



Australian Government
Department of Industry,
Science and Resources

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Anti-Dumping Commission

Exporter Questionnaire

posco

Case number: 688

Product: Certain Flat Rolled Steel Products

From: People's Republic of China (China), Republic of Korea (Korea)

Investigation period: 1 July 2024 to 30 June 2025 (the period)

Response due by: 1 December 2025
Extended to 2 January 2026

Email enquiries to investigations@adcommission.gov.au

Anti-Dumping Commission website: www.adcommission.gov.au

Responses to the exporter questionnaire must be submitted via SIGBOX. Please contact the commission on the above email address to request access to SIGBOX.

TABLE OF CONTENTS

TABLE OF CONTENTS	2
INSTRUCTIONS	4
CHECKLIST	8
GOODS UNDER CONSIDERATION	10
SECTION A COMPANY INFORMATION	12
A-1 COMPANY REPRESENTATIVE AND LOCATION	12
A-2 COMPANY INFORMATION	13
A-3 GENERAL ACCOUNTING INFORMATION	15
A-4 FINANCIAL DOCUMENTS	17
SECTION B EXPORT SALES TO AUSTRALIA	19
B-1 AUSTRALIAN EXPORT SALES PROCESS	19
B-2 AUSTRALIAN SALES LISTING	22
B-3 SAMPLE EXPORT DOCUMENTS	22
B-4 RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS	23
SECTION C EXPORTED GOODS & LIKE GOODS	25
C-1 MODELS EXPORTED TO AUSTRALIA	25
C-2 MODELS SOLD IN THE DOMESTIC MARKET	25
C-3 INTERNAL PRODUCT CODES	26
SECTION D DOMESTIC SALES	27
D-1 DOMESTIC SALES PROCESS	27
D-2 DOMESTIC SALES LISTING	30
D-3 SAMPLE DOMESTIC SALES DOCUMENTS	30
D-4 RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS	31
SECTION E DUE ALLOWANCE	33
E-1 CREDIT EXPENSE	33
E-2 PACKAGING	34
E-3 DELIVERY	35
E-4 OTHER DIRECT SELLING EXPENSES	37
E-5 OTHER ADJUSTMENT CLAIMS	38
SECTION F THIRD COUNTRY SALES	40
F-1 THIRD COUNTRY SALES PROCESS	40
F-2 THIRD COUNTRY SALES LISTING	40
F-3 DIFFERENCES IN SALES TO THIRD COUNTRIES	41
SECTION G COST TO MAKE AND SELL	42
G-1. PRODUCTION PROCESS	42
G-2. COST ACCOUNTING PRACTICES	43
G-3 COST TO MAKE ON DOMESTIC MARKET	46
G-4 SELLING, GENERAL & ADMINISTRATIVE EXPENSES	47
G-5 COST TO MAKE THE GOODS EXPORTED TO AUSTRALIA	48
G-6 COST ALLOCATION METHOD	49
G-7 MAJOR RAW MATERIAL COSTS	50
G-8 RECONCILIATION OF COST TO MAKE TO AUDITED FINANCIAL STATEMENTS	52
G-9 PRODUCTION OF THE GOODS UNDER CONSIDERATION	53
G-10 CAPACITY UTILISATION	54
SECTION K AUSTRALIAN MARKET	56
K-1 PREVAILING CONDITIONS OF COMPETITION IN THE AUSTRALIAN MARKET	56
K-2 GOODS IN THE AUSTRALIAN MARKET	65
K-3 RELATIONSHIP BETWEEN PRICE AND COST IN AUSTRALIA	70

PUBLIC RECORD

K-4 MARKETING AND SALES SUPPORT IN THE AUSTRALIAN MARKET..... 76

EXPORTER'S DECLARATION..... 78

APPENDIX GLOSSARY OF TERMS..... 79

INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the commission) is conducting an investigation into certain flat rolled steel products exported to Australia from China and Korea.

The commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether certain flat rolled steel products is dumped. The commission will also use this information to determine whether certain flat rolled steel products has been in receipt of countervailable subsidies over the period.

The Commission will collect and use information in accordance with its Collection and Use of Information Policy.

If you do not manufacture the goods

If you play a role in the export of the goods but do not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods), it is important that you forward a copy of this questionnaire to the relevant manufacturers and inform the commission of the contact details for these manufacturers **immediately**.

The commission will still require your company to complete this exporter questionnaire except Section G – Cost to make and sell.

What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the commission to verify the information, we may deem your company to be an uncooperative exporter. In that case the commission must determine a dumping margin and/or a subsidy margin having regard to all relevant information.

Therefore, it is in your interest to provide a complete and accurate response to this exporter questionnaire, capable of verification.

Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the commission, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the commission will have regard to:

- the commission's responsibility to conduct the case in a timely and efficient manner
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date
- ordinary business practices or commercial principles
- the commission's understanding of the relevant industry

PUBLIC RECORD

- previous correspondence and previous dealings with your company and
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at <https://www.legislation.gov.au/Details/F2015L01736>.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part. For example, you may be granted an extension to submit all sections except for Section A or you may be granted a shorter extension than you requested.

A summary of any requests and grants of extensions to submit a response to this exporter questionnaire will be published in the public record.

Submitting a response to the exporter questionnaire

Responses to the exporter questionnaire should be lodged via SIGBOX, a secure online document repository. Please contact the commission on the email address listed on the cover page to request access to SIGBOX.

In submitting the response to the exporter questionnaire, you must answer all questions, include all attachments and spreadsheets, and provide a non-confidential version of your response to this exporter questionnaire.

If your response to this exporter questionnaire contains major deficiencies that, in the Commissioner's view, cannot be quickly and easily rectified in a further response, then your company may be considered as an uncooperative exporter.

Confidential and non-confidential responses

You are required to lodge a confidential version (OFFICIAL: Sensitive) and a non-confidential version (for publishing on the public record) of your response to this exporter questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "**OFFICIAL: Sensitive**" or "**PUBLIC RECORD**".

All information provided to the commission in confidence will be treated accordingly. The public record version of your questionnaire will be placed on the public record and must contain sufficient detail to allow a reasonable understanding of the substance of the information without breaching confidentiality.

Please be aware that, if at any stage during this inquiry you become aware that you have inadvertently received confidential information submitted by another party, you have a responsibility to:

- Notify the commission
- Delete the information from your system and
- Refrain from using, sharing or retaining the information in any way.

A person is not required to provide a summary for the public record if the commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

PUBLIC RECORD

All questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the commission may disregard the information in the submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be requested to resubmit your response with the required level of detail or, if deadlines have passed, the commission may not have regard to it.

Verification of the information that you supply

The commission may wish to conduct a verification of your questionnaire response for completeness, relevance and accuracy of the information to your company's records.

The verification is not meant to be a chance for you to provide new or additional information. The commission expects your response to the questionnaire to be relevant, complete and accurate.

The verification may include Commission staff visiting your company to conduct on onsite verification. Any onsite verification typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with the planning of a verification, please contact the commission as soon as possible for a potential verification date to be scheduled.

The onsite verification is usually conducted over 4 days. However, in complex cases, it may be scheduled over 5 days. A verification will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility may also be required during the verification.

The commission may elect to undertake an alternative verification methodology, rather than an onsite verification, to satisfy itself of the completeness, relevance and accuracy of the data.

Note that the commission may disregard any data or information that is not verified, including new or additional information provided after the verification visit.

A report will be prepared following the verification, which details the outcomes of the verification. This report will be placed on the public record and may include the publication of the preliminarily-assessed dumping margin and/or subsidy margin. The commission considers that the dumping margin and/or subsidy margin is not confidential information, but rather an aggregate figure derived from confidential data. You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

For information on the commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the commission's website.

Important instructions for preparing your response

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.

PUBLIC RECORD

- All questions must be answered in English. An English translation must be provided for documents not originally in English. To the extent that the foreign language version differs, the English translation will be given priority as a matter of interpretation in Australia.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-4.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the commission's verification of your data.
- If you cannot present electronic data in the requested format contact the commission as soon as possible.
- Where possible, electronic data should be shared with the commission via SIGBOX, a secure online document repository. Please contact the commission to request access to SIGBOX if required.

CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A Company information	✓
Section B Export sales to Australia	✓
Section C Exported goods & like goods	✓
Section D Domestic sales	✓
Section E Due allowance	✓
Section F Third country sales	✓
Section G Cost to make and sell	✓
Section H Australian Market	✓
Exporter's declaration	✓
Non-confidential version of this response	✓

Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	✓
B-2.2 Australian sales source	✓
B-4 Upwards sales	✓
D-2 Domestic sales	✓
D-2.2 domestic sales source	✓
F-2 Third country sales	✓
F-2.2 third country sale source	✓
G-3 Domestic CTM	✓

PUBLIC RECORD

G-3.2 domestic CTM source	✓
G-4.1 SG&A listing	✓
G-4.2 Dom SG&A calculation	✓
G-4.3 Upwards SG&A	✓
G-5 Australian CTM	✓
G-5.2 Australian CTM source	✓
G-7.2 Raw material CTM	✓
G-7.4 Raw material purchases	✓
G-8 Upwards costs	✓
G-10 Capacity Utilisation	✓

GOODS UNDER CONSIDERATION

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices and/or in receipt of countervailable subsidies are:

Flat rolled products, of non-alloy or other alloy steel (excluding stainless steel, silicon-electrical steel, tool steel, and high-speed steel), not clad, plated, or coated, not in coils, with a thickness equal to or greater than 4.75 millimetres, of widths greater than or equal to 600 millimetres, with or without patterns in relief.

Further information

Plate steel is typically produced in one of two ways:

1. plate steel manufactured from steel slab. The steel slab rolled directly into plate steel products, or
2. plate steel manufactured by cutting and flattening lengths of hot rolled coil steel (HRC).

Different terms apply for plate steel made from HRC and plate steel made from steel slab. Plate steel made directly from steel slab is often referred to as 'plate'. Plate steel made from HRC is often referred to as 'coil plate', 'hot rolled sheet' or 'sheet'.

Plate steel with patterns in relief (a distinctive raised pattern, sometimes called lozenges) is more commonly referred to by the generic names checker plate, floor plate or tread plate. These products are either manufactured from steel slab or from HRC, depending on thickness.

Imported non-alloy and other alloy plate steel products are most commonly offered in nominal yield strengths of 250 megapascals (MPa) and 350 MPa, depending on application and end use.

Plate steel is manufactured to meet certain Australian and/or international standards or equivalent standards that define specific grade designations, including the recommended or guaranteed properties of each of these product grades. The applicant provided a listing of these Australian standards and their international equivalents at Non-Confidential Attachment A-4.2 of the application, which is available on the public record.

Exclusions

Goods excluded from this application are:

- stainless steel, silicon-electrical steel, tool steel, and high-speed steel
- heat treated quenched & tempered (Q&T) grades of plate steel, and
- Q&T greenfeed grades of plate steel (Q&T greenfeed is supplied only in the 'non heat-treated' condition).

Model Control Code

Details of the model control code (MCC) structure for the goods are detailed in the table below. Export sales data (Section B-2), domestic sales data (Section D-2) and cost to make and sell data (Section G-3, G-4 & G-5) submitted in this response must follow this MCC structure. At a minimum, the data must report sales and cost data separately for each of the mandatory MCC categories identified by the commission.

Category	Sub-category	Identifier	Sales data	Cost data
Type	Standard plate	P1	Mandatory	Mandatory
	Floorplate	P2	Mandatory	Mandatory
	Pressure vessel plate	P3	Mandatory	Mandatory
Thickness	<=9.99mm	T1	Mandatory	Mandatory
	>9.99mm to <=50.00mm	T2	Mandatory	Mandatory

PUBLIC RECORD

	>50.00mm	T3	Mandatory	Mandatory
Nominal Yield Strength	<325 MPa	Y1	Mandatory	Mandatory
	>=325 MPa	Y2	Mandatory	Mandatory
	N/A ¹	Y3	Mandatory	Mandatory
Production Process	Plate from coil	PC	Mandatory	Mandatory
	Plate from slab	PS	Mandatory	Mandatory

In constructing an MCC, use a "-" between each category. For example: P1-Y3-T2-PS

The MCCs will be used to match export models to the identical or comparable domestic models. In addition, the MCCs will be used to determine the profitability of domestic sales in the ordinary course of trade by comparing domestic selling prices to the corresponding cost to make and sell. The MCC may also be used to compare the export price to the cost to make the exported model as part of the constructed normal value.

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be considered deficient.

¹ Products with no guaranteed yield strength.

SECTION A COMPANY INFORMATION

A-1 Company representative and location

1. Please nominate a contact person within your company:

Name: [CONFIDETNAIL TEXT DELETED]

Position in the company: [CONFIDETNAIL TEXT DELETED]

Telephone: [CONFIDETNAIL TEXT DELETED]

E-mail address: [CONFIDETNAIL TEXT DELETED]

2. If you have appointed a representative, provide their contact details:

POSCO has retained the law firm of Moulis Legal as its legal representative in this investigation. Please find Moulis Legal's details as follows:

Name: **Moulis Legal**

Direct contact: **Charles Zhan**

Address: **6/2 Brindabella Circuit
Canberra International Airport
ACT 2609**

Telephone: **+61 2 6163 1000**

E-mail address of contact person: **charles.zhan@moulislegal.com**

In nominating a representative, you are granting authority to the commission to discuss matters relating to the case with the nominated representative, including your company's confidential information.

3. Please provide the location of the where your company's financial records are held.

POSCO's financial records are held in its Seoul office, located at POSCO Centre, 440 Teheran-ro, Gangnam-gu, Seoul, Republic of Korea

4. Please provide the location of the where your company's production records are held.

POSCO's production records are maintained at its factories located in Pohang and Gwangyang, Korea.

PUBLIC RECORD

5. Please provide the location of your company's production plant manufacturing the goods under consideration.

The goods under consideration are produced at POSCO's factories in Pohang and Gwangyang.

A-2 Company information

1. What is the legal name of your business?

The company's legal name in its normal business is "POSCO".

2. Does your company trade under a different name and/or brand? If yes, provide details.

No.

3. Was your company ever known by a different legal and/or trading name? If yes, provide details

No.

4. Provide a list of your current board of directors and any changes in the last two years.

POSCO provides the list of current board of directors as well as the last two years in Exhibit A-1. [CONFIDENTIAL ATTACHMENT]

5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide:

- a) A diagram showing the complete ownership structure and
- b) A list of all related companies and its functions

POSCO is an unlisted corporation, and a wholly owned subsidiary of POSCO Holdings.

POSCO provides a list of its related companies with their functions in Attachment A-2 [CONFIDENTIAL ATTACHMENT]. POSCO also provides a list of the other companies in which POSCO Holdings has ownership for the Commission's reference as Attachment A-2.

