

Health and Safety

The Kobe Steel Group operates under the philosophy that health and safety are fundamental to operation and management and take priority over all business activities. Under this principle, we naturally comply with relevant laws and regulations and carry out various safety and health activities to create a vital workplace where employees can work safely and with peace of mind.

Based on our Companywide Safety and Health Management Policy, each business location formulates its own safety and health management policy, safety and health targets, and safety and health activity plans, and promotes improvements throughout the PDCA cycle. The Safety and Health Management Policy applies not only to Kobe Steel, but also to its affiliated companies. We carry out activities in unison with our group companies and cooperative companies.

As a result, we been able to reduce the number of accidents and maintain a low rate of accidents resulting in absence from work. We recognize that protecting the lives and health of our employees is the utmost priority in fulfilling our corporate social responsibilities, and to that end we established the Health & Safety Department in April 2019.

The Health & Safety Department plays a central role in checking and auditing on-site actual-items based on occupational health and safety management systems (OSHMS) for all business locations, Group companies, and related cooperative companies to identify weaknesses and provide support that cuts across the organization from the perspectives of personnel, facilities, and management in an effort to improve the level of safety and health.

Basic Policy

1. Steadily promote initiatives in the Medium-Term Management Plan to achieve the goals of "improving the safety performance of individuals" and "reducing the risks of work and equipments facilities ."
2. Strengthen Head Office safety functions and identify and improve issues that hinder penetration into the workplace through assessment of the actual situation (health and safety diagnosis) to speed up initiatives in the medium term.

Key Goals

- Accidents leading to death or serious injury (involving three or more people at the same time): Zero
- Total frequency of accidents resulting in absence from work: 0.10 or less

Key Items for Implementation

1. Cultivating human resources that can conduct risk prediction and confirm safety (people and corporate culture)
2. Promoting the further safety of facility and work (facility and work)
3. Checking and following up on safety education and safety activities (management and structure)
4. Strengthening and supporting safety and health activities at Group companies, including overseas companies (management and structure)

Thorough Measures against Disaster Risks

We regularly conduct risk assessments of existing projects and projects on new business plans, in response to potential disaster risks in operations and facilities, and work to reduce those risks and achieve inherent safety.

Roles of the Central Health and Safety Committee

At the Central Safety & Health Committee, the director in charge of safety and health, who serves as the chief examiner (committee chairman), discusses with representatives of the labor union the progress of disaster countermeasures, the state of deployment across the organization, and the progress of various activities set forth in the Safety and Health Management Policy.

Based on the agenda of the Central Health & Safety Committee, Executive Vice President and Representative Director Yoshinori Onoe, who oversees health and safety, is responsible for coordinating the details of the Health and Safety Activity Policy each year for deliberation and supervision by the Management Council (Board of Directors).

The Safety and Health Management Policy, which is deliberated and determined by the Central Safety & Health Committee and the Management Council, is being expanded to all business locations. At each business location, management, the labor union (full-time employees), and representatives of each workplace (part-time employees) also participate in the Safety & Health Committee, which discusses the details of the Policy and the progress of the various activities, while striving to ensure a safer and more comfortable working environment through dialogue between labor and management.

Safety Performance and Causes of Accidents

Our health and safety goals are zero deaths or serious accidents (involving three or more employees at the same time), and a total frequency rate of accidents resulting in absence from work of 0.10 or less. As a result, the number of accidents leading to absence from work in fiscal 2018 was 5 for our employees (*1) and 14 for employees of cooperative companies (contract employees) (*2). (Including: number of accidents resulting in death at Kobe Steel and cooperative companies is zero.) The total rate of accidents leading to absence of work was 0.34.

Reference

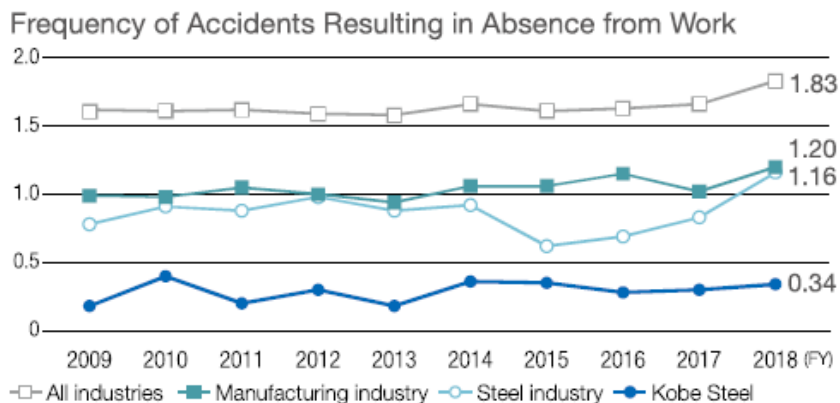
Fiscal 2017: Number of accidents resulting in absence from work: 8 at Kobe Steel, 7 at cooperative companies (including 1 accident resulting in death at Kobe Steel and 1 at a cooperative company). Total rate of accidents leading to absence of work: 0.30.

Fiscal 2016: Number of accidents resulting in absence from work: 1 at Kobe Steel, 13 at cooperative companies (including zero accidents resulting in death at Kobe Steel and 1 at a cooperative company). Total rate of accidents leading to absence of work: 0.28.

In addition, human factors (insufficient risk prediction and violation of rules) was accounted for a high percentage of the causes of the accidents in fiscal 2018. This is followed by management factors, such as insufficient instruction and education from supervisors, and insufficient risk reduction at work and facilities.

(*1) Kobe Steel employees: All employees employed by Kobe Steel (includes employees on loan, temporary employees, and part-time employees)

(*2) Employees of cooperative companies: Employees under contract agreement with Kobe Steel (including temporary employees)
 (Total number of persons in FY18: 14,324
 Total number of persons in FY17: 15,429
 Total number of persons in FY16: 15,481)



* Frequency of accidents resulting in absence from work = $\frac{\text{Number of accidents requiring absence from work}}{\text{Number of total hours worked}} \times 1,000,000$

Accidents requiring absence from work: Accidents that result in at least one day of missed work

Initiatives to Prevent Similar Accidents

We investigate the causes of accidents that have occurred in the Kobe Steel Group and related cooperative companies and implement countermeasures accordingly. At the same time, we work to prevent similar accidents by expanding countermeasures across the organization at an early stage.

Safety & Health Education

Safety and health education is continuously provided at the Head Office and other business locations. In addition, as part of the health and safety education sponsored by the Head Office, we provide education to technical trainees (first to fifth year of employment), newly appointed supervisors (team leaders, foremen, and general foremen), and section managers.

Number of Participants in Fiscal 2018

Technical trainees	1,128
Newly appointed supervisors	326
Section managers	21

(All targeted persons participated in the training.)

Health Management of Employees Posted Overseas

Employees posted overseas receive health management and support in their respective regions, including health checkups (before assignment, during assignment, and after return) and immunizations based on local conditions. We regularly exchange information with local contact staff and assign industrial physicians visit our overseas locations to provide medical tour services. We strive to manage the health of employees posted overseas by proving medical support and understanding the local medical environment

As we expand our business in Thailand, Malaysia, India, Vietnam, and other countries around the world, we are working to address global health issues such as HIV, tuberculosis, and malaria by distributing overseas health management handbooks containing information on immunizations and overseas life (understanding of diseases, notes on daily life, etc.) to employees and their families who are newly posted overseas.