beneficial Cooperation between Large Enterprises and Small and Medium Enterprises	Relevant departments	69
Price escalation clauses	Relevant departments	72
Understanding the Compliance Management System	Employees	319
Compliance Newsletter (Improper Solicitation and Graft Act, Disclosure of Payment Conditions for Subcontract Fees, etc.)	Employees	764

# Compliance Management

## Compliance Management Activities

### Operation of a Reporting System

SeAH Steel Holdings operates a reporting system to manage legal violations by its employees. We receive reports or inquiries through our website, ensuring whistleblowers are fully protected under the Whistleblower Protection Program.

### Whistleblower Protection Program



## Implementation of the Compliance Program (CP)

SeAH Steel Holdings will implement a comprehensive Compliance Program (CP) to ensure that all employees adhere to fair trade and subcontracting laws, fostering free and fair market competition. We distribute a regularly updated fair trade compliance manual, reflecting the latest amendments to relevant legislation, such as the Monopoly Regulation and Fair Trade Act and the Fair Transactions in Subcontracting Act, and outline fair trade principles for stakeholder interactions based on the Eight Principles of Fair Trade. To maintain high standards of business ethics, SeAH Steel Holdings conducts thorough risk assessments focused on unfair trade practices and anti-competitive behavior, developing and executing mitigation plans based on these findings. The effectiveness of these measures is evaluated through a scoring system, supported by regular monitoring and internal audits, enabling the company to strengthen its culture of fair trade and legal compliance continuously throughout its operations.

### The Eight Principles of Fair Trade

<b>Establishment and Implementation of CP Standards and Procedures</b> Establish standards and procedures to ensure compliance with antitrust laws and regulations.	<b>Production and Utilization of a Compliance Handbook</b> Create and distribute handbooks on fair trade-related laws and regulations, CP standards, and procedures.
<b>Top Management's Commitment and Support for Compliance</b> The top management publicly announces the determination and guidelines for fair trade compliance, actively supporting CP operation.	<b>Establishment of an Internal Monitoring System</b> Establish a supervision system for preventing violations and report results to the BOD.
<b>Appointment of a Compliance Manager</b> The highest decision-making body (the BOD) appoints a compliance manager within the organization, assigning responsibility for effective CP operation.	<b>Effectiveness Evaluation and Improvement Measures</b> Implement inspections, evaluations, and other measures related to CP standards, procedures, and operations, followed by improvement measures.
<b>Continuous and Systematic Compliance Training</b> Conduct regular training on CP standards, procedures, and matters related to regulatory compliance in fair trade.	<b>Disciplinary Actions for Fair Trade Violations by Employees</b> Establish and enforce internal policies that outline disciplinary measures commensurate with the severity of violations, and implement safeguards to prevent similar misconduct.

# Risk Management

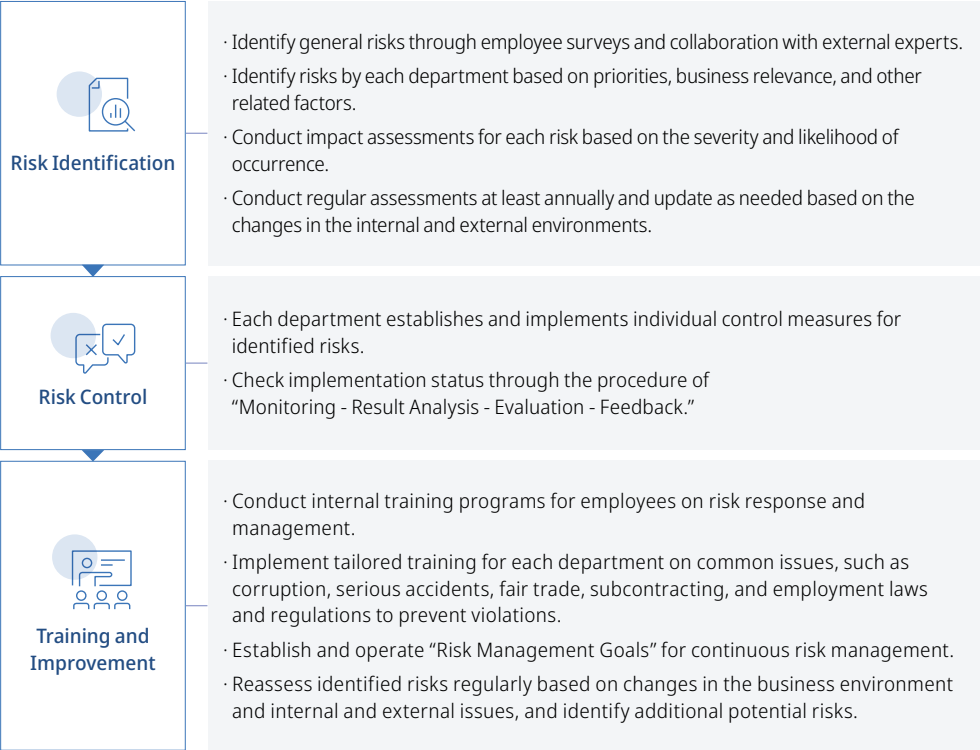
## Risk Management Process

SeAH Steel Holdings implemented a comprehensive risk management process to proactively identify and mitigate both financial and non-financial risks. Each department appoints designated representatives to oversee compliance risks, ensuring effective risk management across the organization. The compliance management department and the representatives from each department conduct regular and systematic monitoring of identified risks. Risk control measures are established and applied to manage these risks effectively.

### Key Risks Factors



## Risk Management Process



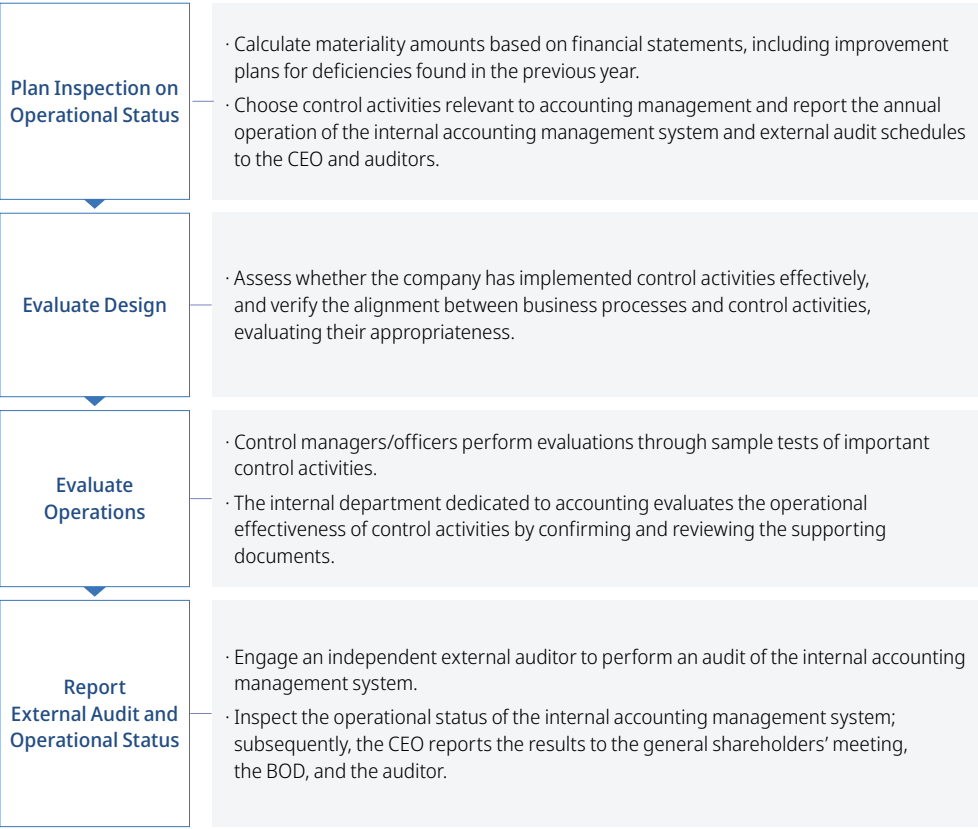


# Risk Management

## Internal Accounting Management

**SeAH Steel Holdings** implements an internal accounting management system to prevent distortions related to financial statements and provide transparent management information. As a listed company, we receive external auditor’s audit certification for the internal accounting management system in accordance with the Act on External Audit of Stock Companies, etc. and the CEO reports the operational status and inspection results to the general shareholders’ meeting, the BOD and auditor. SeAH Steel Holdings also conducts company-wide training periodically to enhance employees’ expertise and maintain qualifications for the internal accounting management system.

### Internal Accounting Management System



## Tax Management

**SeAH Steel Holdings** complies with business-related laws and regulations, meets tax filing deadlines for all items, and faithfully pays taxes. We document transactions and manage related documentation appropriately, and control tax risks thoroughly by reviewing tax issues that may arise in transactions of goods and services related to business, splits, mergers and acquisitions, and overseas transactions in advance.

### Tax Policy

Faithfully Filing and Paying Taxes	Minimizing Tax Risks	Establishing Standards for International Transactions
We meet tax filing deadlines and fulfill our tax obligations in good faith.	We work with knowledgeable and experienced tax professionals and actively utilize the assistance of external experts when tax issues require specialized knowledge.	In transactions with overseas affiliated parties (or affiliated companies), we adhere to the principle of arm’s length transactions in accordance with OECD Transfer Pricing Guidelines and the regulations of each country.

**SeAH Coated Metal** was selected as a best practice taxpayer by the Korea Customs Service in 2024 and received a commendation from the Deputy Prime Minister and the Minister of Economy and Finance in recognition of its efforts for thorough management of tax risks. SeAH Coated Metal was recognized for contributing to the national fiscal revenue by expanding investments and exports, as well as for its diligent tax compliance. As such, the company was acknowledged for its contributions to national development through the advancement of the steel industry, the revitalization of local economies, sustainable management, and social contribution activities. SeAH Coated Metal will strive to build on these achievements and remain an exemplary company in the industry by continuing transparent and honest management.



# Information Protection

## Information Protection System

**SeAH Steel Holdings** recognizes the criticality of information protection and has designated a Chief Information Security Officer (CISO) to ensure comprehensive protection of internal information and transparent disclosure of information protection status. The CISO oversees the company’s information security efforts, reviews information protection policies regularly, and ensures rigorous compliance with regulations. Biannual SAP authority reviews access control rights for all employees while employing diverse security solutions to address occurrences of information security risks.

### Key Security Solutions

- 1 — DBSAFER: Enhances database security and provides compliance evidence through access control, command monitoring, and user authentication.
- 2 — V3 Antivirus Management: Implementation of an integrated platform for managing V3 antivirus clients and antivirus management solutions.
- 3 — Remote Access Control: Management of external access to internal networks, ensuring only authorized users can connect through user authentication.
- 4 — Asset Management Solution (NetHelper): Control of PC security media and implementation of PC security checks through additional features.
- 5 — Non-work-related Activity Blocking Solution (eWalker Security V7): Blocks non-work-related and potentially harmful services based on registered policies.
- 6 — IP Management Solution (TCO): Collects and manages information on all devices connected to the network.



## Information Protection Activities

**SeAH Steel Holdings** has implemented a disaster recovery system aimed at preemptively preventing security incidents through conducting regular assessments of security vulnerability and maintaining a systematic response protocol for incident management. Additionally, to enhance employee awareness of security, we disseminate updates on the latest security threats and conduct annual information protection training for all employees. Office employees receive online video training, while on-site workers at local business sites undergo group training sessions customized to accommodate shift schedules and worker numbers.

### Information Protection Training Status

(Unit: minutes)

Category	Content	Training hours	Training period
Session 1	What is personal information?	10	September - October 2023 (about 2 months)
Session 2	What is personal information and how should it be protected?	30	
Session 3	What is physical security and how should the work environment be protected?	20	



# FOCUS AREA

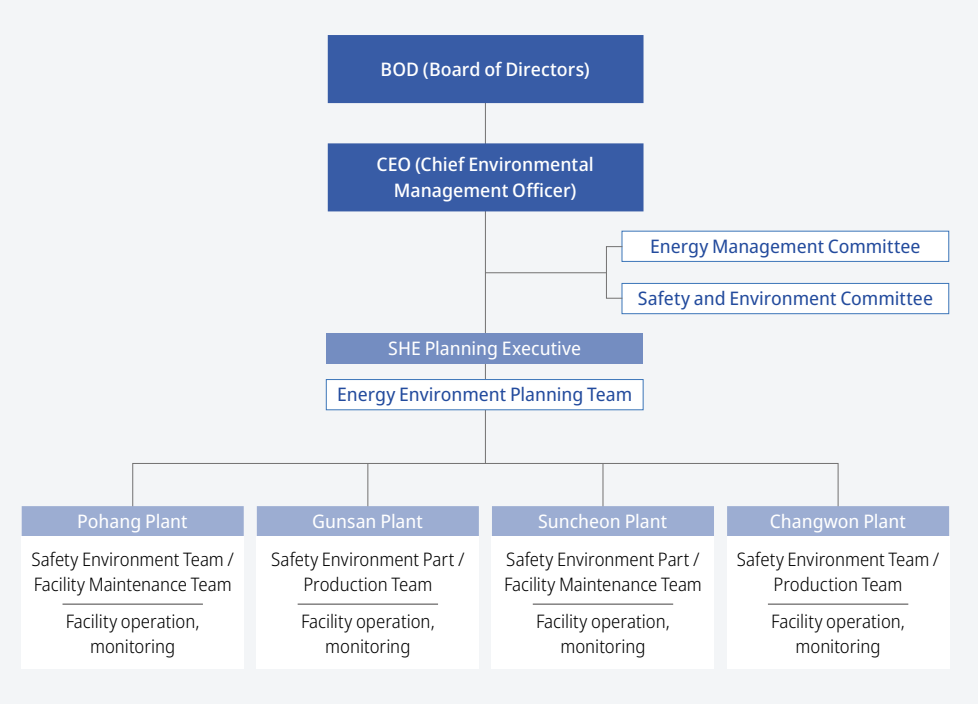
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# Environmental Management System

## Governance

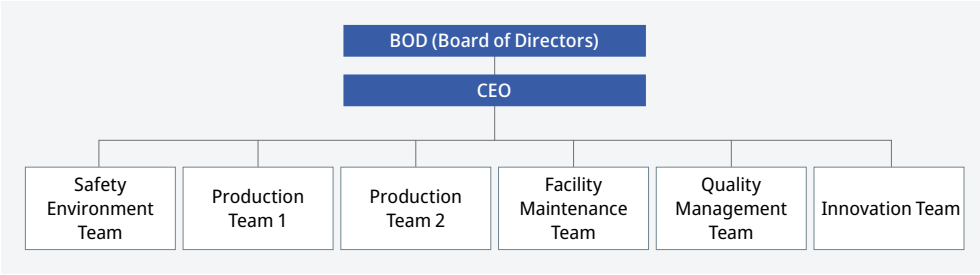
SeAH Steel has established the Energy Environment Planning Team, a dedicated unit for environmental management across all business sites, to implement a company-wide environmental management system. Under the oversight of the CEO responsible for environmental management, this team sets environmental goals for the year and develops detailed action plans for SeAH Steel. It regularly monitors the performance of operational departments in implementing these plans. Accordingly, each responsible department at every business site conducts proactive environmental management activities, including environmental investments and training, to prevent environmental accidents and minimize pollutant emissions. SeAH Steel implements company-wide Compliance Program (CP) activities and operates the Safety and Environment Committee to adapt to evolving environmental regulations. Furthermore, SeAH Steel is working to transition rapidly to a systematic eco-friendly system by conducting cross-inspections between sites and discussing major environmental issues.

SeAH Steel Organizational Chart



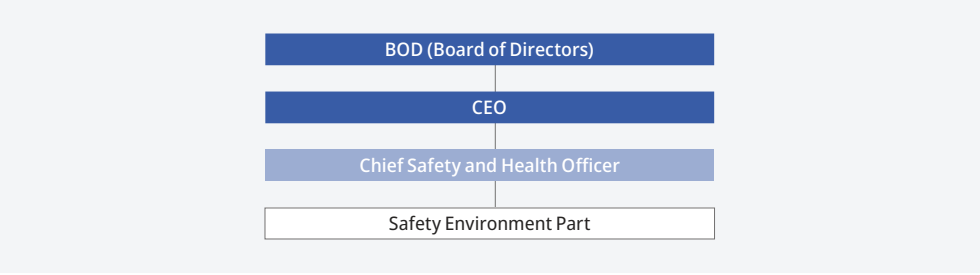
SeAH Coated Metal formed the Safety Environment Team in 2022 to create an eco-friendly and accident-free workplace, developing environmental management strategies, and establishing a rigorous management system. The Safety Environment Team conducted activities to prevent environmental accidents and minimize environmental impacts. In 2023, SeAH Coated Metal obtained the ISO 37301 certification across the entire company to respond to environmental regulations. The company continues to invest in minimizing the environmental impact of pollutants generated at its sites by recording regular measurements of environmental pollutants. Important environmental issues and investment plans are reported to the Board of Directors at least once a year.

SeAH Coated Metal Organizational Chart



DONG-A Steel established a company-wide safety and environmental management system in 2024 by creating a Safety Environment Part under the Chief Safety and Health Officer for systematic safety and environmental management. The Safety Environment Part conducts activities to minimize the generation and emission of pollutants. Additionally, the company has established a resource circulation cooperation system through agreements with E-waste (electrical and electronic waste) and waste plastic upcycling companies.

DONG-A Steel Organizational Chart



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# Environmental Management System

## Strategy

SeAH Steel Holdings recognizes the environment as a top priority in its business activities. We are determined to practice environmental management throughout our operations and business processes in line with company-wide strategic directions, striving to take the lead as an eco-friendly enterprise.

SeAH Steel has recognized worldwide practices in green corporate management. In response, the company has revised its environmental and energy management guideline to eliminate negative environmental impacts on both the company and society. Additionally, SeAH Steel has established the “SeAH Steel Eco-Friendly Management Strategy” based on its mid-to-long-term ESG strategy. SeAH Steel strives to build eco-friendly workplaces by implementing mid-to-long-term environmental goals and corresponding year-by-year plans systematically.

### SeAH Steel’s Environmental and Energy Guideline

- 1

We comply with environmental and energy-related laws and regulations based on ISO 14001 and 50001.
- 2

We establish and continuously implement environmental and energy goals and action plans to ensure ongoing improvement.
- 3

We achieve carbon neutrality through the transition to renewable energy and the design of eco-friendly facilities.
- 4

We contribute to environmental conservation by minimizing waste generation and promoting resource recycling actively.
- 5

We fulfill our social responsibility by reducing greenhouse gas emissions through the procurement of eco-friendly raw materials and the development of sustainable products.
- 6

We establish and operate our environmental and energy management system with the participation of all employees and stakeholders.
- 7

We assess the risks posed by our business activities to the environment and energy and take appropriate actions preemptively for continuous improvement.

SeAH Coated Metal has established an environmental management guideline that reflects the CEO’s dedication to operating eco-friendly business sites. This guideline is disclosed on the company website and distributed to each department. The Safety Environment Team develops environmental safety policies annually to prevent the decline in corporate value due to environmental accidents and injuries and to foster a foundation and corporate culture for eco-friendly management. Additionally, the company conducts regular reviews on environmental response measures for each department by conducting risk assessments on environmental factors such as climate change, resource depletion, and changes in environmental regulations.

## SeAH Coated Metal’s Safety, Health, and Environmental Management Guideline

SeAH Coated Metal is determined to fulfill its role and responsibilities as a socially conscious company. Grounded in the philosophy of respecting human dignity, all its employees actively engage in safety, health, and environmental management practices.

1

We have adopted safety, health, and environmental management as core values of our business. All employees shall lead by example in creating a safe and pleasant workplace.

2

We will enhance safety, health, and environmental awareness among all employees, seeking sustainable growth as a leading company that fulfills its responsibilities toward social and community development.

3

We adhere to regulations established based on domestic and international laws and agreements and address safety, health, and environmental risks proactively through regular evaluations, improvements, and training.

4

We will identify safety, health, and environmental risks in advance and work relentlessly to improve them.

5

We will minimize our impact on safety, health, and the environment throughout the product lifecycle, from planning to provision.

## Activities and Performance

### Investment in Environmental Management

SeAH Steel plans investments in the environmental sector and monitors implementation regularly to practice sustainable environmental management. These efforts include compliance with legal limits for environmental pollutant emissions, process improvements at each plant, and the reduction of environmental pollutants. To this end, SeAH Steel reviews environmental investment plans at the beginning of each year, assesses the relevance of these investments to environmental management from various perspectives before investment decisions, and continues eco-friendly management activities.

SeAH Coated Metal pursues an environmentally conscious approach to investments in new facilities and existing process management, considering environmental impacts. When investing in new facilities, SeAH Coated Metal prioritizes and plans for facilities that minimize environmental impact. The company also conducts regular inspections on existing processes to identify areas where environmental effects can be reduced. For any issues identified, SeAH Coated Metal actively develops a plan for investment and improvement, striving to minimize environmental impact and achieve sustainable production.

SeAH Coated Metal obtained an integrated environmental permit in 2022, which necessitated the implementation of stricter environmental management criteria for some facilities. The company decommissioned the 1CCL DTO (Direct Thermal Oxidizer), which consumed high amounts of energy and produced significant air pollutants due to its age. SeAH Coated Metal replaced it with a new RTO (Regenerative Thermal Oxidizer) system that uses heat storage media to generate heat. As a result, LNG consumption was reduced and nitrogen oxide emissions were decreased by approximately 40% compared to the previous system.



As part of its efforts to practice sustainable environmental management, DONG-A Steel plans to establish a management system in 2024, which can monitor the emissions of air pollutants and the status of air pollution prevention facilities in real time based on IoT measuring devices in the painting process.

