

Corporate philosophy and CSR

The accomplishment of the corporate philosophy is the **Corporate Social Responsibility (CSR)** that the EBARA Group must fulfill.

To accomplish the corporate philosophy, each and every person's behavior leading up to an outcome, rather than just the pursuit of an outcome, is governed according to the EBARA Group's Code of Conduct.

The founding spirit "Enthusiasm and Sincerity" and corporate philosophy

Issey Hatakeyama, the founder and the first president of EBARA, expressed the spirit of building a relationship of trust by approaching things and contacting people with enthusiasm and sincerity as "Netsu To Makoto" (Japanese for "enthusiasm and sincerity") and sought to realize this idea in management. The EBARA Group aims to be a company trusted by stakeholders and capable of continuous growth along with society by following this founding spirit. At the core of the EBARA Group's corporate philosophy that stresses *extensive contribution to society by providing superior technologies and services related to water, air, and the environment*, the founding spirit of "Enthusiasm and Sincerity" is always present.

EBARA Group's Code of Conduct

The EBARA Group's Code of Conduct, the foundation of behavior for the accomplishment of the corporate philosophy, applies to all officers (directors and executive officers) and employees (those who are employed by the company including managers, regular employees, counselors, part-timers and accepted transfer employees) of the domestic EBARA Group companies and stipulates correct conduct in accordance with the Code. To accomplish all the policies in our business activities including the management, environment, quality, procurement and human resources policies, all employees follow the Code of Conduct as well.

All officers and employees keep an eye on their own behavior by the Five Basic Principles for Actions. These basic principles were formulated after the dioxin contamination incident*1 that occurred at our Fujisawa District in 2000. To renew the awareness of the lesson learned that "failure to take appropriate action leads to serious accidents," we have specified March 23, the day the incident was revealed, as the "Day for Reconfirming Basic Principles for Its Action" to provide an opportunity to consider corporate social responsibility. The President sends a message to all officers and employees as a reflection on the conduct in the past year.

On the "Day for Reconfirming Basic Principles for Action" in 2008, a specific explanation was given about the link between the Five Basic Principles for Actions and the improvement of the quality of operations.

CSR promotion system

Under the control of the CSR Division, departments are established for the purpose of: 1) Planning and promotion of CSR activities, 2) Compliance, 3) Human rights enlightenment, 4) Promotion of environmental conservation, 5) Management of matters involving trade rules and regulations, 6) Ensuring of appropriate transactions with suppliers and 7) Ensuring of the quality and safety of products. These departments are engaged in continuous improvement of the CSR management while working closely with relevant departments including the corporate strategy planning, internal control, and human resource departments, and individual companies (operating divisions) and group companies.

The founding spirit, "Netsu To Makoto" (Note: "Netsu To Makoto" means enthusiasm and sincerity.)

Corporate philosophy

Extensively contribute to society by providing superior technologies and best services related to water, air, and the environment

Gist of the EBARA Group's Code of Conduct

- ◆ We will globally provide excellent products and services relating to water, air and the environment.
- ◆ We will be fully aware of corporate ethics, comply with laws and ordinances, and respect the principles of society.
- ◆ We will strive to conserve global environment when proceeding with business activities.
- ◆ We will maintain fair and excellent relationships with stakeholders.
- ◆ The top management and employees will fulfill their responsibilities for their respective work.

* Overseas group companies have set up their own Code of Conduct, taking local laws, social norms and customs into account.

Five Basic Principles for Actions

1. Realize that any trifling action may lead to serious consequences.
2. Confirm the objective and meaning of actions before doing them.
3. In conducting actions, follow fixed procedures and rules.
4. Review actions, confirm them, and be responsible for their results.
5. Adopt extensive views and take actions, while giving consideration to areas other than one's own responsibility.

*1 [Dioxin contamination incident] <http://www.ebara.co.jp/dioxin/>



姜昊 (age: 11)

Extraction of CSR challenges and continuous improvement

In October 2007, the CSR Report Production Committee was launched with the director in charge of CSR as the chairman, which was followed by the issuance of the first CSR report in 2008. This Committee has a mission of recognizing the EBARA Group's CSR challenges and fostering an awareness of CSR in the Group while creating the CSR Report. In line with the seven chapters of the EBARA Group's Code of Conduct, nine working groups (hereafter referred as W.G.; see the figure on the right) have been set up under the Committee. The individual W.G. extract their own CSR challenges and set their own goals, report on the progress and results of the activities to the Committee and are making efforts for continuous improvement of the CSR activities.

CSR Report Production Committee

Overall Management/Internal Control/Compliance W.G.
Customers W.G.
Shareholders and investors W.G.
Suppliers W.G.
EBARA Group employee W.G.
Environment W.G.
Community/Society/Communication W.G.
Information security W.G.
CSR Report Editing W.G.

Code of Conduct and CSR activities

In 2008, CSR challenges were extracted and improvement activities were carried out based on the EBARA Group's Code of Conduct as the basic concept of CSR.

This report describes the respective chapters of the Code of Conduct and mentions the developments of activities.

Chapters of the Code of Conduct We/us means the officers and employees of Ebara Group	Objective of each chapter	The reference pages for the achievement information in this report	Main W.G. involved in the promotion of activities*
Chapter 1: Corporate activities and We in the EBARA Group	We will announce our basic stance on corporate activities by the EBARA Group, and we also declare that we will act in accordance with that stance.	Pages 16/17 Pages 18/19	All W.G. A
Chapter 2: Compliance with Laws/ Ordinances/Principle of Society and We in the Ebara Group	We will observe laws and regulations, social norms and in-house rules and constantly keep an eye on our behavior.	Pages 20-23	A
Chapter 3: Environmental Conservation and We in the Ebara Group	We will conserve global environment through daily activities, products and services.	Pages 40-47	F
Chapter 4: Society and We in the Ebara Group	We will set rules about the Group's relationship with society and act accordingly.	Pages 24/25	G I: Provision of information by CSR Report
Chapter 5: Customers/Shareholders and We in the Ebara Group	We will set ways for guiding our relationship with, and actions toward, our stakeholders including customers, suppliers, shareholders, investors and competitors.	Pages 26-31 Pages 32/33 Pages 34	B D C
Chapter 6: The EBARA Group and We Employees	The management will fulfill the leadership responsibilities and the officers and employees will fulfill functional responsibilities at our worksites. The officers and employees will protect corporate assets.	Pages 35 Pages 36-39	H E
Chapter 7: Operational Setup	We will provide for a system for operating the Code of Conduct described thus far, in order to make it really effective.	Pages 16 Pages 21-23	All W.G. A

* A: Overall Management/Internal Control/Compliance W.G. B: Customers W.G. C: Shareholders and investors W.G. D: Suppliers W.G.
E: EBARA Group employee W.G. F: Environment W.G. G: Community/Society/Communication W.G. H: Information security W.G. I: CSR Report Editing W.G.