

ANTI-CORRUPTION POLICY

CHAPTER 1 (GENERAL PROVISIONS)

Article 1 (Purpose)

POSCO International Co., Ltd. (hereinafter referred to as the "Company") is committed to the highest legal and ethical standards in conducting business in all regions of the world. The purpose of this Policy is to ensure that not only employees of the Company but also the affiliates, agents, and counterparties of the Company comply with the global laws and legal standards governing anti-corruption.

Article 2 (Scope)

This Policy shall apply to the Company's headquarters and Global Organizations.

Article 3 (Definition of Terms)

Terms used in the Policy shall have the meaning as below:

1. The term "Global Organizations" means Branch Offices and Entities, collectively.
2. The term "Branch Office" means an overseas office, branch office, local office or any entity similar to the foregoing that is established abroad.
3. The term "Entity" means a trading company, overseas investment company, or any company invested by the foregoing.

CHAPTER 2 (Organization, Responsibilities and Authorities)

Article 4 (Organization and Responsibilities and Authorities)

- ① The Righteous Management Office (hereinafter referred to as the "RMO") shall be responsible for administering this Policy and may adopt a separate set of standards for the efficient administration of this Policy.
- ② The RMO may conduct inspections on the compliance with this Policy by Global Organizations and report the outcome of such inspections to the relevant governing bodies of the Company including the Board of Directors and the Audit Committee.

- ③ For any relevant matter not expressly provided in this Policy or any provision open to multiple interpretations, it shall be governed by the Code of Ethics and other internal policies and regulations of the Company or in accordance with interpretation by the RMO.

CHAPTER 3 (Procedures)

Article 5 (Global Anti-Corruption Compliance)

Executives and employees have the duty of compliance with all global laws and standards regulating anti-corruption.

Major global anti-corruption laws and standards include the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, the OECD Anti-Bribery Convention, and the UN Global Compact.

- The "FCPA" prohibits bribery with respect to both domestic and foreign public officials by companies listed on the U.S. Stock Exchange and their subsidiaries and provides necessary measures for internal control such as accurate bookkeeping.
- The "Bribery Act" prohibits British companies and companies operating in the UK from offering bribes to public officials and contractual counterparties outside the UK.
- The "OECD Convention on the Prevention of Bribery" is the first international treaty that criminalizes bribery to foreign officials. The Republic of Korea has implemented the treaty into its law by enacting the "Bribery Prevention Act on Foreign Public Officials in International Commercial Transactions".
- The "UN Global Compact" stipulates that companies' responsibility to address all forms of corruption in connection with their business, including bribery.
- In Korea, the relevant laws include the "Korean Criminal Code", the "Act on the Aggravated Punishment of Specific Crimes", the "Act on the Aggravated Punishment of Specific Economic Crimes", and the "Improper Solicitation and Graft Act".

Executives and employees of the Company must comply with global anti-corruption laws and standards, as well as those enforced by local jurisdictions where the Company conducts business activities.

No violation of anti-corruption laws and standards, whether global or local, shall be tolerated even if the relevant act may arguably fall within the scope of socially accepted business practices.

In addition, in case of any conflict among the global and local anti-corruption laws and standards

and this Policy, the strictest standard shall be applied.

Article 6 (Entertainment and Convenience)

6.1 General principles

Executives and employees of the Company shall not give or accept any Money or Valuables, in connection with any entertainment and convenience provided to improperly further business interests, to and from any interested party, such as domestic and foreign public officials and counterparties, . Some examples of "Valuables" are as follows.

- Securities, real estate properties, meals, gifts, golf
- Expenses on transportation and accommodation, etc.
- Licenses or discounts for products and services
- Political Contribution
- Other tangible or intangible economic benefits, such as transfer or cancellation of debts, provision of employment opportunities or offering of privileges

However, entertainment or convenience offered within the scope of common practices in connection with ordinary commercial reasons including promotion of products, execution of contracts, or facilitating mutual commercial understanding shall be permitted, provided the following standards must be observed.

- The type of and cost of entertainment or convenience offered and accepted should be reasonable under the circumstances.
- The frequency of entertainment and convenience offered to and accepted by interested parties for commercial reasons in a given period of time shall not be excessive.
- The details of the relevant expenditure shall be accurately recorded in the Company's books.

