

## Occupational Safety and Health / Process Safety and Disaster Prevention Quality Assurance and Product Safety



### Occupational Safety and Health / Process Safety and Disaster Prevention

We undertake occupational safety and health as well as process safety and disaster prevention initiatives in keeping with the UBE Group Environmental and Safety Guidelines. The guidelines embody a firm commitment to prioritizing safety in everything we do by ensuring safety and security in workplaces and in communities while protecting the global environment.

#### Occupational Safety and Health

We aim to eliminate occupational accidents, and endeavor to reinforce and keep enhancing safety initiatives by fostering a culture of safety. We also strive to reduce risks in operations that are prone to major accidents and make them inherently safe. From fiscal 2020, we began prioritizing undertaking safety initiatives in collaboration with partner companies\*. From fiscal 2021, we deployed education and training programs to increase safety awareness.

We investigate and respond to all accidents causing time and workday losses. We thereafter confirm the effectiveness of these measures and roll them out across our organization to prevent similar incidents.

\* Partner companies include those handling construction contracts

#### Process Safety and Disaster Prevention

We undertake security initiatives to eliminate accidents, and to make facilities safe and secure. We also conduct disaster-preparedness activities. Our focuses in fiscal 2022 were on eliminating facilities and environmental accidents, improving safety at high-pressure gas facilities, and preparing for natural disasters.



Please see pages 3–5 of the 2023 Integrated Report Supplementary Information (Environment and Safety/Quality Assurance) for details on occupational safety and health as well as process safety and disaster prevention activities and outcomes from initiatives in fiscal 2022.

[https://www.ube.co.jp/ube/en/ir/ir\\_library/integrated\\_report/pdf/2023/integrated\\_report\\_environmental\\_safety\\_qa\\_1.pdf](https://www.ube.co.jp/ube/en/ir/ir_library/integrated_report/pdf/2023/integrated_report_environmental_safety_qa_1.pdf)



### Quality Assurance and Product Safety

We undertake quality assurance and product safety initiatives based on the UBE Group Fundamental Quality Guidelines.

#### Quality Assurance

We have drawn on lessons from previous inappropriate quality inspection practices to strengthen Groupwide quality assurance activities. In our drive to become a specialty chemicals company, we will bolster quality management efforts to maximize corporate value by satisfying customers. We will accelerate our endeavors so customers consider quality one of our greatest strengths.

### Product Safety

We factor health, safety, and the environment into chemical substance management by complying with domestic and international chemical control regulations, closely overseeing these substances in the supply chain, and disclosing Safety Data Sheets\* for key products on our website.

In fiscal 2022, we deployed a 24/7 emergency contact service worldwide to deal with transportation accidents and logistics safety issues should they happen.



Please see page 17 of the 2023 Integrated Report Supplementary Information (Environment and Safety/Quality Assurance) for details on quality assurance and product safety activities and outcomes from initiatives in fiscal 2022.

[https://www.ube.co.jp/ube/en/ir/ir\\_library/integrated\\_report/pdf/2023/integrated\\_report\\_environmental\\_safety\\_qa\\_7.pdf](https://www.ube.co.jp/ube/en/ir/ir_library/integrated_report/pdf/2023/integrated_report_environmental_safety_qa_7.pdf)

\* A Safety Data Sheet is documentation containing hazard and toxicity information about chemical substances that manufacturers disclose when supplying chemical substances and products incorporating them.

## Human Capital



We aim to remain an innovative organization that enables sustainable growth. We are pursuing Groupwide goals to foster diversity, equity and inclusion, work engagement, and health management. People is one of UBE Management Principles. We formulated the UBE Group Human Resources Management Guidelines to provide fulfilling work environments. (See pages 50–53 for information on priority measures in UBE's medium-term management plan.)

