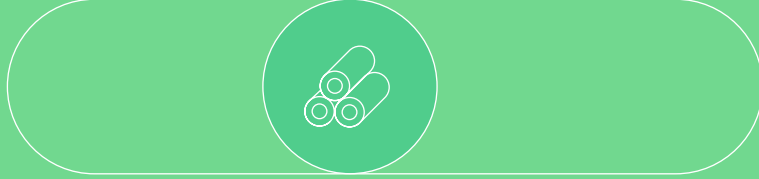


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Performance data for POSCO International (non-consolidated basis) refer to the three-year data(2020~2022) of the present Global Business Unit(scope of operational sites - ① POSCO Tower – Songdo: GHG/energy, water, waste, ② Seoul/Yeoksam offices: GHG/energy), and performance data for Energy Business Unit include POSCO Energy’s headquarters and domestic operational sites(Incheon LNG Combined Cycle Power Plant, Gwangyang LNG Terminal) as of 2022. POSCO International aims to extend our reporting boundary to align the scope of our sustainability reporting with that of our consolidated business reports. Starting from this year’s sustainability report, we disclose three-year data for our key subsidiaries of POSCO Mobility Solution, PT.BIA, and POSCO International Textile, along the Shwe Project, our major overseas operational site.


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Metric	Unit	POSCO International (non-consolidated)					Shwe Project and major subsidiaries (P-Mobility Solution, PT.BIA, POSCO International Textile)			
		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Climate and Environmental Impact(1)										
GHG¹⁾	Total	tCO ₂ e	10,151	3,560	1,917 ²⁾	4,187,901	651,446 ⁴⁾	792,484 ⁴⁾	848,074 ⁴⁾	
	Total emission	Direct GHG emission (Scope 1)	tCO ₂ e	624	469	316	4,127,319	616,882	751,977	800,313
		Indirect GHG emission (Scope 2)	tCO ₂ e	9,527	3,091.1	1,602	60,590	34,564	40,507	47,761
		GHG emission intensity ³⁾	tCO ₂ e/KRW 100million	0.05	0.01	0.01	116.14	31.32	23.77	28.17
Energy⁴⁾	Total consumption	GJ	224,731	77,375	43,941	83,178,806	3,777,416	3,838,247	3,876,377	
	Energy intensity ³⁾	GJ/KRW 100million	1.17	0.25	0.13	2,306.68	170.95	108.91	122.03	
Direct Energy	Total consumption	GJ	10,185	7,512	4,679	81,897,607	3,074,198	2,990,615	2,942,114	
	Natural gas consumption	GJ	3,789	2,269	0	81,817,607	2,797,384	2,716,791	2,676,017	
	Gasoline consumption	GJ	5,463	4,482	1,840	975	3,636	3,743	4,643	
	Diesel consumption	GJ	934	761	2,839	78,227	271,157	267,895	259,991	
	LPG consumption	GJ	0	0	0	798	472	499	178	
Indirect Energy	Total consumption	GJ	214,546	69,863	39,262	1,281,199	703,218	847,633	934,263	
	Electricity(power) consumption	GJ	170,595	57,500	26,471	1,255,138	621,447	760,684	834,677	
	Steam consumption	GJ	43,951	12,363	12,791	26,061	81,771	86,949	99,586	
	Percentage of power consumption	%	76	74	60	2	16	20	22	
Sale of electricity⁵⁾	Total sales	GJ	N/A	N/A	N/A	39,424,130	N/A	N/A	N/A	

1) Emissions were calculated in accordance with the Guidelines for the Reporting and Verification of Emissions under the GHG Emissions Trading System.

2) Our Headquarters in Songdo is owned by a joint venture established by POSCO affiliates(separate corporation), and only those areas leased by POSCO International were included in the organizational boundary and were reported accordingly, in conformity with the Guidelines for the Reporting and Verification of Emissions under the GHG Emissions Trading System [Attachment 21] and Article 4 of the Emissions Trading System Specification Preparation Guidelines.

3) Intensity was calculated based on non-consolidated sales (KRW 100 million) for the pertinent year.

4) This is the sum of the three-year GHG emissions data(2020~2022, Scope 1 + 2) of the Shwe Project and key subsidiaries(POSCO Mobility Solution, PT.BIA), and GHG emissions from POSCO International Textile are not calculated.

5) Sales of electricity only refers to Energy Business Unit’s Incheon LNG Combined Cycle Power Plant in conformity with the reporting scope of this year’s report.

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		2020	2021	2022	Energy Business Unit	2020	2021	2022	
Climate and Environmental Impact(2)									
Green investment	Environmental investment expenses	KRW million	81.7	67.3	80.4	1,240.0	54.4	56.6	105.1
Environmental management system (ISO 14001)	Sites to be certified	sites	1	1	1	2	6	6	6
	Sites certified	sites	0	0	0	2	4	4	4
Air pollutants	Total	ton	0	0	0	541	1,574	924	385
	NOx	ton	0	0	0	540	65	355	310
	SOx	ton	0	0	0	1	274	54	2
	Dust	ton	0	0	0	0	1,235	515	72
Hazardous chemicals	Total consumption	ton	0	0	0	4,737	1,780	2,040	N/A ³⁾
	Total discharge	ton	0	0	0	61.8	1.3	4.9	N/A ³⁾
Non-compliance with environmental regulations	Total incidences of non-compliance	cases	0	0	0	0	0	0	0
Water withdrawal	Total withdrawal ¹⁾	ton	146,260	149,798	166,760	1,015,177	787,373	1,807,008	1,941,450
	Tap water	ton	146,260	149,798	166,760	1,015,177	320,588	351,525	392,693
	Surface water	ton	0	0	0	0	0	865,806	956,327
	Underground water	ton	0	0	0	0	466,785	589,677	592,430
	'High' water stress areas	%	0	0	0	0	0	0	0
	'Extremely High' water stress areas ²⁾	%	0	0	0	0	57.9	30.4	28.8
Water consumption	Total consumption	ton	146,260	149,798	166,760	711,833	464,861	491,706	667,215
Wastewater discharge	Total discharge(wastewater treated)	ton	0	0	0	303,344	887,088	1,341,312	1,303,835
Water reuse	Recycled water	ton	0	0	0	0	0	0	0
	Reused water	ton	0	0	0	293,356	0	0	0
	Total water reused	%	0	0	0	41.2	0	0	0

1) Water withdrawal for 2020 only refers to POSCO Mobility Solution and POSCO International Textile in Uzbekistan, and the Shwe Project in Myanmar and PT.BIA have been included since 2021.

2) According to the criteria set by the WRI Aqueduct Water Risk Atlas, POSCO International Textile is located in an area with 'Extremely High' water stress.

3) POSCO Mobility Solution's hazardous chemical substances data will be collected in July 2023.

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Climate and Environmental Impact(3)										
Total waste	Generation	Total	ton	305	250	322	569	285,318	654,869	648,342
		Total waste generation intensity	ton/KRW 100million	0.0016	0.0008	0.001	0.0158	12.91	18.58	20.41
	Disposal	Recycling	ton	305	250	322	381	2,592	3,510	3,548
		Incineration	ton	0	0	0	91	321	401	400
		Landfill	ton	0	0	0	97	114	124	22
		Other	ton	0	0	0	0	282,295	650,833	644,358
		Recycling rate	%	100	100	100	67	1	1	1
Designated waste	Generation	Total	ton	0	0	0	52	283,023	651,388	644,682
		Recycling	ton	0	0	0	40	600	481	243
	Disposal	Incineration	ton	0	0	0	13	36	61	75
		Landfill	ton	0	0	0	0	92	14	6
		Other ¹⁾	ton	0	0	0	0	282,295	650,833	644,358
General waste	Generation	Total	ton	305	250	322	516	2,295	3,481	3,659
		Recycling	ton	305	250	322	341	1,992	3,030	3,305
	Disposal	Incineration	ton	0	0	0	78	284	340	325
		Landfill	ton	0	0	0	97	22	111	16
		Other	ton	0	0	0	0	0	0	0

1) The 'other' treated designated waste exclusively refers to Palm Oil Mill Effluents (POME), byproducts generated from the CPO extraction process at PT.BIA. PT.BIA has established a closed-loop Land Application process to purify POMEs in the reservoir and feed their organic substances back into the plantation for reuse.

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		2020	2021	2022	Energy Business Unit	2020	2021	2022
Employee Value Enhancement(1)								
Total Employees	persons	1,278	1,270	1,227	514	6,542	7,274	7,775
Executives ¹⁾								
Total(registered)	persons	25(7)	24(6)	25(7)	7(3)	8	10	9
Male	persons	23	23	24	7	8	10	9
Female	persons	2	1	1	0	0	0	0
Percentage of females	%	8	4	4	0	0	0	0
Under 30	persons	0	0	0	0	0	0	0
30~50	persons	0	0	0	0	0	0	0
Over 50	persons	25	24	25	7	8	10	9
Employees								
Total	persons	1,253	1,246	1,202	507	6,534	7,264	7,766
Male	persons	905	885	856	432	4,134	4,967	5,496
Female	persons	348	361	346	75	2,400	2,297	2,270
Rank-and-file								
Percentage of females	%	28	29	29	15	37	32	29
Under 30	persons	218	214	214	38	1,770	1,969	2,035
30~50	persons	914	892	840	346	4,268	4,755	5,073
Over 50	persons	121	140	148	123	496	529	658
Manager positions ²⁾								
Total	persons	257	263	254	132	335	364	390
Male	persons	247	253	241	128	322	350	372
Female	persons	10	10	13	4	13	14	18
Percentage of females	%	4	4	5	3	4	4	5
Under 30	persons	0	0	0	0	3	0	1
30~50	persons	188	172	174	68	247	270	279
Over 50	persons	69	91	80	64	85	94	110

1) This metric shows employee data on a non-consolidated basis and only includes registered and non-registered executives who are currently employed in Korea.

2) Manager position: Managers in leader and above positions who receive allowances granted to leaders/managers as part of their wage.

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			2020	2021	2022	Energy Business Unit	2020	2021	2022	
Overview of employees	Employee Value Enhancement⁽²⁾									
	Total	persons	1,225	1,210	1,176	470	5,292	7,019	7,565	
	Permanent employees (indefinite) ¹⁾	Male	persons	890	868	841	403	2,950	4,727	5,148
		Female	persons	335	342	335	67	2,342	2,292	2,417
		Percentage of females	%	27	28	28	14	44	33	32
		Percentage of permanent employees	%	96	95	96	91	81	96	97
	Contract employees (fixed-term employment)	Total	persons	28	36	26	37	1,217	249	203
		Male	persons	15	17	15	29	1,175	240	179
		Female	persons	13	19	11	8	42	9	24
			Percentage of females	%	46	53	42	22	3	4
		Percentage of contract employees	%	2	3	2	7	19	3	3
Recruitment	New hires	persons	101	95	77	36	2,198	3,151	2,894	
	Male	persons	66	59	58	29	1,048	1,910	1,982	
	Female	persons	35	36	19	7	1,150	1,241	912	
		Percentage of females	%	35	38	25	19	52	39	32
	Under 30	persons	85	68	52	10	1,174	1,560	1,416	
	30~50	persons	8	23	20	21	996	1,546	1,379	
	Over 50	persons	8	4	5	5	28	45	99	
Turnover-retirement	Total turnover	persons	35	54	61	19	1,651	2,404	2,594	
	Turnover rate	%	1.77	4.23	4.80	3.48	N/A	36.75	35.66	
	Voluntary turnover ²⁾	persons	24	39	52	11	1,605	2,345	2,457	
	Voluntary turnover rate	%	1.22	3.05	4.09	2.01	N/A	35.85	33.78	
	Non-voluntary turnover ³⁾	Total	persons	11	15	9	8	46	59	137
		Retirement	persons	1	1	2	3	34	26	27
		Layoff	persons	0	0	0	0	5	20	10
		Other	persons	10	14	7	5	7	13	100

1) Calculated by excluding non-registered executives currently employed in Korea from the number of workers with an undefined term based on our business report.

2) Voluntary turnover: Refer to employees who leave the organization on their own individual initiative, irrespective of the organization's intention, and include job transfers and resignations among others

3) Non-voluntary turnover: Refer to the organization-initiated termination of employment relationships, and include employment adjustment, retirement, non-renewal of contracts while excluding executives

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		2020	2021	2022	Energy Business Unit	2020	2021	2022	
Employee Value Enhancement⁽³⁾									
Training hour	Total training hour ³⁾	hours	76,749	53,110	58,450	41,070	6,090	50,707	63,796
	Permanent employees	hours	76,442	52,697	58,095	40,280	N/A	N/A	N/A
	Contract employees	hours	307	413	355	790	N/A	N/A	N/A
	Rank-and-file	hours	59,494	30,975	39,973	33,360	N/A	N/A	N/A
	Manager	hours	15,681	19,597	16,636	7,474	N/A	N/A	N/A
	Executive	hours	1,574	2,538	1,841	236	N/A	N/A	N/A
	Training hour per person	hours/persons	60.1	41.8	47.6	79.9	1.7	7.0	8.2
Training expenses	Total training expenses	KRW million	1,802	1,746	1,899	624	127	133	204
	Training expenses per person	KRW million	1.41	1.37	1.55	1.21	0.02	0.02	0.03
Training program¹⁾	Total	courses	2,778	3,866	5,257	2,408	N/A	N/A	N/A
	Offline courses	courses	103	108	240	106	N/A	N/A	N/A
	E-learning courses	courses	1,031	1,963	5,017	2,302	N/A	N/A	N/A
Global Staff training¹⁾	Total training hours	hours	1,328	1,427	1,836	N/A	N/A	N/A	N/A
	Offline training participants	persons	290	313	1,682	N/A	N/A	N/A	N/A
	E-learning content development(cumulative)	units	26	55	84	N/A	N/A	N/A	N/A
Regular performance²⁾	Employees who received regular performance assessment (excluding executives)	persons	1,338	1,331	1,288	469	1,576	2,008	1,958
	Male (percentage)	persons (%)	1,006 (75)	996 (75)	951 (74)	407 (87)	647 (41)	784 (39)	780 (40)
	Female (percentage)	persons (%)	332 (25)	335 (25)	337 (26)	62 (13)	929 (59)	1,224 (61)	1,178 (60)
	Permanent employees	persons	1,338	1,331	1,288	457	1,562	1,990	1,828
	Contract employees	persons	0	0	0	12	14	18	130

1) Offline training data are collected from the Headquarters only, and e-learning training data are calculated by integrating data from the Shwe Project and other key subsidiaries.

