

CSR

at Hitachi Metals Group

Since its inception, the management philosophy of the Hitachi Metals Group has been to "contribute to society by creating 'the best possible company.'" This philosophy has been properly reflected in the Hitachi Metals Group policies toward CSR.



CSR Guidebook



"Code of Conduct for Hitachi Metals Group Companies" Pamphlets

Fiscal 2007 CSR Activities Report

Production of the "Hitachi Metals Group CSR Guidebook"

Hitachi Metals created the "Hitachi Metals Group CSR Guidebook" (Japanese and English versions) as a tool to instill a CSR consciousness throughout the entire Hitachi Metals Group, distributing the guidebook to all employees within the Group. The Company has established a basic policy for CSR initiatives under each article of the Code of Conduct for Hitachi Metals Group Companies. These policies are explained in easy-to-understand terms using specific examples.

Training of the Code of Conduct for Hitachi Metals Group Companies

Using the Guidebook as a text, the Company has conducted Code of Conduct training in parallel with training related to the Anti-Monopoly Act.

Domestic

Target: Managers and above at Hitachi Metals manufacturing facilities and laboratories (17 locations)
Management and all personnel involved in sales at Group company headquarters and sales offices (89 locations)

October 2007 through March 2008

No. of Sessions: 52 sessions in 47 locations
(including joint and multiple sessions)

Overseas

Target: Managers and above at overseas offices
(28 locations in United States, EU, Singapore, Thailand, China)

August 2007 through March 2008

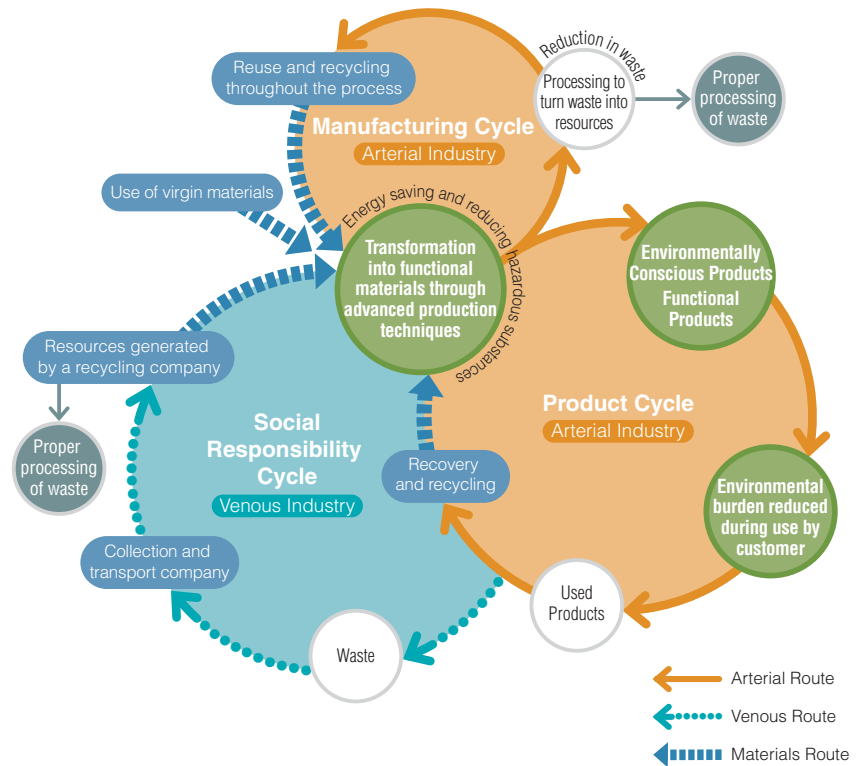
No. of Sessions: 21 sessions in 19 locations
(some joint sessions or multi-session trainings)

Hitachi Metals Group Sustainable Business Model: Resource Recycling

Since our inception, the Hitachi Metals Group has valued resource recycling as an indispensable business mechanism. We are an upstream materials manufacturer acting as an arterial industry¹. At the same time, we also act as a downstream venous industry², adding new value to industrial waste output from various industries, reconstituting this waste as useful resources. The Hitachi Metals Group has continued to be a leading entity in developing resource recycling mechanisms, even before the phrase "recycling-oriented society" became popularized.

Our mission, and a driver of our business growth, is to contribute to the creation of a sustainable society, reducing the burden on the environment not only during the manufacturing process but also throughout the entire product life-cycle, from raw materials procurement to customer consumption to disposal.