6. Is your company or parent company publicly listed?

If yes, please provide:

- a) The stock exchange where it is listed and

PUBLIC RECORD

b) Any principle shareholders²

If no, please provide:

(a) A list of all principal shareholders and the shareholding percentages.

POSCO is 100% owned by POSCO Holdings. POSCO Holdings is listed on the Korea Exchange. Please see Exhibit A-3 for the major shareholders of POSCO Holdings. [CONFIDENTIAL ATTACHMENT]

7. What is the overall nature of your company's business? Include details of the products that your company manufactures and sells and the market your company sells into.

POSCO was founded in 1968. POSCO is an integrated steel manufacturer. POSCO produces a range of steel products which are sold in Korea and to various export markets, including the Australian market.

The steel products produced and sold by POSCO are:

- **hot-rolled coil and sheet;**
- **cold-rolled coil and sheet;**
- **electrical coil and sheet;**
- **galvanized coil and sheet of different coatings;**
- **plate;**
- **wire rod; and**
- **stainless steel coil and sheet**

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- (a) produce or manufacture
- (b) sell in the domestic market
- (c) export to Australia and
- (d) export to countries other than Australia.

POSCO performs all of the above-listed functions in relation to the goods under consideration.

² Principal shareholders are those who are able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company.

PUBLIC RECORD

9. Provide your company's internal organisation chart.

Please see POSCO's organization chart at Exhibit A-4. [CONFIDENTIAL ATTACHMENT]

10. Describe the functions performed by each group within the organisation.

POSCO's organisation includes the following business divisions;

- **Corporate Planning & Financial Division:** This unit is responsible for developing corporate strategy for both domestic and overseas operations in the steel sector. The division also oversees finance and accounting functions.
- **Management Support Division:** This unit handles, inter alia, human resources development and management, public relations, legal affairs and information planning.
- **Marketing Division:** This unit oversees the sales, distribution, and marketing of all of steel products, including hot-rolled, cold-rolled, cut-to-length plates, electrical steel, wire rods, automotive steel, and stainless steel.
- **Steel Production & Technology Division:** This unit oversees the production of all of steel products and the operation of POSCO's production facilities, including Pohang mill and Gwangyang mill.
- **Purchasing and Investment Division:** This unit handles raw materials procurement as well as plant and equipment. It also makes decisions regarding investments in plant and equipment.

11. Does your company produce brochures, pamphlets or other promotional material? If yes, please provide them.

POSCO provides its product brochure of the goods under consideration in Exhibit A-5.

A-3 General accounting information

1. What is your financial accounting period?

POSCO's financial accounting period is January 1 to December 31.

2. Are your financial accounts audited? If yes, who is the auditor?

POSCO's financial accounts are audited by outside independent auditor. For the most recent period the auditor was EY Hanyoung.

PUBLIC RECORD

3. What currency are your accounts kept in?

POSCO's accounts are kept in Korean Won currency ("KRW").

4. What is the name of your financial accounting system?

Flowcharts illustrating POSCO's financial accounting system is provided in Exhibit A-6 [CONFIDENTIAL ATTACHMENT]. As described in Exhibit A-6, POSCO's accounting system is ERP system called [CONFIDETNAIL TEXT DELETED] which is comprised of a number of modules in which financial accounting data are recorded. All financial information is captured as "GL (General Ledger)" module in [CONFIDETNAIL TEXT DELETED] ERP system of POSCO.

5. What is the name of your sales system?

POSCO's sales information is generated in [CONFIDETNAIL TEXT DELETED] module in [CONFIDETNAIL TEXT DELETED] ERP system shown at Exhibit A-6.

6. What is the name of your production system?

POSCO's production information is aggregated in [CONFIDETNAIL TEXT DELETED] modules in [CONFIDETNAIL TEXT DELETED] ERP system shown at Exhibit A-6.

7. If your financial accounting, sales and production systems are different, how do the systems interact? Is it electronically or manual? Please provide a detailed explanation and include diagrams.

POSCO's sales, production and financial accounting are integrated within its ERP system. When a transaction takes place, it is recorded in the accounting system as a journal entry. Journal entries are aggregated by account codes to form the account-code-wise general ledger ("GL"). At the end of each financial reporting period, the GLs are compiled into trial balance, which is then used to prepare financial statements such as the balance sheet and income statement.

8. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If yes, please provide details.

POSCO maintains its financial accounting records in accordance with the generally accepted accounting principles of Korea ("K-GAAP) as well as Korean International Financial Reporting Standards ("K-IFRS").

9. Have there been any changes to your accounting practices and/or policies over the last two years? If yes, please provide details.

POSCO has not changed any of the accounting practices and/or polices over the

last two years.

A-4 Financial Documents

1. Please provide the two most recently completed annual reports and/or financial statements for your company and any other related companies involved in the production and sale of the goods.

POSCO provides the two most recently completed audited financial statement in Exhibit A-7 [CONFIDENTIAL ATTACHMENT].

POSCO also provide the financial statements for its related company, [CONFIDETNAIL TEXT DELETED] in Exhibit A-8. [CONFIDETNAIL TEXT DELETED] was involved in export sales of the goods under consideration to Australian market during the POI.

2. If the financial statements in A-4.1 are audited, provide a copy of the audit management letters from your auditor accompanying the audited financial statements.

This question is not applicable because POSCO's financial statements are audited by an independent auditor.

3. If the financial statements in A-4.1 are unaudited, provide for each company:

- (a) the tax returns relating to the same period and
- (b) reconciliation of the revenue, cost of goods sold, and net profit before tax between the financial statements and tax returns.

This question is not applicable because POSCO's financial statements are audited by an independent auditor.

4. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for:

- (a) the most recent financial year and
- (b) the period.

This question is not applicable because POSCO does not maintain a separate profit & loss statement for the profit centre of the goods under consideration.

5. If the period is different to your financial period, please provide:

- (a) Income statements directly from your accounting information system covering the most recent financial period and the period or
- (b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

PUBLIC RECORD

POSCO provides its review report covering the half year of 2025 year including its half yearly income statement in Exhibit A-9 [CONFIDENTIAL ATTACHMENT].

6. Please provide a copy of your company's trial balance (in Excel) covering the period and the most recent financial year.

POSCO provides its trial balance (in Excel) covering the period of investigation and the most recent financial year in Exhibit A-10 [CONFIDENTIAL ATTACHMENT].

7. Please provide your company's chart of accounts (in Excel).

POSCO provides its chart of accounts (in Excel) in Exhibit A-11 [CONFIDENTIAL ATTACHMENT].

If any of the documents are not in English, please provide a complete translation of the documents.

SECTION B

EXPORT SALES TO AUSTRALIA

B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and representatives (e.g. agents) including:
 - (a) Marketing and advertising activities
 - (b) Price determination and/or negotiation process
 - (c) Order placement process
 - (d) Order fulfilment process and lead time
 - (e) Delivery terms and process
 - (f) Invoicing process
 - (g) Payment terms and process

POSCO's export sales of the goods under consideration to Australia was made via trading companies located in Korea to the Australian customers. As such, marketing and advertising activities specific to the Australian market are performed by the trading companies.

The trading companies include unrelated traders such as [CONFIDETNAIL TEXT DELETED – customer identities], as well as a small portion of the Australian sales made with the related trader, [CONFIDETNAIL TEXT DELETED – customer identity].

The negotiation process for both unrelated and related trader sales are the same. It begins with domestic trading companies contacting POSCO to discuss sales terms, including price, quantity, specifications, delivery terms, lead time and payment schedule. Following these negotiations, the parties agree on the terms for the export sales. All sales by POSCO to both unrelated and related traders are made on an [CONFIDETNAIL TEXT DELETED – sales term] basis.

Once the negotiation process is concluded, POSCO generates an order sheet to initiate production of the goods. POSCO then manufactures the goods and ship them to the destination specified by the customer within its lead time. A tax invoice is issued by POSCO to the Korean trading company approximately on the date of shipment. This sales process is consistent regardless of the customer.

For resales by [CONFIDETNAIL TEXT DELETED – related customer] to Australian customers, the delivery terms may be [CONFIDETNAIL TEXT DELETED – sales term].

POSCO is aware, through the purchase orders and instructions received from the Korean export traders concerned, that the export destination of the goods is

PUBLIC RECORD

to be Australia. Nonetheless, the circumstances of the exportations are such that POSCO is [CONFIDETNAIL TEXT DELETED – commercial arrangement with respect to Australian market].

Payment terms for POSCO's Australian sales were [CONFIDETNAIL TEXT DELETED – payment terms], with payment collected within [CONFIDETNAIL TEXT DELETED - period].

2. In what currency do you invoice your customers for goods exported to Australia? If it is not in your local currency:
- (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details
 - (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details
 - (c) How is the exchange rate determined in your accounting system and how often is it updated?

During the investigation period, all of POSCO's Australian sales of the goods were made on [CONFIDETNAIL TEXT DELETED – sales term] basis. For invoicing purpose, [CONFIDETNAIL TEXT DELETED – invoicing practice].

POSCO [CONFIDETNAIL TEXT DELETED – forward contract partice].

Commercial invoices were issued on the same date as shipment, and the exchange rate was applied based on [CONFIDETNAIL TEXT DELETED – exchange rate]. Transactions were recorded in [CONFIDETNAIL TEXT DELETED - currency] and the accounting systems record the daily basic exchange rate for each transaction, according to the official exchange rates published by Korean banks. The daily basic exchange rate is the same across all Korean banks.

3. Are there any customers of the goods exported to Australia related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

None of the ultimate Australian customers for the goods export by POSCO to Australia were related to POSCO.

As mentioned above, during the investigation period, POSCO exported a small portion of the goods under consideration - approximately [CONFIDETNAIL TEXT DELETED - percentage] of its total Australian sales volume - through its related trading company, [CONFIDETNAIL TEXT DELETED – entity]. [CONFIDETNAIL TEXT DELETED - entity]'s ultimate customers in Australia are also unrelated to POSCO. [CONFIDETNAIL TEXT DELETED - entity] negotiated its prices with unrelated customers in Australia on a transaction-specific basis, based on market conditions and specific customers' requests.

4. If sales are in accordance with price lists or price extras list, provide copies of these lists.

PUBLIC RECORD

POSCO did not publish any price list to its customers.

POSCO has an internal [CONFIDETNAIL TEXT DELETED – pricing practice] for internal reference purposes. POSCO provides its [CONFIDETNAIL TEXT DELETED – pricing practice] concerning export sales of the goods under consideration in Exhibit B-1 [CONFIDENTIAL ATTACHMENT].

5. Do your export selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

This question is not applicable because POSCO has only a single channel for export sales of the goods under consideration to Australia during the investigation period.

6. Did you provide on-invoice discounts and/or off-invoice rebates to any customer or an associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide a description and explain the terms and conditions that must be met by the customer to obtain the discount and/or rebate.

POSCO did not provide any discounts and/or rebates to any customers or an associate of the customer in relation to the sale of the goods exported to Australia during the investigation period.

7. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

POSCO did not issue any credit or debit notes to any customers or an associate of the customer in relation to the sale of the goods exported to Australia during the investigation period.

8. In establishing the date of sale, the commission will normally use the date of invoice as it best reflects the material terms of sale. If you are making a claim that a different date should be taken as the date of sale:

- (a) Are you claiming a date other than the invoice date as the date of sale?
- (b) If you are claiming a date other than the invoice date as the date of sale, why does this date better reflect the material terms of sale? Provide evidence to support your claim. Any claim for an adjustment would need to substantively address:
- whether, why, and to what degree, the considerations in determining price differed between export and domestic sales
 - whether the materials cost differs at the time of subsequent invoicing of that export sale (compared to domestic sale invoices in the same invoice month of that export sale) having regard to factors such as the production schedules for domestic and export; and lead times for purchasing main input materials

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- whether contracts were entered into for the materials purchases, and materials inventory valuation.
- Note that any date of sale claim, other than the invoice date, that is made after submitting a response to this questionnaire may not provide the commission with sufficient time to assess the claim and may not be considered.

In this response, POSCO uses the invoice date as the date of sale and does not assert that any other date should be considered as the date of sale.

B-2 Australian sales listing

1. Complete the worksheet named “B-2 Australian sales”
 - This worksheet lists all sales (i.e. transaction by transaction) exported to Australia of the goods invoiced within the period. This includes exports to Australia sold through a domestic customer.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If there are any direct selling expenses incurred in respect of the exports to Australia not listed in the spreadsheet, add a column. For example, if the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred.

POSCO provides the worksheet name as “Australian Sales” for POSCO in Exhibit B-2 [CONFIDENTIAL ATTACHMENT].

POSCO also provides the worksheet of “Australian Sales” made by [CONFIDENTIAL TEXT DELETED - entity] to unrelated customers in Exhibit B-3 [CONFIDENTIAL ATTACHMENT].

2. Complete worksheet “B-2.2 Australian sales source” showing the relevant source of the data used for each column of worksheet “B-2 Australian sales”.

Please see Exhibit B-2.2 [CONFIDENTIAL ATTACHMENT].

B-3 Sample export documents

1. Select the two largest invoices by value and provide the following documentation:
 - Contracts
 - Purchase order and order confirmation
 - Commercial invoice and packing list

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- Proof of payment, remittance advice and accounts receivable ledger
- Documents showing bank charges
- Invoices for inland transport
- Invoices for port handling and other export charges
- Bill of lading
- Invoices for ocean freight & marine insurance (if applicable)
- Country of origin certificates (if applicable)

POSCO provides the requested documentation for the two largest invoice lines by value in Exhibit B-4 [CONFIDENTIAL ATTACHMENT].

POSCO also provides in Exhibit B-5 [CONFIDENTIAL ATTACHMENT] the requested documentation for the two largest invoice lines by value concerning Australian sales by [CONFIDENTIAL TEXT DELETED - entity] to unrelated customers.

If the documents are not in English, please provide a translation of the documents.

2. For each document, please annotate the documents or provide a table reconciling the details in the "B-2 Australian sales" listing to the source documents in B-3.1.

As requested, POSCO includes the annotation or table reconciling the details in the "Australian sales" list in Exhibit B-4 [CONFIDENTIAL TEXT DELETED] and B-5 [CONFIDENTIAL TEXT DELETED], respectively .

B-4 Reconciliation of sales to financial accounts

1. Please complete the worksheet named "B-4 Upwards sales" to demonstrate that the sales listings in B-2, D-2 and F-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

POSCO provides the worksheet titled as "Upwards Sales" in Exhibit B-6 [CONFIDENTIAL ATTACHMENT].

2. Please provide all source documents & worksheets, other than those in A-4, B-2 and D-2, required to complete the "B-4 Upwards sales" worksheet.
 - For example, worksheets (e.g. a master sales listing) showing how you identified and categorised:

PUBLIC RECORD

- Sales of the goods under consideration and other sales (e.g. non-goods or services)
- Domestic, Australian and third country sales of the goods under consideration
- If the documents include spreadsheets, all formulas used must be retained
- There must not be any balancing amounts. All amounts must be supported by source documents.