2) Regular performance assessment: Assessments conducted in accordance with the standards known to employees and their superior

- Reference 1. Assessed at least once a year with the employee's knowing

- Reference 2. May include the assessments made by employees' direct boss, colleagues, or other employees and the HR department

3) As to training hours for the Shwe Project and other key subsidiaries, 2020 data include the Shwe Project and POSCO International Textile only, and 2021-2022 data include PT.BIA and POSCO Mobility Solution as well. Training hours by type of employment were not collected

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Employee Value Enhancement(4)										
Labor relations	Employees subject to the collective agreement	%	0	0	0	100	96	97	97	
	Work stoppages due to strikes	occasions	0	0	0	0	0	0	0	
Flexible work hours	Employees who used flexible work hours	persons	146	148	217	81	0	0	23	
	Employees who took parental leave ¹⁾	Total	persons	39	36	50	7	40	34	24
Male		persons	13	28	15	4	30	23	13	
Female		persons	26	8	35	3	10	11	11	
Parental leave^{1),2)}	Employees who returned after parental leave ¹⁾	Male	persons	4	7	4	2	27	18	13
		Female	persons	14	19	13	5	12	7	9
	Employees who returned after parental leave and worked 12 months or longer ²⁾	Male	%	100	100	100	100	100	90	87
Female		%	100	100	100	83	100	100	100	
Fertility treatment leave	Employees who returned after parental leave and worked 12 months or longer ²⁾	Male	persons	6	4	5	1	2	4	5
		Female	persons	12	13	19	4	3	2	0
	Employees who returned after parental leave and worked 12 months or longer ²⁾	Male	%	100	100	71	100	100	100	71
Female		%	100	93	100	100	75	100	0	
DB retirement pension plan³⁾	Employees who took fertility treatment leave	persons	5	5	6	1	0	0	0	
	Present value of defined benefit obligations	KRW million	143,273	138,059	125,925	38,417	38,385	41,033	38,933	
	Fair value of plan assets	KRW million	-140,583	-145,737	-159,378	38,417	-50,560	-42,407	-35,343	
	Liability recognition for the defined benefit plan	KRW million	2,735	-7,678	-32,453	0	-12,174	-1,374	3,649	

1) The metric on parental leave is calculated only for domestic operations(non-consolidated basis for POSCO International, POSCO Mobility Solution) and PT.BIA.

2) The metric on employees who returned to work after parental leave and worked 12 months and longer is calculated for domestic operations only(non-consolidated basis for POSCO International, POSCO Mobility Solution).

3) DB(Defined Benefit): The defined benefit pension plan pays a pre-determined amount of benefits after retirement, and the data are collected only for domestic operations(non-consolidated basis for POSCO International, POSCO Mobility Solution).

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Employee Value Enhancement(5)										
Diversity	People with disabilities	Employees with disabilities	persons	37	42	41	11	26	27	26
		Ratio of Employees with disabilities	%	2.9	3.3	3.3	2.1	0.4	0.4	0.3
	Men of national merit	Employees of national merit	persons	21	21	19	18	9	9	9
Sustainable Supply Chain										
Supply chain management	Transaction assessment on supplier ¹⁾	Suppliers	Companies	N/A	N/A	N/A	N/A	486	510	508
		Suppliers who receive assessment	Companies	0	0	0	0	142	156	151
		Ratio of suppliers who receive assessment	%	0	0	0	0	29	31	30

1) This refers to suppliers(raw material/resource/equipment suppliers) except for partners and subcontractors, and supplier transaction assessments are made on POSCO Mobility Solution only which currently engages in manufacturing.

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Health and Safety(1)										
Safety management	Health and safety management system certification ¹⁾	Sites to be certified ²⁾	sites	1	1	1	2	6	6	6
		Sites certified	sites	0	0	1	2	2	3	6
		Certification rate	%	0	0	100	100	33	50	100
Occupational safety training²⁾	Training hour	Total	hours	N/A	N/A	1,302	514	N/A	753	841
		Permanent employees	persons	N/A	N/A	1,256	477	N/A	753	841
		Contract employees	persons	N/A	N/A	24	37	N/A	0	0
		Partners	persons	N/A	N/A	22	0	N/A	0	0
	Training hours per person	hours	N/A	N/A	1.0	1.0	N/A	1.0	1.0	
Work-related injuries	LTIR ³⁾	Total	cases/200,000 hours	0	0	0	0	0.02	0.12	0.08
		Employees	cases/200,000 hours	0	0	0	0	0.02	0.11	0.08
		Partners	cases/200,000 hours	0	0	0	0	0	0.17	0.13
	LTIFR ³⁾	Total	cases/1 million hours	0	0	0	0	0.08	0.61	0.42
		Employees	cases/1 million hours	0	0	0	0	0.11	0.57	0.38
		Partners	cases/1 million hours	0	0	0	0	0	0.86	0.63
	TRIR ⁴⁾	Total	cases/200,000 hours	0	0	0.07	0	0.90	0.52	0.48
		Employees	cases/200,000 hours	0	0	0.08	0	0.62	0.45	0.50
		Partners	cases/200,000 hours	0	0	0	0	1.71	0.94	0.31
TRIFR ⁴⁾	Total	cases/1 million hours	0	0	0.36	0	4.49	2.62	2.38	
	Employees	cases/1 million hours	0	0	0.41	0	3.08	2.27	2.52	
	Partners	cases/1 million hours	0	0	0	0	8.57	4.72	1.57	

1) ISO 45001, OHSAS 18001, and KOSHA-MS

2) This includes both in-house mandatory training and other internal training. POSCO International has compiled and disclosed its occupational safety training data since 2022, and among key subsidiaries, POSCO Mobility Solution has compiled and disclosed its data since 2021.

3) LTIR(Lost Time Injury Rate): Number of incidents and injuries that occur every 200,000 hours, LTIFR(Lost Time Injury Frequency Rate): Number of incidents and injuries that occur every 1 million hours

4) TRIR(Total Recorded Incidents Rate): Total recorded incidents that occur every 200,000 hours, TRIFR(Total Recorded Incidents Frequency Rate): Total recorded incidents that occur every 1 million hours

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Health and Safety(2)										
Work-related injuries	Occupational injury rate	Total	0	0.07	0	0	0	0.09	0.05	
		Employees	%	0	0	0	0	0	0.07	0.04
		Partners		0	0.59	0	0	0	0.27	0.10
	Fatalities	Total	0	0	0	0	0	0	0	
		Employees	%	0	0	0	0	0	0	
		Partners		0	0	0	0	0	0	
Employee injuries	Lost-time injuries	cases	0	0	0	0	1	8	7	
	TRI ¹⁾	cases	0	0	1	0	28	32	46	
	Hours worked per year ²⁾	hours	2,556,000	2,540,000	2,454,000	598,000	9,102,180	14,075,804	18,285,175	
	Fatalities	persons	0	0	0	0	0	0	0	
	Injuries	persons	0	0	0	0	0	5	3	
	Injuries	cases	0	0	0	0	0	5	3	
	High-consequence injuries	cases	0	0	0	0	0	0	0	
	LTI ³⁾	persons	0	0	0	0	0	2	0	
	Near-misses	cases	0	0	1	138	9	28	114	
	NMFR ⁴⁾	cases/200,000 hours	0	0	0.08	46.15	0.20	0.40	1.25	
Partner injuries	Lost-time injuries	cases	0	0	0	0	0	2	2	
	TRI	cases	0	0	0	0	27	11	5	
	Hours worked per year ²⁾	hours	326,000	338,000	287,680	262,000	3,150,708	2,328,680	3,178,678	
	Employees	persons	163	169	169	131	1,172	742	977	
	Fatalities	persons	0	0	0	0	0	0	0	
	Injuries	persons	0	1	0	0	0	2	1	
	Injuries	cases	0	1	0	0	0	2	1	
	LTI	persons	0	1	0	0	0	2	2	
Near-misses	cases	0	0	0	0	0	0	5		

1) TRI(Total Recorded Incidents): Indicate the number of incidents that require recording, and include FAT(Fatality), LWC(Lost Workday Case), and MTC(Medical Treatment Case)

2) Hours worked per year is the sum of hours worked per month available on the system since 2022, and data between 2020 and 2021 were calculated based on the working hour calculation formula

(number of employees/number of cooperators X 40 hours/week X 50 weeks).

3) LTI(Lost Time Incidents): Refer to cases when work could not be performed due to work-related fatalities, incidents that caused permanent disabilities, and incidents that prevent workers from performing their duty for one day or longer

4) NMFR(Near-Miss Frequency Rate): Frequency of near-misses occurring every 200,000 hours

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Ethics/Fair Trade										
Ethical concerns raised	Total	cases	2	3	5	2	45	83	71	
	Corruption	cases	0	1	1	0	0	1	1	
	Ethical concerns submitted	No respect for human rights	cases	0	0	1	1	0	3	3
	Abuse of authority	cases	0	0	0	1	0	21	6	
	Other ¹⁾	cases	2	2	3	0	45	58	61	
	Action taken for ethical concerns submitted ²⁾	cases	2	3	5	2	0	5	6	
Ethics training	Ethics training	Hours completed	hours	3,045	1,274	2,889	1,246	1,494	1,518	1,758
	Employees subject to mandatory ethics	Permanent employees	persons	1,012	1,259	1,277	464	732	681	865
		Temporary employees	persons	3	15	38	37	15	78	14
Fair trade³⁾	Fair trade training	Hours completed	hours	15,194	9	1,708	1,799	0	86	688
		Employees who completed	persons	951	28	246	514	0	43	172
	Penalties for non-compliance ⁴⁾ with fair trade regulations	Total	cases	0	0	0	0	0	0	0
		Pending	cases	0	0	0	0	0	0	0
		Termination	cases	0	0	0	0	0	0	0
Non-monetary sanction on non-compliance with fair trade regulations	Total	cases	0	0	0	0	0	0	0	
	Pending	cases	0	0	0	0	0	0	0	
	Termination	cases	0	0	0	0	0	0	0	
	Total penalties	KRW	0	0	0	0	0	0	0	
Anti-corruption	Anti-corruption training	Hours completed	hours	3,045	1,274	2,889	1,246	0	0	0
		Employees who completed	persons	1,015	1,274	1,315	501	0	0	0

1) The majority of the ethical concerns submitted and fell into the 'other' category at the Shwe Project, and other key subsidiaries were submitted through PT.BIA's grievance channels. While they include general complaints concerning community donations and requests for living subsidies, these complaints were included in the category in an effort to transparently disclose all cases submitted through our grievance channels. Continuous efforts will be made to ensure ethics whistleblowing channels are operated in a way that fulfills their intended purpose.

2) This does not include the actions taken for cases submitted and classified into the 'other' category at the Shwe Project in Myanmar and other key subsidiaries.

3) This metric concerned domestic operations only.

4) Anti-competitive behaviors and non-compliance with fair trade regulations

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		2020	2021	2022	Energy Business Unit	2020	2021	2022		
Information Security										
Information security training	Total training hours	Total	hours	3,741	2,620	4,192	1,542	2,025	1,614	2,631
	Employees who completed training	Total	persons	1,247	1,310	1,323	514	675	807	877
		Permanent employees	persons	1,217	1,288	1,292	477	645	741	869
	Contract employees	persons	30	22	31	37	30	66	8	
CSR										
CSR	Employee volunteering	Volunteers hours	hours	21,978	2,388	18,151	9,444	5,340	4,457	16,369
		Volunteers	persons	1,046	169	1,143	409	356	265	505
		Volunteer hours per person	hours	21.0	14.1	15.9	23.1	15.0	16.8	32.4
		Employee participation	%	82	13	93	80	5	4	6
CSR expenses	CSR expenses	Total	KRW	1,729,117,472	2,155,097,479	2,162,848,085	1,386,842,591	1,230,467,336	843,835,360	1,166,800,256
		Donations	KRW	1,694,646,016	2,120,549,000	2,078,463,100	1,326,682,936	640,232,499	597,216,296	1,000,607,961
		Community	KRW	0	0	0	0	190,295,515	130,655,779	153,573,196
	Other ¹⁾	KRW	34,471,456	34,548,479	84,384,985	60,159,655	399,939,322	115,963,285	12,619,099	

1) CSR expenses that fall into the 'other' category are volunteer activity expenses and CSR advertising expenses.

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In 2022, our operating profit and EBITDA rose by KRW 317.1 billion and KRW 373.8 billion year-over-year to reach KRW 902.5 billion and KRW 1.3031 trillion respectively on a consolidated basis, which is attributable to the strong performance of our trading business, increases in gas sales prices amid rising oil prices, and operational stabilization at key investment corporations and the resulting improvement in performance. To enhance the efficiency of invested capital, we reduced our capital investment in low-profitability business as well as net working capital expenses in trading business, which drove our ROE, a measure of profitability, to increase by 3.6% from the previous year.

