

# Fundamental Policy toward the Environment

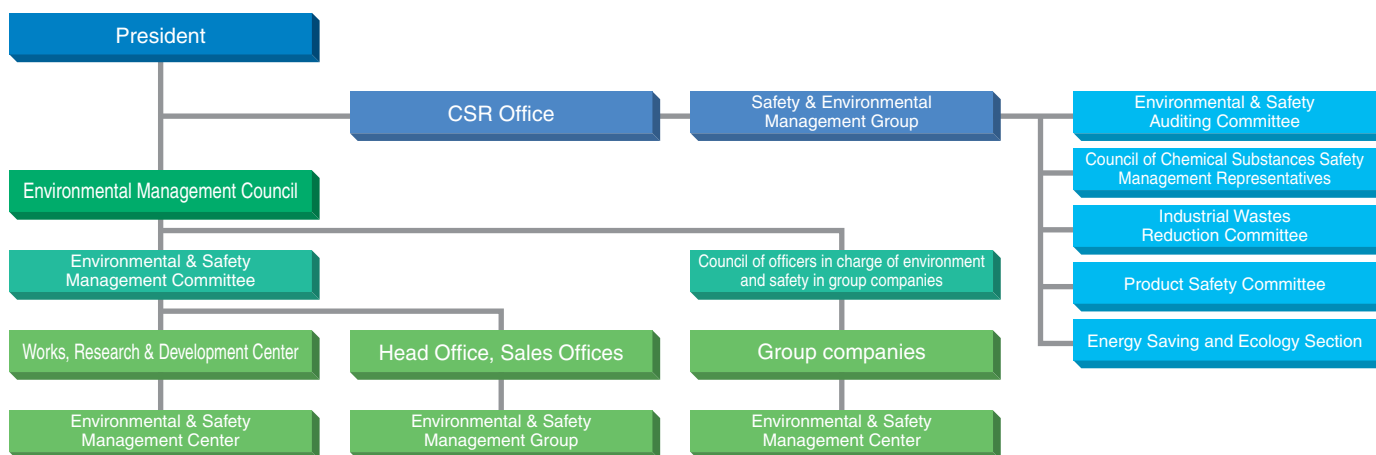
We see creation of harmony with the environment as one of our top priorities in management. Our fundamental policy in terms of environmental management is "to realize a recycling-oriented society that enables sustainable development."

## Organizational Scheme

Hitachi Chemical promotes consolidated environmental management with its group companies. In order for smooth and efficient management among the group, issues concerning the environment, safety and disaster prevention are discussed in the Environmental Management Council, chaired by the president and comprising executive managers as members. The decisions made by the Council are reflected in the operations of the group.



Environmental Management Council meeting in March 2004



## Environmental Protection Action Guidelines

The Environmental Protection Action Guidelines were established in March 1993 as a fundamental principle for the actions and measures taken for environmental protection in our business activities. The Hitachi Chemical's Standards of Corporate Conduct,\* which was drawn up in 1983, was used as the basis for these guidelines. Each year, we lay down a basic action plan for the year according to the Guidelines as a reference for our efforts to conserve and continuously improve environmental conditions.

\* Please see page 7 for the Hitachi Chemical's Standards of Corporate Conduct.

### Environmental Protection Action Guidelines

1. Recognizing there is a growing concern over global environment as common issue for all mankind, harmony with environment will be given a top management priority in the entire company.
2. Officers and site directors in charge of environmental issues will take an initiative in establishing a structure to promote environmental protection, enacting regulatory measures for environmental stewardship and setting a target for reducing environmental impacts. Environmental auditing will also be implemented to monitor those activities to ensure continuous improvements.
3. By duly understanding needs for solving environmental problems facing the world, we will strive to develop innovative and highly reliable technologies and products which will lead us to contributing to societies.
4. We will take into account all steps in value chains from R&D and product designing, to manufacturing, logistics, fulfillment and disposal in an attempt to reduce the environmental impacts.
5. We will constantly monitor and study impacts on our environment as a result of our business activities and seek new technologies and materials which are superior in environmental safety, energy conservation and resources conservation to reduce overall environmental impacts.
6. We will not only observe regulations set by international regulatory bodies, government and local authorities, but also set our own voluntary standard, when and where necessary, for maintaining environmental stewardship.
7. For business activities abroad and exporting products, we will also take into due consideration their impacts on local environment and implement measures to correspond to needs from local communities.
8. We will continuously raise environmental awareness of our employees and contribute to societies with respect and care for them from a broader viewpoint through environmental protection activities.
9. Should an environmental problem arise as a result of our business activities, we will take proper measures to minimize the impact on the environment.

