“The Nabtesco Group, with our unique motion control technology, will provide safety, comfort and a sense of security in daily lives as well as any form of transportation”—The Nabtesco Group conducts business activities based on this Corporate Philosophy.

To report all these activities and express our views on corporate social responsibility (CSR) in one single document, we are publishing a CSR Report annually starting from 2011.

In this Nabtesco Group CSR Report 2012, the second issue of the report, Kazuaki Kotani, President & CEO of Nabtesco, explains our management views and policies based on our Corporate Philosophy, Long-term Vision, and Our Promises. In addition to reporting the activities of the Group for our stakeholders and toward attaining the management views and policies under the five themes—Offering Products and Services with High Value; Securing Transparency of Management; Consideration for Employees; Environmental Protection; and Management Systems, this year’s report also gives details of our CSR activities conducted in cooperation with our business partners in a new section, “Fair and Proper Corporate Activities.”

September 2012
Globally, the growth in China and other emerging countries which were driving the global economy has slowed down, and the Eurozone debt crisis is becoming increasingly serious. Japan too is experiencing various difficulties, including the adverse impact of the lingering strong yen on exporting companies, concern over electricity shortages, and sluggish personal consumption.

Amid this unpredictable economic situation, the Nabteco Group drew up a Long-term Vision in FY2012, and stated that we aspire to become a “Global Partner with Best Solutions” by FY2020. Through this new Long-term Vision which defines goals for FY2020, and by offering new solutions (products, services, business models) that will help solve global social issues, we aim to contribute to the further development of the economy and society.

Implementing CSR through business activities
We are engaged in a wide variety of corporate activities in accordance with our Corporate Philosophy of providing “safety, comfort and a sense of security in daily lives as well as any form of transportation” based on the recognition that realizing the philosophy will lead to the best CSR practices. These activities include not only business activities—such as the development of electronically-controlled engines for ships and drive units for wind turbines for environmental protection and railway platform doors for passenger safety—but also various commitments in the areas of the environment and welfare which we are actively promoting.

Environmental commitments
Nabteco regards “consideration for the global environment” and “harmony with local communities and cultures” as the top priority management challenges, and to meet these challenges, has formulated the Environmental Philosophy and the Environmental Action Plan as specific group-wide action guidelines. Under these guidelines, we proactively work toward reducing the environmental impact of our products and business activities and improving the environment to help realize a sustainable society.

Social contributions
Nabteco also develops and offers equipment for use in welfare and long-term care, which are designed with careful consideration to the user’s convenience. Under the Long-term Vision of “Global company group growing with society,” we will continue to strive to enhance our corporate value and promote CSR by delivering highly reliable technologies and products.
Offering Products and Services with High Value

As a company creating a part of social infrastructure, we deliver products and services which provide maximum safety, comfort and a sense of security to win the trust of customers.

Corporate Philosophy

The Nabetesco Group, with our unique motion control technology, will provide safety, comfort and a sense of security in daily lives as well as any form of transportation.

Transportation of people and goods

Safety, comfort and a sense of security in the area of transportation

People's daily lives

Welfare/medical care

Manufacture

Urban development

Production of daily commodities

Hydraulic/ pneumatic equipment

Electrical equipment
01 Offering Products and Services with High Value

Incorporating safety, comfort, and a sense of security into products

The Nabtesco Group has established long-term relationships of trust with our customers, and has worked together with them to create markets, develop new products, and ensure the safety of products. In addition to the safety of products themselves, we also ensure safety, comfort, and a sense of security for customers who purchase our products as well as for end users by collecting and analyzing information on the actual conditions and environment in which products are used. We then use this information to define the safety, reliability, and stability required, as well as the functionality and performance necessary for realizing maximum comfort, and reflect these data in the production of products. As a result, we have grown and can now offer products and services with high value based on our unique motion control technology—many of which command the top market share—in various technologically demanding fields. We will continue making maximum effort to ensure safety, comfort, and a sense of security throughout the lifecycle of our products.

Safety promotion by the Quality & PL (Product Liability) Committee

The Quality & PL (Product Liability) Committee promotes the safety of products by listening to opinions of customers and end users to meet the ever-changing needs of society as well as by incorporating quality engineering and stringent quality control and PL management processes (including those for product safety management) into the production of products.

1. The Quality & PL (Product Liability) Committee has been established within the company. (Secretariat: Quality Promotion Department)

2. The objective of the committee is to formulate the standards of quality control and product liability and safety management for the Nabtesco Group, to establish standard processes to prevent any instances of compromised quality, such as safety defects, and to respond appropriately to any quality or product liability problem should it occur, so as to maintain and improve the quality and safety of products. The committee thus strives to help the Group to win the trust of customers and continue to grow.

3. The committee also reviews activities conducted during the previous fiscal year according to the prescribed rules, and discusses such matters as annual policies and priority issues. The annual policies and priority issues decided are communicated to each in-house company.

Products used in transportation and daily life

Products produced by the Nabtesco Group are used for various aspects of social infrastructure, and prove beneficial for many people. Particularly, products combining mechanical/ hydraulic/ pneumatic technologies with electrical machinery, electronics, and system control technologies have become popular in recent years.

Transportation of people and goods

- Our products contribute to safe, secure, and comfortable means of transportation by land (railroad vehicles, automobiles), air (aircraft), and sea (cargo and passenger boats).
- Our products help ensure safe, smooth, comfortable, precise, and powerful operations, as well as safety of workers and energy conservation, in automated factories, dangerous and demanding workplaces, and construction and public works sites.

People’s daily life

- Our automatic prepouch filler/sealer is capable of measuring, filling, and packing various types of food products, such as liquids, solids and liquid-solid mixtures.

