PolyMirae Creating polypropylene, shaping a better future

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Poly Village

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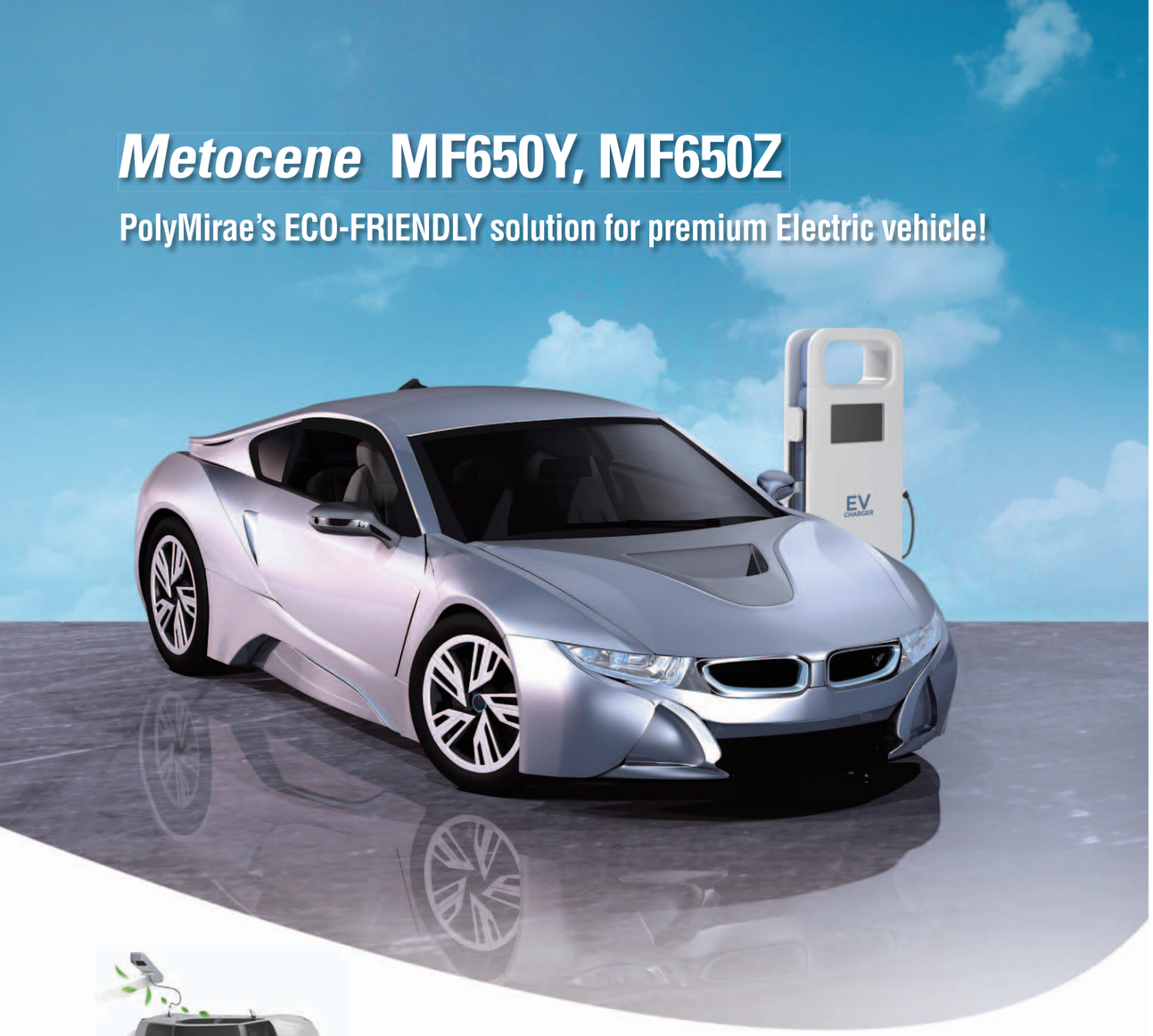
2021 Autumn Vol.47



<<< *Metocene* MF650Y, MF650Z

Metocene MF650Y and MF650Z, the high-purity polypropylenes, are eco-friendly and safe solutions with very low oligomer content, volatile organic compounds and very narrow molecular weight distribution for Electric vehicle sound absorbent.

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Dear Valued Business Partners and Employees of PolyMirae:

I would like to express my sincerest gratitude for your continued support and assistance and to share with you the accomplishments we have made together and the challenges we face through the Poly-Village 2021 Fall Edition.

