

EBARA Way

Creation of New Value by Acting Based on the “EBARA Way”

The EBARA Group's beginnings were in answer to the calls of society, and we have continued to provide value to society through our business in addition to fulfilling our social responsibilities. In conjunction with the 100th anniversary of the Company's founding in 2012, we reflected on the type of company we are and want to be and reorganized those fundamental values and ethics into the EBARA Group Business Ethics Framework, to support our ethical operation over the next 100 years. As part of this undertaking, we redefined the Group's Founding Spirit, corporate philosophy, and CSR Policy as the “EBARA Way,” the transcendental value shared across the EBARA Group. By acting based on the “EBARA Way,” we will create new “social, environmental, and economic value.”

EBARA's Founding Spirit of “Netsu to Makoto” (Passion and Dedication) is a philosophy of engaging with work and people with passion and dedication that inspires us to contribute to society in the areas of water, air, and the environment. Guided by this spirit, we advance our business activities in accordance with the EBARA Group CSR Policy and aspire to foster relationships of trust with stakeholders through highly ethical conduct.

EBARA Group Business Ethics Framework

Elements of the EBARA Way: Founding Spirit of Passion and Dedication

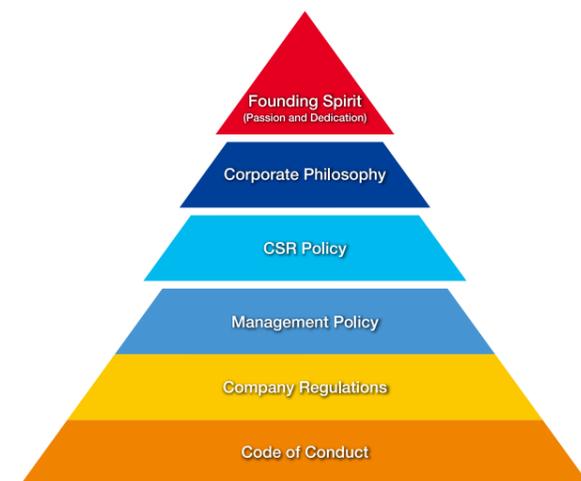
Both employees and the Company shall strive for growth with passion and dedication to bring forth originality and ingenuity, rather than simply fulfilling the task at hand. When working with passion and dedication, there is nothing that cannot be communicated to others.

Corporate Philosophy

We contribute to society through high-quality technologies and services relating to water, air, and the environment.

CSR Policy

We seek to foster trust with our valued stakeholders by conducting our business with a strong sense of ethics.



Key Points of EBARA Group Integrated Report 2020

EBARA Group Integrated Report 2020 focuses on explaining, in an easy-to-understand manner, the EBARA Group's value creation story through explaining specific initiatives taken in the framework of the E-Vision 2030 long-term vision and new E-Plan 2022 medium-term management plan announced in February 2020. We would like to take this opportunity to touch on the following key points of this report to help readers gain an even deeper understanding of its content.

POINT 1 Technological Capabilities and Reliability—The Strengths Born Out of Passion and Dedication

EBARA's Founding Spirit of “Netsu to Makoto” (Passion and Dedication) represents the fundamental qualities we expect all EBARA employees to embrace. At EBARA, we are committed to refining our technologies through passion and delivering reliable products and services through dedication. The strengths of our technological capabilities and reliability born out of passion and dedication are driving the growth of EBARA.

Introduction → P.03–12
Value Creation Story → P.21–22

POINT 2 E-Plan 2030—Vision for 10 Years from Now Aimed at Fulfilling Mission of “Technology. Passion. Support Our Globe.”

The new E-Vision 2030 long-term vision identifies five material issues (EBARA's materiality) to be addressed in order to contribute to the realization of a sustainable society while simultaneously improving a “social, environmental, and economic environment.” This report provides a glimpse at how EBARA will accomplish these goals.

EBARA Group's Corporate Value Creation → P.13–28

POINT 3 E-Plan 2022—Medium-Term Management Plan for Realizing Long-Term Vision

E-Plan 2022 is a medium-term management plan formulated through reflection on the previous medium-term management plan and backcasting from E-Plan 2030. This report explains some of the specific measures of this plan from the perspectives of business strategies, resource strategies, and ESG-focused management.