Packaging and filling of food products

Nabtesco’s automatic prepouch filler/sealer is capable of measuring, filling, and packing various types of food products, such as liquids, solids and liquid-solid mixtures. Our automatic prepouch filler/sealer is used for producing a wide variety of food products, including curry, stew and other retort- pouch foods, pickled vegetables, carrots, chocolate, salt, sugar, spout-pouch beverages, jellies, sauce, soup, furikake (dried seasoning sprinkled over rice), and dried seaweed, and cough drops.

By facilitating pouching, which is an alternative package to a can, the automatic prepouch filler/sealer also helps to reduce the food ingredients and packaging materials used for each food product, and to make food products easier to handle, while meeting food safety requirements. Furthermore, thanks to its ability of accurate measuring, filling, and sealing of detergent refill packs and beverage containers that replace glass bottles, the filler/sealer also helps to save energy during transportation and improve safety during use.

<table>
<thead>
<tr>
<th>Structure of the Quality &amp; PL Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO (President)</td>
</tr>
<tr>
<td>Quality &amp; PL (Product Liability) Committee (Secretariat: Quality Promotion Department)</td>
</tr>
<tr>
<td>In-house company presidents</td>
</tr>
<tr>
<td>Related departments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Products with maximum safety, comfort, and sense of security</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transportation of people and goods</strong></td>
</tr>
<tr>
<td>The product line-up includes side door and interior door operators that meet the demands of a wide range of applications from ultra-low floor light rail vehicles to commuter trains and super high-speed trains. Railway- and electric-driven systems and pocket sliding type, externally mounted type, plug type, and airlight doors are available for high-speed trains. An air-driven system, which is one of the most popular door operated used for railroad vehicles, is increasingly automated. Our automated system helps avoid injury to passengers who may become trapped in a door thanks to its gentle closing force. The system also helps to save energy during transportation and improve safety during use.</td>
</tr>
</tbody>
</table>

| **People’s daily life** |                     |
| Our automatic doors are found in hospitals, office buildings, supermarkets, railway platforms, and other facilities used in daily life, to help protect people from injury and save energy. In recent years there have been many accidents in which passengers fell from a platform or came in contact with a moving train; this has become a serious social issue. To protect passengers, Nabtesco’s automatic platform gates are beginning to be installed at many stations of railway companies mainly in the Tokyo metropolitan area. Nabtesco also supplies electric wheelchairs, stair lifts for wheelchairs, and microprocessor-controlled prosthetic knee joints for people with difficulty in walking due to old age or injury and for those who provide nursing care. These products are essential for people who need support in daily life and help maintain their quality of life. |

| **Packaging and filling of food products** |                     |
| Nabtesco’s automatic prepouch filler/sealer is capable of measuring, filling, and packing various types of food products, such as liquids, solids and liquid-solid mixtures. |

| **Door operators for railroad vehicles** |                     |
| Automatic doors for buildings and industrial applications |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Precision reduction gears for industrial robots** |                     |
| Automatic prepouch filler/sealer |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |

| **Automatic prepouch filler/sealer** |                     |
| Automatic prepouch filler/sealer |

| **Automatic platform gates/doors** |                     |
| Automatic platform gates/doors |
Securing Transparency of Management

We disclose our corporate information in an accurate, easy-to-understand, and timely manner to ensure the transparency of our activities.

Efforts to encourage participation in the General Meeting of Shareholders and increase shareholders’ understanding of our business activities

Nabtesco regards the General Meeting of Shareholders as a precious opportunity to meet shareholders, and takes various measures—such as the early dispatch of the notice of meeting (three weeks prior to the date of the meeting), the selection of a date on which other shareholders’ meetings are not concentrated, and the adoption of a visually easy-to-understand format for explanatory materials—to encourage as many shareholders as possible to attend the meeting. Since the shareholders’ meeting in June 2009, we also make it a rule to hold a meeting to explain the Group’s business activities across Japan, as well as for retail sales personnel at securities companies who are in direct contact with investors. In FY2011, we met more than 500 investors.

We also held investor relations meetings in Hong Kong and Chinese mainland for the first time, in addition to the usual destinations of Europe, the U.S.A., and Singapore. We also offer plant tours in and outside Japan whenever necessary. For individual investors, in addition to the upgrading of our website reported below, we organize meetings to provide information on our company for investors in various locations.

Investor relations (IR) activities for institutional and individual investors

With regard to institutional investors, we organize a meeting after the second and fourth quarters to enable the CEO to report the financial results, hold one-on-one/small meetings, participate in IR conferences, and conduct overseas roadshows. In FY2011, we met more than 500 investors in one-on-one meetings, and conducted IR activities in Hong Kong and Chinese mainland for the first time, in addition to the usual destinations of Europe, the U.S.A., and Singapore. We also offer plant tours in and outside Japan whenever necessary.

For individual investors, in addition to the upgrading of our website reported below, we organize meetings to provide information on our company for investors in various locations.

Active communication with socially responsible investors

Thanks to its active CSR activities and improved corporate governance which are regarded highly, Nabtesco has been included in the FTSE4Good Japan Index, the globally recognized socially responsible investment (SRI) index, for six consecutive times since September 2009. Although only a few socially responsible investors have contacted us directly to date, we make sure to respond promptly to questionnaire surveys of SRI research firms—such as Dow Jones Sustainability Indices (DJSI) and Carbon Disclosure Project (CDP)—to communicate the status of the company.

Information sharing on the website

Nabtesco is a typical business-to-business company, and its products consisting mainly of components are generally not known to the public. Our website is, therefore, designed to provide a variety of accessible and easy-to-understand content that even general consumers can enjoy. Even with IR information, we do not disclose information in a timely manner but also try to make the financial results and other data easy to understand even for individual investors by using graphs and charts and including explanations of technical terms.

When meetings are held to report financial results to institutional investors, we make sure that the meetings are video-recorded and delivered online, and that documents handed out at the meetings can be downloaded from the website, to ensure all investors get a fair chance to access our information.