As you are already aware, PolyMirae celebrated its 20th anniversary in 2020 amid the COVID-19 pandemic. Despite the hardships accompanying this unprecedented global crisis, we were able to make noteworthy achievements not only in the areas of safety, health, and the environment, which we consider to be our top priorities, but also in relation to our business performance. This was made possible by the framework and capacity for sustainable growth that we have worked on relentlessly over the past two decades with the support of our shareholders, suppliers, customers, and local communities, as well as by the dedication and hard work of our executives and employees. We maintained these trends well into the first half of 2021 and set a record of "3,300 days with accident free" at midnight on April 17. Not only that, our financial performance surpassed our initial targets.

However, we are faced with significant challenges in this time of uncertainty marked by unstable market conditions. With the global economy rebounding faster than expected, the international container shipping volume has surged, resulting in shortages of containers and ships and skyrocketing container shipping costs. This situation is expected to continue and even worsen in the near future, and it has resulted in significant financial burdens and restrictions on business activities for companies that are reliant on exports, such as PolyMirae.

In such times of crisis, we have always improved ourselves and found creative solutions without falling into complacency. I believe that with our executives and employees giving their all as "one winning team," we will be able to overcome the current obstacles that we face and find success once again. I vow to use my expertise and experience in the polypropylene industry and do my part as the leader of our organization by spearheading efforts to find solutions to our current challenges.

I ask for your continued support and assistance, and I wish you and your families good health and happiness.

Thank you.

September 2021

BH Kim President & CEO

Creating a Virtuous Cycle for the Sustainable Growth of the Polypropylene Market

Polypropylene is an eco-friendly material composed of carbon and hydrogen. It is used widely in automobiles, packaging materials, textiles, industrial durable goods, and more, as it is lightweight and heat resistant and provides various other benefits. The production of polypropylene has increased dramatically along with the development of modern industries, with around 91 million tons supplied globally in 2020.

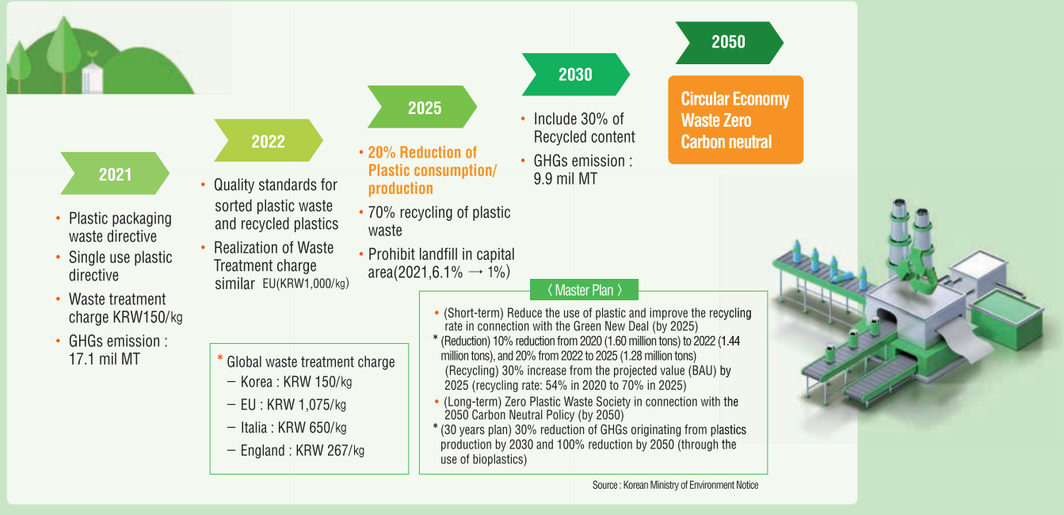
GY Ha , **Sustainability**

Polypropylene (PP) is considered particularly suitable as a food packaging material because it is ecofriendly and has good heat resistance. Demand for food packaging has been on the rise in recent years due to a number of factors, including an increase in food delivery services, growing demand for fresh food and ready-to-eat food, an increase in single- and two-member households, the aging of the population, and the growing pet population.

With beneficial characteristics for microfiber processing, PP also has wide applications in the textile industry, including the manufacture of sanitary products such as diapers, sanitary napkins, wet wipes, and wash cloths as well as industrial non-woven cloths, such as sound-absorbing materials for filters, masks, oil absorbents, and insulating materials. The demand for PP has skyrocketed during the COVID-19 pandemic due to the increased use of facemasks, protective clothing and wet wipes.