State Pipe & Supply has been making ongoing efforts to enhance existing facilities as well as investing in new facilities to reduce electricity costs and minimize environmental pollution. Although the natural curing method takes 3-4 times longer than steam curing and requires space to store large quantities of products, it is eco-friendly in various ways providing advantages like energy savings, lower greenhouse gas and pollutant emissions, resource conservation, and reduced use of hazardous chemicals. To expand the implementation of this environmentally friendly natural curing method, State Pipe & Supply is in the process of purchasing land for a new site and plans to relocate its business operations by 2027.

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# Environmental Management System

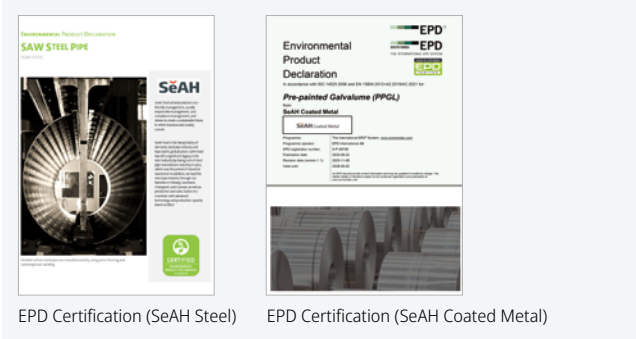
## Activities and Performance

### Environmental Product Declaration (EPD) Certification

SeAH Steel's Pohang Plant obtained the EPD (Environmental Product Declaration) certification for ERW (Electric Resistance Welding) and SAW (Submerged Arc Welding) carbon steel pipes in November 2022 from the global certification body UL (Underwriters Laboratories), making it the first in South Korea to acquire the certification. SeAH Steel plans to leverage this certification to comply proactively with strengthening carbon regulations and other legal requirements and institutional regulations.

In 2023, **SeAH Coated Metal** obtained International EPD certification from the IVL Swedish Environmental Research Institute. These certified products include color-coated steel sheets (PPGI, PPGL, PPAL), galvanized steel sheets (GI), and aluminum-zinc alloy-coated steel sheets (GL). This certification gives SeAH Coated Metal a competitive edge in meeting the increasingly stringent environmental trade barriers, such as the EU Carbon Border Adjustment Mechanism. As of 2023, SeAH Coated Metal's products are produced with lower carbon emissions compared to those of peers who have also obtained EPD certification.

**DONG-A Steel** is currently undergoing a review for achieving the Environmental Product Declaration Certification for ERW (Electric Resistance Welding) structural steel pipes, aiming to obtain the certification within the first half of 2024. We plan to address tightened environmental regulations as well as legal and institutional requirements by establishing a stringent management system and acquiring the necessary certification.



### Eco-Friendly Healthy Building (HB) Material Mark

Since 2018, **SeAH Coated Metal** has obtained and renewed the HB Mark for a total of seven products. The HB Mark is an eco-friendly building material certification granted by the Korea Air Cleaning Association (KACA), which rigorously tests building materials at accredited laboratories for the emission intensity of organic compounds (TVOC, 5VOC, HCHO, CH-CHO) and assigns ratings based on the results. SeAH Coated Metal's certified products include color-coated galvanized steel sheets (CGCC, CGCD2), color aluminum steel sheets (A3003H22, A1100H16), color-coated AMA 3PLY clad steel sheets, and color-coated hot-dip 55% aluminum-zinc alloy coated steel sheets (CGLCC, CGLCD1). All these products received and continue to maintain a grade of "Good" or higher. Through this eco-friendly building material certification, SeAH Coated Metal is actively responding to domestic environmental regulations.



### Transitioning to Eco-Friendly Auxiliary Materials

**DONG-A Steel** is progressively replacing auxiliary materials used in the manufacturing process with eco-friendly alternatives to reduce environmental pollution and minimize the use and exposure of hazardous substances. The company has selected product groups where auxiliary materials can be substituted with eco-friendly options. DONG-A Steel has already replaced marking ink and cleaning agents with eco-friendly products. In 2023, the company switched to using eco-friendly paint for coating in production process.

### Environmental Management System (ISO 14001) Certification

**SeAH Steel** and **SeAH Coated Metal** have obtained the ISO 14001 certification, an international standard for environmental management and have made environmental management a core part of their corporate guideline. Each year, a third-party assurance body reviews the company's compliance with the plan-do-check-act cycle. They actively address any issues identified during this process.



**State Pipe & Supply** is considering the establishment of an integrated operating system for its WCP, WCSP, and Mobile manufacturing parts, as well as the creation of a dedicated safety and environment departmental unit. In addition to activities toward the acquisition of the ISO 14001 certification, the company plans to develop internal regulations that comply with EPA and California environmental standards.

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# Environmental Management System

## Activities and Performance

### Implementation of an Integrated Environmental Management System

SeAH Steel's Changwon Plant is implementing an Integrated Environmental Management System in accordance with the Act on the Integrated Control of Pollutant-discharging Facilities. This system consolidates 7 existing laws and 10 permits into a unified framework for managing each business site through the process of prior and main consultations, the preparation of an integrated environmental management plan, and ongoing follow-up management. By incorporating BAT\* (Best Available Techniques) tailored to the specific characteristics and environmental impacts of permitted sites, the system aims to minimize environmental impact. The Changwon Plant monitors 13 types of business site data comprehensively. Such data include monthly self-measurements, operating hours per facility, electricity and chemical usage, raw material input, fuel consumption, and logs on air and water quality operations. It also prepares and submits an annual report to environmental authorities in jurisdiction and discloses them. This approach ensures the effective operation of the integrated environmental management system.

\* BAT (Best Available Techniques): Economically viable superior environmental management techniques applied to facilities, machinery, and equipment in all processes from raw material input to pollutant emissions.

In accordance with the Act on the Integrated Control of Pollutant-discharging Facilities, **SeAH Coated Metal** obtained a license and a permit from the Ministry of Environment in August 2022. Additionally, the company strives to minimize environmental impact by incorporating the Best Available Techniques (BAT) reflecting environmental impacts into company-wide environmental management strategies and sustainable operation. SeAH Coated Metal manages 13 types of data continuously on a monthly basis and registers the information on the Ministry of Environment's website. SeAH Coated Metal strives to minimize environmental impact by undergoing inspections of environmental pollution facilities from environmental authorities every year.

### Improvement of Employee Awareness

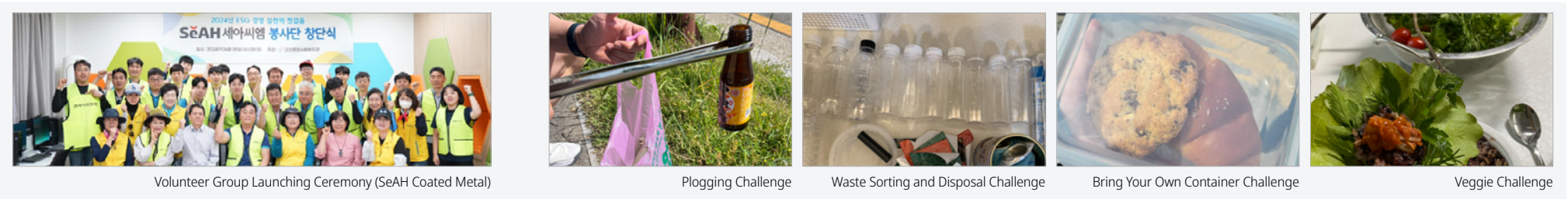
SeAH Steel Holdings is conducting the "SeAH Leaders ESG Challenge" for team managers of SeAH Steel Holdings and its affiliates in South Korea. This challenge involves practicing and recording sustainable lifestyle habits, such as plogging and recycling for a week, improving the awareness of other team members effectively through the image of leaders actively practicing ESG management, and working to enhance the sense of responsibility and contribution to achieving related goals through team managers' understanding of ESG management. In 2024, 21 team managers participated in the challenge. Through these efforts, SeAH Steel Holdings aims to create a culture where all employees can lead sustainable lifestyle habits and contribute to ESG management.

To practice sustainable management and fulfill social responsibilities, **SeAH Coated Metal** operates a system that accepts and evaluates ideas proposed by employees regarding ESG. This system follows the process of "proposal - review and evaluation - reward system - feedback," thereby promoting employee participation in ESG management, discovering innovative ideas, and achieving a high level of social responsibility and practice. Additionally, as part of practicing ESG management, SeAH Coated Metal launched a volunteer group in connection with the Gunsan Comprehensive Social Welfare Center. In June 2024, on World Environment Day, a plogging campaign event was held with Gunsan citizens to collect illegally dumped litter near the business site.

### SeAH Coated Metal's ESG Proposal Process

Category	Goals and Performance
Proposal	· Employees' proposals for solutions to ESG-related issues that may arise within the company · Can be submitted easily through the in-house platform
Review and Evaluation	· Submitted proposals are verified and evaluated by experts in the relevant field and the review committee
Reward System	· Best proposals are selected based on the review results and the proposers whose suggestions are selected are awarded prize money.
Feedback	· Employees can track the progress of proposals in real time, and feedback is provided on the results. · Selected proposals and results are shared through internal and external communication channels.

**DONG-A Steel** encourages employees to participate in ESG training to enhance their awareness of ESG management and posts serial materials within the Group so that employees can internalize and practice ESG management. In 2024, the company is conducting planned resource circulation activities, such as campaigns to collect E-Waste (electrical and electronic waste) and plastics so that employees can reduce carbon and practice ESG voluntarily in their daily lives.



Volunteer Group Launching Ceremony (SeAH Coated Metal)

Plogging Challenge

Waste Sorting and Disposal Challenge

Bring Your Own Container Challenge

Veggie Challenge



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# Climate Change

## Climate Action Activities

### Investment in GHG Reduction Facilities

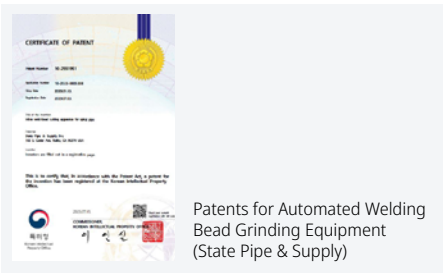
**SeAH Steel** is striving to reduce carbon emissions from its processes through various initiatives. These include installing inverters on motors used to pump pipe-forming oil and cooling water and transitioning the heat source for hot water supply from electric heaters to heat pumps. In 2024, energy-saving measures tailored to each plant will be selected and implemented. At the Pohang Plant, energy-saving activities in 2023 included replacing old compressors and transformers. The plant plans to invest KRW 1.45 billion by 2024 to achieve a reduction of 1,287.4 tCO<sub>2</sub>eq/year in greenhouse gas emissions. Meanwhile, the Changwon Plant is focused on enhancing the efficiency of steam boilers and optimizing energy usage in heat treatment equipment. Similarly, the Gunsan Plant aims to decrease greenhouse gas emissions by improving process equipment operations and replacing outdated equipment.

In 2023, **SeAH Steel** signed an agreement with POSCO's Steel Research Institute for joint research on eco-friendly energy materials and development of steel pipe manufacturing technology. Through this collaboration, the company plans to strengthen its competitiveness in manufacturing high-value-added steel pipes, including the supply of appropriate plate materials for eco-friendly energy applications in CCUS (Carbon Capture, Utilization, and Storage), hydrogen and ammonia, as well as the improvement of pipe quality. Additionally, SeAH Steel is contributing to the government's carbon neutrality goals through the participation in the Demand Response (DR) programs such as actively managing peak electricity demand by optimizing the operating schedules for high-energy equipment.



MOU between SeAH Steel & POSCO Research Institute  
Technology for Cooperation

**State Pipe & Supply** developed automated welding bead grinding equipment and applied for the relevant patent to minimize the large amount of dust generated during manual surface grinding of welded steel pipes. The newly developed equipment reduces the amount of waste including dust, and metal by-products are sold back as scrap metal, contributing to resource circulation.



Patents for Automated Welding  
Bead Grinding Equipment  
(State Pipe & Supply)

### Reduction in Natural Gas (City Gas) Consumption

Since 2023, **SeAH Coated Metal** has been operating a combustion system consisting of 108 burners to systematically and actively manage gas consumption in the CGL (Continuous Galvanizing Line) annealing furnace, which accounts for about 35% of total gas consumption at the Gunsan plant. The company conducted inspection training with external experts and is developing plans for routine inspections and adjustments utilizing in-house personnel. In 2024, improvements in damper control and balance adjustment of the 1CCL (Continuous Coating Line) RTO combustion process resulted in a 2-3% reduction in gas consumption intensity compared to 2023.

### Operation of 2CCL Exhaust Heat Recovery System

**SeAH Coated Metal** has installed an economizer, a waste heat recovery system, to recycle waste heat of about 190-250 degrees Celsius generated during production in 2CCL. A total of 4,350 tons of waste heat steam was generated using this system in 2023, reducing greenhouse gas emissions by approximately 674 tCO<sub>2</sub>eq. The company is also actively considering the implementation of a waste heat recovery system that produces 1.5 tons of steam per hour. This system, similar to the 3CCL, is targeted for completion by the end of 2024.



2CCL Exhaust Heat Recovery System  
(SeAH Coated Metal)

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# Climate Change

## Climate Action Activities

### Energy Efficiency Management and Improvement Activities

SeAH Steel has obtained certification for the Energy Management System (ISO 50001) to establish a comprehensive management framework. This system oversees the entire process from energy consumption and efficiency analysis to the implementation of improvement measures, while effectively managing the suitability of processes and evaluating the effectiveness of improvement measures. Furthermore, the company is preparing to obtain the ISO 50001 certification for the Suncheon plant in 2024 in order to expand the application of the energy management system. SeAH Steel's sustainability efforts include the replacement of both office and factory lighting with LED technology across all plants to enhance energy efficiency. In 2023 alone, 2,867 office and factory lights were replaced with LED bulbs, with an anticipated reduction of 650 tons of CO<sub>2</sub> equivalent in greenhouse gas emissions annually. Moreover, specific plants have implemented targeted measures: the Pohang plant optimized the rotation speed control of cooling water pumps to enhance efficiency, while the Gunsan plant upgraded the insulation material used in its galvanizing furnace to improve heat efficiency. At the Changwon plant, the installation of high-efficiency motors in the pickling line blower increased efficiency from 90.5% to 94.1%. Ongoing efforts at Changwon include replacing motors operating below 90% efficiency to achieve efficiency levels exceeding 90% consistently.



### Management Activities by Plant

Pohang Plant	Controlling rotation speed for the cooling water pump
Gunsan Plant	Replacing plating furnace insulation
Changwon Plant	Installing high-efficiency motors for pickling line blower

### Strategy for Company-wide Expansion of the Energy Management System





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# Climate Change

## Climate Action Activities

### Energy Efficiency Management and Improvement Activities

**SeAH Coated Metal** has reduced annual energy consumption by 20,579 GJ and greenhouse gas emissions by 1,045 tCO<sub>2</sub>eq by installing power-saving devices on pump motors. To measure energy consumption and changes in line speed and product specifications during the production process, the company has established a system that integrates and manages the usage of major energy sources, such as electricity, LNG, water, and steam, thereby increasing energy efficiency. In addition, SeAH Coated Metal is actively participating in ESS facility operation and demand response (DR) projects for power reduction to practice carbon neutrality.



ESS Facility (SeAH Coated Metal)

### Installation of Power-saving Devices



**DONG-A Steel** is conducting an energy-saving campaign to promote worker-driven energy conservation practices and reduce unnecessary energy waste. To increase energy efficiency and reduce greenhouse gas emissions, the company has installed high-efficiency motors, improved idle prevention facilities, and additionally replaced metal-halide lamps with LED lights in the office building and the Gwangyang Plant 1, completing the LED lighting conversion for over 66% of Plant 1 and 93% of Plant 2. DONG-A Steel will continue to carry out activities to improve energy efficiency in 2024.

**SeAH Steel Vina** and **Vinapipe** conduct energy audits every three years to control and reduce energy consumption. These businesses are improving technology and equipment to reduce electricity consumption and are enhancing energy efficiency through the use of LNG gas.

**SeAH Steel USA** and **State Pipe & Supply** are conducting various energy efficiency improvement activities. The businesses have installed high-efficiency electricity harmonic filters that remove unnecessary harmonics from the power system, reducing power loss and extending equipment life. Additionally, they adjust production schedules to minimize factory operation during peak power usage times, reducing energy costs and preventing power grid overload.

**SeAH Steel USA** also checks temperatures in real time to optimize gas consumption and is replacing lighting in the workplace with energy-efficient LED lighting to reduce power consumption. State Pipe & Supply is working to reduce power consumption by improving the forced exhaust system in the factory, considering air circulation dynamics and optimal exhaust locations and methods during system installation. State Pipe & Supply is also reviewing the installation of solar panels to expand the use of renewable energy.

Total Energy Consumption of SeAH Steel Holdings’ Affiliates in Korea (Unit: GJ)				
Category	2021	2022	2023	
SeAH Steel	1,164,350	1,186,392	1,433,009	
SeAH Coated Metal	1,256,070	1,325,171	1,431,027	
DONG-A Steel	95,714	93,431	97,342	

# Pollutants

## Management of Air Pollution

**SeAH Steel** has installed a Regenerative Thermal Oxidizer (RTO) at the Pohang plant and Thermal Oxidizer (TO) at the Gunsan plant for the efficient removal of Volatile Organic Compounds (VOCs) generated in the coating process, ensuring compliance with the legally permissible emissions levels for VOCs. Each system is designed to reflect the operational characteristics of the corresponding business site. The RTO at the Pohang plant, which mainly operates continuous coating processes, rationalizes the fuel consumption required to maintain the appropriate processing temperature by accumulating incineration heat in the facility's heat storage material. At the Gunsan plant, which produces fewer coated products, a TO was installed with the aim of improving efficiency and facilitating maintenance.

**SeAH Coated Metal** has implemented activities to reduce nitrogen oxide emissions in accordance with the emissions allowance regulations under the Special Act on the Improvement of Air Quality in Air Control Zones. In 2022, the company carried out renovation work on the 1CCL RTO, and in March 2023, conducted a combustion ratio adjustment test for NOx reduction in the ARP (Acid Regeneration Plant). Through the test, the process operating conditions were adjusted to the conditions with the lowest nitrogen oxide generation,

resulting in a total reduction of 36.7% in nitrogen oxide generation from an average of 60 ppm to an average of 38 ppm from April to December 2023. Five Telemetry Monitoring Systems (TMS) have been installed to analyze and manage nitrogen oxides and flow rates emitted from the business site in real time on 24/7 basis. Regular air measurements are conducted by external specialized companies, with an internal standard set to maintain emissions below 50% of the legal standards.

**DONG-A Steel** continuously performs maintenance on local exhaust systems to capture fumes generated in the pipe-forming process and improve the work environment. The company has improved inadequacies in terms of aging and facility capacity by replacing the local exhaust system for Pipe Mill No. 5 and installing a local exhaust system for Pipe Mill No. 10. In 2024, DONG-A Steel plans to establish a management system that can monitor air pollutant emissions and the status of air pollution prevention facilities in real time through the installation of IoT measuring devices in the painting process. DONG-A Steel will continue its efforts toward sustainable environmental management through process improvements and air pollutant reductions for each business site.

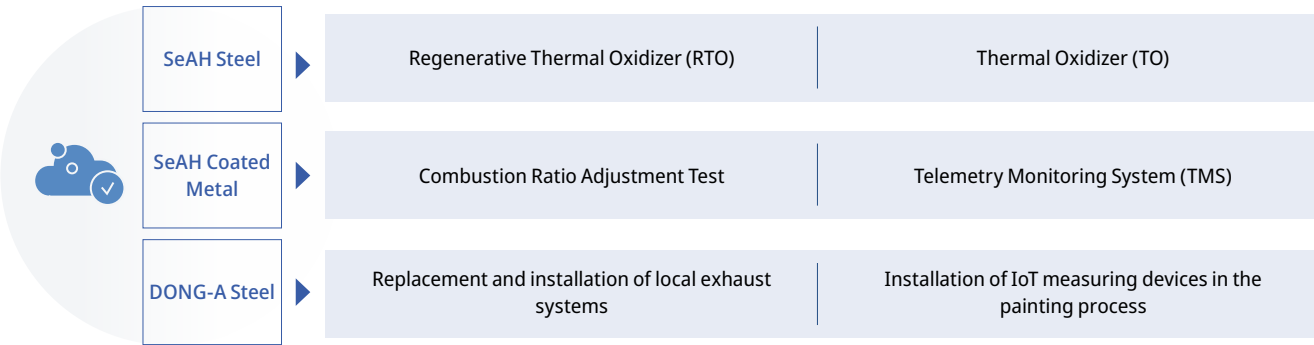
**SeAH Steel USA** focuses on air pollution control for environmental protection and sustainable development. In particular, the company has installed state-of-the-art dust collection equipment to improve the internal factory environment and minimize impact on the external environment. The dust collection equipment plays a key role in improving air quality inside the factory by capturing particles suspended in the air. This not only helps maintain clean air within the workplace, improving the quality of the working environment, but also effectively blocks harmful substances from being released into the external environment, contributing to the protection of local communities and the natural environment.

In California, where **State Pipe & Supply** is located, regulations have been implemented to limit particulate matter and nitrogen oxide emissions from the use of diesel fuel in heavy equipment and forklifts and thereby to manage air quality. The use of equipment over 15 years old is prohibited, and the transition to environmentally friendly and high-efficiency vehicles is being promoted. All new heavy equipment and forklifts comply with California's diesel emission standards. State Pipe & Supply has replaced 11 out of 18 forklifts that were subject to replacement and has introduced LPG/LNG or electric vehicles as replacement for small diesel forklifts under 5 tons. To prepare for the full transition to zero-carbon forklifts by 2026, the company will gradually adopt heavy equipment and forklifts powered by electricity, hydrogen, and other alternative fuels in phases.

Additionally, State Pipe & Supply has moved painting and shot blast operations, which were previously conducted outdoors, to indoor workspaces to minimize dust generation. An automated coating line with integrated paint dust collection equipment has been installed to reduce paint loss. Furthermore, the shot blast equipment has been converted to automated mechanical equipment to minimize dust generation.