6.2 Meals, gifts, etc.

When executives and employees of the Company provide meals, gifts, etc. to interested parties as a gesture of goodwill or courtesy or to promote friendship, the following standards shall be followed:

- The price for meals, gifts, etc. should be small in comparison to the recipient's level of income.
- Meals, gifts, etc. shall only be provided at an appropriate timing with a legitimate reason, and shall not be provided frequently for a short period of time.
- The price of meals for entertainment purposes shall not exceed 100,000 KRW, and the price for gifts shall not exceed 50,000 KRW. If it is necessary to exchange meals or gifts in excess of the foregoing, an approval from the head of the department shall be obtained in advance. If the foregoing limits were exceeded unavoidably, it shall be reported to the RMO. However, when meals and gifts are offered to public officials, etc. as defined under the "Improper Solicitation and Graft Act", the relevant laws and the Code of Ethics shall be applied.

6.3 Provision of Convenience

Executives and employees of the Company shall comply with the following standards in relation to provision of convenience to interested parties:

- No convenience, such as transportation or accommodation, beyond the scope of common practices shall be offered or accepted. However, the foregoing shall not be applicable to convenience provided generally to all participants of an event.
- Convenience shall be at a reasonable level and have direct or indirect relevance to the promotion, demonstration or presentation of a product or service or execution or performance of a contract.
- No convenience shall be provided to those other than the interested parties, including their family members.
- Expenses incurred in connection providing convenience shall not be paid to interested parties but directly to the relevant service providers such as airlines or hotels.

Article 7 (Facilitation Fee)

Executives and employees of the company shall not provide any facilitation fees to domestic and foreign public officials.

The facilitation fee is to provide, or express an intention to provide, a small amount of money to a public official engaged in daily and repetitive duties for the purpose of expediting his/her work,

typical examples of which are as follows:

- Receipt and processing of administrative documents, such as issuance of visas
- Customs clearance, shipment, and unloading related to transportation of goods
- activation of phone numbers or supply of electricity or water

Article 8 (Agent and Joint Venture)

8.1 Agent

An agent is a person who handles business activities, customs clearance, license and permits, and tax affairs on behalf of the Company, and the FCPA and other global anti-corruption laws and standards prohibit an agent from providing Money or Valuables to interested parties including domestic and foreign officials and counterparties. Therefore, the duty of care to prevent any violation thereof when performing work through an agent shall be adhered to at all times.

When signing a contract with an agent, all of the following shall be taken into account, but if one or more items are applicable, the final determination on whether to contract with the agent shall be made by referring to <Attachment 1> "Agent Contract Checklist".

- Whether the agent has engaged in or is engaging in any improper business practices (e.g., a history of or reasonable suspicion for bribery)
- Whether the agent has any relationship a former or current public official (e.g., recommendation of the agent by a public official, a stake in the agent held by a public official)
- Whether there is any request by the agent for convoluted payment arrangements (e.g., prepayment, payment via a third party)
- Whether the information provided in relation to the agent and its business is in any manner incomplete or inaccurate

When signing a contract with an agent, the following shall be expressly set forth in the contract:

(Refer to <Attachment 2> "Special Terms and Conditions for Overseas Ethics Practice")

- Matters concerning the roles and responsibilities of the agent for the purpose of compliance with global anti-corruption laws and standards

- Criteria for calculating the agent's remuneration and payment method
- The Company's right to terminate the contract if the agent is found in violation of any of the global anti-corruption legislation and standards
- The Company's right to conduct an investigation if the agent is deemed to have violated global anti-corruption laws and standards

After signing an agency contract, the Company's executives and employees shall supervise the agent to comply with global anti-corruption laws and standards and shall immediately notify the RMO of any violation of the agent and take appropriate measures including remedy of the violation or termination of the contract.

In case of any concern or inquiry regarding the violation of global anti-corruption laws and standards in connection with performance of work through an agent, the Company's executives and employees shall contact the RMO.

8.2 Joint Venture

Global anti-corruption laws and standards, such as the FCPA, prohibit joint venture companies and joint venture partners from providing Money or Valuables to interested parties, such as domestic and foreign officials and counterparties. Accordingly, the same shall be applied to joint ventures' business.

8.3 Miscellaneous

The provisions this Policy which are applicable to an agent may be applied, *mutatis mutandis*, to the Company's counterparties, such as suppliers and customers, upon their understanding and acceptance thereof.

Article 9 (Accounting Records)

Global anti-corruption laws and standards require that transactions made throughout all stages of a company's business be recorded and maintained in accordance with the internal accounting/management system.

Therefore, the Company's executives and employees shall keep and properly record in its books all invoices, receipts, and other evidence of transactions occurred in the course of the Company's business, and no expenditure or possession of assets not reflected in the books shall be strictly prohibited.

