

Occupational Safety and Health

Policy

The Group Safety and Health Policy has been formulated as follows in accordance with the basic principle of the NLM Group Management Policy, namely to create a safe and healthy workplace and achieve zero accidents.

Safety and health come before anything else.

- Make it a basic principle to work every day in good physical and mental health, without injury, and with a sense of security and job satisfaction.
- Continue to improve the work environment and ensure that each other observe the basics (behaviors) by being attentive to each other.
- All employees shall play a leading role in creating a safe and healthy workplace and achieving zero accidents.

Framework

The Group Safety and Health Committee is the highest decision-making body responsible for safety and health management at the NLM Group. This committee is chaired by the president of NLM Holdings, and the top individuals representing labor and management, including presidents of major Group companies and labor union representatives, meet in February each year as part of the committee to verify the results of activities in the current fiscal year, determine the Group Safety and Health Policy for the following fiscal year on the basis of those results and revise or abolish the Group Safety and Health Regulations.

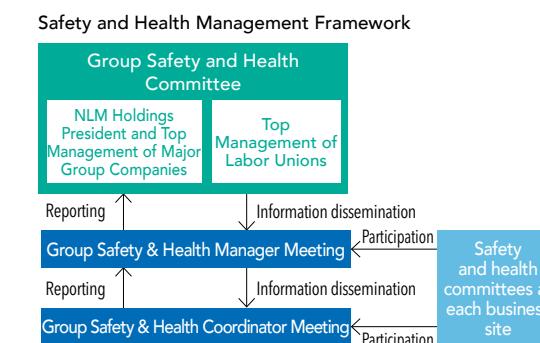
In addition, Safety and Health Committees are put in place at each Group company and business site as prescribed by the Industrial Safety and Health Act. The following two meeting bodies have been established to facilitate coordination with these committees.

● Group Safety & Health Manager Meeting

This meeting mainly comprises the business site managers and plant managers who serve as the safety and health committee chairpersons at each business site. Their job is to disseminate and roll out the policies decided on by the Group Safety and Health Committee.

● Group Safety & Health Coordinator Meeting

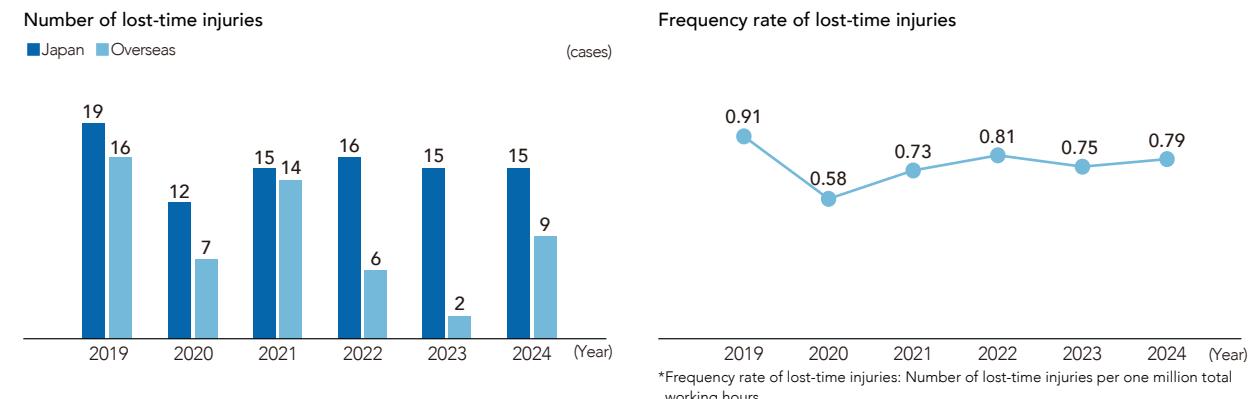
This meeting mainly comprises the safety & health coordinators of each business site, who work as the managers of safety and health committee administrative sections at each business site. This meeting convenes four times a year to verify operations at each business site and share information.



Key Target and Result

KPI	FY2023 results	FY2024 results	FY2030 target
Number of lost-time injuries in Japan	15	15	0

Workplace Injury Trends



Factors that prevent the reduction of lost-time injuries include: "Risk assessment has not been conducted for regular operations" and "Injuries occurred during irregular operations." As such, under the FY2024 Safety and Health Action Policy and the Safety and Health Action Plan, we are implementing measures based on targets derived from these factors; however, injuries have not decreased.