**Inox Tech** uses a filtering system to treat pollutants in exhaust gases. As the company is subject to an integrated environmental license that regulates air pollutant emissions, all facilities within the business site comply with the specified emission limits.

### Air Pollution Management Activities



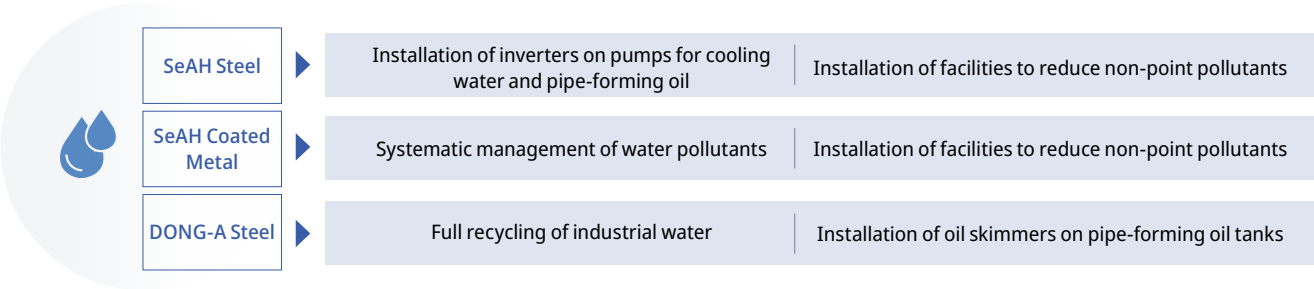
# Pollutants

## Water Pollution Management

The water used by **SeAH Steel** is categorized into industrial water and potable water. The water used for production purposes is supplied as industrial water through water withdrawal facilities within the industrial complex. Water is used for cooling, replenishing water-soluble cutting oil for rust prevention in the product production process, and other purposes within the business site. SeAH Steel minimizes the use of industrial water during equipment idling by installing inverters on pumps for cooling water and pipe oil. For non-point pollution caused by rainfall, separate reduction facilities have been installed to decrease pollutants, and the wastewater management system prevents water pollution through rational facility management.

**SeAH Coated Metal** recognizes the importance of water resource management at its business sites and manages water and water pollutants systematically. Water consumption is managed by distinguishing between industrial water and potable water, with industrial water supplied through water intake facilities within the industrial complex. Water is used for line cleaning and cooling facilities, and water from indirectly cooled equipment is recycled in the water pool (industrial water storage facility). For non-point pollutants caused by rainfall, facilities for non-point pollutant reduction have been installed in drainage pipes that discharge stormwater into rivers to reduce pollutants before discharge. SeAH Coated Metal has installed a total of six non-point pollutant reduction facilities and invested a total of KRW 200 million in 2023 to replace an outdated facility.

### Water Pollution Management Activities



**SeAH Coated Metal** has proactively prevented environmental pollution incidents by changing its system for managing the concentrate from its industrial water purification facility (RO system). Instead of discharging the concentrate into rivers via stormwater drains, it is now transported to a wastewater treatment plant for proper handling. Although this has increased sewage fees (sewage treatment plant usage fees) by about KRW 10 million per month compared to the previous system, it was implemented as an investment to minimize water pollution impacts. The company also analyzes and manages effluent from the wastewater treatment plant and concentrated water from the RO according to legal standards (quarterly, annually). The resident supplier operating the wastewater treatment plant (a specialized wastewater treatment licensed company) additionally measures major substances on a monthly basis to manage the discharge of wastewater pollutants. Major pollutants (BOD, TOC, SS, TN, TP, etc.) are managed with internal standards that are set at less than 50% of the legal limits. In 2024, SeAH Coated Metal plans to review ways to recirculate and utilize the effluent and concentrated water generated by the company to reduce industrial water consumption.

**DONG-A Steel** applies a reuse method that recovers and circulates industrial water used in the production process, reusing industrial water fully to minimize pollutant emissions. To manage pipe oil that may be contaminated during the production process or due to the work environment, oil skimmers have been installed on pipe oil tanks to separate pollutants and ensure that waste oil is discharged separately.

**SeAH Steel USA** emphasizes sustainable environmental management and efficient use of resources, particularly by implementing innovative technologies in water resource management to pursue sustainable use of resources. The company is making efforts to maximize water recycling and minimize wastewater generation through the installation of various filter systems, including magnetic filtering systems. Through these systems, 99% of water resources are being recycled, significantly contributing to achieving the company's sustainable management goals. In wastewater management, SeAH Steel USA emphasizes transparency and accountability. All wastewater undergoes a purification process, and the relevant information such as the amount of wastewater, treatment process, and final disposal location is reported transparently to environmental regulatory agencies.

Further, **State Pipe & Supply** has improved equipment to efficiently recover water generated in the cement lining process and thereby minimize water pollution. This has allowed State Pipe & Supply to expand the reuse rate of large water tanks to 80%, significantly reducing potable water consumption. Additionally, water decomposition is prevented through periodic oxygen supply, extending the replacement cycle from six months to one year. The company plans to create a large pond for the recovery of water and rainwater at the newly relocated site. Furthermore, State Pipe & Supply plans to establish its own water resource management system through a three-stage purification structure, expand the recycling of natural purification water, and build a sewer purification system that discharges only purified water for wastewater treatment.

**Inox Tech** strives to minimize water shortage risks through setting industrial water discharge limits and managing rainwater. A reduction system has been implemented to comply with industrial water discharge limits, and various devices are used to remove liquid impurities.

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# Waste

## Waste Management

SeAH Steel conducts a comprehensive review of the waste generation and disposal process based on environmental impact assessments, adhering to the principles of waste management in compliance with laws and regulations. The company contracts with verified transportation and disposal companies to handle waste generated at its facilities, in accordance with the Waste Control Act. SeAH Steel manages and discloses the details of waste disposal through the Ministry of Environment's electronic waste information system, Allbaro. As part of its resource circulation activities, SeAH Steel has established a mid-to-long-term roadmap with goals to achieve a "90% company-wide waste recycling rate by 2030" and "zero landfill waste by 2050". The company evaluates quarterly performance against plans using waste reduction KPIs. SeAH Steel actively manages stakeholders' processes for handling waste by providing "hazards information data" as per the Waste Control Act. To minimize waste treated through landfills and incineration, SeAH Steel has developed various investment plans, including the continuous introduction of recycling processors, monitoring systems, and process improvements.

### Resource Recycling Strategy and Goals

	2030	2050
Goals	<b>Achieving a 90% waste recycling rate</b> Promoting recycling treatment plans for incinerated and landfilled waste	<b>Achieving Zero waste landfilling</b> Considering the generated waste as raw materials and products based on the waste-to-resource approach
Action Plans	<ul style="list-style-type: none"><li>· Continuously discover recycling treatment companies</li><li>· Enhance recycling in business sites</li><li>· Reduce mixed waste sources</li><li>· Resource recycling of E-waste</li></ul>	<ul style="list-style-type: none"><li>· Promoting waste recycling and resource recovery</li><li>· Obtaining company-wide ZWTL certification</li><li>· Advancing waste monitoring system</li><li>· Expanding investment in waste recycling facilities</li></ul>

SeAH Coated Metal prioritizes resource circulation and recycling before sending waste to external processors, as part of its efforts to reduce waste generation. The company contributes to the transition to a circular economy by processing scrap, iron oxide, and zinc sludge generated from its galvanizing and color steel plate manufacturing processes through recycling companies. The company also handles over 60% of its waste, including sludge from wastewater treatment, waste thinner, waste drums, and waste wood, through recycling companies. Notably, SeAH Coated Metal receives recycled thinner from recycling companies, resulting in annual cost savings of approximately KRW 300 million compared to the cost of conventional thinner. According to the evaluation based on the Framework Act on Resources Circulation, SeAH Coated Metal has exceeded its resource circulation targets with a final disposal rate of 25.29% and a circulation rate of 62.92%.

All waste is processed through transportation and disposal companies licensed by the Ministry of Environment, and the details of waste disposal are managed and disclosed through the Allbaro system. Internally, SeAH Coated Metal conducts regular training for all employees on waste classification and disposal to reduce legal risks, making this training mandatory for new employees.



# Waste

## Waste Management

**DONG-A Steel** manages waste in accordance with the Waste Control Act, adhering to the principles of legal waste disposal. The company contracts with licensed transportation and disposal companies to handle waste generated at its facilities. DONG-A Steel also manages and discloses the details of waste disposal through the Ministry of Environment’s electronic waste information system, Allbaro.

**SeAH Steel UAE** manages waste by categorizing waste into three types: general waste, commercial waste, and sewage waste. All waste is managed according to proper waste disposal standards. The company has contracted with a company licensed under UAE law for waste management services and prompt disposal. SeAH Steel UAE also undergoes annual waste-related inspections by the Environment Agency - Abu Dhabi (EAD).

**SeAH Steel USA** collaborates with carefully selected waste management specialists. These companies manage SeAH Steel USA’s waste safely and efficiently based on their demonstrated expertise and reliability in waste disposal. Additionally, all by-products from SeAH Steel USA’s production processes are recycled as scrap. This approach prevents resource waste and contributes to environmental protection. Recyclable by-products are collected, sorted, and processed through specialized companies, transforming them into new resources.

**State Pipe & Supply** replaced the disposable Sand Glass (SiO2) used in Mobile Pipe’s surface treatment process, which generated dust, with Steel Grit blast, allowing by-products to be recycled as scrap metal. As of 2023, the Steel Grit equipment conversion rate is 100% for WCSP and 50% for Mobile Pipe, with additional investments planned for other products to be installed by October 2024. Through these efforts, State Pipe & Supply aims to minimize environmental pollution through energy cost reduction and resource circulation, working towards zero generation of cleaning waste by 2025.

**Inox Tech** has designated temporary waste storage areas in accordance with its integrated environmental license and permit and complies with waste storage and disposal methods regulated by relevant legislation.

### Waste Management Goals and Performance for Each SeAH Steel Holdings Affiliate

SeAH Steel

Goal

Company-wide waste recycling rate by 2030

90 %

Landfilled waste by 2050

Zero

SeAH Coated Metal

Performance

Final disposal rate

25.29 %

Circulation rate

62.92 %, exceeding the initial target

State Pipe & Supply

Performance

Steel Grit equipment conversion rate for WCSP

100 %

Mobile Pipe

50 %

Goal

Waste generated from steel production in 2025

Zero

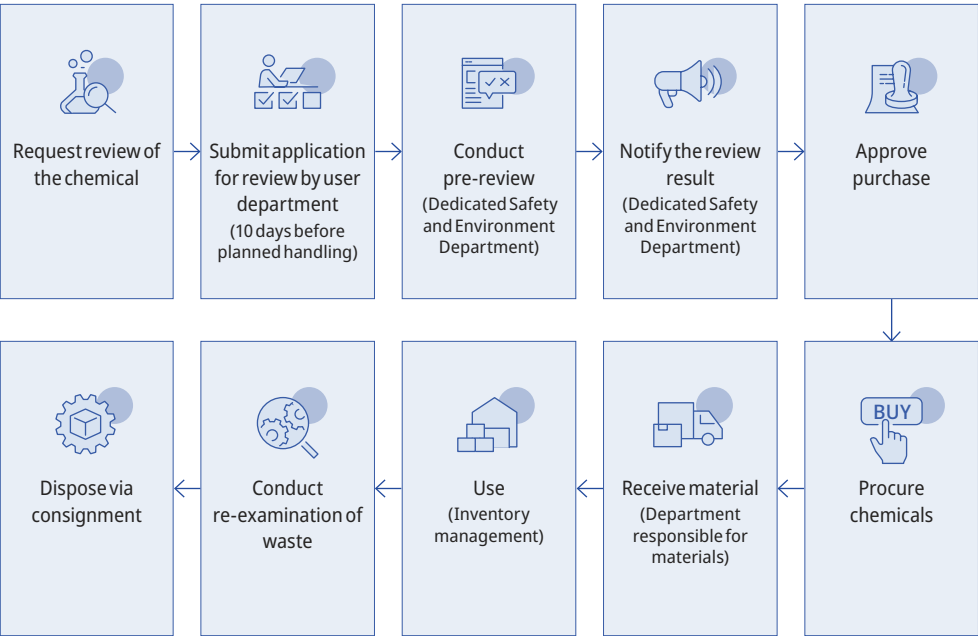
# Chemicals

## Chemical Management Activities

SeAH Steel consistently monitors domestic chemical regulations, such as the Chemical Substances Control Act, and stays updated on international regulatory changes. Through self-conducted CP (Compliance Program) inspections, SeAH Steel thoroughly assesses whether there are any vulnerabilities in the control of hazardous chemicals compared to legal requirements. The company prepares and submits plans to prevent and manage chemical accidents, evaluating potential impacts on surrounding areas. SeAH Steel also strives to enhance its chemical accident response capabilities through training programs.

Additionally, SeAH Steel has implemented a comprehensive control process for chemicals, ensuring safety throughout their lifecycle—from pre-purchase reviews to procurement, usage, and disposal. Users handling new chemical substances must obtain approval for use based on a review form from a dedicated safety and environmental department at least 10 days before the commencement of handling. The company maintains continuous tracking and management from procurement to disposal, with final disposal entrusted to certified treatment companies after following a thorough reassessment by the Safety Environmental Team/Part on the composition of the chemicals.

### Chemical Lifecycle Management Process



SeAH Coated Metal operates a pickling line that uses hydrochloric acid to remove rust from steel plates. The pickling line uses three pickling tanks, operating at 18%, 10%, and 5% acid concentrations respectively. When the hydrochloric acid concentration drops below 5%, the waste acid is transferred to an ARP tank for regeneration. The waste acid is heated, and the resulting hydrogen chloride is passed through water to create 18% regenerated acid, which is then sent back to the pickling line for reuse. When regenerated acid is insufficient or pickling is not possible, fresh acid (35%) is used to create regenerated acid (18%) for transfer to the pickling line. Furthermore, instead of using regular water to absorb hydrogen chloride, SeAH Coated Metal now uses pickling tank scrubber wastewater (containing 4-5% acid components), which has increased the acid recovery rate as shown below. As a result, the use of fresh acid decreased from 492 m³/year in 2022 to 311 m³/year in 2023, a reduction of 181 m³/year.



SeAH Coated Metal's 2022-2023 Chemical Management Details					(Unit: m³)
Year	Fresh acid	Waste acid processed	Regenerated acid	Recovery rate	
2022	492	12,273	15,805	128.78%	
2023	311	11,564	15,453	133.63%	
(Change)	181 ▼	709 ▼	352 ▼	4.85% ▲	



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# Chemicals

## Chemical Management Activities

At **DONG-A Steel**, the Safety Environment Part conducts a preliminary review before granting chemical purchases in order to ensure the handler's safety and prevent chemical accidents. The company tracks and controls chemicals continuously from the point of receipt. Even at the final disposal stage, the Safety and Environment Department oversees the process by ensuring that the materials are entrusted to verified treatment companies for safe handling.

**SeAH Steel USA** does not purchase or use separate chemicals in its manufacturing process but has established thorough preparation and response systems in case chemical use becomes necessary during manufacturing or other business activities. Through the safety and environmental department, the company has developed manuals and systems to control the entire lifecycle of chemicals systematically, from purchase to use, storage, and disposal. By tracking and recording every step from the moment a purchase request is received until the chemical is disposed of, SeAH Steel USA aims to minimize the impact of chemicals on the environment and health. This approach ensures not only the safe use and management of chemicals but also compliance with chemical-related laws, regulations, and international standards.

**Inox Tech** has established a chemical management policy. This policy outlines all stages of chemical handling and methods for building systems to collect management information, such as Material Safety Data Sheets (MSDS). The company has installed airborne chemical emission detectors, excess emission detectors, and water tank crack detectors to prevent chemical-related accidents. Inox Tech also conducts quarterly safety training for fire prevention.

## Hazardous Chemical Handling Training

**SeAH Steel** provides safety training for employees handling hazardous chemicals, ensuring that the users are informed about the chemicals they are working with. The company also conducts emergency drills for all employees working on hazardous chemical handling lines, enhancing response capabilities from initial reaction to complete recovery in chemical leak situations.

**SeAH Coated Metal** continuously conducts statutory training for workers handling hazardous chemicals, as required by the Chemical Substances Control Act. For new employees, the company provides training on chemical handling and MSDS, ensuring ongoing provision of information about the chemicals used in the company's plants. Additionally, SeAH Coated Metal conducts emergency drills for chemical leak situations for all workers on hazardous chemical handling lines, training them on responses from initial action to recovery.

**DONG-A Steel** conducts regular chemical handling and MSDS training for process workers at facilities that handle hazardous chemicals. The company provides workers with information on the hazardous chemicals used in its facilities.

**SeAH Steel UAE** offers safety training on hazardous chemicals to its employees, including information on response and recovery processes for hazardous chemical spills and details about the substances used. The company displays MSDS and safety signs at chemical storage locations to prevent accidents involving hazardous chemicals.

**Inox Tech** implements hazardous chemical safety training for all employees and conducts quarterly training for workers in the acid-washing plant. Additionally, the company distributes hazardous chemical-related booklets to its suppliers and visitors.

## Chemical Accident Response System

**SeAH Steel** continues to invest in facilities to ensure thorough chemical control and prevent leaks. Gas detectors and leak detectors have been installed at key handling facilities to prevent hazardous chemical spills. Additionally, the company has implemented and operates a leak prevention system to manage chemical leaks and has installed a CCTV in critical areas to monitor for chemical leaks in real time. In particular, SeAH Steel's Changwon Plant has been recognized for the establishment of a 24-hour hazardous chemical leakage notification system and its proactive measures in the prevention of chemical accidents, including the installation of supply pipe housings. In April 2023, it was honored as the best business site in the "BELFS PLUS Chemical Safety Campaign" organized by the Nakdonggang River Drainage Basin Area Environment Center, receiving the Minister of Environment Award.

**SeAH Coated Metal** has installed leak and gas detectors to prevent chemical leaks and manage them effectively in case of an incident. For substances such as hydrochloric acid and sulfuric acid that require high-risk accident-preparedness, the company operates facilities that can recover spills to the wastewater treatment plant. Other facilities are equipped with containment walls to prevent external leakage, and CCTV systems are installed at hazardous chemical handling facilities to ensure continuous monitoring of workers. To ensure worker safety during containment operations, SeAH Coated Metal provides Personal Protective Equipment and checks its condition regularly to maintain performance. SeAH Coated Metal annually informs nearby residents about its chemical substances via mail and registers this information with the National Institute of Chemical Safety's system.

**DONG-A Steel** stores and manages chemicals in designated areas, such as material warehouses and hazardous material storage facilities. The company prevents chemical-related incidents by educating workers, attaching MSDS, and installing safety signs.

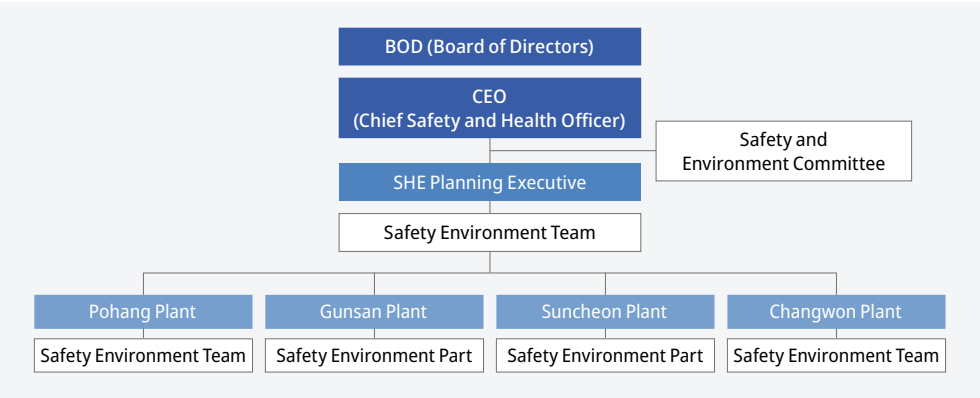


# Safety and Health

## Safety and Health Management System

To carry out safety and health measures actively, **SeAH Steel** has established a safety and health management system directly under the CEO, with the SH Planning Team serving as the overall control tower. At the beginning of each year, the “CEO’s (Chief Safety and Health Officer) Safety and Health Message” is disseminated through the company bulletin board to inform all employees of the management’s firm determination for safety and health. As the company-wide safety and health dedicated department, the SH Planning Team conducts regular safety risk prevention activities such as CP inspections and SHE TOP diagnostics to identify actual on-site hazards and strengthens safety management through preemptively responding to reinforced safety and health regulations such as the Serious Accidents Punishment Act. In addition, in accordance with the Occupational Safety and Health Act, SeAH Steel establishes an annual safety and health plan, reports the plan to the Board of Directors for approval, and implements it.

