

Mr. Laurence D. Fink,
Chairman & Chief Executive Officer,
BlackRock
Park Avenue Plaza
55 East 52nd Street
New York, NY 10055

20 March, 2013

Dear Mr. Laurence D. Fink,

We are an alliance of civil society groups monitoring the human rights and environmental impacts of the POSCO-India project. On the eve of the Annual General Meeting of Pohang Steel Company Limited ('POSCO'), we write to urge you to use your influence as a high-profile and respected shareholder in POSCO to:

- Strongly urge POSCO management to:
 1. Refrain from any involvement in the interference of the human rights of local people impacted by their proposed steel plant and port operation of POSCO (India) Private Ltd. ('POSCO-India), in the east Indian state of Odisha;
 2. Uphold the provisions of the *Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights Act) 2006* (Forest Rights Act), and thereby also the will of the local people as expressed in the Gram Sabhas (local unit of self governance) of March 23, 2008, February 7, 2010, and October 18, 2012 – all of which denied consent for the taking of their land for use in the project;
 3. Refrain from any land acquisition and construction activities in the project area, thereby upholding the suspension on March 30, 2012 by the National Green Tribunal of the 2011 environmental clearance for the project (and subsequent withdrawal by the Ministry of Environment and Forests);
 4. Refrain from participating in, and publicly recommend that State authorities permanently halt, all attempts to forcibly enter into the project area for any reason;
 5. Refrain from using force and violence against the villagers and those protesting against the project;
 6. Respect international human rights law, standards and norms, and stand by POSCO's recently stated intent (in a letter to the UN Secretary General) to uphold human rights (see Briefing Note);
 7. Have senior management staff meet with two Indian representatives of the locally affected people during a trip they are making to Seoul, between March 20-22, 2013.
- Publicly urge the Indian Government to:
 1. Refrain from forced entry into the project area and the undertaking of any activities aimed at forcibly evicting local residents of Jagatsingphur District, including the destruction of their means of livelihood (i.e. betel vines);
 2. Uphold the provisions of the Forest Rights Act 2006, and thereby also the will of the local people, as expressed in the three aforementioned Gram Sabhas;
 3. Stop using, and/or the threat of using, arrest warrants to harass and detain local people on false criminal charges.
- Send senior representatives of your company, together with representatives of other shareholders and independent human rights experts, to conduct an independent human

rights and legal monitoring mission in the affected area, meeting and consulting directly with affected villagers.

Should POSCO-India reject these recommendations, we respectfully urge your company to withdraw from all investment in POSCO.

Please find attached a Briefing Note on the case, detailing further information of the human rights and other concerns mentioned above.

Background

The POSCO-India project in Odisha was originally designed, in a Memorandum of Understanding (MoU) between the POSCO Corporation and the Government of Odisha, as a 12 million tonne per year steel plant, with a captive port and iron ore mine. Four thousand acres of land have been earmarked for the project. Appropriation of this land would involve the eviction of an estimated 22,000 people and indirectly disrupt and affect the lives and livelihoods of a further 30,000 people, just in Jagatsingphur District alone.

Our alliance of civil society groups, that is monitoring the human rights and environmental impacts of the POSCO-India project, is deeply concerned about the serious human rights violations that people affected by the project and those resisting the project in Jagasingphur District are facing. We are also gravely concerned about the prospect that POSCO-India's planned forcible eviction of residents would severely further undermine the human rights of local people. Similarly we're also distressed by the degradation in human rights, including the rights to food, health, livelihood/work, participation and security of the person and home, experienced by people living in POSCO-India's transit camp for the past five years.

Reputational risks for Blackrock

Blackrock is a signatory to the UN Principles for Responsible Investment (PRI). These require that Blackrock "incorporate environmental, social, and corporate governance issues into investment analysis and decision making processes". Blackrock has stated that "the impact of the integration of financial and non-financial factors into analysis of security valuation comes through enhanced appreciation of a wider variety of risks". The project in India has significant risks, given on-going wide exposure it continues to receive in India and abroad. The increasing domestic and international public pressure campaign in India, South Korea and the USA exposes Blackrock's exceptional reputation to growing risks, given the affiliation your company has with the deaths and other on-going severe human rights abuses being perpetrated in the name of this private investment project, and those invested in it.

We acknowledge that Blackrock has committed itself by its Code of Business Conduct and Ethics "to avoid even the appearance of improper behavior." Black has also committed to a socially responsible investment principle to "encourage the companies in which we invest to adopt and pursue responsible business practices, and to disclose them in an appropriate way. This includes adherence to internationally accepted standards of corporate behaviour beyond complying with local legal requirements".

We urge you to reflect on these important remarks and, in good conscious, do what is within your power to respect the rights of the local people impacted by POSCO-India's project.

If you would be interested to discuss this letter further, or any other information related to the case, please contact Dominic Renfrey, of the International Network on Economic, Social and Cultural

Rights (ESCR-Net), at drenfrey@escr-net.org. Given the dire situation on the ground, and the increasing pressure to evict the local people inside the project site, we eagerly await your timely response.

Sincerely, the undersigned:

Advocates for Public Interest Law	[Seoul, South Korea]
Both ENDS	[Amsterdam, the Netherlands]
Corporate For All	[Seoul, South Korea]
Corporate Accountability Working Group (CAWG) of the International Network on Economic, Social & Cultural Rights	[New York, USA]
Earthrights International	[Washington DC, USA / Chiang Mai, Thailand]
GongGam, Human Rights Law Foundation	[Seoul, South Korea]
Housing and Land Rights Network	[New Delhi, India]
Korean House of International Solidarity	[Seoul, South Korea]
Korean Lawyers for Public Interest and Human Rights	[Seoul, South Korea]
Mining Zone Peoples' Solidarity Group	[New York, USA]
National Association of Professors for Democratic Society	[Seoul, South Korea]
The Norwegian Forum for Environment and Development	[Oslo, Norway]
Posco Pratirodh Solidarity Delhi	[New Delhi, India]
SOMO	[Amsterdam, the Netherlands]
Terra de Direitos	[Curitiba, Brazil]
Video Volunteers	[Goa, India]
WITNESS	[New York, USA]

Encl: 'Briefing Note: Impacts of POSCO-India's Project on the Lives of Local People in Jagatsingphur, Odish, India'

CC: Alex Popplewell, Global Co-Head of Socially Responsible Investment