

FORM OF THE NOTICE TO BONDHOLDERS

POSCO

EUR1,065,900,000  
Zero Coupon Green Convertible Bonds due 2026  
Convertible into Common Shares of  
POSCO (the “Bonds”)

NOTICE TO BONDHOLDERS

February 22, 2022

Reference is made to the Trust Deed dated September 1, 2021 (the “Trust Deed”) by and among POSCO (the “Company”) and The Hongkong and Shanghai Banking Corporation Limited (the “Trustee”), pursuant to which the Bonds were issued. Capitalized terms used herein without definition have the meanings given to them in the Trust Deed.

The Company hereby notifies the Bondholders of the following:

- a) On January 28, 2022, it was resolved at the extraordinary general meeting of stockholders that on March 1, 2022, the Company will spin off (through a vertical spin-off in accordance with Articles 530-2 through 530-12 of the Korean Commercial Code) its domestic steel production and sales business to establish a wholly-owned subsidiary (the “**New Company**”), and the Company will convert into a holding company within the meaning of the Monopoly Regulation and Fair Trade Act (the “**Spin-off**”). The registration of the Spin-off is expected to occur on March 2, 2022. As part of the Spin-off, the Company is expected to change its name from POSCO to POSCO Holdings Inc., and the New Company is expected to be named POSCO.
- b) The listing of the Bonds will remain on the Singapore Exchange Securities Trading Limited.
- c) The listing of the common shares of POSCO Holdings Inc. will remain on the KRX KOSPI Market of the Korea Exchange.
- d) The Spin-off will not impact the Terms and Conditions of the Bonds, including with respect to change of control and conversion rights provisions, or cause the Company to be in breach of any of its obligations under the Trust Deed or the Bonds. After the Spin-off, the Bonds will remain obligations of the Company (under its new name).

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