SeAH Steel Safety and Health Organizational Chart



SeAH Steel’s Safety and Health Roadmap for Plants

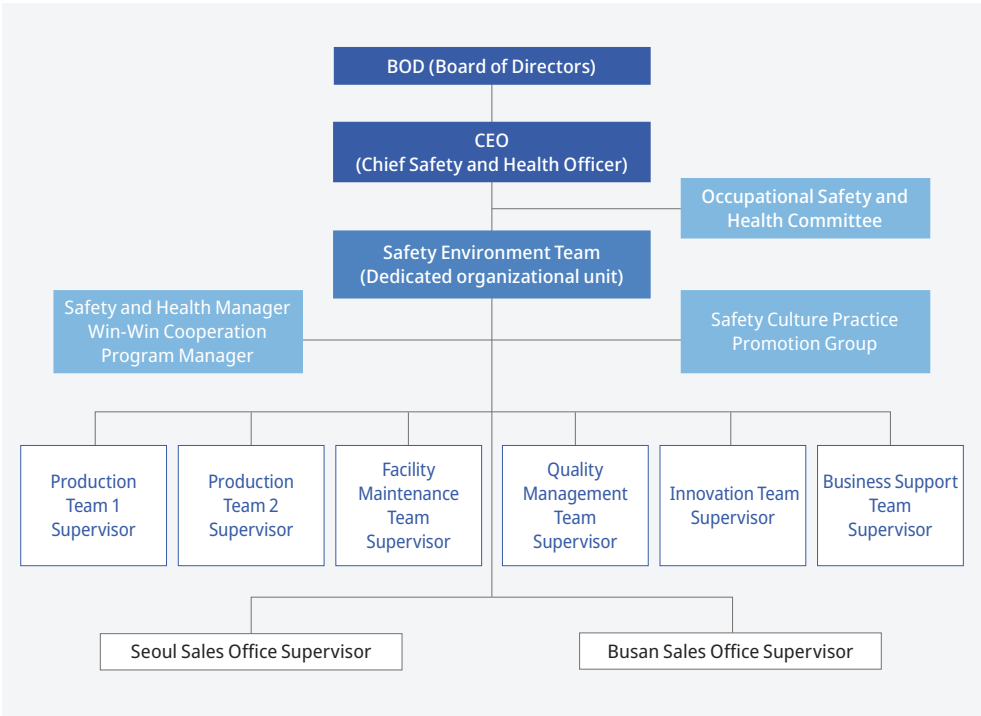
Vision	A Safe and Healthy Future Built Together A Continuous Advancement in Safety Management				
Goals	Zero Occupational Safety Accidents and Serious Accidents		100% Improvement of High-Risk Factors with Risk Level 8 or Higher (2024 Target: 100% Improvement in Risk Assessment)		
Strategic Directions	Advancement of the Safety and Health Management System	Implementation of Preventive Activities Based on Risk Assessment	Immediate Implementation of Inspections and Improvements for High-Risk Work	Promoting Safety Culture Based on Trust	Strengthening the Safety and Health Organization and Capabilities
Strategic Tasks	<ul style="list-style-type: none"><li>Advancement of the integrated SHE System</li><li>Increase of efficiency in fulfilling obligations under the Serious Accidents Punishment Act</li><li>Advancement of the Safety and Health Management System</li><li>Enhancement of safety and health surveys</li></ul>	<ul style="list-style-type: none"><li>Improvement of risk assessment procedures (As needed/ongoing)</li><li>Implementation of safety TBM (Toolbox Meetings)</li><li>Enhancing safe work practices in a non-standard working environment</li><li>Cross-risk assessments (high-risk areas in plants)</li></ul>	<ul style="list-style-type: none"><li>Expanded application of High-Risk Safety Work Permit</li><li>Establishing LOTO (Lockout/Tagout) and enhancement of work stoppage authority</li><li>Establishment of a full-time safety personnel inspection system</li><li>Expansion of the company-wide SSE system and safety measures</li></ul>	<ul style="list-style-type: none"><li>Declaration of trust-based safety management</li><li>Strengthening joint safety inspections between labor and management/ prime and subcontractors</li><li>Support for measures taken by suppliers in response to the Serious Accidents Punishment Act</li><li>Participation in the Safety and Health Win-Win Cooperation Program</li></ul>	<ul style="list-style-type: none"><li>Strengthening plant safety response capabilities</li><li>Implementation of a safety performance system (Reflected in KPIs)</li><li>Improvement of safety and health expertise</li><li>Conducting safety management workshops</li></ul>
Implementation Led By	SH Planning Team Safety Environment Team/Part	Suppliers for production, logistics, maintenance	Suppliers for production, maintenance Safety Environment Team/Part	Labor union, suppliers Safety Environment Team	SH Planning Team Safety Environment Team/Part

# Safety and Health

## Safety and Health Management System

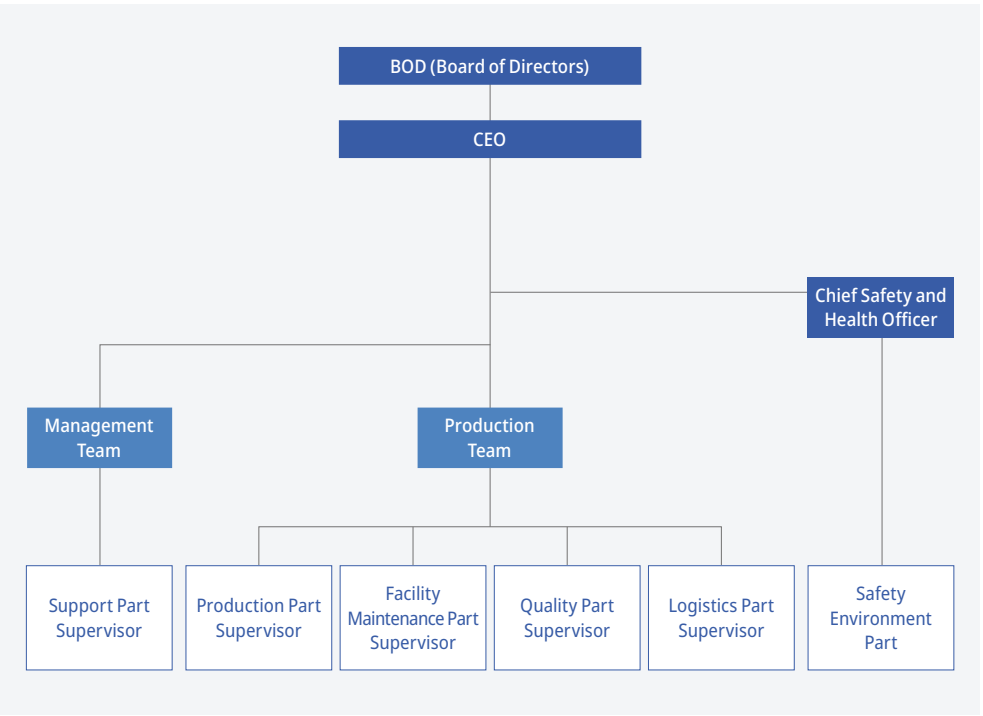
**SeAH Coated Metal** increased the number of its safety personnel from 3 to 5 in the Safety Environment Team’s safety part in 2023 to strengthen its safety and health management organization. It also expanded its supervisory staff from 23 to 70 by appointing additional field deputy shift chiefs and office team managers as supervisors.

SeAH Coated Metal’s Safety and Health Organizational Chart



**DONG-A Steel** has established a safety and health system that actively manages safety and health by designating a Chief Safety and Health Officer, creating a new safety departmental unit, and assigning dedicated personnel. Through continuously benchmarking affiliates’ safety and health practices and participation in consulting activities, the company is responding proactively to heightened safety and health management standards, such as the Serious Accidents Punishment Act, while striving to strengthen safety management and cultivate expertise. In 2024, DONG-A Steel reinforced its safety and health management system by establishing a new Safety Environment Part and appointing additional responsible personnel.

DONG-A Steel Organizational Chart



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# Safety and Health

## Safety and Health Goals

**SeAH Steel** has set ambitious safety and health goals for 2024 ~ 2025, aiming to achieve the following: 100% improvement rate in risk assessments; ZERO occupational safety accidents and serious accidents; and complete elimination of high-risk factors rated 8 or higher. Additionally, the company manages safety and health performance through key indicators such as accident rate, fatality rate, frequency rate, severity rate, and lost time injury rate.

**SeAH Coated Metal** has set “Establishing law-based safety management and self-regulating safety culture” as its main goals for 2024 and has developed strategies and plans accordingly. The company is implementing detailed plans with key improvement tasks, including strengthening responses to the Serious Accidents Punishment Act, improving safety levels, advancing risk assessment systems and ERP, eliminating risks, promoting safety culture, and reinforcing management plans for employees with health concerns.

**DONG-A Steel** set the goal of achieving a zero-accident workplace in 2023, prioritizing safety as its core value and participating in the Group’s safety-first management declaration. In line with its risk assessment enhancement plan, the company was certified for being a workplace that implemented best practices in risk assessment. In 2024, DONG-A Steel continues to carry out safety improvement activities with the goal of achieving zero serious accidents and severe injuries.

### Safety and Health Indicators and Goals

Category	Key contents
SeAH Steel	<ul style="list-style-type: none"><li>· Achieving 100% risk assessment improvement rate</li><li>· Zero occupational safety accidents and serious accidents</li><li>· 100% improvement of high-risk areas with risk level 8 or higher</li></ul>
SeAH Coated Metal	<ul style="list-style-type: none"><li>· Establishing safety management and self-regulating safety culture based on law</li></ul>
DONG-A Steel	<ul style="list-style-type: none"><li>· Zero-accident workplace (2023)</li><li>· Certification for being an outstanding workplace that has adopted good practices in risk assessment (2023)</li><li>· Zero serious accidents and severe injuries (2024)</li></ul>

## Enhancing Risk Assessment

**SeAH Steel** has enhanced its risk assessment procedures across all processes by transitioning from the existing 4M technique (Machine, Media, Man, Management) to the KRAS technique, which evaluates six key factors: mechanical (facility), electrical, chemical, biological, work characteristics, and work environment. In 2023, the company identified a total of 361 hazardous and dangerous factors across all plants through this assessment, and 331 of them were addressed successfully, achieving an improvement rate of 92%.

**SeAH Coated Metal** manages its health, safety, and environmental risks through a Safety Environment Team under the supervision of a Chief Safety and Health Officer. The company is also working to strengthen its safety and health measures by implementing supporters’ activities to establish a risk assessment system.

### Risk Assessment Process

<b>STEP 1 Review appropriateness and establish plans accordingly.</b>
<ul style="list-style-type: none"><li>· Review the appropriateness of the previous year’s risk assessment results before conducting regular risk assessments.</li><li>· Establish annual plans including risk assessment targets, roles, periods, procedures, etc.</li></ul>
<b>STEP 2 Conduct risk assessment and analysis.</b>
<ul style="list-style-type: none"><li>· Prepare safety and health risk information and individual process risk investigation form.</li><li>· Conduct risk assessments for each hazard and toxicity evaluations for the handling of hazardous chemicals.</li><li>· Hold discussions to identify hazardous factors and derive improvement measures.</li></ul>
<b>STEP 3 Establish and implement an action plan for improvements.</b>
<ul style="list-style-type: none"><li>· Prepare individual investigation forms for process-specific risk factors collected in the integrated SHE system.</li><li>· Create improvement action plan tables including improvement measures, implementation managers, and improvement schedules for high-risk matters.</li><li>· Implement improvement measures according to the plan, and organize any unimproved items by risk level and work sequence.</li></ul>
<b>STEP 4 Conduct risk assessments as needed/or on an ongoing basis.</b>
<ul style="list-style-type: none"><li>· As needed: Assess hazardous factors arising from the new introduction or change of machinery, equipment, etc., or the occurrence of safety accidents.</li><li>· Ongoing: Assess each safety inspection item through safety patrols, safety diagnoses, joint inspections, and CP inspections.</li></ul>
<b>STEP 5 Report the results of the risk assessments.</b>
<ul style="list-style-type: none"><li>· SH Planning Team: Compile risk assessment results from all the plants and report to the CEO (Chief Safety and Health Officer).</li><li>· Safety Health Team/Part: Check the implementation of improvement action plans for each business site on a monthly basis and report the outcomes once or more every six months.</li><li>· Share the results with all workers and conduct training.</li></ul>

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# Safety and Health

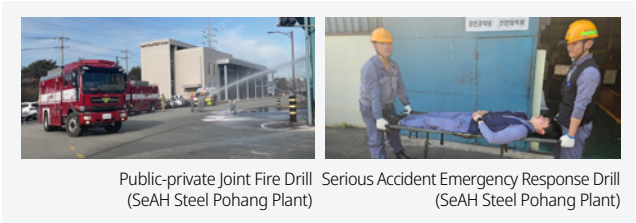
## Safety and Health Activities

### Activities for Prevention of Serious Accidents

**SeAH Steel** conducts regular emergency response drills for serious accidents and fire drills to train employees on how to respond in the event of an incident and how to prevent further damage. Additionally, the company identifies “High-Risk Areas” prone to serious accidents and collaborates with external specialized agencies to assess and improve safety hazards within the plants.

**SeAH Coated Metal** conducts unannounced emergency response drills to strengthen practical emergency response capabilities. In 2023, the company expanded its drills to include entrapment and collision scenarios, in addition to the existing seven scenarios such as fire, explosion, and leakage. In the future, SeAH Coated Metal plans to implement behavioral proficiency training, including the use of a tourniquet, self-contained breathing apparatus, and automated external defibrillators. Furthermore, the company is taking measures to prevent heat-related illnesses such as heat stroke among workers. The company provides information on the heat index and expected temperatures for heat-related illnesses and adjust working hours accordingly. Additionally, SeAH Coated Metal has established a comprehensive response system by implementing preventive measures for heat-related illnesses. This includes providing ice water, beverages, and ice cream in the rest areas for suppliers’ workers.

**DONG-A Steel** conducts annual joint fire drills with the fire department, carrying out systematic training on emergency measures, worker evacuation, and first aid measures, including AED use, and the use of fire hydrants and extinguishers. As part of its serious accident prevention efforts, the company has implemented activities such as implementing smart IoT cameras at two pipe manufacturing process locations, installing safety passageways within the facility, replacing and installing local exhaust systems, and obtaining certification as a workplace that has adopted best practices for risk assessment.



Public-private Joint Fire Drill (SeAH Steel Pohang Plant) Serious Accident Emergency Response Drill (SeAH Steel Pohang Plant)

### Establishing a Safe Work Environment

**SeAH Steel** conducts regular measurements of hazard exposure levels at workplaces to establish mitigation strategies and upgrade outdated facilities, ensuring a healthy work environment for its employees. Additionally, the company systematically registers safety and health data for chemicals used in each process within the integrated SHE system, enabling workers to access the data at any time and operate safely.

**SeAH Coated Metal** underwent workplace safety management consulting to comply with the Serious Accidents Punishment Act. Based on the consulting, the company established a plan to prevent the recurrence of identified noncompliance issues and implemented mandatory corrective actions. The “Safety Culture Practice Promotion Group,” comprising professional employees, supports an autonomous work environment and safety improvement activities. Additionally, the company introduced enhanced safety measures such as installing safety guards and interlocks at 19 locations to prevent the risk of workers being jammed by a shearing machine. Additional efforts to improve workplace safety include installing automatic fire suppression systems and wireless emergency broadcast equipment. In 2023, SeAH Coated Metal installed and maintained safety fences, warning signs, mirrors, safety guardrails, and vehicle stop lines. The company also adopted robots in the workplace, such as the 3CCL robot and the CGL debris removal robot, to enhance safety and health management activities. SeAH Coated Metal is determined to continuously improve workplace safety by addressing risks to establish accident-free worksites.



Workshop to respond to the Serious Accidents Punishment Act (SeAH Coated Metal)

**SeAH Steel Vina** has strengthened safety management by deploying safety and health managers to ensure tighter safety management and thereby create a safe work environment. Furthermore, the company has prepared and implemented response measures to mitigate exposure to hazardous substances or noise.

**State Pipe & Supply** strives to create a safer work environment by focusing on compliance with safety rules and the prevention of violations and accidents. The company encourages safety compliance by providing quarterly rewards to employees who ensure strict adherence to safety regulations and contribute to preventing violations and accidents. State Pipe & Supply also operates a respiratory certification program that verifies the proper use of respiratory PPE by employees and provides training on the use of safety equipment.

**Inox Tech** has prepared a risk assessment document outlining potential hazards at the workplace and methods for eliminating risks. When operational equipment requires replacement or process-related changes occur, the company updates the risk assessment document to reflect the current workplace status and implements appropriate corrective actions.



Safety Culture Practice Promotion Group (SeAH Coated Metal)

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## Safety and Health Activities

### Raising Safety Awareness among Employees

**SeAH Steel** has opened a Safety Culture Center at its Pohang plant to introduce SeAH Steel’s safety culture and provide experiential safety training to employees, aiming to create an accident-free workplace. All employees are required to complete safety and health training at least once a year through the Center, and subcontractors and construction workers must also complete mandatory safety training before undertaking their work. To foster safety culture in-house, plant managers, supervisors, safety managers, and supplier representatives conduct safety culture campaigns for all plants. The company also produces and distributes safety promotional materials that reflect the opinions of on-site workers.

**SeAH Coated Metal** conducts safety campaigns and Tool Box Meetings (TBM) every Tuesday to establish a self-regulatory prevention system. The company also strives to internalize safety culture through slogans, posters, and safety improvement idea contests and strengthens the understanding of safety procedures and rules by holding gift certificate events for employees of the company and resident suppliers. Furthermore, the company actively supports capacity building for managers through operating safety study clubs, publishing case studies on serious accidents for supervisors and operating programs that include visits to other workplaces. From 2024, SeAH Coated Metal plans to implement the “Safety Keeper” program for all employees, suppliers, and subcontracted construction workers, rewarding those who comply with safety rules.

**DONG-A Steel** strives to create a safety culture by conducting safety campaign slogan contests and posting safety promotional materials. Additionally, the company is making various efforts to raise safety awareness, such as conducting regular educational visits to external safety training centers. DONG-A Steel is also working to create a work environment that improves worker awareness by operating a safety reward system, including special rewards for achieving zero accidents and outstanding contributions to safety and health.

**SeAH Japan** regularly reminds unloading operators and warehouse managers to install fall prevention facilities before shipment and to ensure the safe operation of forklifts during product loading and storage.

**SeAH Steel Vina** conducts various training programs to raise safety awareness among employees, including general safety training, chemical and electrical safety training, and forklift operation safety training.

**State Pipe & Supply** conducts annual safety and health training to raise safety awareness among employees and ensure they possess the necessary knowledge and skills. Specifically, Managing Transitional Duty Training is conducted twice a year, focusing on explaining safety-related situations and procedures to supervisors and leaders. After the training, follow-up measures are implemented to ensure participants fully understand and can apply the training content effectively. Worksheets are also provided to each team to encourage communication and compliance with safety protocols.

All **Inox Tech** employees must complete both general and specialized safety and health training sessions. The company also shares details of the safety management system and internal emergency plans on the company intranet and bulletin boards and conducts briefings for new employees. Additionally, through safety inspection meetings, managers and workers collaborate to analyze the root causes of accidents and crises and share the results with all employees.



Safety Culture Campaign (SeAH Steel Gunsan Plant)

Safety Culture Center (SeAH Steel Pohang Plant)



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## Safety and Health Activities

### Enhancing Safety Capabilities of Suppliers

**SeAH Steel** has established and operates a symbiotic cooperation group aimed at enhancing safety and health management standards among suppliers. Through this initiative, the company provides support with safety and health training, risk assessments, and on-site safety inspections for its suppliers. Active communication is fostered through monthly safety and health councils involving prime contractors and subcontractors.

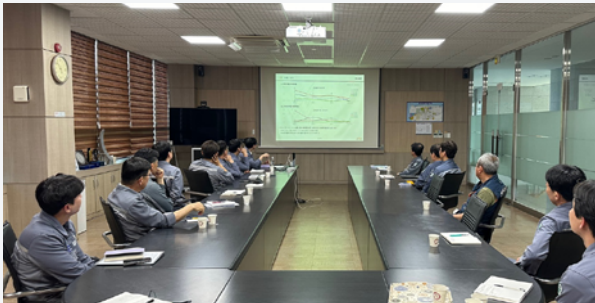
In addition to regular joint inspections, **DONG-A Steel** conducts monthly safety diagnosis activities led by plant managers, with participation from safety and health managers and supplier owners. These activities are intended to identify risks from various perspectives and establish improvement plans. The company is also promoting safety and health cooperation initiatives, such as providing safety and health consulting, risk assessment training, and support for contractors to help suppliers establish effective safety and health management systems.

### Safety and Health Communication

**SeAH Steel** implemented a company-wide integrated SHE system in 2022 to bolster corporate accountability for safety and health, aiming to prevent accidents and analyze their root causes. Within this integrated system, the safety feedback platform allows employees to suggest safety and health reports, suggestions, requests, and questions anonymously. In 2023, the company launched the mobile app “SeAH Keeper” to enhance accessibility to the integrated SHE system across its facilities. This app provides convenient access to the integrated SHE system data, facilitates direct identification and mitigation of on-site risks, and supports autonomous safety and health initiatives.

**DONG-A Steel** addresses grievances by listening to suppliers’ opinions through monthly suppliers’ meetings with representatives from suppliers and regular standing representative meetings. In 2024, the company plans to enhance the grievance-handling process by implementing a mobile participation channel, allowing employees to post their opinions anonymously. This improvement is intended to foster an environment that encourages autonomous safety and health activities.

**State Pipe & Supply** conducts safety and health meetings twice a year to strengthen direct safety-related communication with site workers. The meetings are planned in cooperation with the Facility Maintenance Team to address safety issues, and are utilized to discuss about 45 topics related to the industry and employee requirements. In addition to safety and health meetings, various safety campaigns are conducted regularly with participation from key stakeholders, such as plant managers, supervisors, safety managers, and suppliers. State Pipe & Supply also distributes safety publications addressing key safety and health issues to raise employees’ awareness of safety.



Health and Safety Consultative Body Meeting (SeAH Steel Gunsan Plant)



Joint Safety Inspection (SeAH Steel Suncheon Plant)

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## Safety and Health Activities

### Employee Health Promotion Activities

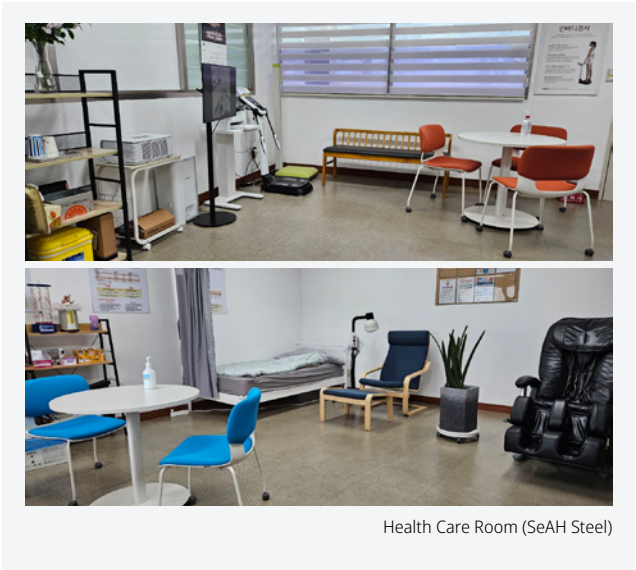
**SeAH Steel Holdings** supports various health promotion activities and health checkups, including prevention programs for musculoskeletal disorders, cerebrovascular diseases, and hearing loss as part of the employee health care system.

