

Close-up

Promoting Carbon Management Strategy

Developing a plan to drastically reduce CO₂ emissions toward actively contributing to the prevention of global warming

Over recent years, signs of damage to the global environment have increasingly appeared worldwide, including forest fires, large-scale flooding and dying coral reefs. One major reason is the rise in greenhouse gasses. To help in the protection of the global environment, the Hitachi Chemical Group is implementing a Carbon Management Strategy designed to substantially reduce CO₂ emissions, the most significant greenhouse gas, with both medium- and long-term perspectives.

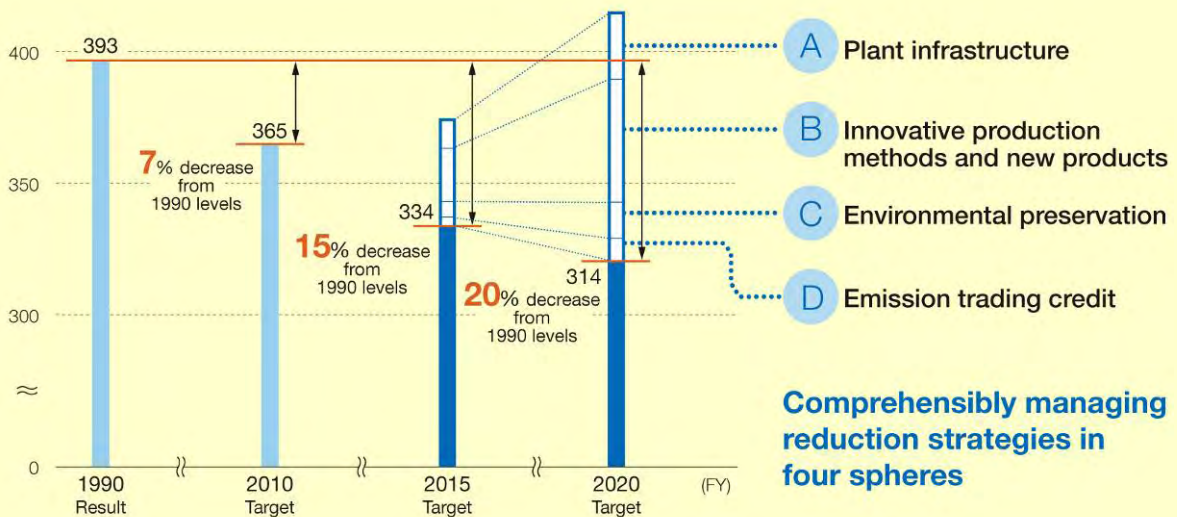
The goal of our Carbon Management Strategy: dramatically reduced CO₂ emissions

Taking into consideration Japan's goal for reducing greenhouse gasses under the Kyoto Protocol, the Hitachi Chemical Group in March 2008 set its own interim targets for reducing CO₂ emissions by 15% by fiscal 2015 and by 20% by fiscal 2020 (both compared to 1990 levels) as medium-to-long-term targets for the Group.

We believe we can meet the current target of 7% reduction by fiscal 2010 through energy conservation, fuel conversion and other efforts. However, these measures are not enough to accomplish reductions of 15% or 20%. To achieve these targets, we must break away from conventional measures and promote innovative production methods and new product development, thereby returning to the starting point of manufacturing.

Targets and spheres related to reducing CO₂ emissions (domestic, consolidated)

(1,000 tons-CO₂)
450

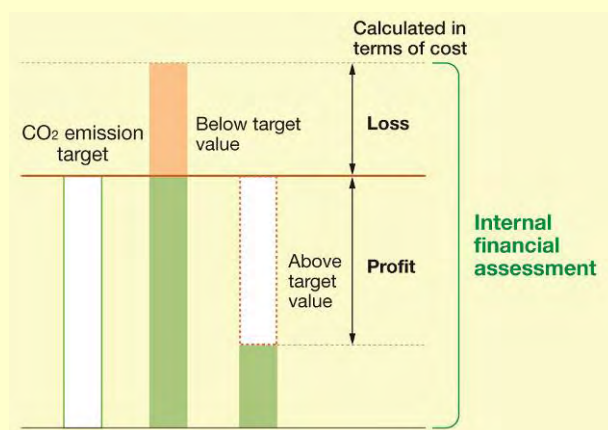


Building a Carbon Rating System to promote innovative production methods and new product development

The Carbon Rating System is intended to reinforce awareness among Group company management that CO₂ emissions are directly linked to costs. This system represents an important pillar for promoting innovative production methods and new product development. It provides an internal financial assessment that treats CO₂ emissions harmful to the environment as the cost of production, which in turn facilitates calculation and recognition of the difference between targeted and actual emissions in terms of corporate profit and loss.

The Hitachi Chemical Group plans to launch full-scale operation of the system in fiscal 2010. Changing the mindset of executives through this system will help to realize the revolution of production methods and new products that reduce energy consumption.

Outline of the Carbon Rating System



Communicating the Carbon Management Strategy to employees

The effective implementation of the Carbon Management Strategy will require raising the environmental awareness of the employees who are involved with actual R&D or product development while also changing the perception of the executives.

To this end, the Hitachi Chemical Group is communicating the importance of reducing CO₂ emissions to the employees through a number of opportunities, including the CSR Committee and research and development meetings. As a result, the management and the employees will fulfill their respective roles as two wheels of the same cart.



Research and development meeting presentation



Presentation at a laboratory