In addition to maintaining books and records, all transactions shall be carried out in accordance with appropriate procedures as follows and through the Company's internal accounting/management system:

- All costs associated with a transaction shall be processed with the approval of the person having the proper authority.
- All transactions shall be booked in accordance with the applicable accounting principles, which book-keeping shall then be approved by the person having the proper authority.
- The assets of the Company shall be used with the approval of the person having the proper authority.
- Due diligence on the Company's assets shall be carried out on a periodic basis.

Article 10 (Education for Compliance of Anti-corruption Laws)

Executives and employees of the Company shall conduct and complete education for the compliance with anti-corruption regulations under the supervision and guidance of the RMO, and submit relevant evidence of the completion of the education to the RMO.

Article 11 (Reporting and protection of whistleblowers)

Any executive or employee who becomes aware of or has a reasonable suspicion of a violation of global anti-corruption laws and standards and this Policy shall report to the RMO.

The Company shall protect the identity of the whistleblower by all means available and shall strictly prohibit any leakage of the whistleblower's identity, retaliatory action against the whistleblower and attempt to identify the whistleblower. Further, the Company shall not cause any disadvantages in regard to the whistleblower's personnel affairs, such as employment status.

Article 12 Compensation and Punishment

The Company may reward executives and employees who have contributed in furtherance of the

purpose of this Policy in accordance with the relevant policies, such as the HR Policy.

In addition, the Company may take disciplinary actions (e.g., dismissal, suspension, salary reduction, reprimand) against any executives and employees who have violated the global anti-corruption laws and standards and this Policy in accordance with the relevant policies, such as the HR Policy.

If any executives and employees of the Company are imposed with civil or criminal penalties for violating the global anti-corruption laws and standards, the Company shall not be liable for any indemnification obligation in connection therewith.

Supplementary Provisions

This Policy shall come into effect as of July 1, 2016.

Supplementary Provisions

This Policy shall come into effect as of November 24, 2016.

Supplementary Provisions

This Policy shall come into effect as of March 18, 2019.

<Attachment> Agent Contract Checklist

* If the aggregate points for the items to which you answered in "yes" is 70 or higher, please contact the Righteous Management Office.

No.	Question	Answer		Points
1-1	Is the Corruption Perception Index for the country in which the task will be carried out below 50 points? (please refer to: http://www.transparency.org/country/)	☐ YES	☐ NO	5
1-2	Is the Corruption Perception Index for the country in which the task will be carried out at least 50 points? (Check CPI http://www.transparency.org/country/)	☐ YES	☐ NO	2
2	Is this the first transaction with the agent?	☐ YES	☐ NO	5
3	Have you ever been asked or instructed to make a transaction with the agent by a public official or a counterparty?	☐ YES	☐ NO	9
4	Does the agent refuse to sign the "Special Terms on Ethical Practice for Overseas Business" or to include it in the agency contract?	☐ YES	☐ NO	9
5	Does the agent rely excessively on government connections or stress its personal relationship with public officials, rather than focusing on its knowledge in the relevant fields, track record or expertise of its employees?	☐ YES	☐ NO	10
6	Has the agent ever had a history of improper business practices, such as provision or acceptance of bribes, or had ever been accused of such practices?	☐ YES	☐ NO	15
7	Does the agent require dual contracts or intend to enter into a contract with ambiguous terms for the transaction?	☐ YES	☐ NO	9
8	Does the agent require any of the following payment arrangement?	Of the five items below, If there is more than one If there are more than 3		7 10
8-1	- The agent requests payment through an account opened in a country other than the country in which the service is provided	☐ YES	☐ NO	

8-2	- The agent requests payment through an account not under the name of the Company	☐ YES	☐ NO	
8-3	- The agent requests payment through an account in the name of an individual	☐ YES	☐ NO	
8-4	- The agent requests payment in cash or bearer check instead of check or wire transfer	☐ YES	☐ NO	
8-5	- The agent requests payment in advance in an unusual, extraordinary manner (such as advance payment of commission or fee prior to signing a contract with the Company or prior to carrying out the assigned duties)	☐ YES	☐ NO	
9	Does any official of relevant government authorities exercise <i>de facto</i> control over the agent or hold more than 10% stake of the agent?	☐ YES	☐ NO	10
10	Does the agent request you to hire his/her friends or relatives or to provide other benefits?	☐ YES	☐ NO	3
11	Is there any government authorization the agent should obtain in relation to this project?	☐ YES	☐ NO	3
12	If the agent intend to form a consortium to participate in this project, is any member of such consortium related to the government agency?	☐ YES	☐ NO	5
13	Can you secure documents evidencing that the fees and other remuneration proposed by the agent are reasonable?	☐ YES	☐ NO	5

※ If there is any additional information you would like to share regarding the agent, please fill in the below table.

Item	Details