

Occupational Safety and Health

The Nippon Soda Group strives to create a workplace in which employees can feel the joy of their work. To achieve this goal, we are working to achieve and sustain zero occupational accidents and to promote employee health.

Basic Policy

- Introduction of an Occupational Safety and Health Management System (OSHMS), and implementation of risk assessments. Acquisition of OHSAS18001 or ISO45001)
- Continuous implementation of PDCA (Plan-Do-Check-Act) to ensure safe and healthy workplaces with the aim of achieving the goal of zero occupational accidents
- Provision of health guidance based on medical examination results and implementation of measures to reduce incidents of personal injury or illness to help employees maintain and improve their health
- In mental health care, performance of stress tests and provision of consultation services by qualified mental health specialists. Establishment and operation of a system to provide appropriate care

Occupational Safety and Health

Risk Assessment

We are systematically improving the achievement and performance of the targets we have set through the PDCA cycle set out in the Occupational Safety and Health Management System (OSHMS). To integrate OSHMS and Responsible Care activities effectively, we also place emphasis on OSHMS risk assessment. Each office (plant or research center) periodically identifies and assesses occupational accident risks and, if they are not acceptable, takes measures to reduce them to permissible levels.

Efforts to Prevent Occupational Accidents

► Establishment of Safety and Health Committees

In line with Article 19 of the Industrial Safety and Health Act, at Nippon Soda we have established Safety and Health Committees at each of our worksites. The committees meet once a month, aiming to prevent occupational accidents and health hazards, and maintain and promote employee health. In addition, we have also established a Central Safety and Health Committee, chaired by the Responsible Care Management Department General Manager and comprising safety and health supervisors from each department and worksite, which meets in principle twice a year. In addition to the views of management, the central committee incorporates wide-ranging opinions from labor unions and health insurance associations in order to improve working environments.

► Activities to reduce occupational accident risks

Mainly in accordance with activity plans set forth in OSHMS, we are reducing risks through the elimination of near-miss incidents and by drawing on examples of disasters at other worksites and other companies. When new plants are constructed or when plants are expanded, we require safety reviews and audits to reduce disaster risk to an acceptable level before starting test operations.

► Efforts to prevent human error by workers

The 5Ss—*seiri* (sorting), *seiton* (setting-in-order), *seiso* (shining), *seiketsu* (standardizing) and *shitsuke* (sustaining the discipline)—and the 4 safety cycles (KY* before starting operation → Pointing and vocalizing during operation → Mutually directing attention during operation → Identifying *hiyari-hatto* [near miss] accidents after operation) are the concepts that form the basis of safety activities for the Nippon Soda Group. In addition, senior management at each business site takes the initiative in promoting safety awareness among employees so that safety activities are improved through the continuous application of the PDCA cycle.

* A combination of the first letters of two Japanese words, K for *kiken* (danger) and Y for *yochi* (prediction). The KY system is designed to identify latent risks associated with work and take preventive measures before they occur.

► Occupational health and safety survey by a third party

An occupational health and safety survey of Nippon Soda is conducted by Sompo Risk Management Inc. (Surveys were cancelled in FY 2021 to prevent the spread of the COVID-19 pandemic.)

Occupational Safety and Health

Number of consecutive days (years) without an accident resulting in absence from work, and number of accidents resulting in absence from work of employees

Worksite	Number of consecutive days (years) without an accident resulting in absence from work*1	Number of accidents resulting in absence from work*2
Head Office	97 days (0 years)	1
Nihongi Plant	71 days (0 years)	1
Takaoka Plant	48 days (0 years)	2
Mizushima Plant	10,373 days (28 years)	0
Chiba Plant	6,078 days (16 years)	0
Odawara Research Center	7,467 days (20 years)	0
Chiba Research Center	10,630 days (29 years)	0
Aizu Plant, Nisso Metallochemical Co., Ltd.	1,644 days (4 years)	0
Chiba Plant, Nisso Metallochemical Co., Ltd.	12,478 days (34 years)	0
Koriyama Plant, Nisso Fine Co., Ltd.	3,227 days (8 years)	0
Isohara Plant, Nisso Fine Co., Ltd.	844 days (2 years)	0
Onahama Plant, Nisso Fine Co., Ltd.	1,878 days (5 years)	0
Shin Fuji Kaseiyaku Co., Ltd.	834 days (2 years)	0
Nisso Shoji Co., Ltd.	6,515 days (17 years)	0
Sanwa Soko Co., Ltd.	300 days (0 years)	1
Sanso Unyu Co., Ltd.	215 days (0 years)	1
Nisso Engineering Co., Ltd.	5,645 days (15 years)	0
Nisso Kensetsu Co., Ltd.	9,747 days (26 years)	0
Nisso Green Co., Ltd.	7,671 days (21 years)	0

