
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM SD

Specialized Disclosure Report

POSCO

(Exact name of registrant as specified in its charter)

The Republic of Korea
(State or other jurisdiction
of incorporation)

1-13368
(Commission
File Number)

Not Applicable
(I.R.S. Employer
Identification No.)

**POSCO Center, 440 Teheran-ro,
Gangnam-gu
Seoul, Republic of Korea**
(Address of principal executive offices)

06194
(Zip Code)

Sohn, Kyle
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(Name and telephone number, including area code, of the person to contact in connection with this report.)

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in this form applies:

Rule 13p-1 under the Securities and Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2020.

Section 1 – Conflict Minerals Disclosure

Item 1.01: Conflict Minerals Disclosure and Report

Rule 13p-1 under the Securities Exchange Act of 1934, as amended, generally provides that a company must file this specialized disclosure report if it manufactures or contracts to manufacture products for which one or more of the following minerals are necessary to the functionality or production of the company's products: cassiterite; columbite-tantalite (coltan); and wolframite; their derivatives tantalum, tin and tungsten; and gold (collectively, "3TGs"). These are considered "conflict minerals" under Rule 13p-1 regardless of their geographic origin and whether or not they fund armed conflict in the Democratic Republic of the Congo or its neighboring countries (the "Covered Countries").

All references to "we," "us" or "our" shall mean POSCO and, unless the context otherwise require, its consolidated subsidiaries.

Company and Product Overview

POSCO was established by the Korean government on April 1, 1968, under the Commercial Code, to manufacture and distribute steel products in the domestic and overseas markets. We are a fully integrated steel producer incorporated in Korea, and one of the largest steel producers in the world, based on annual crude steel production. We produced approximately 40.6 million tons of crude steel and stainless steel in 2020. We manufacture and sell a diversified line of steel products, including cold rolled and hot rolled products, stainless steel products, plates, wire rods and silicon steel sheets in the global market, and we strive to meet a broad range of customer needs from manufacturing industries that consume steel, including automotive, shipbuilding, home appliance, engineering and machinery industries. Information regarding our products is also publicly available on our website at <http://product.posco.com/homepage/product/eng/jsp/s91m0000001i.jsp>.

Iron ore and coal are the principal raw materials used in the steel industry, and 3TGs are generally used as supplementary materials in manufacturing steel products. We determined that certain of our products (collectively, the "Covered Products") contain some 3TGs that are necessary to the functionality or production of those products. Our tin plates contain tin to prevent oxidation and corrosion and certain of our stainless steel sheets contain tungsten to adjust tensile strength. We do not directly purchase 3TGs other than approximately 1,000 tons of tin per year and approximately 240 tons of tungsten per year from smelters certified by the Responsible Minerals Assurance Process, which is a program operated by the Responsible Minerals Initiative ("RMI"), a global non-governmental organization ("NGO") in the area of responsible minerals sourcing.

Results of Reasonable Country of Origin Inquiry

As specified under Rule 13p-1, we conducted in good faith a reasonable country of origin inquiry ("RCOI") that we believe was reasonably designed to determine whether any of the necessary 3TGs contained in our products manufactured in 2020 originated in the Covered Countries or were from recycled or scrap sources. In conducting the RCOI, we required our direct suppliers of materials for Covered Products to complete certifications concerning their manufacturing practices and the materials they supply to us. We also conducted a supply-chain survey with those suppliers using the Responsible Minerals Initiative's Conflict Minerals Reporting Template.

Based on our RCOI, we have no reason to believe that any of the 3TGs contained in the 2020 Covered Products originated in the Covered Countries or did not come from recycled or scrap sources. The information in this Form SD is also publicly available on our website at <https://www.posco.co.kr/homepage/docs/eng6/jsp/irinfo/irdata/s91b60000431.jsp>.