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Plan/Result/Evaluation

To realize the Group Safety and Health Policy, we established the Safety and Health Action Policy and formulated the Safety and Health Action Plan based on it. Both are now being implemented systematically.

Safety and Health Action Policy

1. Risk reduction activities (team-based improvements)
2. Eliminating unsafe practices and developing human capital (independent thinkers)
3. Improving the safety level (through collaborative thinking)

FY2024 Safety and Health Action Plan

Measures	Implementation items	Results	Evaluation
1. Measures to prevent pinching or entanglement in machinery	• Reducing the risk of pinching or entanglement in machinery	Progress of improvements: 83%	△
	• Safety inspection activities by safety coordinator teams	6 teams conducted on-site inspections, each inspecting 2 business sites	○
	• Enhancing the content of safety coordinator meetings	Held 4 times a year	○
	• Disaster information sharing (monthly report)	Warnings were issued as necessary	○
2. Measures to ensure compliance with rules	• Discussions and implementation by safety coordinators	Summarized and reported at safety coordinator meetings	○
	• Training sessions on laws and regulations	Held 4 times a year	○
3. On-site accident review and targeted support	• Field inspection of a business site where a lost-time injury occurred	15 cases were inspected	○
	• On-site review of serious accidents	4 cases were reviewed	○
	• Targeted support for business sites	Support was provided to 2 business sites	○

Our activities yielded results across all items. However, we have not been able to reduce lost-time injuries. In FY2025, we will continue and strengthen our efforts to prevent accidents.

FY2024 Initiatives

Safety inspection activities by safety coordinator teams

We organized approximately 70 safety coordinators of the Group companies and business sites into six teams and have members of each team conduct safety inspections of the business sites of the team members. Work procedures and risk assessment results have been reviewed for accident sites at target business locations. Guidance is provided to address any deficiencies and implement improvements. The participants also enhanced their skills through these activities, shared best practices with their own business sites, and contributed to accident reduction across the Group..

Enhancing the content of safety coordinator meetings, with discussions and implementation by safety coordinators

Group safety coordinator meetings are held four times a year. All of these meetings are held in business sites with field operations. Through them, we advance activities, such as safety coordinators conducting field inspections to assess the actual situation of the hosting business site, as well as facilitating information sharing and understanding among coordinators.

In addition, at each meeting, each of the six teams holds a discussion. Each team compiled its initiatives regarding work procedures and risk assessment. Further, safety coordinators, managers, and supervisors took the lead in drafting Safety Action Targets and led by example, thereby promoting awareness of rule compliance.

Training sessions on laws and regulations

In the field of safety and health, we began offering Safety Laws and Regulations Training in FY2022 to prevent legal violations and enhance understanding. The training began with an explanation of the Industrial Safety and Health Act and the Ordinance on Industrial Safety and Health, which form the core content. In FY2024, we conducted training twice on topics related to chemical substances affected by recent legal revisions. We also provided forklift-related training twice, as there are many near-miss reports and accidents involving forklifts tend to result in severe injuries. The training program has enjoyed strong engagement, with a total of 13 sessions conducted and approximately 1,800 participants attending.

Field inspection of a business site where a lost-time injury occurred, and recurrence prevention

When a workplace injury has occurred, the first thing we do is to have the people in charge and other people from the business location, including the safety and health manager, investigate the cause. This is followed by the consideration and implementation of measures to prevent the recurrence of the injury. Employees who are most familiar with the work site are expected to consider and implement reliable measures. On the other hand, familiarity may also cause them to overlook something, make an incorrect assumption, or make some other error. There is also the concern that, because those people work in the same site daily, they may protect each other or hesitate to take more severe measures.

Accordingly, as the second line of defense, the Safety and Health Control Department of NLM Holdings inspects the site from a third-party perspective, separately from the people from the business location in question.

They inspect the site three times, one week, one month and six months after the workplace injury, to verify the effectiveness of the countermeasures that were implemented and whether they have taken root firmly, among other points. Further, this initiative enables countermeasures informed by a wide range of knowledge, including best practices from other business locations. In addition, activities to prevent workplace injuries at business locations where workplace injuries occurred were supported by giving instructions on how to streamline processes of analyzing the causes of workplace injuries and formulating countermeasures, explaining legal regulations, advising them to receive training from external institutions and taking other measures. As a result of these activities, recurrence has been effectively prevented at the business locations.

