

Safety and Health Management Regulation

1. Overview

1.1 Purpose

The purpose of this Safety and Health Management Regulation (hereinafter “this Regulation”) is for SK Square Co., Ltd. (hereinafter “the Company”) to acknowledge protecting the lives and safety of customers, citizens, members and workers as a top priority value and a fundamental principle of action, to prevent serious accidents and to protect the lives and bodies of customers, members and workers by building and operating a safety and health management system and conducting continuous accident prevention activities, in accordance with the Serious Accidents Punishment Act.

1.2 Scope of Application

For safety and health matters, this Regulation shall take precedence, but if not covered herein, the Company’s rules and guidelines on safety and health shall apply. If there are mandatory clauses in safety and health-related laws, they shall be followed.

1.3 Definitions

Terms used in this Regulation are as defined in the following subparagraphs and other parts of this Regulation, and terms not defined herein shall be as defined in the relevant laws (Serious Accidents Punishment Act, Occupational Safety and Health Act, etc.).

- 1) Safety and health-related laws: Laws applicable to the Company’s business or business site and related to securing the safety and health of workers
- 2) Safety and health organization: An organization that oversees and manages safety and health-related duties
- 3) Chief Serious-accident Prevention Officer (CSPO): A person who is the chief safety and health officer for the prevention of serious accidents and has the authority and responsibility to oversee safety and health-related tasks on behalf of the Company’s CEO

2. Measures on Building and Implementation of Safety and Health Management System

2.1 Safety and Health Goals and Management Policies

- 1) The Company shall acknowledge protecting the lives and safety of customers, citizens, members and workers as a top priority value and a fundamental principle of action. It should take the following actions to build and operate a safety and health management system and conduct continuous accident prevention activities.
 - (1) The Company's management shall continuously express its commitment to safety and health management and take the lead in its practice.
 - (2) The Company shall set management standards by reflecting the requirements of safety and health-related laws in its safety and health management system and strictly comply with them.

- (3) The Company shall identify hazards or risk factors in all processes and work activities related to its business. It shall find the root cause, improve them continuously, and ensure that necessary resources are provided in a timely manner.
 - (4) In order to ensure the safety and health of members and workers and enhance the effectiveness of accident prevention, the Company shall guarantee participation and consultation by its members and workers.
 - (5) While considering the level of members and workers, the Company shall enhance safety awareness through continuous training and education.
- 2) Based on this safety and health management policy, the Company shall ensure the safety and health of customers, citizens, members and workers. In addition, the Company shall achieve the goal of “Zero serious accidents” through active participation and practice.

2.2 CSPO and the Safety and Health Organization

- 1) The Company may designate a CSPO to prevent serious accidents. It will grant the CSPO the authority and responsibility to represent, oversee and manage the business in relation to safety and health.
- 2) The Company may have, under the CSPO, an organization dedicated to safety and health (hereinafter “safety and health organization”). However, if safety and health-related laws require it, the Company must have a safety and health organization.
- 3) The Company's safety and health organization shall be structured to comply with the standards set by safety and health-related laws. In this regard, if there is a separate guideline on safety and health organization, details shall be governed by the guideline.

2.3 Identification and Improvement of Hazards

- 1) The CSPO shall prepare work procedures to identify and improve hazards or risk factors according to the characteristics of the business or business site. At least once a half year, the officer shall take necessary measures after verifying whether hazards and risk factors have been identified and improved as stated in work procedures. However, if the CSPO prepare a risk assessment procedure in compliance with the Occupational Safety and Health Act, and directly conducts risk assessments as stated in the procedure or receives reports on the implementation results, the CSPO shall be deemed to have verified for identification and improvement of hazards or risk factors in accordance with the aforementioned work procedure.
- 2) Details shall be governed by separate risk assessment and management guidelines.

2.4 Safety and Health Budgeting and Execution

- 1) The CSPO shall prepare a budget necessary to implement the following matters and execute the budget according to its intended use.
 - (1) Provision of safety and health personnel, facilities and equipment necessary for accident prevention
 - (2) Improvement of hazards or risk factors as defined in Section 2.3 “Identification and Improvement of Hazards”
 - (3) Other matters necessary for the establishment of a safety and health management system

and required by relevant laws

- 2) Details shall be governed by separate safety and health budget management guidelines.