## ISO 14001 Certificate Acquisition

In November 1995, Hitachi Chemical became the first chemical manufacturer in Japan to acquire BS 7750 certificate, a British environmental management system standard. Since then, many of the manufacturing and business sites of Hitachi Chemical have been acquiring the international counterpart of this standard, ISO 14001. By December 1996, all manufacturing sites had acquired ISO 14001 certification, and the Research

& Development Center and sales offices followed soon after.

Many of the group companies, including manufacturing and sales companies, have also been acquiring ISO 14001 certification, since Hitachi Powdered Metals Co., Ltd. was certified first in 1997. By the end of fiscal 2002, all the major companies in the group—at home and abroad—had acquired ISO 14001 certification.

### List of sites that acquired ISO 14001 certification (as of May 31, 2004)

38 domestic sites

Hitachi Chemical Co., Ltd.

- 1 Head Office
- 2 Goi Works
- 3 Shimodate Works
- 4 Yamazaki Works (Kashima)
- 5 Yamazaki Works
- 6 Goshomiya Works
- 7 Research & Development Center
- 8 Kansai Area Operations Office
- 9 Chubu Sales Office

Shin-Kobe Electric Machinery Co., Ltd.

- 10 Head Office, Kansai - Chubu Branch
- 11 Saitama Factory
- 12 Hikone Factory
- 13 Nabari Factory

Hitachi Powdered Metals Co., Ltd.

- 14 Katori Works
- 15 Matsudo Works

Hitachi AIC Inc.

- 16 Miharu Works
- 17 Haga Works
- 18 Printed Wiring Board Division

Hitachi Housetec Co., Ltd.

- 19 Head Office
- 20 Yuki Works
- 21 Toyama Works
- 22 Fukuyama Works
- 23 Utsunomiya Works

Nippon Denkai Ltd.

- 24 Shimodate Works

Japan Brake Industrial Co., Ltd.

- 25 Hachioji Factory
- 26 Chiba Factory

Hitachi Kasei Polymer Co., Ltd.

- 27 Noda Works
- 28 Tokushima Works



29 Namie Hitachi Chemical Co., Ltd.

30 Namie Japan Brake Co., Ltd.

31 Hiroshima Japan Brake Industrial Co., Ltd.

32 Shin-Kobe Platechs Co., Ltd. Ishikawa Works

33 Shin-Kobe Platechs Co., Ltd. Osaka Works

34 Hitachi Kasei Shoji Co., Ltd. and Hitachi Kasei Business Service Co., Ltd.

35 Akebono Technos Co., Ltd.

36 Hitachi Chemical Industrial Materials Co., Ltd.

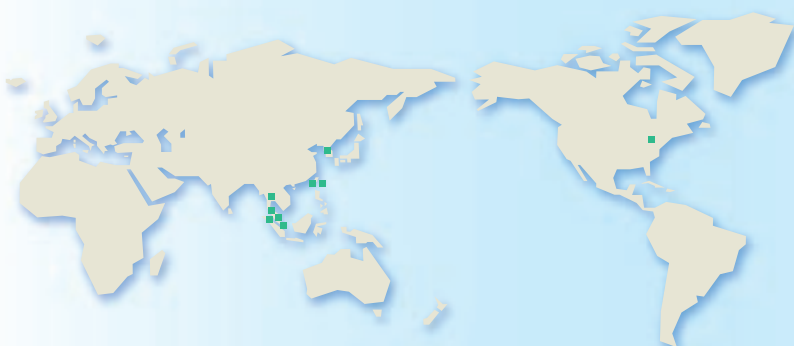
37 Hitachi Chemical Maintenance Co., Ltd.

38 Shinmachi Condenser Inc.

#### Group companies included in the sites that obtained certification

- Hitachi Chemical Automotive Products Co., Ltd.
- Hitachi Chemical Filtec Inc.
- Hitachi Chemical Coated Sand Co., Ltd.
- Neuron Corporation
- Nikka Equipment & Engineering Co., Ltd.
- Hitachi Chemical Electronics Co., Ltd.
- Shimodate Sangyo Co., Ltd.
- Nikka Techno Service Co., Ltd.
- Nikka Sumieito Co., Ltd.
- Goi Chemical Co., Ltd.
- Shin-Kobe Techno Service Co., Ltd.
- MEC Co., Ltd.
- Denkai Shoji Co., Ltd.

9 overseas sites



1 Hitachi Chemical Co. (Taiwan) Ltd.

2 CSB Battery Co., Ltd.

3 Hitachi Chemical Electronic Materials (Korea) Co., Ltd.

4 Hitachi Chemical Automotive Products (Thailand) Co., Ltd.

5 Hitachi Chemical (Singapore) Pte. Ltd.

6 Hitachi Chemical (Malaysia) Sdn. Bhd.

7 Hitachi Chemical (Johor) Sdn. Bhd.

8 Sintering Technologies, Inc.

9 Hitachi Powdered Metals (Singapore) Pte. Ltd.