

HYUNDAI STEEL COMPANY

Modern Slavery Statement FY2024

0. INTRODUCTION

This Modern Slavery Statement 2024 has been prepared by Hyundai Steel Company. This is made in accordance with the Modern Slavery Act 2018 (Cth). The reporting period is 1 January to 31 December 2024.

We are committed to preventing modern slavery and upholding human rights across our business operations and supply chains. We recognize that modern slavery, a fundamental human rights violation, takes various forms including human trafficking, forced labor, servitude, deceptive recruitment, and child labor. Our commitment is to identify and eliminate these practices in all areas of our influence.

1. THE REPORTING ENTITY

The reporting entity is Hyundai Steel Company, which is incorporated and headquartered in the Republic of Korea (ABN: 51 639 769 536) ("HSC", "we" or "our").

2. STRUCTURE, OPERATIONS, AND SUPPLY CHAINS

HSC is a steel manufacturing company that procures raw materials from various domestic and international suppliers and provide steel products to customers in the global market (including Australia). As a key affiliate company within the Hyundai Motor Group, we maintain our primary operations and corporate leadership in Korea. Other affiliate companies of Hyundai Motor Group include Hyundai Motor Company (automobiles), Kia (automobiles), Hyundai Mobis (auto parts), and Hyundai Glovis (logistics).

HSC has key locations in Incheon (Headquarters and production), Dangjin (production), Suncheon (production), Pohang (production), and Pangyo (office). HSC owns, controls, and operates a total of 26 subsidiaries and 10 branches in 14 countries. These are located in USA, Czech, Slovakia, Russia, Turkey, India, China, Mexico, Brazil, Germany, Japan, UAE, Singapore and Vietnam.

As of 31 December 2024, HSC had 11,806 employees. These employees were in the divisions of Flat Products Business, Long Products Business, Strategic Planning, Finance, Management (HR, Legal, communication, etc.), Research & Development, and Health & Safety.

HSC produces reinforcing bars, H-beams, automotive parts, hot-rolled coils, cold-rolled coils, and thick plates through electric arc furnace and blast furnace steelmaking, which are distributed to the construction, automotive, and shipbuilding industries. The blast furnace produces flat products such as hot-rolled, cold-rolled, and thick plates, with the main demand industries being automotive and shipbuilding. The electric arc furnace produces long products such as reinforcing bars, steel sections, and special steel, with the main demand industry being construction.

Through Hyundai Steel R&D Center, HSC has been focused on developing low-carbon products, technologies, and materials for future mobility. Additionally, HSC continues to invest in advancing its existing R&D efforts, such as improving the manufacturing technology and efficiency, as well as evaluating raw materials mix ratios.

The raw materials for blast furnace (BF), are almost entirely dependent on imports from Australia (Rio Tinto), Brazil (Vale), and Canada, and the volatility of raw material market prices is high due to increased demand and supply instability. The raw material for electric arc furnaces (EAF) is steel scrap, which is primarily sourced from South Korea's domestic supply chain.

Our supply chain consists of raw material (iron ore, coal, scrap, etc.), utilities, professional services, transport and other supporting services. We worked with 597 suppliers in the reporting period. 86% of our suppliers are located in South Korea. The balance of our suppliers are located in Australia, Japan, and Singapore, which (which collectively account for 8%) and India, the United States, Switzerland, the UAE, China, and the United Kingdom (which collectively account for 8%). Our key suppliers have co-operated and worked with HSC for many years.

3. MODERN SLAVERY RISK

HSC has assessed the risk of modern slavery in its workforce and operations as low. Since all blast furnace and electric arc furnace operations are based in South Korea, most of our staffs are employed and work in South Korea, a jurisdiction with a low risk of modern slavery according to the 2023 Global Slavery Index. All employees employed by HSC work

after executing employment contracts in writing and receive wages that exceed the minimum wage requirements. HSC maintains an equal and cooperative relationship with labor unions. HSC operates a labor-management council to enhance employee welfare through labor-management cooperation. Every quarter, the council listens to employee grievances and suggestions and discusses current issues such as the working environment.

In respect of goods and services suppliers in South Korea, HSC considers the risk of modern slavery to be low. South Korea's employment laws, particularly the Labor Standards Act, are known for their comprehensiveness and strong focus on employee protection, establishing strict standards for working conditions, including wages, working hours, and employee treatment, which all employers must adhere to, regardless of business size. Since South Korean suppliers adhere to similar internal policies, procedures, and systems to those of HSC, which comply with these legal requirements, and therefore HSC deems the risk of modern slavery within its Korean supply chain to be minimal.

While HSC acknowledges the potential risks of modern slavery within its overseas supply chain, where employee protections may vary by country, HSC's assessments as discussed in Section 4, have not identified any such risks in our overseas supply chain.

Consequently, during this reporting period, HSC has not identified any instances of modern slavery within our operational activities or supply chain.

We recognize the potential risk of modern slavery issue to arise in the future within our operations and supply chain. Therefore, we remain vigilant in our efforts to prevent such practices throughout our value chain by regularly conducting a process to identify, prevent, and manage human rights risks (including modern slavery risk).

