

Human Resources, Environment, and Social Contributions

Human Resources

We continued to promote human resource programs that respect individual diversity and enable personnel to function effectively in accordance with management plans through the end of the fiscal year ending March 31, 2016. Our basic missions are to recruit and develop a diverse workforce from around the world that takes on challenges with creative innovation and to establish a work environment that enables all employees to make the most of their individual skills. To achieve this, we make sure to create and implement human resource development programs and perform personnel management operations from a Groupwide perspective and to reflect the following policies in human resources and staff development.

- 1) Hire human resources from countries and regions significant to business operations at the Group head office and develop the core human resources that will be necessary for business development in those regions. Also, introduce programs that specifically promote overseas work

opportunities to younger workers in order to systematically provide opportunities to acquire fundamental skills as human resources responsible for global business development.

- 2) Establish a human resource rotation system that includes Group companies in order to encourage systematic human resource interaction and collaboration within the Group and decide personnel assignment with an emphasis on their career paths.
- 3) Establish work environments that enable all employees to fully invest their skills in their work regardless of individual attributes such as sex, gender, or nationality.
- 4) Establish and improve human resource systems (including appointment, evaluation, and compensation) that can be applied to all Group management while structuring programs to recruit and develop human resources to take on Group management positions.

Environment

The EBARA Group set medium-to-long-term targets and is undertaking environmental preservation measures to achieve them. The targets include general improvement of environmental preservation as well as targets for increasing sales of environmentally conscious products. Examples include electric motors that are compliant with IE4* and high-efficiency pumps that combine controllers and inverters for efficient operation. We will continue working toward achieving the medium-to-long-term targets and hope to contribute to the development of a sustainable society.

Overseas business sites are increasing in conjunction with the globalization of business development. At the same

time, however, environmental problems including atmospheric and water pollution are becoming increasingly severe in various regions around the world, and environmental regulations are being tightened, requiring even-greater consideration for the environment in business activities. In response, the EBARA Group adopted policies and standards for preventing environmental pollution globally in the fiscal year ended March 31, 2014. Our policy for the future is to acquire ISO 14001 certification at all business sites and to steadily implement environmental management.

* Energy efficiency guideline for motors specified in the IEC 60034-30 standard adopted by the International Electrotechnical Commission.

Social Contribution

The EBARA Group states in its corporate philosophy that it will contribute to society through its business activities, but we also contribute to the development of local communities and society through various types of community involvement. We conduct these activities because we believe that communicating with local communities and society, contributing to solving local issues, and the development of a better society are key roles of a business.

When carrying out social contribution programs, the EBARA Group takes specific action based on the following

three basic policies.

- 1) Carrying out social contribution programs by making use of the technologies, know-how, and strengths gained through business activities.
- 2) Contributing to the development of future generations of human resources through a variety of programs in the sciences and technology, the environment, culture, and sports.
- 3) Understanding the issues facing local communities and society and carrying out social contribution programs tailored to their needs.

For more information on these CSR topics, please refer to *EBARA Group CSR Report 2015*.

EBARA Group CSR Report 2015 also contains information on the Company's internal control, compliance, and risk management systems.

EBARA Group CSR Report 2015: <http://www.ebara.co.jp/en/csr/report/>