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Department in Charge	Procurement Planning Team

Hyundai Steel Supply Chain ESG Management Policy

Enactment & Revision History	Version	Record on enactment & revision	Contents of enactment & revision
	1	April 2025	Initial Enactment

[Team in charge]

Procurement Planning Team

[Officer in Charge]

Head of Procurement Division

1. Purpose and Structure

1.1 Purpose of Establishment

Hyundai Steel has established the “Supply Chain ESG Management Policy” (this “Policy”) to fulfill its corporate social responsibility and promote win-win partnership and sustainable growth with all suppliers in contractual relationships. This Policy is intended to systematically improve and reinforce the sustainability of the supply chain, thereby enhancing overall supply chain management maturity, enabling Hyundai Steel to fulfill its environmental, social, and ethical responsibilities throughout the supply chain and achieve its sustainable management goals.

1.2 Scope of Application

- 1) This Policy applies to all domestic and overseas worksites of Hyundai Steel.
- 2) This Policy applies to stakeholders in the entire supply chain, including upstream, downstream, suppliers, and subcontractors who have business relationships with the company, as well as indirect suppliers that may have ESG risks, and customers and communities that may be affected by the distribution process.

1.3 Basic Principles

- 1) Hyundai Steel conducts regular, annual identification, evaluation, improvement, and monitoring for potential and actual ESG risks that may occur throughout the supply chain as required by the “Supplier Code of Conduct”.
- 2) Hyundai Steel operates a dedicated organization for the implementation of this Policy, and the relevant organization continuously monitors the supply chain management policies and processes.
- 3) Hyundai Steel's suppliers actively cooperate with Hyundai Steel's ESG activities and should manage ESG risks throughout their supply chain by conducting ESG activities on their suppliers as well.
- 4) Hyundai Steel strives to improve the ESG level and capabilities of its suppliers.
- 5) Hyundai Steel actively reflects ESG activities in its procurement policies, including new supplier registration, adjustment of business relationships, and suspension of transactions.
- 6) Hyundai Steel regularly reviews its procurement policies for suppliers, including its supply

chain ESG management policy, to ensure alignment with the company's procurement policies and the Supplier Code of Conduct. In this process, Hyundai Steel continuously reviews its procurement policies to avoid potential conflicts with ESG requirements and procurement policies upon suppliers.

2. Supply Chain ESG Management

2.1. Principles for Assessing Supply Chain ESG Management

Hyundai Steel performs a comprehensive assessment in each area of environment (E), society (S), and governance (G) to build a sustainable supply chain, and conducts supply chain ESG assessment for the purpose of improving the identified risks. Hyundai Steel's supply chain ESG assessment is divided into three areas: environment, society, and governance, and is conducted in accordance with this Policy and Hyundai Steel's "Supplier Code of Conduct".

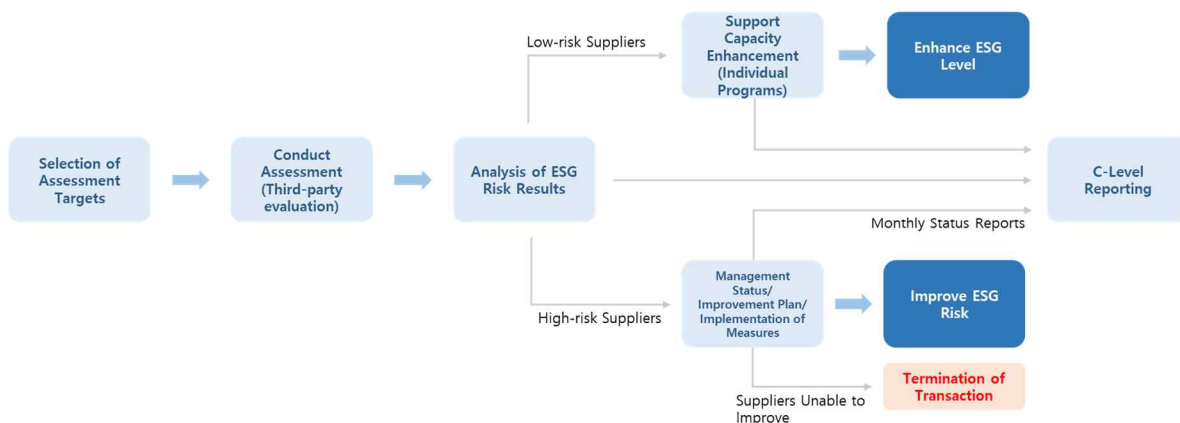
2.2. Supply Chain ESG Management Assessment Process