Our Internal Management System and Commitment

Conflict-Free Mineral Sourcing Policy

In accordance with our management philosophy, “Corporate Citizenship: Building a Better Future Together,” we pursue the values of consideration, coexistence and symbiosis. Based on such management philosophy, we established our conflict-free mineral sourcing policy. We support responsible in-region mineral sourcing from the Covered Countries and endeavor to operate our mineral sourcing process to ensure that we do not procure 3TGs originating from the Covered Countries that directly or indirectly finance or benefit armed groups or conflict in the region. We believe that our efforts will not undermine the local economies of the Covered Countries, and will encourage and promote other businesses to procure minerals more responsibly. Our policy on responsible mineral sourcing is available on our website at <https://www.posco.co.kr/homepage/docs/eng6/jsp/irinfo/irdata/s91b60000411.jsp> and also on our corporate citizenship report at <https://www.posco.co.kr/homepage/docs/eng6/jsp/irinfo/irdata/s91b60000301.jsp>.

Internal Management System — Supply Chain Risk Identification and Assessment

We also established internal management systems and identified and assessed risks in our supply chain in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Information regarding our internal management system and the results of our assessment and analysis is publicly available on our website at http://www.posco.co.kr/homepage/docs/eng6/jsp/irinfo/irdata/responsible_minerals.jsp.

Our Commitment and Efforts

To strengthen our conflict-free sourcing process, we plan to continue to source all 3TGs in our supply chain from smelters and refiners that are participating in the Responsible Minerals Assurance Process. In line with our commitment, we joined RMI in April 2020 and plan to be an active participant in the NGO. We also plan to establish a consultative body among the affiliates of the POSCO Group to combine efforts in improving responsible mineral sourcing.

For further information on our internal management system and commitments, a summary of our Conflict Minerals Report is provided as Exhibit 1.01 hereto.

Item 1.02: Exhibits

Not applicable.

Section 2 – Exhibits

Item 2.01: Exhibits

Not applicable.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

POSCO
(Registrant)

By: /s/ Chung, Kyung-Jin

Date: May 28, 2021

Name: Chung, Kyung-Jin

Title: Head of Finance Office

Conflict Minerals Report of POSCO

- Responsible Minerals Policy

POSCO is committed to actively participating in international efforts to purchase minerals responsibly and fulfill its social responsibility to protect human right such as child labor, funding the conflict groups and environment in Conflict Affected and High Risk Area (“CAHRA”).

To ensure the management of responsible minerals, POSCO has established the systematic policy and operated the standard operating procedures in accordance with the Due Diligence Guidance suggested by the OECD in 2020.

In addition, POSCO has joined the Responsible Minerals Initiative (“RMI”) to focus on ethically responsible minerals procurement and strengthen supply chain management.

Regarding these procedures, POSCO is providing education for executives, employees and the suppliers to raise awareness of responsible minerals policy and assist them.

POSCO uses the Conflicting Minerals Reporting Template (“CMRT”) form provided by the RMI Association and conduct the Supplier Questionnaire Survey to identify red flag and mitigate the risk by operating response mechanism in supply chain for tin, tungsten, tantalum, gold and cobalt.

POSCO also operates a grievance procedure to hear various opinions from stakeholders.

When signing a contract or registering a new supplier, we encourage a supplier to conduct due diligence by third-party organizations under the Responsible Minerals Assessment Program (“RMAP”) for smelters in the supply chain. To establish strong internal management system for POSCO itself, POSCO selected the Key Performance Indicator (“KPI”) for each department to check performance and improvement progress. As a result of such efforts, POSCO does not purchase conflict minerals from CAHRA. POSCO purchases cobalt only from certified smelters by RMI.

Also, in order to expand our responsible minerals sourcing policy to every level of supply chain, we require all suppliers to follow our responsible minerals policy and to perform the following tasks as the supplier code of conduct.

[Supplier Code of Conduct]

Supplier should establish responsible minerals management policy and report on improvements to ensure that raw materials delivered to POSCO do not include minerals from the uncertified smelters or Artisanal Small Scale (“ASM”) mining in CAHRA.

Supplier has to identify and collect the mining/smelter information, origin, location and comply with our responsible minerals policy when signing a contract with POSCO.

