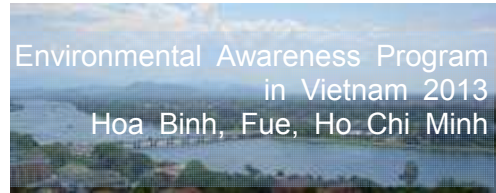


April 30, 2013  
LIXIL Corporation

## **Ongoing Water Environmental Awareness Program Being Provided in Cooperation with International NPOs**

**- Learned the Importance of Water with Local Children -  
March 9 - 15, 2013**

Environmental Awareness Program  
in Vietnam 2013  
Hoa Binh, Hue, Ho Chi Minh



Since 2007, LIXIL Corporation (Headquarters: Chiyoda-ward in Tokyo, President: Yoshiaki Fujimori) and its local subsidiary LIXIL INAX VIETNAM Corporation (“LIXIL VIETNAM”) have been conducting the “Water Environmental Awareness Program” for children in the Socialist Republic of Vietnam (“Vietnam”). At present, we are promoting the program in collaboration with two international NPOs, namely Bridge Asia Japan (“BAJ”) and Seed to Table (“STT”).

Amid its recent economic growth, Vietnam has been facing a range of problems including a broadening gap between the wealthy and the poor, environmental pollution, sanitation problems, children's rights, etc. Unfortunately, such problems are not fully dealt with in their current social systems. Meanwhile, LIXIL (former INAX) has established its current position in the market in tandem with the Vietnamese economic development. To contribute to the local community, LIXIL has been providing unique environmental classes featuring “water” by partnering with well-established international NPOs since 2007. LIXIL aims to offer what is really necessary for the children of Vietnam who will become future leaders of the country. We are not merely trying to give financial aid, but consistently proposing educational programs with consideration to the social conditions and circumstances in Vietnam. For example, we have created an original textbook “Let us think about and study water” and dispatched our employees as instructors.

This time, we carried out the environmental awareness program in Hoa Binh Province (in the northwest of Vietnam), and Hue (in central Vietnam) and made a visit to a tile factory in the south of Vietnam to deepen exchanges with local children and the international NPOs. The following is a report of the activities we conducted in the period from March 9 (Sat.) through March 15 (Fri.) (7 days) in Vietnam together with the staff from the NGOs BAJ and STT.

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## ■ Activities with STT: Environmental classes featuring water in Dich Giao Village (March 10)

Dich Giao Village is located in Tan Lac, Hoa Binh Province. Hoa Binh Province is a mountainous area located in northwest of Vietnam. Although it is just about 80 km away from Hanoi, it is a home to several minority races who have inherited original languages and traditional customs. In Dich Giao, about 3,600 people (about 840 households) live in 14 distinct hamlets. Following last year, this is the second time for us to conduct classes in this village. This time, we had total 67 participants, including school children and youth association members who were not able to attend the last time.

In the morning, a class was held using our original textbook “Let us think about and study water”. First, we taught basic knowledge of water, such as the fact that only a small portion of water on the earth can be used for daily life, and that water is circulating in the earth’s ecosystem. Then, we explained harmful effects of water pollution and unsanitary environment on human health, trying to make the students understand why clean water is important. We also introduced several ways to improve the situation in their daily life, including separation of garbage and composting.



Children eagerly listening to classes

In the afternoon, a quality test and a filtration experiment were conducted using samples of well water and river water that had been collected in advance by each hamlet. Mr. Son of LIXIL VIETNAM, who has been engaged in this activity since 2007, explained the procedures. First, the participants made “filtering equipment” by putting stones, sand, and soil into plastic bottles, and conducted an experiment. The children showed great interest as they saw clean transparent water coming out of the hand-made equipment. Then, they conducted a water quality test using “Pack Test”, a kit which indicates a degree of water contamination by changing colors. The test results show that the water collected downstream is more contaminated than that collected upstream, indicating the impact of drain water. LIXIL will provide test kits and support continuous fixed-point observation in each hamlet.

This year, a total number of the participants in the programs (conducted jointly by LIXIL and STT) in Hoa Binh Province exceeded 500. Due to increasing population and rapidly modernizing lifestyles, the area faces serious issues such as garbage disposal and water source contamination. Through this program, however, more and more residents have a correct understanding of the environment. LIXIL will continue support for these people who are trying to solve the problems and protect their health and the natural environment.