### Engaging with Employees

Management engages closely with employees as key stakeholders. We survey them to identify areas in which we need to attain equity, provide feedback, and reflect swiftly findings in our measures. Management and employees also engage in direct dialogue to exchange views about UBE's goals and deepen mutual understanding. We discuss human resources strategy issues that come to light by the survey and dialogues in meetings of the Board of Directors, the Strategic Management Meeting, and the Executive Management Workshop. We also share them in labor-management meetings to foster cooperation between both parties.

#### Results of parent company dialogue with and surveys of employees in fiscal 2022

- Providing greater opportunities for women
- DE&I
- Work-life balance support
- Health issues
- Unconscious bias
- Assisting rehired retirees
- Support for management

#### Reflected in personnel measures from fiscal 2022

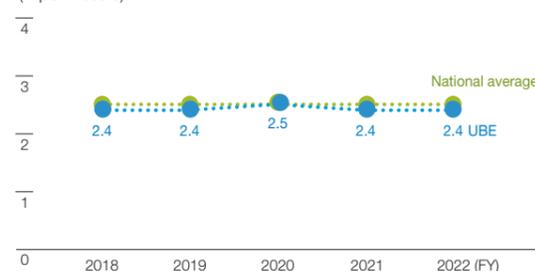
- Initiated childcare support allowance (¥20,000 monthly per child under 3 years old)
- Extended paid childcare leave from 7 days to 15
- Introduced life assistance leave (switched from accumulated leave)
- Published a handbook to help employees balance their professional and personal commitments
- Shortened prescribed working hours for day shift workers by 15 minutes daily
- Increased time off for shift workers by two days
- Revised rehired retiree system and enhanced interviews
- Inclusive Leadership Education for managers

### Work Engagement

UBE uses index of the new Brief Job Stress Questionnaire that companies around Japan administer to employees to gauge work engagement levels and trends. We will improve work engagement and strengthen the organization. We will do so by creating a structure that enables managers to track circumstances at each workplace. We will also create opportunities for growth through education and provide interactive positive mental health training in collaboration with external employee assistance programs to motivate workers.

#### Work Engagement Score

(4-point scale)



### Health Management Initiatives

The UBE Group enhances human capital by encouraging employees to manage their health while investing in health to create fulfilling, psychologically safe workplaces. Efforts have included deploying health apps and instituting e-learning

programs to improve health literacy. In fiscal 2022, we published a handbook to help employees balance their professional and personal commitments to help employees understand a system to support work-life balance that their professional commitments do not undermine their medical treatment needs. We also provide health management tips to all managers. In fiscal 2022, concerted Groupwide health management efforts culminated in a leading Japanese health council, the Nippon Kenko Kaigi recognizing machinery subsidiary Fukushima Ltd., as a Bright 500 company. Seven Group companies have been recognized as excellent corporations. We will keep striving to manage employee health.

### Employing People with Disabilities

The UBE Group has employed such individuals since establishing a special-purpose subsidiary for them in 1991. A team specializing in dealing with people with disabilities creates a supportive environment by collaborating with local support bodies to assist with everything from recruiting to job placements. That subsidiary matches tasks and individuals and discusses and constantly fosters progress by evaluating career development. A parallel endeavor is to broaden job opportunities through special purpose subsidiaries and agricultural jobs. We will continue to practice social inclusion and empower people to showcase their skills and get fulfillment through their work.

## Human Rights



### Respect for Human Rights

The UBE Group has made respecting human rights central to its corporate activities. We formulated the UBE Group Human Rights Guidelines in line with the United Nations Guiding Principles on Business and Human Rights. We will fulfill our corporate social responsibilities.

 Details about the UBE Group Human Rights Guidelines are on the UBE Group's website:  
<https://www.ube.co.jp/ube/en/sustainability/laborghts/respect-for-hr.html>

The UBE Group Action Guidelines state our respect for individuals, fostering mutual understanding, and eliminating discrimination based on gender, nationality, race, disabilities, age, social status, religion, beliefs, or sexual orientation. The guidelines oppose inhumane practices, including forced and child labor. They reject ties with individuals or organizations engaging in such activities.

