

Aiming to be an enterprise that is sustainable even in times of emergency

The Great East Japan Earthquake occurred on March 11 this year. The NGK Spark Plug Group has conducted activities to support the disaster victims, while working to secure employee safety and business continuity. The Group has also striven to enhance its preparedness for future disasters, such as a possible Tokai Earthquake, by strengthening the system to prevent the spread of damage and to manage the crisis.



Scene from disaster drill in the Head Office Factory

Response to the Great East Japan Earthquake

Around 14:46 on March 11, 2011, a massive earthquake with a magnitude of 9.0 occurred off the coast of Miyagi Prefecture. Five sales offices located in the Kanto region and northward experienced unprecedented tremors. The houses of some employees of the Sendai Sales Office were damaged by the earthquake. In the Tokyo area, many people were stranded due to failure of the transport system in the earthquake.

First Priority Given to Securing the Safety of Life

Employee Safety Confirmation

Our company has introduced a safety confirmation system to swiftly ensure the safety of employees in the event of an earthquake or other great disaster.

After the Great East Japan Earthquake, part of our system lost access to Internet connection. We therefore asked whether employees were safe or not by telephone, using the emergency contact network. Within the day of the earthquake, we confirmed that all 86 employees working at the five affected sales offices were safe. In the Tokyo area, we arranged nearby accommodation for those who had difficulty returning home.

Emergency Transport of Relief Supplies

In the Sendai Sales Office area, there was a shortage of food and daily necessities in the wake of the disaster. On March 15, we urgently transported the items set aside for emergencies at our Head Office and Komaki Factory, to the Sendai Sales Office for relief. These relief supplies were then distributed to victims in the evacuation sites in the surrounding region, as well as to our customers and employees affected by the disaster.

For Ensuring Business Continuity

Establishment of the Emergency Response Liaison Committee

Fortunately our Group's production facilities did not suffer direct damage from the earthquake. However, the disaster made it difficult to procure some raw materials and parts. Placing primary importance on not causing inconvenience to our customers, we established the Emergency Response Liaison Committee to grasp and share information on procurement, production systems, logistics, radiographic examinations for products, and so on, across the Group.

Various Support Activities

Donations for Relief

Our Group companies in Japan and abroad donated a total of 110 million yen, through the Red Cross Societies in each country, to support the earthquake victims and help the disaster-hit areas recover from the damage.



Messages of encouragement received by NGK Spark Plugs (U.S.A.), Inc.



Charity activities (NGK Spark Plugs SA (Pty) Ltd.)

Provision of Relief Supplies

Komaki Factory invited all employees to offer relief supplies, and collected about 2,300 unused towels, which were sent to the quake-stricken areas via the Aichi Volunteer Center. NTK Ceramic Co., Ltd., one of our Group companies, also collected relief supplies and sent them out to the affected areas.



Relief supplies collection activity (Komaki Factory)



Relief supplies (NTK Ceramic Co., Ltd.)

Recruiting Seminars Held in East Japan

To provide students in East Japan with fair employment opportunities, we posted the changes in the schedule for our recruiting seminars on our website. These seminars were postponed to mid-May in Tokyo, and to late May in Sendai for the benefit of those in disaster-hit areas.

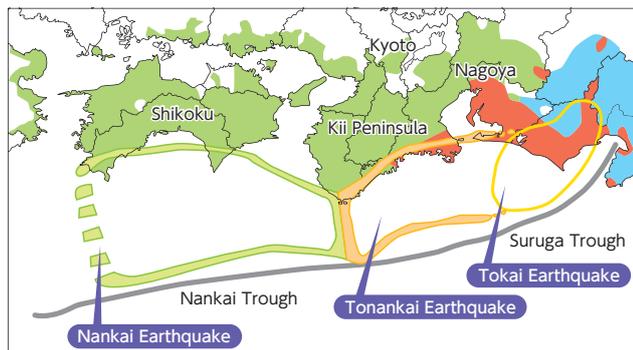
Social service leave system

We have a system to allow employees to take up to 10 days leave to do social service (volunteer) activities per year, usually granting 5 consecutive days leave. However, we offer 10 consecutive days leave for those engaged in volunteer activities to support victims of the Great East Japan Earthquake. Using this social service leave system, two employees worked as volunteers in Sendai City, in early May and late June respectively.

