

Safety & Health Policy

Effective Date	Last Revised	Rev No.
2023.02.07	2024.07.05	2

1. Purpose

- 1.1. The Safety & Health policy is established to implement Hyosung Heavy Industries' (hereinafter referred to as the "Company") management philosophy, which prioritizes life and safety. It ensures compliance with both domestic and international regulations, standards, and management systems.
- 1.2. The purpose of this Safety & Health policy is to create a safe working environment for employees and to promote the health and well-being of stakeholders, including suppliers and customers.

2. Scope of Application

- 2.1 This Policy applies to all employees within the Company's financial consolidation scope, which includes the Company's headquarters, domestic and overseas production and sales corporations and branches, and subsidiaries
- 2.2 Even when interacting with business partners, agencies, and outsourcing partners (hereinafter referred to as the "Partners"), employees shall encourage compliance with this Policy.
- 2.3 However, if the recommended actions in this Policy conflict with the laws of the relevant country, the laws of the country in question shall take precedence.

3. General Principles

3.1 EHS Management System Operation

The Company shall secure global-leading safety and health capabilities through compliance with the EHS Management System (ISO 45001) and regular EHS risk assessments. Management performance shall be periodically evaluated to continuously improve the EHS Management System.

3.2 Enhanced Safety and Health Responsibility Management

Quarterly Safety and Health Management Committee meetings shall be held to review and make decisions on major safety and health performance and plans. All employees, including management, shall practice responsible safety and health management to create a safe working environment.

3.3 Enhancement of Safety and Health Capabilities

Ongoing safety and health training and skill development shall be conducted, with a focus on improving safety and health capabilities for employees as well as for suppliers and workers.

3.4 Employee Health Promotion

The Company shall provide a hygienic working environment for employees and operate psychological counseling programs to support employees in managing work-related stress and issues

3.5 Safety Enhancement Throughout the Entire Product Lifecycle

Safety shall be the top priority throughout the manufacturing, distribution, and use of products and services. Customer safety-related requests shall be addressed promptly, and continuous improvement activities shall be conducted to meet these requirements.

4. Management System

4.1 For the effective implementation of this policy, the Company shall establish and operate a Safety and Health Management Department (hereinafter referred to as the “Responsible Department”).

4.2 The Responsible Department shall report major safety and health performance and plans to the Safety and Health Management Committee. Significant issues identified through the assessment of these results shall be reported to the ESG Management Promotion Committee, the highest decision-making body, for final review and decision-making.

Responsible Department	Interim Reporting	Decision-Making Body
Safety & Health Team	Safety and Health Management Committee	ESG Management Promotion Committee

5. Implementation Plans and Goals

5.1 The Company aims to achieve zero major accidents and severe injuries annually.

- ① The Power & Industrial Systems division shall use the Lost Time Injury Rate (LTIR) as a management indicator, with targets of 1.0 by 2026, 0.5 by 2028, and 0.3 by 2030.
- ② The Construction division shall use the fatality rate (fatalities per 10,000 workers) as a management indicator, aiming to achieve a fatality rate of zero starting from 2026.

5.2 The Company aims to ensure customer health and safety through the safe release of products and to achieve zero customer safety-related incidents annually.

5.3 Management and safety and health committees shall establish a safety and health management system and actively participate in decision-making.

5.4 Executives and department heads shall conduct training to enhance employees' safety and health capabilities.

5.5 Frontline employees shall institutionalize risk assessments and improvement activities to prevent major accidents.