

Occupational Safety & Health Management

Securing worker safety and health should be of the highest priority. Improving the level of occupational safety and health means the prevention of work-related accidents and injuries. Revision of the Occupational Safety and Health Law in April 2006 required strengthening the workplace safety management regime so as to

promote increased confidence in worker safety and health at the workplace. In response to this trend, more companies are introducing the Occupational Safety & Health Management System (OSHMS).

At JPMA

In addition to our efforts towards "Environmental Conservation", we have also been working towards increased "Occupational Safety & Health" since FY 2002. We have, continuously since FY 2003, monitored member companies' occupational safety and health efforts and provided them with relevant information such as that on revision

of the occupational safety and health related legislation.

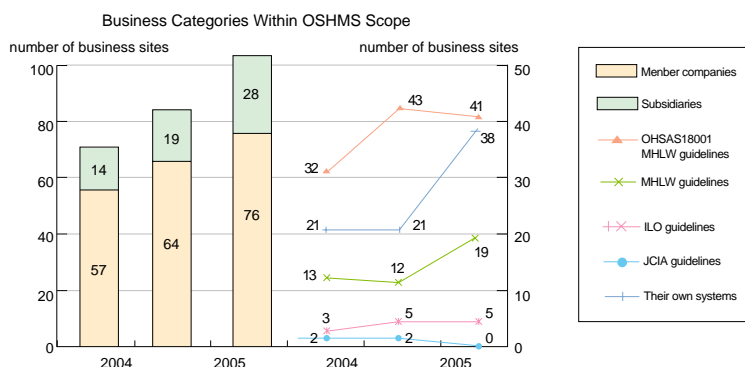
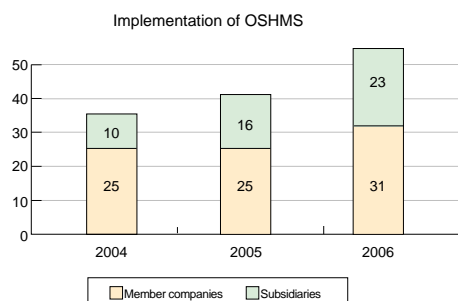
In FY 2006, we conducted for the first time a survey of occupational hazards and periodic health checkups among JPMA member companies.

1. Occupational Safety & Health Management System Introduction Status Survey

The number of companies that introduced this system increased by six more member companies and seven more affiliated companies. In terms of business establishments, 12 more business establishments that belong to member companies and nine more that belong to affiliated companies have adopted this system. As for the type of system, more companies have introduced their own

unique system. Forty-one companies implemented risk assessment, the core Occupational Safety & Health Management System.

We will continue to use this system introduction survey and regularly provide updated information.



2. Health checkup

The results of this survey showed the mean rate of having a finding*1 at the regular health checkup was 46.9%, and the rate for directed medical attention*2 was 25.4%.

The MHLW issued data for 2005 that included a 48.4% rate of having a finding for all industries and 47.5% for chemical industries at the regular health checkup. These rates are comparable to the results of this survey.

The business establishments taking this survey comprised factories, laboratories, and head offices / marketing offices. There were no appreciative differences in the figures between these different establishments.

Total	Factories	Research Facilities	Head Office, Sales Offices, etc
46.9%	47.8%	47.2%	47.7%

*1: Rate of having a finding = number of those who had a finding / number of workers checked x 100

The rate of finding a health-related problem may be affected by the age of the workers. Our future survey design should take into

consideration the age structure, etc. Also 60% of companies responding bore the cost (or a part of cost) of re-examination.

Total	Factories	Research Facilities	Head Office, Sales Offices, etc
25.4%	22.7%	22.7%	24.8%

*2: Rate for directed medical attention = number of those directed to a physician (for treatment, re-examination) / number of workers checked x 100