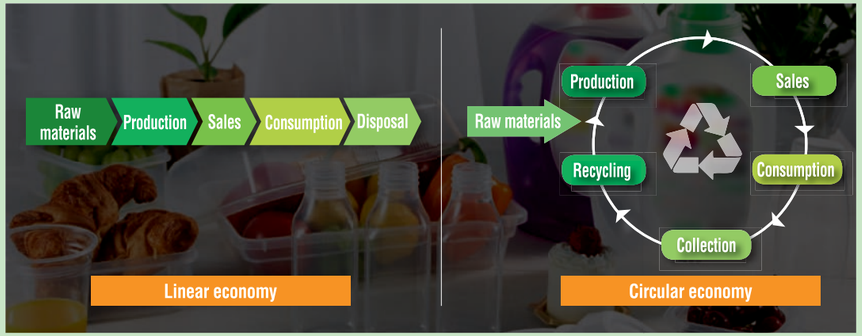
Notably, the production volume of plastics has increased 231-fold from 2 million tons in 1950 to 460 million tons in 2020. With their durability and wide range of use, plastics have made people's lives much more convenient. However, as they take a long time to decompose naturally, their environmental impact has become a major concern. With the demand for plastic growing exponentially, the volume of plastic waste has increased sharply, and many have noted that the lack of oversight for the plastic waste treatment after consumption is a major problem. In addition, reductions in plastic waste are being touted alongside carbon neutrality (Net-Zero) as a way of countering climate change.

In Europe and the United States, policies have been introduced to reduce the consumption of plastic products and to recycle plastic waste as a part of efforts to become carbon neutral and to respond to climate change. In Korea, the De-Plastic Plan for Household Waste, as shown in [Fig. 1] below, has been promulgated, with plans to reduce plastic consumption by 20% by 2025 and increase the mandatory use of recycled raw materials by 30% by 2030. Following in the footsteps of Europe, waste charges will be imposed to promote a virtuous cycle of plastic across production, distribution, consumption, and recycling, and investments will be made to create a system that facilitates the efficient recovery of plastic waste after consumption.



[Fig. 1] Domestic Regulations on Plastics by Target Year

Various issues arise in a linear economy where plastic waste does not recovered and disposed of in nature, incinerated, or landfilled. By transitioning to a circular economy, where plastic waste is recovered after consumption and circulated as resources through recycling, plastic waste will be an excellent resource rather than a culprit behind environmental destruction. Research is currently being carried out to develop the technology to achieve this vision.



By creating a circular process of production, sales, consumption, disposal, and so on, any waste remaining at the end can be minimized. The waste that inevitably gets generated can be circulated and input for reproduction, which will help to further reduce the amount of waste that gets produced. With an understanding of the need for recycling and resource circulation, nations around the world have been introducing relevant laws. In response to this paradigm shift, PolyMirae has been implementing three strategies since the early 2000s: reducing the consumption of plastic (Weight Reduction); Re-designing according to the purpose of the application; and Recycling plastic waste into valuable resources.

1. Reduction

Our differentiated high-crystalline PP, characterized by high stiffness and excellent impact resistance, has been contributing in various industries such as automotive, food container, and textile by down-gauging. We support our customers in reducing PP consumption by the end-products thinner and lighter. High flow-ability allows for injection pressure and clamping force to be lowered, requiring the less energy during the manufacturing process. Furthermore, an advanced catalyst is being used to improve the properties by developing the technologies to produce thin and lightweight PP products.

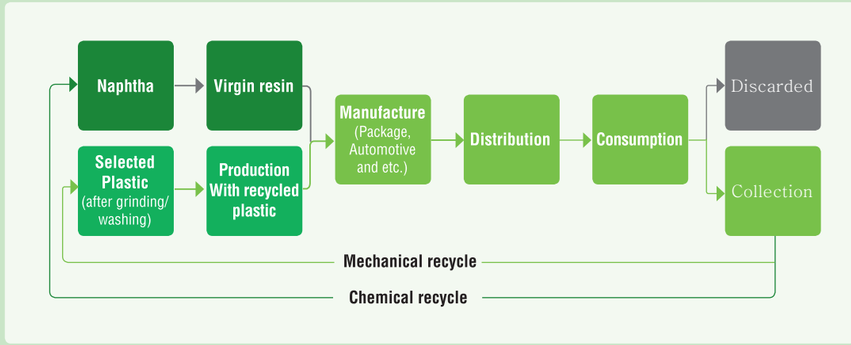
2. Re-Design

Our products are being re-designed with respect to polymer structure and additives formulation so that they stay perfectly suitable for their intended uses throughout recycling, without any such problems as poor properties or discoloration. We are achieving this by developing the technologies necessary to facilitate mechanical and chemical recycling. These research and development (R&D) activities will enable the creation of a long-term circulation cycle.

3. Mechanical Recycling & Chemical Recycling

In order to induce a circular economy for plastics, mechanical and chemical recycling are necessary. To date, plastic waste has mostly been mechanically recycled through the processes of washing, crushing, and drying to regenerate the plastic. Improving recyclability is difficult, as quality deteriorates continually across the recycling processes and due to the presence of contaminants. But with recent technological advances, chemical recycling has been suggested as a solution to this problem. Chemical recycling is carried out by inducing a chemical reaction, such as pyrolysis, to break down the polymers of waste plastic into monomers, and these can be used for the production of new plastic.

