



Geneva and Brussels, 28 February 2023

IndustriALL rejoinder to POSCO Assan's reply to BHRRC of July 2022

POSCO Assan's reply does not reflect reality and misleads the public and investors regarding human rights violations at its Kocaeli plant

[IndustriALL Global Union](#) and [industriAll European Trade Union](#), both representing workers in mining, energy, and manufacturing industries throughout the world, wish to contest POSCO Assan's reply to BHRRC dated July 2022, which does not reflect reality and misleads the public and investors regarding human rights violations at its Kocaeli plant

In December 2017, workers at POSCO Assan Steel plant joined Birleşik Metal İş union. During the unionisation process, the company dismissed 80 workers for joining the union. When union members protested these dismissals in front of the factory gates, police attacked demonstrators with violence and arrested union members and leaders. POSCO has subsequently denied allegations of anti-union behaviour.

In their most recent reply to BHRRC in June 2022, POSCO Assan says that:

“As a result of the lawsuits filed by the workers who were dismissed due to indiscipline, a decision was made to reemploy the workers and to pay compensation to the workers if they were not hired. As there is an elective right of employer according to law; Posco Assan TST chose to pay all of the compensations included in the court decision when the court decisions became final.”

This is not true, as it can easily be shown by the court decisions, initially at the court of first instance, which were challenged and upheld by the Regional Court of Appeals and later by the highest court, the Supreme Court. 31 different final court decisions can be found [here](#).

In these decisions, the court clearly states that POSCO dismissed the workers due to their union activity and obliges POSCO to pay 12 months extra salary in addition to their severance pay, which is not mentioned in POSCO's reply regarding these dismissal cases. The judges' wording is very clear on this: they outline that article 25 of the Law on Trade Unions and Collective Bargaining No. 6356 regarding freedom of association has been violated and as a penalty for this violation of union rights, the company must pay an additional 12 months' salary without any conditions.

Along with serious violations of individual workers' rights, the company management also violates the collective rights of workers, particularly freedom of association and the right to collective bargaining, by denying that Birleşik Metal İş is legally the representative union, despite clear rulings by the court.

The local court ruled in favour of Birleşik Metal-İş, and the Court of Appeal confirmed the ruling. As a final step, the company took the matter to the Court of Cassation. The final

court, the Court of Cassation, decided that Birleşik Metal İş is the representative union in the workplace. The Court of Cassation decision can be found [here](#).

Another piece of misinformation in POSCO Assan's reply concerns the union authorization certificate issued by the Ministry of Labour, and related court cases. POSCO claims that since they have initiated a petition for a Correction of Decision, the legal process is pending. This statement does not reflect the truth: the decision of the Court of Cassation is final and there is no appeal process. Correction of Decision is not an appeal, it is a mechanism to be used to correct material mistakes in the decision and it does not stop or delay the decision of the court.

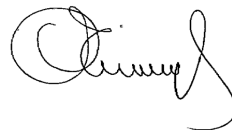
Unfortunately, POSCO's human rights violations, both individual and collective, in Turkey have been documented by various courts, and POSCO's response to BHRRC contains misleading information and is far from reflecting the truth.

The POSCO Holdings Inc. board of directors' [ESG Committee](#) is responsible for managing and supervising "matters regarding [ESG policies](#) and their implementation". The Human Rights Management Guidelines state that "POSCO observes and supports international human rights standards, such as the Universal Declaration of Human Rights (UDHR), UN Guiding Principles on Business and Human Rights, UN Global Compact and the OECD Guidelines for Multinational Enterprises". Moreover, POSCO's Human Rights Due Diligence process states that "Even with the best policies and procedures, when unforeseen adverse impact is generated, efforts should be made, either alone or in collaboration with other entities, to correct the adverse impact".

IndustriALL Global and industriAll European Trade Unions call on the board of directors to effectively implement the Human Rights Management Guidelines, to recognize Birleşik Metal İş as the collective bargaining agent and engage in good faith negotiations as required by the court ruling and as enshrined in core labour standards.



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