

# SAFETY@SIKA

SAFETY CULTURE AND COMPANY SUCCESS

### **Safety Strategy 2028**

A workplace where safety is a value embedded in every action, decision and interaction.

### **Successful MBCC EHS Integration**

Several initiatives have been completed since Day One

## **Safety and Efficiency**

Successful implementation of 5S by Sika team in Augsburg



**BUILDING TRUST** 

## SAFETY@SIKA

### SAFETY CULTURE AND COMPANY SUCCESS

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### **SAFETY IS OUR TOP PRIORITY**

Safety is our top priority, and I'm proud of the progress we are making in creating a secure work environment, but we must do more! Our success is measured not just by incident numbers but by our commitment to continuous improvement.

I want to highlight the importance of reporting safety observations and near misses. They are important opportunities for us to learn, adapt, and take action to prevent future accidents. Your vigilance in identifying and sharing near misses is crucial in our journey toward an incident-free workplace.



As we move forward, let's continue to support each other in improving our safety culture. Your input and suggestions are always welcomed as we work together to make our workplace a safer place for all of us. Remember, safety is a team effort, and let's keep pushing for further continuous improvement!

THOMAS HASLER
Chief Executive Officer

## **SAFETY STRATEGY 2028**

OUR SAFETY JOURNEY CONTINUES: A WORKPLACE WHERE SAFETY IS A VALUE EMBEDDED IN EVERY ACTION, DECISION, AND INTERACTION

Our Safety Strategy 2028 is founded on our commitment to create a safe working environment at Sika. Our goals are summarized as "Caring for Each Other" and "Zero Harm" (see box).

Strong leadership commitment and role-modelling are pre-requisites to improve our safety culture. This is supported by three further elements:

- Open communication about safety policies, procedures, and incidents. Employees should feel comfortable reporting safety concerns.
- Recognition of individuals and teams for contributions to safety to reinforce positive safety behaviors and encourage ownership.
- Engaging employees in safety initiatives, involvement in safety committees and active participation in identifying and mitigating risks.

Our 2028 target translates to an overall reduction of accidents by 60%, or 20% year-on-year. This reduction, and the elimination of serious harm at Sika requires additional elements.

- Ensure that employees are well trained and have the necessary skills to perform their tasks safely.
- Regular performance of risk assessments to identify hazards, and the implementation of controls and preventive measures.
- Regular safety audits to ensure that safety procedures are in place and being followed.
- Continuous learning when accidents or near-misses occur, with thorough investigations and effective actions.
- Analyzing safety data to identify patterns and enable targeted interventions.

Our safety strategy requires unwavering commitment from leadership, active engagement from employees, and a continuous drive for improvement. By prioritizing safety in every aspect of our business we can create a Sika where safety is a value which guides our every activity. **Remember to stop work if you think it is unsafe. Your, or a colleague's life may depend on it.** 

**Zero Fatalities** 

Safety Culture is "Interdependent"

Lost Time Accident
(LTA) Rate
< 2 per 1,000 FTE

Total Recordable Injury
Rate (TRIR)
< 4 per 1,000 FTE

Strategy 2028 Safety Targets

"Our commitment is to create a workplace where safety is a value embedded in every action, decision, and interaction. We aspire to eliminate all accidents, prioritize the well-being of our workforce, and set an industry leading benchmark for safety excellence."

Thomas Hasler, CEO

## SMART WORKING FOSTERS SAFETY AND EFFICIENCY

### SUCCESSFUL IMPLEMENTATION OF 5S BY SIKA TEAM IN AUGSBURG

The 5S system, a set of principles to increase productivity, efficiency and safety, today is more relevant than ever. Sika and former PCI teams have implemented 5S in R&D, operations, production and logistics. More than 300 jobs in Augsburg, Hamm and Wittenberg, Germany, are affected by the reorganization along five steps: 1. sort, 2. set in order, 3. shine/clean, 4. standardize, and 5. sustain.

In Augsburg, management recognized that 5S would lead to both greater efficiency and safety in the work-place. Managers worked together to define standards for tidy, lean, and well-maintained workplaces. These standards ensure the implementation of 5S and are essential to sustain the improvements and create a consistent and efficient working environment. They include for example designing work area markings, schedules for sorting and decluttering work areas, documenting procedures, and conducting programs to educate staff about the 5S principles.