Business Strategies → P.29–44
Resource Strategies → P.45–52
Refined ESG-Focused Management → P.53–78

Editorial Policy

The EBARA Group has issued this integrated report to provide stakeholders with financial and non-financial information about its medium-to-long-term value creation activities. This report was created with reference to the International Integrated Reporting Council (IIRC)'s International Integrated Reporting Framework; the Ministry of Economy, Trade and Industry (METI); the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogues for Collaborative Value Creation: ESG Integration, Non-Financial Information Disclosure, and Intangible Assets into Investment (Guidance for Collaborative Value Creation); and the Global Reporting Initiative (GRI) Standards. A table detailing the referenced GRI Standards is available on the Company's corporate website.

Company References “EBARA” and “the Company” refer to EBARA CORPORATION while “the EBARA Group,” “the Group,” or “we” refer to EBARA CORPORATION and its domestic and overseas subsidiaries and affiliates.

Target Readers All stakeholders of the EBARA Group

Reporting Period The fiscal year ended December 31, 2019 (January 1, 2019, to December 31, 2019) (Notice will be provided when the period differs from the above.)

Scope of Reporting EBARA CORPORATION and the 92 subsidiaries (of which 65 are consolidated) and four affiliates that collectively comprise the EBARA Group (as of December 31, 2019) (Notice will be provided when the scope of data collection differs from the above.)

Japanese Publication Date July 2020

Information Regarding the Group

INTERNET Corporate Website
<https://www.ebara.co.jp/en/index.html>



| Financial Information | Non-Financial Information |
|---|--|
| <p>BOOKLET PDF</p> <p>Integrated Report 2020 Compiles noteworthy information</p> | <p>INTERNET</p> <p>Investor Relations https://www.ebara.co.jp/en/about/ir/index.html</p>  <p>PDF</p> <p>Annual securities report</p> |
| | <p>INTERNET</p> <p>Corporate Social Responsibility https://www.ebara.co.jp/en/about/csr/index.html</p>  <p>PDF</p> <p>Corporate governance report</p> |

To contact EBARA CORPORATION, please use the following.
<https://www.ebara.co.jp/en/contact/index.html>

Please share your opinions regarding this report at the following.
https://www.ebara.co.jp/en/contact/qa/report/index.php?contact_group=Report

Cautionary Statement with Regard to Forward-Looking Statements
Certain of the statements made in this integrated report are forward-looking statements, which involve certain risks and uncertainties that could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which are valid only as of the date thereof. EBARA undertakes no obligation to republish revised forward-looking statements to reflect events or circumstances after the date thereof or to reflect the occurrence of unanticipated events.

CONTENTS

- 01 EBARA Way
- Introduction**
- 03 Founding Based on Passion and Dedication
- 05 History of Growing While Addressing the Social Issues of Every Era with Technologies and Reliability
- 07 Distinctive Presence Underscored by Technologies and Reliability
- 09 Social Value Created by EBARA
- 11 Unending Support for Society Based on the Spirit of “Netsu to Makoto”

EBARA Group's Corporate Value Creation

- 13 Message from the President
- 21 Value Creation Story
- 23 Vision for 10 Years into the Future
- 25 Discussion between Key Sustainability Committee Figures

Business Strategies

- 29 Special Feature: New Businesses
- 33 Three Businesses Supporting Social and Industrial Infrastructure
- 35 Fluid Machinery & Systems Business
- 39 Environmental Plants Business
- 42 Precision Machinery Business

Resource Strategies

- 45 Financial Strategies as Explained by the Executive in Charge of Finance
- 47 Human Resource Strategy
- 49 R&D and Intellectual Property Strategy
- 51 Digital Transformation Strategy

Refined ESG-Focused Management

- 53 Environmental Initiatives
- 55 Social Initiatives
- 57 Message from the Chairman of the Board of Directors
- 59 Composition of the Board of Directors
- 61 Board of Directors
- 63 Brief Personal History of Directors
- 65 Corporate Governance
- 73 Risk Management
- 75 Compliance
- 77 Executive Officers

Corporate Data

- 79 Performance Highlights
- 81 Overview of ESG Material Issues, KPIs, and Results
- 83 11-Year Financial Summary
- 85 Analysis of Business Results, Financial Position, and Cash Flows
- 87 Consolidated Financial Statements
- 91 EBARA Group's Global Network
- 93 Corporate Profile / Stock Information