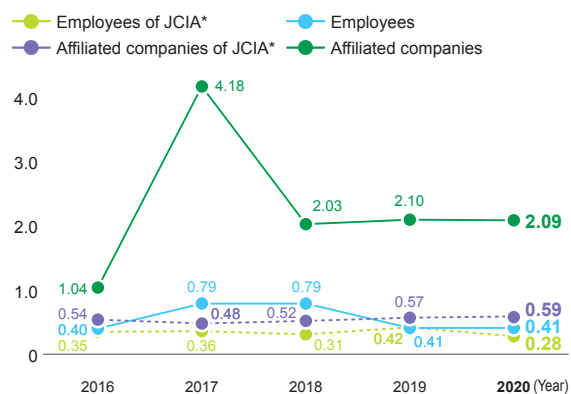
*1 As of 1 April 2021 *2 The data above were collected from FY 2021 (April 2020-March 2021)

Number of accidents resulting in absence from work among employees of Nippon Soda Group and affiliated companies

	2017/3	2018/3	2019/3	2020/3	2021/3
Nippon Soda	1	3	0	1	4
Nippon Soda's affiliated companies	2	4	3	0	3
Group companies	3	0	5	1	2
Group companies' affiliated companies	2	1	2	3	2

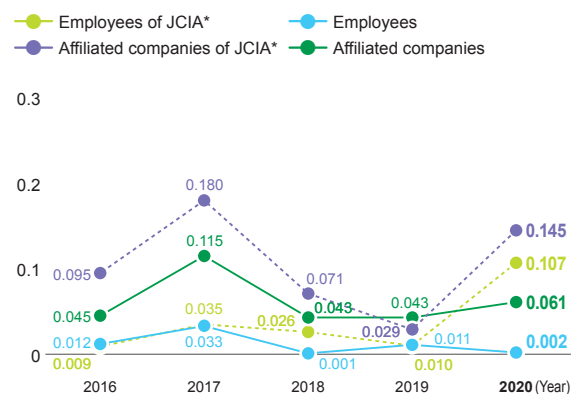
Note: The data above were collected from April 1 to March 31 of each year.

Occupational accident frequency rate



* JCIA stands for Japan Chemical Industry Association.
Occupational accident frequency rate: Casualties ÷ Total working hours (per million hours)
The data were collected from January 1 to December 31 of each year.

Severity rate of occupational accidents



Severity rate of occupational accidents: Working days lost ÷ Total working hours (per 1,000 hours)
The data were collected from January 1 to December 31 of each year.

Number of occupational accidents within the above period that led to an employee's death (number of deceased): 0 (0)
Number of occupational accidents at affiliated companies within the above period that led to an employee's death (number of deceased): 0 (0)

Occupational Safety and Health

Proactive Health Management for Workers

Health and productivity management

In March 2021, Nippon Soda was recognized in the 2021 Certified Health & Productivity Management Organization Recognition Program (White 500) for the fourth year in a row under the recognition program jointly undertaken by the Ministry of Economy, Trade and Industry and the Nippon Kenko Kaigi. This program recognizes large enterprises that promote outstanding health and productivity management. Recognition is based on an assessment of the company's effectiveness in addressing health-related issues in local communities or their health promotion activities as promoted by the Nippon Kenko Kaigi.



Recognizing the importance of health maintenance and improvement in business management, Nippon Soda, in cooperation with the Nisso Health Insurance Association and the labor union, promotes efforts geared toward supporting physical and mental health. We support employees and their families in their health management and proactively promote health management so that we can provide better value to the public through business activities conducted by healthy and lively employees.

From FY 2021, the promotion of health management has been set forth in the Nippon Soda Group's CSR Activity Policy, as a management resource that increases corporate competitiveness and brings about the capacity for sustainable growth. We will continue to support the health maintenance of employees, which is essential to the safety of manufacturing sites and stable operations, through constant monitoring. We will also work to improve the rate of employees undergoing complete physical examinations, follow-up on those undergoing periodic medical examinations with a target of a 5% annual improvement, conduct stress checks and follow ups, and provide mental and physical health education.

▶ Health & Productivity Management Organization Recognition Program Certification System
https://www.meti.go.jp/english/press/2021/0304_003.html

About Health Management

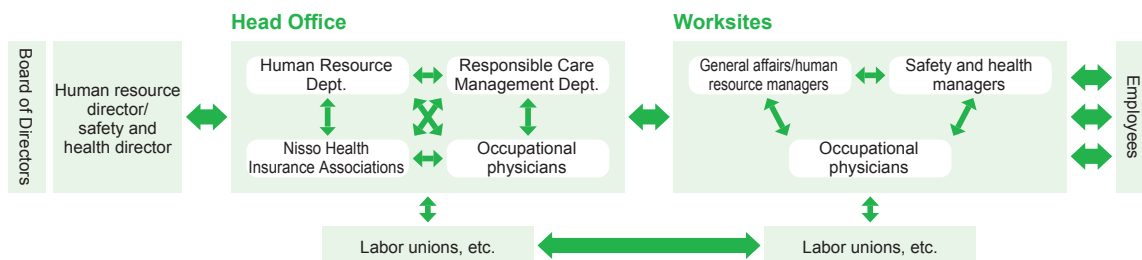
Health Management Promotion Declaration

The Group considers "people" to be the most important corporate resource for enhancing corporate competitiveness and achieving sustainable growth.

