



# Health and Safety

Commitment to the elimination of industrial accidents

Relevant SDGs



We thoroughly comply with the "Safety is our top priority" philosophy and perform comprehensive health and safety activities to ensure that employees can work with a sense of security.

## GLOBAL MESSAGE



## Committed to Fulfilling Our Mission of Global Achievement of Zero Accidents

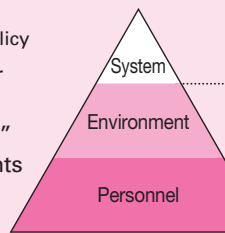
Recognized for our successful achievement of workplace safety with no accidents for more than eight years, we support the safety operations of SWS at all business sites in Mexico. We are confident that by continuing our efforts to strengthen workplace safety management toward eliminating all unsafe conditions and by training our employees to prevent unsafe behavior, we will be contributing to the achievement of zero accidents worldwide. We believe that zero accidents is possible if the entire Group works as a team to ensure thorough safety management. I am proud of my work and will continue to do my best to protect the safety of our employees.

Myra Ontivelos / Group Manager / Conductores Technologicos de Juarez, S.A. de C.V. (CONTEC) (Mexico)

### Philosophy and Policy

With "Safety is our top priority" as the foundation of our business, the SWS Group strives to secure the health and safety of its workers with a spirit of respect and rigor that affords no opportunity for industrial accidents. We will strive to achieve zero accidents by following our Safety Activity Policy, shown below.

- ▶ Safety Activity Policy
- 22VISION: Foster a safety culture
- Achieve "zero" risks and accidents



#### Safety management system

Enhance each company's organizational strength and educational system

#### Safe environment

Implement the 3S+3D Safety Activity and establish a safe environment for buildings, equipment and work

#### Prevent unsafe actions (education and training)

Adhere to standards and raise safety awareness (Po-Ke-Te-Na-Shi and the 3 Rules)

### Strengthening the Global Safety Management System

To strengthen the safety management system at the global level, we divided the world into eight regions to reinforce regional collaboration. In Mexico, CONTEC serves as a safety management company that conducts audits, training, and onsite guidance for five domestic companies. Moreover, we started providing information and onsite guidance to Paraguay in South America. Going forward, we will work to strengthen collaboration between ASEAN countries as well as regions in China.

### Focusing on Raising Global Awareness

Most of the industrial accidents that have occurred in the SWS Group happened during non-core tasks such as transport, maintenance, and cleaning as well as due to human error such as tripping or falling while walking. We conduct a number of awareness-raising campaigns as a countermeasure to the recent increase in injuries caused by tripping or falling while walking or engaging in unsafe behavior. In fiscal 2018, we implemented the 3S+3D Safety Activity to ensure that all our employees worldwide are complying with the Group-wide safety rules. To ensure thorough implementation of the "3D" (designate position, designate materials, and designate quantity) for proper storage in addition to the 3S method (sorting, setting-in order, and shining), we translated the

campaign pocket cards into 23 languages and distributed them to each company. The campaign demonstrates a basic concept for safety training at new sites and new employee training. At selected manufacturing sites in Japan, we also conducted the prototype "Safety Monitoring" campaign, which encouraged onsite workers to warn and inform each other of any unsafe situation or behavior. As a result of this campaign, the workers have become more aware of dangers and are following safe work practices. In fiscal 2019, we will conduct the campaign at our overseas locations.

We have launched the new "Be-Safe Project" to address the occurrence of major accidents and near-miss incidents involving equipment. We intend to eliminate equipment-related major accidents such as those involving the collapse of parts of building structures or electrical shock by systematically conducting equipment and building safety training for equipment safety leaders and personnel and rebuilding the safety system for all equipment and buildings, both old and new.



