

# Corporate Social Responsibility (CSR)

The EBARA Group conducts business with a high standard of ethics and works to build relationships of trust with its stakeholders.

EBARA is a signatory to the United Nations Global Compact and practices its 10 principles in the four categories of human rights, labor, environment, and anti-corruption.



EBARA's stock continues to be selected for inclusion in the Dow Jones Sustainability Asia Pacific Index and FTSE4Good Index Series, which are the world's leading social responsibility investment (SRI) indexes.

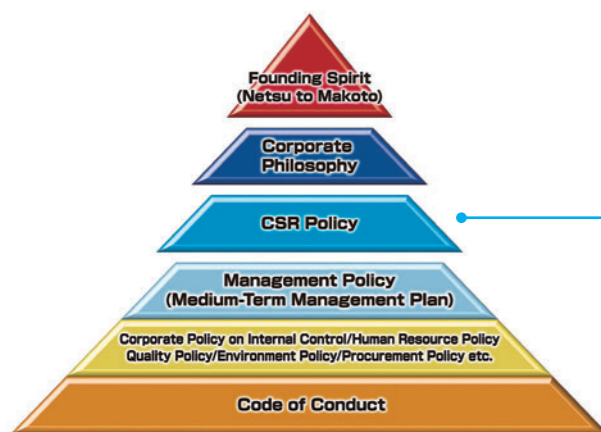


## EBARA Group CSR Policy

The Group CSR Policy reflects our basic stance on conducting business. The policy has two pillars: a self-imposed responsibility to maintain high ethical standards and a commitment to building relationships of trust with stakeholders. Based on these pillars, we have established nine principles. By adhering to EBARA's founding spirit of Enthusiasm and Sincerity, which

supports creativity and inventiveness, as well as the Group CSR Policy, the Group is making an extensive contribution to society through continued advancement of its businesses related to water, air, and the environment. This approach to its businesses is an important tenet of the Group's corporate philosophy.

### EBARA Framework for Corporate Ethics



### EBARA Group CSR Policy

- 1 The EBARA Group conducts business with a high standard of ethics.**
  - The EBARA Group recognizes that it exists to support society, industry, and infrastructure.
  - The EBARA Group innovates to supply technologies, products, and services that delight its customers.
  - The EBARA Group operates in a spirit of free and fair competition.
  - The EBARA Group strives to improve the global environment.
- 2 The EBARA Group builds relationships of trust with stakeholders.**
  - The EBARA Group demonstrates shared passion and integrity in all its dealings.
  - The EBARA Group respects human rights and diversity.
  - The EBARA Group strives to achieve mutual understanding through transparent information disclosure.
  - The EBARA Group creates a secure, safe, and positive work environment.
  - Through high-quality communication, the EBARA Group aims to be a company everyone can take pride in.

## Respect for Human Rights and Diversity

We advocate and respect the human rights of customers, suppliers, private citizens, and employees as well as other stakeholders based on international human rights standards, such as the Universal Declaration of Human Rights and the International Covenants on Human Rights.

Aiming to create opportunities for the disabled to support themselves through work and participate in society and to increase the percentage of disabled employees in our workforce, we established a special subsidiary, EBARA Earnest Co., Ltd., in November 2012. Eleven employees were working there enthusiastically as of May 2014. Further, we employ talented

personnel regardless of nationality. The 55 new career-track employees who joined us in April 2014 include 15 individuals from China, Taiwan, South Korea, and Vietnam. To make it easier for male and female employees to balance work with household chores, child-rearing, and nursing care, we diversified work styles by establishing an hours-based paid leave system and a staggered working hours system in fiscal 2013.

### Number of Non-Japanese New Graduate Hires

April 2014	15
April 2013	19
April 2012	6
April 2011	4

## Personnel Training

Our personnel development policy focuses on acquiring talented individuals from around the world and training diverse and innovative personnel with an appetite for challenges. The policy also focuses on establishing employee-friendly workplace environments that enable employees to fully realize their capabilities. Based on this policy, we have established and advanced systems for hiring and developing global personnel.

For prospective employees, we have internships for non-Japanese graduates of overseas universities. Under this system, we assign them to the workplaces they are scheduled to work in six months before they join us. In addition, with a view to relieving anxieties or addressing dissatisfaction that can arise from cultural differences, we have external third parties interview all non-Japanese personnel in their native language. In light of the results of these interviews, we provide guidance to the workplaces receiving non-Japanese personnel.

Meanwhile, through our global personnel development program, we have been dispatching personnel to overseas Group



A transferee (back row, first from left) from Japan with personnel of Ebara Fluid Machinery Korea Co., Ltd.

companies from Japan since fiscal 2011. By the end of fiscal 2013, we had transferred approximately 30 such Japanese personnel to companies in the United States, Brazil, China, South Korea, Italy, Thailand, Vietnam, Singapore, and Bahrain.

## Environmental Conservation

We have adopted an environmental management system based on the ISO14001 standards. All 19 organizations of the Group in Japan and overseas had acquired ISO14001 certification as of March 31, 2014.

Due to the revision of Europe's Restriction of Hazardous Substances (RoHS) Directive, known as RoHS2, certain products of the EBARA Group have become subject to the

directive. Furthermore, acquiring CE marks for these products to show their compliance with RoHS2 has become necessary.

Given the above, we are establishing information management and quality management systems to check that our products do not contain substances subject to the directive, such as lead, hexavalent chromium, cadmium, mercury, polybrominated biphenyl (PBB), and polybrominated diphenyl ether (PBDE).

## Fair and Impartial Transactions

With the objective of conducting fair and impartial transactions, the EBARA Group issued its Basic Policy on Anti-Corruption in September 2012. Bribery, unfair trade practices, and relationships with antisocial forces have been defined to be within the scope of corruption, and the EBARA Group is working to prevent such corrupt practices.

Moreover, as a part of its procurement activities, the EBARA Group is aiming for co-existence and mutual prosperity with its

business partners by building long-term relationships with them, as it works to increase its corporate value, achieve sustainable growth through its CSR activities, and create value for society. To accomplish these objectives, the EBARA Group has issued its CSR Procurement Guidelines and is moving ahead with CSR activities together with its business partners. In fiscal 2013, we conducted a CSR questionnaire targeting major business partners.

For further information, please see the following sections of our website.

- EBARA Group CSR Report 2014 <http://www.ebara.co.jp/en/csr/report/>
- CSR <http://www.ebara.co.jp/en/csr/>