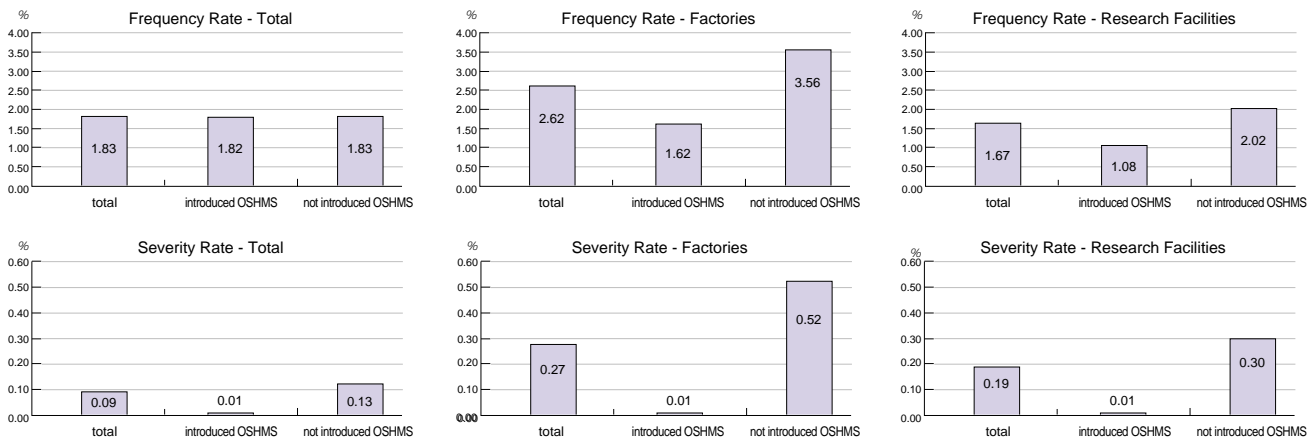
3. Occupational incidents

The results of this survey yielded an incident ratio*1 of 1.83 and a severity ratio*2 of 0.09. According to the Ministry of Health, Labor and Welfare data for the year 2005, incident and severity ratios according to occupational type are: the Manufacturing industry 1.01/0.09; Chemical industry 0.90/0.07; and Pharmaceutical manufacturing 0.90/0.15.

Despite discrepancies in the way the work hour is defined, a trend towards a higher occupational incident rate with fewer severe incidents that require time off work is visible compared to MHLW data. The pattern of incident and

severity ratios for each type of business per establishment is factory > laboratory > whole (others) as predicted.

The graph shows the incident / severity ratio comparison between the business establishments that have introduced an occupational safety & health management system and those that have not. One company (an operational unit consisting of both a factory and laboratory) that had not introduced a system suffered a large workplace accident and affected the trends in collated data.



*1 Incident ratio = number of deaths and injuries in workplace incident / total actual work hours x 1,000,000
 *2 Severity ratio = total lost work days / total actual work hours x 1,000

4. Business Vehicle Accidents

As a car is essential tool for marketing representatives, managing vehicle-related occupational and safety risks is a very important issue for a pharmaceutical company.

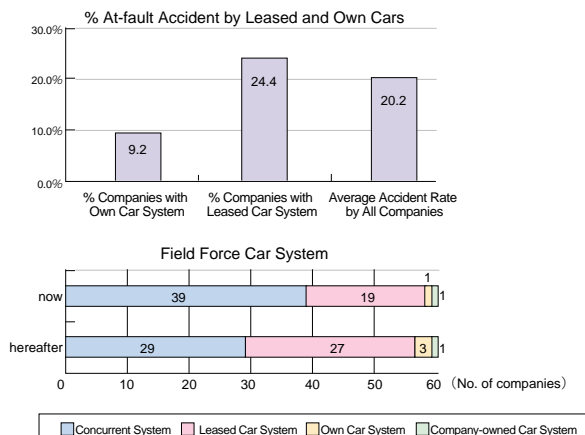
A questionnaire was conducted this year (FY) to investigate the state of vehicle use, including information about the actual situation surrounding the vehicle accident. Responses were received from 60 companies utilizing a total of approximately 55,000 vehicles having traveled a total distance of 1,110 million kilometers over the year 2005. The mean liable accident rate (excluding completely passive accidents) was 20.2%, and the rate of accidents resulting in injury or death was 2.3%.

Newly graduated marketing representatives appear to have contributed to the increase of vehicle accidents in 2005. During the period of their driving after assigned to their positions (mean 5.3 months), the mean liable accident rate (excluding completely passive accidents) was 48.6%, and accidents that resulted in injury or death made up 3.5%. During the 12-month period after assignment, the mean liable accident rate (excluding completely passive accidents) was 74.9%, and the rate for accidents resulting in injury or death

was 5.4%. It is obvious that undeveloped driving skills and lack of experience are behind the large number of careless accidents, which in turn leads to the increase in accident-prone drivers.

On the other hand, 0.7% of marketing representatives were injured in 100% passive accidents.

Of those 60 companies that responded, more were using "lease vehicles only" (19 companies vs. 27 companies) or "charter only" (1 company vs. 3 companies), and fewer companies were using "both" (39 companies vs. 29 companies).



The reason for the increase in "lease only" companies was due to the streamlining and strengthening of vehicle / accident management.

Various training and educational sessions are being implemented, including training in actual vehicle use, although the key is to run these training sessions regularly and frequently.