HORIBA

Gaiareport 2009

HORIBA / CSR Report

With our stakeholders

We structure a sustainable society through our analytical and measurement business

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Focusing Our "Omoi"-con victions- and Contributing to Society through Our Analytical and Measurement Technologies

Analytical and measurement technologies are indispensable tools for improving our quality of life, especially for our environment and health

The foundation of HORIBA's business is analytical and measurement technologies. Most people might think that analysis and measurement are unrelated to their daily lives; on the contrary, these technologies are, in fact, closely related to the way we live.

Take the automobile industry, for example. Every automobile manufacturer in the world pursues the goal of developing clean engines for future generations. To do so, hazardous substances in the exhaust emissions are measured, and energy efficiency is checked. These are some of the applications for our automotive emission measuring instruments and systems.

Humankind is burdened with many diverse problems related to the environment, energy, health and safety. The fields of study that seek solutions for these problems are engaged in analysis and measurement. In fact, HORIBA's analytical and measurement instruments are frequently employed in a wide range of applications that include environmental conservation, medical care, R&D and many other fields. In addition, our technology enhances processes for equipment manufacturing and supports the foundations of industry. Our greatest pride is our contribution to the structuring of a sustainable society and to improving the quality of life (QOL) through our technology and products. This contribution is the root of our CSR activities.

We want to respond to customer demands through our "Omoi" philosophy

Our customers' unique needs give us the opportunity to develop our products. As users, their demands and requests are the basic forces that move HORIBA forward in the advancement of analytical and measurement technologies. Everyday we receive requests from our customers: "We need to use this instrument in a certain environment," "We want our measurements to reach a certain level of precision," and so on. Responding to these individual requests while looking ahead and conducting step-by-step research, allows us to develop innovative technologies and make significant advancements in the industry.

Atsushi Horiba
Chairman, President & CEO
HORIBA, Ltd.

Furthermore, the "Omoi" of each HORIBA employee enables us to deliver better products and lead the world with our technology. This "Omoi" is not just an abstract idea. We exert our greatest efforts to making the ideal a reality. The Blackjack Project which we have begun in 1997 is one of the HORIBA projects born of such "Omoi". This project, named after the well-known card game, is our hope that we will become the most powerful company in the 21st century. Blackjack activity reports are posted on HORIBA's LAN intranet forum everyday. I personally check the progress of these activities every month and recognize and commend one or two of the "Omoi" activities to encourage achievement of the "Omoi" philosophy.

In the year 2008, HORIBA Group employees spread throughout the world submitted over 1,000 proposals. We put into practice innovative improvement activities, such as "Meeting the Challenge of 5-day Production (Operational Efficiency Improvement)" and "Asserting Yourself for Self-fulfillment from under that Mountain of Work (Development Process Management/ Human Resources)," that surpassed the constraints of organization and age group.

Through these activities, we are on the road to becoming a truly innovative company with a corporate climate that allows all HORIBA employees to work independently toward corporate reform. A slow and steady effort is gathering strength which will build HORIBA into a more active and solid company.

Displaying creativity and contributing to realize a sustainable society

It is often said that people, things, money and information are the four resources of management. For HORIBA, people are our most treasured resource. With our company precept "Omoshiro Okashiku (Joy and Fun)" as our foundation, HORIBA's mission is for all employees to match their "Omoi" vectors to meet the demands and expectations of our stakeholders, which will lead to outstanding CSR.

With this mission in mind, the HORIBA management is aware that we must put additional effort into training our human assets and provide a work environment in which employees are able to grow freely. HORIBA delivers many products that are number one in terms of global share and aims to be the leader in all areas of our business activities. The creativity of our employees gives rise to things that have never existed before. We need creativity not only in R&D but also in production and sales.

In the future, analytical and measurement technologies will become more and more important for the human society and the global environment. HORIBA is a company that will bring forth many possibilities.

We kindly ask for your continuous support in the years to come.

Search Keywords : Analytical and Measurement Technologies | Automotive Emission Measuring System | Blackjack Project | Joy and Fun | Integrated Management System (IMS) | CEO

Working Together with Our Employees

Joy and Fun

This is HORIBA's company precept. The precept expresses our "Omoi" to show pride and the spirit of challenge in the work we do during the most active period of our lives, to feel excited about the work we do in order to heighten our satisfaction with life, and to enjoy happier and more fun lives.

