### Corporate Human Rights Benchmark 2023 Company Scorecard

**Company name**: POSCO  
**Sector**: Extractives  
**Overall score**: 14.6 out of 100

<table>
<thead>
<tr>
<th>Theme score</th>
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<th>For theme</th>
<th>Explanation</th>
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<tr>
<td>1.7</td>
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<td>A. Governance and Policy Commitments</td>
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<td>6.8</td>
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<td>B. Embedding Respect and Human Rights Due Diligence</td>
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<td>2.5</td>
<td>20</td>
<td>C. Remedies and Grievance Mechanisms</td>
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<tr>
<td>0.7</td>
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<td>D. Performance: Company Human Rights Practices</td>
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<tr>
<td>2.9</td>
<td>20</td>
<td>E. Performance: Responses to Serious Allegations</td>
<td></td>
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</tbody>
</table>

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information in public sources that met the requirements as described in full in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

### Detailed assessment

#### A. Governance and Policy Commitments (10% of Total)

**A.1 Policy Commitments (5% of Total)**

<table>
<thead>
<tr>
<th>Indicator Code</th>
<th>Indicator name</th>
<th>Score (out of 2)</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| A.1.1          | Commitment to respect human rights | 2 | The individual elements of the assessment are met or not as follows:  
Score 1  
• Met: General HRs commitment: The Code of ethics states that 'we will respect human rights, support international standards for human rights and strengthen dignity of all interested parties by improving freedom, safety and quality of life'.  
[Code of ethics, 2019: posco.co.kr]  
Score 2  
• Met: Commitment to UNGPs: It also adds that 'We will support and respect internationally recognized standards on human rights, such as Universal Declaration of Human Rights, Guiding Principles on Business and Human Rights, UN Global Compact, and OECD Guidelines for Multinational Enterprises'.  
[Code of ethics, 2019: posco.co.kr]  
• Met: Commitment to OECD MNE Guidelines: As indicated above, the policy includes a commitment to the OECD Guidelines for MNEs [Code of ethics, 2019: posco.co.kr] |

| A.1.2.a        | Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work | 0 | The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Commitment to ILO core principles: See below  
• Not Met: Explicitly lists all four ILO core principles: The Code of ethics states that 'we will not discriminate or harass [...] we will provide equal employment opportunity'. The Company's website contains ESG guidelines in relation to Human rights, including 'responsibility to respect human rights', which states that 'we acknowledge that all human beings have the right to be treated with dignity, which includes the rights to [...] freedom of association, [...] freedom from torture/slavery...’  
[Code of ethics, 2019: posco.co.kr] |
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</table>
| A.1.2.b        | Commitment to respect the human rights of workers: Health and safety and working hours | 0.5 | The individual elements of the assessment are met or not as follows: Score 1
• Met: Commitment to respect H&S of workers: The Code of ethics states that ‘we will strictly comply with safety regulations, and will take appropriate actions upon discovery of risk factors’. ‘We must make efforts to create a safe workplace and protect the environment’. The health and safety website of the Company includes a figure that shows the Company’s policy, which states that ‘safety takes priority over production and quality, and we create an environment where everyone entering and leaving POSCO can work safely and comfortably’. [Health & Safety website (includes website policy), N/A: posco.co.kr] & [Code of ethics, 2019: posco.co.kr]
• Not Met: Commitment to ILO working hours standards or 48 hour regular work week: The code of ethics states that ‘We will offer adequate employment terms such as guaranteeing proper working hours to enable the employees to maintain life with dignity’. The Company has a position on working hours in the citizenship report which states that ‘POSCO observes all laws regarding the conditions of employment, including base hours, annual paid leave, and overtime hours, and complies with the written agreements made with the workers’ representatives. All overtime work is voluntary and should be performed in accordance with the standards set by the national or local labor laws’. However, this is placed in the company’s Citizenship report, and it is not clear whether it constitutes a Company official policy (board-approved). Periodic reports are not considered a suitable source for policy statements according to CHRB Methodology. [Code of ethics, 2019: posco.co.kr] & [Corporate Citizenship report 2021, 2022: posco.co.kr] |
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<tbody>
<tr>
<td></td>
<td>Indicator Code</td>
<td></td>
<td>Score 2</td>
</tr>
<tr>
<td></td>
<td>Indicator name</td>
<td></td>
<td>• Met: Expects BPs/JVs to commit to H&amp;S of workers: The supplier code states, in relation to H&amp;S that 'Suppliers should recognize that a safe and healthy work environment not only minimizes work-related injuries and illnesses, but also enhances the quality of products and services, the consistency of production, and worker retention and morale. Moreover, Suppliers should endeavor to identify and solve health and safety issues in the workplace according to local laws and regulations'. [Supplier code of conduct, N/A: posco.co.kr]</td>
</tr>
<tr>
<td>A.1.3.a.EX</td>
<td>Commitment to respect human rights particularly relevant to the sector – land, natural resources and indigenous peoples’ rights (EX)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Commitment to respect land ownership/natural resources as in VGGT • Not Met: Commitment to respect land ownership/natural resources as in IFC Performance Standards • Not Met: Commitment to respect indigenous rights or ILO No.169 or UN Declaration • Not Met: Expects EX BPs to make these commitments Score 2 • Not Met: Commitment to obtain FPIC or zero tolerance to land grabbing • Not Met: Commitment to respect the right to water: The Company’s Human Rights Management guideline states that all human beings have the right to be treated with dignity. This includes the right to [...] food and water security’. No evidence found, of a formal policy statement committing to respect the right to water. [Social ESG Guidelines, N/A: posco.co.kr] • Not Met: Expects EX BPs to make these commitments: Although the supplier code states that ‘suppliers should monitor their usage and discharge of water resources, seek preservation methods for water resources, and control the contamination channels’, no formal requirement was found to respect the right to water (access to safe water, including communities). [Supplier code of conduct, N/A: posco.co.kr]</td>
</tr>
<tr>
<td>A.1.3.b.EX</td>
<td>Commitment to respect human rights particularly relevant to the sector – security (EX)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Commitment to Voluntary Principles on Security and HRs • Not Met: Uses only ICoCA members as security providers • Not Met: Commits to International Humanitarian Law Score 2 • Not Met: Expects EX BPs to commit to these rights</td>
</tr>
<tr>
<td>A.1.4</td>
<td>Commitment to remedy</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Commitment to remedy adverse HRs impacts: The Company’s ESG social guidelines contain a ‘Human Rights protection Procedure’, One of the articles of this procedure states that ‘POSCO will take appropriate actions to prevent human rights violation and to prevent and to remedy adverse impacts on human rights that may occur in the course of performing business activities’. It is not clear, however, whether this is a formal policy statement (approved by the board), as this statement is made on a website (not signalling that this is a formal company policy), within the context of a broader procedure. [Social ESG Guidelines, N/A: posco.co.kr] • Not Met: Expects EX BPs to make this commitments Score 2 • Not Met: Commitment to collaborate with judicial or non-judicial mechanisms • Not Met: Commitment to work with EX BPs on remedy</td>
</tr>
<tr>
<td>A.1.5</td>
<td>Commitment to respect the rights of human rights defenders</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Zero tolerance of threats/attacks on HRDs • Not Met: Expects BPs to make this commitment Score 2 • Not Met: Commitment to working with HRDs to create safe and enabling environment</td>
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</table>
### A.2 Board Level Accountability (5% of Total)