Once the standards were defined, the teams of all departments started to implement measures. Here, workshops served to create a catalog of measures for the individual workplaces. Initial doubts were immediately dispelled, as the new-found order not only meant less time spent searching for tools and organizing the work, but also reduced safety hazards such as falling boxes or cables lying around. Each team that adopted 5S provided best practice examples for other teams.

On-site inspections and audits ensure that lessons are learned from best practices and that any gaps in accident prevention are addressed. Implementing 5S was a team effort. "5S is now becoming part of the culture and therefore part of everyone's daily work routine." Ralf Wiesner, Team Leader Operation Excellence, PCI Augsburg GmbH. "5S provides the foundation for all other lean tools, for example change-over workshops."

5S makes it possible to identify and solve problem areas before a red tag appears. It contributes to a sense of safety. In this context, eliminating waste is another achievement when processes are optimized.



"5S transforms workplaces and increases safety and efficiency by promoting cleanliness and standardized practices. This has a positive impact on both productivity and job satisfaction."

Patricia Heidtman,

Chief Innovation and Sustainability Officer









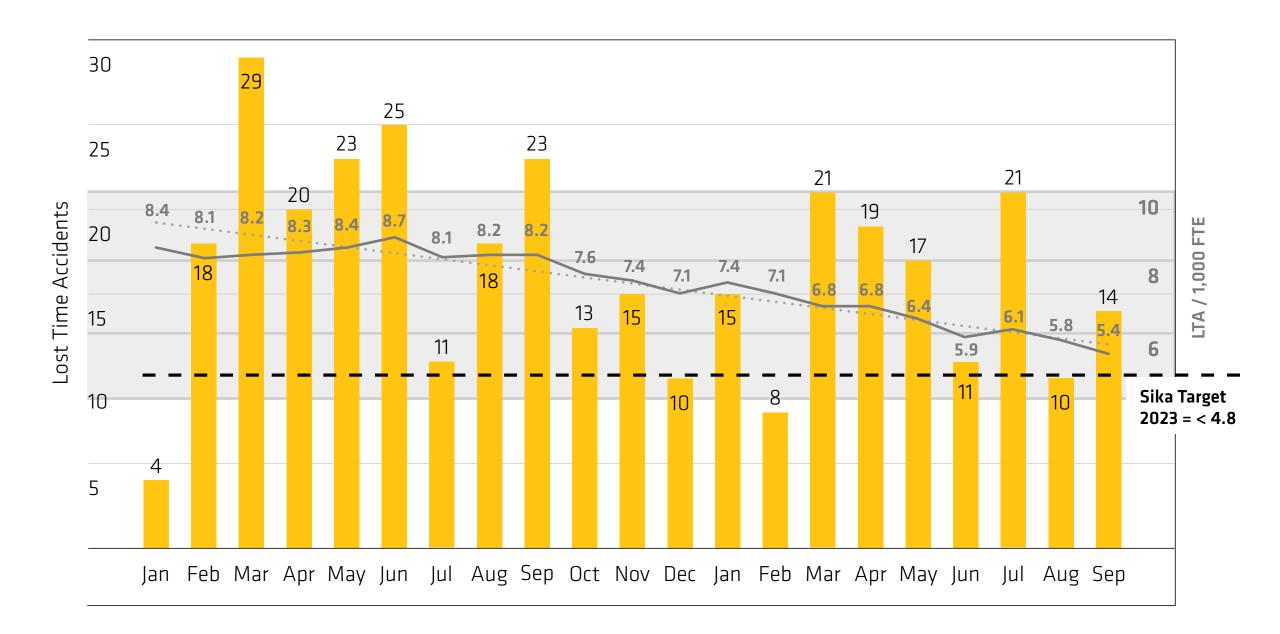
Everything in its place & 5S floor marking