POSCO provides its supporting documentation for “Upwards Sales” in Exhibit B-7 [CONFIDENTIAL ATTACHMENT].

3. For all amount in the “B-4 Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
- the name of the source document, including the relevant page number, in column D of the worksheet and
 - highlight or annotate the amount shown in the source document and
 - provide the account code and sub-account code (if applicable) at column E of the worksheet.

POSCO includes the requested information in Exhibit B-7.

SECTION C

EXPORTED GOODS & LIKE GOODS

The commission considers the MCC structure in and of itself is not likely to be commercially sensitive information. Any claim that disclosing the MCC information is confidential or would adversely affect your business or commercial interests must be raised by lodging a submission as soon as practicable, but no later than the time this questionnaire is due.

C-1 Models exported to Australia

1. Fully describe all of the goods your company exported to Australia during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the goods exported to Australia.

During the period, POSCO's Australian sales of the goods consist of steel plate (POSCO product code [CONFIDENTIAL TEXT DELETED]) and hot rolled sheet (POSCO product code [CONFIDENTIAL TEXT DELETED]).

Generally, POSCO's steel plate products tend to be thicker and produced by cutting from a larger slab. Plates are often used in heavy industries such as shipbuilding, construction, and machinery manufacturing. They are supplied in flat, rectangular shapes and can be further processed by cutting, welding, or forming. On the other hand, sheet products tend to be thinner and are produced by rolling processes, either cut from coil or directly rolled. Sheets are widely used in automotive, appliances, and light manufacturing due to their formability and surface quality.

A list of the goods exported by POSCO to Australia during the POI is provided in Exhibit C-1 [CONFIDENTIAL ATTACHMENT]. For further details of the goods, please refer to POSCO's product brochure, at Exhibit A-5 of this response.

2. Provide a list of MCCs of the goods exported to Australia. This must cover all MCCs listed in the Australian sales listing in B-2.
 - This list must be disclosed in the public record version of the response.

A list of MCCs of the goods exported to Australia is provided in Exhibit C-2.

C-2 Models sold in the domestic market

1. Fully describe all like goods your company sold on the domestic market during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the like goods sold on the domestic market.

POSCO provides in Exhibit C-3 [CONFIDENTIAL ATTACHMENT] a list of all like goods sold on the domestic market during the period of investigation. For further details of the goods, please refer to POSCO's product brochure, at Exhibit A-5 of this response.

PUBLIC RECORD

As shown in the product lists provided in this section, POSCO sold both plate produced from slab ([CONFIDETNAIL TEXT DELETED - code], MCC fourth category code “PS”) and hot rolled sheet products ([CONFIDETNAIL TEXT DELETED - code], MCC fourth category code “PC”) to Australia. In comparison POSCO only sold plate products produced from slab [CONFIDETNAIL TEXT DELETED - code], “PS”) in its domestic market during the period. There are material differences between “PC” and “PS” products, in both their production, physical characteristics (as reflected in different grades), and commercial application. That is, for POSCO’s Australian sales of the “PC” category product, there is no domestic sales of like products during the period. As such, the Commission should determine the normal value for POSCO’s Australian sales of “PC” category product by way of construction – based on the cost to make information for the Australian products presented in Section G, plus a reasonable amount of profit derived from POSCO’s domestic sales of “PS” category products.

2. Provide a list of MCCs of like goods sold on the domestic market. This must cover all MCCs listed in the domestic sales listing in D-2.
 - This list must be disclosed in the public record version of the response.

A list of MCCs of like goods sold on the domestic market is provided in Exhibit C-4.

C-3 Internal product codes

1. Does your company use product codes or stock keeping unit (SKU) codes?

If yes:

- (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
- (b) Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
- (c) Provide a table of showing the product or SKU codes for each MCC.

If no:

- (a) Provide details on the method used to identify the MCC in the sales and cost spreadsheets.

POSCO uses its internal item code such as “actual item code” in the normal course of trade and maintain its inventory ledger by using this “actual item code”. For the detailed explanation regarding “actual item code” and demonstration, please refer to POSCO’s response to question Exhibit G-3 of Section G response. POSCO provides a table indicating how to assign each MCC for the purpose of responding to this questionnaire in Exhibit C-5 [CONFIDENTIAL ATTACHMENT].

SECTION D DOMESTIC SALES

D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:
 - Marketing and advertising activities
 - Price determination and/or negotiation process
 - Order placement process
 - Order fulfilment process and lead time
 - Delivery terms and process
 - Invoicing process
 - Payment terms and process

In the domestic market, POSCO has [CONFIDETNAIL TEXT DELETED] channels of distribution as follows:

[CONFIDETNAIL TEXT DELETED – diagram of the sales channels]

During the investigation period, POSCO sold most of the like goods directly to domestic customers ([CONFIDETNAIL TEXT DELETED - channels]). A small volume of the like goods was sold in the domestic market through its related distributor, [CONFIDETNAIL TEXT DELETED - entity], which accounted for only [CONFIDETNAIL TEXT DELETED – percentage] of POSCO's total domestic sales volume of the like goods during the period. [CONFIDETNAIL TEXT DELETED - entity] acted as [CONFIDETNAIL TEXT DELETED – sales channel] and resold the like goods in the domestic market without physically possessing them. In turn, like goods were delivered directly from POSCO to domestic customers.

The sales made by POSCO to its customers in the domestic market are on [CONFIDETNAIL TEXT DELETED – sales term] basis.

In the domestic market, customers who wish to purchase the like goods usually contact POSCO to place an order. POSCO collects all of the relevant sales information from the customer and generates an order sheet listing specification, quantity and price of the like goods. POSCO's personnel then transfers the order sheet to the factory and generates a corresponding production request. The sales terms are determined through individual negotiations between POSCO and each domestic customers individually. POSCO subsequently produces the goods and prepares them for delivery to customers. POSCO generally issues a shipping invoice and a tax invoice to the customer at the same time. Customers make payment to POSCO according to

PUBLIC RECORD

the relevant payment terms.

For sales made by POSCO through [CONFIDETNAIL TEXT DELETED – sales channel] to domestic customers, [CONFIDETNAIL TEXT DELETED - identity] communicated with domestic customers in order to negotiate price and terms of sale. Once the price was agreed upon, [CONFIDETNAIL TEXT DELETED - entity] entered the relevant information into its computer system run by POSCO, and then POSCO generated the production order sheet based on the information received through system. POSCO’s factory then produced the products and shipped them directly to the customer according to the customer’s delivery terms. After shipping, POSCO issued tax invoice to [CONFIDETNAIL TEXT DELETED - entity] and [CONFIDETNAIL TEXT DELETED - entity] also issued tax invoice to its customer.

2. Are any domestic customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.
- If you are claiming that sales to related parties are arms length, please explain why you consider the price to be an arms length price unaffected by the relationship.

As explained above, [CONFIDETNAIL TEXT DELETED - entity] was involved in the resale of the like goods in the domestic market during the investigation period. In addition to [CONFIDETNAIL TEXT DELETED - entity], POSCO had [CONFIDETNAIL TEXT DELETED - number] related customers in the domestic market during the investigation period. A list of these related customers is provided in Exhibit D-1 [CONFIDENTIAL ATTACHMENT].

POSCO’s prices are basically set on a transaction- by -transaction basis through individual negotiations and the prevailing market conditions. Prices are not differentiated based on whether a customer is related or unrelated to POSCO.

3. If sales are in accordance with price lists or price extras list, provide copies of these lists.

POSCO did not publish any price list to its customers. POSCO has an internal [CONFIDETNAIL TEXT DELETED – sales practice] for the domestic market for internal reference purposes. POSCO has provided its [CONFIDETNAIL TEXT DELETED – sales practice] for domestic sales of the like goods under consideration in Exhibit D-2 [CONFIDENTIAL ATTACHMENT].

4. Do your domestic selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

As indicated above in D-1.1, POSCO’s domestic sales of like goods were sold to [CONFIDETNAIL TEXT DELETED] level customers, as well as [CONFIDETNAIL TEXT DELETED] customers, with prices negotiated individually with each customer, and on a transaction by transaction basis. As can be observed from POSCO’s Domestic Sales listing in Exhibit D-4 [CONFIDENTIAL ATTACHMENT], the POSCO’s selling prices to customers at [CONFIDETNAIL TEXT DELETED] level of trade were consistently and distinctively [CONFIDETNAIL TEXT

PUBLIC RECORD

DELETED] to the [CONFIDETNAIL TEXT DELETED] level customers during the period. POSCO provide its comparative analysis that demonstrate such differences as in the context of adjustment items, at Exhibit E-7 [CONFIDENTIAL ATTACHMENT].

5. Did you provide on-invoice discounts and/or off-invoice rebates to the customer or an associate of the customer in relation to the sale of the like goods during the period? If yes, provide a description; and explain the terms and conditions that must be met by the customer to obtain the discount and/or rebate.

POSCO did not incur any on-invoice discounts and/or off-invoice rebates, except for [CONFIDETNAIL TEXT DELETED] concerning the like goods sold during the investigation period.

POSCO offered [CONFIDETNAIL TEXT DELETED – payment incentive]. The [CONFIDETNAIL TEXT DELETED] reported for domestic sales do not vary by level of trade. Rather, the early payment discounts can vary depending on the [CONFIDETNAIL TEXT DELETED – sales practice], as follows:

[CONFIDETNAIL TEXT DELETED – table of sales policy]

POSCO has reported [CONFIDETNAIL TEXT DELETED] on a transaction specific basis by applying the [CONFIDETNAIL TEXT DELETED] to its sales value. A sample transaction illustrating the methodology used to calculate the reported [CONFIDETNAIL TEXT DELETED] amount is provided in Exhibit D-3 [CONFIDENTIAL ATTACHMENT].

6. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the like goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

POSCO occasionally issued post-sale credit and/or debit notes to customers in relation to the sale of like goods during the investigation period. These notes were generally issued, for example, to correct invoicing errors.

7. In establishing the date of sale, the commission will normally use the date of invoice as it best reflects the material terms of sale:

(a) Are you claiming a date other than the invoice date as the date of sale?

(b) If you are claiming a date other than the invoice date as the date of sale, why does this date best reflect the material terms of sale? Provide evidence to support your claim. You would need to substantively address:

- whether, why, and to what degree, the considerations in determining price differed between export and domestic sales
- whether the materials cost differs at the time of subsequent invoicing of that export sale (compared to domestic sale invoices in the same invoice month of that export sale) having regard to factors such as the production schedules for domestic and export; and lead times for purchasing main input materials
- whether contracts were entered into for the materials purchases, and materials inventory valuation.

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Note that any date of sale claim, other than the invoice date, that is made after submitting a response to this questionnaire may not provide the commission with sufficient time to assess the claim and may not be considered.

In this response, POSCO uses the invoice date as the date of sale.

D-2 Domestic sales listing

1. Complete the worksheet named "D-2 Domestic sales"
 - This worksheet lists all domestic sales (i.e. transaction by transaction) of like goods invoiced within the period, even if they are models not exported to Australia
 - If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-2 above, add a column for each item. For example, certain other selling expenses incurred.

POSCO provides its Domestic Sales listing worksheet at Exhibit D-4 [CONFIDENTIAL ATTACHMENT].

2. Complete worksheet "D-2.2 domestic sales source" listing the source of the data used for each column in worksheet "D-2 domestic sales".

Please see a table listing the source of the data used for each column in "Domestic sales" at Exhibit D-4.2 [CONFIDENTIAL ATTACHMENT].

D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:
 - Contracts
 - Purchase order and order confirmation
 - Commercial invoice and packing list
 - Proof of payment, remittance advice and accounts receivable ledger
 - Documents showing bank charges
 - Delivery invoices

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POSCO provides the requested documentation for the two largest invoice lines by value in Exhibit D-5 [CONFIDENTIAL ATTACHMENT].

If the documents are not in English, please provide a translation of the documents.

2. For each document, please annotate the documents or provide a table reconciling the details in the “D-2 Domestic sales” listing to the source documents in D-3.1.

As requested, POSCO includes the annotation or table reconciling the details in the “Domestic sales” listing in Exhibit D-5 .

D-4 Reconciliation of sales to financial accounts

This section is not required if you have completed B-4.

POSCO includes the requested information in Exhibit B-6 and Exhibit B-7 [CONFIDENTIAL ATTACHMENTS].

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in D-2 and F-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents and worksheets, other than those in A-4, D-2 and F-2, required to complete the “B-4 Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
 - For example, worksheets (e.g. a master sales listing) showing how you identified and categorised:
 - Sales of the goods under consideration and other sales (e.g. non-goods or services)
 - Domestic and third country sales of the goods under consideration
 - If the documents include spreadsheets, all formulas used must be retained
 - There must not be any balancing amounts. All amounts must be supported by source documents.
3. For any amount in the “B-4 Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column D of the worksheet and

PUBLIC RECORD

- highlight or annotate the amount shown in the source document and
- provide the account code and sub-account code (if applicable) at column E of the worksheet.

SECTION E DUE ALLOWANCE

E-1 Credit expense

1. For each Australian customer of the goods and each domestic customer of like goods, calculate the average credit period for that customer by:
 - Calculating the average accounts receivable over the period for that customer.
 - This is usually calculated by summing the average monthly accounts receivable (opening plus closing divided by 2) over the period and dividing it by 12.
 - If there is a more accurate way of calculating the average accounts receivable (e.g. the customer only made purchases in certain months) then use an alternative method.
 - Calculating the accounts receivable turnover over the period for that customer using the formula:

$$\frac{\text{Net sales revenue over the period}}{\text{Average accounts receivable}}$$

- Calculating the average credit period for that customer using the formula:

$$\frac{365}{\text{Accounts receivable turnover}}$$

For the domestic sales, payment terms are agreed between POSCO and its customers at the time of sale and shown on POSCO's order sheet. POSCO provides in Exhibit E-1 [CONFIDENTIAL ATTACHMENT] a sample of the various payment terms offered to its domestic customers.

In practice, POSCO traces the actual payment date for each customer on a transaction-specific basis and then calculate the credit period by using the difference between invoice date and payment date. Such tracing is also used for the purpose of applying the [CONFIDENTIAL TEXT DELETED – payment incentive], as explained in D-1 above. As such, POSCO has reported its credit cost on a more accurate, transaction-specific basis by using the following formula:

$$\text{Credit Cost} = \text{Net Invoice Value} \times (\text{Payment date} - \text{Invoice date}) / 365 \times \text{Short-term interest rate}$$

[CONFIDENTIAL TEXT DELETED – short term borrowing practice]. This short-term interest rate is provided in Exhibit E-2 [CONFIDENTIAL ATTACHMENT].

Similarly, POSCO calculated the credit expense based on the actual payment dates of its Australian sales during the period.

2. Do you have short term borrowings or an overdraft facility denominated in your local currency? If yes, what is the interest rate, or average of interest rates?