We signed the United Nations Global Compact. We participate in the Human Rights Due Diligence Working Group and the Human Rights Education Working Group of Global Compact Network Japan. We are a permanent member of a corporate human rights liaison council in the Ube-Sanyoonoda area, through which we engage in enlightenment activities with neighboring companies.

### Human Rights Training

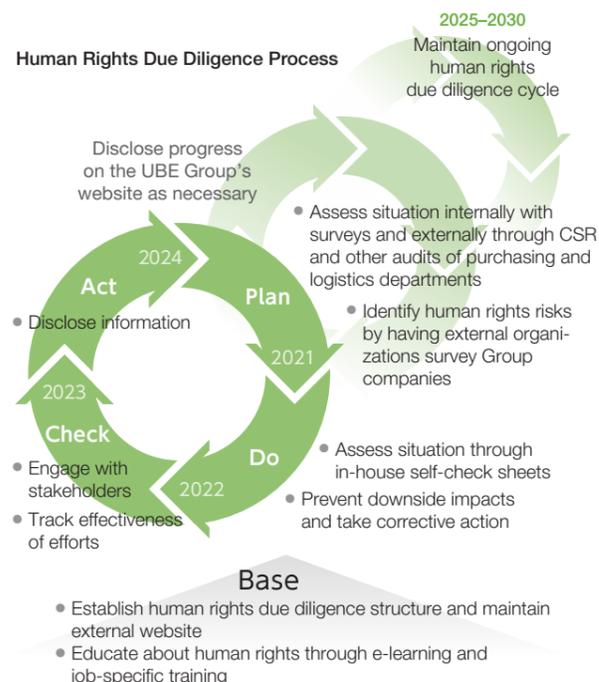
We created a Groupwide framework to educate employees about human rights based on the UBE Group Human Rights Guidelines. We ensure that all employees understand and embody our stance on human rights in all aspects of business by providing ongoing training. In fiscal 2022, all UBE Group operations in Japan conducted an e-learning initiative marking Human Rights Week to showcase the topics of business and human rights and human rights due diligence and our initiatives.

We also conducted a survey to identify areas in which employees perceive that there are human rights risks.

Initiative	Times held	Participants
e-learning	1	6,794 (Domestic Group operations, including directors)
New employee training	1	47 (Parent company)
Job-specific training	1	310 (Parent company)

### Human Rights Due Diligence Progress

We endeavor to identify, prevent, and address any human rights infringements in our activities. We will deploy a PDCA cycle through and beyond 2024 based on the following action plan.



### Human Rights Due Diligence Progress through Fiscal 2022

Initiatives	Specific Initiatives	Results and Future Initiatives
Third-party desktop survey of human rights risks among Group companies by an external agency	Surveyed human rights risks of 18 domestic and 21 overseas based on information from leading nongovernmental organizations, media outlets, and social networking services around the world	Survey identified no noteworthy risks
Identify human rights risks based on e-learning course participant questionnaire	Listed employee-perceived risks and adverse impacts based on Japanese government table of 25 key human rights and human rights risks related to corporate activities	Enhanced counseling channels and bolstered education in view of the high number of respondents identifying harassment as a risk. In fiscal 2023, we will map out and prioritize risk probabilities and severities and act accordingly
Share initiative progress and challenges with key overseas sites	Used United Nations Guiding Principles Reporting Framework Self-Assessment Check Sheet to track site progress and share specific initiatives	Look into rolling out initiatives across organization while factoring in national legal and cultural backdrops
Explicitly state respect for human rights in procurement guidelines and survey supply chain CSR efforts	See page 67 for more information on supply chain management.	

## Supply Chain Management



### Thorough Procurement in Line with Basic Purchasing Guidelines

The UBE Group endeavors to build fair and honest business relationships. We purchase in line with the Basic Purchasing Guidelines—Fair and Equitable Transactions, Objective Assessment in Selection of Business Partners, Legal Compliance and Confidentiality, Green Procurement, and Sustainable Procurement, as disclosed in the purchasing information on the UBE Group's website.