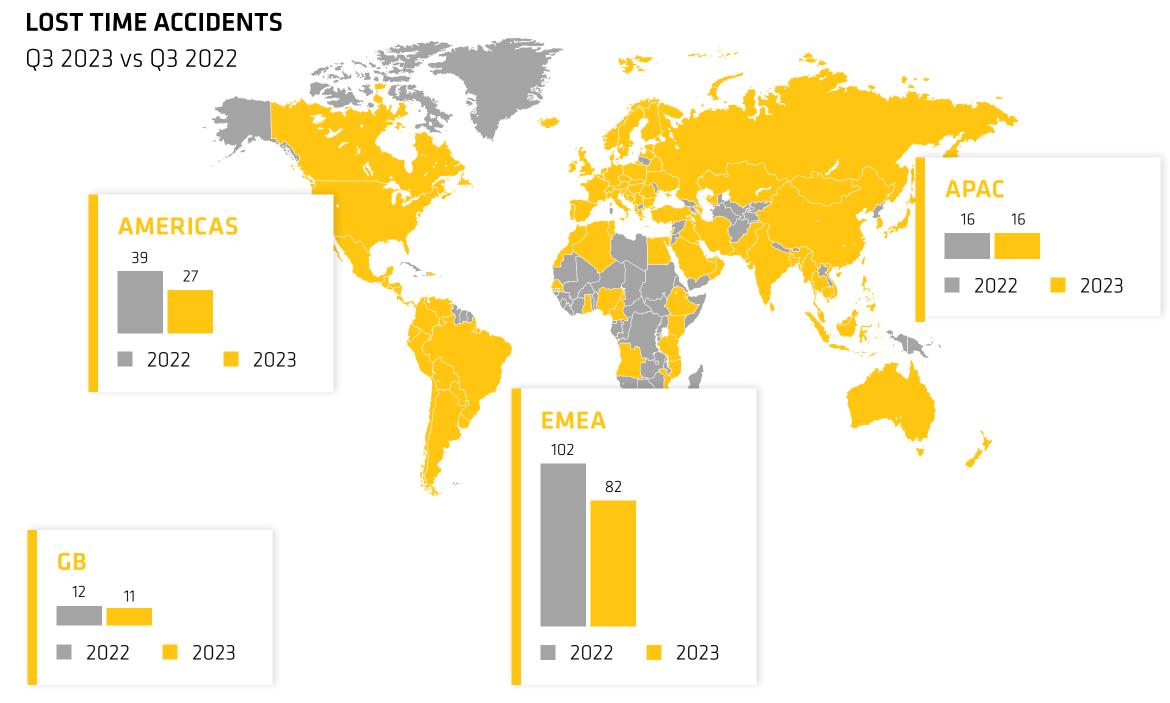
## FACTS AND FIGURES - IMPROVING OUR PERFORMANCE

WORKING TOWARDS ZERO HARM

#### **GROUP PERFORMANCE Q3 2023**

LTA RATE / 1000FTE (12 MONTH ROLLING)





#### **SAFETY PERFORMANCE 2023** PROGRESS H3 2023

#### Sika Group YTD

- 20% fewer LTAs vs PYTD (171  $\rightarrow$  136)
- 34% reduction in LTA rate / 1,000 FTE vs PYTD (8.2  $\rightarrow$  5.4)

#### **Americas YTD:**

- 31% fewer LTAs vs PYTD (39  $\rightarrow$  27)
- 44% reduction in LTA rate / 1,000 FTE vs PYTD (7.9  $\rightarrow$  4.4)

#### **APAC YTD**

- Same number of LTAs vs PYTD (16  $\rightarrow$  15)
- 19% reduction in LTA rate / 1,000 FTE vs PYTD (2.7  $\rightarrow$  2.2)

#### **EMEA**

- 8% fewer LTAs vs PYTD (102  $\rightarrow$  82)
- 33% reduction in LTA rate / 1,000 FTE vs PYTD (12.3  $\rightarrow$  8.3)

#### **Global Business**

- 8% fewer LTAs vs PYTD (12  $\rightarrow$  11)
- 28% reduction in LTA rate / 1,000 FTE vs PYTD (8.6  $\rightarrow$  6.2)

## SIKA - MBCC EHS INTEGRATION: FIRST ABOUT PEOPLE

OUR SAFETY JOURNEY FROM AWARENESS TO ACTION







"The visit to the MBCC plant in Pudahuel Chile was a great opportunity to meet personally, talk, and share good practices with a special focus on the integration. We took the opportunity to learn the best of both companies in terms of H&S, as well as to think about a great future together."