<table>
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</thead>
</table>
| A.2.1          | Commitment from the top                | 0.5              | The individual elements of the assessment are met or not as follows:  
|                |                                        |                  | Score 1  
|                |                                        |                  | • Met: Board level responsibility for HRs: The Company states that it operates ESG Committee, which is chaired by non-executive director and includes two executive directors. The ESG Committee’s main responsibility includes review of environmental and low-carbon policies, preliminary review of safety and health plan, and monitoring of ESG-related implementation. The Company ESG Policies and Guidelines include human rights issues. [Corporate Citizenship report 2021, 2022: posco.co.kr] & [Social ESG Guidelines, N/A: posco.co.kr]  
|                |                                        |                  | • Not Met: Describes HRs expertise of Board member  
|                |                                        |                  | Score 2  
|                |                                        |                  | • Not Met: Board member/CEO signal importance of HRs in their communications  
| A.2.2          | Board responsibility                   | 0                | The individual elements of the assessment are met or not as follows:  
|                |                                        |                  | Score 1  
|                |                                        |                  | • Not Met: Process to review HRs strategy at board level  
|                |                                        |                  | • Not Met: Example of HRs issues/trends discussed in last reporting period  
|                |                                        |                  | Score 2  
|                |                                        |                  | • Not Met: Meets both requirements under score 1  
|                |                                        |                  | • Not Met: Describes how affected stakeholders / HRs experts inform board discussions  
| A.2.3          | Incentives and performance management   | 0                | The individual elements of the assessment are met or not as follows:  
|                |                                        |                  | Score 1  
|                |                                        |                  | • Not Met: At least one board member incentive linked to HRs commitments  
|                |                                        |                  | • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S  
|                |                                        |                  | Score 2  
|                |                                        |                  | • Not Met: Performance criteria linked to HRs made public  
|                |                                        |                  | • Not Met: Review of other board incentives for coherence with HRs policies  
| A.2.4          | Business model strategy and risks      | 0                | The individual elements of the assessment are met or not as follows:  
|                |                                        |                  | Score 1  
|                |                                        |                  | • Not Met: Senior manager incentives linked to HRs commitments  
|                |                                        |                  | • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S  
|                |                                        |                  | Score 2  
|                |                                        |                  | • Not Met: Describes frequency and triggers for reviewing business model  
|                |                                        |                  | • Not Met: Meets both requirements under score 1  
|                |                                        |                  | • Not Met: Example of actions resulting from reviews  

### B. Embedding Respect and Human Rights Due Diligence (25% of Total)

#### B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

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<thead>
<tr>
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</table>
| B.1.1          | Responsibility and resources for day-to-day        | 0                | The individual elements of the assessment are met or not as follows:  
|                | human rights functions                              |                  | Score 1  
|                |                                                    |                  | • Not Met: Score of 1 on A.1.2.a  
|                |                                                    |                  | • Not Met: Senior responsibility for HRs implementation and decision making  
|                |                                                    |                  | Score 2  
|                |                                                    |                  | • Not Met: Describes day-to-day responsibility for implementing HRs commitments  
|                |                                                    |                  | • Not Met: Day-to-day resources and expertise allocation in own operations  
|                |                                                    |                  | • Not Met: Resources and expertise allocation with EX BPs  
| B.1.2          | Incentives and performance management               | 0                | The individual elements of the assessment are met or not as follows:  
|                |                                                    |                  | Score 1  
|                |                                                    |                  | • Not Met: Senior manager incentives linked to HRs commitments  
|                |                                                    |                  | • Not Met: Incentive scheme linked to key HRs risks beyond employee H&S  
|                |                                                    |                  | Score 2  
|                |                                                    |                  | • Not Met: Performance criteria linked to HRs made public  
|                |                                                    |                  | • Not Met: Review of other senior management incentives for coherence with HRs policies  
| B.1.3          | Integration with enterprise risk management        | 1                | The individual elements of the assessment are met or not as follows:  
|                |                                                    |                  | Score 1  
<p>|                |                                                    |                  | • Met: HRs risks integrated as part of enterprise risk system: The Company states that POSCO Risk Management System include business risk and non-business risk. Ethics risk is considered one of its non-business risks. Referring Ethics Management, the Company states that one of its key operational directions is to expand human rights management activities to embrace a diversity and great workplace. The Business Ethics Risk Management Bureau of the Corporate Audit Office provides support for the establishment and implementation of policies on ethics management for the Group’s companies in Korea, overseas entities and business |</p>
<table>
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<td>partners, carries out ethical training and campaigns for various occupational groups and classes, conducts audits when violations of human dignity are reported, and establishes networks at home and abroad, all while overseeing the activities of ethics management practices at the Group level. Regarding its human rights risk management, the Company conducts a survey of domestic and overseas worksites and the employees of its partner companies each year to check for human rights violations. Once the results were delivered to the relevant departments, the departments that required improvements carried out their own improvement activities and delivered the results to the Business Ethics Risk Management Bureau [Corporate Citizenship report 2021, 2022: posco.co.kr] &amp; [Social ESG Guidelines, N/A: posco.co.kr]</td>
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</tbody>
</table>
| B.1.4.a       | Communication /dissemination of policy commitment(s) to workers and external stakeholders | 0.5             | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Score of 1 on A.1.2.a  
  • Met: Communicates HRs policies to all workers in own operations: The Company indicates that it provides 'Every January, the POSCO group and its partners make a pledge to comply with the Code of Ethics. Online and in-person training programs are offered to both employees to prevent human rights violations. For overseas offices, top management directly provides training to employees on human rights and ethics management to detect and prevent risks of human rights violations. In 2021, human rights training for the heads of overseas subsidiaries was conducted for 6,000 employees and local recruitment staff at 62 companies, and the training materials were distributed in six languages (English, Chinese, Thai, Indonesian, Spanish and Turkish)'. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
  Score 2  
  • Not Met: Risk assessment by Audit Committee or independent third party  |
| B.1.4.b       | Communication /dissemination of policy commitment(s) to business relationships | 0.5             | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Meets ILO requirement for suppliers on A.1.2.a  
  • Not Met: Describes steps to communicate HRs policies to EX BPs  
  Score 2  
  • Met: Describes how HRs policies are contractual/binding for suppliers: The Company states that it has a Supplier Code of Conduct ‘to embody its vision for all partners to fulfill their duties as global corporate citizens. The code of conduct is comprised of seven sections and 49 clauses, with basic categories such as environment and human rights... All suppliers trading with POSCO are required to agree to the Supplier Code of Conduct’. The Supplier Code of Conduct comprises human rights provisions. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
  • Not Met: Requires EX BPs to cascade contractual/binding HRs policies to their BPs  |
| B.1.5         | Training on Human Rights                          | 0.5             | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Score of at least 1 on A.1.2.a  
  • Met: Describes how workers are trained on HRs policy commitments: The Company states that online and in-person training programs are offered to employees to prevent human rights violations. For overseas offices, top management directly provides training to employees on human rights and ethics management to detect and prevent risks of human rights violations. In 2021, human rights training for the heads of overseas subsidiaries was conducted for 6,000 employees and local recruitment staff at 62 companies, and the training materials were distributed in six languages (English, Chinese, Thai, Indonesian, Spanish and Turkish). [Corporate Citizenship report 2021, 2022: posco.co.kr]  
  • Not Met: Trains relevant managers including security on HRs  
  Score 2  
  • Not Met: Score of 2 on A.1.2.a  
  • Not Met: Meets both requirements under score 1  
  • Not Met: Trains BPs to meet HRs commitments  
  • Not Met: Discloses % suppliers trained  |
| B.1.6         | Monitoring and corrective actions                 | 0               | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Score of at least 1 on A.1.2.a  |