To create a virtuous cycle for plastics and achieve carbon neutrality, PolyMirae is seeking to operate a mechanical recycling business, as well as to apply the manufacture of chemically recycled PP through the use of green monomers over the long term. The most important part in mechanical recycling, which involves the collection, sorting, crushing, washing, drying, extrusion, is obtaining clean and uniform plastic materials after consumption. With this in mind, we are endeavoring to create plastic circularity by developing PCR-PP suggested by plastic consumers, processers, and waste plastic resource circulation centers and supply to the market.



In the long term, we plan to manufacture chemically recycled PP using green propylene and ethylene obtained through the pyrolysis of plastic waste in combination with mechanical recycling methods, to supply 30% of recycled products in PMC products by 2030.

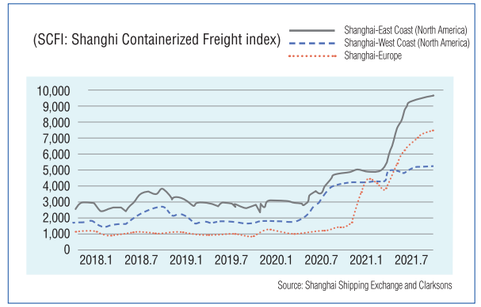
PolyMirae plans to meet the goals of its carbon neutral growth strategy by the target years, 2030 and 2050, by working closely with its shareholders, including LyondellBasell and DL Chemical, to achieve sustainable growth as a PP manufacturer. As part of this plan, the company will steadily increase investment and nurture professionals and their competencies. To this end, PolyMirae will remain committed to creating a circular economy for plastics to achieve the vision of "carbon neutral growth" without any increases in carbon emissions by ensuring stable production and supply of mechanically and chemically recycled PP.

PolyMirae's Strategic Response Plan to the Global Shipping Crisis

GJ Lee, **Business & Asset Management**

South Korea is a peninsula bordered by water on three sides, but with North Korea blocking all land transportation to the north, it is comparable to an island. Without many natural resources to rely on, economic growth and development has mostly been driven by export, and 99% of goods exported from Korea are shipped as ocean freight. In the past year, international container shipping costs have jumped by nearly five times, creating unfavorable conditions for exporters. This has had an adverse effect on the operating income of exporters, including PolyMirae, and due to insufficient container space, the volume of goods subject to delay or cancellation has more than doubled compared to the past.

The demand for container shipping surged in the first half of 2021 as a result of the rapid economic recovery achieved by major countries around the world. Shipping delays and the insufficient number of container ships available caused by the Suez Canal obstruction and port congestions also contributed to the spike in shipping costs. Shipping costs have continued to climb even in the second half, and experts predict that they will turn around only in the latter half of 2022.

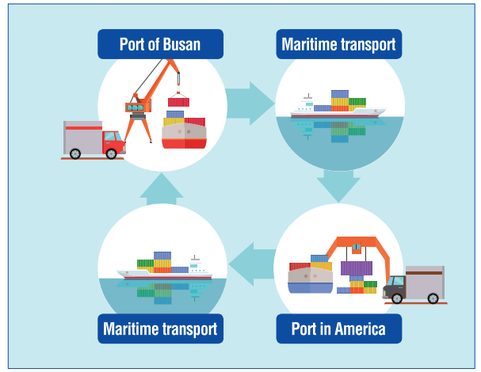


With the global economy rebounding after the outbreak of COVID-19 in early 2020, the maritime transport industry faces several obstacles in achieving normalization in a relatively short period of time:

1. The ocean freight volume surged as a result of increased demand for consumables driven by non-face-to-face shopping during the COVID-19 pandemic and speculation in raw and subsidiary materials in the face of the economic recovery;
2. The winter storm and resulting power outages in the United States in mid-February 2021 led to an explosive growth of ocean freight volume and ultimately port congestions;
3. The Suez Canal obstruction from March 23 to 29, 2021, caused by the grounding of Ever Given further aggravated the scheduling problems of shipping lines and its impact can still be felt today.

According to Sea-Intelligence, an ocean transport research agency based in Denmark, schedule reliability, or the on-time arrival rate of container ships, was 39.5% in June 2021. This is 38.2%p lower than the 77.7% recorded in June 2020.

Because ocean freight for international trade is mostly transported by container ships, there is a need to ensure a steady flow of container ships based on high schedule reliability. However, sea route obstructions create a domino effect that leads to delays in both unloading and shipping. As a result, a number of container ships are stuck at the port, and this in turn leads to limited freight capacity to meet the shipping demand. Thus, some exporters will need to wait in order to ship their goods.



On top of that, with the spread of new variants of COVID-19, there have been occurrences of confirmed cases at ports, resulting in port closures and reduced personnel for loading and unloading work. This has hindered the seamless operation of container ships and acted as an obstacle to solving the congestion issue at ports.