Recognition of our IR activities

1. Added to MSCI Japan Index in November 2009
2. Received Internet IR awards from Daiwa Investor Relations Co., Ltd. for six consecutive years since 2006
3. Received Internet IR Excellent Company Award in 2011

Efforts to protect human rights

(Policy regarding human rights)

Respecting human rights in all corporate activities is the basis of corporate social responsibility.

The Nabtesco Group of Conduct includes a clause guaranteeing basic human rights, providing guidelines that all the directors and employees across the Group and other workers working at each Group company are expected to observe.

(Human rights monitoring system)

The recruitment of employees is conducted not only at the Headquarters but also at each plant. Therefore, Human Rights Promotion Officers are appointed at each plant to ensure that the recruitment process is fair and properly carried out. We currently employ seven Human Rights Promotion Officers, and also conduct training for job interviewers every year. We have never received complaints regarding human rights as of FY2011.

Health and safety management

The Nabtesco Group is committed to creating a workplace where maximum attention is paid to employee safety, disaster protection, and health, and where every employee can fully express their individuality and strengths.

In FY2011, although we continued to promote close call reporting, hazard prediction training, and risk assessments, and reinforced safety patrols, the number of accidents increased significantly over the previous year, pushing up the accident frequency rate to 1.41.

This was mainly due to the rapid increase in new recruits, and many accidents involved inexperienced workers. We will continue to implement preventive safety management through risk assessments of each workplace to create inherently safe workplaces, while improving the quality of the newcomer training program, providing more intensive education to enhance employees’ hazard awareness, and reinforcing safety patrols, in order to create a culture in which employees feel rewarded.

Health management

Ensuring the physical and mental health of employees, who are irreplaceable resources for companies, is an essential factor for vitalizing organizations and maintaining business operations. (Efforts to eliminate mental health problems)

Mental health problems are addressed across the Nabtesco Group. Even if only one employee experiences a mental health problem, it can seriously hinder the work performance of the entire Group company. To prevent mental health problems before they occur, it is important to notice any signs among staff in each workplace, control the workload, and monitor the condition of the person. We therefore organize various seminars and lectures, and invite the company’s industrial physician or experts from other organizations to give presentations.

Furthermore, our two nurses—one in charge of the sites in the Kansai region and the other in charge of those of the regions east from Tokai—are on standby to take care of employees experiencing mental health problems, offer counseling whenever necessary and help them return to work. For employees whose workload may be considered high, the site and the industrial physician cooperate with each other to conduct an interview regularly to protect the employees’ mental health.

In order to promote the mental health of employees more proactively, we introduced an Employee Assistance Program (EAP) in FY2011 and established a consultation contact outside the company as well as employees can seek advice on matters that they hesitate to disclose to the company.

Countermeasures against metabolic syndrome

Improving the lifestyles of employees who are suffering or at risk of suffering from metabolic syndrome, one of the causes of lifestyle-related diseases, is important not only for safeguarding the health of those employees but also for reducing future medical costs.

At Nabtesco, employees who are identified as needing to improve their lifestyles are encouraged to receive health guidance from a public health nurse or a registered dietitian from the institution designated by the Nabtesco Group Health Insurance Society.

We also support all employees who need to improve their lifestyles in their efforts to achieve their goals in cooperation with a registered dietitian who conducts dietary checks and offers advice and an instructor who sincerely encourages each employee, as well as by delivering to each such employee a report called “Healthy Support,” which specifies their numerical goals and actions to be taken. Through these efforts, we aim to reduce the number of employees suffering or at risk of metabolic syndrome to zero.
Consideration for Employees

Work-life balance

Well-balanced fulfilling work and a satisfying private life is a source of new values and conceptions, and will help each employee to perform high-quality work. Based on this belief, we have a wide spectrum of schemes in place to promote a healthy work-life balance.

- Parental leave: Up to two years. This leave can be taken even when the spouse is devoted to full-time child-rearing.
- Nursing care leave: Up to a total of 180 days per family member who needs long-term care.
- Shorter working hours for childcare: Working hours can be reduced by two hours per day until the beginning of the child's fourth grade elementary school year.
- Sick/injured child care leave: This leave is available until the beginning of the child's fourth grade elementary school year. Seven days (unpaid) or up to 14 days (paid) within one calendar year of the day when the employee first accessed medical care.
- Maternity leave: This leave can be taken when the employee's wife gives birth to a child. Five days (paid).
- Shorter working hours for long-term care: Working hours can be reduced by two hours per day.
- Financing by the Kyosai-kai employee cooperative society to support employees taking childcare/nursing care leave.
- Consideration for employees who are engaged in childcare/long-term care when transferred (avoiding change of workplace, etc.)

[Other support]
1. Integrated benefits program (WELBDX)
2. Nabtesco correspondence education program
3. Qualification support program
4. English lessons at each site
5. Support for club activities
6. Shorter working hours for long-term care: Working hours can be reduced by two hours per day.
7. Financing by the Kyosai-kai employee cooperative society to support employees taking childcare/nursing care leave.
8. Consideration for employees who are engaged in childcare/long-term care when transferred (avoiding change of workplace, etc.)

Efforts to maintain equal employment

In light of the declining birthrate, ageing population and globalization, Nabtesco Corporation is actively promoting the employment of non-Japanese nationals and women.

1. Attracting female graduates
As a machinery manufacturer, traditionally Nabtesco has employed very few female graduates. To correct this situation, we began to hold meetings specifically for female college student job seekers from FY2001 as part of our new employee recruitment campaign. In these meetings, our female employees are responsible for explaining our company’s businesses and answering students’ questions. The meetings thus provide the students with an opportunity to directly listen to female employees’ experiences regarding available childcare schemes and work-life balance. The FY2001 campaign aimed at new graduates who are to join the company in April 2002 was successful, with the number of new female employees recruited exceeding the initial goal of six (20% of the total number of recruits).