PUBLIC RECORD

[CONFIDETNAIL TEXT DELETED – short term borrowing practice].

3. Do you have any interest earning deposits or other cash product (e.g. term deposits, bonds) denominated in your local currency? If yes, what is the interest rate, or average of interest rates?

The average interest rate for interest earning deposit or other cash product in local currency (KRW) is about [CONFIDETNAIL TEXT DELETED]% during the period of investigation.

4. If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):

- a. Do you have short term borrowings or an overdraft facility denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?
- b. Do you have any interest earning deposits or other cash product (e.g. term deposits, bonds) denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?

[CONFIDETNAIL TEXT DELETED – short term borrowing practice]. The calculation of this average short-term interest rate is provided in Exhibit E-3 [CONFIDENTIAL ATTACHMENT].

The average interest rate for interest earning deposit or other cash product in foreign currency is about [CONFIDETNAIL TEXT DELETED]% during the period of investigation.

E-2 Packaging

1. What is the packaging used for your domestic sales of like goods?

For the domestic sales, POSCO did not incur any packing cost because all sales of like goods are "Plate" product (Product Code: [CONFIDETNAIL TEXT DELETED]) which did not require any packaging.

2. What is the packaging used for your export sales of the goods to Australia?

For Australian sales, no packing costs were incurred for "Plate" product (Product Code: [CONFIDETNAIL TEXT DELETED]), and a small amount of packing material costs were incurred with respect to hot-rolled sheet product (Product Code: [CONFIDETNAIL TEXT DELETED]). This is because POSCO used banding/wrapping materials for its sheet products to ensure safe handling, prevent surface damage, and facilitate further processing by customers. POSCO provides its calculation of per unit packing cost for hot-rolled sheet product in Exhibit E-4 [CONFIDENTIAL ATTACHMENT]. The unit amount calculated in E-4 is used to report the packing costs in the Australian sales worksheet in B-2.

PUBLIC RECORD

3. If there are distinct differences in packaging between your domestic and export sales:
- (a) Provide details of the differences
 - (b) Calculate the weighted average packaging cost for each model sold on the domestic market
 - (c) Calculate the weighted average packaging cost for each model exported to Australia

As explained above, packing related distinctions relates to product type rather than market destination, as “Plate” product (Product Code: [CONFIDETNAIL TEXT DELETED]) did not incur any packing cost whereas packing is required for hot-rolled sheet product (Product Code: [CONFIDETNAIL TEXT DELETED]). The calculation is provided in Exhibit E-4.

E-3 Delivery

1. Are any domestic sales of like goods delivered to the customer? If yes, how were the transportation costs calculated in the domestic sales listing in D-2?

For the domestic sales, POSCO has incurred the following movement expenses and reported each expense in Exhibit D-4 (Domestic Sales Listing).

(1) Inland Freight

For domestic sales, POSCO transports the goods from its Pohang or Gwangyang plants to the customer’s site by truck or vessel. The cost of such domestic freight, incurred from the factory to the customer’s site, is reported in Exhibit D-4, Domestic Sales Listing. This freight charge is recorded on a transaction-by-transaction basis.

(2) Warehousing Expense

POSCO utilized logistic warehouse to assist in the distribution of its merchandise to the customer [CONFIDETNAIL TEXT DELETED – period]. This logistic warehouse is operated by [CONFIDETNAIL TEXT DELETED – warehousing arrangement]. Details on the monthly cost and calculation of the reported per unit cost of warehousing is provided in Exhibit E-5 [CONFIDENTIAL ATTACHMENT].

POSCO divided the total warehousing fees charged for the period of investigation by the total quantity stored in the location. The warehousing expense is then reported by multiplying the per unit expense by the quantity on a specific transaction basis is reported in Korean won at Exhibit D-4 Domestic Sales Listing.

(3) Loading and Unloading Charges

For the domestic sales, POSCO also incurred loading and unloading charges while POSCO transports the merchandise from its plants to the customer’s site. POSCO has reported loading & unloading charge on a transaction-by transaction

PUBLIC RECORD

basis in Exhibit D-4 Domestic Sales Listing.

2. What are the delivery terms of the export sales of the goods to Australia?

The delivery terms of all POSCO's export sales of the goods to Australia were [CONFIDETNAIL TEXT DELETED].

For completeness, POSCO notes that for [CONFIDETNAIL TEXT DELETED - entity]'s own sales to Australian customers, delivery terms during the investigation period were [CONFIDETNAIL TEXT DELETED] terms.

3. If the delivery terms of the Australian sales includes delivery to the port, how was the inland transport calculated in the Australian sales listing in B-2?

For most of the Australian sales, POSCO was responsible for transporting the goods to the relevant ports in Korea. In such a case, POSCO has reported its inland freight expense incurred from POSCO's plants (e.g. Pohang and Gwangyang) to the port in Korea on a transaction specific basis in Korean won ("KRW") in Exhibit B-2 Australian sales listing. For a small number of transactions, the trading companies paid for the inland freight themselves.

4. If the delivery terms of the Australian sales includes port handling and other export charges, how were these expenses calculated in the Australian sales listing in B-2?

For all export sales to Australia during the period of investigation, POSCO did not incur any port handling charges. Such charges were incurred by POSCO's customers.

5. If the delivery terms of the Australian sales includes ocean freight, how was the ocean freight cost calculated in the Australian sales listing in B-2?

POSCO did not incur any ocean freight expense for export sales of the goods to Australia during the period of investigation.

For completeness, POSCO notes that for [CONFIDETNAIL TEXT DELETED - entity]'s own sales to Australian customers, where the delivery terms are [CONFIDETNAIL TEXT DELETED], [CONFIDETNAIL TEXT DELETED - entity] incurred its ocean freight expense and has reported this expense on a transaction specific basis in Australian sales listing in Exhibit B-3 of Section B response.

6. If the delivery terms of the Australian sales includes marine insurance, how was the marine insurance calculated in the Australian sales listing in B-2?

POSCO did not incur any marine insurance for export sales of the goods to Australia during the period of investigation.

For completeness, POSCO notes that for [CONFIDETNAIL TEXT DELETED -

PUBLIC RECORD

entity]'s own sales to Australian customers, where the delivery terms are [CONFIDETNAIL TEXT DELETED], [CONFIDETNAIL TEXT DELETED - entity] incurred its marine insurance and has reported this expense on a transaction specific basis in Australian sales listing in Exhibit B-3 of Section B response.

7. If the delivery terms of the Australian sales includes delivered duty paid, how were the Australian importation and delivery costs calculated in the Australian sales listing in B-2?

Not applicable in that neither POSCO nor [CONFIDETNAIL TEXT DELETED - entity] used delivered duty paid term with respect to Australian sales of the goods during the period.

E-4 Other direct selling expenses

1. Do you provide sales commissions for domestic sales of like goods and/or export sales of the goods? If yes, provide details.

POSCO did not incur any sales commissions for domestic sales of like goods and export sales of the goods during the period of investigation.

2. Are there any differences in tax liability between domestic and export sales? If yes, provide details, for example:

- What is the rate of value-added tax (VAT) on sales of the goods and like goods?
- How is VAT accounted for in your records in relation to sales of the goods and like goods?
- Do you receive a VAT refund in relation to sales of the goods and/or like goods?
- Do you receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods?

Not applicable, in that there are no such differences and POSCO does not claim any adjustments on the duty drawback of import duties on the inputs consumed in the productions of the goods exported to Australia.

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?

- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

For domestic sales of [CONFIDETNAIL TEXT DELETED – sales details], POSCO incurred inspection fees. Accordingly, POSCO calculated the per-unit cost by dividing the total inspection fees by the quantity of like goods. The calculation is provided in Exhibit E-6 [CONFIDENTIAL ATTACHMENT].

For domestic sales, POSCO also incurred warranty expenses. [CONFIDETNAIL

TEXT DELETED – product warranty practice]. The cost of warranty expenses has been reported on a transaction-specific basis in Exhibit D-4 (Domestic Sales Listing).

Separately, during the period POSCO raised late payment interest charge with respect to some domestic sales. These are reported in Exhibit D-4, under the column entitled “Late Payment Interest”.

For export sales to Australia, POSCO did not incur any warranty expenses for the goods during the period of investigation.

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?

- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

In relation to export sales of the goods to Australia, POSCO did not incur any other direct selling expense during the period of investigation.

E-5 Other adjustment claims

1. Are there any other adjustments required to ensure a fair comparison between the export price and the normal value (based on domestic sales, costs and/or third country sales)? If yes, provide details and supporting documentation.

- An adjustment will only be made where there is evidence that the difference affects price comparability.
- Refer to Chapter 15 of the *Dumping and Subsidy Manual (December 2021)*³ for more information.

As explained in D-1 above, POSCO observed consistent and distinct level of trade [CONFIDETNAIL TEXT DELETED] differences with respect to its sales of like goods in the domestic market, between its sales to [CONFIDETNAIL TEXT DELETED] level customers and its sales to [CONFIDETNAIL TEXT DELETED] level customers. In comparison, all of POSCO’s sales to Australia are to [CONFIDETNAIL TEXT DELETED] which are more comparable, in the level of trade context, to POSCO’s domestic sales to [CONFIDETNAIL TEXT DELETED]. This is because both the sales to [CONFIDETNAIL TEXT DELETED] and [CONFIDETNAIL TEXT DELETED] are at the upstream level of the supply chain. On the other hand, POSCO’s sales to domestic [CONFIDETNAIL TEXT DELETED] are, naturally, sales to the more downstream level of the supply chain. As such, POSCO proposes that an adjustment is required with respect to the normal value calculation derived from its domestic sales transactions of the [CONFIDETNAIL TEXT DELETED] level, in order to ensure fair comparison with POSCO’s Australian sales at the trader level. POSCO has quantified the adjustment required, based on the observable consistent and distinct price differences

³ Available on the commission website

PUBLIC RECORD

between its domestic sales to [CONFIDETNAIL TEXT DELETED] level and [CONFIDETNAIL TEXT DELETED] level of trade, at Exhibit E-7 [CONFIDENTIAL ATTACHMENT]. The required adjustment amount has also been applied to the relevant transactions at D-4 Domestic Sales listing.

SECTION F THIRD COUNTRY SALES

F-1 Third country sales process

1. Are your sales processes to any third country (i.e. exports to countries other than Australia) different to the sales process described in B-1.1? If yes, provide details of the differences.

POSCO's sales processes for export sales to third country are not materially different from those for Australian sales, as POSCO exports most of the volumes of like goods to third countries through trading companies using similar processes.

2. Are there any third country customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

POSCO provides a list of "related" customers for third country sales in Exhibit F-1 [CONFIDENTIAL ATTACHMENT]. POSCO's selling price is determined through individual negotiations on a transaction-by-transaction basis, regardless of its relationship with the customer (e.g. related or unrelated).

3. In establishing the date of sale, the commission will normally use the date of invoice as it best reflects the material terms of sale. If you are making a claim that a different date should be taken as the date of sale:

(a) What date are you claiming as the date of sale?

(b) Why does this date best reflect the material terms of sale? Any claim for an adjustment would need to substantively address:

- whether, why, and to what degree, the considerations in determining price differed between export and domestic sales
- whether the materials cost differs at the time of subsequent invoicing of that export sale (compared to domestic sale invoices in the same invoice month of that export sale) having regard to factors such as the production schedules for domestic and export; and lead times for purchasing main input materials
- whether contracts were entered into for the materials purchases, and materials inventory valuation.

POSCO does not claim any other date as the date of sale for third country sales.

F-2 Third country sales listing

1. Complete the worksheet named "F-2 Third country sales"
 - This worksheet lists all export sales, summarised by country, customer and MCC, to third countries of like goods invoiced within the period.

PUBLIC RECORD

- While sales may be made in different currencies and on different shipping terms the sales listing also seeks to record an Ex-works value of these sales in your local currency.
- If you have claimed in F-1.3 that the date of sale is one other than the invoice date, then add sales with your claimed date of sale.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

In accordance with the instruction of this question, POSCO provides, in Exhibit F-2 [CONFIDENTIAL ATTACHMENT], its “Third Country Sales” file including its export sales to third countries of products covered by the description of the goods under consideration during the investigation period.

2. Complete worksheet “F-2.2 third country sales source” listing the source of the data for each column in the worksheet “F-2 third country sales”.

All the information included in Exhibit F-2 is derived from [CONFIDENTIAL TEXT DELETED] of POSCO’s [CONFIDENTIAL TEXT DELETED – ERP system].

F-3 Differences in sales to third countries

1. Are there any differences in sales to third countries which may affect their comparison to export sales to Australia? If yes, provide details.

Sales prices and terms of sales may vary by each market condition and the nature of customer. Based on the comprehensive nature of POSCO’s response, and what the response establishes with regard to the utility of POSCO’s sales and cost information, reference to sales to third countries should not be required.

SECTION G

COST TO MAKE AND SELL

G-1. Production process

1. Describe the production process for the goods and provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

The goods under consideration were produced at POSCO's two production facilities – (i) the Pohang Plant and (ii) the Gwangyang Plant.

A detailed flowchart of the production process for the goods under consideration is provided in Exhibit G-1 [CONFIDENTIAL ATTACHMENT] and a general description of the production process is also outlined as below:

1. **Iron making:** Iron ore and coke are first fed into a blast furnace. Inside the furnace, a steady blast of super-heated air at temperatures up to [CONFIDENTIAL TEXT DELETED] [CONFIDENTIAL TEXT DELETED] Celsius is blown up through the raw materials creating a reaction in which the burning coke pushes the furnace temperature to the melting point for iron ([CONFIDENTIAL TEXT DELETED] Celsius). During this reaction, the carbon monoxide released from the burning coke reacts with the iron ore to remove the oxygen while the heat melts the remaining iron. This process lasts between five and six hours as the temperature gradually climbs to the melting point at which time the furnace is "tapped" to remove the molten iron.
2. **Steel making:** The molten iron tapped from the blast furnace has a carbon content of between [CONFIDENTIAL TEXT DELETED]% as well as impurities such as phosphorous and sulphur that negatively impacts the strength and durability of the metal. The hot metal is charged into a basic oxygen furnace or "converter" along with scrap. A high-pressure stream of pure oxygen is then injected into the hot metal transforming impurities into gases and slag. The result of this relatively brief process is crude steel which is used to produce semi-finished products.
3. **Continuous Casting:** This process involves transforming liquid iron into solid iron. The molten steel is poured into moulds and passed through a casting machine whereupon it coagulates and becomes a middle material such as slabs, blooms, or billets. These materials are then processed through rolling mills where different shapes are formed (e.g., slabs, blooms, or billets).
4. **Rolling:** The rolling process involves taking semi-finished steel products and running them through a series of roller stands to improve strength or reduce their thickness. Depending on the desired characteristics of the final product, rolling can be done either at ambient temperature-cold rolling or at hot rolling temperatures of over [CONFIDENTIAL TEXT DELETED] Celsius.