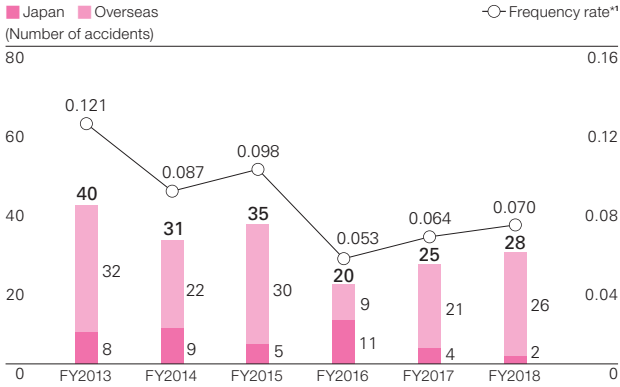
Pocket card in various languages

### Global Industrial Accident Statistics

In fiscal 2018, the number of industrial accidents was 2 in Japan and 26 overseas, representing an increase from fiscal 2017.

To strengthen our health and safety management system further, we will continue our efforts to prevent the recurrence of industrial accidents through measures such as analyzing the underlying factors for each accident and revising programs for workplace equipment.

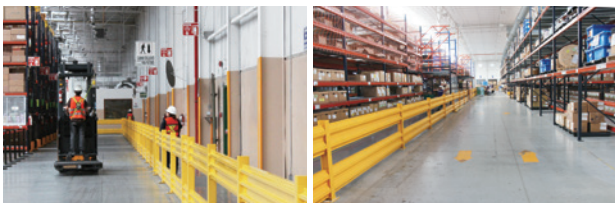
#### Global Industrial Accidents Trend



### Strengthening Safety Measures for Forklift Operators

Most transport work undertaken at our workplaces requires a forklift, and forklift-related accidents can be fatal. With this in mind, we have been actively strengthening safety measures for forklift operators since fiscal 2014 in order to eliminate such accidents. Measures include the separation of work areas and the assigning of different work hours for regular workers and forklift operators so that they are not present at the same time.

In fiscal 2019, we have been working toward the complete separation of forklift operations from walking areas while also reviewing global standards and starting to review the situation at all sites.



Separating forklift operations from walking areas

### Equipment Certification

Since the introduction of a safety certification program for our production equipment in 2012, a risk assessment and safety confirmation are required for all areas where equipment is used. In fiscal 2016, we started reviewing our 18,778 units of production equipment installed prior to mandate so as to confirm compliance with the current safety standards. We expect to finish reviewing all the equipment by the end of fiscal 2019.



Certification Sticker

### Safety Assessment and Measures for Buildings

Since the number of buildings and facilities aged 20 years or above is increasing across the entire Group, a simultaneous survey on structural damage in buildings and common facilities was conducted at 105 sites in 75 companies. The urgency level was closely examined in four stages, and 416 cases were assessed as "urgently requiring repairs" and "requiring repair or modification plans." We completed repairing 99.8% of these structures by the end of fiscal 2018.



Before (left) and after (right) repair

### Health Initiatives

Under the health philosophy of the Group, which states "the health of each employee is a prerequisite for a lively company," we strive to prevent health hazards and maintain the physical and mental health of our employees. To promote these activities, occupational health staff are stationed in the Human Resources Department at the SWS head office as well as in each region to establish the foundation for promoting health activities in cooperation with relevant personnel.

Specifically, we support the health of our employees by raising awareness through such initiatives as mental health promotion and prevention training; activities to improve the workplace environment in relation to employee stress levels; the Health Promotion Challenge, in which employees work in small groups to prevent life-style diseases; and health festivals.

As a measure against passive smoking, we have been promoting efforts to create a pleasant work environment for both smokers and non-smokers. In recognition of these efforts, we were certified as a Health and Productivity Management Organization (for the large enterprise category (White 500)) in fiscal 2018 by the Ministry of Economy, Trade and Industry (METI) and the Nippon Kenko Kaigi.

#### Employee Health Status (FY2018) and Results of Initiatives

Category	Items	FY2017	FY2018
Regular medical checkups	Overall rate of abnormal findings	61.1%	58.5%
	Rate of those who exercise regularly*	18.8%	30.9%
Stress checks	Response rate	89.6%	91.8%
	Rate of those experiencing high stress	11.7%	10.5%
Health maintenance and improvement	Rate of smokers	31.4%	29.7%

\*Percentage of people who walk or perform equivalent physical activities for more than one hour per day on a daily basis.



#### Glossary

\*1 Frequency rate: The number of fatalities due to occupational accidents per million hours worked, indicating the frequency of accidents.