Yocelyn Sepulveda,

EHS Responsible, Pudahuel Plant

Holding Safety as a core value and having a mindset of looking out for each other is a prerequisite to the Group success. Working safe is not only a program but a way of getting things done. The current Sika – MBCC integration is a unique opportunity to strengthen our safety culture among all employees.

#### What has been completed since Day One

Since Day One, several initiatives have been completed within the EHS field. An EHS "Ice Breaking" session was organized at the end of May to enable Global and Regional EHS teams to introduce themselves, and further contacts have been set up to clarify tasks, organization, and key challenges. An initial gap analysis on EHS key matters was conducted to identify the common pillars and those in need of harmonization or improvement. A simple example includes the existing Sika incident notification, which has been extended to MBCC in order to track all key safety incidents and further ensure the relevant corrective and preventive actions.

It was also highlighted that Process Safety and EHS audit topics already in place at MBCC are the ones which will be rolled out within the new larger Group.

Integration is first about people: last July, Head Global EHS and Regional EHS teams in Latam together visited Sika and MBCC plants in Uruguay, Argentina, and Chile, not only to meet local teams but also to identify, on the shopfloor, DOs and DON'Ts, i.e positive practices and critical topics to improve. According to all participants, this was a great opportunity to meet in person but also share best demonstrated practice across the Group.

#### What's next

Several challenges will be taken up during the coming months: set up a powerful EHS organization at global, regional, and local level to support the teams along our safety journey, implement the action plan following the deep dive analysis, but above all, keep the positive "EHS momentum" in both Sika and former MBCC teams.

## MEET OUR PEOPLE

### JOINT TEAM EFFORT AROUND THE GLOBE

#### **PASCAL MALAFOSSE**

- Location: France
- Function: General Manager Sika France SAS
- With the company for 35 years

#### What does safety mean for you?

For me, safety has to be our value. I like the idea of it being added as the first of our five principles and values. It will take time, but the safety of our employees must become our way of thinking, our backbone, a matter of course every day and in every place.

#### How do you incorporate safety in your leadership?

As General Manager, our employees look to us as an example to follow. We must be beyond reproach, zero tolerance. I no longer take my phone with me when I visit our factories, and I turn off my phone in the car for short journeys. I carry out a safety walk in our plants at least once a quarter. And I have greatly increased communication on safety at Sika France.



#### **SELAMAWIT GEBREMICHAEL**

- Location: Sika Ethiopia and Sika Djibouti
- Function: General Manager
- With the company for six years



Click <u>here</u>
to learn more
about safety
at Sika Ethiopia

#### What does safety mean for you?

Safety in general terms for me is **well-being** and ensuring that everyone gets to go home at the end of the day with a healthy mental, emotional, and physical state. Coming to work should be something that adds value and satisfaction to an individual and not a condition that could compromise his/her well-being.

#### How do you incorporate safety in your leadership?

People are at the core of my leadership, and I place a high value on their general well-being. I also think that the key to an effective workplace is to foster a safe and healthy environment. One way I may demonstrate to my team that I genuinely care about their well-being is by promoting and pushing the topic of safety. As a result, I have endeavored to adopt several initiatives to enhance the working environment, culture, and attitude toward safety. Since I started my current role, identifying possible hazards and adopting 5S have been my top priorities. I have seen a significant improvement in the local team's attitude and level of engagement

my top priorities. I have seen a significant improvement in the local team's attitude and level of engagement as well as the safety of the workplace due to the organization of production and warehouse setup, clear definition of process, well maintained housekeeping, and strongly enforcing the use of PPE. I have driven these changes by consistently conducting safety walks, 5S audits, tracking key initiatives, emphasizing teamwork, encouraging ideas and new ways, and making sure everyone contributes to a better workplace. Safety moments are excellent instruments for influencing and bringing about a cultural shift on safety. Every Monday, we have a safety moment with lively discussion and presentations at every site. Both the sales team and the office staff have an opportunity to present and discuss a certain topic, in addition to the shop floor safety moment discussions. In my position, it's essential to go beyond the workers' physical safety. To make the workplace safe and cherished, I take the necessary steps to assure the welfare of the employees, hold open discussions, and implement improvements.





ALWAYS MAKE SURE YOU HAVE CLEAR VISIBILITY WHEN MOVING AROUND.