**SeAH Steel** operates a health clinic dedicated to the workers' health care. In-house nurses conduct health consultations, check blood pressure, and measure blood sugar levels during regular rounds. Additionally, an occupational preventive medicine specialist visits the clinic every month. The health clinic is equipped with tools such as blood pressure monitors, blood sugar meters, and cholesterol meters to prevent cardiovascular diseases, as well as hand massagers, low-frequency massagers, full-body massagers, and infrared therapy devices to prevent musculoskeletal disorders.

**SeAH Coated Metal** operates a health promotion program for workers with health concerns. Workers with conditions such as dyslipidemia, diabetes, high cholesterol, obesity, and hypertension are selected as targets for priority management and provided with a two-hour PT program once a week along with a standard meal plan. In 2023, the number of employees with health concerns decreased from 80 to 52; and building on this achievement, the company plans to strengthen the health management program for workers with health concerns in 2024.

Furthermore, SeAH Coated Metal's Gunsan plant plans to launch a health promotion program in 2024 in collaboration with the Gunsan City Health Center. This initiative aims to improve employees' health by implementing eight programs, such as stretching for musculoskeletal disease prevention and workplace stress management training, through 38 sessions. The goal is to enhance individual health management capabilities and foster a healthier work environment.

**DONG-A Steel** outsources health services for worker healthcare, organizing bi-monthly nurse rounds for examinations and health consultations. The company conducts risk assessments to prevent musculoskeletal and cerebrovascular diseases, managing workers requiring intensive care separately. Additionally, industrial hygiene engineers conduct quarterly checks on the work environment to prevent hearing loss, and symptomatic workers are managed through a dedicated hearing conservation program. The company educates its workers on the importance of hearing protection and methods to prevent hearing loss, ensuring workers are equipped with appropriate Personal Protective Equipment to mitigate exposure to harmful environments.



Health Care Room (SeAH Steel)



1. Gunsan Health Center Healthy Workplace Agreement (SeAH Coated Metal)  
2. Gym (SeAH Coated Metal)



Health Checkups (SeAH Coated Metal)



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# Human Rights Management

## Human Rights Management Policy

SeAH Steel Holdings has adopted a Human Rights Management Charter aligned with international human rights principles and norms such as the Universal Declaration of Human Rights (UDHR), UN Guiding Principles on Business and Human Rights (UNGPs), OECD Guidelines for Multinational Enterprises, UN Convention on the Rights of the Child, and ILO Core Conventions. In accordance with these principles, the company upholds the human rights of all stakeholders, including employees, suppliers, and customers, and enforces a zero-tolerance policy towards sexual harassment, bullying, and violence at the workplace. SeAH Steel Holdings conducts annual training to prevent such behaviors among employees and provides grievance-handling channels to address related issues promptly.

### Human Rights Management Charter

●● Article 1 Establishment of Human Rights Management System

SeAH Group shall respect all officers, employees and stakeholders as human beings, provide them with regular human rights training to prevent 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, and tools 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 their 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 the properties 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<sup>1)</sup>

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.

●● 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.

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

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# Human Rights Management

## Talent Management System

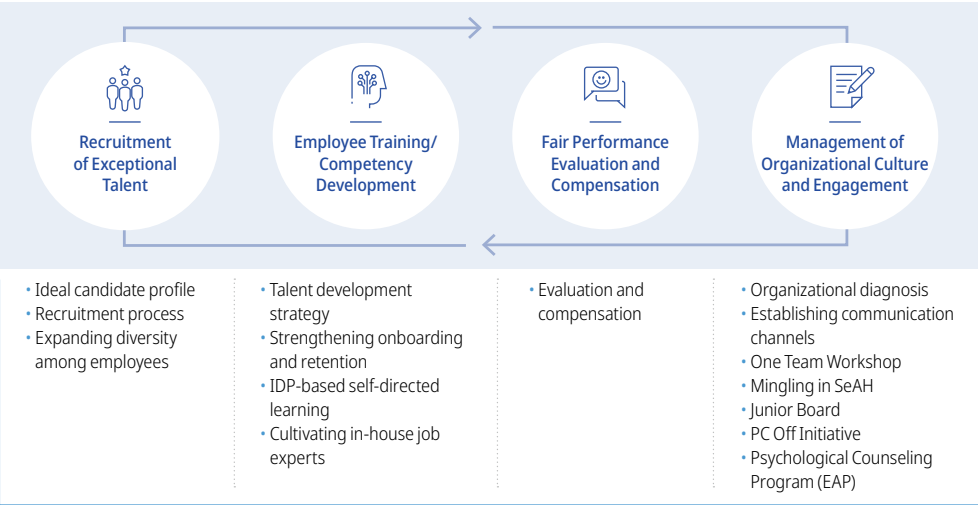
SeAH Steel Holdings recruits and develops talent according to its strategic direction. Talent recruitment is conducted by individual affiliates, whereas talent development is carried out through Group-wide training programs and company-specific job programs. Furthermore, SeAH Steel Holdings is enhancing its talent management system to ensure that talent acquisition, development, evaluation, and compensation are performed in a fair and organic manner.

### Talent Recruitment

SeAH Steel Holdings recruits diverse talent based on the company's core values, which are honest, passionate, and professional, emphasizing job expertise and potential. To ensure diversity and prevent discrimination based on factors like region, age, physical characteristics, gender, and religion during talent acquisition, we promote fair recruitment practices detailed in each company's employment rules and personnel management regulations. Moreover, applicants' capabilities and qualities are evaluated objectively and fairly through systematic review procedures and criteria.

SeAH Steel recruits talent with the competency and qualifications to grow with us through routine and on-demand recruitment. Applicants are evaluated according to a structured three-stage system: document screening, AI-based competency testing, and interviews. The AI competency testing objectively verifies the applicant's basic job competencies and personality. During the first interview, the company comprehensively evaluates the applicant's knowledge and expertise in the applied field. The second interview assesses personality and organizational fit. SeAH Steel does not discriminate against applicants based on gender, age, race, ethnicity, country of origin, nationality, cultural background, physical characteristics, or religion. SeAH Steel is determined to establish a fair and objective hiring process through regular interviewer training.

### SeAH Steel Talent Management Strategy



### Ideal Candidate Profile

SeAH Steel Holdings recruits "Right People" aligned with its core values and implements training, evaluation, and compensation systems to enhance individual happiness and foster co-growth. As such, the company is building a culture of mutual respect.

SeAH Steel believes that the diverse thoughts and personalities of desirable talents enrich the world. The company is determined to foster an environment where people can create beautiful values at SeAH, a company driven by dreams and passion.

### SeAH Steel's Ideal Talent Profile



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### Expanding Employee Diversity

SeAH Steel strives to expand employee diversity by giving additional consideration to applicants with disabilities during the hiring process. Additionally, the company indirectly employs individuals with severe disabilities through an equity investment in standard workplaces for the disabled and regularly purchases goods produced by these workplaces. The employment rate of people with disabilities in 2023 was 2.5% (including equity investments), up 0.72% from 1.78% in 2022. To accommodate the needs of employees with disabilities, SeAH Steel encourages remote work and provides support, such as large monitors and communications subsidies. Furthermore, in 2024, SeAH Steel plans to review hiring policies that prioritize socially vulnerable groups in order to systematically manage the expansion of workplace diversity and foster equal opportunities.

### Employment Status of Minority Groups

Category	Unit	2021	2022	2023
No. of employees with disabilities	Person (s)	13	12	19
No. of foreign employees	Person (s)	1	1	1
No. of veterans and eligible individuals employed	Person (s)	7	8	10
Employment rate of people with disabilities	%	2.0	1.8	2.5

State Pipe & Supply provides equal opportunities to all candidates in the recruitment process and strictly prohibits all types of discrimination as stipulated by federal, state, and local laws. In 2023, the company conducted comprehensive anti-discrimination training for all employees, as part of efforts to create a discrimination-free work environment. After watching related educational videos, all employees participated in discussions regarding the prevention of discrimination at the workplace, and certificates were awarded to those who completed the course. State Pipe & Supply is determined to foster a work environment that respects diversity by regularizing this training program.

### Performance Evaluation and Compensation

SeAH Steel Holdings has established and operates a performance compensation system and personnel system suitable for continuous growth, thereby securing exceptional talent and strengthening employee motivation.

Performance Evaluation

To emphasize collaboration for achieving company-wide goals appropriate to the holding company's role and to strengthen the inherent functions of evaluation, we implemented an absolute evaluation method that took effect in 2023. Based on the new performance evaluation system, employees set individual goals aligned with company-wide objectives and manage performance systematically through ongoing coaching and exchange of feedback with leaders, aiming for co-growth based on performance creation for both the company and its employees.

Compensation

The results of performance evaluations are used in various HR decisions, such as salary increases, promotions, and career development. Performance bonuses are paid in two forms to provide clear compensation based on motivation and performance: "Management Performance Bonus" focused on realizing company-wide value and "Organizational Performance Bonus" to strengthen the creation of team-level performance.

SeAH Steel induces performance improvement and motivation of employees with performance-based promotion and evaluation systems. With the goal of achieving mutual growth between the company and employees based on performance creation, the company evaluates performance through BSC (Balanced Score Card) and assigns employees to the right positions based on their individual abilities. The company also operates a job rotation system to allow employees to experience various fields and find areas suitable for them to maximize performance.

Performance evaluations are managed through goal alignment and agreement between organizational levels, and the company conducts real-time feedback using IT systems. Based on performance contribution data, the company encourages employees to accept their individual evaluation results and improve themselves. The company also conducts 360-degree evaluations on "core values" that employees should pursue, "way of working" systemizing SeAH Steel's unique work methods, and "leadership" based on skills desirable for leaders, and utilizes these for the development of individual competencies and employee operation direction for the following year.

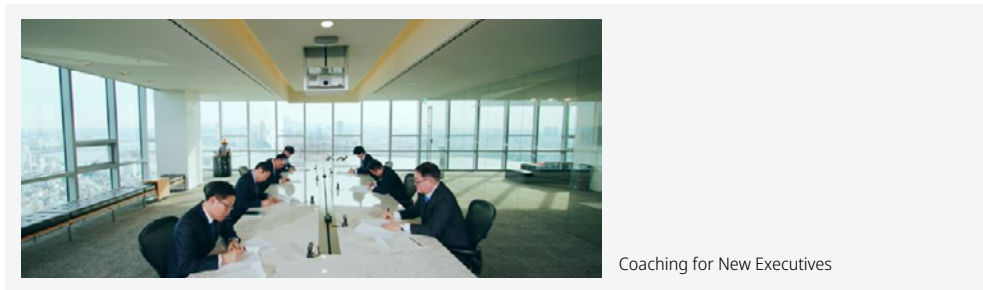
SeAH Coated Metal evaluates and manages employee performance by linking organizational evaluation (BSC) and individual evaluation (MBO). Individual evaluations consist of performance evaluation and competency diagnosis, assessing the individual task goals and competency development plans set by each employee. Evaluation results are applied to salary increase rates, promotion points, review of candidates for promotion, talent acquisition, and development.

# Human Rights Management

## Talent Development Programs

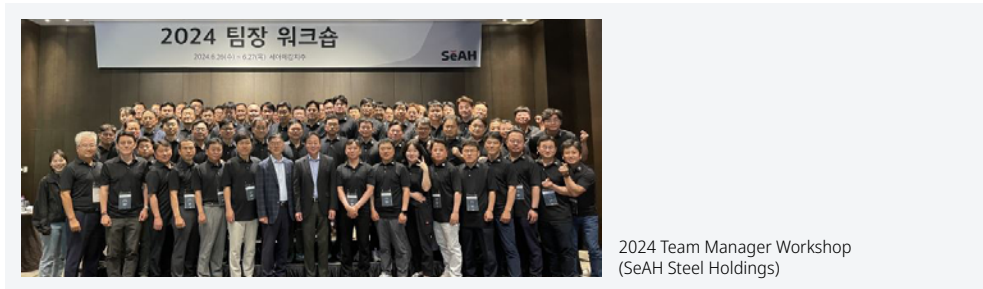
### Coaching for New Executives

SeAH Steel Holdings conducts a coaching program for new executives to strengthen motivation and clarity regarding their role, as well as ensure stable organizational operation. In the initial phase, self-awareness through leadership assessment and interviews with the CEO confirm the executive's role and expectations within the organization. During the main phase, the executives recognize role changes through preliminary workshops and share in-depth feedback on key aspects of leadership through 1:1 coaching with experts. Following the coaching sessions, a wrap-up workshop assesses the program's impact, shares insights gained and practiced, and allows time for reflection to facilitate ongoing personal growth.



### Team Manager Workshop

SeAH Steel Holdings conducts workshops for team managers of all affiliates to strengthen their leadership capabilities and collaboration within the team. Leadership lectures by the top management clearly convey the management philosophy and leadership messages, while lectures by external experts provide insights on key leadership issues. Plant tours of major affiliates provide an on-site understanding of plant environments and systems, and benchmarking creates opportunities for exchange between affiliates and organizational departments.



### Leadership Training

SeAH Steel Holdings conducts leadership training for second-year employees to strengthen organizational commitment by sharing information on changes in the business environment and the company's direction while enhancing necessary leadership competencies and providing networking opportunities. Internal lectures share the company's vision, strategy, and desired corporate culture, and professional instructors provide special lectures focusing on the necessary competencies for each leadership position.

In 2024, SeAH Steel Holdings plans to conduct women's leadership training as part of its DEI (Diversity, Equity, and Inclusion) training efforts to promote a corporate culture that values diversity and nurtures talent free from gender discrimination. This program aims to deepen the understanding of the unique characteristics and strengths of female leaders, facilitate open discussions on challenges and concerns faced by female employees, encourage mutual feedback, and develop action plans to showcase leadership capabilities.

### Training for Core Personnel

SeAH Steel Holdings selects key talents from each level annually to identify candidates for next-generation management leaders. The core personnel course consists of three levels: the Challenge Leader Course improves problem-solving skills to address current issues at the workplace in a short time; the Advanced Leader Course strengthens skills for new business model development through a short-term MBA; and the Business Leader Course strengthens leadership capabilities and expands networking channels with other companies' key talents through outsourced training on the change and innovation process.





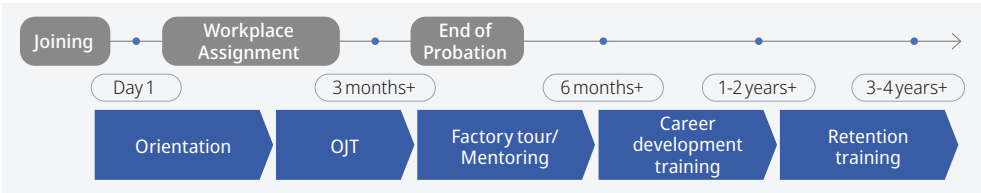
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## Talent Development Programs

### Training for New Employees

SeAH Steel recognizes that securing and nurturing exceptional human resources is fundamental to corporate competitiveness and has continuously expanded new recruitment over the past five years. To help new employees settle in stably, the company has established an onboarding and retention training system based on concerns typically faced at different stages of employment. SeAH Steel is also implementing a variety of educational programs tailored to these needs.

#### SeAH Steel's New Employee Onboarding and Retention Training System



DONG-A Steel conducts tests for new employees to identify their individual strengths and provides training to enhance these strengths. Additionally, the company implements on-the-job training (OJT) led by senior employees from each department, helping to foster a comprehensive understanding of company operations.

### Headquarters Invitation Program for Locally Hired Employees of Overseas Affiliates (One SeAH Program)

SeAH Steel Holdings operates the One SeAH Program to localize its overseas operations by recruiting and retaining excellent local talents. This program aims to enhance the global capabilities and a strong sense of belonging among locally hired employees. Every year, employees recommended by heads of overseas affiliates have the opportunity to visit SeAH Steel's headquarters and business sites in Korea, engaging with headquarters employees. In 2023, 13 employees from six affiliates participated in the program, and in April 2024, this number increased to 15 employees from eight affiliates. This initiative helps deepen their understanding of Korean and SeAH culture while strengthening global networking and cooperation between SeAH Steel Holdings and its overseas affiliates.



### Professional Certificates/License Acquisition Support

SeAH Steel operates a "Professional Qualification Acquisition" support program to motivate employees and enhance their job competency and expertise. The company supports examination fees, training costs, and other elements necessary for obtaining more than 67 types of professional qualifications in management/sales/production/R&D sectors. In 2023, SeAH Steel supported 26 (about 7%) out of a total of 368 office workers in obtaining professional qualifications.

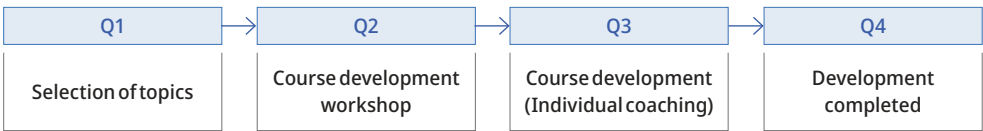
SeAH Coated Metal offers professional and statutory certificate/license acquisition programs for both its employees and resident suppliers. In 2023, the company organized a certification preparation course for forklift drivers handling loads under 3 metric tons, which attracted participation from 43 employees.

State Pipe & Supply offers comprehensive training for various job-related certificates and licenses, including NDT, QP, and welding certifications, along with ongoing programs to help employees/workers maintain these credentials. In 2023, the company also implemented a new training course specifically for CWI (Certified Welding Inspector).

### Enhancing Job Competencies

SeAH Steel utilizes in-house job experts to create job-specific content for enhancing employees' understanding of departmental work, knowledge sharing, and knowledge circulation. The company strives to deliver the knowledge and know-how of job experts to employees by selecting appropriate job experts to produce effective contents for the job skills needed by employees.

#### Process for Cultivating In-house Job Experts



SeAH Japan's employees participate in training programs organized by the Korean Business Association in Tokyo. The training includes seminars on business Japanese, legal practices, and accounting. These programs provide insights into Japanese business culture, language, and taxation, thereby enhancing the employees' professional competencies.

State Pipe & Supply conducts skill enhancement training for all employees, covering training on the ISO system, OSHA Respirator Training, and Work Order Training. Additionally, key personnel receive specialized job training and are supported financially for external training and the acquisition of professional certificates/licenses. Individual completion records are maintained for each participant, ensuring thorough monitoring of employee engagement in training programs.



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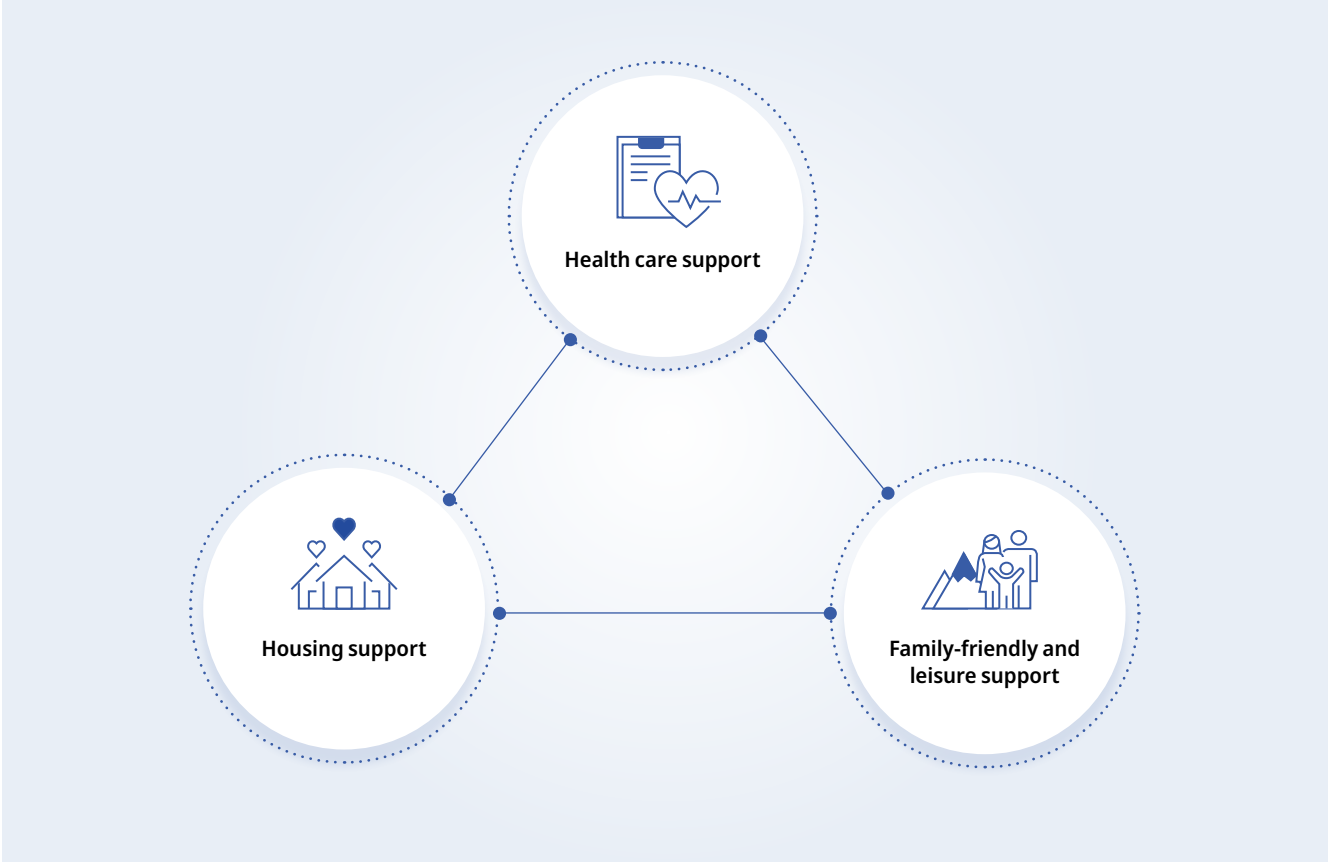
## Employee Benefits

### Work-life Balance

**SeAH Steel Holdings** ensures work-life balance for all employees by offering equal welfare benefits regardless of age, gender, or contract type. We offer “refresh leave” and “summer vacation” programs with financial support to guarantee adequate rest for employees. A “commemoration day off” allows employees to celebrate personal special days throughout the year. We also offer condominium use for employees to spend quality time with their families. To show appreciation for long-term service, we reward employees with 10 or more years of service. Every five years, these employees receive a plaque and a bonus. Those reaching 25 years of service are given special leaves and travel expenses.

