

Hitachi Metals Corporate Philosophy

We aspire to contributing to society by creating "the best possible company" based on harmony among people with affection for our company - a goal to be pursued by drawing on its 100-year history, by ensuring that our mainstay products lead their industries in both quality and quantity, and by applying ourselves to the advancement of technology.



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Code of Conduct for Hitachi Metals Group Companies

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Enhancing Awareness of Social Responsibility and Corporate Ethics

Adhering to the principle of "Obey the law and walk the path of virtue," we will develop our corporate activities in an ethical manner, with full grasp of our social responsibility and the potential effects of our corporate activities. As we conduct business on a global scale, we will comply with all relevant international conventions and the laws of each country, while striving to understand each country's local religions, cultures and customs in order to contribute to regional economic development.

Pursuing Mutual Growth with our Business Partners

With the aim of generating the highest possible customer satisfaction, we will engage in the development of unique basic technologies and new technologies that empower us to continue providing high quality, reliable products. In achieving this aim, we will conduct fair and appropriate business transactions with our suppliers.

Based on an awareness of social responsibility shared jointly with our business partners, we will carry out corporate activities to realize mutual growth.

Promoting Truthful Communication with Society

We will disclose appropriate corporate information in a timely, fair and transparent manner to our shareholders and other stakeholders. At the same time, we will endeavor to establish a relationship of mutual trust with society through well-coordinated two-way communication.

Thinking about Our Next Generation - An Environmentally Friendly Solution

Recognizing the importance of protecting the environment, we will ensure effective and environmentally conscious utilization of limited natural resources in order to bestow a clean environment to the next generation.

Through creation of new products and businesses that bring new value to society, we will base our sustainable growth on the provision of high quality products in harmony with the environment.

Fostering the Welfare of Employees and Society

We will create a safe and ideal workplace, embracing the great diversity of our individual employees and their capabilities, while promoting their personal development through work. As a good corporate citizen, we will continue efforts to contribute to society through sincere, nondiscriminatory corporate activities based on mutual trust with all members of society.

Formulated July 26, 2006

Note on the Corporate Social Responsibility Report

Editorial Policy

● Purpose of Publication

This report is published with the aim of acquainting readers with the Hitachi Metals Group's view towards corporate social responsibility (CSR). Disclosing examples of its daily business activities in a reader-friendly manner, the Group hopes that this report will serve as a valuable tool for communicating with its stakeholders.

This report introduces the scope of Hitachi Metals Group management activities to its broad spectrum of stakeholders. The contents include corporate governance and compliance structures, as well as its product development and monozukuri activities that significantly contribute to the

creation of a recycling-oriented society. Through disclosure of such information, the Group aims to broaden and deepen conversations with the global community, while diversifying the scope of corporate activities.

● Scope

This report covers 100 companies of the Hitachi Metals Group (the Group) consisting of Hitachi Metals, Ltd. (the Company) and its Group companies (88 consolidated subsidiaries and 12 equity-method affiliates). The scope of environmental data includes data for the 58 companies within the Group demonstrating environmental burden exceeding its standards for disclosure. This accounts

for about 87% of the environmental burden created by the Hitachi Metals Group overall.

Company names and related particulars are current as of March 31, 2008.

● Period

This report essentially covers fiscal 2007 (April 1, 2007 through March 31, 2008).

● Underlying Guidelines

"Environmental Reporting Guidelines" 2007 Edition, the Ministry of the Environment, Japan

"Environmental Performance Indicators for Businesses" 2002 Edition, the Ministry of the Environment, Japan
"Environmental Reporting Guidelines

2001-With Focus on Stakeholders," the Ministry of Economy, Trade and Industry, Japan

"Sustainability Reporting Guidelines 2002," Global Reporting Initiative

● Sections with more information or details available on a particular page or homepage are marked with ①.

● Technical terms or abbreviations are marked with ① and explained.