PUBLIC RECORD

5. **Slitting:** After passing through the cooler, the plates undergo a dimensional accuracy inspection and then cut into appropriate width and length according to plate grade and thickness using either mechanical shearing machine or flame planner. To obtain a higher degree of dimensional accuracy in products, production conditions are determined by such factors as the air knife gap and the nozzle size of the gas torch.
6. **Shot blast:** The scale from the plate can be removed completely by passing through the shot blast. The heat treating facilities are of a non-oxidizing radiation tube type, which produces scale-free heat-treated plates.
7. **Inspection:** The ultrasonic tester checks blow holes, pipes, and laminations and other internal defects. This test is performed to guarantee the internal quality of plates demanded by customers.

The following items can also be generated in the course of normal production.

1. **Nonconforming product :** POSCO inspects products at the final stage to verify whether they have been manufactured according to the order. If a product does not meet the requirements specified in industry standards or the customer's order, POSCO reclassifies it as a "nonconforming product."
2. **Scrap:** product scrap is both used and generated in the manufacture of the various carbon steel products. In addition, various sub-materials and energy by-products, such as electricity may be generated during the production process.

2. Are any of your suppliers related to your company (regardless of whether it is relevant to the manufacture of the goods)? If yes, please provide details including the product or services supplied by the related company.

POSCO purchases certain raw materials and services provided from related suppliers, and such suppliers may either be affiliates or subsidiaries of POSCO. POSCO provides the products and services supplied by the related company in Exhibit G-2 [CONFIDENTIAL ATTACHMENT]. Please note most related suppliers are trading companies and those trading companies perform purchase activities with [CONFIDETNAIL TEXT DELETED – commercial practice] on behalf of POSCO.

G-2. Cost accounting practices

1. Is your company's cost accounting system based on actual or standard costs (budgeted)?

POSCO utilizes the [CONFIDETNAIL TEXT DELETED] ERP system which is based on actual costing.

2. If your company uses standard costs:

PUBLIC RECORD

- (a) Were standard costs used as the basis of actual costs in your responses G-3.1 & G-5.1?
- (b) Have all variances (i.e. differences between standard and actual production costs) been allocated to the goods?
- (c) How were those variances allocated?
- (d) Provide details of any significant or unusual cost variances that occurred during the period.

This question is not applicable because POSCO did not use standard or budgeted cost. POSCO reported actual costs in the response G-3.1 and G-5.1.

3. Briefly explain your cost accounting practices (e.g. job costing, process costing).

POSCO's ERP system fully integrates the financial and cost accounting functions and applies a "process-based costing methodology" in the system.

Process-based costing methodology means all actual direct costs incurred in a specific process activity are captured at the process cost center level. For each successive direct cost center in the production process, the cost of production is transferred to the subsequent process cost center as a materials cost, which includes the initial raw material input value, labor cost and overhead costs incurred in the preceding production process. These calculations are repeated throughout the following production processes, cumulatively adding the relevant production costs, until the product was transferred to finished goods inventory.

POSCO's system records and manages all the cost information based on the actual item code. The actual item code includes information about [CONFIDETNAIL TEXT DELETED – code details]. POSCO provides a key to its product code structure at Exhibit G-3 [CONFIDENTIAL ATTACHMENT]. As shown, the item type distinguishes between finished and semi-finished goods; the product name identifies the product group; as to the serial number, POSCO assigns unique serial numbers to each specific product, and issues new numbers when developing new products. There are no differences between product codes used for production control, cost accounting, inventory, and sales purposes.

Lastly, the functions of the [CONFIDETNAIL TEXT DELETED] System modules are composed as follows:

[CONFIDETNAIL TEXT DELETED – detailed costing process]

POSCO provides a detailed flowchart of the cost accounting system in Exhibit G-4 [CONFIDENTIAL ATTACHMENT].

4. Do you have different cost centres in your company's cost accounting system? If yes, list the cost centres, provide a description of each cost centre and the allocation methodology used in your accounting system.

PUBLIC RECORD

Please see Exhibit G-5 [CONFIDENTIAL ATTACHMENT] for a list of all cost centers including direct cost centers as well as indirect cost center with brief descriptions. POSCO aggregates resource costs and resource overhead costs by cost center in accordance with criteria established for each direct or indirect cost center. POSCO allocates all resource costs accumulated in the indirect cost centers to the direct cost centers, which are then ultimately assigned to each actual item. Each indirect cost center is categorized by department type, such as factory common, maintenance division, power division, or research institute. Allocation indices are then determined based on the department type and the specific role of each cost center.

5. To what level of product specificity (models, grades etc.) does your company's cost accounting system normally record production costs?

POSCO's actual costing system identifies [CONFIDENTIAL TEXT DELETED – costing method]. In the cost accounting system, POSCO classifies costs for each actual item into direct material costs, direct labor costs, variable overhead costs, and fixed overhead costs.

6. Are there any costs for management accounting purposes valued differently to financial accounting purposes? If yes, provide details of the differences.

POSCO maintains complete cost accounting systems that are fully integrated with the respective financial accounting systems and which tie to audited financial statements. All costs presented in this submission therefore tie directly to the values associated with products entering the finished goods inventory. Therefore, there's no difference between cost accounting and financial accounting.

7. Has your company engaged in any start-up operations in relation to the goods? If yes:
- (a) Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
 - (b) State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

Not applicable. POSCO did not engaged in any start-up operations in relation to the GUC during the investigation period.

8. What is the method of valuation for raw material, work-in-progress, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average)?

All relevant practices pertaining to POSCO's inventory valuation methodologies are disclosed in its financial statements. The costs of POSCO's raw materials, work-in-process, and finished goods inventories are determined using a moving average method. Materials in-transit values are based on the specific identification method.

PUBLIC RECORD

9. What are the valuation methods for damaged or sub-standard goods generated at the various stages of production?

As explained in our answer to the question G-1.1, POSCO inspects products at the final stage to verify whether they have been manufactured according to the order. If the product does not meet the requirements set forth in the industry specifications or the customers' order, POSCO reclassifies those products as "nonconforming product" and assigns an item code ending with [CONFIDETNAIL TEXT DELETED]. The cost of nonconforming products is calculated as the [CONFIDETNAIL TEXT DELETED – costing method] manufactured during the month. In line with the principle of conservatism, POSCO excludes these product costs from the reported cost to prevent any possible distortion.

10. What are the valuation methods for scrap, by products, or joint products?

As explained above question G-1.1, product scrap is both used and generated in the manufacture of the various steel products. Scrap is reintroduced into the blast furnace process, and its value is recorded at the estimated purchase cost based on market price, which is then deducted from the raw material cost. Apart from scrap, there's no other by-product or joint product with respect to the production of the goods.

11. Are any management fees/corporate allocations charged to your company by your parent or related company? If yes, provide details

Not applicable. There were no management fees/corporate allocations charged to POSCO by related company during the investigation period.

G-3 Cost to make on domestic market

1. Complete the worksheet named "G-3 Domestic CTM".
- This worksheet lists the quarterly cost to make the domestic models of like goods by MCC manufactured within the period, even if they are models not exported to Australia.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture like goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

PUBLIC RECORD

- If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all domestic sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

POSCO provides the actual cost to make and sell for each model sold in the domestic market in the spreadsheet titled "G-3 Domestic CTM" in Exhibit G-6 [CONFIDENTIAL ATTACHMENT]. The requisite information for calculating production costs is collected quarterly from the [CONFIDENTIAL TEXT DELETED] system. Accordingly, the cost data is reported on a quarterly basis throughout the investigation period.

2. Complete worksheet titled "G-3.2 domestic CTM source" listing the source of the data for each column of the worksheet "G-3 domestic CTM".

The requested worksheet "G-3.2 domestic CTM source" is provided in Exhibit G-7 [CONFIDENTIAL ATTACHMENT].

G-4 Selling, General & Administrative expenses

1. Complete the worksheet named "G-4.1 SG&A listing".
 - This worksheet lists all selling, general and administrative expenses by accounting code for the most recent accounting period and the period. The SG&A must also include:
 - finance expenses
 - taxes and surcharges (except income/profit tax).
 - In the column "Is it a direct selling expense", identify expenses related to direct selling expenses (e.g. inland transport) that has been reported in B-2 Australian sales and/or D-2 Domestic sales.
 - In the column "Is it provisional or unrealised?", identify any accounts that are not actual or realised, such as:
 - unrealised foreign exchange gains/loss
 - provision for doubtful debt
 - In the column "Is it only related to exports or non-goods?", identify any accounts that are related only to either:
 - export sales
 - products that are not the goods under consideration.
 - You must provide this list in electronic format using the template provided.

If you have used formulas to complete this worksheet, these formulas must be retained.

PUBLIC RECORD

POSCO provides the spreadsheet named as "G-4.1 SG&A listing" on Exhibit G-8 [CONFIDENTIAL ATTACHMENT] according to the above instruction. This worksheet includes all selling, general and administrative expenses as well as finance expenses.

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".
 - This worksheet calculates the unit domestic SG&A for each MCC.
 - You must provide this list in electronic format using the template provided.
 - Please use the formulas provided.

POSCO provides the spreadsheet named as "G-4.2 Domestic SG&A calculation" on Exhibit G-9 [CONFIDENTIAL ATTACHMENT].

3. Complete the worksheet named "G-4.3 Upwards SG&A" to demonstrate that the SG&A listing in G-4.1 is complete by reconciling the SG&A listing to the trial balance and the audited income statement.
 - You must provide this list in electronic format using the template provided.
 - Please use the formulas provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

POSCO provides the spreadsheet named as "G-4.3 Upwards SG&A" on Exhibit G-10 [CONFIDENTIAL ATTACHMENT] for reconciliation between the SG&A listing and income statement.

4. Please provide the relevant general ledgers (i.e. the detailed listings) of all SG&A accounts (in Excel) covering the period and the most recent financial year.

POSCO provides the relevant general ledgers for all SG&A accounts at Exhibit G-11 [CONFIDENTIAL ATTACHMENT].

G-5 Cost to make the goods exported to Australia

1. Complete the worksheet named "G-5 Australian CTM".
 - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All

PUBLIC RECORD

other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.

- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.
- If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

POSCO provides the actual cost to make and sell for each model sold on the domestic market in the spreadsheet titled "G-5 Australian CTM" on Exhibit G-12 [CONFIDENTIAL ATTACHMENT]. POSCO collected the requisite information needed to calculate the production costs on a quarterly basis from the [CONFIDENTIAL TEXT DELETED] system. Accordingly, the cost data is reported on a quarterly basis over the investigation period.

2. Complete worksheet titled "G-5.2 Australian CTM source" listing the source of the data for each column of worksheet "G-5 Australian CTM".

The requested worksheet "G-5.2 Australian CTM source" is provided in Exhibit G-13 [CONFIDENTIAL ATTACHMENT].

G-6 Cost allocation method

1. What is the allocation method used to complete in G-3 domestic CTM and G-5 Australian CTM for:
 - (a) Raw materials
 - (b) Labour
 - (c) Manufacturing overheads

As explained above, POSCO maintains a process-based costing methodology. Direct material, direct labor, and other direct costs charged to direct cost centers reflect the actual production processes. POSCO's actual costing system identifies individual cost elements based on the actual item code. The costs for each item code are separated into [CONFIDENTIAL TEXT DELETED – costing and reporting method].

Direct material costs, including [CONFIDENTIAL TEXT DELETED] are summarized. Individual direct labor costs and manufacturing overhead costs, which result from allocations in the relevant cost centers, are also summarized.

Based on this cost data, POSCO calculated and reported the weighted-average raw material cost by MCC.

PUBLIC RECORD

2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production volume over the period and provide worksheets demonstrating the allocation method described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1.

The cost sample calculation showing how to report “cost by MCC” from normal cost accounting is provided in Exhibit G-14 [CONFIDENTIAL ATTACHMENT].

G-7 Major raw material costs

1. What are the major raw materials used in the manufacture of the goods?

The significant raw material inputs (more than 10% of CTM) for POSCO’s production of the GUC are iron ore and coal.

In addition, various alloys such as limestone, manganese, and ferro-alloys, are used to enhance characteristics such as strength and flexibility. However, these alloys represent only a minor portion of the total raw material cost.

2. Are any raw materials sourced as part of an integrated production process or from a subsidiary company which your company exercise control? If yes, complete the worksheet named “G-7.2 Raw material CTM” for these raw materials.
 - This worksheet lists the quarterly cost to make the raw material manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold).
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the raw material, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as ‘other costs’ if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If applicable, please specify whether the quantity of the raw material supplied is dry weight (e.g. dry metric tonne) or wet weight (e.g. wet metric tonne) and wet/dry conversion rates.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

POSCO provides the details of raw materials sourced as part of its integrated production process in the worksheet titled “G-7.2 Raw material CTM” in Exhibit G-15 [CONFIDENTIAL ATTACHMENT].

As explained above, POSCO produces a full range of steel products, including the goods under consideration. In the blast furnace process, slabs are produced first and these slabs are then used in the subsequent process to produce the

PUBLIC RECORD

goods (plate or hot rolled sheet). Accordingly, POSCO provides the actual production cost of the preceding process relating to the production of slabs as work-in-process in Exhibit G-15 Raw Material CTM [CONFIDENTIAL ATTACHMENT] as per the questionnaire's request.

3. Using the domestic cost data in "G-3 Domestic CTM" (use "G-5 Australian CTM" if you have no domestic production of like goods), calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

POSCO provides the weighted average percentage of each raw material cost as a proportion of total cost to make in the Exhibit G-16 [CONFIDENTIAL ATTACHMENT].

4. For each raw material identified in G-7.3 which individually account for 10% or more of the total cost to make, complete the worksheet named "G-7.4 Raw material purchases"

- This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

POSCO provides the requested information – the purchase list of coal and iron ore is provided in the Exhibit G-17 [CONFIDENTIAL ATTACHMENT].

5. Provide a table listing the source of the data for each column of the "G-7.4 Raw material purchases" listing.

The source of the data is [CONFIDENTIAL TEXT DELETED] ERP system ([CONFIDENTIAL TEXT DELETED] module). Whenever the company purchases raw materials, the purchase data is recorded in the PO module based on the purchase order number.

6. For each raw material:

- (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.
- (b) Reconcile the total value listed in "G-7.4 Raw material purchases" listing to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.

Requested information is provided in Exhibit G-18(a) (Sample documents of raw material purchases) [CONFIDENTIAL ATTACHMENT] and Exhibit G-18(b) (Reconciliation of raw materials) [CONFIDENTIAL ATTACHMENT].

PUBLIC RECORD

7. Are any of the suppliers in “G-7.4 Raw material purchases” listing related to your company? If yes, please provide details on how the price is set.