Supplier should prepare and submit a report on the use of responsible minerals at POSCO's request in a timely manner, and participate in disseminating the responsible minerals policy to the top suppliers so that all of our supply chains can take the lead in resolving social issues.

POSCO restricts transactions with suppliers who have been engaged in socially condemnable behaviors or do not take appropriate action for responsible minerals. For those suppliers, stringent disciplinary measures are taken including bidding restrictions and banning from doing business with POSCO. POSCO also undertakes the process of evaluation to all the suppliers in supplier relationship management system.

[Conflict(Responsible) Minerals related to POSCO]

On a consolidated basis, POSCO purchases tin (1,000 tons per year), tungsten (240 tons per year) and cobalt (15,000 tons per year) to prevent corrosion and to adjust ingredients for Electrical Galvanized Steel, Stainless steel product, and EV batteries.

[Conflict Affected and High Risk Area]

POSCO has made CAHRA designation methodology in refer to OECD and European Conflict Minerals regulation. Conflict Affected and High Risk Area are identified by the presence of armed conflict, widespread violence or other risks of harm to people (Child Labor, Human Right Violation).

- Africa : 111 regions in 14 countries including DR Congo, Central Africa and Burkina Faso
 - Asia : 11 regions in 4 countries including India and Pakistan
 - Middle East : 77 regions in 3 countries including Afghanistan and Libya
 - South America : 11 regions in 3 countries including Colombia and Mexico
 - Other : 1 region in Ukraine
- The Process of Responsible Minerals (5 Steps)
 - Step 1. Establishment of Responsible Minerals Policy

[KPI Operation]

In 2021, the key indicators related to responsible minerals have been set as KPIs for executives, group leaders and departments of the Purchasing and Investment Division.

(Internal/External KPI : RMAP certification rate of responsible minerals, employee education session of responsible minerals, 25 improvement tasks completed)

[Employee Education Session]

In order to raise awareness of related employees, POSCO has trained its employees by e-learning on ESG supply chain management in 2020. In addition, the buyer visits suppliers in-site regularly to provide direct training on the company's responsible mineral issues, international trends and policy implementation directions.

[Organization of Responsible Minerals]

The POSCO's responsible minerals management system is managed by the Purchasing and Investment Division under the Company's Steel Business Unit and the "Group Responsible Mineral TF" is operated with ESG Management Group, Legal Affairs office, Investment Planning Group and subsidiary company such as POSCO International Corporation and POSCO Chemical Co., Ltd.

[Reinforcement of new supplier registration standards]

We have strengthened the registration standards for new suppliers. When registering as a supplier, supplier has to submit a signature that complies with our responsible minerals policy so that suppliers can participate in responsible minerals in CAHRA and add a clause that requires third-party inspections and RMAP certified smelters.

- Step 2. Supply Chain Information Collection/Evaluation

[Information on Supply Chain]

We collect information by conducting the Questionnaire Survey Template for suppliers and smelters. Additionally, we use CMRT and CRT, which are provided by the RMI (origin, mine/smelter location, logistics flow, risk presence in Supply Chain, supplier's responsible mineral policy, etc.) to verify compliance with self-collected information. After conducting a survey of tier 1 suppliers, tier 1 suppliers require additional delivery to tier 2 suppliers and tier 2 suppliers continue to expand survey to smelters and mines at the previous stage to collect information.

Some of tier 2 suppliers have low rates of survey response, but POSCO tries to increase their response rates through training activities and conducting due diligence.

[The Grievance Mechanism]

The grievance process has been newly established to hear the opinions of suppliers at all times. We have established a procedure to receive and officially resolve the contents of grievances directly to all stakeholders in the supply chain.

[Risk Assessment]

Based on our CAHRA criteria, we are using the collected information to determine whether the minerals origin or transportation route is associated with CAHRA. We evaluate various factors such as supplier Survey response rate, intentional unverified information given and lack of awareness of responsible minerals and determine level of supplier status.