In addition, **SeAH Steel Holdings** operates a psychological counseling program through professional institutions to support the psychological well-being of our employees and enable them to address issues such as interpersonal relationships, work stress, and family conflicts. All information, including the content of the consultations, is kept strictly confidential. Only when a high-risk case is identified by the counseling professional, and only with the consent of the client, is the information provided to the relevant department to facilitate additional counseling and necessary actions. To ensure ample counseling opportunities, we offer up to eight sessions per person and will continue to operate this program throughout 2024.

### Welfare System



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## Employee Benefits

### Work-life Balance

**SeAH Steel** supports employees transferred from one business site to another with housing deposits and rent assistance, ensuring stable living and working conditions. In addition, the company covers the cost of health checkups for employees who have worked for 12 years or more or are over 40 years old in the interests of their health care. For senior staff facing retirement, SeAH Steel offers a career transition program including 1:1 consulting and online training to help plan their post-retirement lives.

**SeAH Coated Metal** enhances its employees’ quality of life by providing general health screenings, special examinations, comprehensive health screenings, and flu vaccinations. Moreover, to promote residential stability, the company offers interest-free loans for home purchases and lease deposits to employees with more than three or five years of service. In 2023, a total of 23 employees received support amounting to KRW 336.7 million for home purchases and KRW 55 million for lease contracts.

### SeAH Coated Metal Health Care Support

Category	Description	Remarks
General Health Screening	· Once a year through the National Health Insurance Corporation	
Special Health Examination	· For employees exposed to hazardous work environments	
Comprehensive Medical Checkup	· Reimbursement for employees aged above 40 or with over 12 years of service and their spouses (KRW 250,000 /person);	Additional support for colonoscopy every 4 years (KRW 140,000 /person)
Flu Vaccination Partnership	· 20% discount on quadrivalent flu vaccinations	

**DONG-A Steel** offers general health checkups, specialized health examinations, and flu vaccinations to ensure the wellbeing of its employees. Moreover, the company has installed automatic blood pressure monitors in the workplace, enabling employees to monitor their health status at any time.

**SeAH Japan** prioritizes employees’ health and provides JPY 40,000 annually for health checkups. This initiative aims to enhance the quality of life by increasing opportunities for health examinations.

**SeAH Steel America** implements various policies and activities to help employees balance work and personal life. The company offers an hourly leave system for urgent work or personal matters, hosts birthday parties for employees every month, and organizes annual Christmas parties for employees and their families to alleviate work stress. Furthermore, SeAH Steel America provides private health insurance to ensure access to medical services, creating a stable environment for employees to focus on their work.

**SeAH Steel USA** recognizes the importance of supporting employees both professionally and personally. Therefore, the company offers quality medical services, Paid Time Off (PTO), and retirement savings plans. These benefits are intended to encourage employees and enhance their overall welfare and job satisfaction.

**State Pipe & Supply** has implemented various policies and activities to balance work and personal life. The company operates an hourly leave system for employees to handle urgent personal matters and provides health insurance to ensure employees’ wellbeing. Additionally, State Pipe & Supply organizes semi-annual exchange activities to promote communication among employees and provides gifts to support employees’ Thanksgiving celebrations, aiming to alleviate work stress and improve their quality of life.

**Inox Tech** provides full coverage of life insurance premiums for employees with over 10 years of service, covering accidents both at work and during non-work hours. The company also provides annual flu vaccinations and grants scholarships every year to employees’ graduating children.

### Retirement Pension Plan

**SeAH Steel Holdings** operates a retirement pension plan, ensuring a 100% level of external reserves for employee pensions. We primarily offer a Defined Benefit (DB) pension plan. However, employees can freely switch to a Defined Contribution (DC) plan if they prefer. To accommodate varying employee preferences in DC plans, SeAH Steel Holdings works with both insurance companies and securities firms for fund management. Furthermore, SeAH Steel Holdings operates a retirement pension system that takes into account local financial products and related regulations for overseas affiliates.

**SeAH Steel America** adopts the “Tax Deferred 401(k)” plan as part of their defined contribution plan, and Vinapipe assists employees in preparing for retirement by contributing to the Vietnamese statutory retirement fund.

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## Employee Benefits

### Family-Friendly Management

**SeAH Steel** supports work-life balance through excellent family-friendly management practices. For pregnant employees, the company offers reduced working hours and time off for prenatal check-ups, as well as encourages remote work without any wage penalties. Employees receive 10 days of paid leave and a congratulatory bonus for childbirth. Parental leave is available for up to one year after childbirth, with unrestricted return to work. The company also provides fertility treatment leave, educational support for children, and leave for family care when family members need assistance. These policies are communicated through rank-specific discussion sessions and the HR system. SeAH Steel actively encourages employees to use these benefits. In recognition of these efforts, SeAH Steel has acquired the “Family-friendly Certification” and “Leisure-friendly Business Certification,” an award given to businesses with exemplary practices, from the Ministry of Gender Equality and Family.

**SeAH Coated Metal** organizes the “One Family Culture Tour with Family Members” program, inviting employees and their families, as well as those of resident suppliers, to explore cultural heritage sites in Korea such as Dorisan Observatory and Imjingak. This program is conducted at least twice a year. Moreover, SeAH Coated Metal offers educational support for employees’ children, covering up to two children per employee from preschool to university, with annual tuition support ranging from KRW 1 million to KRW 9 million.

**DONG-A Steel** is dedicated to providing a fair working environment for female employees. The company offers maternity leave and spousal leave, which can be used separately once before and after childbirth. Employees receive a congratulatory bonus upon childbirth. The childcare leave policy allows up to one year of leave after giving birth, with no restrictions on returning to work afterward. Additionally, DONG-A Steel operates a leave system to support employees that need to care for their family members who need attention for various reasons.

**SeAH Japan** provides support for pregnant employees, including six weeks of prenatal leave and eight weeks of postnatal leave. Employees also have access to the national childcare leave system. Additionally, the company offers a congratulatory bonus and paid leave upon childbirth. The childcare leave policy allows employees to take up to one year of leave after childbirth, with no restrictions on returning to work.

**SeAH Steel America** provides up to 12 weeks of unpaid leave within a range of 12 months for employees who have reasons related to childbirth, adoption, foster care, family, or health. Additionally, it offers pregnancy disability leave for up to 4 months for employees who are disabled due to pregnancy, childbirth, or related medical conditions. Employees may also request a transfer to a less strenuous position upon the advice of their physician.

Furthermore, SeAH Steel America offers a family support program for employees with college-age children, providing financial assistance for their education without limiting the number of children supported.

**Vinapipe** operates a childcare leave system allowing for up to one year of leave, with no disadvantages upon returning to work.



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## Activities for Improving the Organizational Culture

To foster a healthy organizational culture, **SeAH Steel Holdings** conducts an annual organizational culture diagnosis for all employees. This diagnosis covers three areas: organizational satisfaction, job satisfaction, and organizational culture type. We evaluate and identify employees’ engagement with the company, job satisfaction, and the overall characteristics of the organizational culture. Survey results are shared with all employees through discussion sessions. Improvement initiatives are developed based on feedback from employees, discussed, and consulted upon with relevant departments.

### SeAH Steel Holdings Diagnosis of Organizational Culture



Starting from 2024, **SeAH Steel** will operate a “Junior Board,” which will serve as Change Agents, to gather fresh ideas from employees and enable the younger generation to share their opinions directly with the management. Comprising of employees at the junior associate and assistant manager levels, the Junior Board holds regular meetings, discussions with the sponsor(CEO), and meetings with HR to develop proposals for improving the work environment and welfare. These proposals are reviewed and implemented in collaboration with operational departments.

In 2024, the company also plans to redefine the direction of the company’s cultural dimension, establishing the Code of Conduct and leadership principles to ensure all employees move in the same direction, aiming to create a genuine corporate culture that shares the company’s values and beliefs with its employees.



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## Labor-Management Cooperation

### Labor-Management Cooperation Programs

**SeAH Steel Holdings** holds an annual Town Hall Meeting in April, attended by all employees including the CEO, to share the company's vision and strategic direction. This facilitates discussions on the company's role and direction, promoting mutual understanding and respect for diversity among employees. Additionally, to enhance the sense of belonging and trust among younger employees, we provide opportunities for communication between younger generation employees and the CEO. The CEO shares the company's vision, future direction, and management philosophy and responds to various questions from employees, enhancing mutual understanding and trust. Requests and suggestions identified through this program are addressed by relevant departments through continuous improvement plans.

Since its founding in 1960, **SeAH Steel** has maintained harmonious labor-management relations based on the management philosophy "Valuing People." Our vision, "Dongsim Manri" (meaning "Let's move towards the future with one heart"), promotes horizontal relationships between labor and management with ongoing communication. Annually, the company determines salary increases through labor-management negotiations, considering factors, such as sales and operating profit. Wage increases are applied without gender discrimination, and

individual performance evaluations influence salary adjustments. The company also shares its overall business performance with employees and rewards exemplary workers with bonuses and leaves. SeAH Steel has implemented a "proactive grievance handling system," allowing on-site managers to address employee concerns promptly. This approach aims to resolve issues at the point of origin. Moving forward, we will continue to listen to employees through the regular labor-management council meetings and actively collaborate to address workplace challenges.

**SeAH Coated Metal** holds a monthly management briefing session to share management performance and strengthen production line-specific performance, promoting a culture of trust and transparency between labor and management. Additionally, the company operates the "One Family Council" involving resident supplier managers and SeAH Coated Metal managers to collect and share suggestions and results. An annual workshop is held for on-site managers to discuss the management status and seek ways to improve the organizational culture. Employees from both the company and suppliers participate in labor-management relations training to foster a sound labor-management culture. In 2023, 101 employees participated in the training on the meaning of work and communication among employees. Recognized for these efforts, SeAH

Coated Metal received the Industrial Medal for Labor-Management Cooperation at the 2024 Workers' Day government awards ceremony organized by the Ministry of Employment and Labor. SeAH Coated Metal is determined to continuously promote transparent management and employee participation in business planning to internalize a family trust culture.

**DONG-A Steel** maintains horizontal labor-management relations based on mutual respect according to the SeAH Group's management philosophy. Salary increases reflect annual sales and operating profit without gender discrimination, and raises are further differentiated by individual evaluation results. The company holds informal meetings and tea sessions with the CEO and department heads to share management performance and address employee grievances promptly, fostering a culture of trust and harmony between labor and management.

Since its establishment in 1993, **Vinapipe** has maintained a dispute-free and strike-free workplace through continuous communication and people-centered management.



Town Hall Meeting (SeAH Steel Holdings)



Industrial Medal for Labor-Management Cooperation at 2024 Workers' Day (SeAH Coated Metal)



Workshop for Site Managers (SeAH Coated Metal)



# Human Rights Management

## Labor-Management Cooperation

### Enhancing Organizational Culture through Communication

SeAH Steel Holdings is engaged in ongoing efforts to establish a constructive labor-management culture based on mutual respect and communication. We hold quarterly labor-management council meetings called “SeAH-ri\*,” with additional ad-hoc meetings as needed, to discuss various improvements in working conditions and employee benefits. The results of SeAH-ri meetings are shared with all employees to foster a transparent labor-management culture. Additionally, we operate an anonymous suggestion box to directly address and resolve employees’ concerns.

\* SeAH-ri is the name of SeAH Steel Holdings’ labor-management council, embodying the meaning of “SeAH’s voice” and “SeAH village”.

SeAH Steel Holdings operates a grievance handling center to address issues such as problems related to work and daily life, concerns, and sexual harassment and bullying at the workplace. Protecting the identity of the complainant and the individual with grievances is a priority. Employees can request anonymous or named counseling with the grievance handling committee via phone, email, or face-to-face meetings. Counseling by external experts is also provided if needed. Each grievance is handled based on established procedures, and the results are reported back to the complainant within 10 days. For cases of sexual harassment and bullying at the workplace, preventive measures such as spatial and work separation, leave, and protection are taken to prevent further harm. Based on the investigation results, actions such as directing the perpetrator to stop the behavior, issuing apologies, and implementing disciplinary actions, remediation for the victim, and prevention training are provided.

SeAH Steel regularly holds rank-specific meetings 1-2 times a year to gather employee feedback on various areas, including the work environment and HR systems, striving to address any concerns. In the first half of 2024, the company conducted 6 discussion sessions focusing on organizational culture, HR-related activities, annual training plans, guidance for competency diagnosis implementation, Q&A sessions, and discussions of suggestions. Furthermore, starting in 2024, SeAH Steel aims to actively solicit opinions from various members through newly implemented 1:1 personal interviews.

SeAH Coated Metal operates an anonymous grievance suggestion box, “SoriSaem,” and a grievance counseling room, collecting and addressing suggestions through monthly professional manager meetings, supplier president meetings, and safety meetings. In 2023, 102 grievances were submitted, and 89 of these were addressed and documented.

DONG-A Steel emphasizes improving the work environment by listening to opinions through meetings and implementing activities to improve the office environment. In 2024, a mobile grievance handling process was introduced, ensuring anonymity for voluntary opinion sharing and active improvement.

SeAH Steel America welcomes all suggestions for company improvements through its Open-Door Policy. The company values all questions and concerns regarding job duties, work environment, and treatment of employees, striving to ensure that employees can raise concerns freely and without fear of retaliation.

SeAH Japan conducts regular meetings to improve the work environment and organizational culture. The company accepts anonymous opinions regarding the work environment, personnel policies, and other matters to address various concerns raised by employees.



Rank-specific Meeting (SeAH Steel)

# Sharing Management

## Sharing Management Strategy


### Sharing Management Guideline

SeAH Steel Holdings demonstrates consideration for the vulnerable members of society through sincere social contribution activities, promoting the value of coexistence and exerting a good influence that makes the world more beautiful place.

SeAH Steel Holdings pursues genuine activities that provide practical help in improving the lives of neighbors in need and assist societal growth.

SeAH Steel Holdings conducts employee participation campaigns, centered on creating a shared understanding of the value of giving and encouraging voluntary involvement.

SeAH Steel Holdings fosters a culture of sharing where employees can feel pride as members of SeAH and empathize with our purpose by sharing and communicating the results of various activities within the company.



### Sharing Management System

Sharing management activities are implemented based on the mid-to-long-term direction and business plans established by the SeAH Brand Management Committee. SeAH Steel Holdings strives to spread the value of sharing through donations and sponsorships for various marginalized groups who need practical help, volunteer work by employees, and solidarity with social organizations and businesses.

### Direction of Sharing Management

SeAH Steel Holdings conducts our activities in line with three main directions of Sharing Management: giving efforts to raise awareness of environmental issues, fostering solidarity and expanding engagement with various internal and external stakeholders, and extending consideration to socially vulnerable groups.



### Summary of SeAH Steel Holdings Donations\*

Recipient (Organization)	Details	Amount (KRW)
Korea Table Tennis Association	Sponsorship for the development of youth table tennis	150,000,000
Holt Children's Services	Employee-donated matching gift sponsorship	3,540,000
Korea Food for the Hungry International	Emergency relief fund for earthquake victims in Turkey	50,000,000
Yonsei University	Scholarship support for international students at Global Talents College	16,000,000
Myungdo Welfare Center	Support for people with developmental disabilities by providing a vocational training space	8,422,500
Habitat Korea	Support for housing improvement for descendants of persons of distinguished services to the national independence	4,075,000
Community Chest of Korea	Year-end donation for the underprivileged	50,000,000
Others	SeAH D.I.Y Campaign support fund, etc. 52,800,000	52,800,000
Total		334,837,500

\* The amount shown for the Community Chest of Korea is the sum of donations from each business site, while the other items show expenditures from SeAH Group's Brand Management.

### Summary of Donations by Korea-based Affiliates

SeAH Steel	SeAH Coated Metal	DONG-ASteel
KRW 500 million	KRW 11.8 million	KRW 2.1 million

# Sharing Management

## Sharing Management Activities

### Support Activities for People with Disabilities

SeAH Steel sponsored the development of sign language interpretation videos for the hearing impaired in collaboration with the National Museum of Modern and Contemporary Art. This initiative aimed to encourage active participation in cultural and artistic activities and ensure the right to enjoy cultural arts for the hearing impaired, who often face barriers to visit art galleries and appreciate artwork. The sign language interpretation videos were specifically produced for playback inside the exhibition hall at Deoksugung Palace, part of the National Museum of Modern and Contemporary Art, and were available from March 2022 through December 2023.

Vinapipe supports the improvement of healthcare standards for people with disabilities in the local community by sponsoring annual health insurance premiums of VND 3,000,000 for individuals with disabilities residing in the Hong Bang District of Hai Phong City.



Support for Sign Language Guide for the Hearing Impaired (SeAH Steel)

### Community Exchange Activities

SeAH Steel's Gunsan Plant conducts bi-monthly meal service volunteer work at the Gunsan Senior Welfare Center, helping with meal distribution and cafeteria cleaning for the elderly and spending time to communicate with the elderly at the Center. In 2023, a total of 6 activities were conducted; and the Plant aims to expand communication with local community residents through regular volunteering activities in the future.

SeAH Steel's Suncheon Plant plans to establish a local community support system in cooperation with Suncheon City's public network in 2024. The company intends to carry out joint projects to address welfare issues in the local community, starting with the "2024 Visiting Health and Welfare Service Support Project" in the first quarter of 2024. This initiative is intended to diversify donation items and recipients, improving the welfare experience of marginalized and economically vulnerable groups by addressing welfare blind spots. Besides item donations, the Plant will also conduct cleaning and plogging activities at local elderly care facilities and coal briquette donation activities for vulnerable groups during the winter.



Meal Service Volunteer Work (SeAH Steel Gunsan Plant)

### Community Volunteer Activities

SeAH Steel's Gunsan Plant conducts various volunteer activities regularly to internalize sharing management. It selects public facilities and parks in Gunsan City every other month to conduct cleaning activities, striving to improve the local community environment. Additionally, the plant conducts collective blood donation drives once every six months. In 2023, 72 employees participated, with each employee engaging in an average of 2.4 community service activities throughout the year.

SeAH Steel's Changwon Plant engages in annual activities, such as coal briquette donation and kimchi-making for local marginalized groups, maintaining ongoing support through regular communication with community volunteer organizations. Additionally, employees participate in various activities like blood donation as well as book and clothing drives, demonstrating SeAH Steel's will to practice social contribution through employee participation.

SeAH Coated Metal serves meals to the elderly at senior centers once a month (every second Friday) and strives to create a pleasant environment for them by cleaning the spaces around the senior centers. Through this, the company practices a corporate culture that values the elderly people in the local community.



Cleaning Activity for the Area Surrounding the Plant (SeAH Steel Gunsan Plant)

Coal Briquette Donation (SeAH Steel Gunsan Plant)



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# Sharing Management

## Sharing Management Activities

### Local Community Donation Activities

To celebrate its 63<sup>rd</sup> anniversary, **SeAH Steel** organized the “Good Steps Challenge” in October 2023, a donation initiative aligned with its ESG management practices. The challenge pledged donations if participating employees collectively reached a pre-set target number of steps and matched donation amounts. Individual, workplace-specific, and company-wide cumulative steps were tracked through a mobile healthcare application. As a result, the target of 100 million steps was achieved, leading to a donation of KRW 50 million to socially vulnerable groups and the local community in Gunsan City, promoting social sharing. Additionally, awards were given to the business site and the 10 employees, with the highest cumulative step counts.



Result of the Good Steps Challenge

**SeAH Steel's** Pohang Plant is holding an annual year-end fundraising event to support neighbors in need. In 2023, employees came together to donate KRW 12 million, providing 16,000 coal briquettes to marginalized households in the area.

**SeAH Steel's** Pohang Plant engages in various donations and volunteer efforts. In 2023, the Plant supported children from low-income families by providing KRW 10 million in support of medical expenses and donating KRW 10 million for new shoes, thereby promoting healthy school lives for children. Additionally, SeAH Steel Pohang Plant conducted an event delivering KRW 25 million worth of daily necessities to local children's centers and elderly persons living alone in Chungha-myeon, a community with which the Pohang Plant shares a sisterhood relationship.



Donation of Funds to Help Underprivileged Neighbors (SeAH Steel Pohang Plant)

For the 2023 Chuseok holiday, **SeAH Steel's** Suncheon Plant visited Suncheon Seongshin Won (a childcare facility) and Suncheon Yegwang Village (an elderly care facility) to deliver stationery sets and cookie sets worth about KRW 6.2 million, aiming to reduce feelings of alienation and promote emotional stability for vulnerable groups. At the end of the year, they revisited the Suncheon Yegwang Village to deliver fruit syrup sets worth about KRW 7 million, sharing meaningful moments with the elderly.

**SeAH Steel's** Suncheon Plant donates KRW 3 million worth of books annually to a local elementary school to encourage reading among students. In 2023, it donated 238 books worth KRW 3 million to Suncheon Wang-woon Elementary School.