As explained above, POSCO purchased certain raw materials from related suppliers who were affiliates or subsidiaries of POSCO. In Exhibit G-17, POSCO has provided the total quantity and value of the main raw materials, such as coal and iron ore, purchased from both related and unrelated suppliers during the POI, along with the average unit purchase price.

As shown in Exhibit G-17, purchases of major raw materials from affiliated suppliers account for only a relatively minor portion of total purchases. There is no significant price difference between related and unrelated supplier. Minor price differences are attributable to factors such as order timing and raw material quality. In addition, most of related suppliers are also trading companies that procure these raw materials from unrelated manufacturers. Therefore, transactions with both unaffiliated and affiliated suppliers are all conducted on an arms' length basis.

G-8 Reconciliation of cost to make to audited financial statements

1. Please complete the worksheet named “G-8 Upwards costs” to demonstrate that the cost listings in G-3 and G-5 are complete.
- You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

POSCO provides the spreadsheet named as “G-8 Upwards costs” on Exhibit G-19 [CONFIDENTIAL ATTACHMENT].

2. Please provide any documents, other than those in A-4, G-3 and G-5, required to complete the “G-8 Upwards costs” worksheet.

The requested supporting documents are included in Exhibit G-19.

3. For any amount that is hard coded (i.e. not a formula), please cross-reference by providing:
- the name of the source document, including the relevant page number, in column D of the worksheet and
 - highlight or annotate the amount shown in the source document and
 - provide the account number and sub-account number (if applicable) at column E of the worksheet.

The requested supporting documents are included in Exhibit G-19.

G-9 Production of the goods under consideration

1. Describe your company's practices for capturing the production quantities reported at worksheets "G-3 domestic CTM" and "G-5 Australian CTM". Consider using a flowchart in answering this question.

The production quantities are recorded at [CONFIDETNAIL TEXT DELETED] level in the cost accounting system. For reporting purposes, POSCO assigned an MCC to all [CONFIDETNAIL TEXT DELETED – cost reporting]. As the next step, POSCO created a list of MCCs sold in the domestic and Australian markets based on sales data. Finally, POSCO aggregated the production quantities according to this MCC list and reported them in "G-3 Domestic CTM" and "G-5 Australian CTM."

2. Outline the types of source documents kept by the company in relation to production quantities and how the production quantities are entered into the accounting system. Consider using a flowchart in answering this question.

The source of the production quantity data is the [CONFIDETNAIL TEXT DELETED] module. The [CONFIDETNAIL TEXT DELETED] module manages working hours, machinery operating hours and production quantity by lot number. The production quantity data is transferred to the [CONFIDETNAIL TEXT DELETED] module, which calculates the manufacturing cost by actual item code based on the production quantities. Finally, the production quantity and value data are transferred to the inventory ledger(referred to as the [CONFIDETNAIL TEXT DELETED] module).

3. Briefly explain the reasons for any differences between:
 - (a) the production quantities reported at worksheet "G-3 domestic CTM" and the sales volumes reported at worksheet "D-2 domestic sales" and
 - (b) the production quantities reported at worksheet "G-5 Australian CTM" and the sales volumes reported at worksheet "B-2 Australian sales".

The main reason why there is a difference between sales quantity and production quantity is that POSCO does not manage production information by sales market. In other words, production data doesn't include sales information or shipment information. As described above, the company manages manufacturing costs and production quantities at the level of the actual item code. Therefore if one MCC is sold simultaneously in both the domestic and Australian markets, it is reported in duplicate with the same quantity and value in Tables G-3 and G-5. In summary, POSCO reported all production quantities and cost of manufacturing during the investigation period at the level of each MCC regardless of the sales market.

4. Describe how your company determines its volume of production for the goods, product mix of production and the factors that contribute to these decisions. How frequently are production volumes determined for the goods? How frequently is the product mix determined for the goods?

PUBLIC RECORD

POSCO primarily produces and sells products based on customer orders rather than on an inventory basis. As it generally takes [CONFIDETNAIL TEXT DELETED] months from the date of receiving a sales order to the completion of production, a [CONFIDETNAIL TEXT DELETED] production plan is established based on[CONFIDETNAIL TEXT DELETED – production planning].

5. What lead times are typically needed to adjust volumes of production for the goods?

As described above, production planning is generally carried out on a [CONFIDETNAIL TEXT DELETED] basis. In the event of an urgent order, production planning is [CONFIDETNAIL TEXT DELETED]. When such adjustments are necessary, [CONFIDETNAIL TEXT DELETED] are needed to revise the production plan.

G-10 Capacity Utilisation

1. Please complete the worksheet named “G-10 Capacity Utilisation”.
- You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

POSCO provides the spreadsheet named as “G-10 Capacity Utilisation” on Exhibit G-20 [CONFIDENTIAL ATTACHMENT].

2. Explain how the production capacity and capacity utilisation has been calculated.

POSCO manages production capacity by production line. This capacity is determined at the time the machinery is first installed for each production line. In general, capacity is calculated as follows: MT per hour × 24 hours ×(general working days in a year – regular maintenance period)

For capacity utilization calculations, POSCO uses the actual production quantity.

3. Do you have warehousing facilities for the goods? If no, what do you do with excess inventory? If yes:
- (a) What is the capacity of these facilities?
 - (b) What was the monthly amount of inventory maintained during the investigation period?
 - (c) What is the average period of time that inventory is retained (describe how this is calculated)?

As explained above, POSCO primarily produces and sells products based on customer orders rather than on an inventory basis. Therefore, once the production of the product is completed, the products are moved to a temporary

PUBLIC RECORD

inventory storage area within the plant. When the shipment date is agreed with the customer, it is shipped directly from the plant to the customer. In some cases, certain products are transferred to a warehouse for storage before being shipped to the customer. Such cases are rare, and in most instances, products are shipped from the plant to the customer within a few days of production completion.

4. Have there been any changes to the type of capital or technology utilised by your company in the manufacturing of the goods in the last five years? If yes, provide details.

There have been no significant changes to the type of capital or technology utilised in the past five years, so that question is not applicable.

5. For each plant capable of producing inputs that could be utilised to make the goods, provide the date that production facility came into operation and the production capacity of the plant over the past five years. The production capacity should be based on an actual production capacity, not a budgeted production capacity.

As described above, the work-in-process that can be used to produce MUC is the "slab". Through the blast furnace and continuous casting process, POSCO produces slabs internally. POSCO provides the production capacity of slabs and the date of operation in Exhibit G-21 [CONFIDENTIAL ATTACHMENT].

6. List any significant investments in the past five years to either upgrade, refurbish or build any of the plants used in the production of the goods.

POSCO has not made any significant investments in the production line for the goods in the past five years. Therefore, this question is not applicable.

SECTION K AUSTRALIAN MARKET

K-1 Prevailing conditions of competition in the Australian market

1. Describe the Australian market for the goods and the prevailing conditions of competition within the market, including:
 - (a) Provide an overall description of the Australian market for the goods which explains its main characteristics and trends over the past five years

The Australian market for the goods can be categorized:

1. By industry

- **Construction and infrastructure - heavy plate demand for buildings, bridges, and road facilities.**
- **Shipbuilding and offshore - high-strength and corrosion-resistant plates for ships and offshore platforms.**
- **Mining and energy - specialized steel plates for mining equipment, pipelines, and pressure vessels.**
- **Manufacturing and machinery - steel plates for industrial machinery, agricultural equipment, trucks, and trailers.**

2. By product specification

- **Thickness - thicker (above 6mm) plate is generally used for structural, shipbuilding, and heavy machinery applications, whereas thinner products are typically for general fabrication and construction.**
- **Steel grade - standard structural grades are typically for general construction and fabrication, whereas high-strength grades are used for demanding applications requiring higher load-bearing capacity. Specialized grades (e.g., weathering steel, boiler plate) are used for corrosion resistance or high-temperature service.**
- **Processing - the goods can also be categorized based on processing, such as products which are “as rolled” (mill finish) for further downstream processing; cut-to-size for ready-to-use applications; heat-treated (quenched and tempered) for enhanced strength and toughness and further processing; and surface-treated (e.g., shot-blasted, primed) for improved corrosion resistance and paint adhesion.**

3. By supply chain / distribution structure

- **Domestic production - produced by Australian steel mills (e.g., BlueScope).**

PUBLIC RECORD

- Imports - from Japan, Korea, China, India, etc.
- Distribution channels - large distributors, direct project-based contracts, small steel traders.

4. By quality / certification standards

- Products certified to Australian Standards (AS/NZS).
- International certifications (ISO, ASTM, etc.).
- Custom specifications for specific projects.

(b) Provide the sources of demand for the goods in Australia, including the categories of customers, users or consumers of the product

Key sources of demand for the goods in Australia include:

- construction (residential and non-residential);
- mining;
- agriculture; and
- other manufacturing / fabrication.

For Australian steel plate demand and trend analysis, the following sources are commonly referenced in industry and trade research:

1. Government and statistical agencies

- Australian Bureau of Statistics (ABS) – publishes construction activity, manufacturing output, and import/export data relevant to steel plate consumption. See <https://www.abs.gov.au>
- Department of Industry, Science and Resources (Australia) – provides mining sector investment and equipment demand forecasts. See <https://www.industry.gov.au>

2. International trade databases

- United Nations COMTRADE database – detailed import/export statistics for steel plate and related HS codes. See <https://comtradeplus.un.org>
- World Integrated Trade Solution (WITS) – trade flow data by product category and partner country. See <https://wits.worldbank.org>

3. Industry market reports

PUBLIC RECORD

- IBISWorld Australia – industry reports on steel manufacturing, metal product wholesaling, and construction materials. <https://www.ibisworld.com>
- Global Market Insights – coated and structural steel market trend reports, including Australia-specific data. See <http://gminsights.com>
- Fortune Business Insights – global steel market outlook with regional breakdowns. See <https://fortunebusinessinsights.com>

4. Trade and industry news

- Steel & Metals News (SNM) – updates on Australian steel market conditions, supply chain issues, and price trends. See <https://eng.snmnews.com/>
- Australian Steel Institute (ASI) – industry publications and demand forecasts for structural steel products. See <https://www.steel.org.au/>

4. Company and supplier data

- Annual reports and market updates from major suppliers such as BlueScope Steel, Nippon Steel, and POSCO often include demand outlooks for Australia.

(c) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b)

Based on POSCO’s research using sources identified above and general industry knowledge of the Australian steel plate market, POSCO provides a simple estimation of the sales revenue from each source of demand identified above, as follows:

End-use sector	Sales revenue (est. %)
Construction (residential and non-residential)	[CONFIDETNAIL TEXT DELETED]
Mining	[CONFIDETNAIL TEXT DELETED]
Agriculture	[CONFIDETNAIL TEXT DELETED]
Other manufacturing / fabrication	[CONFIDETNAIL TEXT DELETED]

PUBLIC RECORD

- (d) Describe the factors that influence consumption/demand variability in Australia, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production.

The main source of demand for the goods and most of steel products in Australia are for the construction, mining and agricultural sectors.

The two major metropolitan centres of Sydney and Melbourne account for about [CONFIDETNAIL TEXT DELETED]% of Australia's population, with demand for the goods mainly from construction and infrastructure projects. On the other hand, Western Australia and north-western regions of Queensland are the main sources of demand for mining and agricultural projects.

Other factors influencing demand include production and transportation constraints. It is common industry knowledge that the sole domestic manufacturer BlueScope, located near Sydney, is unable to produce [CONFIDETNAIL TEXT DELETED – certain wide products]. This has led to local processors and distributors adapting their demand in alignment with BlueScope's production constraint. Therefore, the more commonly sold products in Australia are in widths of [CONFIDETNAIL TEXT DELETED]. Wider products are also more demanding and costly for inland transportation.

- (e) Describe any market segmentations in Australia; such as geographic or product segmentations

Please refer to response provided in (d) above.

- (f) Provide an estimated proportion of sales revenue from each of the market segments listed in (e)

Please refer to response at (c) above. Regarding geographic and product segmentations, POSCO expects it to be difficult for any market player, apart from BlueScope (through BlueScope Distribution), to provide near-reliable estimates.

- (g) Describe the way in which Australian manufactured and other imported goods compete in the Australian market

Please refer to other responses provided above.

POSCO notes that the competition dynamic and pricing power can also vary between different geographical locations. For example, POSCO observes that government regulations such as local content requirement and procurement preferences in the eastern States (the States that host major domestic steel mills, such as NSW and South Australia) play a stronger role in the competition dynamic. These States give BlueScope stronger negotiation power and pricing influence as the local domestic mill supplier.

On the other hand, in Western Australia, which is geographically distant from these local mills, the influence of domestic producers can be lower compared to

PUBLIC RECORD

other States. This is likely the result of a variety of factors, including the higher transportation cost from the Australian east coast, and the fact that demand in the WA market is driven more by the private sector, especially in the mining industry. In such markets more weight is given to the overall objective commercial value of the offer, regardless of local content and whether the product offered is imported or not.

- (h) Describe the ways that the goods are marketed and distributed in the Australian market and

Please refer to POSCO's explanation regarding the Australian market sales process in B-1 and the market diagram provided in K-1.2 below.

- (i) Describe any other factors that are relevant to characteristics or influences on the market for the goods in Australia.

Based on information collected by POSCO, POSCO notes that there is a common perception that the goods supplied domestically by BlueScope often [CONFIDETNAIL TEXT DELETED – ability to meet delivery schedule]. Market based feedback suggests that during recent years, including in the investigation period, there has been [CONFIDETNAIL TEXT DELETED] delivery delays by BlueScope for orders with a scheduled [CONFIDETNAIL TEXT DELETED] lead time. This is considered [CONFIDETNAIL TEXT DELETED – market perception] industry standard. This is one of the factors supporting a steady demand for imported products from reliable overseas suppliers such as POSCO, as an important supplement to the Australian market.

Further, during the investigation period and presently, BlueScope is undertaking a significant reline of blast furnace BF6 at its Port Kembla steelworks, with completion anticipated for mid-2026. This reline project is a direct response to BlueScope's existing blast furnace BF5 projected reaching its "End of Life" between 2026 and 2030. See:

<https://www.bluescope.com/illawarra/environmental-responsibility/blast-furnace-reline#accordion-472d797b11-item-9a72c66474>

There are growing concerns among distributors and customers regarding potential further delays in the reline project and BlueScope's ability for on-schedule delivery using its existing facility. It is understood that BlueScope may have prioritized [CONFIDETNAIL TEXT DELETED – commercial practice based on market feedback]. However, this might also hinder BlueScope's ability to serve other essential markets like transport, mining, rail, agriculture, and general manufacturing.

Based on BlueScope's latest public updates on 2 October 2025, BF6 "blow in" is expected to be from August 2026: <https://www.bluescope.com/illawarra/our-communities/community-consultative-committee#accordion-9e27ea3ff1-item-0a5981556c>. As noted in the same update, BlueScope considers the high cost of natural gas to be a main concern for its production in Australia generally.