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Indicator Code: A.1.2.a  
Indicator name: Communication /dissemination of policy commitment(s) to workers and external stakeholders  
Score: 2  
Explanation: The Company explains how it handles human rights risks through surveys at worksites and these are reported to the Business Ethics Risks management bureau, in charge of handling ethics risks included in risk management system. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
Score 2  
• Not Met: Risk assessment by Audit Committee or independent third party  

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Indicator Code: B.1.4.a  
Indicator name: Communication /dissemination of policy commitment(s) to workers and external stakeholders  
Score: 0.5  
Explanation: The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Score of 1 on A.1.2.a  
• Met: Communicates HRs policies to all workers in own operations: The Company indicates that it provides 'Every January, the POSCO group and its partners make a pledge to comply with the Code of Ethics. Online and in-person training programs are offered to both employees to prevent human rights violations. For overseas offices, top management directly provides training to employees on human rights and ethics management to detect and prevent risks of human rights violations. In 2021, human rights training for the heads of overseas subsidiaries was conducted for 6,000 employees and local recruitment staff at 62 companies, and the training materials were distributed in six languages (English, Chinese, Thai, Indonesian, Spanish and Turkish)'. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
Score 2  
• Not Met: Risk assessment by Audit Committee or independent third party  

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Indicator Code: B.1.4.b  
Indicator name: Communication /dissemination of policy commitment(s) to business relationships  
Score: 0.5  
Explanation: The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Meets ILO requirement for suppliers on A.1.2.a  
• Not Met: Describes steps to communicate HRs policies to EX BPs  
Score 2  
• Met: Describes how HRs policies are contractual/binding for suppliers: The Company states that it has a Supplier Code of Conduct ‘to embody its vision for all partners to fulfill their duties as global corporate citizens. The code of conduct is comprised of seven sections and 49 clauses, with basic categories such as environment and human rights... All suppliers trading with POSCO are required to agree to the Supplier Code of Conduct’. The Supplier Code of Conduct comprises human rights provisions. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
• Not Met: Requires EX BPs to cascade contractual/binding HRs policies to their BPs  

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Indicator Code: B.1.5  
Indicator name: Training on Human Rights  
Score: 0.5  
Explanation: The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Score of at least 1 on A.1.2.a  
• Met: Describes how workers are trained on HRs policy commitments: The Company states that online and in-person training programs are offered to employees to prevent human rights violations. For overseas offices, top management directly provides training to employees on human rights and ethics management to detect and prevent risks of human rights violations. In 2021, human rights training for the heads of overseas subsidiaries was conducted for 6,000 employees and local recruitment staff at 62 companies, and the training materials were distributed in six languages (English, Chinese, Thai, Indonesian, Spanish and Turkish). [Corporate Citizenship report 2021, 2022: posco.co.kr]  
• Not Met: Trains relevant managers including security on HRs  
Score 2  
• Not Met: Score of 2 on A.1.2.a  
• Not Met: Meets both requirements under score 1  
• Not Met: Trains BPs to meet HRs commitments  
• Not Met: Discloses % suppliers trained  

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Indicator Code: B.1.6  
Indicator name: Monitoring and corrective actions  
Score: 0  
Explanation: The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Score of at least 1 on A.1.2.a
### B.2 Human Rights Due Diligence (15% of Total)