Ms. Ino of STT (Left) and Mr. Son of LIXIL VIETNAM explaining the filtration experiment (Right)



Children conducting "Pack Test"

### ■ Activities with BAJ:

Hue is located in the center of Vietnam and attracts a lot of domestic and foreign tourists, as its buildings and structures have been registered as the World Heritage. In addition to the tourism, the suburbs of Hue have been prosperous in agriculture. BAJ has been supporting organic farming and community establishment in rural areas while working on improvement of the living environment in poor neighborhoods.

Among the local communities, BAJ has created a good relationship with people in the Thuy Bieu District through constant activities. This year, we visited Thuy Bieu District as well as its neighboring Thuy Xuan District to learn their various activities to vitalize the communities while respecting their traditions. Also, we held a factory tour by inviting children who live in Ho Chi Minh.

### - Farm village tour (planned by local residents) in Thuy Bieu District (March 12)

BAJ is promoting a farm village experience program with a view to preserving local traditional culture and nature as well as conveying its attractions. The program aims to let tourists know about local specialties and traditional lifestyle of local farmers. At the same time it also aims to make local residents themselves rediscover attractiveness of their community, and feel proud of their traditions and natural environment.

This time, we participated in a "farm village tour" with BAJ staff, which was planned by local residents in Thuy Bieu District. In this area, BAJ has conducted an eco-tour before, but this is the first time that the local people planned the tour by themselves. The residents played a central role in all the arrangements, such as searching for attractions, deciding the tour course, and making appointments with farmers to visit.

During the tour, we visited farmers who grow Zabon (a kind of oranges) and gingers, and went to the world heritage site and other local sights. The Zabon farmers told the importance of farming methods without use of pesticide; instead of using chemicals, they use the power of nature, such as fertile soil

brought by a flooded river. At each point, we saw local residents introducing their lifestyles and cultures proudly, realizing and conveying attractiveness of their community. We are sure that they are making progress steadily.



Dien Voi Re, the world heritage site we visited during the tour



Farmer explaining how to grow Zabon

After the tour, we enjoyed the dishes using locally-produced vegetables and pork, together with the people in the community. After the dinner, LIXIL staff again explained the importance of clean water and natural environment, and all the participants agreed to it.

On that day, local TV network in Hue accompanied the tour. We expect that such coverage will further increase awareness of environmental issues in the region.



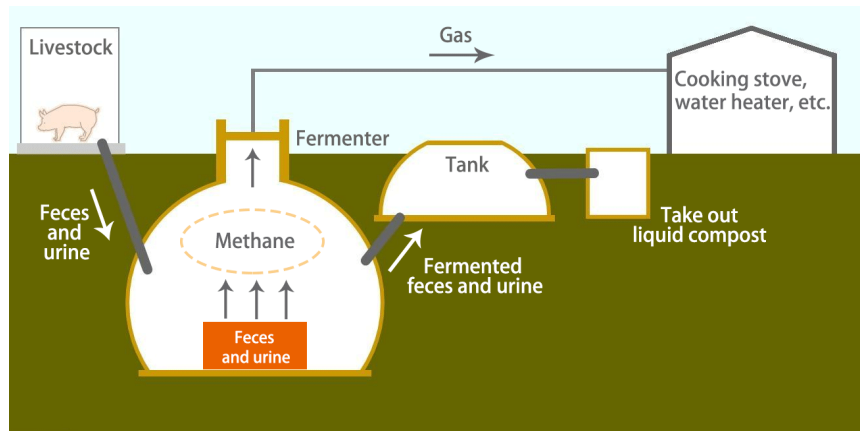
Dining after the tour



LIXIL staff interviewed by local TV

**- Visit to a farm house using a biogas digester in Thuy Xuan District (March 13)**

In Thuy Xuan District located next to Thuy Bieu District, more and more people have moved in recently. As neighboring houses are getting closer, bad odor from animal feces and river contamination are becoming serious issues. To solve these problems, BAJ is promoting installation of a “biogas digester”. A “biogas digester” is a piece of equipment which produces methane gas by decomposition of pigs’ droppings and uses the gas as energy for a water heater or a kitchen stove at each household. It reduces bad odor by preventing feces and urine from flowing into rivers or neighboring areas. Also, the compost after decomposition can be reused as fertilizer.