- 1) Hyundai Steel establishes and conducts an annual supplier risk assessment process in cooperation with a third-party specialized organization to identify and mitigate risks that may arise throughout the supply chain.
- 2) Hyundai Steel establishes an assessment plan to identify issues in each field, including environment, society, and governance, and conducts a documentation due diligence after selecting suppliers for assessment in consideration of various factors such as transaction performance, strategic importance, and ESG risks.
- 3) Hyundai Steel checks the management status and risk level of each supplier and ESG area based on the results of the documentation due diligence, identifies high-risk suppliers, and conducts on-site due diligence assessments.
- 4) Hyundai Steel analyzes the results of the on-site due diligence assessment and prepares a final assessment report and develops detailed corrective action plans based on it.
- 5) Hyundai Steel monitors whether the negative impact is effectively mitigated by the supplier's implementation of appropriate and useful remedial measures for major nonconformities which require improvement. If the supplier fails to mitigate or eliminate negative impacts through

improvement measures, it may be reflected in the transaction relationship (such as suspension or termination of the transaction).

6) Hyundai Steel shares and communicates information on policies, procedures, and actions related to due diligence externally through the Sustainability Report, website, etc.

[Assessment Process Flow]



2.3. Supply Chain ESG Assessment Metrics

Based on the “Supplier Code of Conduct”, Hyundai Steel develops and applies evaluation criteria in compliance with relevant domestic laws and international norms, including the K-ESG Guidelines, EU Corporate Sustainability Due Diligence Guidelines, Responsible Business Alliance, International Labor Organization core conventions, UN Guiding Principles on Business and Human Rights (UNGPs), OECD Due Diligence Guidance for Responsible Business Conduct, Global Reporting Initiative (GRI), ISO 26000, and TCFD. The assessment is divided into three categories: ① environmental, ② social, and ③ governance, and is conducted by comprehensively considering external risk factors such as the risks of the supplier's industry and the risks of the products and services it provides.

2.4. Supply Chain ESG Assessment Scope

1) Environment

General environmental management, including establishment of environmental management policy, existence of environmental management organization, and environmental management system; and environmental performance and management, including greenhouse gas, energy, waste, hazardous waste, and water resources.

2) Social

Human rights including working environment, non-discrimination, child labor, forced labor, etc.; labor including working conditions, freedom of association, living wage, etc.; and safety including occupational safety and health policy, safety risk management, etc.

3) Governance

Ethical management, including ethics management policies and ethical management activities; information security and personal information management; and responsible procurement of raw materials.

3. Supply Chain ESG Management Encouragement Policy

Hyundai Steel continuously promotes ESG management of suppliers to strengthen sustainable supply chain competitiveness and encourages and supports all suppliers in the supply chain to operate their businesses in a safe and fair environment. In addition, the results of the ESG management assessment are reflected in the annual supplier renewal evaluation, and when signing basic transaction contracts with existing suppliers, including new suppliers, the Supplier Code of Conduct is incorporated as a contractual obligation in basic agreements to actively encourage suppliers to participate in ESG management.

4. Grievance Handling System

Hyundai Steel operates a grievance handling system so that stakeholders in the supply chain can report grievances or concerns regarding violations of laws and regulations related to ESG areas such as ethics, environment, labor/human rights, and safety/health. If they are concerned that their rights and interests are violated or negatively affected in relation to this Policy, they can

report their opinions. Stakeholders can report ESG-related issues, including unfair practices, through communication channels operated by Hyundai Steel. Hyundai Steel safeguards the identity of the whistleblower, ensures their personal safety, and takes measures to prevent any disadvantage resulting from the report, in accordance with the Protection and Compensation System of Public Interest Whistleblowers.

5. Related Policies

Hyundai Steel has established a “Supplier Code of Conduct” to pursue the expansion of the value chain across all business areas through the establishment of a sustainable supply chain and requires all suppliers to strictly comply with applicable laws and regulations relevant to corporate governance and operations. In addition, we actively encourage them to establish the best operating practices in the areas of ethics, environment, labor and human rights, and safety and health. In addition, Hyundai Steel has established various ESG management-related policies, such as the “Environmental Management Policy,” “Biodiversity Policy,” “Deforestation Prevention Policy,” “Human Rights Charter,” “Diversity and Inclusion Policy,” “Health and Safety Policy,” and “Ethics Charter and Code of Conduct,” and posted them on the official website to foster and reinforce a sustainable supply chain system.