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>B.2.1</td>
<td>Identifying human rights risks and impacts</td>
<td>1.5</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Met: Describes process of identifying risks in own operations: The Company states that 'POSCO identifies, prevents, and mitigates negative impacts on human rights, and conducts human rights due diligence when necessary. This process includes identifying and assessing actual and potential human rights impacts, responding to the issues identified, recording the activities carried out in response and communicating with relevant stakeholders regarding how the relevant impact was addressed'. It then indicates, regarding implementation, that: 'When human rights risks are detected at major domestic and overseas worksites, POSCO analyzes the situation and sets up improvement measures through human rights due diligence'. The Company describes a number of steps: 'In principle, a due diligence will be conducted by an in-house professional, but if necessary, it may be conducted with an assistance of a third-party professional. Depending on the circumstances, practically, the interviews will be conducted with groups that may potentially be exposed to the impact at issue and with the stakeholders Finally, it also indicates that 'Human rights due diligence is conducted using a checklist that diagnoses the key elements related to human rights management'. [Corporate Citizenship report 2021, 2022: posco.co.kr] &amp; [Social ESG Guidelines, N/A: posco.co.kr] • Met: Describes process for identifying risks in EX BPs: The Company indicates that it 'conducted a human rights risk assessment in 2021, designed by external institutions, on domestic business sites and 101 partner companies'. [Corporate Citizenship report 2021, 2022: posco.co.kr] &amp; [Social ESG Guidelines, N/A: posco.co.kr] Score 2 • Met: Describes global risk identification system incl. stakeholder consultation: The Company indicates that it carried out the human rights assessment in 2021. It indicates the following: 'In principle, due diligence shall be conducted by an internal expert, and may be conducted together with an external expert if necessary. In some cases, interviews are conducted with the potentially affected groups and relevant stakeholders'. [Corporate Citizenship report 2021, 2022: posco.co.kr] • Not Met: Describes how risk identification system is triggered by new circumstances • Not Met: Describes risks identified in relation to new circumstances</td>
</tr>
<tr>
<td>B.2.2</td>
<td>Assessing human rights risks and impacts</td>
<td>1</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Met: Describes assessment process and discloses salient HRs risks: The company conducted a human rights risk assessment in 2021, designed by external institutions, by conducting a survey of domestic and overseas worksites and the</td>
</tr>
<tr>
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<td>Explanation</td>
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| B.2.4           | Tracking the effectiveness of actions to respond to human rights risks and impacts | 0               | employees of its partner companies each year to check for human rights violations. The process includes five steps such as gathering stakeholders’ opinions and review of checklist; ESG and human rights impact assessments (analysis of situation); detection of potential issues and human rights risks; risk assessment [...]. The human rights assessment items consist of key items that help verify 11 human rights management activities, including the establishment of a human rights management system, non-discrimination in employment, guarantee of freedom of assembly and collective bargaining, and prohibition of forced and child labour. The Company also states that ‘POSCO considers, in its HRDD, various factors, such as the size and location of a worksite, human rights related risks, nature and substance of the business, and local political and economic circumstances and cultures’. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
• Not Met: Describes system for evaluation effectiveness of actions: The Company states that its human rights risk assessment system applies to POSCO and domestic/overseas subsidiaries and supply chain. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
• Met: Public disclosure of results of HRs risk assessment: The Company reports Ethics and Human Rights Risk Assessment Results and found that 69% of its 60 overseas entities and 41% of 101 partners responded to the questionnaire and two persons in overseas entities received personnel corrective action. Results showed that no major issues were found, but 111 minor issues such as insufficient age verification procedure during recruitment and lack of diversity were found. There are 11 items that the Company seems to consider relevant in these assessments, including forced labour, protection of occupational health and safety, prohibition of child labour, protection of human rights of local residents, protection of environmental rights, prevention of bullying and sexual harassment, non-discrimination on employment, guarantee of freedom of assembly and collective bargaining, human rights in the supply chain. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
| B.2.3           | Integrating and acting on human rights risks and impact assessments | 1               | The individual elements of the assessment are met or not as follows:  
Score 1  
• Met: Describes system to prevent, mitigate and remediate HRs issues: The Company states that ‘It establishes internal response system to resolve identified issues, clearly define the roles and responsibilities of relevant organizations; apply internal decision making, budget allocation, and monitoring processes to respond effectively to identified impact, and ensure that relevant organizations gain an accurate understanding of the issues identified by the human rights due diligence. For the potential impacts, measures to prevent or mitigate potential impacts are shared at the company-wide level and the relevant procedures are implemented, and the actual impacts that have already occurred must be subject to remedies and resolutions’. [Corporate Citizenship report 2021, 2022: posco.co.kr] & [Social ESG Guidelines, N/A: posco.co.kr]  
• Not Met: Describes how global system applies to EX BPs  
• Met: Example of actions decided on at least 1 salient HRs issue: The Company reports that in 2021, no major issues were found, but 111 minor issues such as insufficient age verification procedure during recruitment and lack of diversity were found. The Company is taking mitigation measures such as strengthening the age verification procedure, enhancing the grievance handling process, and supplementing diversity policies. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
Score 2  
• Not Met: Meets all requirements under score 1  
• Not Met: Describes how assessment involved affected stakeholders: The Company states that in its assessment process, it gathers stakeholders’ opinions and review the checklist. However, there is no further details about how the Company gathers opinions or involves affected stakeholders. |