Joy and Fun

HORIBA Brand Book

This HORIBA Brand Book conveys the spirit of HORIBA's corporate precept and motto. The message in the book encourages our staff to think about what makes the HORIBA brand and how that involves our daily activities. We print the Brand Book in six languages: Japanese, English, French, German, Chinese and Korean. The company distributes the so-called HORIBA bible to all HORIBA Group employees throughout the world.

Blackjack Project

This project features innovative activities for employee awareness and action. Established in 1997, the Blackjack project celebrated its 10th anniversary in 2007. The level of activity has grown from its original objective of improvement and innovation to encompass HORIBA-oriented management. All HORIBA Group companies around the globe participate in the project with their business endeavors serving as a foundation for the maturation of the HORIBA spirit, the fostering of human resources and the vitalization of the organization.

Working Together with Our Owners

The company appropriately distributes profit to our owners (shareholders) and investors and assures transparency in HORIBA's business management. This is heightened through fair information disclosure and two-way communication.

Informal gathering following the Ordinary General Meeting of Shareholders (March 2008)

Working Together with Our Suppliers

HORIBA builds business activities upon the support and cooperation of our suppliers who provide us with the raw material and parts used in production, and those who support us in other ways. We highly value the trusting relationships we have established with our suppliers who are located in Japan and other countries. It is an honor to work with them to procure materials and services, and we are pleased to grow together with them.

The New Year's Party with all partner companies (January 2009)

HORIBA's Analytical Technology on Antarctic Research Expedition

Equipped with HORIBA analytical instruments, Tomoki Aoyama from the Scientific Systems Products R&D Department joined the 49th Japanese Antarctic Research Expedition. What did Mr. Aoyama and HORIBA gain from this expedition to such a harsh natural environment? Here, we partially describe his life at Showa Station during the one-year expedition.

Seeking high precision data in observation of aerosols in the Antarctic

Did you know that your breath does not turn white in the extreme cold at the South Pole? Your breath turns white in cold weather when the moisture in your breath condenses on aerosol floating in the air. Aerosol consists of minute-sized solid and liquid particles in the air. Breath does not turn white in the Antarctic because there are no dust particles in the air, a proof that the air is extremely clean.

"The first thing I did when I landed at the South Pole was to breathe out."

A comment made by Tomoki Aoyama of the Scientific Systems Products R&D Department. It was December 19, 2007 when he landed at the South Pole as a member of the Antarctic Expedition team. The South Pole, where the air is so clean that breath does not turn white, is the ideal location for measuring changes in the atmospheric environment. Mr. Aoyama's mission was to investigate aerosols in the Antarctic region. In recent years, studies of aerosols have been effective methods for understanding the mechanism of global warming and air pollution. Before this expedition, air samples were brought back to Japan for examination and analysis in a laboratory environment. The on-site analysis in this study enabled collection of highly reliable data. In this way, it was an extremely meaningful exercise for HORIBA to dispatch its staff on this expedition.

The Antarctic study used HORIBA's XGT-5000WR (Analytical X-ray Microscope) and DP-1000 (Particle Analyzer) to analyze the Antarctic aerosol. There are many types of aerosol, including aerosol generated naturally from volcanoes, the oceans and land, and aerosol generated through human activity. Analysis of the aerosol components with these analyzers enables researchers to determine the origin of the aerosol.

"The numerical analysis of aerosol from Japan and the South Pole showed differences amounting to two or three orders of magnitude. In the Antarctic there was almost no aerosol that originated from human activity. One exception, depending on the wind direction, was carbon that originated from the exhaust emitted from the Showa Station's power generator. The main component in the aerosol around the Station was DMS (dimethyl sulfide) that easily turns into sea-salt components and cloud condensation nuclei."

A future issue is to clarify the aerosol transport process by combining investigations of the change in aerosol density and meteorological data.

Nature of the continent of snow and ice and life at Showa Station

"My mission carried with it a heavy responsibility, but I found great pleasure in winter life at the South Pole. Some of the valuable experiences I had at the South Pole were seeing the aurora, the Southern stars, the polar night (a period when the sun does not rise), strong blizzards, and watching the lives of penguins and seals nearby," said Mr. Aoyama.

The day at Showa Station begins with breakfast followed by morning work, lunch, afternoon work, dinner, a meeting and free time—quite similar to life as led in Japan. A difference is that team members are performing, in rotation, 24 hour meteorological and aurora observations, and communicating operations using the wireless system. Night duty is important, too. Members also take turns cleaning the shared spaces and performing kitchen duties.