2. Active employment of non-Japanese nationals including foreign students studying in Japan
Due to the maturity of economy and the fact that the Japanese population is decreasing as a result of the declining birthrate, we can no longer expect significant economic growth to take place in the domestic market. Therefore, we now need to promote further globalization. Non-Japanese employees have a different way of looking at things and an active attitude toward work, and are expected to have a good effect on other personnel. Through such meetings, holding meetings to provide information on our company targeted specifically at foreign students studying in Japan and conducting recruiting activities at overseas colleges, we aim to increase the share of non-Japanese nationals to about 30% of all newly recruited personnel.

3. Promotion of employment of seniors
Upon enforcement of the revised Act on Stabilization of Employment of Elderly Persons, we introduced a continuous employment system, and have since been steadily increasing the re-employment rate.

4. Promotion of employment of people with disabilities
Nabtesco’s employment rate of people with disabilities has increased for four consecutive years. Because the statutory employment quota will be raised in FY2013, we will continue to actively promote the employment of people with disabilities in FY2012 and beyond.

5. Promotion of work-life balance
Nabtesco regularly investigates and gathers data on human resources needs education and developed communication with their students through such activities as the display and sales of works created by the students, internship programs for the students, and invitation to events organized at the sites.

Monitoring of personnel management

Monitoring of personnel management.

Nabtesco regularly investigates and gathers data on human resources to keep track of the current status of personnel management. The investigation results as of the end of March 2012 are as shown in the “Data on human resources” table on the right. Approximately 80% of all employees who retired from the company in FY2011 were mandatory retirees. This situation will remain more or less the same for another four years, but we will reinforce the continuous employment system (re-employment system) to maintain the workforce. In FY2011, the number of mid-career employees hired by Nabtesco exceeded that of new graduates, making the workforce even more powerful.

Although the number of employees who took childcare/nursing care leave decreased in FY2011 compared with the previous year, the childcare/nursing care leave scheme upgraded in June 2011 has made it easier for employees to take leave and has been made more convenient.

Labor-management relations

Nabtesco Corporation was established following the integration of TEIJIN SEIKI Co., Ltd. and NABCO Ltd. in October 2004, and the labor union of the two companies was united on October 30, 2010.

The number of employees of Nabtesco Corporation as of the end of March 2010

The company in April 2012 was successful, with the number of new female employees recruited exceeding the initial goal of six (20% of the total number of recruits).

Active employment of non-Japanese nationals including foreign students studying in Japan

Due to the maturity of economy and the fact that the Japanese population is decreasing as a result of the declining birthrate, we can no longer expect significant economic growth to take place in the domestic market. Therefore, we now need to promote further globalization. Non-Japanese employees have a different way of looking at

The number/percentage of female new recruits and non-Japanese nationals recruited for our main career track

The number of employees who retired from the company in FY2011 were mandatory retirees. This situation will remain more or less the same for another four years, but we will reinforce the continuous employment system (re-employment system) to maintain the workforce. In FY2011, the number of mid-career employees hired by Nabtesco exceeded that of new graduates, making the workforce even more powerful.

Although the number of employees who took childcare/nursing care leave decreased in FY2011 compared with the previous year, the childcare/nursing care leave scheme upgraded in June 2011 has made it easier for employees to take leave and has been made more convenient.

Monitoring of personnel management.

Nabtesco regularly investigates and gathers data on human resources to keep track of the current status of personnel management. The investigation results as of the end of March 2012 are as shown in the “Data on human resources” table on the right. Approximately 80% of all employees who retired from the company in FY2011 were mandatory retirees. This situation will remain more or less the same for another four years, but we will reinforce the continuous employment system (re-employment system) to maintain the workforce. In FY2011, the number of mid-career employees hired by Nabtesco exceeded that of new graduates, making the workforce even more powerful.

Although the number of employees who took childcare/nursing care leave decreased in FY2011 compared with the previous year, the childcare/nursing care leave scheme upgraded in June 2011 has made it easier for employees to take leave and has been made more convenient.

Labor-management relations

Nabtesco Corporation was established following the integration of TEIJIN SEIKI Co., Ltd. and NABCO Ltd. in October 2004, and the labor union of the two companies was united on October 30, 2010.

The number of employees of Nabtesco Corporation as of the end of March 2010

The company in April 2012 was successful, with the number of new female employees recruited exceeding the initial goal of six (20% of the total number of recruits).
| 03 | Consideration for Employees |

**Human resources development**

(Basic Policy on Human Resources Development)

In order to identify an ideal image of the human resources that the company would like its employees to develop into, and to define the direction that all employees should face, the Nabtesco Group established the Basic Policy of Human Resources Development in October 2010, which declares the company's determination to "develop personnel who can think and learn on their own at all times as members of a global corporate group, as well as to create a culture that values and supports learning." Employees need to think and learn on their own to keep up with the changing times, and to implement this at all times to develop themselves in stand-alone assets. When "a culture that values and supports learning" is created, it will cause a positive chain reaction that will transform all the employees from "resources" to "assets," which in turn will become the greatest strength of the company.

**FY2011 education scheme (training provided by Human Resources Development Department)**

Training to build specialized skills and knowledge in technological, legal, compliance-related and other areas are provided separately by relevant divisions.

- Problem-solving training
- OJT (on-the-job training)
- Training for newly appointed managers
- Training for newly appointed staff
- Cross-cultural communication training
- Training for new employees
- Training for newly appointed students
- Training for newly appointed business persons
- Training for newly appointed salespersons

**Environment policy**

We formulated our Environmental Philosophy and Environmental Action Plan in May 2005 to promote activities reflecting our strong sense of social responsibility and to help realize a sustainable society.

![Image](1030x739 to 1191x843)

## Environment policy

We care for the global environment in every aspect of our business activities to be at the leading edge in environmental performance and safety.

Although various activities are being conducted worldwide for the preservation of the global environment, global warming environmental considerations, the depletion of natural resources and other cases of natural environmental degradation continue to grow increasingly severe. As one offshoot, environmental preservation is now considered a very important issue that companies must tackle as part of their responsibility to society.