Slower containers circulation has also been an issue since the second half of 2020, and this problem has arisen due to imbalanced trade among different continents. To be more specific, the volume of goods imported by North America is much greater than the volume imported by Asia, so a large number of containers have accumulated in North America. The total capacity of containers manufactured in 2020 was about 2.8 million TEU**, which is comparable to the average, and the capacity of containers manufactured in January 2021 alone was around 300,000 TEU. This shows that the main cause of shipping delays is not a lack of containers, but a slowdown in their circulation. For instance, it used to take 65 days, on average, for a container to make a return trip on a west-east sea route, but nowadays, it is taking more than 100 days for some containers.

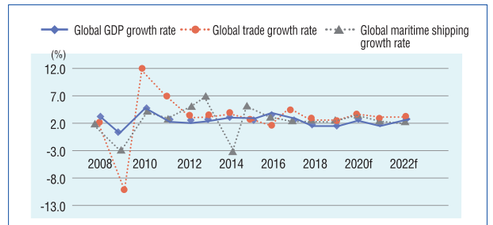
Global Rankings: Top Container Shipping Companies

Unit: 1,000 TEU

Rank	Company	Country	Total TEU capacity
1	Maersk Line	Denmark	4,073
2	Mediterranean Shipping Company	Switzerland	3,854
3	COSCO	Switzerland	3,032
4	CMA CGM	France	2,917
5	Hapag-Lloyd	Germany	1,723
6	Ocean Network Express	Japan	1,563
7	Evergreen Marine Corporation	Taiwan	1,261
8	HMM	Korea	708
9	Yang Ming Marine Transport Corp.	Taiwan	337
10	Zim Integrated Shipping Services	Israel	337

Top Container Shipping Companies (Source: Alphaliner, etc.)

From 1980 to 2010, the global demand for ocean shipping increased by 9% a year, on average. As such, the shipping market has been growing steadily in conjunction with the high growth rate of shipping companies, a transition from bulk carriers to container ships, and global outsourcing policies to procure raw and subsidiary materials from overseas.



出处：IMF, "World Economic Outlook Database(2019. 7.)" 및 于占福, "第五届海丝港口国际合作论坛：港航热点问题投票结果点评(2019. 7.)"

However, following the 2008 financial crisis, the growth rate of the shipping industry dropped to 3%, and this gave rise to the risk of reduced profitability due to the implementation of competitive pricing strategies. In addition, a technical risk arose from the need to reduce carbon emissions by 40% by 2030 and operate carbon neutral vessels starting in 2050, according to the agreement reached on greenhouse gas (GHG) regulations by the International Maritime Organization (IMO). As a result, shipping companies are currently reluctant to invest in large container ships (16,000TEU~24,000TEU), which take about 2 to 3 years from order to delivery. Furthermore, it is expected that the current situation in the international shipping industry will continue for some time, as a large number of container ships will be decommissioned next year to meet environmental regulations.

The rise in ocean shipping costs is one of the challenges that we currently face. It is not only a problem for PolyMirae, but for the entire industry. We need to overcome this challenge and create a profitable business structure in order to gain a competitive advantage. Under the current circumstances, we must endeavor to take a step forward and beyond what worked in the past, make our products more competitive than ever, respond to the market conditions with flexibility, and adhere to our fundamental principles in running our business.

**A unit of measurement for the cargo capacity of container ships determined based on 20' (6.096 m) containers

01 Developing and offering premium products with differentiated characteristics

In the fourth quarter of 2020, the cost to ship goods to Europe was less than USD 100 per ton, but it is currently around USD 600 to 700 per ton. While profitability has declined due to the high shipping costs, we will endeavor to produce and sell premium products with differentiated characteristics from a long-term perspective. Companies who are unable to overcome the shipping cost crisis will face adversity in the next several years and may even have difficulty surviving. Therefore, it is absolutely essential for us to hone our competitive edge by relentlessly developing and producing differentiated products while working to mitigate the impact of fluctuating shipping costs.

02 Securing a firm position in the domestic market and entering overseas markets

There is now a stronger emphasis on boosting domestic sales, which do not incur any international shipping costs, to ensure business stability. In addition, securing new sales channels and markets across the world and attracting diverse customers have become important conditions for ensuring flexibility in export sales. Whenever there is an increase in container shipping costs, the rate of increase is higher for long-distance destinations such as the Americas, Europe, and the Middle East compared to nearby regions such as Asia. Therefore, there is a need to create a multinational pool of customers, so that we can concentrate on customers in regions with lower increases in shipping costs whenever necessary, and maintain a steady stream of orders from domestic customers. This way, we can lower the risk associated with increases in container shipping costs, ensure business stability, and generate profits.