2.5 Designation and Evaluation of Safety and Health Personnel

- 1) When the supervisors, etc. (hereafter “safety and health personnel” in this Article) are appointed under the Occupational Safety and Health Act, the CSPO shall take the following measures so that the safety and health personnel can faithfully perform the duties stipulated in safety and health-related laws including the Occupational Safety and Health Act.
 - (1) Grant safety and health personnel the authority and budget necessary to perform their duties
 - (2) Prepare the criteria for evaluating whether safety and health personnel faithfully perform their duties, and evaluate and manage it at least once a half year according to the criteria
- 2) Specifics of safety and health personnel evaluation shall be governed by separate safety and health personnel evaluation guidelines.
- 3) Separately from the above guidelines, the Company may conduct an evaluation of the CSPO as stated in its internal regulations if necessary in relation to safety and health.

2.6 Consultation and Participation by Workers

- 1) The CSPO shall prepare a procedure to hear workers’ opinions on matters related to safety and health of the business or business site, and if it is deemed necessary for accident prevention after receiving opinions according to the procedure, the CSPO shall verify, at least once a half year, whether improvement measures have been prepared and implemented, and then take necessary measures. However, in cases where the Occupational Safety and Health Committee under the Occupational Safety and Health Act and a consultation body on safety and health under the same Act discuss, deliberate, and decide on safety and health of a business or business site, it shall be deemed that relevant workers’ opinions have been heard.
- 2) Details shall be governed by the guidelines on the operation of procedures for hearing opinions on safety and health matters.

2.7 Accident Preparation and Response

- 1) The CSPO shall verify, at least once a half year, whether measures are taken in accordance with the serious accident response procedures prepared for the occurrence or imminent risk of serious occupational accidents.
- 2) Details shall be governed by separate guidelines on preparation and response to serious accidents.

2.8 Management of Contractors and Entrusted Companies

- 1) In the case of contracting or entrusting of work to a third party, the CSPO shall verify, at least once a half year, whether contracting and entrusting are made in accordance with the contracting and ordering procedures to secure the safety and health of workers and the standards on administration costs for the safety and health of workers.
- 2) Details shall be governed by separate guidelines on standards and procedures for subcontracting, etc.

3. Prevention of Recurrence in Case of Accident

3.1 Prevention of Recurrence in Case of Accident

- 1) In the event of an accident, the CSPO shall establish and implement measures to prevent recurrence (as stipulated in “Article 4, Paragraph 1, Subparagraph 2,” “Article 9, Paragraph 1, Subparagraph 2”, and “Article 9, Paragraph 2, Subparagraph 2” of the Serious Accidents Punishment Act).
- 2) If a separate guideline on accident investigation and recurrence prevention is enacted in relation to “3.1 1)” above, details shall be governed by the guideline.

4. Implementing Administrative Agencies’ Improvement and Correction Orders

4.1 Implementing Administrative Agencies’ Improvement and Correction Orders

- 1) The CSPO shall implement the improvement and correction orders of central administrative agencies and local governments issued under safety and health-related laws (“Article 4, Paragraph 1, Subparagraph 3”, “Article 9, Paragraph 1, Subparagraph 3”, and “Article 9, Paragraph 2, Subparagraph 3” of the Serious Accidents Punishment Act)
- 2) Details shall be governed by the measures of administrative agencies or the separate guidelines on implementation of improvement and correction orders of central administrative agencies (if enacted).

5. Legal Compliance

5.1 Verifying Legal Compliance

- 1) The CSPO shall verify, at least once a half year, the fulfillment of obligations under safety and health-related laws (including when it is entrusted to an institution designated by the head of a central administrative agency under relevant safety and health-related laws. Hereinafter, the same applies in Section 5.1 “Verifying Legal Compliance”), and if the CSPO does not directly verify it, the result shall be reported to CSPO without delay after verification is completed.
- 2) If the verifying or reporting under Subsection 5.1 1) shows non-fulfillment of obligations under safety and health-related laws, the CSPO shall take measures necessary for the fulfillment of the obligations such as manpower placement, additional budgeting and execution, etc.

5.2 Verifying Safety and Health Education

- 1) The CSPO shall verify, at least once a half year, whether safety and health education on hazards and dangerous work, mandatory under safety and health-related laws, has been implemented. If the CSPO does not directly verify it, the result shall be reported to CSPO without delay after verifying is completed.
- 2) If the verifying or reporting under Subsection 5.2 1) shows non-fulfillment of education under safety and health-related laws, the CSPO shall take measures necessary for the implementation of education (instruction for implementation, securing budget, etc.) without delay.
- 3) Details shall be governed by separate safety and health education/training guidelines.

