

Occupational Health and Safety, Employee Health

Creating Safe and Secure Work Environments

As a corporate group with a globally developing business, we must deal with the management issue of creating healthy, safe and secure work environments at each and every work site. Hitachi believes that its organizational culture, which prioritizes safety, is an important foundation for creating corporate value and is working to establish a global health and safety system.

Our Basic Policy and Promotion Framework

Ensuring the health and safety of all employees is the basic principle underlining the Hitachi Group Health and Safety Policy, which is shared by all Hitachi Group companies around the world. Employees work together to create safe, secure work environments that aim to be accident-free.

In April 2019, aiming to become an organization whose employees spontaneously promote safety activities with the direct participation of management, Hitachi, Ltd. established the Safety Management Division, which reports directly to the president on matters of safety management. This division will hold an annual Safety Strategy Congress, attended by safety officers from each Group company and representatives from each division. The congress will set budgets and objectives for company-wide safety strategy and review the structural situation of the Hitachi Group's safety management systems, making them an opportunity for top management to share its own commitment to safety as the highest priority.

Furthermore, we hold a monthly "The Safety Strategy Promotion Council", attended by safety department managers from each business unit and Group company. This meeting provides an opportunity for us to examine the promotional frameworks for safety activities and education in each division alongside standards to be shared across the Group.

Since 2012, the Hitachi Group Health and Safety Portal System has allowed every Hitachi Group company in Japan to track the occupational health and safety performance of the entire Hitachi Group. When a work-related accident occurs in Japan, depending on its level, the results of analysis on its causes and examples of countermeasures are registered in the system and shared with the entire Group as part of the knowledge base. Know-how gained in this way is used globally. By analyzing from many angles the detailed information about accidents gathered in the system, similar accidents can be prevented.

Initiatives for Preventing Work-related Accidents

Based on the policy above, to prevent work-related accidents among our roughly 300,000 Group employees worldwide, we set and apply our own safety standards to be observed at manufacturing sites around the globe, where the risks of work-related accidents are high, as well as advancing health and safety measures tailored to the operations of individual companies. In particular, since the establishment in April 2019 of the Safety Management Division, we have worked to improve our safety measures in terms of both policy, by examining and improving our risk assessment frameworks, and

technology, by using IT and digital technology to prevent accidents.

We had already introduced the Hitachi Group Key Safety Management Designation System, which promotes the improvement of safety measures and reinforcement of safety activities at Hitachi Group companies and business sites that have experienced serious work-related accidents. Under the leadership of top executives, these companies and business sites take on both management-driven and bottom-up initiatives to formulate specific plans, and the progress of these plans is monitored by safety officers, who also lead initiatives to prevent recurrence.

Additionally, because the risk of accident is higher for workers not yet accustomed to their work or environment, employees and temporary workers receive individual health and safety training and on-the-job training before work begins, to help prevent accidents by ensuring that they understand work procedures and dangers. At the same time, on occasions of business restructuring, we share the details of the health and safety management frameworks and initiatives of the organizations to be merged in advance, and, paying all due respect for the safety cultures on both sides, ensure that safety is always preserved during the execution of a smooth business launch.

In Japan, a health and safety commission—composed of business owners, labor union officials, and employees—is convened at each business site every month to discuss and share information related to such issues as work-related accident cause analysis and countermeasures and health and safety activities in light of the situation regarding employees who have taken sick leave.

This initiative allowed us to achieve zero fatal work-related accidents worldwide in 2018, but we have not yet eliminated accidents altogether. Taking an honest view of our present situation, we are continuously striving to improve our safety management system, making use of external consultants to bring in objective, third-party perspectives, improving our ability to determine the cause of accidents, and reviewing our risk assessments.

Hitachi Group's Global Safety Figures (Occurrence rate*)

Region	2016	2017	2018
North America	27.65	24.33	27.96
South and Central America	2.33	1.62	0.44
Europe	10.70	10.82	6.08
India	2.07	1.44	1.44
China	1.59	1.53	1.46
Asia (excluding India and China)	5.43	4.41	3.34
Oceania	39.07	24.41	21.94
Africa	17.26	9.93	11.76
Overseas total	7.76	7.42	7.43
Japan	1.57	1.85	1.64
Global total	3.95	4.22	4.20

* Occurrence rate is the rate of workplace accidents per 1,000 directly contracted employees resulting in fatality or work-time loss of one day or more.