 Detailed information on these policies is available on the UBE Group's website:  
<https://www.ube.co.jp/ube/en/koubai/>

### Declaration on Partnership Building

On April 1, 2022, the UBE Group joined the Declaration on Partnership Building\*, through which it committed itself to focusing on the following endeavors to build new partnerships with supply chain partners and business operators that create value. Another aim is to promote UBE's founding principle of Coexistence and Mutual Prosperity.



- Pursue coexistence and mutual prosperity throughout the supply chain and newly collaborate with entities of all sizes and affiliations
- Ensure that parent enterprises and subcontractors comply with desirable business practices (promotion standards based on the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises)

The UBE Group will keep enhancing collaboration with suppliers in keeping with its founding principle of Coexistence and Mutual Prosperity to add more value to the entire supply chain.

 Please visit the UBE Group's website for more information on the Declaration on Partnership Building.  
[https://www.ube.co.jp/ube/jp/news/2022/20220401\\_02.html](https://www.ube.co.jp/ube/jp/news/2022/20220401_02.html) (in Japanese only)

### Sustainable Procurement

The UBE Group has committed to sustainable procurement from business partners and elsewhere across the supply chain to enhance social credibility.

- We seek to give priority to procurement from business partners who fulfill the following commitments.
- Have established an internal structure for practicing sustainability
  - Ensure stable supply and emphasize quality
  - Practice fair transactions in compliance with corporate ethics, the law, and social norms
  - Place importance on environmental friendliness

### Glossary

\* Declaration on Partnership Building: The Council on Promoting Partnership Building for Cultivating the Future established this framework for building new partnerships. This entity's members include the Cabinet Office and the Small and Medium Enterprise Agency. A company as the ordering party, declares to build a new partnership, by the name of the representative of the company.

- Work to address respect for human rights as well as safety and health management
- Value social contribution and communication with society, and practice information management and disclosure

 For more information on sustainable procurement, see the UBE Group Sustainable Procurement Guidelines on the UBE Group's website.  
[https://www.ube.co.jp/ube/en/koubai/pdf/csr\\_guide-line.pdf](https://www.ube.co.jp/ube/en/koubai/pdf/csr_guide-line.pdf)

### Business Partner Survey Regarding Sustainability

UBE has conducted four business partner sustainability surveys to assess progress and request improvements where necessary. We hold discussions with partners whose response levels are low to help them improve their efforts. We plan to keep surveying partners regularly.

Question categories

1. Internal structure for practicing sustainability
2. Ensuring stable supply and quality
3. Corporate ethics, compliance with the law and social norms, and fair transactions
4. Consideration for the environment
5. Respect for human rights, safety, and health
6. Social contribution, communication with society, and information management and disclosure, etc.

Survey year	Large companies (capitalizations exceeding ¥300 million)	Small and medium-sized enterprises (capitalizations below ¥300 million)	Totals
2016 Companies responding	54	154	208
Score	4.5	3.3	3.6
2019 Companies responding	92	184	276
Score	4.5	3.5	3.8
2021 Companies responding	88	183	271
Score	4.5	3.5	3.8

 Please visit the UBE Group's website for more information on the results of the fourth survey of business partners on sustainability in 2021.  
[https://www.ube.co.jp/ube/en/koubai/pdf/customer\\_01.pdf](https://www.ube.co.jp/ube/en/koubai/pdf/customer_01.pdf)

### Policy on Conflict Minerals

The UBE Group practices responsible procurement of raw materials, in order to meet its social responsibilities as a corporation. If it is found that conflict minerals (minerals that are mined and sold under the control of armed groups in the Democratic Republic of the Congo and surrounding regions) are used in procured raw materials, we will immediately stop procurement of the raw materials.