4. ACTIONS TAKEN TO ASSESS, ADDRESS AND REMEDIATE THESE RISKS

Our "Hyundai Steel Integrated Report 2024: Beyond Steel", sets out how we manage human rights and supply chain risks and grievances in detail.

HSC conducts annual human rights impact assessments across all domestic and overseas business sites and subsidiaries to ensure compliance with our human rights policy, to mitigate risks, and to promptly address identified issues. Human rights impact includes Modern Slavery violations such as forced labor and child labor. (Refer to 'Human Rights Management' section in the Integrated Report 2024)

The human rights policy applies to every employee of HSC (executives, employees, contract

workers), domestic and overseas production and sales subsidiaries, consolidated subsidiaries, affiliated companies and joint ventures. Furthermore, we encourage every stakeholder and transaction entity in the overall business activities including suppliers to respect these efforts. Risk assessments, inspections, and due diligence on human rights, environment, ethics, and compliance have been carried out for major domestic and international supply chains. Through these evaluations, suppliers that fail to meet minimum requirements are excluded from contracts, or improvements are requested for identified risks. If improvements are not made, differentiated trading measures, such as termination of transactions, are implemented. (Refer to 'Supply Chain Management' section in the Integrated Report 2024)

The current human rights risk assessment and response measures in management are as follows:

- We conduct annual human rights impact assessments for all domestic and overseas business sites and subsidiaries, identifying risks and implementing immediate improvement activities.
- We provide clear guidance through a 'Supplier Code of Conduct' which we issue to our suppliers, we ensure they understand and acknowledge it, and we require their compliance. By doing so, we monitor and mitigate potential risks within our supply chain. ([Hyundai Steel_Supplier Code of Conduct_EN.pdf](#))
(2. Business Ethics - H. Responsible Procurement Activities)
- The company's 'Human Rights Policy, Diversity Policy, Discrimination and Harassment Policy' is provided in the "References" section below. All policies are publicly available on the Hyundai Steel website: <https://www.hyundai-steel.com/en/sustainability/esg#sustainability-policy>
- Annual human rights and ethics training is conducted for new employees and relevant department staff.

<References>

- [Hyundai Steel_Human Rights Charter_EN.pdf](#)
- [Hyundai Steel_D&I Policy_EN.pdf](#)
- [Hyundai Steel_Anti-Discrimination and Harassment Policy_EN.pdf](#)
- Details related to the human rights impact assessment have been disclosed in the

2024 Integrated Report, pages 72-73, under section 4.1.2: Human Rights Risk Management.

Particularly, risk assessment and response measures that may occur in the supply chain are conducted as follows:

- Annual ESG assessments of domestic and international supply chains are conducted to check risks in four areas: labor and human rights; ethics and governance; safety and health; environment.

(In the reporting period (2024), assessments were conducted for 444 suppliers covering over 74% of all suppliers.)

In the context of our efforts to address modern slavery risks, all entities that HSC owns and/or controls operate under the guidance of HSC in South Korea. Our comprehensive policies, including the Human Rights Charter, Supplier Code of Conduct, and Ethics Charter, which have been established and publicly disclosed by HSC, extend to all our subsidiaries and branches. Any entity wishing to develop its own policies or charters must ensure alignment with HSC's overarching policies.

We have implemented a reporting structure to manage potential modern slavery issues effectively. Should any concerns arise, the relevant department within each entity is required to report to and collaborate closely with the corresponding department of HSC. Depending on the issue, Legal, Human Resources, Procurement, or Management departments, located in Pangyo office, South Korea, take the lead in addressing and resolving the matter.

5. ASSESSING EFFECTIVENESS

We are committed to continually enhancing our approach to preventing modern slavery and upholding human rights. We assess the efficacy of our strategies through the following ongoing processes:

- Establishment of an internal response system: This includes governance structures and monitoring mechanisms to address modern slavery risks effectively.
- Implementation of follow-up actions and remediation measures: We ensure that identified risks are addressed promptly through corrective actions and relief measures for affected individuals.

- Integration of related issues into management KPIs: Modern slavery-related metrics are reviewed annually to track progress and inform strategic decisions.
- Evaluation of training program outcomes: We assess the impact of training programs on employee and supplier awareness by tracking participation rates, feedback, and improvements in identifying modern slavery risks.

We have commenced and will continue to work on developing frameworks and processes to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains.

6. PROCESS OF CONSULTATION

In order to prepare this statement, we engaged with each entity and branch that HSC owns and controls.

7. OTHER RELEVANT INFORMATION

Hyundai Steel actively cooperates for the development and sustainability of the steel industry as a World Steel Association Sustainability Champion (2024) and Charter Member (2024). Additionally, the company is a member of the UN Global Compact (UNGC) working towards achieving the UN Sustainable Development Goals (SDGs).

8. Approval of the Modern Slavery Statement

This statement was approved by HSC's Board of Directors on 24 April 2025.



Seo, Gang-hyun

CEO and Chair of the Board of Directors

Hyundai Steel Company