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<tr>
<th>Indicator Code</th>
<th>Indicator name</th>
<th>Score (out of 2)</th>
<th>Explanation</th>
</tr>
</thead>
</table>
|                | **actions have been effective was found. [Corporate Citizenship report 2021, 2022: posco.co.kr]** |                  | • Not Met: Example of lessons learned from evaluation effectiveness of actions  
Score 2  
• Not Met: Meets all requirements under score 1  
• Not Met: Involves stakeholders in evaluation effectiveness of actions  
B.2.5 Communicating on human rights impacts | 0 | The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Provides two examples of comms with stakeholders  
Score 2  
• Not Met: Describes challenges to effective comms and how it is working to address them |
| **C. Remedies and Grievance Mechanisms (20% of Total)** | **Indicator Code** | **Indicator name** | **Score (out of 2)** | **Explanation**                                                                                                                                                                                                                                                                                        |
| C.1            | Grievance mechanism(s) for workers                 | 1.5              | The individual elements of the assessment are met or not as follows:  
Score 1  
• Met: Grievance mechanism accessible to all workers: The Company states that it has channels such as the Ethics Counselling Center (helpline) and the Center for Reporting Unethical Behavior (hotline) for the adversely affected individuals and local communities, and it tries to promptly address and remedy any issues raised. The Company also states that it adheres to the system of protecting those who file a grievance so that none of its employees and stakeholders will be subject to any disadvantage. The Company indicated the email address for reporting in its report. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
Score 2  
• Not Met: Grievance mechanism available in appropriate languages and workers made aware  
• Met: Describes how workers in EX BPs access grievance mechanism: The Company states in its Supplier Code of Conduct that suppliers should maintain programs that protect the anonymity of internal whistleblowers, except where prohibited by law. Suppliers should also notify their officers and employees of the relevant procedures and enable them to raise concerns without any fear of retaliation. [Supplier code of conduct, N/A: posco.co.kr]  
• Not Met: Expects EX BPs to convey expectation to their BPs |
| C.2            | Grievance mechanism(s) for external individuals and communities | 1 | The individual elements of the assessment are met or not as follows:  
Score 1  
• Met: Grievance mechanism accessible to all external individuals and communities: The Company states that it has channels such as the Ethics Counselling Center (helpline) and the Center for Reporting Unethical Behavior (hotline) for the adversely affected individuals and local communities, and it tries to promptly address and remedy any issues raised. It also reports that it operates a mechanism for handling grievances from a local community, such as preservation of cultural heritage, and a process for collecting opinions. Grievances of the local community can be filed through various channels, including POSCO’s website (Love Letter/Center for Reporting Unethical Behavior), telephone, fax, mail, and e-mail. If the grounds for the grievance are confirmed, the relevant departments will take appropriate actions after conducting a monitoring and a due diligence. The Company protects complainants, and strictly prohibits disclosure of the complainants’ identity and any acts of searching for and retaliating against the reporting person. In addition, it ensures that complainants are not subject to any ill treatment, including in employment relationships. After processing the complaint according to the procedure, the results are notified directly in person or in writing. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
Score 2  
• Not Met: Grievance mechanism available in appropriate languages and affected stakeholders made aware  
• Not Met: Describes how external individuals/communities access grievance mechanism  
• Not Met: Expects EX BPs to convey expectation to their BPs |
| C.3            | Users are involved in the design and performance of the mechanism(s) | 0 | The individual elements of the assessment are met or not as follows:  
Score 1  
• Not Met: Describes how users engaged on design and performance  
• Not Met: Provides user engagement examples (at least two) on design and performance  
Score 2  
• Not Met: Describes how users engaged on improvement of mechanism  
• Not Met: Provides user engagement examples (at least two) on improvement |
<table>
<thead>
<tr>
<th>Indicator Code</th>
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<th>Score (out of 2)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.4</td>
<td>Procedures related to the mechanism(s) are equitable, publicly available and explained</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1  • Not Met: Describes procedure and timescales for managing complaints or concerns: The Company states that after human rights issues are reported through the channel, the case will be accepted by Corporate Audit Office. Then the Company will have designated case manager to review and process the issue received from grievance handling process. Then they will provide feedback into the system or communicate to the case registrant. However, no details were found in relation to how timescales of the process or how complainants will be informed. [Corporate Citizenship report 2021, 2022: posco.co.kr] &amp; [Social ESG Guidelines, N/A: posco.co.kr]  • Not Met: Describes technical, financial, advisory support to enable equal access Score 2  • Not Met: Describe types of outcome to complainant through use of mechanism  • Not Met: Describes escalation to senior levels / independent adjudicators</td>
</tr>
<tr>
<td>Indicator Code</td>
<td>Indicator name</td>
<td>Score (out of 2)</td>
<td>Explanation</td>
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<tr>
<td>D.3.1</td>
<td>Living wage (in own extractive operations, which includes JVs)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Pays living wage or sets time-bound target • Not Met: Describes how living wage determined Score 2 • Not Met: Achieved paying living wage • Not Met: Reviews definition living wage with unions</td>
</tr>
<tr>
<td>D.3.2</td>
<td>Transparency and accountability (in own extractive operations, which includes JVs)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Member of EITI • Not Met: Reports of taxes and revenues beyond legal minimums Score 2 • Not Met: Reports taxes and revenue by country • Not Met: Steps taken to promote transparency in non EITI countries • Not Met: Provides example of contracts for terms of exploitation for countries without disclosure requirements</td>
</tr>
<tr>
<td>D.3.3</td>
<td>Freedom of association and collective bargaining (in own extractive operations, which includes JVs)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Measures to prohibit violence/retaliation against workers for joining trade union: The Company states that it abides by the Constitution and the Trade Union and Labor Relations Adjustment Act (Labor Relations Act), which are the basis of its human rights policy; strives to observe and guarantee the rights of its employees; and protects their freedom of association, their right to organize, and their right to collective bargaining. However, no details found in relation to measures in place to avoid intimidation or retaliation against workers seeking to exercise these rights. [Corporate Citizenship report 2021, 2022: posco.co.kr] • Not Met: Discloses % of total direct operations covered by CB agreements Score 2 • Not Met: Meets both requirements under score 1</td>
</tr>
<tr>
<td>D.3.4</td>
<td>Health and safety: Fatalities, lost days, injury, occupational disease rates (in own extractive operations, which includes JVs)</td>
<td>0.5</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Met: Describes process to identify H&amp;S risks and impacts: The Company receives feedback from its employees and contractors through various communication channels. The Joint Labor-Management Committee was formed at each plant to share and inspect safety activities within plants every week. Also, every month, the Company discusses the voice of customers regarding internal safety issues with the employee representative body. It also operates the Occupational Health and Safety Committee every quarter to decide on health and safety matters with the worker representatives and reinforce the review and analysis of safety activities through the Safety Innovation Committee with labor-management participation. [Corporate Citizenship report 2021, 2022: posco.co.kr] • Met: Discloses injury rate or lost days for last reporting period: The Company reports that injury rate was 0.04% for direct employees and 0.08% for contractors in 2021. The number of injured employees was 7 for direct employees and 13 for contractors. [Corporate Citizenship report 2021, 2022: posco.co.kr] • Met: Discloses fatalities for last reporting period: The Company reports that fatality rate was 0.0% for direct employees and 0.01% for contractors in 2021. The number of fatalities was 0 for direct employees and 1 for contractors. [Corporate Citizenship report 2021, 2022: posco.co.kr] • Not Met: Discloses occupational disease rate for last reporting period Score 2 • Not Met: Set targets for H&amp;S performance • Not Met: Met targets or explains why not or actions to improve H&amp;S management systems</td>
</tr>
<tr>
<td>D.3.5</td>
<td>Indigenous peoples’ rights and free prior and informed consent (FPIC) (in own extractive operations, which includes JVs)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Process to identify/recognise indigenous rights holders • Not Met: Describes how indigenous communities are engage during assessment Score 2 • Not Met: Commitment to FPIC • Not Met: Recent example of obtaining FPIC or not pursuing indigenous people’s land/resources</td>
</tr>
<tr>
<td>Indicator Code</td>
<td>Indicator name</td>
<td>Score (out of 2)</td>
<td>Explanation</td>
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</tbody>
</table>
| D.3.6 | Land rights: Land acquisition (in own extractive operations, which includes JVs) | 0 | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Describes approach to indentifying land tenure rights holders and negotiating compensation  
  Score 2  
  • Not Met: Describes approach to compensation including valuation  
  • Not Met: Describes steps to meet IFC PS 5 in state deals |
| D.3.7 | Security (in own extractive operations, which includes JVs) | 0 | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Describes security implementation (incl. VPs or ICOC) and provides an example: The Company states in its basic position on human rights management that it should protect local residents’ human rights such as workplace security personnel should not engage in an offensive behavior, including those that violates human rights, and should comply with local laws and international standards. However, no further details found on how the Company implements security approach and whether the Company has a company-wide policy on security issues. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
  • Not Met: Ensures Business Partners/JVs follow security approach  
  Score 2  
  • Not Met: Security and HRs assessment includes input from local communities  
  • Not Met: Two examples of working with local communities to improve security |
| D.3.8 | Water and sanitation (in own extractive operations, which includes JVs) | 0 | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Describes preventative/corrective action plans for water and sanitation risks: The Company states that all humans have the right to be treated with dignity. This includes the right to life and physical safety, food and water safety and security etc. It also states that suppliers provide clean toilet facilities, clean water, sanitary food preparation and storage, and dining facilities to workers. However, it is not clear whether the Company identifies specific risks related to the right to water and sanitation. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
  Score 2  
  • Not Met: Sets targets on water stewardship that consider water use by local communities  
  • Not Met: Reports progress in meeting targets and trends demonstrating progress |
| D.3.9 | Women’s rights (in own extractive operations, which include JVs) | 0 | The individual elements of the assessment are met or not as follows:  
  Score 1  
  • Not Met: Describes processes to stop harassment and violence against women: The Company states that it does not permit verbal, physical, or visual behaviors that are offensive to others, including sexual harassment that violates individual human rights, and protects privacy and personal information of others. However, no evidence found of the processes in place to address harassment and violence against women. [Corporate Citizenship report 2021, 2022: posco.co.kr]  
  • Not Met: Working conditions take into account gender issues  
  • Not Met: Measures and steps to address gender pay gap at all levels of employment  
  Score 2  
  • Not Met: Meets all requirements under score 1  
  • Not Met: Provides analysis of trends demonstrating closing gender pay gap |
### E. Performance: Responses to Serious Allegations (20% of Total)