Global warming in particular is— as the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report* reveals— causing the global average temperature and sea level to rise. It is thereby accelerating changes in the environment and ecosystem, such as increased heavy rains, floods, droughts and other abnormal climate phenomena, northward expansion of habitat areas of creatures, increased number of vermin that can winter over, and proliferated coral bleeding.

### [Nabtesco Group Environmental Philosophy]

At all times, we acknowledge the impact of our business activities on the global environment; we strive to produce products and an environment which are both environmentally friendly and nature-friendly; and we aim to achieve a future society which is enriched and comfortable.

### 04 Environmental Protection

People around the world are aware of these problems, and now seriously discussing not only how to achieve the numerical emission targets set in the Kyoto Protocol, but also how they can organize efforts on a global scale to realize a low-carbon society.

While focusing on “consideration for the global environment” and achieving “harmony with local communities and cultures” as important priorities for management, the Nabtesco Group will continue to actively participate in social activities for the environment and local communities. We will work even harder to reduce the environmental impact of our products and business operations, as well as for the improvement of the environment.

---

*Nabtesco Group Environmental Action Plan

1. We acknowledge that the preservation of the global environment is a crucial issue that is common to humankind. With participation by all employees, we will actively promote the establishment of targets which aim to improve the results of our environmental preservation activities, and we will actively promote initiatives for sustainable improvements.

2. We will strive to improve energy, resource and recycling efficiency during the planning, development and design stages of each product, by understanding the impact on the environment throughout the lifecycle of the product.

3. We will strive to reduce the burden on the environment during the production, sales, distribution and servicing of each product, by actively employing an engineering advanced environmental technology, such as the conservation of energy, the effective use of resources, and the challenge of zero emissions.

4. We are committed to voluntary activities designed to realize environmental targets. We will comply with environment-related laws and regulations, as well as with social norms, and we will set independent control standards as necessary.

5. We will actively promote exchange and links with society, and strive to gain wider understanding and trust, through such action as the disclosure of environment-related information, and participation in social activities.
Environmental Protection

**ESH promotion framework**

The Nabtesco Group works toward environmental preservation under the combined efforts of the individual ESH* systems of each in-house company and Group company (see figure on the right).

The major duty of the ESH Committee is to establish basic policies on environmental conservation, disaster prevention, health, and others in connection with all business activities conducted by the Group ranging from R&D to the distribution and sales of products, as well as standards of group-wide control over various issues, such as the compliance with relevant Japanese and overseas legislation. With these policies and standards, the committee aims to assure environmental conservation of local communities, maintain safety and health of our employees and workers working together with our employees, and keep in harmony with the global environment, so as to fulfill the corporate social responsibility.

The Group ESH Committee Chairperson conducts ESH audits at all sites, checks the progress of action plans and also provides guidance. At the end of each fiscal year, the Group management reviews the ESH Management System, based on the results of the audits, follow-up measures undertaken and other reported conditions of ESH activities.

* ESH: Environment, Safety & Health

**Environmental management system**

The Nabtesco Group acknowledges that the ISO 14001 international standard is an effective tool for environmental management, and uses it in the building and operation of our environmental management system. Since the Accessiblility Innovation Company first obtained ISO 14001 certification in October 1999, all Nabtesco plants, as well as five plants operated by major Group companies, have become accredited under ISO 14001.

The Nabtesco Group is also working hard to maintain consistency in our environmental activities across the entire Group by promoting alignment, information sharing and collaboration between our sites, in order to realize effective environmental performance. We are also aiming to establish a sustainable system that integrates ecology and economy.

**Situation regarding obtaining of ISO 14001 certification**

<table>
<thead>
<tr>
<th>Code when credit rating is decided</th>
<th>Last updated</th>
<th>Certification agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kure Plant (Hyogo Pref.)</td>
<td>October 22, 1999</td>
<td>November 1, 2011</td>
</tr>
<tr>
<td>Metallic Plant (Hyogo Pref.)</td>
<td>November 30, 2003</td>
<td>November 30, 2009</td>
</tr>
<tr>
<td>Kobe Plant (Hyogo Pref.)</td>
<td>March 26, 2004</td>
<td>March 26, 2010</td>
</tr>
<tr>
<td>Toyo Plant (Mie Pref.)</td>
<td>March 28, 2003</td>
<td>March 28, 2012</td>
</tr>
<tr>
<td>Saka Plant (Gifu Pref.)</td>
<td>June 1, 2001</td>
<td>July 1, 2010</td>
</tr>
<tr>
<td>Tsukubai Plant (Ibaraki Pref.)</td>
<td>June 1, 2001</td>
<td>July 1, 2010</td>
</tr>
</tbody>
</table>

- [Environmental education]
  The Nabtesco Group provides its employees with diverse environmental education to raise their awareness toward environmental protection, safety and health.

- [Violation of environmental regulations]
  In FY2011, the Nabtesco Group identified and documented a list of laws and regulations applied to prevent legal violations, and confirmed the company’s compliance with them. There were no penalties or sanctions against Nabtesco for the violation of any environmental regulation during the period covered by this report.

**Development of environmentally conscious products**

The Nabtesco Group is committed to ensuring mobility and the lives of people are safer and more comfortable by taking full advantage of our unique motion control technology. The stage of product life cycles is most likely to affect the environment is that of product use. We ensure during the development and design stage that our products will meet the needs of both customers and society by promoting functional upgrading, downsizing, weight reduction, safety and convenience of products.

**Prevention of global warming through products**

1. **Intelligent Eco Door System**
   Nabtesco has developed an automatic door system that does not react to passers-by and activates only when people walk through the door. The system helps improve the efficiency of air conditioning inside the building by eliminating unnecessary activation of the door. The system is installed and used for domestic airport terminals and railway station administrative offices, among many other places, and is highly reputed.