6. Securing of Safety and Health Related to Public Facilities

6.1 Measures on Building and Implementation of Safety and Health Management System Related to Public Facilities

- 1) The CSPO shall assign appropriate personnel when it is necessary to implement the following:
 - (1) Execution of safety management in accordance with safety and health-related laws (Article 9, Paragraph 2, Subparagraph 4 of the Serious Accidents Punishment Act)
 - (2) Implementation of the safety plan established in accordance with Subsection 6.1 4)
 - (3) Other matters determined and publicly notified by the Minister of Land, Infrastructure and Transport regarding the safety of public facilities and their users or others
- 2) If it is necessary to take the following actions, the CSPO shall prepare a budget and execute it in line with the use thereof.
 - (1) Securing and maintaining human resources, facilities and equipment, safety inspection, etc. in accordance with safety and health-related laws (Article 9, Paragraph 2, Subparagraph 4 of the Serious Accidents Punishment Act)
 - (2) Implementation of the safety plan established in accordance with Subsection 6.1 4)
 - (3) Other matters determined and publicly notified by the Minister of Land, Infrastructure and Transport regarding the safety of public facilities and their users or others
- 3) In accordance with safety and health-related laws under Article 9, Paragraph 2, Subparagraph 4 of the Serious Accidents Punishment Act, the CSPO shall ensure that safety inspections, etc. are planned and carried out for public facilities.
- 4) In accordance with Article 10, Subparagraph 4 of the Enforcement Decree of the Serious Accidents Punishment Act, the CSPO shall establish and faithfully implement a safety plan for public facilities at least once a year.
- 5) The CSPO shall verify the matters stipulated in Subsections 6.1 1) through 4), at least once a half year, and if the CSPO does not directly verify them, the result shall be reported to CSPO without delay after verification is completed.
- 6) The CSPO shall take measures necessary to prevent serious civil accidents (such as manpower placement, additional budgeting and execution, etc. based on the result of verifying or reporting under Subsection 6.1 5)).
- 7) For the prevention of serious civil accidents, the CSPO shall prepare and implement work procedures that include the following.
 - (1) Matters on the identification and verifying of hazards or risk factors at public facilities
 - (2) In the case of discovering hazards or risk factors at public facilities, matters concerning improvements such as reporting them and requesting actions, restrictions on use, and repairs and reinforcement.
 - (3) In the event of a serious civil accident, matters concerning emergency relief measures for casualties, emergency safety inspections of public facilities, and additional damage prevention measures such as installation of warning signs, reporting to relevant administrative agencies, etc.
 - (4) Matters related to evacuation drills in the event of an emergency in public transportation or in “Class-I” facilities under Article 7, Subparagraph 1 of the Special Act on the Safety and Maintenance of Facilities
- 8) To ensure the safety of public facilities, their users or others, the CSPO shall establish the following standards and procedures when contracting, entrusting, etc. of operation and management of public facilities to third parties. In addition, the officer shall verify whether the contracting, entrusting, etc. are made in accordance with standards and procedures at least

once a year. If the CSPO does not directly verify them, the result shall be reported to CSPO without delay after verification is completed.

- (1) Criteria and procedures for evaluating the capability for the task and for safety management to prevent serious civil accidents
- (2) Criteria of costs necessary to prevent serious civil accidents, in case of contracting, entrustment, etc.

6.2 Verifying for Compliance with Laws Related to Public Facilities

- 1) The CSPO shall verify, at least once a year, whether duties under safety and health-related laws have been fulfilled (including when verification is entrusted to an institution designated by the head of a central administrative agency under relevant safety and health-related laws. Hereinafter, the same applies in Section 6.2), and if the CSPO does not directly verify it, the result shall be reported to CSPO without delay after verification is completed.
- 2) If verifying or reporting under Subsection 6.2 1) shows non-fulfillment of education under safety and health-related laws, the CSPO shall take measures necessary for the fulfillment of the obligations (such as manpower placement, additional budgeting and execution, etc.).
- 3) The CSPO shall verify, at least once a year, whether the person who manages the safety of public facilities in accordance with safety and health-related laws has completed compulsory education, and if the CSPO does not directly verify it, the result shall be reported to CSPO without delay after the verification is completed.
- 4) If verifying or reporting under Subsection 6.2 3) shows non-fulfillment of education under safety and health-related laws, the CSPO shall take measures necessary for the implementation of education such as instruction for implementation, etc. without delay.

6.3 Related Guidelines

- 1) Details of the establishment and implementation of a safety plan shall be governed by separate establishment and implementation guidelines for public facility safety plan.
- 2) Details of verifying and response procedures to hazards or risk factors shall be governed by separate hazards or risk factors management guidelines for public facilities.
- 3) Other matters shall be governed by separate related guidelines as stipulated in this Regulation.

6.4 Scope of Application

Chapter 6 shall be applied if it is necessary to fulfill the duties under safety and health-related laws for public facilities designed, installed, and managed by the Company, but shall not be applied if there is no relevant legal obligation.

Addenda

This Regulation is enacted and enforced as of February 4, 2022.