- 1. Donation of Supplies to Seongshinwon (SeAH Steel Suncheon Plant)
- 2. Book Donation to Wang-woon Elementary School (SeAH Steel Suncheon Plant)

**SeAH Coated Metal** employees participate in the Payroll Rounding Donation Program, where they donate a small portion of their salaries voluntarily to support those in need. With the funds collected, the company purchased 1,500 coal briquettes and organized a volunteer activity to distribute them. Through this initiative, SeAH Coated Metal actively engages in sharing management, helping neighbors stay warm during winter.



Coal Briquette Donation and Volunteer Efforts (SeAH Coated Metal)

# Sharing Management

## Sharing Management Activities

### Local Community Donation Activities

**SeAH Coated Metal** organizes book donation events to support the development of local talents. Each year, the company selects elementary schools in the Gunsan area and donates books valued at KRW 3 million per school. In 2023, SeAH Coated Metal provided 207 books to a total of two schools.

**SeAH Coated Metal** serves the local community through its cafeteria at its Gunsan plant. The company provides 12 lunch boxes daily (300 per month) to people with disabilities and low-income households via the Gunsan Comprehensive Social Welfare Center (Food Bank).

**DONG-A Steel** provided scholarships for local children and donated daily necessities and funds to disability welfare centers together with the National Industrial Complex Coexistence Council. The company pays monthly dues regularly to the Clean Taein-dong Making Council so that the residents of Taein-dong, where the Gwangyang Plant is located, can live in a cleaner environment. Additionally, the employees conduct plogging activities directly through quarterly cleaning of the surrounding complex area.



Book Donation (SeAH Coated Metal)



Donation Ceremony (SeAH Coated Metal)



Donation and plogging Activities (DONG-A Steel)

**SeAH Steel America** aims to alleviate the educational cost burden for military families and contribute to ensuring educational opportunities and life stability by providing scholarships for the children of Air Force members in Korea.

The company also strives to address global social issues, particularly by promoting donation activities related to natural disasters. In 2023, SeAH Steel America provided relief funds for earthquake damage in Turkey and Syria, as well as for wildfires in Hawaii, to help affected local communities rebuild and return to normal life.

Additionally, **SeAH Steel America** is determined to promote social diversity and inclusion. The company fosters a discrimination-free environment and protects the rights of minorities and vulnerable groups. In 2023, SeAH Steel America sponsored initiatives to support hungry children in the United States. SeAH Steel America is exploring further measures to raise awareness about child hunger and to ensure the health and welfare for vulnerable children.

**SeAH Steel Vina** supports scholarships for underprivileged students in the Cẩm Mỹ area of Dong Nai Province, Vietnam. In October 2023, the company awarded VND 240,000,000 to 110 elementary, middle, and high school students who achieved excellent academic performance despite their challenging financial circumstances. In 2024, SeAH Steel Vina plans to expand its contributions to the local community by providing scholarships for students in other areas within the Dong Nai Province.



Scholarship Award Ceremony (SeAH Steel Vina)

**Vinapipe** sponsors VND 14,000,000 annually to facilitate a relief fund supporting underprivileged individuals in its business area. Additionally, the company makes efforts to support the local expatriate community by sponsoring VND 30,000,000 annually for the benefit of the Haiphong Korean Association and Haiphong Coaching.

**State Pipe & Supply** supplied its products for local community development, by measures such as donating steel pipes to the Sheriff's Department of Riverside County, California in 2023.

**Inox Tech** is acting as an official sponsor of the Tomeo Award for children's films in the Polesine region of Italy where the company is located.



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# Supply Chain Management

## Risk Management for the Supply Chain

**SeAH Steel** has established an assessment of safety level, evaluation of subcontractor qualifications, and a third-party management system to manage risks associated with the supply chain. The company incorporates non-financial factors in its criteria for selecting suppliers, including safety level assessments and the evaluations of suppliers' safety and health capabilities through the evaluation of subcontractors' qualifications. In 2023, the company conducted evaluations on 34 new qualified suppliers and took measures, such as bidding restrictions and recommendations for improvements for two suppliers that did not meet the requirements. In 2024, SeAH Steel plans to expand the number of suppliers evaluated, striving to build and maintain a safe supply chain. SeAH Steel also monitors third parties according to the process specified in its compliance management system (ISO 37301). Looking ahead, the company intends to establish a conflict mineral management system focusing on minerals such as tin, tantalum, tungsten, and gold mined in conflict areas. SeAH Steel is expecting that this initiative will contribute to efforts to eradicate human rights violations and environmental destruction in the supply chain.

2023 New Qualified Subcontractor Evaluation

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**SeAH Coated Metal** uses a supplier evaluation checklist when selecting suppliers and confirms their financial status quantitatively through financial evaluations. The company also monitors the management and financial risks of suppliers continuously through a supplier monitoring service. By utilizing credit information, credit rating changes, and new disclosure information, SeAH Coated Metal strives to grasp and respond quickly to the suppliers' situation in a timely manner. Additionally, SeAH Coated Metal monitors third parties according to the third-party management process specified in its compliance management system.

**DONG-A Steel** is working towards obtaining certification for its compliance management system to manage supply chain risks effectively. The company is currently identifying risks and setting goals, with a target to achieve certification by 2025. Additionally, DONG-A Steel is evaluating risks associated with unfair trade and unfair competition and is actively promoting improvement activities to address and mitigate these issues.

**SeAH Steel America** inspects and identifies the management risks, financial risks, and transparency of business activities conducted by new third-party suppliers through on-site visits or interviews for stable supply chain management. Furthermore, the company is forming long-term partnerships to improve supply reliability and stabilize production and operation schedules.

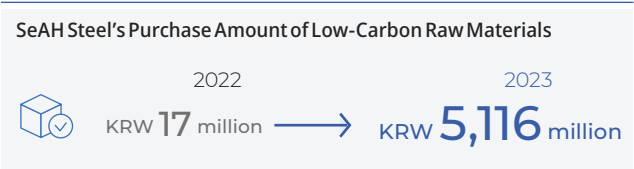
**State Pipe & Supply** enhances supply reliability by fostering long-term partnerships for effective management of supply chain risks. To minimize the impact of issues with specific suppliers, the company leverages the global production system of SeAH Steel Holdings affiliates. For new suppliers, State Pipe & Supply conducts thorough inspections and evaluations of their management practices, financial status, and business transparency through on-site visits or interviews to ensure stable management of the supply chain.

## Protection of Supplier Rights

**SeAH Steel** and **DONG-A Steel** uses standardized subcontract agreements to protect suppliers' rights and efficiently manage contracts. The companies established clear clauses on quality assurance, legal matters for inspection and acceptance, payment methods and prohibition of deductions, and safety and health management costs. Additionally, the companies have standardized previously nonidentical contracts to ensure that the responsibilities and authorities of partner companies are not overlooked, thereby improving mutual trust in the contractual agreements.

## Practice of Low-Carbon Raw Material Procurement

**SeAH Steel** is progressively expanding the procurement of low-carbon raw materials as part of its eco-friendly management policy. In 2022, the company purchased 19 metric tons of raw materials with carbon emissions about 25% lower than those from the traditional blast furnace manufacturing method on a trial basis. This was followed by a purchase of 6,191 metric tons in 2023, with plans to increase the volume annually. Additionally, SeAH Steel aims to establish a system that can effectively meet the growing demand for eco-friendly products. This includes expanding its procurement of eco-friendly raw materials by diversifying steel grades and partnering with new suppliers. SeAH Steel is dedicated to achieving carbon neutrality by 2050.



**SeAH Steel America** and **State Pipe & Supply** are implementing low-carbon strategies by purchasing raw materials produced in electric arc furnaces or products manufactured with such materials. These methods have lower carbon emissions than the traditional blast furnace production method. SeAH Steel America has been expanding its purchase of OCTG pipes manufactured with electric arc furnace-produced materials since 2017. State Pipe & Supply increased the proportion of electric arc furnace-produced materials for structural steel pipes to about 90% in 2023.

Looking ahead, SeAH Steel America and State Pipe & Supply plan to explore ways of expanding the purchase of low-carbon raw materials through close cooperation with affiliates and third-party suppliers. Based on this, the two companies will effectively implement their low-carbon strategies and maintain a sustainable supply chain.

# Supply Chain Management

## Mutual Growth with Suppliers

### Financial Support

**SeAH Steel** and **DONG-A Steel** have implemented various financial support policies to ensure smooth operations for their suppliers. These include paying 100% of monthly subcontract payments in cash or promissory notes on a designated date. Additionally, the companies have replaced the traditional contract performance guarantee deposits (such as cash, securities, payment guarantees, or credit guarantee funds) with performance guarantee insurance policies. To further assist new suppliers in the early stages, the companies offer support with operating funds, facilitating the rapid establishment and stabilization of these businesses.

**State Pipe & Supply** offers accommodations, rest facilities, and meals to employees of overseas suppliers. This support is intended to strengthen collaborative relationships with suppliers and enhance productivity by ensuring that the essential conditions for effective work performance are met.

### Transaction Amount



### Non-financial Support

**SeAH Steel's** business sites are engaged in various initiatives to foster mutual growth with their suppliers. The company partners with Korea Polytechnics to offer regional, customized industrial training to enhance the capabilities of its suppliers. Additionally, SeAH Steel collaborates with local schools, including Korea Polytechnics, to secure exceptional talent. SeAH Steel's business sites have established and implemented a comprehensive evaluation system to ensure compliance with production standards, quality, safety, and other critical areas, supporting the stability and legal adherence of subcontracted work. The sites also share information on flexible work hour systems and extended work hours to mitigate legal risks related to working hours. Starting in 2024, SeAH Steel's business sites plan to provide consulting support on labor-management standards in line with labor relations laws and regulations.

**SeAH Coated Metal** has signed a win-win cooperation partnership agreement to listen to suppliers' voices and alleviate the difficulties faced by them. The company offers incentives such as performance bonuses based on business performance and supports suppliers' development through various training programs, including organizational revitalization courses. In 2024, SeAH Coated Metal is conducting labor relations law seminars for the representatives from eight resident suppliers, focusing on compliance with the labor law and effective personnel management. Additionally, SeAH Coated Metal is fostering stronger partnerships by sharing information about the company's events and welfare systems with its suppliers.

**DONG-A Steel** conducts safety training and organizes tours of its safety training center, featuring guidance from external experts to enhance the safety awareness of supplier employees. The company also shares information proactively to mitigate legal risks related to safety, labor, and taxation. Furthermore, DONG-A Steel provides commuter bus services to improve the quality of life and convenience for supplier employees.



Seminar on Labor Relation Laws (SeAH Coated Metal)

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# Supply Chain Management

## Mutual Growth with Suppliers

### Enhancing Communication with Suppliers

**SeAH Steel** operates supplier meetings and discussion sessions with supplier representatives to understand and address their concerns. The company conducts ongoing monitoring through site visits and joint inspections, covering areas such as safety, health, training, and material support. In addition to these regular meetings, SeAH Steel maintains continuous communication with responsible personnel to resolve issues effectively.



Supplier Meeting (SeAH Steel Pohang Plant)



Supplier Meeting and Discussion Session (SeAH Steel Suncheon Plant)

**SeAH Coated Metal** operates a Productivity Council, which is operated through meetings with supplier representatives to receive suggestions on overall plant operations and safety issues once a month. The company aims to strengthen win-win cooperation relations with its suppliers through regular communication.

**DONG-A Steel** holds supplier meetings with supplier representatives once a month and conducts regular meetings to foster continuous communication. These meetings focus on exchanging ideas, addressing requests and grievances, and implementing improvement measures. In 2023, suppliers' meetings and joint inspections identified a total of 84 issues, of which 80 were resolved. In 2024, DONG-A Steel plans to enhance the grievance reporting process by establishing a system that allows workers to report issues directly.

**SeAH Steel America** and **State Pipe & Supply** hold weekly and monthly meetings with key suppliers to strengthen communication and enhance cooperation. These meetings focus on addressing suppliers' requests and grievances to improve supply stability. Additionally, SeAH Steel America hosts annual meetings with major suppliers to discuss further cooperation and improvement strategies, and seek opportunities for mutual growth. This approach aims to boost the efficiency of the supply chain and maintain strong, cooperative relationships. The company plans to improve the process to establish a system where employees can directly report their grievances.



Productivity Council Meeting (SeAH Coated Metal)

Supplier Meeting (DONG-A Steel)

# Ethical Management

## Ethical Management System

SeAH Steel Holdings has established and distributed its Ethics Charter, Code of Ethics, and Guidelines for Practicing the Code of Ethics to lay the foundations for ethical management. The company has created the Office of Ethics and Management, reporting directly to the CEO, to plan and oversee the Group’s ethical management policies. Additionally, through communication among the Offices of Ethics and Management at each affiliate, SeAH Steel Holdings strives to enhance the ethical awareness of its employees.



### Ethics Charter

SeAH respects the free market economic order, pursuing fair and transparent competition based on an ethical corporate culture that adheres to fundamentals and principles, as well as complies with all applicable laws and regulations. Through this, we aim to grow as a company that creates abundant value and makes the world a more beautiful place by working together with our stakeholders.

## Code of Ethics

### Social Responsibility

We aim to be a trustworthy corporate citizen through transparent management and rational business development.



### Responsibility to Employees

We consider our employees to be our most valuable asset and do our best to make the company a place of self-fulfillment for our employees.



### Responsibility to Stakeholders

We prioritize the value of our customers and shareholders and pursue mutual prosperity with our suppliers.



### Fundamental Ethics of Employees

Employees shall pursue virtuous values and not engage in unethical or illegal behavior against the ethical norms of society in their daily lives and work.



## Guidelines for Practicing the Code of Ethics

### Job

The term “job” refers to a direct or indirect task that an employee performs on an ongoing basis while employed at SeAH.

### Whistleblower

The term “whistleblower” refers to all employees who have the obligation to report the receipt of money, entertainment, and/or knowledge of such acts.

### Stakeholder

The term “stakeholder” refers to a person or organization that has a business interest in the company or any person or organization inside or outside the company whose interest is affected by the actions or decisions of employees related to business, and even transactions made through family members, relatives, acquaintances, etc., are considered as actions of the employee themselves.

### Reasonable Level

The term “reasonable level” refers to a level that can be understood by other employees or non-beneficiaries with sound common sense. It is a level recognized as legitimate by the general public and within a range where the employee can handle work fairly without feeling burdened.

### Unavoidable Circumstances

The term “unavoidable circumstances” refers to cases where rejection was impossible due to delivery during one’s absence or where a flat refusal was judged to be rude in response to goodwill.



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# Ethical Management

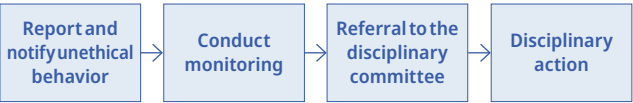
## Ethical Management Programs

### Operation of Ethical Management Suggestion Center

SeAH Steel Holdings and SeAH Steel manage unethical conduct through the Ethical Management Suggestion Center at all times. The center receives reports on unfair business practices and other issues that undermine sound corporate culture, as well as suggestions for enhancing corporate value, transparency, and efficiency, eliminating unreasonable or inefficient practices. Reports are forwarded confidentially to the Ethical Management Office of each affiliate or the Audit Office of SeAH Steel Holdings. Any parties involved in unethical behavior are subjected to investigation according to our disciplinary regulations. They may be referred to the disciplinary committee and be imposed with appropriate disciplinary actions based on the findings.

SeAH Coated Metal has been operating a Grievance Counseling Officer system since 2019. For technical workers, the head of technical workers, who acts as their representative, serves as the counselor to address the issues. For office workers, the head of the Ethical Management Office fulfills this role. The company handles a range of issues, including unethical behaviors, workplace bullying, sexual harassment, and violence through this system. When a violation is identified, disciplinary action is taken in accordance with disciplinary regulations. This process involves on-site investigations conducted with assistance from a labor law firm specialized investigation, referring cases to a disciplinary committee, in compliance with labor relation laws and regulations.

### Operation Process for the Grievance Counseling Officer System



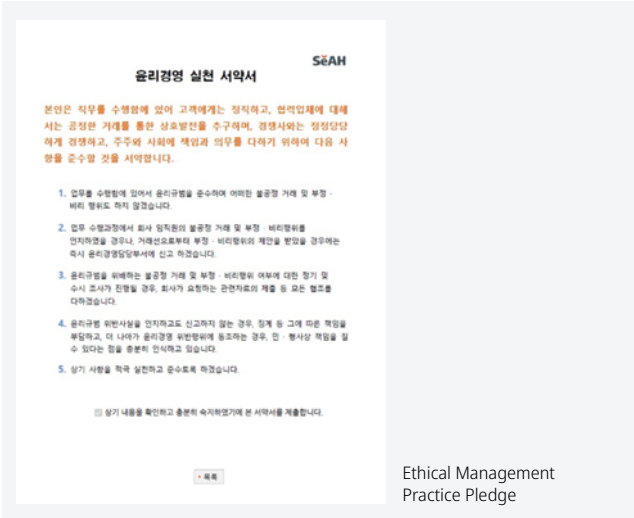
SeAH Steel America and State Pipe & Supply have implemented an “Open-Door Policy” to address concerns related to duties, working conditions, and treatment of employees. When an issue that violates corporate ethics arises, it is resolved through a three-stage process: first, discuss and seek solutions with the immediate supervisor; second, document and submit the issue to the HR department; and third, address the matter in writing with the management.

## Internalization of Ethical Management

### Ethical Management Practice Pledge

Each year, every employee of SeAH Steel Holdings signs an ethical management practice pledge, reaffirming the company’s determination to practice ethical management by promising honesty to customers, fairness to suppliers, fair competition with competitors, and fulfillment of responsibilities and obligations to shareholders and the society.

All new employees of SeAH Steel America and State Pipe & Supply thoroughly review and sign a Code of Conduct that states the company’s policies, procedures, and ethical standards upon joining. This Code of Conduct serves as a comprehensive guide explaining the company’s policies, procedures, and ethical standards that employees should comply with.



### Inspection of Ethical Management Practices

SeAH Steel Holdings inspects ethical management practices on a quarterly basis for all employees, providing guidelines for specific implementation methods and encouraging voluntary evaluation and improvement.

Inox Tech views ethical management as a core value crucial to its reputation and reliability. The company has established a robust framework for practicing business ethics, including compliance with the principles of fair trade and respect for customers and stakeholders. In December 2021, Inox Tech approved the creation of an audit department dedicated to implementing and overseeing the code of ethics. This department, comprised of outside directors, executives, and employees, is responsible for ensuring and verifying the adherence to ethical standards. Employees who become aware of any violations of the company’s ethical principles or code of conduct can report them to the audit department. The department is dedicated to protecting the whistleblower and ensuring his/her anonymity, regardless of the reporting method.

### Ethics Training for Employees

SeAH Steel Holdings promotes the integration of ethical management principles among employees through regular online and offline ethics training initiatives. The ethics training curriculum includes four mandatory sessions: online courses for office workers and collective on-site training sessions for shift workers using training materials. Since 2022, we have enhanced the training with practical case studies and offered additional in-person training sessions on workplace bullying and sexual harassment prevention beyond legal requirements.