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<thead>
<tr>
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<th>Explanation</th>
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</table>
| E(1).0         | Serious allegation No 1 | 1 | • Area: FoA/CB  
  • Headline: 80 workers fired from Posco Assan steel plant for joining union in Turkey, 40 detained after a march  
  • Story: "On December 26th, 2017, around 40 workers of Posco Assan in Turkey and leaders of IndustriALL affiliate Birlesik Metal-İş were detained after they had started a march to demand that the Ministry of Labour issue a legal certificate that the union had already waited 42 days for, contrary to the usual practice of a couple of days. IndustriALL Global Union affiliate Birlesik Metal has applied to the Ministry of Labour for a majority certificate that would give them the legal right to represent the 420 workers. After being beaten by security forces, the marchers were taken to hospital, and eventually to the Security Department at the Kocaeli Governship. They were all released later the same evening and started again to march the following morning. As the Ministry of Labour and Social security then promised to issue the certificate by December 29th, the union has temporarily halted the march,  
  80 union members have been fired over the previous months. Company managers were allegedly attempting to intimidate workers by telling workers on the factory floor they will never accept or meet with the union.  
  On June 16, 2022, IndustriALL Global Union announced that Turkey’s highest court, the Court of Cassation, ruled that IndustriALL affiliate Birlesik Metal; have majority in the workplace and that Posco has to recognize the union as a collective bargaining partner. According to IndustriALL, the company had changed the registration of their office in 2017 to prevent Birleşik Metal-İş from gaining the required majority at the factory.  
  The court also ruled that the dismissals of 80 workers by Posco Assan plant were null and void and that they should be reinstated. It had previously ordered Posco to pay them a total of 16 months of salary, in addition to the severance pay. However, Posco refused to reinstate the workers and instead had to pay extra compensation". [IndustriALL Global Union, 27/12/2017, "Determined Posco Assan workers stand up for their rights"; [industriall-union.org]  
  [IndustriALL Global Union, 06/12/2017, "Global solidarity grows as Posco Assan fires 80 union members in Turkey"; [industriall-union.org]  
  [Business & Human Rights Resource Centre, 09/07/2022, "Turkey: Steel producer Posco allegedly refuses to reinstate workers fired for joining a union despite court win"; [business-humanrights.org] |
| E(1).1         | The company has responded publicly to the allegation | 1 | The individual elements of the assessment are met or not as follows:  
  • Met: Public response: On 5 January 2018, Posco accepted BHRRC’s invitation to respond to the allegations of union-busting practices, publishing a short letter in which it stated that "the dismissals of employees are not based on union reasons" but on the “violation of the discipline of the workplace with threats and pressures towards our employees”. [Business & Human Rights Resource Centre, 05/01/2018, “Response by Posco”; [business-humanrights.org]  
  • Not Met: Detailed response: The company did not address all aspects of the allegation in details. In its 05/01/2018 response, the company did not addressed the allegation that the striking workers were beaten by security forces, taken to hospital, and eventually to the Security Department at the Kocaeli Governship. Similarly, the company did no address the allegation that it changed registration of its office to a metal factory to prevent BirleşikMetal-İş from gaining the required majority at the factory. In addition, after the company’s letter of 5 January 2018, IndustriALL issued a rejoinder asking Posco for further information to support its statement, but Posco did not issue another response. |
| E(1).2         | The company has investigated and taken appropriate action | 0 | The individual elements of the assessment are met or not as follows:  
  • Not Met: Engaged with stakeholders: There is no evidence suggesting that the company engaged with the affected stakeholders.  
  • Not Met: Identified cause: Posco claimed that "it was righteous to dismiss workers who harmed the company’s operation and work peace by persuading other workers to join the illegal actions such as stopping work, slow down etc.” |
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<tr>
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</tr>
</thead>
</table>
| E(1).3         | The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies) | 1.5 | The individual elements of the assessment are met or not as follows:  
Score 1  
• Met: Provided remedy: After the court ruling, Posco chose to pay extra compensation to all dismissed workers, instead of reinstating them. In addition, Posco was ordered to pay 16 months’ salary and severance pay to each of them. [Business & Human Rights Resource Centre, 09/07/2022: business-humanrights.org]  
• Not Met: Evidence for lack of Impact or link  
Score 2  
• Met: Remedy satisfactory to stakeholders: There is no evidence that Posco’s choice to pay extra compensation instead of reinstating workers was not considered satisfactory by the affected stakeholders.  
• Not Met: Remedy delivered: Even though the company agreed to provide compensation there is no evidence that the remedy was delivered to the affected stakeholders.  
• Not Met: Independent remedy process used |
| E(2.0)         | Serious allegation No 2 | | • Area: Land Rights  
• Headline: OECD complaint filed against Posco over deforestation and loss of biodiversity in Papua  
• Story: "On December 12th, 2019, human rights and environmental NGOs KTNC Watch, PUSAKA, SKP-KAME, and WALHI Papua filed a specific instance against POSCO International at the Korean National Contact Point. The complaint argued that the company has breached the OECD Guidelines by causing deforestation and loss of biodiversity, lack of Free, Prior and Informed Consent (FPIC), and infringement on the right to water for its operation of the palm oil plantation in Papua.  
The complaint also claimed that environmental and social policies and measures taken by POSCO were not sufficient to the due diligence standards under the Guidelines. It added that the company’s continuation of its business without acknowledging the massive destruction of the tropical rainforest and the infringement of the rights of indigenous people amounted to a violation of the Guidelines.  