Circular Flow of Resources



¹ An "arterial industry" primarily uses natural resources to manufacture products utilized in everyday life.

² A "venous industry" collects, separates and processes used products and the waste generated from households and factories to turn them into resources.

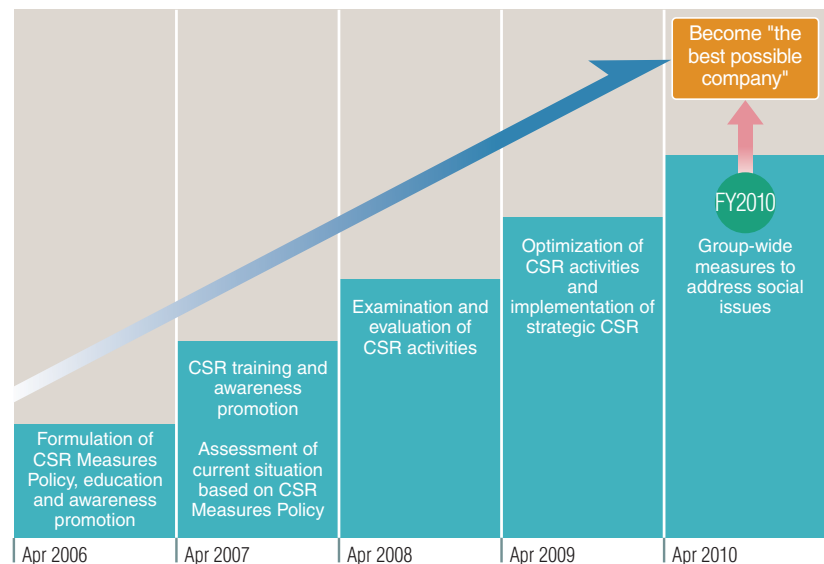
Corporate Social Responsibility

CSR Measures Planning

Hitachi Metals newly formulated the Code of Conduct for Hitachi Metals Group Companies in July 2006. This code states as the fundamental principle for CSR that "The Company, in its business activities and relationships with stakeholders, will remain conscious of social and environmental issues and take responsible action, thereby allowing for the sustainable development of the Company and society." To fulfill its corporate philosophy of "contributing to society by creating 'the best possible company'", the Hitachi Metals Group has made its Code of Conduct the cornerstone of Group CSR activities. In line with this policy, we have formulated the Hitachi Metals Group CSR Roadmap, which covers the period through fiscal 2010, and are now implementing the specific measures contained therein.

During fiscal 2007, the Company created the "Hitachi Metals Group CSR Guidebook" (Japanese and English versions) as a tool to instill a CSR consciousness throughout the Hitachi Metals Group. The Guidebook is designed to combine the "Code of Conduct for Hitachi Metals Group Companies" and the "CSR Measures Policy." This guidebook was distributed to each Hitachi Metals Group employee, and training has been conducted at each Hitachi Metals Group company.

Hitachi Metals Group CSR Roadmap



Hitachi Metals Group's Code of Conduct and CSR Measures Policy Merging Together

CSR Measures Policy	Principal CSR Measures for Fiscal 2007
1. Enhancing Awareness of Social Responsibility and Corporate Ethics	Foster a shared awareness of CSR through employee education. Conduct CSR awareness surveys among employees. Conduct ongoing compliance training and enlightenment activities. Enhance measures to prevent product-related accidents. Survey and analyze the current status of corporate ethics and compliance.
2. Pursuing Mutual Growth With our Business Partners	Assess the current status of CSR among business partners. Share CSR awareness by presenting business partners with the CSR Measures Policy.
3. Promoteing Truthful Communication with Society	Enhance disclosure to stakeholders. Strengthen measures to prevent information leaks.
4. Thinking about our next generation — An environmentally friendly solution	Reduce emissions of substances that contribute to global warming. Expand the lineup of environmentally conscious products. Continue to promote the 3Rs. ¹ Proactively participated in activities to prevent global warming.
5. Fostering the Welfare of Employees and Society	Conduct continual assessments of workplace environments and safety. Enhance the personnel training program. Survey awareness of social contributions among employees. Continue with social contribution programs rooted in local communities.

¹ 3Rs: Reduce, Reuse, Recycle (promote efficient use of resources through the 3Rs)