

EBARA Group's CSR Challenges

Reviewing the E-Plan2013 Second Year

In the second year of our group's medium-term management plan, E-Plan2013, in Japan domestically we undertook tangible operations towards recovery from the East Japan Earthquake and Tsunami Disaster in accepting tasks of establishing facilities for debris processing and more.

Furthermore, each group company continues to refine BCMS (Business Continuity Management Systems) to be able to maintain our group's operations in supporting the society and our customers in any contingency, preparing for among other things a potential earthquake in the Nankai Trough under the capital region. We have begun implementation of systems to account for each employee in times of emergency, and training to raise employee disaster awareness including the distribution of disaster response guides. Going forward, we will continue to implement further measures to prepare for possible large-scale disasters.

Additionally, to move forward on our management plan's slogan of "regional production for regional supply", we have begun globally promoting production innovations to make high-quality products efficiently in localities worldwide. In China, Southeast Asia, and elsewhere, where water and energy infrastructure becomes ever more critical, we progress with further production innovation measures as a policy to rapidly and carefully respond to these needs.

On the Enactment of CSR Policy and Revision of Code of Conduct

The EBARA Group CSR Policy enacted in November 2012 is the starting point for the implementation of CSR management. In our 2011 CSR report, I wrote, "It is becoming an axiom that our group's CSR represents the ideals of the organization." That spirit remains unchanged, and the CSR Policy was enacted with a desire to share with EBARA Group employees in each location worldwide that the processes by which expertise, products, and service are created are also a part of product quality and value. As the CSR Policy states, "We deal with (stakeholders with) enthusiasm and sincerity", and "We recognize that our reason for existing is to contribute to society, industry, and livelihoods" — it is here that the spirit of our business and the ideals of our organization can be found. Following our recognition that the actions of each individual to embody the spirit of our business, the ideals of our organization, and CSR Policy are important to building EBARA Group's product quality and value, the EBARA Group's former code of conduct was reformed. Going forward, with the reformed standard of conduct as the foundation for the activities of each group employee, we will make the CSR Policy a reality.

Reflecting Upon Third-Party Comments

This is first time we have received the comments of Prof. Takeuchi of the University of Tōkyō TODIAS and IR3S. He reminds us of the responsibilities we at EBARA Group have to society's tasks at hand. We are treating FY2013, the last year of the E-Plan2013 management plan, as a period of preparation for still more advancement of EBARA Group's CSR management. As we advance efficient production activity though production innovations in localities worldwide, we aim to eliminate environmental risk and undertake pollution reduction measures in China and other localities globally. Further, as water and energy problems are pressing tasks for society as a whole, we look to see them as opportunities for our group, working to develop human resources to engage in efforts globally. Meanwhile, we aim to build an organization where employees can work in safety and security, in harmony with local communities and the environment, in a workplace embracing their diversity.



Akira Itoh

Managing Executive Officer
Division Manager, Enterprise Risk Management,
EBARA Corporation