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***Building a company that embodies the
"circle and harmony" of all living things,
which can offer a sense of safety and
reassurance to both people and the Earth***

Editorial Policy

In this report, we have expanded the range of topics to cover economic and social activities of the Hitachi Chemical Group, in addition to environmental issues. This is to enable a whole range of stakeholders — shareholders, customers, suppliers, local communities, and employees — to become aware of the policies and activities for corporate social responsibility (CSR) of the Hitachi Chemical Group. Accordingly, we have changed the title of the report to "Social and Environmental Report" from "Environmental Report" to better reflect its broader content.

* We will continue our CSR activities and responsible disclosure of information as a mean of contributing to the realization of a sustainable society.

Period covered

April 1, 2003 - March 31, 2004

Companies covered

This report covers environmental information for Hitachi Chemical Co., Ltd. and the 13 major group companies in the Hitachi Chemical Group.

* When indicated as "Hitachi Chemical Group" or "consolidated," the data covers the following companies: Hitachi Chemical Co., Ltd., Shin-Kobe Electric Machinery Co., Ltd., Hitachi Powdered Metals Co., Ltd., Hitachi AIC Inc., Hitachi Housotec Co., Ltd., Japan Brake Industrial Co., Ltd., Hitachi Chemical Automotive Products Co., Ltd., Hitachi Kasei Polymer Co., Ltd., Hitachi Chemical Filtec Inc., Hitachi Chemical Industrial Materials Co., Ltd., Hitachi Chemical Coated Sand Co., Ltd., Hitachi Chemical (Singapore) Pte. Ltd., Hitachi Chemical (Johor) Sdn. Bhd., and Hitachi Chemical Co. (Taiwan) Ltd.

* When indicated as "Hitachi Chemical" or "non-consolidated," the data covers Hitachi Chemical Co., Ltd. only.

- Hitachi Chemical Co., Ltd. is one of the Hitachi Group. The information on Social Contribution Activities (page 15), Action Plans and Results (page 22), and GREEN 21 Version 2 (page 23) is shown as a member of the Hitachi Group.
- Please refer to Hitachi Chemical's website (<http://www.hitachi-chem.co.jp/english>) for information on each group company.

Guidelines consulted

In preparing this report, we consulted the Sustainability Reporting Guidelines 2002 by the Global Reporting Initiative (GRI) and Environmental Report Guidelines (fiscal 2003) by the Ministry of the Environment of Japan.

Publication timing

Environmental reports (in Japanese) have been successively published since the first issue, published in fiscal 1999, which covered data from fiscal 1998. The 2003 edition was published in July 2003 and the 2004 edition in June 2004. We plan to publish the 2005 edition in June 2005.