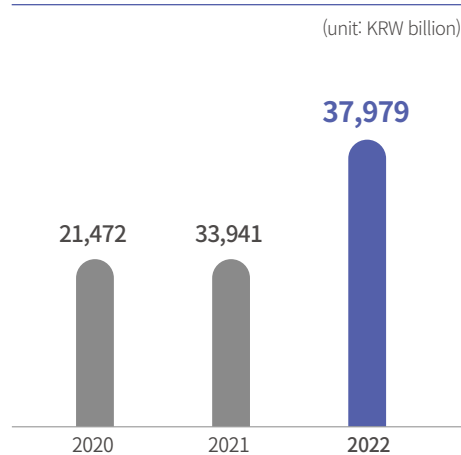
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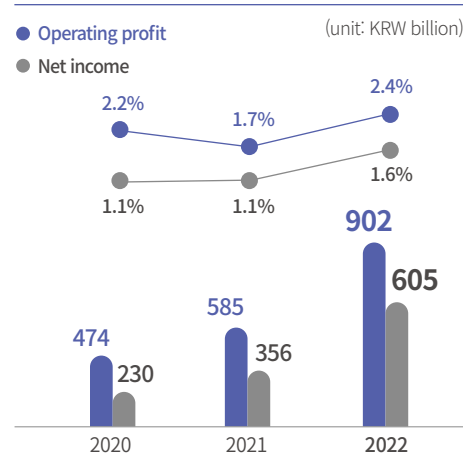
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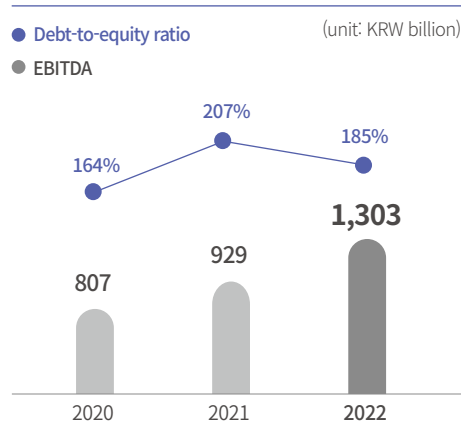
Sales



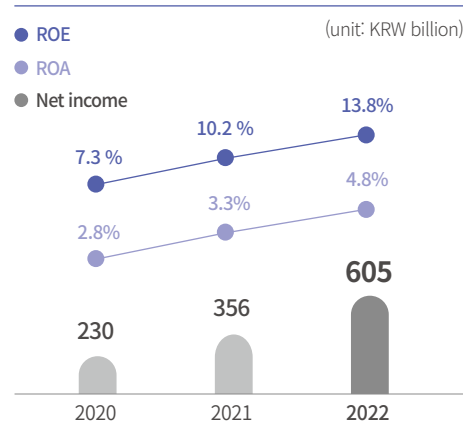
Operating profit and net income distribution



EBITDA and debt-to-equity ratio



ROE and ROA



Distribution of Economic Value

(As of 31 Dec. 2022, Consolidated, Unit: KRW million)

Stakeholders	Category	2020	2021	2022
Shareholders and investors	Total cash dividends	86,362	98,700	123,354
	Interest expenses	98,488	82,451	145,707
Government	Income tax expenses	97,645	132,212	137,234
Community	Donations	1,836	32,503	15,658
Supplier	Cost of goods sold	19,154,607	30,968,559	33,882,403
Employees	Employee wages	270,747	325,511	389,342



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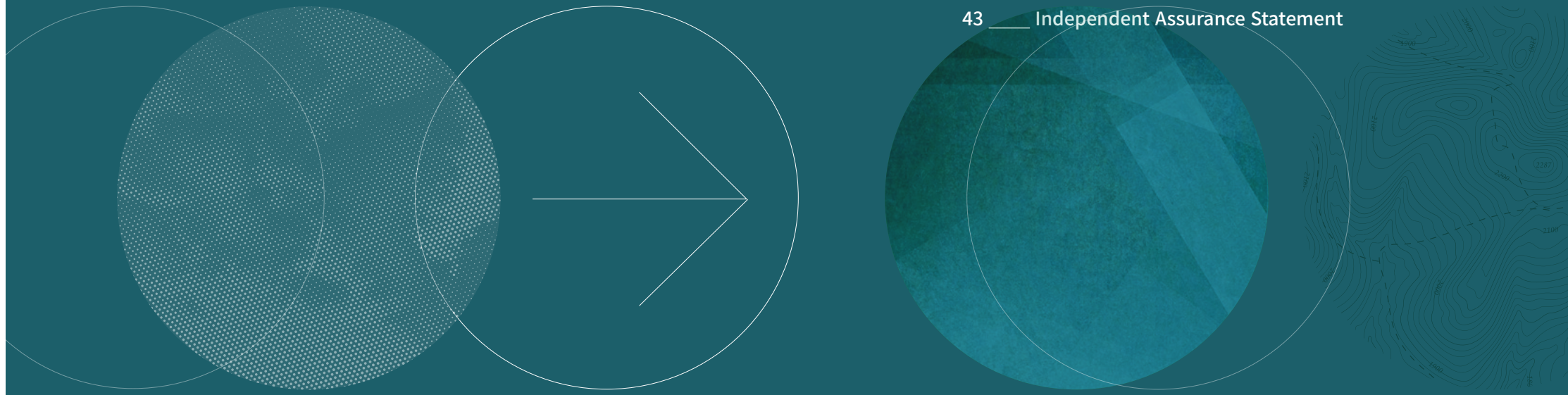


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Environmental Policy

Purpose

The purpose of this policy is to establish a sustainable management and environmental management system that can fully realize the company’s business philosophy of “Corporate Citizenship: Building a Better Future Together”, improve its ability to respond to environmental risks, and contribute to protecting the environment and overcoming climate crisis through cooperation among POSCO International and POSCO International’s all affiliates and stakeholders.

Scope of Application

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International’s affiliates and partners to comply with this policy or establish an equivalent policy.

Basic Principles

1. Compliance with Environmental Laws and Mitigation of Environmental Impacts

- We shall comply with international conventions and applicable laws on the environment and energy and endeavor to mitigate environmental impact throughout our entire process of development, production, use, and disposal of products.
- We shall minimize emissions of pollutants by implementing eco-friendly production methods and the best available technology.

2. Response to Climate Change

- We shall establish a risk self-assessment framework in response to climate change, set achievable goals, and self-evaluate performance.
- We shall endeavor to reduce greenhouse gas emissions by reducing our dependence on fossil fuels and fossil raw materials, improving energy efficiency, and developing and using renewable energy.

3. Protection of Biodiversity and Restoration of the Natural Environment

- We shall endeavor to restore the natural ecosystem and protect biodiversity by using natural resources and by-products in an efficient manner.
- In order to minimize damage to the environment, including green areas, forests, wetlands, and oceans, we shall conduct risk assessments when constructing or expanding workplaces and endeavor to restore the existing natural environment through reforestation and afforestation efforts when withdrawing from work sites.

4. Raw and Subsidiary Materials and Water

- We shall take into account the amount of resources used to manufacture finished products and endeavor to replace traditional materials with eco-friendly ones, such as raw materials that are renewable or with fewer impurities. We shall also endeavor to reduce the amount of resources used in production activities by adopting new facilities that consume less resources, such as water saving machines, and by implementing clean technologies.

5. Waste and Wastewater

- We shall minimize waste and wastewater generated during the production process and recycle inevitably generated waste and wastewater as much as possible. We shall also establish waste management and/or water treatment facilities required to minimize the impact that waste and wastewater from our workplaces may have on the environment.

6. Hazardous Chemicals

- We shall systematically manage hazardous chemicals to prevent chemical accidents, such as chemical leaks or spills, and endeavor to use and release less hazardous chemicals.

Action Plans

1. Establishment of Environmental Management System

- We shall establish an environmental management system (“EMS”) to assess and respond to environmental risks unique to our business activities, set specific environmental performance targets, and continually improve such targets.
- The Board of directors and the executive management shall actively participate in the decision-making and management/supervision of the EMS and provide ample support in both human and material resources, such as assigning dedicated working-level employees, to ensure that EMS is fully installed and operated.
- For the operation of the EMS, we shall incorporate environment-related factors in existing policies with specific consideration of each company’s business situation and, if necessary, establish and comply with specific policies, guidelines, and bylaws on specific environmental concerns such as biodiversity, forest, wetland, and climate risk.
- We shall discuss the importance of environmental protection and response to climate change with stakeholders, such as contractors, suppliers, and counterparties, and provide support so that they can establish their own EMS.
- The officers and department heads shall provide training to the officers/employees under their supervision so that they can recognize the importance of environmental management and comprehend the EMS.



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2. Response to Climate Change

- We shall integrate transition and physical risk related to climate change into company-wide risk assessments and business strategies and document and manage such risk.
- We shall ensure that risks, strategies, and assessments related to climate change are properly reported to the board of directors and executive management.
- We shall establish and implement concrete and feasible plans to mitigate greenhouse gas emissions and achieve carbon neutral goals.
- We shall apply environmental certification and disclosure frameworks related to climate change (e.g. the TCFD), or establish a comparable reporting framework to disclose to a reasonable extent our ongoing efforts and achievements in responding to climate change.

3. Management of Production and Workplace Environment

- We shall ensure that the production and workplace environment is properly managed through processes including KPIs and other performance management indicators, education/training, establishment and management of guidelines, internal inspections, etc.
- We shall apply eco-friendly production processes and the best available technology to minimize the amount of pollutants and the impact of pollutants on the environment.
- We shall establish and operate environmental management manuals tailored to the specific needs of production facilities and workplaces and continually monitor and strive to improve the environmental impact of our operating facilities.
- We shall endeavor to thoroughly assess risks and achieve a zero net environmental impact in order to protect the ecosystem and the environment when building, expanding, and closing down our workplaces. We shall not engage in business activities that destroy forests and wetlands but pursue and implement the best available measures to mitigate the impact on the ecosystem, e.g. through engaging in forest and wetland restoration activities.

4. Development and Distribution of Products and Services

- We shall identify the challenges and opportunities in the process of transitioning to a low-carbon economy, increase the supply of eco-friendly products and by-products, and assess environmental risks in the transportation and logistics process. By doing so, we shall minimize the environmental impact throughout the entire process of developing and providing goods and services.
- We shall enhance our competitiveness by developing low-carbon, eco-friendly, and new and renewable energy products.

5. Supply Chain Management, and Selection and Evaluation of Suppliers

- When selecting our partners (suppliers, contractors, service providers, etc.), we shall evaluate their level of environmental management to minimize environmental impact.
- We shall provide support to suppliers and contractors so that they can establish their own EMS at a superior level and preemptively manage environmental risks throughout the entire supply chain by conducting performance evaluations regarding suppliers' environmental management levels.
- We shall procure materials and equipment in compliance with the green procurement policy.

6. New Projects and M&A

- We shall review environmental management plans and environmental impact assessments when reviewing new projects/investments to minimize environmental risks that may arise from projects.
- We shall conduct due diligence when reviewing potential M&As to identify and respond to environmental risks in advance.



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Biodiversity Policy

Purpose

The purpose of this policy is to establish a system whereby POSCO International can protect and promote biodiversity while performing its business activities and establish a code of conduct and action plans in order to develop a business model that can promote sustainable growth with the natural environment.

Scope of Application

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International's affiliates and partners to comply with this policy or establish an equivalent policy.

Code of Conduct

1. We shall shift away from a linear economy where we exploit resources to produce and use products only to eventually discard them, and move instead toward a business model based on a circular economy which is decoupled from the consumption of finite resources and promotes recycling and sustainability.
2. We shall identify the potential impact on biodiversity at each stage of our business, endeavor to prevent or minimize such impact, and in cases of damages to biodiversity, strive to recover previous levels of biodiversity through restoration, closure, etc. of affected habitats and land areas.
3. When the loss of biodiversity is inevitable, we shall endeavor to minimize the loss of biodiversity, such as creating alternative habitats in other places, and shall not operate in areas of high biodiversity value.
4. We shall designate areas where our business activities directly or indirectly affect biodiversity, monitor designated reservation areas inside and outside of workplaces and other areas of high biodiversity value, and evaluate and manage the impact on biodiversity
5. We shall identify factors that may threaten endangered animals and plants discovered in our workplaces as well as partners' workplaces and develop strategies to protect such species.

6. We shall carry out ecosystem restoration projects in areas where our business activities directly or indirectly affect the biodiversity and disclose the process of establishing and implementing plans, local communities' participation efforts, and the results of the projects.
7. We shall actively participate in research and development using biological resources, projects to promote biodiversity and protect animals, and international initiatives related to biodiversity.

Action Plans

1. We shall establish procedures and governance where biodiversity issues are considered in our business strategies, decision-making process, and long-term risk analysis, and the board of directors shall monitor the above.
2. We shall integrate biodiversity management into the Group's EMS and set goals and standards to control and monitor the EMS.



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Human Rights Management Policy

Purpose

This policy aims to ensure that POSCO International complies with international human rights standards such as UN Guiding Principles on Business and Human Rights, UN Global Compact, Universal Declaration of Human Rights, and OECD Guidelines for Multinational Enterprises and implements human rights management based on respect for labor principles recommended by the International Labor Organization and ratified by the government.

Scope of Application

This policy applies to POSCO International and its officers/employees. POSCO International shall encourage all of POSCO International's affiliates and its officers/employees as well as its partners and their officers/employees to comply with this policy or establish an equivalent policy.

Code of Conduct

1. General Principles

- We shall respect the UN Guiding Principles on Business and Human Rights and acknowledge that all human beings have the right to dignity, including the following related rights: right to life and physical safety; freedom of thought, expression, and religion; freedom of association; freedom of family life and privacy; right to food and water; freedom from torture, slavery, or forced labor; right to fair and decent working conditions; and anti-discrimination.
- To this end, we shall prevent infringement on the human rights of others and take appropriate measures to prevent and address negative impacts on human rights that may occur in the course of our business activities.
- To meet the expectations of stakeholders by fulfilling our responsibility to respect human rights, our officers/employees shall comply with the following recommendations regarding human rights management:
 - ① We shall comply with applicable laws and internationally recognized global human rights standards wherever we operate our business;
 - ② When faced with conflicts with local regulations, we shall pursue ways to comply with global human rights standards; and
 - ③ We shall treat the risk of serious human rights violations as an important management issue of the company.