Recreation is also important as a break from the routine work and as a way to get much needed exercise. Movies are shown in the cafeteria on Fridays. In the recreation room, where the members often spend their free time at night and on their days off, there is a billiard table and darts equipment, as well as different types of musical instruments. The members hold soccer, volleyball, and ping-pong games. They also plan flower viewing and birthday parties for additional enjoyment.

Using a dedicated satellite connection (video conference system), an "Antarctic Class" is filmed with the hope of arousing interest in the global environment and Antarctic observation among elementary, junior high and high school students in Japan. Mr. Aoyama introduced the work of the observation team members and the conditions in and around Showa Station. He also participated in the "Antarctic University" where the team members give lectures on their fields of expertise. He actively participated in various activities in addition to his observation work.

New challenges for HORIBA creating possibilities in analytical technology

"It was the most impressive year of my life, with many opportunities to experience nature in the Antarctic. I am now convinced that we need to protect this beautiful earth. The experience provides huge motivation for my work and for my dreams."

Unlike measuring and analyzing samples brought back from the Antarctic, dispatching analytical instruments and a technician was a new challenge for HORIBA and our first attempt at providing analytical technology on-site at the South Pole. It was a meaningful challenge in that it contributed to the conservation of the global environment. In order to understand the global environment from quantitative numerical values, accurate analytical data must be consecutively collected and accumulated. An examination of the atmospheric circulation system provides clues for improvement of the global environment. It is HORIBA's hope that the results obtained from this expedition will make a significant contribution to research in the field of geo-environmental science.

Search Keywords : Antarctic Research Expedition | Global Warming | X-ray Analyzer | Open & Fair | Positive Evaluation System | Two-way communication | Work-Life Balance | Employees' Achievements | Awards | Owner | IR | Partner Companies | RAKURAKU-KAI | Green Procurement | Group Material | Global Purchasing | HORIBA Group is One Company

Offering Accurate Information for Society and Life

Aristotle, the father of science, once said, "All learning begins from the surprise of discovery." The analytical and measurement instruments we develop for our customers are excellent examples of tools for "discovery" by extracting information and providing it in the form of accurate values. Analyzers are in demand by diverse areas of society and life. They are needed not only for discoveries at the forefront of science, but also for obtaining accurate data for environment and health, improvement of industrial processes, and energy conservation.

	User	Description	Analytical Target	Purpose	Social contribution
HORIBA Automotive Test Systems **Automotive Emission Measurement System** MEXA-7000 	Automaker, public research organizations	Engine exhaust emissions	Carbon monoxide, nitrogen oxides, hydrocarbons, etc.	To support engine R&D, certification tests for emission regulations	**Supports the reduction of the environmental impact of automotive emissions**
HORIBA Process & Environmental **Ambient O3 Monitor** APOA-370 	Municipalities	Ambient air quality	Ozone in atmosphere	To monitor ambient air quality	**Supports improvement of Ambient air quality in living environment**
HORIBA Medical **Hematology Monitor** Pentra DX120 	Hospitals	Blood samples	Components of blood	To evaluate health condition promptly	**Supports healthy living**
HORIBA Semiconductor **Chemical Solution Concentration Monitor** CS-100F1 	Semiconductor industry	Cleaning solutions for semiconductor processes	Concentration of chemical solutions	To eliminate waste and ensure proper use of chemical solutions	**Supports yield enhancement for improvement of production line yield**
HORIBA Scientific **Raman Spectroscopy System** LabRAM ARAMIS 	Leading-edge biotechnology researchers	Nanomaterials	Carbon nanotube & single molecules	To elucidate unknown properties and behaviors	**Creates totally new technologies**

Search Keywords : Design for Environment | Masao Horiba Awards | On site Training Classes | Environmental Summit | Production Site