Obviously, BlueScope's production and delivery capacity and capability for its existing BF5, and its upcoming replacement with BF6, have and will continue to

PUBLIC RECORD

directly and indirectly impact BlueScope's performance as a domestic producer of the like goods. POSCO expects that the Commission will carry out its own inquiry and verification of such impacts with BlueScope as part of its injury and causation investigation in this procedure. POSCO looks forward to the Commission's report and update and will stand ready to provide necessary support or further comments.

Provide documentary evidence to support the responses made to questions 1(a) to (i).

2. Provide a diagram which describes the Australian market structure for the goods, ensuring that all the categories of participants are included. In this diagram use linkages to illustrate the different levels of trade and distribution channels within the Australian market.

Please see a diagram demonstrating the Australian market structure for the goods as follows.

[CONFIDETNAIL TEXT DELETED - diagram]

3. Describe the commercially significant market participants in the Australian market for the goods at each level of trade over the investigation period. Include in your description:
- names of the participants
 - the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.)
 - a description of the degree of integration (either vertical or horizontal) for each market participant and
 - an estimation of the market share of each participant.

As explained above at Section B, POSCO's sales are made to and via Korean domestic trading companies to ultimate customers in Australia.

POSCO hereby submits the following information in response to the above-listed inquiries, to the best of its knowledge and based on the information available.

Domestic production and supply in Australia are dominated by BlueScope Steel. BlueScope holds the largest market share and is vertically integrated all the way from steelmaking to and including local distribution. BlueScope primarily produces the goods domestically but may supplement its supply with imports for certain specifications not manufactured locally. BlueScope is well known for its ability to leverage its vertical integration in production and distribution in the Australian market, especially with its extensive local distribution network operated by its subsidiary BlueScope Distribution. This allows BlueScope to supply its products both through its own distribution companies and through large unaffiliated distributors, with BlueScope Distribution also competing with BlueScope's unaffiliated customers in their downstream sales.

POSCO believes that BlueScope adopts a [CONFIDETNAIL TEXT DELETED – pricing practice] arrangement. This is achieved by BlueScope mainly selling

PUBLIC RECORD

through distributors and [CONFIDETNAIL TEXT DELETED – sales practice].
Therefore, [CONFIDETNAIL TEXT DELETED – sales and pricing models].

4. Identify the names of commercially significant importers in the Australian market for the goods over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the Australian market, if known.

Please see below table for potentially commercially significant importers in the Australian market, based on POSCO's market information.

Importer name	Main source	Level of trade in AU market
InfraBuild Steel Centre	Japan, South Korea	National distributor, supplies to fabricators and large infrastructure projects
Southern Steel Group	South Korea, China, BlueScope	Major distributor, strong presence in NSW & VIC, supplies to construction and mining sectors
BlueScope Distribution	Japan	Complements domestic production with imports, supplies to national network
Midwest Steel Supplies	China	Regional distributor, focuses on WA mining and agricultural demand
Atlas Steels	South Korea, China	National distributor, diversified product range including plate and specialty steels
Metalcorp	China	Supplies mainly to rural/agricultural markets, part of InfraBuild network
Independent fabricators (direct imports)	South Korea, China	Import directly for specific projects, bypassing distributors
Others (smaller importers)	Various (China, Korea, Japan, EU)	Fragmented market share among smaller regional players

5. Describe the regulatory framework of the Australian market for the goods as it relates to competition policy, taxation, product standards and the range of the goods. Provide a copy of any regulation described, if available.

In the Australian market, POSCO must comply with the *Competition and*

PUBLIC RECORD

Consumer Act 2010, ensuring no price fixing, bid rigging, or market sharing, avoiding any misuse of market power, and making all quality and certification claims truthfully and verifiably.

Regarding product range and labelling, goods must be of acceptable quality and fit for purpose, with accurate labelling of grade, dimensions, and origin, and with no misleading branding or false certification claims.

In terms of product standards, the goods must meet the corresponding AS/NZS 3678, AS/NZS 1594, and AS/NZS 3679.1 requirements, with ACRS certification preferred or mandatory for government and infrastructure projects.

Mill test certificates must accompany each shipment, and product markings (heat number, grade, dimensions) must match documentation.

Australia's strong regulatory requirement with respect to labour market contributes to an overall higher-cost operating environment for the economy. This includes Australia having high minimum wage with continued increases in mandatory superannuation rates, weekend and night work incurring penalty rates, and strict safety management guidelines.

Another factor regularly cited by BlueScope as a key impact to its operation in Australia is the availability and high cost of natural gas. See, for example: <https://www.abc.net.au/news/2025-10-08/bluescope-steel-mark-vassella-press-club-speech-on-gas-crisis/105856934>.

Further, according to Australian Steel Institute (ASI), a significant factor affecting the demand for upstream steel products such as the goods is a surge in the imports of cheap fabricated structural steelwork. As such, the ASI is in the process of seeking the initiation of a safeguard measure investigation concerning fabricated steel products: <https://www.steel.org.au/what-we-do/advocacy/asi-campaign-on-imported-fabricated-steelwork/>

Lastly, the regulatory environment concerning anti-dumping and import pricing as administered by the Commission is an important consideration for POSCO. POSCO respects BlueScope as a business competitor, innovative manufacturer, and active international investor. POSCO understands and supports WTO rules, as implemented under domestic laws, that allow domestic industry to make application for price relief when it suffers from dumping and material injury.

The Commission will note POSCO's focus on high quality/differentiated products and its [CONFIDETNAIL TEXT DELETED – pricing]. These quotations, provided by POSCO to its traders with knowledge not only of the export market but also the ultimate customer, serve as an export price “floor” that is fully intended to guard against accusations of injurious “dumping”. POSCO's relatively low volume of imports in the investigation period bears testament to its maintenance of a [CONFIDETNAIL TEXT DELETED – market position] and its disinclination to engage in low pricing at a time when other exporting countries are captured by or are activating a steel glut to maintain throughput and win market share.

6. Describe any entry restrictions for new participants into the Australian market for the goods. Your response could include information on:

PUBLIC RECORD

- resource ownership
- patents and copyrights
- licenses
- barriers to entry
- import restrictions and
- government regulations (including the effect of those government regulations).

In responding to question 6 ensure that relevant regulations are referenced.

1. AS/NZS Standards and ACRS

For certain plate products, ACRS (Australasian Certification Authority for Reinforcing and Structural Steels) certification is required. Products from mills with ACRS certification, which includes POSCO, are considered high-quality and compliant with Australian/New Zealand standards. Whilst this quality and technical standard may present a higher threshold barrier to entry, it does not preclude non-certified products from competing in the same market.

Based on POSCO's market information, significant volumes of imports from China are non-ACRS materials, either in the form of the goods or finished steel structures fabricated from the goods. Such products can overcome the lack of certification by offering substantially lower prices. POSCO notes that major overseas mills supplying the Australian market with ACRS Certification include (in chronological order of certification compliance):

No.	Mill Name	Country	Initial ACRS certification	Certified product scope
1	POSCO	Korea	Nov 2006	Structural Steel Plate to AS/NZS 3678
2	JFE Steel Corp	Japan	Mar 2007	Structural Steel Plate to AS/NZS 3678
3	Nippon Steel Corp	Japan	May 2008	Structural Steel Plate to AS/NZS 3678
4	Baosteel Group (Bao)	China	Aug 2015	Structural Steel Plate to AS/NZS 3678
5	Nanjing Iron & Steel (NISCO)	China	Sep 2016	Structural Steel Plate to AS/NZS 3678

PUBLIC RECORD

6	Xingcheng Special Steel Works	China	Oct 2018	Structural Steel Plate to AS/NZS 3678
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2. Government regulation

The comparatively high labour cost and shortage of skilled workers in the Australian domestic market have a considerable impact on new market participants. The key regulatory instrument is the Steel Industry Award that covers many steel manufacturing and fabrication workers.

POSCO notes that Federal and State government initiatives such as those focused on the development of Australian domestic capacity for the production and exportation of green iron can serve as a precursor to production of “greener” domestic steel production. This can provide support for the sector in the longer term.

3. Local content requirement

Another factor affecting market entry in Australia are the “local content” requirements in various forms amongst different States in Australia. Such requirements are not consistently defined or applied, with some projects imposing stricter local content requirements that require the use of “local steel” and with other projects imposing a lower threshold that requires the involvement of local fabrication. The level and extent of enforcement of local content requirements also varies, depending on policy preferences and procurement discretion.

Based on POSCO’s knowledge, State-based economic policies and labour conditions play a critical role. For example, Victoria has a strong presence of steel companies and influential labour unions, which may have contributed to its stricter and generally higher adoption of local content requirements for major projects.

K-2 Goods in the Australian market

1. Generally describe the range of the goods offered for sale in the Australian market. The description should include all goods under consideration including those produced by your company. Your description could include information about:
 - quality differences
 - price differences
 - supply/availability differences
 - technical support differences
 - the prevalence of private labels/customer brands
 - the prevalence of generic or plain labels

PUBLIC RECORD

- the prevalence of premium labels and
- product segmentation.

During the period, POSCO supplied the [CONFIDETNAIL TEXT DELETED – product mix].

POSCO's brand is recognized as a premium label in the Australian market due to early ACRS certification and consistent quality and supply, and is widely accepted in infrastructure, mining, and large-scale construction projects. As a "premium mill", POSCO offers full technical documentation, mill certificates, and engineering support. Imported steels from non-ACRS certified mills may meet basic mechanical requirements but lack independent certification, which can limit the use of such steel in regulated projects.

The Australian market for steel plate and HR sheet includes:

- structural steel plate - AS/NZS 3678 compliant, various grades from mild steel to high-strength
- boiler and pressure vessel plate - AS/NZS and ASTM standards
- wear-resistant plate - e.g., AR grades for mining and heavy equipment
- hot rolled sheet and coil - commercial quality, formable grades, high-strength low-alloy
- premium coated HR products - HR base with galvanizing or painting for corrosion resistance

Product segmentation of the GUC can generally be:

- by certification - ACRS-certified vs. non-certified
- by application - structural plate, reinforcing steel, coated products, specialty steels
- by quality tier - premium, mid-range, generic
- by end-user sector - construction, mining, manufacturing, infrastructure

POSCO mostly operates in the premium certified segment, competing mainly with other high-quality mills from other producers, while generic imports occupy the low-cost segment.

2. Describe the end uses of the goods in the Australian market from all sources.

As explained in response to several questions above, in the Australian market steel plate and hot-rolled sheet are used across a wide range of industries and applications, sourced both domestically and through imports. Typical end uses include:

PUBLIC RECORD

- **shipbuilding and marine structures - hulls, decks, and offshore platforms;**
- **construction and infrastructure - bridges, high-rise buildings, and structural components;**
- **heavy machinery and equipment - mining machinery, earthmoving equipment, and industrial presses;**
- **pressure vessels and storage tanks - for oil, gas, chemicals, and water;**
- **automotive manufacturing - chassis, frames, and other structural parts;**
- **pipes and tubes - for water, gas, and structural applications;**
- **general fabrication - agricultural equipment, trailers, and containers;**
- **construction - roofing, wall panels, and reinforcing components.**

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market. Rank these preferences or purchasing influencers in order of importance.

As mentioned above, there are several factors affecting purchasing decisions, these include:

- **product quality and qualification;**
- **reliability and timeliness of supply;**
- **price and availability;**
- **project/location based local content requirements;**
- **dominance of vertically integrated supplier in the domestic market;**
- **supply chain and procurement diversity demands; and**
- **regulatory requirements and impacts.**

4. Identify if there are any commercially significant market substitutes in the Australian market for the goods.

POSCO is unaware of such commercially significant market substitutes for the goods in the Australian market.

5. Identify if there are any commercially significant market complements in the Australian market for the goods.

In the Australian market, fabrication services, protective treatments, heavy

PUBLIC RECORD

equipment manufacturing, shipbuilding, and structural steel components could all be considered commercially significant complements to steel plate application, because they are used together and their market activity directly affects steel demand. Steel plate is often processed through cutting, bending, and welding before being used in construction, mining equipment, or manufacturing, which are major markets in Australia. Demand for these services directly supports steel plate usage.

6. Have there been any changes in market or consumer preferences in the Australian market for the goods in the last five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

Based on our best knowledge and information, please see below for changes in market or consumer preferences in the Australian market.

Over the past five years the Australian market for flat steel products has undergone notable shifts in both market conditions and consumer preferences. These changes are influenced by infrastructure investment cycles, mining sector activity, green energy and steel transition, global supply chain dynamics, and evolving procurement criteria.

Key observations are as follow:

1. Increased demand for higher-grade and certified products

Customers, particularly in infrastructure, mining, and energy sectors, have shown stronger preference for steel grades that meet Australian Standards and specific certification requirements (e.g., AS-250L0, AS-350L0). This is driven by stricter compliance requirements in public projects and large-scale engineering works.

2. Shift toward value-added and processed products

There is growing interest in products with additional processing, such as floorplate (anti-slip patterned surfaces), pre-galvanised sheet, and cut-to-length services, aimed at reducing downstream fabrication time and cost with certified quality.

On the other hand, as noted above, such shift may have also contributed to the slowdown in demand in the Australian market for the goods. According to Australian Steel Institute (“ASI”), a significant factor affecting the demand for upstream steel products such as the goods are the surge in the imports of cheap fabricated structural steelwork. As such, the ASI is in the process of seeking the initiation of a safeguard measure investigation concerning fabricated steel products.

3. Sustainability and environmental considerations

End-users and project owners increasingly emphasise the environmental footprint of steel production based on their NDC (Nationally Determined Contribution, by which greenhouse gas emissions are to be reduced by a certain percentage below 2005 levels by 2030). Preference for suppliers with clear

sustainability commitments, low-carbon production processes, and transparent ESG reporting has grown, aligning with “green steel” initiatives noted by the Australian Steel Institute.

In the Australian market, where the government’s NDC targets drive demand for low-carbon and sustainable materials, POSCO’s ESG leadership positions it as a preferred supplier for industries seeking to meet emissions reduction goals.

For sectors such as construction, mining equipment, and infrastructure, which are all major steel plate consuming sectors, POSCO’s sustainable production methods help Australian partners align with both domestic regulations and international climate commitments.

4. Price sensitivity and supply reliability

Recent supply chain disruptions (e.g., COVID-19 impacts, shipping delays) have made reliability of supply a critical factor. Customers are increasingly more willing to either pay a premium for consistent delivery schedules and quality assurance, which are now much more commercially critical factors than before, or to insist on maintaining a diversified supply chain arrangement that mandates procurement from more than one producer.

5. Competition from imports and domestic producers

Fluctuating import volumes from major Asia-based suppliers, especially from China, have influenced price expectations.