Preparing for Major Earthquakes

Many of the NGK Spark Plug Group's operation sites are located in the Tokai region, an area vulnerable to three potential major earthquakes—a Tokai Earthquake, a Tonankai Earthquake, and a Nankai Earthquake. Notably, Nagoya City, where the Head Office of NGK Spark Plug Co., Ltd. is located, has been designated both as an area for intensified measures against a potential Tokai Earthquake and as a countermeasure promotion area for potential Tonankai and Nankai Earthquakes. We have therefore striven to maintain preparedness to minimize disaster damage to our business activities, while at the same time working to strengthen cooperation with local communities.

■ Possible source regions of Tokai, Tonankai and Nankai Earthquakes



- Areas for intensified measures against a Tokai Earthquake
- Countermeasure promotion areas for Tonankai and Nankai Earthquakes
- Regions designated both as areas for intensified measures against a Tokai Earthquake and as countermeasure promotion areas for Tonankai and Nankai Earthquakes

Areas for intensified measures against earthquakes : Regions that require strengthening of earthquake-damage prevention measures, since these regions are likely to suffer serious damage in the event of a major earthquake.

Various Disaster Prevention Activities

■ Earthquake Disaster Response Manual and Awareness-raising Activities

Each office/factory has created its own earthquake disaster response manual that describes specific measures concerning the disaster prevention system and action to be taken in the event of a disaster.

We work to maintain disaster preparedness, so that, while giving top priority to the safety of visitors and employees, we can avoid critical damage to our facilities and to prevent secondary disasters, such as fires and explosions, to ensure the earliest possible recovery. Moreover, we have distributed the "Fire and Other Disaster Prevention Guidebook" and the "Action Guidelines in the Event of a Major Earthquake" to all employees, and have incorporated disaster awareness-raising activities into the training programs for new employees.



Action Guidelines in the Event of a Major Earthquake



Fire and Other Disaster Prevention Guidebook

■ Items Stored against Emergencies

Our company has stored and managed drinking water, and preserved foods and daily living necessities in preparation for a disaster. We offered part of these stocked items as relief supplies to victims of the Great East Japan Earthquake.

■ Emergency Drills

Every year, the NGK Spark Plug Group implements emergency drills at each office/factory. The Group has also organized in-house fire-fighting teams, which demonstrate the results of their daily training in emergency drills and the New Year's parade of fire fighters. The divisions that handle hazardous materials carry out training to ensure that no leakages or fire accidents occur or have an impact outside the company.



Water-discharge exercise by the in-house fire-fighting team (Komaki Factory)



Truck light oil leakage prevention drill (Nagoya Logistics Center)

■ Employee Safety Confirmation Drill

Once a year, we carry out a companywide drill involving all staff registered on the safety confirmation system, and obtain safety reports from all members. If problems are identified through the drill and actual use of the system, we make improvements to resolve these problems.

Assuming that the safety confirmation system and communication lines may become unavailable immediately after the occurrence of an earthquake, we have secured several means of communication for emergency contact, including phone trees.

Disaster Prevention Agreements

■ Agreements with Local Governments

Komaki Factory has concluded an agreement with Komaki City such that, should a major disaster occur in the city, Komaki Factory's in-house fire-fighting team and fire engine will be dispatched to cooperate in relief activities. Komaki Factory has also participated in fire drills and similar events organized by Komaki City, as a means of taking effective action in the event of a disaster.

Our Head Office and Factory has signed a memorandum of agreement with Mitsurugi School District of Mizuho Ward, Nagoya City, where these facilities are located, such that we will provide equipment and materials in the event of a major disaster.

Voice

As part of our risk management, disaster prevention activities have assumed greater importance for enterprises. We need not only to take action giving top priority to human lives, but also to minimize the influence on each stakeholder. Since I myself witnessed the areas ravaged by the Great Hanshin-Awaji Earthquake 16 years ago, I am keenly aware of the horror of a major earthquake and the extensiveness of the damage. However, the Great East Japan Earthquake has caused unimaginable problems one after another. To ensure that we are able to deal with emergencies calmly and efficiently, we will overcome the problems encountered during and after the recent earthquake, and will review and further improve our business continuity management activities. We will also conduct emergency drills keeping in mind that we cannot fully imagine worst case scenarios, and will continue our efforts for future disaster prevention activities.



Keiichi Matsunari, Director