2. **Solar tracking drive equipment**
   Nabtesco has received an order for our solar tracking azimuth drive equipment, which will be installed at the Crescent Dunes Thermosolar Power Plant with a generating capacity of 110 MW in Tonopah, Nevada in the U.S.A. The plant is a central receiver power plant, and the equipment enables heliostat mirrors to track the sun to collect and reflect the sun’s rays to the central receiver. Nabtesco has a track record as the world’s largest supplier of precision reduction gears for industrial robots, and will now take this opportunity to expand its business into the solar thermal market.

3. **High-efficiency drive unit for wind turbine generators**
   Our yaw drive and pitch drive units boast a market share of 90% in Japan and 7% worldwide, and are highly reputed for their high overload capacity, reduced weight, compactness, and excellent durability of up to 20 years.
Corporation (hereafter the LPG) conducted in accordance with on the Reports using the Company's policies and standards.

Objectives and Scope

The Nabtesco Group is actively promoting efficient use of energy resources as a means to prevent global warming. These efforts include the establishment of energy-saving activities, quantitative evaluation of the effects of the activities, and revision of priority activities based on the evaluation results, as well as daily operational management measures such as power saving and exceeding equipment inspections.

In FY2011, although the business outlook became uncertain in the latter half of the year due to the financial crisis in Europe, causing production to slow down, we managed to achieve a greater output than the previous year on an annual average basis. In addition, thanks to efforts to promote the efficient use of energy throughout the year, the CO₂ emissions per unit of sales decreased by 5.4% compared with the previous year, and by 26.8% from the FY2004 level, both exceeding the targets.

FY2011 results

CO₂ emissions

<table>
<thead>
<tr>
<th>Per unit of sales in FY2011</th>
<th>Target</th>
<th>Actual result</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per unit of sales in the long term</td>
<td>Reduce by at least 1% over the previous year</td>
<td>Reduced by 5.4%</td>
<td>Achieved</td>
</tr>
<tr>
<td>Per unit of sales</td>
<td>Reduce by at least 7% over FY2004</td>
<td>Reduced by 26.8%</td>
<td>Achieved</td>
</tr>
</tbody>
</table>

* The CO₂ conversion factors used to calculate actual results are the FY2008 factors, except the factor for electricity, for which the default value of 0.555 kg-CO₂/kWh is used.

Summary of Assurance Procedures Performed

We performed limited assurance procedures in accordance with International Standard on Assurance Engagement 3000.

To the extent of our procedures performed, nothing has come to our attention that causes us to believe that the total amount of CO₂ emissions of Nabtesco Corporation Gifu Plant, Tarui Plant and Tsu Plant in the Report were not collected and reported in accordance with the Company’s policies and standards, in all material respects.

Major recent energy-saving activities

1. Renewal of air compressors, leak inspection of pressurized air piping
2. Replacement of air conditioning equipment with a high-efficiency model
3. intermittent operation of air conditioner refrigerating systems
4. Suspension of water cooling for testing machines when not in use
5. Higher temperature setting of cooling water in testing machines
6. Switching to high-efficiency lightings (e.g. LEDs)
7. Shifting to inverter-controlled hydraulic units
8. Installing a power recovery system in durability testing equipment

Energy conservation of transportation

The transportation volume of Nabtesco (unconsolidated) increased by 33% year on year to 17.4 million ton-kilometers. Although the volume has not reached a level that would allow us to be designated as a specified consignor under law, we will continue working hard to improve logistics efficiency through such means as enhancing storage efficiency, minimizing the transportation frequency, reviewing transportation routes, and making effective use of return trips after deliveries.

Renewable energy

Nabtesco installed 400 kW solar panels on the roof of the Tarui Plant and launched operations in August 2012. While annually generating 434 MWh of electricity, the system will reduce CO₂ emissions by 241 tons a year. Power consumption during peak hours is also expected to be cut by about 280 kW.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales of electricity (MWh)</th>
<th>Sales of CO₂ (ton-CO₂)</th>
<th>Sales of CO₂ per unit of sales (ton-CO₂/kW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>0.500</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>2010</td>
<td>0.500</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>2011</td>
<td>0.500</td>
<td>0.000</td>
<td>0.000</td>
</tr>
</tbody>
</table>

*1: The period subject to calculation is from April 2011 to March 2012.
*2: The policy and standards of the calculation are as per the Act on the National Use of Energy and the Act on Promotion of Global Warming Countermeasures. The calculation was made in accordance with Nabtesco’s Rules on Environmental Management. The CO₂ emission factors used for the calculation are basically in accordance with the FY2008 factors, except the factor for electricity, for which the default value of 0.555 kg-CO₂/kWh is used.
*3: The scope of the calculation covers only the business sites located in Japan, which are Nabtesco Corporation (Gifu Plant, Tarui Plant, Tsu Plant, Kobe Plant, Konan Plant, Shinshin Plant, Headquarters (including Kawasaki), Nagoya Office, Kobe Office, Kitakyushu Office), Nabtesco Automotive Corporation (Yamagata Plant, Yokohama Technical Center, Headquarters), Dowa Limited (Head Office and factories), CMET Inc. (Head Office, Yokohama Revo Development Center), NAMCO DOD Ltd. (Head Office, Nabtesco Service Co., Ltd. (Kyoto Technical Center, Yokohama Technical Center, Toyoto Kabushiki Co., Ltd. (Sakawake Plant), Toyota Precision Co., Ltd. (Head Office/Plant)), Aoki Machine Co., Ltd. (Head Office/Plant).

We have received third-party assurance from PricewaterhouseCoopers Arada Sustainability Certification Co., Ltd. regarding the FY2011 data of total CO₂ emissions of the Gifu, Tarui and Tsu plants of Nabtesco Corporation (head office: 15.621 ton-CO₂, actual factor: 20.304 ton-CO₂, adjusted factor: 23.260 ton-CO₂).
We promote the reduction of all types of emissions generated in the course of business based on the 3Rs (reduce, reuse, recycle), the basic practice for establishing a recycling-based society, in order to realize zero emissions.

