

Environmental Consciousness in Physical Distribution

Reducing CO₂ emissions by promotion of modal shift

The Hitachi Chemical Group endeavors to reduce CO₂ emissions by liaising with physical distribution service companies that carry our products and raw materials. It also requests suppliers to study methods that can minimize CO₂ emissions from the delivery process.

In 2004, our production sites and sales offices promoted a modal shift. As a result, the number of company cars *1 was 261 on a non-consolidated basis and 764 on a consolidated basis. The ratio of low-pollution vehicles *2 was 21% and 35% respectively. In 2005, the Group will further promote modal shift, endeavor to grasp CO₂ emissions and transport efficiency in the transportation process, and set concrete numeric targets.

*1 **Company car:** Passenger cars, buses, minibuses, trucks, station wagons, fire trucks, forklifts, etc.

*2 **Ratio of low-pollution vehicles =** Number of low-pollution vehicles including electric vehicles and hybrid vehicles/number of company cars

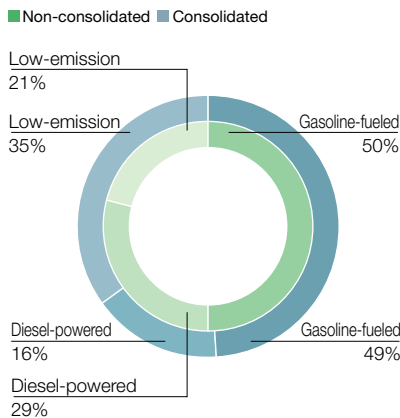
Reducing CO₂ emissions by converting commercial vehicles to hybrid

Each sales office of Hitachi Chemical is converting commercial vehicles to hybrid to reduce CO₂ emissions. The hybrid vehicle emits only 50% of the CO₂ of gasoline-fueled cars. In 2004, the Company owned 41 commercial vehicles and 12 out of them were hybrid vehicles, marking 29% as the ratio of hybrid vehicles. The Company will try to reduce its company cars and improve the ratio of hybrid vehicles to reduce CO₂ emissions.

Carrying a "Yellow Card" for the safety of transportation

Since 1995, the Hitachi Chemical Group has issued a "Yellow Card (emergency communication card)" where measures against an emergency during transport of products, including hazardous chemical substances and poisonous materials are clearly specified to secure safety during transport. The Group also requests its partners to bring the card when delivering products.

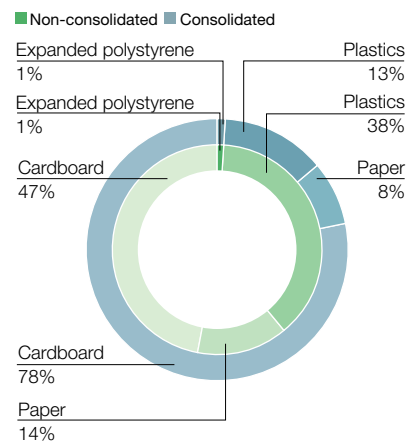
Ratio of low-pollution vehicles in company cars



Reducing of packaging materials

The Hitachi Chemical Group strives to reduce packaging materials to reduce environmental impacts from product delivery. As a part of such efforts, we promote introduction of dedicated containers, including the use of plastic returnable containers and recyclable packaging materials to minimize the disposal of packaging materials at the customer's end.

Ratio of packaging materials



Introduction of Plastic Returnable Containers

For the transport of Photosensitive dry film for printed wiring boards use of plastic returnable containers is promoted to minimize disposal of packaging materials (cardboard) at the customer's end and to reduce environmental impacts in physical distribution.

- Using of plastic containers
Reusing of rolled films, and supporting plates



- Recycling of liquidizing damaged plastic cases into solid fuel