2. Major Human Rights Issues

- We shall manage human rights risks that may occur in the following areas of human rights at the company-wide level and fulfill its responsibility to respect human rights.

① Anti-discrimination

We shall not discriminate or harass anyone on the ground of race, nationality, gender, age, educational background, religion, region, disability, marital status, gender identity, etc. We shall provide equal employment opportunities to those with appropriate qualifications and abilities to perform the duties assigned to them and respect cultural diversity. We shall not discriminate against people on the ground of gender and employment type. We shall provide equal wages to workers for equal work to prevent disparities in wages and working conditions without reasonable reasons. We shall fairly evaluate officers/employees' individual capabilities and performance and systematically reflect the evaluation results to provide appropriate compensation.

② Prohibition of Forced Labor and Child Labor

We shall not coerce anyone to work against his/her free will by means including human trafficking, intimidation, confinement, and other unreasonable restriction of mental or physical liberties. We shall not sign a labor contract that requires the other party to pay a penalty if he/she fails to perform the labor contract. In addition, we shall prohibit child labor and comply with labor conditions for minors and minimum working age standards under national labor laws and international standards.

③ Guarantee of Freedom of Association and Collective Bargaining

In accordance with the basic labor rights under domestic laws and regulations and as defined by the International Labor Organization, we shall recognize workers' freedom of association and membership, including the freedom to unionize. We shall not penalize workers for joining labor unions or engaging in union activities. In addition, we shall not reject collective bargaining without reasonable grounds and shall respect and fully implement the results of collective bargaining.

④ Guarantee of Occupational Safety

Under the principle that all kinds of accidents and work-related diseases must be prevented, we shall establish a company-wide health and safety policy, fully comply with international safety rules and regulations, and take appropriate measures for any identified occupational hazards.



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⑤ Prevention of Workplace Harassment

We shall strive to strictly prevent any cases of employees taking advantage of their positions or relationships at work to cause unwarranted physical or mental distress to another employee or cause harm to the work environment. We shall prevent any employee from violating the human rights of others or engaging in verbal, physical, or visual behavior that is offensive to others, including sexual harassment, and create a workplace culture in which everyone is respected.

⑥ Responsible Supply Chain Management

In order to monitor and manage forced labor and violations of children's rights in our supply chain, we shall manage human rights risks of our suppliers, subcontractors, subsidiaries, and other key partners under our influence. In addition, we shall ensure fair trade with our partners based on mutual respect and equality and support partners to comply with fair trade laws and regulations.

⑦ Anti-corruption and Anti-bribery

In order to maintain fair trade in all areas, we shall comply with all domestic and international anti-bribery and anti-corruption laws and regulations, including the Improper Solicitation and Graft Act, the UN Convention against Corruption, the Foreign Corrupt Practices Act, and the Act on Combating Bribery of Foreign Public Officials in International Business Transactions.

⑧ Guarantee of Environmental Rights

We shall endeavor to reduce greenhouse gas emissions by reducing the use of fossil fuel and fossil fuel-derived raw materials and improving energy efficiency. We shall strive to restore the natural ecosystem and protect the biodiversity by using natural resources and by-products in an efficient manner. In addition, we shall establish an EMS, improve our ability to respond to environmental risks, and conduct eco-friendly management through open communication.

⑨ Protection of Human Rights of Local Residents

If a human rights violation occurs in the local community due to the company's business activities, we shall collect opinions and endeavor to resolve such human rights issues. In addition, we shall minimize and prevent human rights risks as we may have a social and environmental impact on local residents and the region in the process of running our business. We shall also evaluate the impacts on the safety, health, food, and economic activities of the local environment and local residents and take into account protection of the local culture and biodiversity issues in the region.

⑩ Protection of Human Rights of Consumers

We shall operate a customer-centric business in which we listen to and respect our customers. We shall actively accept customers' legitimate requests and reasonable suggestions. We shall

not provide products and services that threaten their safety and health based on considerations for the safety and health of customers in our business activities. We shall also protect customer-related information.

3. Establishment of Policies and Procedures

- We shall prepare the following policies and procedures to fulfill our responsibility to respect human rights.
 - ① Implementation of appropriate policy regimes, including enactment of rules containing the company's responsibility to respect human rights
 - ② Human rights due diligence procedures to identify, prevent, and mitigate any negative impact on human rights and inspect and investigate any activities that affect human rights
 - ③ Procedures to remedy the negative impact on human rights that the company has had

Action Plans

1. Human Rights Management Governance

The ESG Committee, an expert committee under the board of directors, shall set overall policies and directions related to human rights management and monitor the implementation of such human rights management. The Corporate Citizenship Bureau shall support the ESG committee to facilitate the performance of duties and provide human rights training, disclose information, conduct human rights due diligence, and provide relief to victims.

2. Human Rights Due Diligence

A. Key Considerations

- Officers/employees shall identify, prevent, and mitigate any negative impact on human rights and conduct human rights due diligence when considered necessary to fulfill their responsibilities. Such due diligence shall include identifying and evaluating any actual and potential impact on human rights, responding to problems identified, recording response activities, and communicating with stakeholders. Human rights due diligence shall consider the following:
 - ① Include negative impacts on human rights that may be directly or indirectly triggered in the course of the company's business activities;
 - ② Consider the location and size of workplaces, human rights risk exposure, characteristics and features of business, and other various matters depending on the political and economic conditions and characteristics of the host country; and
 - ③ Recognize that human rights risks gradually change as the company's activities and business environment change, and continue to conduct due diligence.



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B. How to Conduct Due Diligence

- We shall endeavor to identify and inspect any actual and potential negative impact on human rights related to their business activities at home and abroad according to the following process.
 - ① If human rights risks are identified in major domestic and foreign workplaces, we shall conduct human rights due diligence, analyze the situation, and make improvement plans;
 - ② In principle, due diligence shall be carried out by internal experts, and if necessary, it may be conducted with the support from external experts;
 - ③ In some cases, groups and stakeholders who may be potentially affected may be interviewed;
 - ④ We shall identify any potential and actual impact during due diligence, share the evaluation results at the company-wide level regarding the potential impact, take measures to prevent or mitigate such impact by carrying out relevant procedures, and endeavor to remediate and resolve any existing impact; and
 - ⑤ We shall conduct due diligence using a checklist that identifies key elements related to human rights management.

C. Response and Follow-up

- We shall endeavor to identify and inspect any actual and potential negative impact on human rights related to their business activities at home and abroad according to the following process.
 - ① **Establishment of Internal Response System**
 - i. We shall clarify roles and responsibilities with relevant departments to solve identified problems.
 - ii. We shall apply internal decision-making, budget allocation, and monitoring procedures to effectively respond to the above impact.
 - iii. We shall accurately explain the problems identified through human rights due diligence to the relevant departments and respond to the problems by managing them as important issues.
 - ② **Follow-up and Remedies**
 - i. We shall take the necessary steps to prevent or mitigate any potential or existing adverse impact on human rights.
 - ii. In cases of unexpected negative impact on human rights despite our best policies and procedures, we, alone or in collaboration with other entities, shall endeavor to address such negative impact.
 - iii. When we have not directly contributed to negative impacts on human rights but the negative results are related in a complex way to our operations, production, and services through our relationship with other entities (e.g., suppliers), while we are not directly responsible for devising plans for systematic improvement, but we shall play a certain role.
 - iv. We shall use the influence that the company has to prevent or mitigate the negative impact on human rights, and otherwise may strive to strengthen our influence by collaborating with the relevant entities to protect human rights.
 - v. We shall operate a grievance mechanism that shall serve as an effective remedy for potentially affected stakeholders.

D. Communication with Stakeholders

- When stakeholders raise concerns about human rights impacts, we shall take responsibility in communicating with them.
 - ① We shall communicate responsibly and transparently with our stakeholders, including affected groups, individuals, and investors. To facilitate stakeholders' access to information, we may consider various forms of communication, such as face-to-face meetings, publication of official reports, and online channels (e.g., the company's official website and Helpline).
 - ② We shall include actual and potential negative impacts in the official reports we publish and may consider independent verification procedures to enhance the credibility of the reports.
 - ③ We shall provide stakeholders with information so that they can better assess whether the company is responding appropriately to specific human rights impacts.

E. Internalization and Program Improvement

- Based on the results of human rights due diligence, we shall contribute to the actual improvement of human rights management through internalization of organizational culture and activities for improving programs.
 - ① We shall carry out activities to internalize human rights management into the organizational culture by providing training on rapport-building and human rights management norms to all officers/employees and sharing successes and failures.
 - ② We shall continue to improve the human rights management system by consulting with experts, communicating with stakeholders, and discovering areas for improvement through implementing programs.

3. Grievance Mechanism

A. Key Considerations

- We shall operate a grievance mechanism for negatively affected individuals and communities so that their grievances can be promptly discussed and addressed.
- We shall endeavor to address grievances swiftly and reasonably by using existing methods such as the Ethics Counseling Center (Helpline) and the Unethical Conduct Reporting Center (Hotline). We shall not penalize those who file a complaint, victims, and cooperators on the ground that they apply for counseling or investigation and provide cooperation.
- The grievance mechanism shall perform the following important functions in relation to the company's responsibility to respect human rights:
 - ① Facilitation of the identification of negative impacts on human rights and acceptance of concerns raised by those directly affected or likely to be affected. Affected persons may report their human rights concerns to the Corporate Citizenship Bureau in person, by mail, by phone, or by email and apply for grievance handling;
 - ② Collection of grievances and provision of early relief to victims in order to prevent the spread of human rights violations; and
 - ③ Analysis of operations progress to identify and solve problems in human rights policies and procedures.



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Responsible Minerals Policy

Purpose

This policy prohibits the use of conflict minerals such as tin, tantalum, tungsten, and gold (“3TGs”) that have been used to fund warlords and rebel groups in African countries affected by civil wars such as the Democratic Republic of Congo and other minerals such as cobalt that are linked to human rights abuses and environmental issues during the mining process. This policy outlines POSCO International’ commitment to using only “responsible minerals” mined in a way that respects human rights and protects the environment without financing armed conflict and sets out the code of conduct and action plans for achieving the above goal.

Scope of Application

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International’s affiliates and partners to comply with this policy or establish an equivalent policy. Furthermore, POSCO International expects partners to encourage their partners to comply with this policy as well.

Code of Conduct

1. We shall endeavor to prevent negative impact on society and the environment by preventing human rights violations such as child labor and forced labor in the mining process and minimizing environmental destruction.
2. We shall disclose information on partners using minerals that cause conflict, including 3TGs and cobalt, in the Democratic Republic of Congo and neighboring countries.
3. We shall comply with regulations related to conflict minerals, including the Dodd-Frank Act of the United States and the Conflict Minerals Regulation of the EU. We shall endeavor to ensure that due diligence is conducted in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (“OECD Due Diligence Guidance”), which provides a framework for detailed due diligence to identify and mitigate risks in the supply chains for 3TG and cobalt.
4. We shall require our partners to purchase 3TG and cobalt from smelters that meet the Responsible Minerals Assurance Process (“RMAP”) standards under the Responsible Minerals

Initiative (“RMI”) or any other similar standards. We shall also require smelters included in POSCO Group’s supply chains that have failed to meet the RMAP standards to meet the above standards

Action Plans

Based on the five-step framework recommended by the OECD Due Diligence Guidelines for responsible resource procurement in consideration of human rights protection and conflict risk, we shall manage as follows so that minerals can be mined in a way that respects human rights and protects the environment:

1. Establish an internal management system to manage risks related to minerals mined in conflict-affected and high-risk areas;
2. Identify and evaluate risks that may arise from mining, trading, and exporting minerals in conflict-affected and high-risk areas;
3. Establish and implement a risk management system and strategy to manage and respond to identified risks, monitor implementation performance and improve the management system and strategy on an ongoing basis;
4. Conduct due diligence on smelters in the supply chains in conflict-affected and high-risk areas and plan and conduct independent audit, if necessary; and
5. When identifying any supply chain risks or necessary improvements through due diligence, we request that suppliers take action accordingly while verify the improvements made by suppliers so that they could participate in our sourcing pool on the condition that such risks were mitigated.



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Supply Chain Policy

Purpose

This policy enables POSCO International to promote fair trade based on mutual trust with its supply chain and partners, build a sustainable supply chain, and ultimately create an inclusive business environment where POSCO International can coexist and grow together with its stakeholders.

Scope of Application

This policy applies to POSCO International. POSCO International shall encourage all of POSCO International’s affiliates and officers/employees as well as suppliers and partners (collectively “partners”) and their officers/employees to comply with this policy or establish an equivalent policy. Furthermore, POSCO International expects partners that deal directly with POSCO International to encourage their partners to comply with this policy as well.

Partner Code of Conduct

1. Human Rights

Partners shall not tolerate unlawful child labor, human trafficking, or any other form of forced labor under the UN Guiding Principles on Business and Human Rights and the International Labor Standards of the International Labor Organization. Partners shall endeavor to respect and protect the human rights, working hours, and freedom of association and collective bargaining of all workers. In addition, partners shall not discriminate against workers on the ground of race, nationality, gender, age, educational background, religion, region, disability, marital status, or gender identity.

2. Environment

Partners shall not only comply with environmental regulations and laws but also evaluate the impact that their business activities may have on the environment and the risk that their business activities may pose to the environment. Partners shall establish an EMS to systematically manage/analyze environmental management performance throughout the entire process from product development and production to use. Partners shall endeavor to reduce greenhouse gas emissions by using less fossil fuels and fossil raw materials and improving energy efficiency and to restore the natural ecosystem and protect biodiversity by using natural resources and by-products in an efficient manner.