Due to the impact of the Lehman Shock and the subsequent global recession, our emissions had been decreasing since FY2008 due to the reduced production. However, in FY2010, our production recovered significantly, leading to an increase in total emissions.

*Zero emissions ratio: Percentage of landfill waste vs. total emissions

### Reduction of landfill waste

**Target for FY2014**
- 1.0% or less of total emissions

**FY2011 results**
- 0.86% of total emissions

**Status**
- Long-term target achieved

### Volume of waste generated/Zero emissions ratio

<table>
<thead>
<tr>
<th>Volume of waste generated</th>
<th>Zero emissions ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1,043</td>
</tr>
<tr>
<td>2011</td>
<td>1,515</td>
</tr>
<tr>
<td>1.0% or less of total emissions</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

### Breakdown of emissions

Valuable materials: metal, oil, cardboard, etc.
- Thermal recycling: packaging, general waste, plastic, etc.
- Detoxification: water-soluble oil, alkaloids, etc.

### Water consumption

In the Nabtesco Group, water is mainly used for the purpose of cooling test stands.

The total volume of water used by the Nabtesco Group in FY2011 increased year-on-year by 24.3% (334,000 m³) to 680,000 m³. The Tanui Plant (Gifu Plant) is responsible for 96% of the increment in total water consumption over the previous year.

This is because water is not recycled at the Tanui Plant due to the presence of abundant groundwater, and the production of all hydraulic traveling motors was transferred to the plant in FY2010, subsequently increasing the production volume.

### Control of chemical substances

#### PRTR substances

The Nabtesco Group is promoting such activities as the identification of amounts of Pollutant Release and Transfer Register (PRTR) substances handled, as well as the appropriate management and reduction of use of such substances, in accordance with the PRTR Law enforced in March 2003.

The total volume of the PRTR substances used at Nabtesco in FY2011 was 88.4 tons, up by 12.2% over the previous year.

Apart from methylnaphthalene contained in “A” Fuel Oil, toluene, xylene, and hydrochlorofluorocarbon-225 (HCFC-225) account for 48% of the total volume of PRTR substances used. Most of these substances are contained in diluents and cleaning solvents used in coating processes.

In order to help reduce environmental impact, we will work in close cooperation with paint manufacturers and customers to promote a switch to alternative eco-friendly paints, one-coat process, and water-based cleaning solvents.

#### Waste containing PCBs (electrical facilities)

The Nabtesco Group reports all PCB-containing transformers, capacitors, etc. to the authorities and stores them appropriately in accordance with the Law Concerning Special Measures against PCB Waste (a law established to ensure that polychlorinated biphenyl (PCB) waste is disposed of properly) promulgated in June 2001.

In FY2011, we completed the treatment of PCB waste stored at the Seishin Plant through Japan Environmental Safety Corporation (JESCO). High-concentration PCB waste currently stored at TS Precision, our Group company, is scheduled to be treated in FY2013.

PCB treatment is required by law to be completed by 2016. With regard to waste still stored at the other three plants, we are awaiting notification from JESCO on when it should be delivered for treatment.

#### Soil contamination

Based on the understanding that harmful substances accumulated in soil are a great threat to society, the Nabtesco Group is working hard to prevent contamination of soil and groundwater as one of its most important CSR tasks.

A survey on the soil and groundwater conducted in May 2005 at the site of the former Yokosuka Plant revealed that the site was contaminated by volatile organic solvents and other harmful substances. We reported it to the authorities in accordance with the law, and are currently engaged in soil remediation and groundwater purification in close collaboration with the authorities. The works for soil remediation and groundwater purification were completed in April 2011 and March 2012, respectively, and groundwater monitoring is now underway. The monitoring is scheduled to be conducted until the end of FY2014.

### Asbestos

The excellent properties of asbestos once made it a convenient material in a wide range of applications in both industrial and consumer uses. The Nabtesco Group has performed extensive investigation on present and past use of asbestos in products, processes, facilities and constructions within the Group, and is implementing appropriate measures based on the results in accordance with the relevant laws and regulations.

At the Nabtesco Group, workers in some workplaces have had some previous contact with asbestos.

We notified and recommended all ex-employees to undergo health checkups in FY2006, and in response to the revision of the Act on Asbestos Health Damage Relief, sent a health checkup notice to ex-employees again in FY2009. The asbestos health checkups have continuously been offered at medical institutions.

We also support ex-employees for whom any abnormality is found during the checkup in their procedure to receive personal health handbook of asbestos from the authorities.

Although we have long adopted every possible measure to discontinue the use of products containing asbestos, we discovered in February 2007 that shipped gaskets containing asbestos had been used in some parts for railroad cars, some repair parts for aircraft, and in limited equipment for construction machinery.

We reported this to the relevant authorities and customers immediately upon discovery, recalled those products and took the necessary corrective actions. We would like to express our deepest apologies for all the inconvenience caused to customers and other parties concerned. We will commit ourselves to further reinforcing the management system in the future.

Since the asbestos used for those products was of a solid type and sealed within the machines, there was no risk the harmful substance would scatter.
1. Core philosophy

Nabtesco is well aware of the importance of meeting the demands of society, and—by developing mutual trust with business partners through fair, proper, and transparent transactions—is committed to meeting our social responsibilities not just through the efforts of Nabtesco alone but with the cooperation of the entire supply chain.

2. Promotion framework

Based on advice and support from the Compliance Promotion Department and the Legal Department, and by gaining the consensus of the Nabtesco Group Purchasing Meeting members, the Production Innovation Division and the Manufacturing Engineering Department (purchasing) play a central role in promoting activities to fulfill Nabtesco’s social responsibilities across the entire supply chain, gaining the cooperation of business partners through in-house companies.

3. Initiatives undertaken

Based on the philosophy stated above, we included provisions on CSR in the Basic Purchase Agreement in the latter half of FY2010, and have been working toward signing the agreement with all of our business partners in Japan since FY2011.