### SeAH Steel Holdings’ Ethical Management Training Completion Status

Category	2021	2022	2023
Ethical management	0	34	0
Prevention of bullying in workplace	30	41	52
Prevention of sexual harassment	32	41	52
Disability awareness training	32	35	45
Compliance (Compliance Team)	0	0	35

(Unit: Person(s))



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# ESG Data

## Environmental\*

### Greenhouse Gases

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total GHG emissions	tCO <sub>2</sub> eq	125,460	130,310	151,427	75,030	71,786	4,611
GHG emissions (Scope 1)	tCO <sub>2</sub> eq	40,914	38,239	42,356	8,500	33,572	284
GHG emissions (Scope 2)	tCO <sub>2</sub> eq	84,546	92,071	109,071	66,530	38,214	4,327

### Energy

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total energy consumed	GJ	2,516,133	2,604,994	2,961,378	1,433,009	1,431,027	97,342
Direct energy	GJ	794,210	734,178	823,587	157,519	659,685	6,383
LNG (City Gas)	GJ	787,645	728,456	817,711	153,229	658,846	5,636
LPG	GJ	674	611	658	552	-	106
Diesel	GJ	3,195	2,425	1,836	962	233	641
Gasoline	GJ	534	713	1,305	699	606	-
Kerosene	GJ	2,162	1,973	2,077	2,077	-	-
Indirect energy	GJ	1,721,924	1,870,815	2,137,176	1,275,490	770,727	90,959
Electricity	GJ	1,648,762	1,801,312	2,041,291	1,198,646	751,686	90,959
Steam	GJ	73,162	69,503	95,885	76,844	19,041	-
Renewable Energy	GJ	-	-	615	-	615	-
Percentage of fossil fuels (LPG, diesel, gasoline) in energy consumption	%	0.17	0.14	0.13	0.15	0.06	0.77
Percentage of LNG in energy consumption	%	31.30	27.96	27.61	10.69	46.04	5.79

# ESG Data

## Environmental\*

### Air Pollutants

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total air pollutant emissions	ton	80.87	76.54	58.12	20.48	37.64	-
Dust emissions	ton	9.00	9.51	4.18	1.99	2.19	-
NOx emissions	ton	69.75	66.16	45.62	17.95	27.67	-
SOx emissions	ton	2.12	0.87	8.32	0.54	7.78	-

### Raw Materials

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total raw materials consumption	ton	1,353,270	1,324,478	1,471,998	1,054,615	270,583	146,800
Recycled raw materials consumption	ton	12,957	11,280	21,381	6,191	60	15,130
Percentage of recycled raw materials	%	0.96	0.85	1.45	0.59	0.02	10.31

### Water

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total water consumption	1,000 m³	980.3	1,010.8	1,131.0	469.8	648.0	13.2
Industrial water	1,000 m³	753.2	822.0	941.1	314.4	621.0	5.7
Potable water	1,000 m³	227.1	188.8	189.9	155.4	27.0	7.5
Total wastewater treated	1,000 m³	523.6	509.1	569.1	210.1	359.0	-
Discharged	1,000 m³	523.6	509.1	569.1	210.1	359.0	-
Reused	1,000 m³	-	-	-	-	-	-

# ESG Data

## Environmental\*

Waste

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total waste generated	ton	15,146	14,391	16,602	13,891	2,542	169
Total waste treated	ton	15,058	14,368	16,621	13,910	2,542	169
General waste	ton	6,585	6,635	6,729	5,944	700	85
Landfill	ton	2,738	2,915	2,916	2,560	356	-
Incineration	ton	296	192	238	81	157	-
Recycling	ton	3,551	3,528	3,575	3,303	187	85
Other	ton	-	-	-	-	-	-
Construction waste	ton	3,409	1,070	3,068	3,068	-	-
Landfill	ton	-	-	-	-	-	-
Incineration	ton	-	-	-	-	-	-
Recycling	ton	2,331	469	-	-	-	-
Other	ton	1,078	601	3,068	3,068	-	-
Designated waste	ton	5,063	6,663	6,825	4,898	1,842	85
Landfill	ton	-	-	-	-	-	-
Incineration	ton	543	672	904	516	314	74
Recycling	ton	4,520	5,991	5,921	4,382	1,528	11
Other	ton	-	-	-	-	-	-
Percentage of designated waste	%	33.62	46.38	41.06	35.21	72.48	49.98
Waste recycled (by-product recycled)	ton	10,389	9,988	9,495	7,685	1,714	96
Waste recycling rate (by-product recycling rate)	%	68.99	69.52	57.12	55.25	67.44	56.39

# ESG Data

## Environmental\*

### Water Pollutants

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Suspended Solids (SS)	ton	4.7	1.7	2.2	1.4	0.8	-
Biochemical Oxygen Demand (BOD)	ton	0.7	0.6	24.7	2.4	22.3	-
Total Organic Carbon (TOC)	ton	0.6	37.8	43.0	3.2	39.9	-
Total Nitrogen (T-N)	ton	5.2	2.0	11.7	6.9	4.8	-
Total Phosphorus (T-P)	ton	0.000	0.101	0.013	0.010	0.003	-

### Chemical Substances

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Chemical emissions	ton	502	493	498	11	487	-

### Hazardous Chemicals

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Hazardous chemical consumption	ton	3,113	2,977	3,002	2,295	707	-

### Green Purchasing and Sales Amount

Category	Unit	2021 Integrated	2022 Integrated	2023			
				Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Green purchasing amount	KRW million	219	244	5,295	5,116	45	133
Green sales amount	KRW million	111,978	209,674	1,250,429	1,009,381	241,048	-



# ESG Data

## Social\*

### Employee Status

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category			Unit	2021 Integrated	2022 Integrated	2023				
						Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total number of employees			Person (s)	875	937	1,041	45	762	202	32
	By gender	Male	Person (s)	817	880	968	25	721	194	28
		Female	Person (s)	58	57	73	20	41	8	4
	By age	< 30	Person (s)	104	143	191	11	115	58	7
		30-49	Person (s)	428	434	506	29	346	114	17
		≥ 50	Person (s)	343	360	344	5	301	30	8
	By employment type	Full-time employee		Person (s)	843	892	904	41	630	201
		Male	Person (s)	801	848	853	24	603	198	28
		Female	Person (s)	42	44	51	17	27	3	4
Temporary employee		Person (s)	32	45	137	4	132	1	0	
		Male	Person (s)	12	30	119	1	118	0	0
		Female	Person (s)	20	15	18	3	14	1	0
Non-employee worker			Person (s)	558	598	653	3	567	0	83

# ESG Data

## Social\*

### New Hires

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category		Unit	2021 Integrated	2022 Integrated	2023				
					Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of new hires		Person (s)	76	135	208	11	159	26	12
By gender	Male	Person (s)	59	119	177	4	144	24	5
	Female	Person (s)	17	16	31	7	15	2	7
By age	< 30	Person (s)	51	99	90	8	60	14	8
	30-49	Person (s)	20	28	99	3	81	11	4
	≥ 50	Person (s)	5	8	19	0	18	1	0

### Turnover and Retirement

Category		Unit	2021 Integrated	2022 Integrated	2023				
					Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of resignations and retirements		Person (s)	82	89	135	13	79	30	13
By gender	Male	Person (s)	64	67	104	8	63	28	5
	Female	Person (s)	18	22	31	5	16	2	8
By age	< 30	Person (s)	33	37	64	8	26	25	5
	30-49	Person (s)	23	30	39	5	22	4	8
	≥ 50	Person (s)	26	22	32	0	31	1	0
By type**	Number of mandatory retirements	Person (s)	15	10	21	0	20	1	0
	Number of voluntary resignations	Person (s)	38	50	77	5	30	29	13
Voluntary resignation (turnover) rate		%	46.34	56.18	57.04	38.46	37.97	96.67	100.00

\*\*Involuntary retirements, such as contract expirations, not included

# ESG Data

## Social\*

### Pension Support

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
National pension (employer contributions)	KRW million	2,488	2,575	2,789	143	2,045	546	55
Retirement plan assets	KRW million	50,802	71,880	72,387	3,221	56,604	12,107	455
Number of employees covered by retirement benefit plan	Person (s)	703	706	932	41	699	175	17

### Parental Leave

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of employees who took parental leave	Person (s)	11	4	6	2	4	0	0
Male	Person (s)	4	1	3	0	3	0	0
Female	Person (s)	7	3	3	2	1	0	0
Number of employees who returned from parental leave	Person (s)	2	1	5	2	3	0	0
Male	Person (s)	1	0	2	0	2	0	0
Female	Person (s)	1	1	3	2	1	0	0
Number of employees working for 12 or more months after returning from parental leave	Person (s)	2	1	1	1	0	0	0
Male	Person (s)	1	0	0	0	0	0	0
Female	Person (s)	1	1	1	1	0	0	0
Return-to-work rate after parental leave	%	18	25	83	100	75	0	0
Male	%	25	-	67	-	66	-	-
Female	%	14	33	100	100	100	-	-
Retention rate after parental leave	%	100	100	20	100	100	-	-
Male	%	100	-	-	-	100	-	-
Female	%	100	100	33	100	100	-	-

## ESG Data

### Social\*

#### Occupational Safety and Health

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of injured	Person (s)	7	14	11	0	6	0	5
SeAH (employees)	Person (s)	2	7	2	0	2	0	0
Suppliers	Person (s)	5	7	9	0	4	0	5
Number of fatalities	Person (s)	0	0	1	0	1	0	0
SeAH (employees)	Person (s)	0	0	0	0	0	0	0
Suppliers	Person (s)	0	0	1	0	1	0	0
Occupational Health and Safety Management System (ISO 45001) certification implementation rate	%	100	100	100	-	100	100	-
Number of sites certified	Site (s)	5	5	5	-	4	1	-
Total number of sites	Site (s)	5	5	5	-	4	1	-

#### Collective Bargaining Agreements

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of employees eligible for unionization	Person (s)	380	373	363	0	363	0	0
Number of unionized employees	Person (s)	248	240	221	0	221	0	0
Unionization rate	%	65.3	64.3	60.9	-	60.9	-	-

## ESG Data

### Social\*

#### Employee Training

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category		Unit	2021 Integrated	2022 Integrated	2023				
					Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total training hours		Hour (s)	33,225	47,508	54,754	1,593	44,507	7,344	1,310
Training hours per employee		Hour (s)	38	51	53	35	55	36	32
Total number of employees participated in training	Environmental training	Person (s)	499	588	563	5	363	194	1
	Fair-trade training	Person (s)	140	110	193	4	141	12	36
	Safety and Health training**	Person (s)	1,749	10,306	19,591	40	19,318	194	39
	Ethics and anti-corruption training	Person (s)	509	567	230	-	-	194	36
	Human rights training (discrimination, bullying, sexual harassment, child labor, forced labor, etc.)	Person (s)	1,320	1,514	1,475	149	1,096	194	36
	Information security training	Person (s)	553	605	611	47	339	194	31

\*\*Cumulative number of participants



## ESG Data

### Social\*

#### Diversity

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of women in management positions and above	Person (s)	6	5	4	3	1	0	0
Senior management	Person (s)	0	0	0	0	0	0	0
Middle management**	Person (s)	6	5	4	3	1	0	0
Number of minority group hires	Person (s)	24	25	36	2	30	4	0
Number of hires with disabilities	Person (s)	14	13	21	0	19	2	0
Number of foreign-born hires	Person (s)	1	2	1	0	1	0	0
Number of veteran (and/or eligible individuals) hires	Person (s)	9	10	14	2	10	2	0
Percentage of hires with disabilities	%	1.6	1.4	2.0	-	2.5	-	-

\*\*Middle management: Manager and above

#### Social Contribution

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Total volunteer hours	Hours	99	1,243	930	4	398	528	-
Number of volunteer participants	Person (s)	119	422	326	2	149	175	0
Volunteer hours per person	Hours	0.83	2.95	2.85	2.00	2.70	3.00	-
Community donations	KRW million	204	401	317	200	114	1	2

## ESG Data

### Social\*

#### Mutual Growth

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category		Unit	2021 Integrated	2022 Integrated	2023			
					Integrated	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of suppliers		Supplier (s)	10	13	35	23	8	4
Procurement spent on suppliers		KRW billion	10	10	82	71	7	5
Supplier grievance handling status	Number of grievances submitted	Case (s)	103	147	255	155	16	84
	Number of grievances handled	Case (s)	101	144	251	155	16	80
	Resolution rate	%	98.06	97.96	98.43	100.00	100.00	95.24

#### Performance Evaluation

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of employees subject to performance evaluation	Person (s)	752	769	874	31	762	62	19
Number of employees who received regular performance evaluations	Person (s)	397	406	440	31	328	62	19
Percentage of employees who received regular performance evaluations	%	52.79	52.80	50.34	100.00	43.04	100.00	100.00

#### Information Security

Category	Unit	2021 Integrated	2022 Integrated	2023				
				Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of information security incidents	Case (s)	-	-	-	-	-	-	-

## ESG Data

### Governance\*

#### Corruption Cases and Actions Taken

\*Integrated data is based on SeAH Steel, SeAH Coated Metal, and DONG-A Steel

Category		Unit	2021 Integrated	2022 Integrated	2023				
					Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of corruption incidents**		Case (s)	-	2	2	-	2	-	-
Number of disciplinary actions taken		Case (s)	1	3	2	-	2	-	-
	Dismissal	Case (s)	-	-	-	-	-	-	-
	Suspension	Case (s)	-	-	2	-	2	-	-
	Pay cut	Case (s)	-	1	-	-	-	-	-
	Warning	Case (s)	-	1	-	-	-	-	-
	Other	Case (s)	1	1	-	-	-	-	-

\*\*There were two instances of job regulatory violations between 2022 and 2023 (SeAH Steel)

#### Regulatory Violations

Category		Unit	2021 Integrated	2022 Integrated	2023				
					Integrated	SeAH Steel Holdings	SeAH Steel	SeAH Coated Metal	DONG-A Steel
Number of regulatory violations		Case (s)	3	2	3	-	2	1	-
	Environmental regulatory violations	Case (s)	2	2	1	-	-	1	-
	Anti-competitive behavior regulatory violations	Case (s)	1	-	-	-	-	-	-
	Occupational health and safety regulatory violations	Case (s)	-	-	2	-	2	-	-
Fines imposed		KRW million	6.5	4.5	78.9	-	75.9	3	-
	Environmental regulatory violations	KRW million	2.5	4.5	3.0	-	-	3	-
	Anti-competitive behavior regulatory violations	KRW million	4.0	-	-	-	-	-	-
	Occupational health and safety regulatory violations	KRW million	-	-	75.9	-	75.9	-	-

#### Membership Associations

Korea Iron & Steel Association Federation of Korean Industries	Korea Enterprises Federation Korea Chamber of Commerce and Industry	Korea Listed Companies Association Korea International Trade Association	Korea Management Association Korean Standards Association	Korea Personnel Improvement Association Korea-Japan Economic Association
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# GRI Index

## GRI Preparation Standards (GRI 1)

Statement of use	SeAH Steel Holdings reports its sustainable management activities and key achievements from January 1, 2023, to December 31, 2023, in accordance with GRI standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	-

## General Disclosures

Topic	Metric		Page	Remark
General Disclosures	2-1	Organizational details	6p	
	2-2	Entities included in the organization's sustainability reporting	2p	
	2-3	Reporting period, frequency and contact point	2p	
	2-4	Restatements of information	-	N/A
	2-5	External assurance	94 ~ 95p	
	2-6	Activities, value chain and other business relationships	6 ~ 13p	
	2-7	Employees	83p	
	2-8	Workers who are not employees		
	2-9	Governance structure and composition	28p	
	2-10	Nomination and selection of the highest governance body	28p	
	2-11	Chairman of the highest governance body	28p	
	2-12	Role of the highest governance body in overseeing the management of impacts	17p	
	2-13	Delegation of responsibility for managing impacts	17p	
	2-14	Role of the highest governance body in sustainability reporting	17p	
	2-15	Conflicts of interest	28p	
	2-16	Communication of critical concerns	17p	

Topic	Metric		Page	Remark
General Disclosures	2-17	Collective knowledge of the highest governance body	29p	
	2-18	Evaluation of the performance of the highest governance body	29p	
	2-19	Remuneration policies	29p	
	2-20	Process to determine remuneration		
	2-21	Annual total compensation ratio	29p	
	2-22	Statement on sustainable development strategy	5p	
	2-23	Policy commitments	58p	
	2-24	Embedding policy commitments		
	2-25	Processes to remediate negative impacts	56, 75p	
	2-26	Mechanisms for seeking advice and raising concerns	77p	
	2-27	Compliance with laws and regulations	90p	
	2-28	Membership associations	90p	
	2-29	Approach to stakeholder engagement	21p	
	2-30	Collective bargaining agreements	86p	
Material Topics	3-1	Process to determine material topics	18p	
	3-2	List of material topics	19p	
	3-3	Management of material topics	20p	

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## GRI Index

### Topic Standards

Topic		Metric	Page	Remark
Economic Performance	201-1	Direct economic value generated and distributed	6p	
	201-3	Defined benefit plan obligations and other retirement plans	85p	
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	70 ~ 72p	
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	87p	
	205-3	Confirmed incidents of corruption and actions taken	90p	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	90p	
Tax	207-1	Approach to tax	35p	
	207-3	Stakeholder engagement and management of concerns related to tax		
Materials	301-2	Recycled input materials used	80p	
Energy	302-1	Energy consumption within the organization	79p	
Water and Effluents	303-1	Interactions with water as a shared resource	46p	
	303-2	Management of water discharge-related impacts		
	303-3	Water withdrawal	80p	
	303-4	Water discharge		
	303-5	Water consumption		
Emissions	305-1	Direct (Scope 1) GHG emissions	79p	
	305-2	Energy indirect (Scope 2) GHG emissions		
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	80p	

Topic		Metric	Page	Remark
Waste	306-1	Waste generation and significant waste-related impacts	47 ~ 48p	
	306-2	Management of significant waste-related impacts		
	306-3	Waste generated	81p	
	306-4	Waste diverted from disposal		
	306-5	Waste directed to disposal		
Employment	401-1	New employee hires and employee turnover	84p	
	401-3	Parental leave	85p	
Occupational Health and Safety	403-1	Occupational health and safety management system	51 ~ 57p	
	403-2	Hazard identification, risk assessment, and incident investigation		
	403-3	Occupational health services		
	403-4	Worker participation, consultation, and communication on occupational health and safety		
	403-5	Worker training on occupational health and safety		
	403-6	Promotion of worker health		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	86p	
	403-9	Work-related injuries		
	403-10	Work-related ill health		
Training and Education	404-1	Average hours of training per year per employee	87p	
	404-2	Programs for upgrading employee skills and transition assistance programs	63p	
	404-3	Percentage of employees receiving regular performance and career development reviews	89p	
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	88p	
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	73p	
	414-2	Negative social impacts in the supply chain and actions taken		



## SASB Index

Topic	Cord	Metric	Page	Remark
Greenhouse Gas Emissions	EM-IS-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	79p	
	EM-IS-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	42 ~ 44p	
Air Emissions	EM-IS-120a.1	Air emissions of the following pollutants: (1) CO, (2) NOx (excluding N <sub>2</sub> O), (3) SOx, (4) particulate matter (PM10), (5) manganese (MnO), (6) lead (Pb), (7) volatile organic compounds (VOCs), and (8) polycyclic aromatic hydrocarbons (PAHs)	80p	
Energy Management	EM-IS-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	79p	
	EM-IS-130a.2	(1) Total fuel consumed, (2) percentage coal, (3) percentage natural gas, (4) percentage renewable	79p	
Water Management	EM-IS-140a.1	(1) Total freshwater withdrawn, (2) percentage recycled, (3) percentage in regions with High or Extremely High Baseline Water Stress	80p	
Waste Management	EM-IS-150a.1	Amount of waste generated, percentage hazardous, percentage recycled	81p	
Workforce Health & Safety	EM-IS-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	86p	
Supply Chain Management	EM-IS-430a.1	Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues	-	N/A
Activity Metric	EM-IS-000.A	Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	-	N/A
	EM-IS-000.B	Total iron ore production	-	N/A
	EM-IS-000.C	Total coking coal production	-	N/A

# Independent Assurance Statement

Dear Stakeholders of SeAH Steel Holdings Corp.,

## Assurance Outline

Korea Productivity Center (hereinafter “KPC”) was commissioned by SeAH Steel Holdings Corp. (hereinafter “SeAH Steel Holdings”) to conduct an independent assurance on the 2024 ESG Sustainability Report (hereinafter “the report”) and issue an assurance statement. SeAH Steel Holdings has sole responsibility for the preparation of the data within the report. KPC’s responsibility is to provide objective opinions on this report with the specified criteria and scope of assurance.

## Scope

This report describes SeAH Steel Holdings’ sustainability efforts and performance. The scope of assurance includes activities from January 1, 2023 to December 31, 2023. Some activities from 2024 have also been mentioned. The report was assured focusing on the reporting of sustainable management policies, strategies, goals, businesses, and performance, conformity of data collection and analysis, and the report creation process.

## Criteria

The assurance was carried out in accordance with the following standards:

- AA1000AS v3
- KPC ESG Report Assurance Protocol

## Levels

The assurance of this report was conducted in line with the requirements of the AA1000AS v3 Type 1 (Adherence to the AA1000 four principles) at moderate level of assurance. The assurance was applied by professional judgement about materiality.

The report has been produced in accordance with GRI Standards. We confirmed that the report was complied with reporting principles of GRI Standards, Universal Standards, and Topic Standards based on the data and information provided by SeAH Steel Holdings.

## Universal Standards

· Organizational and its reporting practices	2-1 ~ 2-5
· Activities and workers	2-6 ~ 2-8
· Governance	2-9 ~ 2-21
· Strategy, policies and practices	2-22 ~ 2-28
· Stakeholder engagement	2-29 ~ 2-30
· Material topics	3-1 ~ 3-3

## Topic Standards

· Economic Performance	201-1, 201-3
· Indirect Economic Impacts	203-1
· Anti-corruption	205-1, 205-2, 205-3
· Anti-competitive Behavior	206-1
· Tax	207-1, 207-3
· Materials	301-1, 301-2
· Energy	302-1
· Water and Effluents	303-1, 303-2, 303-3, 303-4, 303-5
· Emissions	305-1, 305-2, 305-7
· Effluents and Waste	306-1, 306-2, 306-3, 306-4, 306-5
· Employment	401-1, 401-3
· Occupational Health and Safety	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10
· Training and Education	404-1, 404-2, 404-3
· Diversity and Equal Opportunity	405-1
· Supplier Social Assessment	414-1, 414-2

# Independent Assurance Statement

## Methodology

- Review of Sustainability Performance Data and Management System
- Review of the reporting process and data management framework
- Review of materiality assessment process and Internal Analysis Procedure
- Review of media report on sustainability
- Interviews with executives and employees involved in material topics and report preparation
- Review of the overall report

## Limitations

This assurance was conducted as a comparative review of the data provided by SeAH Steel Holdings and thus performed a limited assurance within a restricted scope.

The assurance has its own limitations depending on the characteristics and calculation method of the data.

## Conclusions

KPC conducted assurance on the draft through a revision of the data, an onsite verification process, and an interview with the employees. It was confirmed that all errors identified during the assurance were corrected. As a result of the assurance of this report, no material errors or improper descriptions have been found and the conclusions are as follows.

• **Inclusivity: Participation of stakeholders**

SeAH Steel Holdings operates stakeholder communication channels to gather opinions from various stakeholders to derive material topics and ensure that they are reflected in decision-making.

• **Materiality: Selection and reporting of material topics**

SeAH Steel Holdings presented sustainability performance data without any material omissions. With regard to the material issues presented in the report, nothing has come to our attention that would cause significant concerns in the decision-making process.

• **Responsiveness: Organizational response to issues**

KPC has confirmed that SeAH Steel Holdings has established an ESG management promotion system and is making efforts to respond to the demands and concerns of both internal and external stakeholders. KPC has confirmed the management process for material topics identified through the materiality assessment.

• **Impact: Monitoring and measurement of business activities**

KPC has verified that SeAH Steel Holdings identifies and monitors the impacts of its business activities on stakeholders. We have not found any evidence to suggest that the impacts related to material issues have been inappropriately measured.

## Competencies and Independence of Assurance

The Korea Productivity Center is a fully qualified independent assurance agency. It is officially certified by Accountability, the institution that established the global international standard AA1000 for stakeholder engagement and assurance. The Assurance Committee consists of experts who have gained experience in sustainability management consulting and assurance and have completed specialized training.

KPC has not participated in any profit-making activities of SeAH Steel Holdings and has maintained its independence when conducting this assurance.



June 2024  
Korea Productivity Center

CEO Ahn Wan-ki



27<sup>th</sup> FL, SeAH Tower, 45 Yanghwa-ro,  
Mapo-gu, Seoul, South Korea  
[www.seah.co.kr](http://www.seah.co.kr)