The complainants were seeking the Korean NCP’s good offices to encourage POSCO International to take several steps, including to:  
- Acknowledge the deforestation they have caused and provide the remediation;  
- Adopt and publish a comprehensive group-wide cross-commodity "No Deforestation, No Peat, and No Exploitation" (NDPE) policy;  
- Declare a group-wide moratorium on land clearing and peatland development publicly; and  
- Implement FPIC in their operations and ensure the right to water of the local communities relying on the Bian River."  
In March 2020, POSCO International said it had committed to a policy of “No Deforestation, No Peatland, No Exploitation” (NDPE) in its palm oil operations in Indonesia’s Papua province. Under this policy, POSCO says it will prohibit new plantation development in areas of high conservation value (HCV), high carbon stock (HCS), and peatlands.  
[Business & Human Rights Resource Centre, 12/12/2019, "NGOs from Korea and Indonesia file OECD complaint against POSCO International for causing palm oil abuses and National Pension Service and the Export-Import Bank of Korea for financing the abuses": business-humanrights.org] [SuaraPapua.com, 13/12/2019, "NGOs from Korea and Indonesia file OECD complaint against POSCO International": suarapapua.com] [Business & Human Rights Resource Centre, 08/03/2020, "Indonesia: South Korean company, Posco Int'l, adopts no deforestation policy; vows to compensate indigenous communities": business-humanrights.org] |
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<tr>
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<tbody>
<tr>
<td>E(2).1</td>
<td>The Company has responded publicly to the allegation</td>
<td>1</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Met: Public response: In response to the allegations, in 2020 Posco pledged to commit to a No Deforestation, No Peatland and No Exploitation (NDPE) policy. In addition, in relation to the OECD complaint, POSCO has also been engaging directly with the complainants under KNCP procedures to achieve mediation for two years. [BlackRock, 18/04/2022: blackrock.com] Score 2 • Not Met: Detailed response: A public response addressing all aspects of the allegation in detail is not available.</td>
</tr>
<tr>
<td>E(2).2</td>
<td>The company has investigated and taken appropriate action</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Engaged with stakeholders: There is no evidence suggesting that the company engaged with the affected stakeholders. • Not Met: Identified cause: The company does not present investigative results on the underlying causes of the events concerned. Score 2 • Not Met: Identified and implemented improvements: POSCO committed to a No Deforestation, No Peatland and No Exploitation (NDPE) policy, and now has a time-bound implementation plan for PT BIA to ensure compliance throughout the subsidiary’s supply chain. The company also achieved their target of acquiring Roundtable on Sustainable Palm Oil (RSPO) certification in September 2021. However, the company’s current disclosures do not provide shareholders sufficient transparency into risks and liabilities relating to the adverse impacts associated with their operations. For instance, despite PT BIA’s commitment to develop and publish grievance logs on their Sustainability Dashboard by the end of 2021, there remains a lack of clear disclosure and updates on any grievances reported through their grievance handling mechanism. In addition, the company has not provided investors with disclosures regarding their approach to remediating the 2019 OECD complaint or other allegations of environmental, human rights and labor rights-related issues. Moreover, despite the lack of transparency in the company’s processes and policies regarding palm oil, at the 2022 Annual General Meeting of Shareholders the incumbent directors were re-elected. Therefore, on balance, it cannot be concluded that the company has actually implemented concrete and tangible improvements with respect to palm oil production. [BlackRock, 18/04/2022: blackrock.com] • Not Met: Stakeholder input to steps taken</td>
</tr>
<tr>
<td>E(2).3</td>
<td>The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)</td>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Provided remedy: Posco pledged to compensate for the deforestation caused by its activities. However, there is no evidence suggesting the company effectively provided remedy to the affected stakeholders. Jeff Conant, senior international forests program director with Friends of the Earth U.S., said in a press statement: “While POSCO’s new deforestation policy is a welcome step, it’s commitment on paper has yet to translate into action.” Moreover, in relation to the OECD complaint, the dialogue with complainants within the KNPC procedures to achieve mediation was terminated in January 2022 as both sides failed to reach an agreement despite several attempts. [Business &amp; Human Rights Resource Centre, 08/03/2020: business-humanrights.org] [CorpWatch, 13/04/2021, “New Greenpeace Report on Deforestation in West Papua Shines a Light on the Worst Offenders”: corpwatch.org] [BlackRock, 18/04/2022: blackrock.com] • Not Met: Evidence for lack of Impact or link Score 2 • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used</td>
</tr>
<tr>
<td>E(3).0</td>
<td>Serious allegation No 3</td>
<td></td>
<td>• Area: FoA/CB • Headline: Dismissals of union activists after they investigated work accidents • Story: On 24 November 2020, three workers were killed in an explosion that occurred at a plant operated by South Korea’s POSCO Gwangyang. One of the victims was a 40-year-old Posco employee, and the two others, aged 32 and 53, worked for a contractor. The explosion appears to have started near a furnace where workers were handling high-pressure gas, according to authorities. The exact cause of the incident has not been identified.</td>
</tr>
</tbody>
</table>
### Indicator Code | Indicator name | Score (out of 2) | Explanation
--- | --- | --- | ---
### E(3).1 | The Company has responded publicly to the allegation | 0 | On 7 January 2021, IndustriALL Global Union's Korean affiliate the Korean Metal Workers' Union (KMWU) reported its concerns about the lack of safety at POSCO's Gwangyang steelworks in Korea after a pattern of fatal accidents. On 24 November, an explosion near a blast furnace lead to the deaths of three workers. In further incidents on 9 and 23 December, another two POSCO workers lost their lives.