2.1. Assurance of health and safety: optimization of working conditions

Health and safety must be assured and lawful working conditions must be maintained not only at Nabtesco but also at business partners.

2.2. Compliance

Compliance must be promoted as the basis of CSR.

2.3. Prevention of pollution: environmental management: management of designated hazardous substances

Pollution must be prevented before it occurs through environmental conservation and the elimination of designated hazardous substances.

2.4. Obligation to prevent accidents

Efforts must be made to prevent accidents on a daily basis.

2.5. Prohibition of bid rigging and bribery

Bid rigging and bribery must be prohibited to develop fair, proper, and transparent relationships with business partners.

2.6. Elimination of anti-social forces

Nabtesco will continue transactions with any business partner who is found to be associated with an anti-social force.

4. Future approach

We will promote interactive communication with business partners and maintain and enhance sound, mutually beneficial relationships, while strengthening our CSR activities through the promotion framework outlined above. We will also expand the framework to include overseas business partners.
Management Systems

Strict implementation of compliance

We formulated the Nabtesco Group Code of Corporate Ethics and the Nabtesco Group Code of Conduct in April 2005 to ensure that corporate activities are conducted in accordance with even higher standards of ethics across the Group, and, based on these codes, have been working hard to implement business ethics strictly.

Nabtesco Group Corporate Ethics Code
This code provides principles regarding how to behave during business activities and what we need to pay attention to when pursuing the company’s goals.

1. Socially beneficial products and services
2. Improved management transparency
3. Implementation of fair and proper business
4. Consistence with society
5. Striving for harmony with global environment
6. Focusing on employees’ growth and development
7. Pledge

The Compliance Promotion Division, an organization dedicated to addressing compliance issues, plays a central role in promoting the employees’ compliance with the Code of Corporate Ethics, as well as with laws and regulations, to help enhance the Group’s corporate value over the medium to long-term.

Nabtesco Group Code of Conduct
This code provides judgment standards that need to be observed by all employees from the viewpoints of corporate ethics and legal compliance.

1. The aim of the standard and scope of application
2. General provisions
3. Business activities
   (1) Pursuit of safety, security and comfort
   (2) To protect the environment
   (3) To maintain and promote fair and free dealing
   (4) Dealing with suppliers and partners
   (5) Export and import transactions
4. Relationship with shareholders and investors
   (1) Disclosure of corporate information
   (2) Prohibition of insider trading
5. Moral and Honest acts
6. Appropriate management of information
   (1) To properly manage and utilize information
   (2) Protection of intellectual property rights

Promotion of compliance

Corporate Ethics Month
In FY2011, we designated October every year as “Corporate Ethics Month” and decided to conduct an intensive campaign, led by top management, to raise awareness of compliance among employees of Nabtesco Group companies in Japan. In the first year of the campaign, a message from the CEO was distributed, campaign posters were put up, compliance meetings were held, and a compliance declaration was created in each workplace. A total of 4,079 employees took part in the campaign activities.

Compliance education through e-learning
We started an e-learning program for compliance education in FY2011. We offered two courses in FY2011—security export control and the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors—which deal with export restrictions and proper transactions with business partners. Many employees undertook and completed the courses.

Completed the courses

<table>
<thead>
<tr>
<th>Course</th>
<th>Results</th>
<th>No. of employees who undertook the course</th>
<th>No. of employees who completed the courses</th>
<th>Completion rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security export control</td>
<td>658</td>
<td>595</td>
<td>81%</td>
<td></td>
</tr>
<tr>
<td>Subcontract Act</td>
<td>154</td>
<td>129</td>
<td>94%</td>
<td></td>
</tr>
</tbody>
</table>

Compliance awareness survey
We have conducted a survey on compliance awareness targeted at employees of Group companies in Japan since 2006 to monitor the level of penetration of compliance awareness. The survey has revealed that employees’ understanding of compliance is increasing steadily. The fourth survey is due to be conducted during 2012.

Activities for overseas Group companies

Compliance training at Group companies in Japan
Compliance training was conducted at Group companies in Japan in July and August 2011. A total of 825 employees from 10 Group companies participated in the training to learn about compliance in general and deepen their understanding of the Nabtesco Group Code of Corporate Ethics and the Nabtesco Group Code of Conduct. We will continue promoting compliance through training and other means to ensure that compliance becomes second nature to every employee.

Ensuring business continuity
Business continuity planning (BCP) is an effective means of preventing business activities from being interrupted by an accident or a contingency and—event in case of an interruption—enabling business to recover promptly and minimizing the impact on corporate value.

Internal hotline system for reporting or consulting from employees
We have established a “hotline” system for the purpose of preventing and discovering legal violations, illegal acts, and scandals at an early stage, enhancing our “self-purifying” function, controlling reputational risk, and maintaining internal mutual trust.

Hotline system
This hotline system, which offers a contact point not only within the company but also outside the company (lawyer), is available to all employees (directors, regular/ temporary/part-time employees) at Nabtesco Corporation and its Group companies in Japan. Contact can be made via the dedicated telephone number/e-mail address or written letter.

Activities for overseas Group companies

Compliance training at a Group company
Nabtesco established the BCP Rules in April 2011, and is currently drawing up a business continuity plan that matches the business environment of each in-house company.

Research on potential risks in overseas Group companies
We conducted research on potential risks at Group companies in China in FY2011. The risks identified as having a possibility of damaging business activities were classified based on their possible frequency and impact assessment, and countermeasures were taken against risks rated as particularly important to alleviate their impact or prevent their occurrence. We will expand the scope of research to include Group companies in Thailand in FY2012.

Activities for overseas Group companies

Pamphlets of the Corporate Philosophy, Our Promises, and Code of Corporate Ethics created for the overseas Group companies (from left, Chinese, English, and Thai versions)
Nabtesco Corporation
www.nabtesco.com