03 Implementing a pricing policy to include shipping costs in product prices

We will continue to build trust with our overseas customers and promote the perception of container shipping costs as a cost to both the supplier and the buyer. To minimize the burden and risk to both parties, we will implement a pricing policy where shipping costs are included in product prices, not only in the formula but also in spot trades.

04 Minimizing potential delays in shipping

Various risks associated with shipping costs and port charges are incurred from shipping delays, especially in a time of uncertainty when container shipping costs are continually climbing with no end in sight. Therefore, there is a need to secure containers and container capacity, obtain payments, and ensure the availability of necessary resources in advance to minimize delays in shipments of exported goods.

05 Creating strategic partnerships with shipping companies based on consistent export volumes

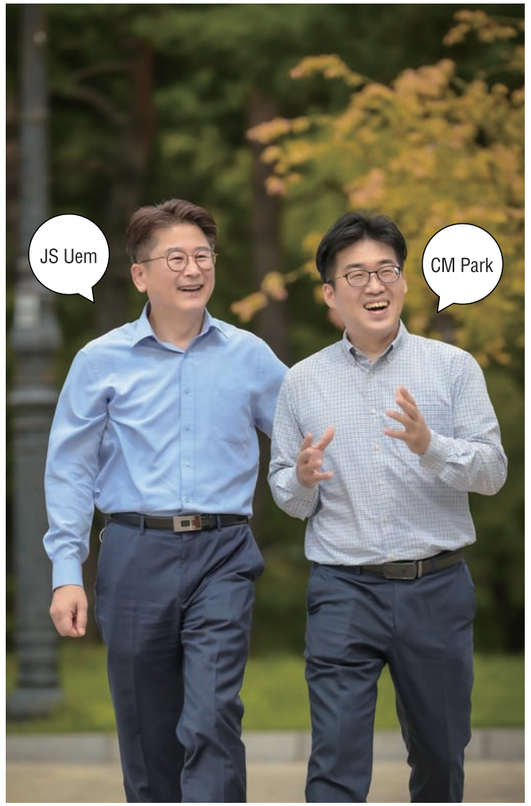
In order to ensure excellent schedule reliability, there is a need to secure sufficient space for shipments by entering into long-term contracts with shipping companies based on the volume of goods to be exported to overseas customers. By forming a strategic partnership with a shipping company through a forwarder, we can ensure a steady export volume and sufficient space for the shipments, and this can help optimize efficiency and profitability for all three parties (i.e., the shipper, forwarder, and shipping company).

These hard times will eventually end, and the strong will remain standing. All of us at PolyMirae will make every effort to get through these tough times and come out stronger than ever.

Finding Solutions from Customers: Dedicated to Achieving Customer Satisfaction!

Some employees directly deal with customers in the field as the face of PolyMirae. They work tirelessly each day to bring the best value to the customers who provide them with the drive to overcome challenges. These workers are none other than the Domestic Sales Team, the heroes of our company with bountiful professional experience and competence. Meet the members of the team and hear their story!

Domestic Sales Team



Q Tell us about the key players in PolyMirae's domestic business operations.

The Domestic Sales Team is composed of members with extensive experience in sales. Headed by MY Park, the team consists of KC Um, JS Uem, SH Sung, KB Chun, CM Park, and CH Lim and is dedicated to boosting sales in the domestic market. Because we do business with customers face-to-face, we think of ourselves as representatives of the company, and we do our best whenever and wherever to bolster the prestige and value of PolyMirae.

MY Park : Team Head, Oversees domestic sales
KC Um : Automotive & appliance compound
JS Uem : Spun bond, staple fiber
SH Sung : BOPP, CPP, stationary
KB Chun : Pipe, industrial sheet, pallet & crate
CM Park : Melt-blown, food packaging sheet
CH Lim : Houseware & consumer, multi-filament

Q What are your main responsibilities and what kind of roles do you play at PolyMirae?

We promote and sell our company's products through meetings with customers and work on developing new markets. The most important part of our work is grasping our customers' needs through meetings and providing products and services that meet those needs. In addition, we are continually trying to build customer trust through which true partnerships can form. This is the big picture of what we do.

- Businesses in various industries and new market development: The Domestic Sales Team has a person in charge for each business segment. We each work to develop our expertise in our respective segments and build relationships with our customers to provide products and services that meet their needs. In the case of the compounds market, which is one of the biggest Polypropylene(PP) markets in Korea, we help our customers achieve cost reductions through our high value-added products and new products. We also work toward practical application of the innovative knowhow of PolyMirae for our customers throughout the value chain. As for the textile and film markets, we ensure a stable supply so that we can be the best raw material supplier for our customers. In the meltblown, sheet and pipe, houseware, and consumer markets, we are dedicated to providing products of the highest quality to help our customers maximize their competitiveness.