The KMWU argues that large-scale industrial disasters happen at POSCO due to management decisions to not upgrade aging facilities and equipment, to downsize subcontracted workers, and to outsource risks instead of eliminating them. The union also alleges that POSCO recently dismissed three union activists for exposing union busting, and failed to reinstate them after the National Labor Relations Commission ruled that the dismissal was unfair. POSCO allegedly blocks the KMWU from accessing accident sites and refuses to allow union safety experts to participate in accident investigation. The company also reportedly fails to disclose the true cause of an accident after an investigation is concluded, leaving workers to face the same risks that killed their colleagues.

The KMWU demands labour inspection with guaranteed union participation, a joint labour-management response system, fundamental safety measures that address root causes, measures to improve aging equipment, and an end to outsourcing risks.

On 3 February 2021, Chairman Choi Jeong-woo allocated most of his speeches to safety policies during visits to the company’s steelworks in Pohang and Gwangyang. The company vowed to put safety as its top priority, urging employees to reject unsafe working conditions, following a spate of deaths from industrial accidents in recent years.

[Korea JoongAng Daily, 25/11/2020, "Posco apologizes after 3 workers killed in explosion at plant": koreajoongangdaily.joins.com] [The Korea Herald, 24/11/2020, "3 killed in Posco plant explosion": koreaherald.com] [IndustriALL, 07/01/2021, "Global steel company POSCO guilty of corporate manslaughter, says union": industriall-union.org] [The Korea Herald, 03/02/2021, "Posco vows to prioritize safety over productivity": koreaherald.com]

### E(3).2 | The company has investigated and taken appropriate action | 0 | The individual elements of the assessment are met or not as follows:

- **Score 1**
  - **Not Met:** Public response: Posco apologized for the three people were killed in an explosion at a plant in Gwangyang, South Jeolla. However, the company did not responded about the dismissals of union activists after they investigated work accidents. [Korea JoongAng Daily, 25/11/2020; koreajoongangdaily.joins.com]
  - **Score 2**
    - **Not Met:** Detailed response

### E(3).3 | The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies) | 0 | The individual elements of the assessment are met or not as follows:

- **Score 1**
  - **Not Met:** Provided remedy: There is no evidence suggesting the company provided remedy to the affected stakeholders.
  - **Not Met:** Evidence for lack of impact or link

- **Score 2**
  - **Not Met:** Remedy satisfactory to stakeholders
  - **Not Met:** Remedy delivered
  - **Not Met:** Independent remedy process used

### E(4).0 | Serious allegation No 4 | | • Headline: South Korean labor authorities investigate incident of sexual harassment and assault inflicted on a female employee at POSCO Pohang Steel Works

- **Area:** Discrimination
• Story: South Korea’s Ministry of Employment and Labor has launched an investigation into an incident of sexual harassment and assault inflicted on a female employee at POSCO Pohang Steel Works. Allegedly, the female employee had continuously been sexually harassed by co-workers and raped by her boss. The authorities further investigate the company over potential violation of the Act on the Equal Employment for Both Sexes. [Chosun, 27/06/2022, "Ministry of Employment, "Strict Response to POSCO Sexual Harassment and Assault Cases"": chosun.com] [Korea JoongAng Daily, 24/06/2022, "Posco CEO apologizes for alleged sexual assault case between workers": koreajoongangdaily.joins.com] [The Korea Times, 24/06/2022, "Posco officially apologizes for years-long sexual assault case": koreatimes.co.kr]

E(4).1 The Company has responded publicly to the allegation

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<tr>
<th>Score (out of 2)</th>
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<tr>
<td>1</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Met: Public response: &quot;We truly apologize to the victim and her family for the recent unsavoury sexual violation incident, and the company feels strongly responsible for it,&quot; Posco CEO Kim Hagedong said in an apology statement. &quot;We will make sure our employees receive further education on sexual ethics through outside experts to prevent the reoccurrence of similar problems.&quot; &quot;We will take all measures needed so that the affected employee can quickly return to her normal life. We will dutifully cooperate with the police investigation, thoroughly investigate the people involved and reprimand them severely, including those in the management position,&quot; Kim added. [Korea JoongAng Daily, 24/06/2022: koreajoongangdaily.joins.com] Score 2 • Not Met: Detailed response: The company responded in very general terms, merely apologising for the incident, and did not address the allegation in detail.</td>
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E(4).2 The company has investigated and taken appropriate action

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<tr>
<td>0.5</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Engaged with stakeholders: There is no evidence suggesting that the company engaged with the affected stakeholder to understand the causes of the allegation. In addition, Posco has been criticized for neglecting to protect the victim after she first reported the case to management. • Not Met: Identified cause: The companies does not present investigative results on the underlying causes of the events concerned. Score 2 • Met: Identified and implemented improvements: Posco said it dismissed the head of the team, and excluded the four accused from work. In addition, Posco CEO Kim Hagedong said in a statement: &quot;In order to prevent a situation like this from happening again, we invite external experts to provide additional group training on the topic of workplace sexual harassment for all employees and provide a better level of awareness training on in-house workplace sexual harassment issues. We will come up with a fundamental reform plan and implement it&quot;. [Korea JoongAng Daily, 24/06/2022: koreajoongangdaily.joins.com] [The Korea Times, 24/06/2022: koreatimes.co.kr] • Not Met: Stakeholder input to steps taken</td>
</tr>
</tbody>
</table>

E(4).3 The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)

<table>
<thead>
<tr>
<th>Score (out of 2)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>The individual elements of the assessment are met or not as follows: Score 1 • Not Met: Provided remedy: There is no evidence suggesting that the company provided remedy to the affected stakeholder. • Not Met: Evidence for lack of Impact or link Score 2 • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used</td>
</tr>
</tbody>
</table>

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