3. Health and Safety

Partners shall establish a company-wide health and safety policy and fully comply with safety rules at international level. Partners shall take appropriate measures to prevent deaths, injuries, and illnesses in the workplace so that they can ensure that all officers/employees are protected from accidents and work-related diseases and work in a safe and healthy environment. Partners shall place top priority on consumer safety when manufacturing products.

4. Anti-corruption

Partners shall neither engage in nor tolerate any form of corruption, graft, or improper solicitation. Partners shall comply with domestic and international anti-bribery and anti-corruption laws and regulations, stick to the basics and adhere to the principles over the course of their business activities, and endeavor to establish an ethical corporate culture.

5. Fair Trade

Partners shall comply with international standards and national fair trade laws and shall not engage in unfair cartel activities with competitors, such as collusion on production, price, bidding, and market division, and unfair trade practices that may undermine fair trade. Partners shall respect the rights and properties of others, including intellectual property rights, and shall not operate business or take profits while infringing on the intellectual property rights of others. Partners shall obtain and use information of other companies, including their competitors, only through legitimate means.

6. Prevention of Money Laundering and Tax Evasion

Partners shall comply with laws for the prevention of domestic and international illegal money laundering, tax evasion, and financing of terrorism and weapons of mass destruction.

7. Avoiding Conflicts of Interest

Partners shall avoid situations that may conflict with or likely to conflict with the company’s interests. Partners shall not disclose or improperly use any confidential or non-public information that they have obtained while doing business with the company.



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8. Whistleblower Program

Partners shall prepare and operate a whistleblowing program that allows workers to anonymously report unethical behavior or potential violations. Partners shall investigate any report filed and take appropriate action to address any concerns.

9. Wage

Partners shall comply with all laws related to wage including minimum wage, salary, overtime work pay and deduction from salary.

Code of Conduct

1. Risk Management and Due Diligence of Supply Chain

- We shall identify partners' failure to comply with the basic principles of this policy and resultant risks that may undermine sustainability in the supply chain and prepare a system to manage and monitor the above risks in order to minimize any negative impacts.
- When selecting a partner, we shall check whether the candidates are complying with the Partner Code of Conduct in this policy.
- When entering into contracts with a partner in the supply chain, it shall be clearly stated in the contract that the partner shall comply with this policy and ensure that the partner includes a similar clause in its contract with its own partners.
- We may identify negative impacts on human rights, the environment, and product safety in the process of managing supply chain risks. We may conduct supply chain due diligence to the extent permitted by law, as is necessary to prevent or mitigate such risks.
- Supply chain due diligence shall include identification and evaluation of actual or potential negative impacts on the supply chain, preparation and implementation of action plans to prevent/mitigate/address negative impacts, communication with stakeholders about the process and results of due diligence, and procedures through which stakeholders can express their grievance.
- We may determine the scope of the supply chain subject to due diligence at our own discretion in consideration of expected group-wide effects. Depending on the situation, the scope of due diligence may be limited to direct contractors or be expanded to include entities further up/down the supply chain.

- We may evaluate a partner's level of implementation of this policy through supply chain risk management and due diligence. Based on the evaluation results, we may request the partner to establish and implement a plan to address and mitigate negative impacts caused by the partner's business activities. Regardless of the above, if it is determined that such negative impacts is unlikely to be mitigated due to the partner's insufficient efforts, we may suspend business with the partner.

2. Co-prosperity with Partners and Establishment of Mutually Beneficial Relationship

We shall endeavor to promote fair trade based on mutual trust with its partners and create an inclusive business environment where we can coexist and grow together with its partners.

- We shall respect the rights of its partners (intellectual property rights, property rights, etc.) and endeavor to ensure fair trade with partners based on mutual respect and equality.
- We shall share achievements with partners and pursue mutual benefits. We shall further ensure smooth communication and mutual cooperation with partners so that the latter can provide high-quality products and services.
- We shall endeavor to improve payment procedures for partners and to establish a stable supply chain by providing technical and financial support. We shall also support partners to help comply with fair trade laws and regulations.
- We shall continue to expand the scope of partners subject to our co-prosperity efforts for the promotion of mutually advantageous coexistence in the business ecosystem.

GRI Standards Index

GRI Standards	Disclosures	Page	Note
GRI 2: General Disclosures			
GRI 2: The organization and its reporting practices (2021)	2-1	Organizational details	2, 10, 17, 109
	2-2	Entities included in the organization's sustainability reporting	2 Please refer to page 54 of the 2022 POSCO International Business Report
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	73-84 Annotations were made when deemed necessary
	2-5	External assurance	113-114
GRI 2: Activities and workers (2021)	2-6	Activities, value chain and other business relationships	2, 7-9
	2-7	Employees	76-77 Employees breakdown by region at the end of 2022 - Korea 1,748 persons, Asia(excluding Korea and China) 8,073 persons, China 444 persons, Europe 366 persons, North America 112 persons, Other 268 persons
GRI 2: Governance (2021)	2-8	Workers who are not employees	- Please refer to page 365 of the 2022 POSCO International Business Report
	2-9	Governance structure and composition	15-16
	2-10	Nomination and selection of the highest governance body	15-16
	2-11	Chair of the highest governance body	15
	2-12	Role of the highest governance body in overseeing the management of impacts	20-21
	2-13	Delegation of responsibility for managing impacts	20
	2-14	Role of the highest governance body in sustainability reporting	15
	2-15	Conflicts of interest	- Directors are appointed in conformity with Article 382 of the Commercial Act
	2-16	Communication of critical concerns	20-21
	2-17	Collective knowledge of the highest governance body	- Please refer to page 40 of the 2022 POSCO International Corporate Governance Report
	2-18	Evaluation of the performance of the highest governance body	- Please refer to page 41 of the 2022 POSCO International Corporate Governance Report
GRI 2: Strategy, policies and practices (2021)	2-19	Remuneration policies	- Please refer to page 365-372 of the 2022 POSCO International Business Report
	2-20	Process to determine remuneration	- Please refer to Article 30 of Chapter 5 of the Articles of Incorporation
	2-21	Annual total compensation ratio	- Please refer to page 365 and 367 of the 2022 POSCO International Business Report
	2-22	Statement on sustainable development strategy	4
	2-23	Policy commitments	44, 55-56
	2-24	Embedding policy commitments	44, 55-56
	2-25	Processes to remediate negative impacts	40-41, 59
	2-26	Mechanisms for seeking advice and raising concerns	59
	2-27	Compliance with laws and regulations	- No relevant regulatory actions taken
	2-28	Membership associations	113
GRI 2: Stakeholder engagement (2021)	2-29	Approach to stakeholder engagement	18-19
	2-30	Collective bargaining agreements	38, 79



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GRI Standards	Disclosures	Page	Note
GRI 3: Material Topics			
GRI 3: Material topics (2021)	3-1	Process to determine material topics	12
	3-2	List of material topics	13
	3-3	Management of material topics	13, 24-34, 35-37, 40-41, 43-44, 46-57, 59-60
GRI 200 Economic Standards			
GRI 201: Economic Performance (2016)	201-1	Direct economic value generated and distributed	85
	201-2	Financial implications and other risks and opportunities due to climate change	25-31
	201-3	Defined benefit plan obligations and other retirement plans	79
	201-4	Financial assistance received from government	98
GRI 203: Indirect Economic Impacts (2016)	203-1	Infrastructure investments and services supported	65-68
GRI 205: Anti-corruption (2016)	205-1	Operations assessed for risks related to corruption	59-60
	205-2	Communication and training about anti-corruption policies and procedures	55-56, 83
GRI 206: Anti-competitive Behavior (2016)	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	- No relevant regulatory actions taken
GRI 300 Environmental Standards			
GRI 301: Materials (2016)	301-2	Recycled input materials used	34
	302-1	Energy consumption within the organization	73
GRI 302: Energy (2016)	302-3	Energy intensity	73
	302-4	Reduction of energy consumption	34
	303-2	Management of water discharge-related impacts	34
	303-3	Water withdrawal	74
GRI 303:Water and Effluents (2018)	303-4	Water discharge	74
	303-5	Water consumption	74
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	70-71
GRI 304: Biodiversity (2016)	304-3	Habitats protected or restored	70-71
	305-1	Direct (Scope 1) GHG emissions	73
GRI 305: Emissions (2016)	305-2	Energy indirect (Scope 2) GHG emissions	73
	305-4	GHG emissions intensity	73
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	74
	306-3	Waste generated	75
GRI 306: Waste (2020)	306-4	Waste diverted from disposal	75
	306-5	Waste directed to disposal	75
	GRI 308: Supplier Environmental Assessment (2016)	308-2	Negative environmental impacts in the supply chain and actions taken



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GRI Standards	Disclosures	Page	Note
GRI 400 Social Standards			
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover	77	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	36-39	
	401-3 Parental leave	39, 79	
GRI 403: Occupational Health and Safety (2018)	403-1 Occupational health and safety management system	49-50	
	403-2 Hazard identification, risk assessment, and incident investigation	53	
	403-3 Occupational health services	52	
	403-4 Worker participation, consultation, and communication on occupational health and safety	51	
	403-5 Worker training on occupational health and safety	51	
	403-6 Promotion of worker health	52	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52-53	
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee	78	Trainings are provided equally regardless of gender
	404-2 Programs for upgrading employee skills and transition assistance programs	36-37	
	404-3 Percentage of employees receiving regular performance and career development reviews	78	
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	15, 76-77, 80	
GRI 406: Non-discrimination (2016)	406-1 Incidents of discrimination and corrective actions taken	-	No incidents of discrimination
GRI 407: Freedom of Association and Collective Bargaining (2016)	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	40-41	
GRI 408: Child Labor (2016)	408-1 Operations and suppliers at significant risk for incidents of child labor	-	No such operations or suppliers
GRI 409: Forced or Compulsory Labor (2016)	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	No such operations or suppliers
GRI 411: Rights of Indigenous Peoples (2016)	411-1 Incidents of violations involving rights of indigenous peoples	-	No such violations
GRI 413: Local Communities (2016)	413-1 Operations with local community engagement, impact assessments, and development programs	40-41, 65-68, 70-71	
GRI 414: Supplier Social Assessment (2016)	414-1 New suppliers that were screened using social criteria	44, 46-47, 52, 95	
GRI 416: Customer Health and Safety (2016)	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-	No relevant regulatory actions taken
GRI 418: Customer Privacy (2016)	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	No substantiated complaints

Other Data

Employee Data

As of December 2022, POSCO International hired a total of 11,011 employees, including 1,748 at the Headquarters in Korea and 9,263 at overseas operations. This includes employees in Energy Business Unit following the merger.

Government Grants

Government grants are recognized only when we comply with the attached conditions and are reasonably assured of receiving the grants. When such grants relate to profit, they are recognized as profit in accordance with systemic criteria over the periods that correspond to the relevant costs to be compensated through grants. When such grants are related to assets, they are recognized as deferred profit and recognized as profit at identical value each year over the durable years of the concerned assets. In 2022, the remaining balance of government grants out of POSCO International's tangible assets (on a consolidated basis) amounted to KRW 13 million. For further details, please refer to '10. Tangible Assets' on page 115 of the 2022 POSCO International Business Report.

Supply Chain

Trading business is to identify the needs of the buyer and choose the appropriate supplier to deliver products that cater to such needs. POSCO International's supply chain covers companies who manufacture and/or produce products that meet buyer's needs. Our supply chain may also include shipment and transportation service companies as they are the ones who deliver products to our customers. With the merger of POSCO P&S in 2017, suppliers of scraps, nickel, chrome, and steel sheets used for manufacturing have become part of our supply chain. For the year of 2022, the cost of goods purchased from our supply chain amounted to KRW 33.882403 trillion.



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As we engage in wide-ranging businesses such as trading sales in addition to energy, resource development, production & processing, and infrastructure development & operation, we aim to report against multiple industry standards that correspond to our major businesses so that we increase the breath of information that we share with stakeholders. While we primarily report based on the Iron & Steel Producers Standards in the Extractives & Minerals Processing sector in accordance with the Sustainable Industry Classification System(SICS) of the SASB, we also voluntarily report on the Oil & Gas – Exploration & Production Standards in the sector as well as the Industrial Machinery & Goods Standards in the Resource Transformation sector. As to the Oil & Gas – Exploration & Production Standards, we have set the scope of reporting as the Shwe Project of which development has been completed and which is currently under operation. As to accounting metrics, we added metrics for which reporting is available in this year’s report following our merger, from the Electric Utilities & Power Generators Standards in the Infrastructure Sector that is associated with energy business.

Iron & Steel Producers/Industrial Machinery & Goods/Electric Utilities & Power Generators Accounting Metric

The reporting scope of 2022 includes POSCO International’s Headquarters and domestic operations as well as our wholly owned subsidiary POSCO Mobility Solution. We plan to extend this scope to include overseas subsidiaries to report on a consolidated basis. The reporting scope of POSCO International’s Headquarters and domestic operations includes the 2022 data of our energy division.

Greenhouse Gas Emissions & Energy Resource Planning

Code	Metric	Reference
EM-IS-110a.1/ IF-EU-110a.1	SGross global Scope 1 emissions, percentage covered under emissions-limiting regulations ¹⁾	p.73, p.33, 100%
EM-IS-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	4,151,754tCO ₂ eq. ²⁾
EM-IS-110a.2/ EM-EP-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	p.32 Net Zero Commitment
IF-EU-110a.4	Percentage fulfillment of Renewable Portfolio Standard(RPS) target	p.26, 100%

1) POSCO International has been subject the allowance allocation scheme under the GHG Emissions Trading System since January 1, 2023 following our merger with POSCO Energy.
2) Scope 1 + 2 emissions from the Incheon LNG Combined Cycle Power Plant.

Air Emissions

Code	Metric	Reference
EM-IS-120a.1/ EM-EP-120a.1/ IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O) (2) SOx (3) Particulate matter (PM10)	p.74 We report on NOx, SOx, and PM considering our inherent business characteristics.