- Development and application of new products: Our team is interested in not only the existing PP market but also new markets that can potentially be developed and inter-material replacement (IMR). We are responsible for discovering new markets where materials can be replaced with PP and developing alternative products in collaboration with relevant departments. Of course, replacing other plastic resins with PP is not an easy feat. However, considering the growing concern about the use of disposable plastics and their environmental impact, using PP, which has excellent recyclability, is paramount to ensuring sustainability and a task that our company must undertake.

- Building trust with customers: Our customers are the driving force behind our company, PolyMirae. PolyMirae is committed to helping its customers improve their business value, and its top priority is building sustainable partnerships with customers. Accordingly, PolyMirae holds various events to assist customers in addressing their technical and business issues and challenges and uses the information it receives to build win-win relationships. The Domestic Sales Team in particular plays an important role in fortifying customer relations so that PolyMirae can raise its business value in the long run.

Q You've probably faced obstacles and hardships in the field. Please share some of these stories with us.

When we are not holding an important meeting in the office, we are usually out in the field, visiting customers and marketing our products and services. We travel by car, and when we are visiting a customer for the first time, we pay special attention to road safety. There was a time when one of us had to exit an expressway via an interchange but missed it due to a business call. So he ended up taking a long detour, but fortunately, he arrived at the destination just in time for the meeting with the customer.

I'm sure all the members of our team have had this kind of experience. On some expressways, when you miss an exit, you have to drive at least 50 km more than you would have needed to. So that's why it's important for the members of the Domestic Sales Team to pay attention on the road!

Q What are some of the biggest issues that have grabbed your attention recently and what are your plans for the second half of 2021?

The hottest issue among the members of our team is the construction of PP factories by our competitors. In Korea, PP production has surged beyond the market demand, which has had a negative impact on business conditions. Our competitors have drastically cut prices and attempted to take our customers. However, we believe that our team, together with the other members of our organization, will be able to overcome these challenges wisely, as "one winning team."

As we near the end of this year, we will work harder, listen attentively to customer feedback, and discuss various issues to formulate revolutionizing strategies. We promise to do our utmost to overcome these harsh business conditions.

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2021 Wage Negotiation Delegation Ceremony

The 2021 Wage Negotiation Delegation Ceremony was held at the Yeosu factory on August 10 in the presence of BH Kim, CEO of PolyMirae, WH Jeong , President of the Labor Union, and other representatives of the management and the labor union.
Jeong stated that PolyMirae and its employees have overcome countless adversities since the establishment of the company, which has helped build mutual trust, and declared the commitment of the PolyMirae Labor Union to overcoming the COVID-19 crisis together as well. He also explained that the right of wage negotiation had been delegated to the company as a symbol of trust.
CEO BH Kim thanked the PolyMirae Labor Union for believing in the company and asked everyone to make a joint effort toward the sustainable development of PolyMirae based on trust between the company and the labor union and teamwork among employees.

SH Hwang, HR · ER

Ulsan PP Construction Completion Ceremony

A ceremony was held on June 30, 2021, to celebrate the completion of factory construction for Ulsan PP, a joint venture between PolyMirae and SK Advanced.
The construction project kicked off in March 2019 and was finished two years later. Ulsan PP began commercial production in April 2021, and as a result, PolyMirae has gained the biggest PP production capacity in Korea, with the ability to produce 1.1 million tons of PP annually.
Officials from Ulsan City Government and representatives of PolyMirae, its shareholders, and suppliers attended the event to celebrate the successful completion of the PP factory.

JY Yu, HR · ER

2021 ANEX Technical webinar

PolyMirae attended the technical webinar held at the 2021 ANEX and gave a presentation titled "PolyMirae's Advanced Polypropylene for Textile Application" on July 6 and August 4. ANEX, which stands for Asian Nonwovens Exhibition and Conference, is one of the world's top three trade shows on nonwoven materials, alongside North America's INDA and Europe's INDEX, and is held once every three years. It was held in July of this year in Shanghai, China. The event was held online due to the COVID-19 pandemic, and SY Park from ADTSI and Soo Shim from the Market Development Team were present to represent the company. Experts from related fields as well as representatives of textile manufacturers interested in fiber products of PolyMirae were present for the technical webinar, and a Q&A session was held after the presentation for the exchange of technology and information. This was a great opportunity to demonstrate the technological prowess and production capacity of PolyMirae in addition to bolstering the company's brand value.

Has Kim, ADTSI

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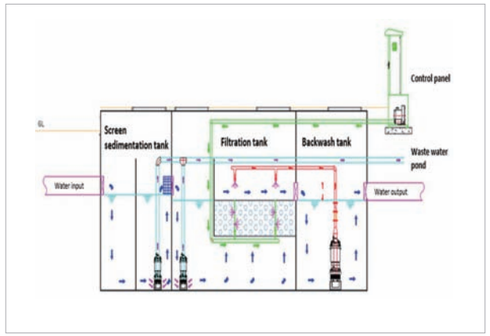

Installation of Non-Point Source Pollution Prevention Equipment

PolyMirae installed non-point source pollution prevention equipment in the first half of 2021. Nonpoint source pollution results from runoff from various locations, such as urban and rural areas, roads, and mountains, and when the pollutants flow into nearby water systems, they cause pollution in the rivers and elsewhere. According to the Water Environment Conservation Act, companies in any of the fourteen designated business areas that have facilities with a floor area of 10,000m2 or larger are required to install pollution reduction equipment.