POSCO provides an overview of the market trend in recent years (2019–2024) as follows:

Year	Market condition	Key consumer preferences	Notable industry commentary
2019	Stable demand; moderate infrastructure activity	Preference for standard HA grades; price competitiveness primary factor	IBISWorld notes steady demand in construction and manufacturing sectors
2020	COVID-19 disruptions; supply chain uncertainty	Increased focus on supply reliability; some shift to domestic sourcing	Australian Steel Institute highlights resilience of local supply chains
2021	Recovery in infrastructure projects; raw material price volatility	Growing interest in certified AS grades; willingness to pay for quality assurance	Industry reports cite stricter compliance in public tenders

PUBLIC RECORD

2022	Strong mining sector demand; freight cost increases	Higher demand for value-added products (floorplate, pre-galvanised)	Trade publications note rise in processed steel imports
2023	Tight supply from China/ Japan; prices surged to above USD 800/t	Sustainability credentials begin influencing procurement decisions	Commentary on “green steel” initiatives gaining traction
2024	Global slowdown; raw material price stabilisation	Price sensitivity returns; continued preference for certified and sustainable products	Analysts forecast gradual rebound in 2025 driven by infrastructure investment

Reports from the Australian Steel Institute and IBISWorld highlight that infrastructure investment, mining sector activity, and government procurement policies have shaped demand patterns. Industry publications note that the push for certified, high-quality steel has intensified, particularly in public infrastructure projects, while sustainability credentials are becoming a differentiator in supplier selection.

K-3 Relationship between price and cost in Australia

1. Describe the importance of the Australian market to your company’s operations. In your response describe:
 - (a) The proportion of your company’s sales revenue derived from sales of the goods in Australia and
 - (b) The proportion of your company’s profit derived from sales of the goods in Australia.

The proportion of POSCO’s sales revenue derived from sales of the goods in Australia as well as the proportion of POSCO’s profit derived from sales of the goods in Australia is provided in Exhibit K-1 [CONFIDENTIAL ATTACHMENT].

In responding to question 1 please provide evidence supporting calculations.

2. Is your organisation/business entity the price leader for the goods in the Australian market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.

POSCO believes that it is not the price leader for the goods in the Australian market.

POSCO sold only [CONFIDETNAIL TEXT DELETED] MT to Australia during the

PUBLIC RECORD

period. This is materially lower than POSCO's previous average annual sales to Australia of [CONFIDETNAIL TEXT DELETED] MT, as shown in Exhibit K-2 [CONFIDENTIAL ATTACHMENT]. That is, POSCO's sales to Australia were higher during periods that BlueScope does not claim any dumping or dumping-caused material injury with respect to imports from Korea.

POSCO's sales volume is likely to be immaterial compared to BlueScope's over [CONFIDETNAIL TEXT DELETED] tonne production and near 80% market share during the period, according to the Commission's analysis contained in the Consideration Report 688. Indeed, POSCO expects that BlueScope would agree that POSCO's supply of the Australian market, through the Korean trading companies, provide helpful - rather than harmful – contribution and supplement to the Australian market, in terms of POSCO's pricing, quality, and complementary market positioning.

Based on price negotiation discussion with POSCO's customers, POSCO understands that its price offers are [CONFIDETNAIL TEXT DELETED - comparison] offers from BlueScope and other source of imports. POSCO's supply is perceived as procurement from a reputable and reliable premium brand for imports that provide an important supplement to local demand. As such POSCO considers itself to be a [CONFIDETNAIL TEXT DELETED – market position] competitor with respect to the Australian market, with no influence on price formation by others.

In comparison, and for reasons already stated, POSCO considers the domestic producer BlueScope to be the price leader in the Australian market, with the price and supply/demand fluctuation caused by Chinese steel prices being an important price influence for the region, including Australia. Other price factors include costs for iron ore and coal, as well as the exchange rate for the Australian dollar.

3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.

POSCO has exported only a comparatively small volume of the goods over the past five years. As mentioned above, POSCO considers itself to be a long term reputable “alternative” supplier of quality product, offering customers much needed reliable supply with consistent quality, and a diversified supply chain that can supplement supply by the sole local producer BlueScope. POSCO's long term positioning means that POSCO does not engage in aggressive pricing aimed at market share maintenance, market penetration, or market share growth, unlike the other sources of import, and BlueScope itself (whether BlueScope acts as an "initiator" or a “responder”). POSCO considers itself well-positioned to assist local mills that are unable to fully meet domestic customer demand and delivery deadlines.

During the period, POSCO's Australian sales of the goods represented less than [CONFIDETNAIL TEXT DELETED]% of its domestic sales in Korea, and just over

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[CONFIDETNAIL TEXT DELETED]% of its export sales to third countries. This is a good representation of the immateriality of POSCO's Australian exports of the goods over the years, despite POSCO's long standing presence in the Australian market. POSCO's consistent and long term record of supplying the Australian market shows that POSCO has not dumped, and has had no intention to dump, the product at a price level with the effect of inflicting "material injury" to the domestic industry, or with the aim of expanding market share with low prices. Instead, POSCO positions itself as a premium, responsible and reliable supplier of quality product that supports a stable small quantity of plate product at commercially sustainable profit margin.

POSCO did not export directly to customers to Australia, and only sold via Korean trading companies. POSCO expects that the Commission will have useful references to allow comparison of the prices of POSCO's products from the relevant market participants in Australia, with the prices charged for products of BlueScope and those of other exporters.

POSCO believes that such comparison will show that POSCO's prices are at the [CONFIDETNAIL TEXT DELETED – market position], and were not harmful to BlueScope. In particular, POSCO notes that, for example, based on feedback collected by POSCO, some of its customers identified that POSCO's price offers in [CONFIDETNAIL TEXT DELETED – market information].

4. Explain the process for how the selling prices of the goods for the Australian market by your business are determined. Provide copies of internal documents which support how pricing is determined.

As provided in our Section B response above, POSCO's Australian sales were made via Korean trading companies, with full disclosure to POSCO of ultimate destination and customer. Prices were negotiated on a transaction by transaction basis in consideration of the specifications, quality, volume, payment terms or other request from the customer side.

5. How frequently are your Australian selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.

As stated above all of POSCO's sales to the Australian market were conducted on a transaction by transaction basis, monthly. That is, price negotiation and contracting are carried out on a monthly basis.

6. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:
- Competitors' prices
 - Purchase price of raw materials
 - Cost to make and sell the goods

PUBLIC RECORD

- Level of inventory
- Value of the order
- Volume of the order
- Value of forward orders
- Volume of forward orders
- Customer relationship management
- Supplier relationship management
- Desired profit
- Brand attributes
- Other [please define what this factor is in your response]

The factors mentioned above all influence purchasing decisions, though they vary depending on the product sold and the customer. It is not possible to rank the factors in order of importance due to variations and complexity in importance across different cases and customers.

Some customers, based on long-standing trust from previous transactions, are [CONFIDETNAIL TEXT DELETED – procurement decision]. Some Australian customers show reluctance toward requests such as [CONFIDETNAIL TEXT DELETED – procurement decision]. For large distributors, [CONFIDETNAIL TEXT DELETED – procurement decision]. Major customers are often required to purchase local products and use imported products as supplement. As such, when import prices lack competitiveness against local products, most feedback indicates rejection, often citing [CONFIDETNAIL TEXT DELETED – procurement decision] as the reason.

Some customers prefer that [CONFIDETNAIL TEXT DELETED – procurement decision]. This is because they are concerned that [CONFIDETNAIL TEXT DELETED – procurement decision], they may face [CONFIDETNAIL TEXT DELETED – market influence] in the future.

For POSCO, the Australian market has always been recognized as a supplementary, high-value market with limited demand. As a result, POSCO believes that its prices are consistently considered to be at [CONFIDETNAIL TEXT DELETED – market position] in comparison to offers from both BlueScope and other export sources. POSCO's dependence on exports to Australia is, in fact, very low. POSCO's consistent and long term record of supplying the Australian market shows that POSCO has not dumped, and has had no intention to dump, the product at a price level with the effect of inflicting "material injury" to the domestic industry, or with the aim of expanding market share with low prices. Instead, POSCO positions itself as a premium, responsible and reliable supplier of quality product that supports a stable small quantity of plate product at commercially sustainable profit margin.

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7. Describe the relationship between selling price and costs to make and sell in the Australian market. Does your company maintain a desired profit margin for the goods? If not, does your company seek to maintain a desired profit margin for the goods? Provide copies of internal documents which support your response to this question.

Pricing decisions balance cost recovery with market competitiveness, ensuring POSCO's products remain attractive while covering incremental costs. POSCO's sales policy is to set its selling price at a level that ensures [CONFIDETNAIL TEXT DELETED – pricing policy], even if this means its prices are perceived as too high sometimes, in comparison with more aggressively priced offers from competitors.

In summary, price inquiry and negotiation are conducted based on short-term monthly contracts, with pricing determined by local market conditions, competitor prices, and each company's pricing policy at the time of contracting. Cost and profit always underly POSCO's pricing policies.

8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the Australian market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how the cost to make and sell are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.

POSCO does not offer any price reductions (e.g. commissions, discounts, rebates, allowances or credit notes) in the Australian market.

9. Do you offer bundled pricing in the Australian market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.

POSCO does not have any bundled pricing.

10. Does the volume of sales to a customer or the size of an order influence the selling price? If yes, advise how volume is used to determine selling prices. Explain how the costs to make and sell are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.

[CONFIDETNAIL TEXT DELETED – pricing policy]. The size of the sales volume can be taken into account during negotiations under general business circumstances. [CONFIDETNAIL TEXT DELETED – pricing policy]

11. Does your organisation/business entity use sales contracts in the Australian market? If yes:
- (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
 - (b) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?

PUBLIC RECORD

- (c) How frequently are sales contracts renegotiated?
- (d) How frequently are price reviews conducted between contracts?
- (e) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
- (f) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
- (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue.

As explained above at Section B above, and as shown in the supporting sales documents, all POSCO's Australian sales are made to Korean trading companies, on an order by order basis, and without any exclusivity. Contracts are entered for each order with agreed shipping schedule. Sales contracts are entered for each order, and POSCO understands that these are not the kind of longer term based "contracted sale" or "sales contracts" referred to in this question.

12. Provide copies of any price lists for the goods used in the Australian market during the investigation period. If you do not use price lists, describe the transparency of your prices in the Australian market.

As explained in response to several questions regarding pricing mechanism above, POSCO did not use price list for its export of the goods to the Australian market during the investigation period.

13. How do you differentiate pricing for different products/models of the goods in the Australian market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost to make or selling cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.

POSCO differentiates pricing based on [CONFIDETNAIL TEXT DELETED – pricing policy]. As reiterated, products are generally grouped into categories according to their specification and end use.

14. Do you tier or segment your Australian customers for the goods in terms of pricing? If yes, provide:
- (a) a general description of how this is done
 - (b) list the factors that influence pricing differentiation in different tiers or segments and
 - (c) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

[CONFIDETNAIL TEXT DELETED – pricing policy].

Provide copies of internal documents which support your claims in response to this question.

15. Do you sell the goods to related entities in Australia? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are to related party entities. If available, provide copies of any internal documents relevant to establishing pricing to related parties.

POSCO did not sell the goods to related entities in Australia. POSCO did sell the goods to [CONFIDETNAIL TEXT DELETED - entity] as a related trader in Korea. Please refer to explanation and information provided in Section B for further details regarding POSCO's sales made via [CONFIDETNAIL TEXT DELETED - entity].

K-4 Marketing and sales support in the Australian market

1. How does your company market the goods in the Australian market? Include in your response the value proposition used (e.g., competitive price, superior quality, reliability, availability, etc.).

POSCO markets and sells its goods to the Australian market through traders located in Korea. POSCO's products are recognized for their superior quality, credibility and the company can offer a wide range of goods in terms of availability in the Australian market, provided other sales conditions are met.

2. Does your company conduct brand segmentation in the Australian market for the goods? If yes, describe the brand segmentation used and provide the proportion of sales revenue derived from each brand segment.

POSCO does not conduct brand segmentation in the Australian market for the goods. In this regard POSCO understands that the notability and value of the POSCO brand itself is not the focus of the question.

3. Provide examples of your Australian advertising of the goods over the past five years. If you have not used advertising in Australia, provide examples of any other promotion campaigns you have conducted over the investigation period.

POSCO did not carry out direct advertising activities for its goods in the Australian market. Instead, marketing for POSCO's products is carried out by traders based in Korea, who communicate with customers in Australia. Based on long-standing business relationships, it is common for customers to initiate inquiries specifically for POSCO products.

In addition, other promotional activities emphasize POSCO's ability to meet specific requirements such as thickness, width, specifications, order volume and delivery deadlines. The marketing efforts might also focus on highlighting the superior quality of POSCO's products to Australian customers, while also

PUBLIC RECORD

showcasing the wide range of products that POSCO can supply to the Australian market.

4. How many people are in your Australian sales team and where are they located? In general terms, how are they remunerated? If they are offered performance pay based on sales, describe the performance indicators used to establish the performance pay. Provide copies of internal documents which support your claims in response to this question.

During the period of investigation, [CONFIDETNAIL TEXT DELETED] members of POSCO's sales department in Korea were involved in the export sales of goods to the Australian market. It should be noted that the sales department staff did not engage in direct marketing activities to Australian customers. Instead, marketing activities with respect to Australian customers were carried out primarily by traders, as explained in the response to question K-4.3 above. During the said period, [CONFIDETNAIL TEXT DELETED] traders were involved in the export sales of POSCO's goods to the Australian market. These [CONFIDETNAIL TEXT DELETED] traders are listed in Exhibit B-2 of the Section B response.

5. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.

As explained above, POSCO's pricing decisions and parameters are based on market condition, customer requirement, its position as a reputable premium supplier for a small and stable part of the "supplement" imports market and the need to ensure reasonable level of profit. On the other hand, POSCO's ability to achieve its desired prices and to secure sales are necessarily affected by price leadership of volume sellers such as BlueScope.

EXPORTER'S DECLARATION

I hereby declare that POSCO

have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this questionnaire is complete and correct to the best of my knowledge and belief.

APPENDIX

GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times*

(it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences; packaging; taxes; level of trade; advertising; after sales services; inland freight; warehousing; export charges; credit terms; duty drawback; commissions.*

Adjustments may also be required where the normal value is based on costs to make and sell.

Arms length

Sales are not considered to be at "arms length" on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

PUBLIC RECORD

The commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information. Note that any date of sale claim, other than the invoice date, that is made after submitting a response to this questionnaire may not provide the commission with sufficient time to assess the claim and may not be considered.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)

PUBLIC RECORD

FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance)
	the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CPT	carriage paid to
CIP	carriage and insurance paid to
	the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customer's disposal)
DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

The period

A period defined by the commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods or that, although not alike in all respects have characteristics closely resembling those of the goods. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use

PUBLIC RECORD

sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods
- . sale of goods of the same general category by the exporter or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.