Energy Management

Code	Metric	Reference
EM-IS-130a.1/ RT-IG-130a.1	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	(1) p.73 (2) POSCO International- 1.5% POSCO Mobility Solution- 69.5% (3) 0%
EM-IS-130a.2	(1) Total fuel consumed (2) Percentage coal (3) Percentage natural gas (4) Percentage renewable	(1) p.73 (2) 0% (3) POSCO International- 98.3% POSCO Mobility Solution- 69.5% (4) 0%

Water Management

Code	Metric	Reference
EM-IS-140a.1/ IF-EU-140a.1	(1) Total water withdrawn (2) Total water consumed (3) Percentage of each in regions with High or Extremely High Baseline Water Stress	(1) p.74 (2) p.74 (3) p.74
IF-EU-140a.2	Number of incidents of non-compliance associated with water quality permits, standards and regulations	No such incidents



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Waste Management

Code	Metric	Reference
EM-IS-150a.1	(1) Amount of waste generated	(1) p.75
	(2) Percentage hazardous	(2) p.75, 0%
	(3) Percentage recycled	(3) p.75, POSCO International 79% POSCO Mobility Solution 87%

Workforce Health & Safety

Code	Metric	Reference
EM-IS-320a.1/ RT-IG-320a.1/ IF-EU-320a.1	For full-time employees and contract employees, (1) Total recordable incident rate (TRIR) (2) Fatality rate (3) Near miss frequency rate (NMFR)	(1) p.81 (2) p.82 (3) p.82

Supply Chain Management

Code	Metric	Reference
EM-IS-430a.1	Discussion of the process for managing iron ore or coking coal sourcing risks arising from environmental and social issues	p.47, 93 Responsible minerals management process and policy
RT-IG-440a.1	Description of the management of risks associated with the use of critical materials	p.47

Activity Metrics

Code	Metric	Reference
EM-IS-000.A	Raw steel production, percentage from: (1) basic oxygen furnace processes, (2) electric arc furnace processes	As a globally integrated corporation, POSCO International does not own any mines nor directly produce steel, but engages in the processing and sales of steel, which means our business does not correspond to the activity metrics of the EMIS Industry Standards.
EM-EP-000.B	Total iron ore production	
EM-IS-000.C	Total coking coal production	
RT-IG-000.A	Number of units produced by product category	p.8, Production from the key operations of POSCO Mobility Solution
RT-IG-000.B	Number of employees	p.76

Oil & Gas-Exploration & Production Industry Accounting Metric

We report on the Shwe Project operated by our Energy Business Unit at the Headquarters in accordance with the Oil & Gas Standards. The reporting period for such data spans from January 1 to December 31 of 2022.

GHG Emission

Code	Metric	Reference
EM-EP-110a.1	(1) Gross global Scope 1 emissions,	(1) 272,054.30 tCO ₂ e
	(2) Percentage methane	(2) 2.2%
	(3) Percentage covered under emissions-limiting regulations	(3) Not applicable
EM-EP-110a.2	Amount of gross global Scope 1 emissions from:	
	(1) Flared hydrocarbons	(1) 2,112.22 tCO ₂ e
	(2) Other combustion	(2) 60,946.81 tCO ₂ e
	(3) Process emissions	(3) Not applicable
	(4) Other vented emissions	(4) 85.54 tCO ₂ e
	(5) Fugitive emissions	(5) 31,874.31 tCO ₂ e
EM-EP-110a.3	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	p.32 Net Zero Commitment

Air Quality

Code	Metric	Reference
EM-EP-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N ₂ O) (2) SOx (3) Volatile organic compounds (VOCs) (4) Particulate matter (PM10)	(1) NOx: 267.26 ton (2) SOx: 0.72 ton (3) VOCs: - (4) PM10: 8.22 ton



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Water Management

Code	Metric	Reference
EM-EP-140a.1	(1) Total water withdrawn	34.00(Unit: 1,000m ³)
	(2) Total water consumed	34.10(Unit: 1,000m ³)
	(3) Percentage of each in regions with High or Extremely High Baseline Water Stress	Not applicable
EM-EP-140a.2	Volume of produced water and flowback generated; percentage	(1) 29.50(Unit: 1,000m ³) (2) Not applicable
	(1) Discharged	(3) Not applicable
	(2) Injected	(4) Not reported
	(3) Recycled	
	(4) Hydrocarbon content in discharged water	

Workforce Health & Safety

Code	Metric	Reference
EM-EP-320a.1	For full-time employees, contract employees, and short-service employees,	(1) p.81
	(1) Total recordable incident rate (TRIR)	(2) p.82
	(2) Fatality rate	(3) p.82, 4.25
	(3) Near miss frequency rate (NMFR)	(4) Emergency evacuation and scenario drills were conducted on 111 occasions, with each occasion counting as one hour.
	(4) Average hours of health, safety, and emergency response training	
EM-EP-320a.2	Discussion of management systems used to integrate a culture of safety throughout the exploration and production lifecycle	p.49-53

Biodiversity Impacts

Code	Metric	Reference
EM-EP-160a.1	Description of environmental management policies and practices for active sites	p. 33 Environmental Impact Monitoring for the Shwe Project
EM-EP-160a.2	Number and aggregate volume of hydrocarbon spills, volume in Arctic, volume impacting shorelines with ESI rankings 8-10, and volume recovered	Do not report on this metric as the Company does not conduct business in Artic locations or shoreline locations ranked high in the ESI
EM-EP-160a.3	Percentage of (1) proved and (2) probable reserves in or near sites with protected conservation status or endangered species habitat	Not applicable



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Security, Human Rights & Rights of Indigenous peoples

Code	Metric	Reference
EM-EP-210a.1	Percentage of (1) proved and (2) probable reserves in or near areas of conflict	Not applicable
EM-EP-210a.2	Percentage of (1) proved and (2) probable reserves in or near indigenous land	Not applicable
EM-EP-210a.3	Discussion of engagement processes and due diligence practices with respect to human rights, indigenous rights, and operation in areas of conflict	ESG Controversies https://www.poscointl.com/eng/esg/controversies.do

Community Relations

Code	Metric	Reference
EM-EP-210b.1	Discussion of process to manage risks and opportunities associated with community rights and interests	Environmental and Social Impact Assessment (ESIA) Report for Shwe Project https://www.poscointl.com/eng/esg/myanmarReport.do
EM-EP-210b.2	Number and duration of non-technical delays	Not applicable

Business Ethics & Transparency

Code	Metric	Reference
EM-EP-510a.1	Percentage of (1) proved and (2) probable reserves in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	Not applicable
EM-EP-510a.2	Description of the management system for prevention of corruption and bribery throughout the value chain	p.47, p.55

Management of the Legal & Regulatory Environment

Code	Metric	Reference
EM-EP-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	p.69

Critical Incident Risk Management

Code	Metric	Reference
EM-EP-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC ¹) of greater consequence (Tier 1 ²)	0 %
EM-EP-540a.2	Description of management systems used to identify and mitigate catastrophic and tail-end risks	p.49-53

- 1) LOPC(Loss of Primary Containment): An unplanned or uncontrolled release of materials from primary containment, including non-toxic and non-flammable materials(e.g., steam, hot condensate, nitrogen, compressed CO2 or compressed air)
- 2) Tier 1: LTI(Lost Time Injuries) caused by process leak events, fire/explosion damages of USD 100,000 or more, flammable/ toxic materials leaked above the Tier-1 threshold

Activity Metrics

Code	Metric	Reference
EM-EP-000.A	Production of natural gas	267.76 MMscf/day
EM-EP-000.B	Number of offshore sites	1
EM-EP-000.C	Number of terrestrial sites	0



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(Unit: KRW 1,000)

	FY 2022	FY 2021	FY 2020
Assets			
Current assets	7,319,472,229	7,155,183,542	4,764,575,099
Cash and cash equivalents	1,297,706,346	521,159,587	679,304,336
Trade and other receivables, net	3,777,380,393	4,358,489,049	2,894,352,121
Other current financial assets	228,380,197	80,977,785	18,708,121
Derivative financial assets	52,832,322	61,539,209	113,410,566
Other current assets	204,934,361	228,838,961	129,394,050
Inventories, net	1,758,238,610	1,904,178,951	929,405,905
Non-current assets	5,196,864,702	3,615,550,605	3,563,463,637
Trade and other receivables, net	111,976,441	144,645,619	230,798,203
Other non-current financial assets	49,624,788	64,483,565	29,538,903
Long-term derivative financial assets	1,172,439		
Investments in associates	434,167,408	359,633,958	342,795,420
Property, plant and equipment, net	1,560,751,963	1,353,149,166	1,325,419,228
Right-of-use assets, net	259,358,305	91,180,173	91,592,421
Intangible assets, net	2,236,253,436	1,189,368,831	1,129,384,946
Investment properties, net	140,148,627	142,991,276	147,593,929
Net defined benefit assets	45,215,440	9,052,353	
Other non-current assets	3,026,549	1,459,342	65,331
Deferred tax assets	348,405,776	254,864,747	264,796,301
Current tax assets	6,763,530	4,721,575	1,478,955
Total assets	12,516,336,931	10,770,734,147	8,328,038,736



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(Unit: KRW 1,000)

	FY 2022	FY 2021	FY 2020
Liabilities			
Current liabilities	5,487,439,570	5,669,339,170	3,397,363,219
Trade and other payables	2,646,663,164	2,913,929,277	1,774,106,704
Borrowings	1,998,369,619	1,894,385,381	796,037,935
Current portion of bonds	399,841,387	408,876,623	417,041,988
Derivative financial liabilities	57,587,283	76,303,460	90,254,613
Current provisions	33,208,369	24,342,911	13,082,742
Other current liabilities	248,904,478	261,808,955	213,755,045
Current tax liabilities	102,865,270	89,692,563	93,084,192
Non-current liabilities	2,630,770,283	1,589,255,049	1,769,801,784
Trade and other payables	252,026,447	105,154,517	176,540,718
Borrowings	792,556,467	246,111,217	379,347,256
Bonds	1,363,593,350	1,143,577,708	1,107,419,955
Long-term derivative financial liabilities	2,116,681		
Other non-current liabilities	95,542,128	1,537,757	703,693
Net defined benefit liabilities	7,902,603	5,410,822	11,254,205
Provisions	95,955,862	64,032,944	72,307,753
Deferred tax liabilities	21,076,745	23,430,084	22,228,204
Total liabilities	8,118,209,853	7,258,594,219	5,167,165,003
Equity			
Equity attributable to owners of the parent	3,982,863,469	3,486,401,390	3,158,096,077
Issued capital	616,875,745	616,875,745	616,875,745
Capital surplus	540,526,820	558,241,696	558,027,142
Other components of equity	382,492	(7,762)	(7,762)
Accumulated other comprehensive income	16,973,734	18,775,100	(25,032,286)
Retained earnings	2,808,104,678	2,292,516,611	2,008,233,238
Equity attributable to equity holders of the parent	415,263,609	25,738,538	2,777,656
Total equity	4,398,127,078	3,512,139,928	3,160,873,733
Total liabilities and equity	12,516,336,931	10,770,734,147	8,328,038,736



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	FY 2022	FY 2021	FY 2020
Sales	37,989,588,330	33,948,864,785	21,472,386,358
Cost of sales	36,421,950,442	32,814,145,555	20,547,321,165
Gross profit	1,567,637,888	1,134,719,230	925,065,193
Selling and administrative expenses	665,130,879	549,333,423	450,586,904
Operating profit	902,507,009	585,385,807	474,478,289
Share of profit in associates	77,679,876	69,361,497	58,989,188
Share of loss in associates	2,767,249	9,263,819	40,191,213
Financial income	2,405,334,622	1,243,727,111	1,176,348,953
Financial costs	2,572,002,827	1,319,081,694	1,260,551,660
Other income	19,002,305	86,047,547	17,592,608
Other expenses	87,607,152	167,476,083	99,496,937
Profit for the year before tax	742,146,584	488,700,366	327,169,228
Income tax expenses	137,234,204	132,212,404	97,645,019
Profit for the year	604,912,380	356,487,962	229,524,209
Other comprehensive income (loss):	(6,690,339)	51,965,768	(40,668,808)
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods:	6,501,733	51,555,289	(32,189,151)
Equity adjustments in equity method	15,572,510	13,628,538	(7,798,608)
Loss on equity adjustments in equity method	524,549	2,869,208	(1,534,133)
Exchange difference on translation of foreign operations	(10,414,437)	34,944,955	(22,771,969)
Gain on valuation of derivatives	819,111	112,588	(84,441)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:	(13,192,072)	410,479	(8,479,657)
Gain on valuation of equity instruments at FVOCI	2,093,152	27,716	(6,041,661)
Equity adjustments in equity method	(3,168,133)	(8,511,682)	(3,224,674)
Re-measurement loss on defined benefit liabilities	17,759,863	8,913,085	(551,064)
Exchange differences on translation of foreign operations	(29,876,954)	(18,640)	1,337,742
Total comprehensive income for the year, net of tax	598,222,041	408,453,730	188,855,401
Profit for the year attributable to:			
Owners of the parent	589,749,886	360,789,119	238,556,764
Non-controlling interests	15,162,494	(4,301,157)	(9,032,555)
Total comprehensive income attributable to:			
Owners of the parent	612,486,614	412,758,252	196,462,436
Non-controlling interests	(14,264,573)	(4,304,522)	(7,607,035)
Earnings per share:			
Basic earnings(loss) per share(unit: KRW)	4,780	2,924	1,934
Basic earnings(loss) per share for income from continuing operation(unit: KRW)	4,780	2,924	1,934
Diluted earnings(loss) per share(unit: KRW)	4,780	2,924	1,934
Diluted earnings(loss) per share for income from continuing operation(unit: KRW)	4,780	2,924	1,934