(Upper left) Top part of fermenter  
(Lower left) Fermenter is large enough for an adult to get in (Picture taken in the construction period)

(Right) Mechanism of “biogas digester” which is promoted by BAJ: Turn animal feces and urine into gas in a fermenter, which is used as energy for a cooking stove or a water heater

This time, we visited a family which uses a biogas digester, and interviewed them about changes after the installation. According to them, they used to spend a lot of time and efforts to gather firewood which they used as fuel. Now that they do not need to do such labor, they are able to increase the number of livestock, plant a wider variety of products, and expand the cultivated acreage. In addition, they now spend their time to produce processed foods using local ingredients. They started to sell honey, herb teas, and fruit wines to tourists and some health-conscious Hue residents.

In cooperation with BAJ, we would like to support activities to protect the environment and improve the living standards of local people in an ecological way.

### - Activity report by children in Ho Chi Minh and factory tour at LIXIL SAIGON (March 14)

On March 14, the sixth day of our visit, we held a factory tour at LIXIL INAX SAIGON Manufacturing Co., Ltd. (“LIXIL SAIGON”) which manufactures tiles by inviting 120 Ngoi Sao junior high school students in Ho Chi Minh as well as 5 BAJIKO Class children (BAJIKO Class is the name of a classroom run by BAJ for children to learn science, manual training, and environmental issues. Following the environmental class two years ago, students of Ngoi Sao have continued environmental activities voluntarily. This time, prior to the factory tour, the students made a presentation to report on their activities. Local employees of LIXIL SAIGON made



Children making presentation

comments and asked some questions about the presentation.

During the plant tour, LIXIL SAIGON's local staff introduced each process and responded to various questions such as "What is the product lifetime?" and "What is the most difficult thing in the whole production process?" Through such communication, the staff got more motivated toward their daily work and more committed to addressing environmental issues. Mr. Hatano, VP of LIXIL SAIGON stressed, "LIXIL SAIGON uses soil and energy in Vietnam, so we must do whatever we can do to protect the country's environment."

After the tour, an environmental class was held to lecture about water contamination, which introduced how to keep water clean and some pollution episodes in Japan. It was a great opportunity for Vietnamese people to know Japan's past experiences, as they are facing similar problems in their rapid economic growth. The event was covered by local newspaper.

Through this year's activities, we strongly feel that local people including children are more aware of environmental issues than before, and that our efforts so far are bearing fruit gradually but steadily in Vietnam. We have also noticed some problems specific to each area. Going forward, we will further promote our activities based on local needs to raise environmental awareness of local people and help them act on their own. In this way, we will strive to contribute to the Vietnamese society.



Local employees of LIXIL SAIGON explaining the manufacturing process



VP Hatano (Right) interviewed by a local newspaper

## ■ Summary of the itinerary in Hoa Binh, Hue, and Ho Chi Minh

- March 9: Arrival of LIXIL staff in Hanoi, Vietnam  
March 10: Environmental class and hands-on training in Dich Giao Village (in Hoa Binh Province)  
Move to Hanoi  
March 11: Activity report presentation at LIXIL VIETNAM  
Move to Hue  
March 12: Farm village tour and visit to packaging center of farm-fresh vegetables in Thuy Bieu District, Hue  
March 13: Visit to farmers and processed foods store in Thuy Xuan District, Hue  
Move to Ho Chi Minh  
March 14: Activity report presentation by Ngoi Sao school children and BAJIKO Class children, factory tour at LIXIL SAIGON

### Numbers of participants in environmental education programs

Environmental class and hands-on training in Dich Giao Village in Hoa Binh Province	: 67
Farm village tour in Thuy Bieu District, Hue	: 34
Volunteer activities in Thuy Bieu District, Hue	: 18
Factory tour in Hochimin (Ngoi Sao school and BAJIKO Class)	: 125

#### Accompanying staff from BAJ:

Bridge Asia Japan Vietnam Office: Huynh Hue Tue  
Emiko Katayama  
Tokyo Head Office: Shoko Ito

#### Accompanying staff from STT:

Representative of Seed to Table, Mayu Ino  
Vietnam Office: Doan Thi Toan

#### Instructors from LIXIL:

Aki Ashida and Asako Tadenuma, CSR and Environmental Management Division

#### Instructors from LIXIL VIETNAM:

Khuat Duy Son, General Affairs Division



## ■ Bridge Asia Japan (BAJ) <http://www.baj-npo.org/>

BAJ is a Japanese non-profit organization founded in 1993. As its name indicates, BAJ works as a bridge between Asia and Japan, promoting international cooperation. In Vietnam, this NGO provides assistance mainly for children in low-income areas. As for environmental education, BAJ began preparations in 2002 and started the program for children in Hue in 2004. As part of their activities, BAJ collects valuable resource such as plastics, and installs wastewater treatment facilities to prevent domestic wastewater from flowing into the river. Thanks to such practical supports by BAJ, more and more local children are thinking and acting on their own.