Working Together with Our Customers

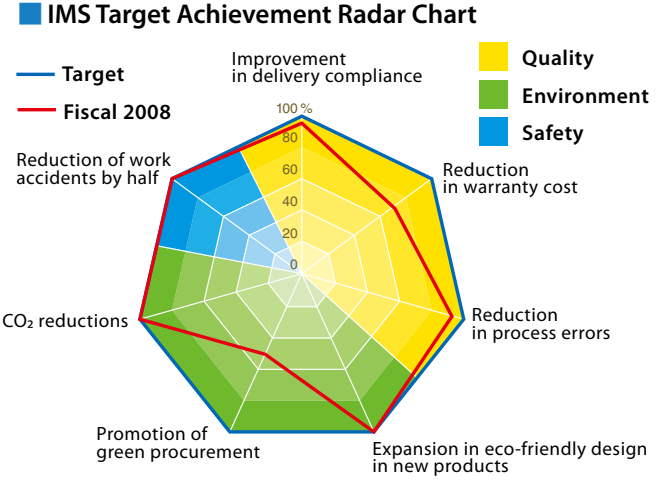
In order to offer products that fully satisfy our customers, HORIBA will continue to develop both basic and production technologies to the maximum. In addition, we believe that we should guarantee to provide products and services with the same quality in all areas throughout the world. At the same time, we must ensure the quality of our products and services must remain of the highest grade.

Electricity is indispensable in modern society. The electricity we so often take for granted is delivered to us by the efforts of power companies. Mr. Makoto Fujii of the Electrical & Control Maintenance Group at the Yokohama Thermal Power Station, which supplies electricity to the Yokohama area, and Takuji Oida of the HORIBA Gas Measurement R&D Department talked together about their dreams and passion for their work and the role that analytical and measurement instrument manufacturers will play in the years to come. For further details, please visit our website: http://gaiareport.horiba.com/en

Integrated Management System (IMS)

The HORIBA Group adopted the Quality Assurance System (ISO 9001), Environmental Management System (ISO 14001) and Occupational Health & Safety Management System (OHSAS 18001) as the constituents of an Integrated Management System. Later, the Quality Assurance System (ISO 13485) was added for medical instruments as a higher-quality system. We provide products in the field of energy, health, environment and safety to support a content lifestyle for all.

IMS management by HORIBA, Ltd. commenced in 2004, and an IMS management system for all group companies is scheduled for completion by 2010. In Japan, HORIBA STEC, Co., Ltd. obtained IMS certification in April 2008 and HORIBA Advanced Techno Co., Ltd. obtained OHSAS 18001 certification in January 2009. The overseas Group companies either have, or are scheduled to obtain, QAS ISO 9001 and EMS ISO 14001 certifications for all major production sites by 2010.



Compliance Promotion System

The HORIBA Group is emphasizing stronger compliance and promoting risk management by establishing a structure to improve brand value and pursue global activities.

Specifically, the HORIBA Corporate Philosophy, Compliance Management Provisions and Code of Ethics enhance systems associated with compliance. The introduction of an internal reporting system encompasses prevention, early detection and correction of illegal acts. A Compliance Committee meets to discuss relevant matters and inquire, report, and make recommendations in response to disclosure received from internal sources.

Regarding the Expulsion Order related to Continuous Automatic Air Monitoring Equipment (Air Pollution Monitoring Device)

On November 12, 2008, the Japan Fair Trade Commission issued HORIBA, Ltd. an exclusion order and fine for violating the Anti-monopoly Act during bidding for Air Pollution Monitoring Equipment for public offices.

In response to this order, the HORIBA Group will take actions to prevent a recurrence and promote full compliance. The entire group will work to recover the trust of our customers and owners.

HORIBA
Explore the future

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Gaiapress ➡ http://www.jp.horiba.com/sensorium_e/

What is the Gaiareport?

According to Greek mythology, Gaia is the maternal goddess of the Earth who ensures that the planet thrives and is capable of cleansing itself. The HORIBA Group, a manufacturer of analytical and environmental measuring instruments, contributes to the advancement of a sustainable society through our analytical and measurement business. To demonstrate this determination, we have named our CSR communications media Gaiapress (our website) and Gaiareport (the CSR report). At HORIBA, we remain committed to the global environment by focusing on environmental measurement.

The new Gaiareport significantly reduced paper use

From this year, the Gaiareport is in leaflet format, significantly reducing the use of paper as compared to the previous booklet format. The essence of HORIBA's CSR activities focuses on the hope that our Gaiareport will be read by as many people as possible.

See our data resources on the Web for more information

Detailed information about our CSR activities appears on the Web, making its use easier and more convenient. Searching for the subject you are interested in is made easy by using keywords or categories to take you to the web page where the relevant information is available.
For more information, access our data resources on the Web! 〈http://gaiareport.horiba.com/en〉

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