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	FY 2022	FY 2021	FY 2020
Assets			
Current assets	5,235,843,158	5,938,546,200	3,925,547,955
Cash and cash equivalents	806,960,006	286,335,171	495,509,424
Trade and other receivables, net	3,589,726,265	4,605,186,508	2,800,559,212
Other current financial assets	158,150,683	32,611,691	
Derivative financial assets	52,105,381	61,491,510	113,384,542
Other current assets	151,102,757	146,819,220	97,201,111
Inventories, net	477,798,066	806,102,100	418,893,666
Non-current assets	3,954,898,061	3,205,968,394	3,280,402,945
Trade and other receivables, net	224,997,531	155,415,858	262,956,981
Other non-current financial assets	43,057,200	58,063,668	24,663,274
Investments in associates	1,679,976,918	1,109,110,438	1,184,986,310
Property, plant and equipment, net	256,397,096	266,412,095	272,111,459
Right-of-use assets, net	16,265,379	31,117,785	40,279,695
Intangible assets, net	1,211,897,692	1,119,606,278	1,040,537,093
Investment properties, net	140,148,627	142,991,276	147,593,929
Net defined benefit assets	32,452,828	7,678,232	
Deferred tax assets	342,941,260	310,851,189	305,795,249
Current tax assets	6,763,530	4,721,575	1,478,955
Total assets	9,190,741,219	9,144,514,594	7,205,950,900



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	FY 2022	FY 2021	FY 2020
Liabilities			
Current liabilities	3,830,745,057	4,585,521,958	2,646,442,369
Trade and other payables	2,057,317,321	2,553,885,475	1,545,377,674
Borrowings	1,109,985,529	1,300,579,557	347,566,270
Current portion of bonds	399,841,387	408,876,623	417,041,988
Derivative financial liabilities	54,818,566	75,724,743	90,144,661
Current provisions	28,765,199	21,595,709	10,649,615
Other current liabilities	140,092,793	179,741,355	153,992,120
Current tax liabilities	39,924,262	45,118,496	81,670,041
Non-current liabilities	2,010,596,256	1,416,241,048	1,537,795,079
Trade and other payables	31,670,132	64,182,834	138,148,709
Borrowings	508,552,582	145,721,117	218,847,713
Bonds	1,363,593,350	1,143,577,708	1,107,419,955
Other non-current liabilities	38,847,328	1,537,757	703,694
Net defined benefit liabilities			2,735,075
Long-term derivative financial liabilities	2,116,681		
Provisions	65,816,183	61,221,632	69,939,933
Total liabilities	5,841,341,313	6,001,763,006	4,184,237,448
Equity			
Issued capital	616,875,745	616,875,745	616,875,745
Capital surplus	544,002,741	544,002,741	544,002,741
Other components of equity	384,139	(6,115)	(6,115)
Accumulated other comprehensive income	(13,106,651)	(8,380,422)	(7,110,068)
Retained earnings	2,201,243,932	1,990,259,639	1,867,951,149
Total equity	3,349,399,906	3,142,751,588	3,021,713,452
Total liabilities and equity	9,190,741,219	9,144,514,594	7,205,950,900



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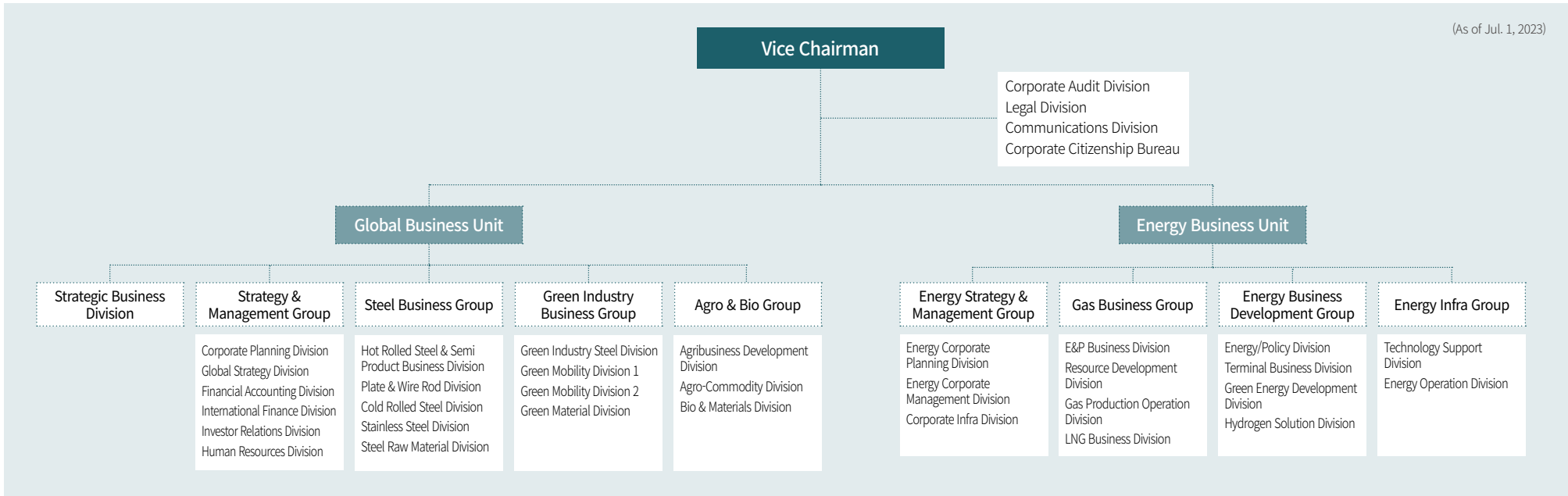
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From January 1 to December 31 of 2021
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	FY 2022	FY 2021	FY 2020
Sales	32,566,135,142	30,527,682,713	19,224,845,261
Cost of sales	31,587,436,956	29,748,120,055	18,457,485,547
Gross profit	978,698,186	779,562,658	767,359,714
Selling and administrative expenses	474,048,371	413,999,007	342,806,208
Operating profit	504,649,815	365,563,651	424,553,506
Financial income	2,380,046,350	1,227,565,013	1,182,984,339
Financial costs	2,407,278,011	1,231,574,460	1,158,167,974
Other income	15,985,866	83,230,212	10,661,057
Other expenses	99,274,025	169,147,026	175,061,834
Profit for the year before tax	394,129,995	275,637,390	284,969,094
Income tax expenses	104,657,625	74,406,889	80,993,703
Profit for the year	289,472,370	201,230,501	203,975,391
Other comprehensive income (loss):	15,485,606	6,170,059	(5,018,703)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:	15,485,606	6,170,059	(5,018,703)
Gain on valuation of equity instruments at FVOCI	2,093,152	(1,227,878)	(6,041,660)
Re-measurement gain(loss) on defined benefit liabilities	13,392,454	7,397,937	1,022,957
Total comprehensive income for the year, net of tax	304,957,976	207,400,560	198,956,688
Earnings per share			
Basic earnings(loss) per share(unit: KRW)	2,346	1,631	1,653
Basic earnings(loss) per share for income from continuing operation(unit: KRW)	2,346	1,631	1,653
Diluted earnings(loss) per share(unit: KRW)	2,346	1,631	1,653
Diluted earnings(loss) per share for income from continuing operation(unit: KRW)	2,346	1,631	1,653

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Organizational Chart

POSCO International's operations are anchored on Corporate Audit, Legal, and Communications Division as well as the Corporate Citizenship Bureau that are all under the direct leadership of the Vice Chairman, along with two business units(Global Business Unit, Energy Business Unit). Global Business Unit and Energy Business Unit each consist of one management group and three sales and business operation groups.



Key Milestones

2023	Jan.	Merged with POSCO Energy	2020	Feb.	Discovered new deep-water gas reserves in Block A-3, offshore Myanmar	2016	Jan.	Became a member of the Federation of Oils, Seeds and Fats Association (FOSFA)
2022	Jan.	Achieved ISO 45001 as the first Korean trading company		Mar.	Became the first Korean business to announce the sustainable palm oil business policy (NDPE policy)		Mar.	Changed the company name to POSCO DAEWOO
	Mar.	Acquired Senex Energy of Australia		Apr.	Split off POSCO SPS as a subsidiary	2015	Jul.	Became a member of the Grain and Feed Trade Association (GAFTA) in London, the UK
	Apr.	Incorporated eSteel4U as an online steel product sales company		Oct.	Received the Grand Prize in the Best ESG Companies category by the Korea Corporate Governance Service for 2 consecutive years	2014	Sep.	Achieved the highest level of AAA under the Strategic Materials Trader Compliance Program
2021	Mar.	Recognized for excellence in the anti-corruption area by the UN Global Compact	2019	Mar.	Changed the company name to POSCO INTERNATIONAL	2013	Jun.	Initiated production under the Shwe Project in Myanmar
	Sep.	Achieved Roundtable on Sustainable Palm Oil(RSPO)		May	Completed Factory 2 of the Rice Processing Complex in Myanmar	2011	Sep.	Launched palm oil plantation business in Indonesia
	Nov.	Signed a Production Sharing Contract(PSC) for a Malaysian offshore block		Sep.	Completed a grain terminal in Ukraine	2010	Nov.	Incorporated into POSCO Group
	Dec.	Rated AA under the Fair Trade Compliance Program	2017	Mar.	Launched POSCO DAEWOO as a consolidated company (merger with POSCO P&S)			

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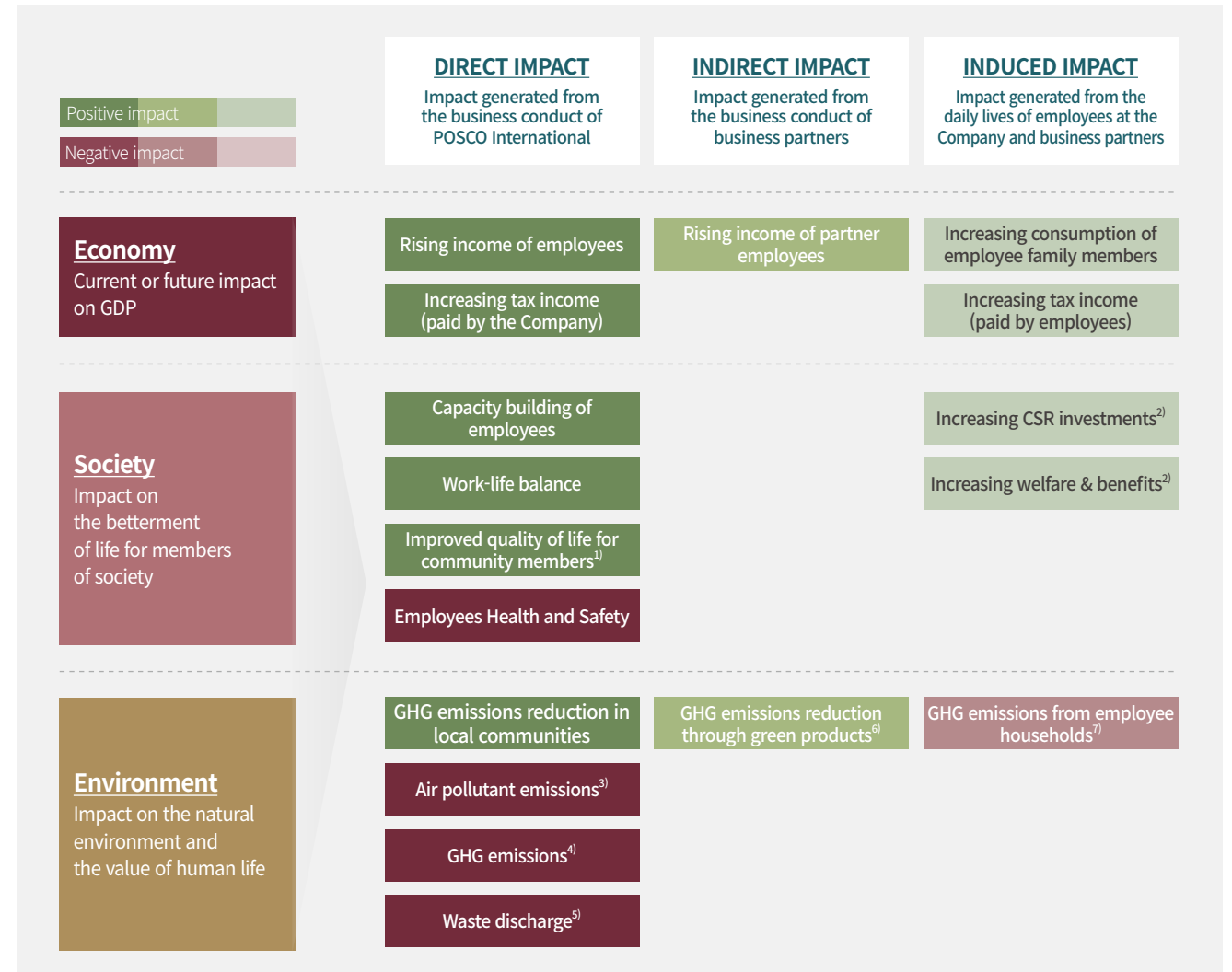
Total Impact Measurement and Management(TIMM)

As a corporate citizen, POSCO International endeavors to recognize its positive or negative social and environmental impact in addition to attaining its business goals, and to consider such impact in its business conduct and decision-making process. We adopted PwC’s Total Impact Measurement and Management(TIMM) methodology to evaluate the impact generated from our financial and non-financial performance during the year 2022.

Impact Measurement Framework

‘Impact’ refers to either positive or negative change brought to a company or society as a result of performance(outcomes, corporate or social change concerning activities). Impact assessments are conducted either on business outcomes from the company-wide perspective or outcomes of a single program in the case of such specific areas as CSR. To perform such impact assessments, we used the disclosures published by the Company based on applicable laws and regulations, statistics from governmental/international organizations, and domestic/overseas research findings. Relevant evidence was separately presented in detail to ensure the credibility and objectivity of the assessment process and its results. POSCO International will strive to evaluate its social impact in a more refined manner to consider such impact in its entire business conduct and decision-making process.