- Step 3-4. Risk Identification and Mitigation / Due Diligence

[Risk Mechanism]

Based on the identified risk level of red flag, we are implementing response mechanisms such as strengthening training, direct visit in-site and conducting due diligence. We are continuously updating and utilizing the checklist for due diligence.

If repeated problems are occurred and improvements are not made by high-risk suppliers, POSCO implements the due diligence of independent third-party institutions. POSCO may stop business with supplier intentionally providing untrue information or having no improvement effort.

- Step 5. Transparent Report (Communication)

POSCO has published 'Responsible Minerals Special Report' to strengthen communication with stakeholder from 2020. In addition, POSCO discloses various ESG activities through The 'Corporate Citizenship Report' and Website. POSCO will publish various reports in accordance with the principle of transparent disclosure and the standards endorsed by the international community.

<https://www.posco.co.kr/homepage/docs/eng6/jsp/irinfo/irdata/s91b60000301.jsp>

* We also provide cobalt-related information with the web address below :

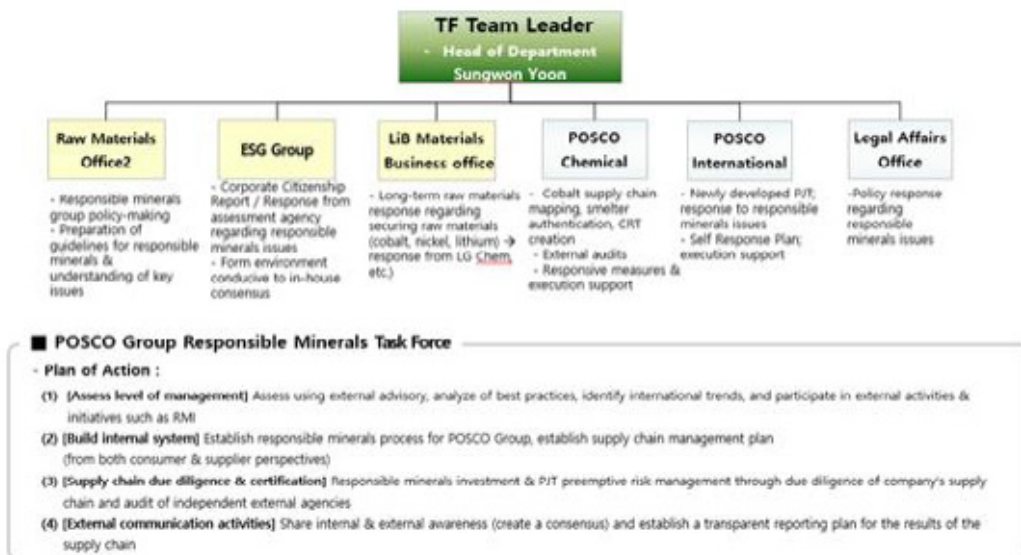
<https://www.posco.co.kr/homepage/docs/eng6/jsp/irinfo/irdata/s91b60000421.jsp>

Annex 1. Education Sessions : Number of Participants (Separate Basis)

	2019	2020	2021(F)
POSCO	18	2,000	4,000

(persons)

Annex 2. Responsible Minerals Task Force



Annex 3. Smelters of Conflict Minerals (Separate Basis)

	2019	2020	2021 (F)
Tin	12	2	2
Tungsten	1	3	3
Total	13	5	5

Annex 4. Certified Smelters of Conflict Minerals (Separate Basis)

	2019	2020	2021 (F)
Certified	13	5	5
Uncertified	—	—	—

Annex 5. The List of Certified Smelters (Separate Basis)

No	Metal	ID	Smelter Name	Country
1	Tin	CID001477	PT Timah Tbk Kundur	Indonesia Kundur
2	Tin	CID001482	PT Timah Tbk Mentok	Indonesia Mentok
3	Tungsten	CID002843	Woltech Korea	Korean Ulsan
4				China
	Tungsten	CID002315	Ganzhou Jiangwu Ferrotungsten Co., Ltd	Ganzhou
5				Russia
	Tungsten	CID002724	Unecha Refractory Mentals Plant	Unecha