PolyMirae, which is subject to this regulation, installed non-point source pollution prevention equipment at its Yeoncheon factory to lower pollutant levels prior to discharge. It is believed that this will help PolyMirae take another giant step forward as an environmentally friendly company. The company has been working to control and improve its processes, and pollutants in wastewater have been reduced to about 21% of the maximum allowable limit.

JG Yang, HSE

Recruitment Presentations at Universities Supervised by KOTRA (Korea University, Sejong University, and Hanyang University)

PolyMirae took part in three online recruitment presentations at universities supervised by KOTRA between April and June 2021. Employment opportunities at the company were presented to students from Korea University, Sejong University, and Hanyang University who were set to graduate. Information was provided on the company, hiring procedure, and work conditions, and a Q&A session was held to communicate with potential job applicants. This helped raise awareness of the company among prospective job seekers.

JY Yu, HR · ER

Appreciation Plaque from Yeongdeungpo-gu Office

PolyMirae was honored with an appreciation plaque from the head of Yeongdeungpo-gu Office for donating to the 2021 Hope Ondol for a Warm Winter Project.

With a vision bringing value to local communities, in addition to shareholders, customers, and employees, PolyMirae has been engaging in various charity activities to give back to society, such as donating facemasks for vulnerable groups, applying wallpaper in the homes of people living in poverty-stricken neighborhoods, and delivering kimchi.

People who made donations to help the local community in Yeongdeungpo-gu were invited to the appreciation plaque presentation ceremony, and JG from the HR · ER Team attended as the representative of PolyMirae. PolyMirae plans to continue its social contribution programs and activities to fulfill its corporate social responsibility.

JY Yu, HR · ER

Web Seminar on the Serious Accidents Punishment Act

With the enactment of the Serious Accidents Punishment Act on January 26, 2021, a web seminar was held by Yoon & Yang LLC to go over the details of the new law.

The Serious Accidents Punishment Act was enacted in response to concerns regarding deaths from industrial disasters and workplace accidents that have arisen as a result of the argon gas asphyxiation incident at Hyundai Heavy Industries, a worker being crushed to death at Taean Thermal Power Station, and a number of fires at warehouses and construction sites as well as accidents involving ordinary citizens, such as the humidifier sanitizer scandal and the Sewol ferry disaster.

The Occupational Safety and Health Act focuses on the obligation to implement safety and health measures, while the Serious Accidents Punishment Act focuses on the duty of the employer and top management to ensure safety and health. The scope of individuals subject to protection is greater than that of the Occupational Safety and Health Act, and the penalty for non-compliance is higher.

Accordingly, PolyMirae plans to implement more stringent measures for crisis management in regards to safety.

TS Kim, HSE

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Self-Inspection of Firefighting Facilities and Follow-up Measures in 2021 1H

Recent fires at various industrial sites have raised awareness of the importance of firefighting equipment management. Firefighting equipment must function properly at all times so that it works as intended in the event of a fire, and related laws and regulations require that the equipment be inspected and managed by facility owners on a regular basis.

Going beyond the legal requirements, PolyMirae conducts a firefighting system inspection on a semi-yearly basis and completed the inspection and follow-up measures for the first half of 2021 in April.

PolyMirae will continue to proactively manage its firefighting equipment to ensure that it is in good working order.

C Park, HSE

Inspections by External Agencies

On April 28, the Yeosu Industrial Complex was inspected by the city government. The safety management of piping outside the premises was checked in detail, as there had been frequent issues with it, but the inspection was completed without any notable findings.

On May 10 and 11, a special investigation of firefighting systems was carried out at all factories of PolyMirae. This investigation is conducted once a year to examine firefighting equipment, dangerous goods, and fire prevention equipment and to check legal compliance and the safety control system.

On May 21, a regular inspection was carried out on the refrigeration facility using high-pressure gas at the Pyeongyeo plant. The relevant documents and the site were checked thoroughly in advance, and as a result, the plant passed the inspection without any notification of violations.

From May 31 to June 2, an inspection was conducted on pressure vessels in accordance with the Occupational Safety and Health Act. By law, pressure vessels must be checked every four years, and all 110 vessels passed the inspection.

On June 29, the cargo lift at the Yeocheon factory was inspected by the Korea Elevator Safety Agency and received a passing grade.

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