- 1) Myanmar Stoves Campaign VPA 002 Monitoring Report, February 2018
- 2) Inter-industry Relations Table, Bank of Korea(2019)
- 3) W. Kip Viscusi and Clayton J. Masterman, 2017, “Income Elasticities and Global Values of a Statistical Life”, 『J. Benefit Cost Anal.』, 8(2):226-250 / PwC methodology document, Valuing corporate environmental impacts(2015) / National Air Emission Inventory and Research Center, Ministry of Environment(2019) / OECD Environmental Performance Reviews: Korea 2017
- 4) PwC methodology document, Valuing corporate environmental impacts(2015) / ETS Market Information Platform, KRX
- 5) W. Kip Viscusi and Clayton J. Masterman, 2017, “Income Elasticities and Global Values of a Statistical Life”, 『J. Benefit Cost Anal.』, 8(2):226-250 / PwC methodology document, Valuing corporate environmental impacts(2015)
- 6) CO2 Emissions From cars, Korea Energy Agency / Automobile Registration Status Report, Ministry of Land, Infrastructure, and Transport(2020) / Automobile Mileage Statistics, Korea Transportation Safety Authority(2020)
- 7) Air Emissions in the Household Sector(GHG, 2015), Korean Statistical Information Service





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HQ	<ul style="list-style-type: none"> Authorized Economic Operator(AEO) Compliance Program(CP) of Strategic Export Approved Exporter Certification ISO 14001 ISO 9001 ISO 45001 ISO 27001 	<ul style="list-style-type: none"> ISMS Certification GMP Plus B3 Feed Safety Assurance GRS, RCS GAFTA(Arbitration) LEED Green Building Certification Family-Friendly Certification Compliance Program(CP) AA Rating
	<ul style="list-style-type: none"> Shwe Project in Myanmar PT.BIA in Indonesia POSCO International Textile in Uzbekistan POSCO TMC INDIA SUZHOU POSCO-CORE TECHNOLOGY MMW Grain Terminal in Ukraine 	<ul style="list-style-type: none"> ISO 14001 ISO 45001 ISPO Certification RSPO Certification OEKO-TEX STANDARD 100(cotton yarn/cotton fabric) GRS RCS ISO 14001 IATF 16949 ISO 9001 ISO 14001 IATF 16949 ISO 9001 GAFTA(Approved Analysts) ISO 22000
POSCO Mobility Solution	<ul style="list-style-type: none"> ISO 9001 ISO 14001 ISO 45001 IATF 16949 KOSHA-MS 	<ul style="list-style-type: none"> BIS JIS KS PED/AD 2000 RS (Russian Maritime Register of Shipping) RINA(Registro Italiano Navale) KR(Korean Register of Shipping) Steel Structure Manufacturer Certification

Trademarks

Since 1974, more than 3,500 applications and registrations have been made on our DAEWOO trademark across 160 countries. The trademark is used by the Company and its overseas corporations in Korea and abroad across the electronics, automotive components, machinery, construction and transportation industries, and its distinctive value is highly recognized in Asia, Latin America, the Middle East, and CIS countries. We continue to maintain and manage our trademark rights through application and registration, and operate a monitoring system that connects experts across the globe to safeguard our trademark.

	<ul style="list-style-type: none"> - Trademark application made in 1974 - Nearly 3,500 trademark applications and registrations made across 160 countries - Trademark management policy and committee under operation 		
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Memberships

No.	Organization	Year of Membership	No.	Organization	Year of Membership
1	Korea International Trade Association(KITA)	1967	14	Korea Enterprises Federation(KEF)	2016
2	Korea Importers Association(KOIMA)	1971	15	Federation of Oils, Seeds and Fats Association(FOSFA)	2016
3	Korea Electric Association(KEA)	1971	16	International Gas Union(IGU)	2018
4	Korea Defense Industry Association(KDIA)	1978	17	Korea Iron & Steel Association(KOSA)	2018
5	Korea Chamber of Commerce & Industry (KCCI Seoul, KCCI Incheon)	1994	18	UN Global Compact	2019
6	Korea Automobile Manufacturers Association(KAMA)	2007	19	DHI Consortium	2019
7	Energy & Mineral Resources Development Association of Korea(EMRD)	2008	20	Sustainability Management Research Society, Korean Standards Association	2019
8	Independent Power Producer Association(IPPA)	2010	21	Private LNG Industry Association	2021
9	The Korea Gas Union(KGU)	2012	22	Energy Alliance	2021
10	Korea Overseas Agro-Resources-Development Association(Korea OADS)	2012	23	Korea Business Council for Sustainable Development(KBCSD)	2021
11	Korea New and Renewable Energy Association(KNREA)	2012	24	Future Leaders Forum	2021
12	The Korea Gas Union(KGU)	2012	25	Energy Future Forum	2021
13	GAFTA	2015	26	Federation of Middle Market Enterprises of Korea	2021
			27	K-CCUS Association	2022

Contributors to This Report

We would like to extend our deepest gratitude for all employees who have contributed to the preparation of 2022 Sustainability Report through their proactive support and continued interest.

CEO Division	
Corporate Audit Division, Legal Division, Communications Division, Corporate Citizenship Bureau	
Global Business Unit	
Strategy & Management Group	Corporate Strategy Department, Investment Strategy & Planning Department, Global Planning Department, Investment Management Department, Trade & Invest Accounting Department, Enterprise Risk Management Department, Human Resources Department, Human Relations Department, Corporate Culture & Innovation Department, Administration Support Department
Steel Business 1 Group	Steel Business Strategy 1 Department
Steel Business 2 Group	Steel Business Strategy 2 Department
Agro & Industrial Materials Group	Agro & Industrial Materials Strategy Department, Agro-Resources Development 2 Department
Energy Business Unit	
Energy Strategy & Management Group	Safety & Health Department, Carbon Neutrality TF, Energy Corporate Strategy Department, Energy Finance & Accounting Department, Energy Investment Management Department, Energy Human Resources & Administration Department, Energy Corporate Culture Department, Information Security Department
Gas Business Group	CCS Commercialization, Business Management Department, Gas Production Operation Division
Energy Business Development Group	Power Trading Department, Green Energy, Development Division, Hydrogen Solution Division
Energy Infra Group	Technology Support Department, Administration Support Department, LNG Terminal Department, Incheon Safety Section, Gwangyang Safety Section
Overseas Operations	Group affiliates
PT.BIA in Indonesia, POSCO International Textile in Uzbekistan	POSCO Mobility Solution, POSCO WIDE



Metrics and Targets

ESG Factbook
Financial Performance



Appendix

- ESG Policy Book
- GRI Standards Index
- SASB Index
- Financial Statement
- About POSCO International
- Total Impact Measurement and Management (TIMM)
- Certifications & Trademarks /Memberships
- Independent Assurance Statement**

Independent Assurance Statement

Introduction

POSCO INTERNATIONAL CORPORATION (“the Company” or “POSCO INTERNATIONAL”) commissioned DNV Business Assurance Korea, Ltd. (“DNV”, “we” or “us”), part of DNV Group, to undertake independent assurance of its POSCO INTERNATIONAL Sustainability Report 2022 (the “Report”).

Our Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe POSCO INTERNATIONAL’s adherence to the Assurance Principles described below. In terms of reliability of the performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. We believe that POSCO INTERNATIONAL is reporting in accordance with the GRI Standards.

We have reviewed the topic-specific disclosures of GRI Sustainability Reporting Standards 2021, which were identified in the process of materiality assessment.

No.	Material topics	Topic Standard	No.	Material topics	Topic Standard
1	GHG emissions	305-1,2,4	6	Protecting human rights	406-1
2	Diversifying new business portfolios	Non-GRI *	7	Sustainable supply chain management	414-1
3	Improving energy consumption efficiency	302-1	8	Employee health & safety	403-1~7,9
4	Protecting the ecosystem	304-3	9	Complying with laws/policies and international standards	206-1
5	Employee training	401-1,3	10	Bolstering ethical management and anticorruption	205-1

* Addition of separate indicators – Expansion of eco-friendly business – Energy, Materials, Agri-Bio)

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

POSCO INTERNATIONAL defines shareholders and investors, customers, suppliers, employees, local communities/civic groups, and government/international organizations as major stakeholder groups. The Report includes major issues of interest for each group, communication channels, and related POSCO INTERNATIONAL’s response activities. The definition of stakeholders and the way they participate are introduced in the Report, and major concerns collected from stakeholders are reflected in the materiality assessment process. In particular, POSCO INTERNATIONAL conducted a survey of internal and external

experts with a high level of understanding of POSCO INTERNATIONAL and ESG during the materiality assessment process and reflected them in the priorities of the materiality assessment results.

Materiality

The process for determining the issues that are most relevant to an organization and its stakeholders.

Based on an understanding of the business context, POSCO INTERNATIONAL identified 22 ESG topics that are important to companies and identified the impact of business management activities linked to each ESG topic on the economy, environment and people. Afterwards, an impact assessment was conducted based on four criteria (scale, scope, correctability, possibility of occurrence) for each topic targeting internal and external experts with a high understanding of POSCO INTERNATIONAL and ESG. Through the final review and approval of the board of directors on the assessment results, 10 material topics and 5 key ESG topics were finally drawn. DNV confirms that material topics chosen from this assessment and related topic standards are reflected in the Report.

Sustainability Context

The presentation of the organization’s performance in the wider context of sustainability.

POSCO INTERNATIONAL has set the company’s vision as ‘Green Energy & Global Business Pioneer’ in order to pursue ecofriendliness and sustainability with energy business integration as a starting point. POSCO INTERNATIONAL has established a growth strategy to lead the three core businesses in the global eco-friendly energy, material, and agri-bio fields, in line with the POSCO Group’s commemorative philosophy of ‘Corporate Citizenship Growing Together’. In particular, POSCO INTERNATIONAL is striving to contribute to professional decision-making related to climate change response by the board of directors by appointing experts in the environmental management field as outside directors from 2023 to promote ESG management.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported.

POSCO INTERNATIONAL discloses in detail the background and implementation status of issues selected for material topics that reflect the expectations of stakeholders. In particular, POSCO INTERNATIONAL categorizes 10 material topics into 5 key ESG topics and discloses 2022 performance and future plans along with risk and opportunity impact analysis. The reporting boundary includes the headquarters of POSCO INTERNATIONAL, major business sites (Shwe Project in Myanmar, Incheon LNG Combined Cycle Power Plant, Gwangyang LNG Terminal) and some of its subsidiaries (POSCO Mobility Solution, PT.BIA, POSCO International Textile, etc.) In the future, it is recommended to expand the management scope of non-financial data to other overseas countries for more systematic management. The assurance team confirmed that the material topics selected through the materiality assessment were fully reflected according to the physical and temporal reporting boundaries.



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ESG Policy Book

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Independent Assurance Statement

Reliability and quality

The accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems.

The assurance team has sampled data and tested accuracy and reliability of the sustainability performance data of the Company. We interviewed the responsible staff for verifying information and data in the Report including data handling process and reviewed the data gathering process with the supporting documents and records. Based on the assessment, the intentional error or misstatement is not noted. Data owners were able to demonstrate to trace the origin of the data and to interpret the processed data in a reliable manner. The data was identifiable and traceable. The Company reports the sustainability performance of the last three years and can be compared over time. Any errors or unclear expressions found during the verification process were corrected prior to the publication of the Report.

Scope and Approach

We performed our work using DNV's assurance methodology VeriSustain™ (Ver. 5.0) which is based on our professional experience, international assurance best practices including the International Standard on Assurance Engagements 3000 ("ISAE 3000"), and the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"). DNV has performed verification in the form of a limited level of assurance. We evaluated the Report for adherence to the Principles of stakeholder inclusiveness, materiality, sustainability context, completeness, and reliability. We used the GRI Quality of Information Principles (Balance, Clarity, Accuracy, Reliability, Timeliness and Comparability) as criteria for evaluating performance information, together with POSCO INTERNATIONAL's data protocols for how the data are measured, recorded and reported. The engagement excludes the sustainability management, performance and reporting practices of POSCO INTERNATIONAL's subsidiaries, associated companies, suppliers, contractors and any third-parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement. Economic performance based on the financial data is cross-checked with internal documents, the audited consolidated financial statements and the announcement disclosed at the website of Korea Financial Supervisory Service (<http://dart.fss.or.kr>) as well as POSCO INTERNATIONAL's website (<https://www.cj.co.kr/en/index>). The review of financial data taken from these sources is not within the scope of our work.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing a 'limited level' of assurance. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the company were applied. The baseline data for environmental and social performance are not verified, while the aggregated data at the corporate level are used for the verification.

Basis of Our Opinion

The assurance was conducted during June 2023. We undertook the following activities as part of the assurance process.

- Challenged the sustainability-related statements and claims made in the Report and assessed the robustness of the underlying data management system, information flow and controls
- Site visits to POSCO INTERNATIONAL HQ in Songdo, Korea to review process and system for preparing sustainability data and implementation of sustainability strategy
- Conducted interviews with representatives from the various departments
- Conducted document reviews, data sampling and interrogation of supporting databases and associated reporting system as they relate to selected content and performance data
- Reviewed the process and the result of materiality assessment.

Responsibilities of the Directors of POSCO INTERNATIONAL and DNV

The Directors of POSCO INTERNATIONAL have sole responsibility for the preparation of the Report. Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV's assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or coresponsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Competence and Independence

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. This engagement work was carried out by an independent team of sustainability assurance professionals.

DNV - Business Assurance

DNV Business Assurance Korea Ltd. is part of DNV Group, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.co.kr/assurance

Seoul, Korea
August 24, 2023

For and on behalf of DNV Business Assurance Korea Ltd.



Sang Rye Chang
Senior Auditor and Lead Auditor

Chang Rok Yun
Senior Auditor

Jae Hee Kim
Technical Reviewer