It is fundamentally important to maintain health, both physically and mentally, to create a workplace where individual employees can work willingly and actively. In this context, we implement and promote health management as an important issue in business management.

To maintain and promote the good health of employees and their families, the Company, the Nisso Health Insurance Association, the labor union, and the employees' association will make concerted efforts to take various proactive measures.

In order to actualize our Health Management Promotion Declaration, under the supervision of the human resource director and safety and health director, we will promote cooperation between the head office and each worksite, and implement various measures.



To date, we have sought to prevent lifestyle-related diseases through the promotion of complete physical examinations, specific examinations, and specific health guidance. We have also worked to educate employees on the importance of influenza vaccinations and provide them with opportunities to receive them. More recently, we have offered employees education and guidance on ways to further enhance measures to prevent lifestyle-related diseases, and are carrying out more than the legally required number of health examination initiatives. For example, we are working to secure opportunities for employees to undergo health examinations, and ensuring thorough supervision of overtime work to ensure a proper work-life balance and maintain employees' health.

Occupational Safety and Health

Mental health care

Our mental healthcare program consists of ① Self-care, ② Care by administrators in the workplace, ③ Care by occupational healthcare staff and other specialists at each workplace, and ④ Care by external parties.

A stress check is conducted once a year to support ① self-care by employees and ③ care by occupational healthcare staff and other specialists at each workplace. To improve care by administrators in the workplace ②, lectures on mental health given by external specialists are organized.

Consultations with qualified mental health specialists by phone or face-to-face are also available as part of efforts to provide care by external parties ④. In addition, lectures on mental health are provided by an external organization to help employees manage their own mental health.

Education and lectures on mental health care and other safety and health matters



Experiential education relating to phosgene gas odors (Takaoka Plant, June 11, 2020)



Traffic lecture (courtesy of Kojima Police Station) (Mizushima Plant, June 16, 2020)



Mental health course (Chiba Plant, July 22, 2020)



Health lecture (Chiba Plant, October 26, 2020)



DVD-based mental health education (Takaoka Plant, November 26, 2020)



Experiential education relating to the dangers of chemical substances (Takaoka Plant, December 24, 2020)



Health course (Nihongi Plant, February 12, 2021)

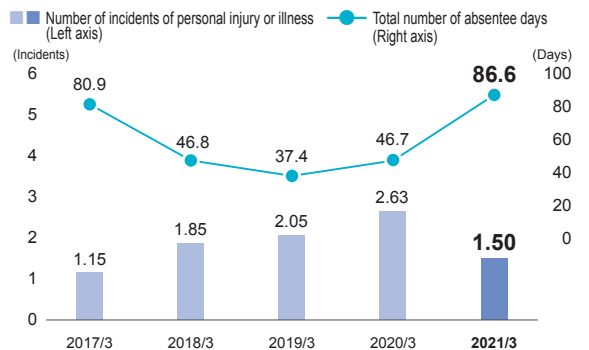


Health lecture (Takaoka Plant, March 17, 2021)



Health lecture (Mizushima Plant, March 29, 2021)

Number of incidents of personal injury or illness (per 100 persons) and total number of absentee days (per incident)



Number of incidents of personal injury or illness = (Incidents ÷ number of people) × 100
 Total number of absentee days = Days ÷ Incidents
 The data above were collected from April 1 to March 31 of each year.

Occupational Safety and Health

▶ FY 2021 targets and achievement levels (KPIs)

(Achievement levels ●: ≥ 90% ●: 80-90% ●: 60-80% ×: ≤ 60%)

1. Occupational accidents resulting in an absence from work or no absence:
 - Target: No accidents
 - Achievement level ×: 11 cases resulting in absence (Nippon Soda employees: 4, affiliated company employees: 3, Group company employees: 2, Group affiliated company employees: 2)
 - 12 cases involving no absence (Nippon Soda employees: 2, affiliated company employees: 2, Group company employees: 4, Group affiliated company employees: 4)
2. Health promotion: Target: 5% annual increase in the ratio of employees undergoing complete physical examinations
 - Achievement level ●: 35.9% increase between FY 2020 (68.2%) and FY 2021 (92.7%)

▶ Efforts for the future

With the aim of achieving the goal of zero occupational accidents, we will continue our efforts to reduce risks through continuous risk assessment, strengthen measures to prevent human error, and enhance safety activities. To help employees maintain and improve their health, we provide them with medical examinations, conduct follow-ups of employees undergoing stress tests, and continue good health maintenance activities.