In collaboration with BAJ, LIXIL has been giving environmental classes to children in Ho Chi Minh and Hue since 2007.

■ **Seed to Table (STT)** <http://seed-to-table.org/>

STT is a Japanese non-profit organization founded in July 2009. In close cooperation with Vietnamese people, STT aims to protect indigenous seeds, nature and culture, while developing an economic basis to improve food security and increase income of the Vietnamese people so that they can live happily with their families and friends. In addition to inheriting traditional farming methods and other wisdom of living, STT is providing a place for meeting and discussing to foster next generation leaders. Hoa Binh Province, which is located in the northwest of Vietnam, is the base of STT activities to improve Vietnamese food security and livelihoods.

LIXIL and STT started providing environmental classes in Nam Son Village in 2010, and have expanded the joint activity to neighboring villages such as Phu Vinh and Dich Giao.

■ **LIXIL Business in Vietnam**

In the LIXIL Group, American Standard is the first sanitary ware brand which entered the Vietnamese market. American Standard started its production and sales activities in Ho Chi Minh in 1996, followed by INAX in Hanoi in 1997. With these two brands, LIXIL currently has the No.1 market share in the Vietnamese sanitary ware market. In 2010, we began to sell fittings, as we started operation of a new factory. Then, in June 2012, we also entered into the electric water heater market which seems to be promising.

Moreover, in the area of building materials, LIXIL has been engaged in manufacturing and sales of dry exterior tiles, mainly mosaic tiles, since 2008. The factory for residential sashes will begin its operation in fall, 2013. From now on as well, we are going to expand our businesses in Vietnam.

■ **Principles and History of Environmental Awareness Program in Vietnam**

In 2006, LIXIL (former INAX) began searching for partners who not only provide funds and supplies, but really care for local people's happiness and future. The following year, we actually began activities with two well-established NPOs. Utilizing our extensive knowledge and know-how in the sanitary ware business, we support environmental educational programs featuring "water", with an aim to provide what is truly necessary for the children of Vietnam who lead the country in the future. The programs go beyond merely telling children not to throw trash in rivers because they will become polluted, but are intended to make children understand what causes river pollution and think by themselves what they can do to prevent it. Based on this principle, LIXIL will continue such practical educational programs considering local circumstances, in collaboration with BAJ, STT, and LIXIL VIETNAM.



**Record of major activities**

- 2007: Start of activities with BAJ and Save the Children Japan (“SCJ”) (3-year contract)  
Creation of original educational textbook (April)  
Training of INAX VIETNAM Co., Ltd. <sup>\*1</sup> staff to become instructors; briefing to government and educational organizations  
Commencement of environmental educational programs targeting educators and children in Yen Bai, the north of Hanoi, and Hue (June through August)
- 2008: Children from Yen Bai and Hue invited to the Eco-products International Fair (Hanoi)  
Factory tour at INAX VIETNAM Co., Ltd. (March)  
Environmental educational programs in Yen Bai and Hue (June)  
Environmental educational programs in Yen Bai, Hue, Ho Chi Minh, and Qui Nhon (December)
- 2009: Environmental educational programs in Yen Bai, Hue, and Ho Chi Minh (July)
- 2010: Start of activities with BAJ and STT  
Environmental educational programs in Hue and Qui Nhon  
Factory tour at INAX VIETNAM TILE Co., Ltd. <sup>\*2</sup> (January)  
Environmental educational programs in Nam Son Village, Hoa Binh Province, Hue, and Ho Chi Minh (July)
- 2011: Environmental educational programs in Nam Son Village, Hoa Binh Province, Hue, and Ho Chi Minh (January)  
Environmental educational programs in Phu Vinh Village, Hoa Binh Province, Hue, and Ho Chi Minh  
Activity report by Nam Son Village residents, factory tour at INAX VIETNAM Co., Ltd. (July)
- 2012: Environmental educational programs in Phu Vinh Village, Hoa Binh Province, and Hue  
Opinion exchanges in Dich Giao Village, Hoa Binh Province (February)  
Environmental educational programs in Dich Giao Village, Hoa Binh Province, and Hue  
Activity report by Phu Vinh Village residents, factory tour at LIXIL INAX VIETNAM Corporation (July)

\*1 Current LIXIL INAX VIETNAM Corporation

\*2 Current LIXIL INAX Saigon Manufacturing Co., Ltd.