

# CSR Management

Hitachi believes that corporate social responsibility (CSR) is an inseparable component of management. In addition to engaging in ethical corporate activities, the Hitachi Group as

a whole is committed to creating both social and economic value while contributing to the development of a sustainable society through its products and services.

## Integrating CSR into Management

The Hitachi Group's approach to CSR entails efforts aimed at bringing its vision to fruition.

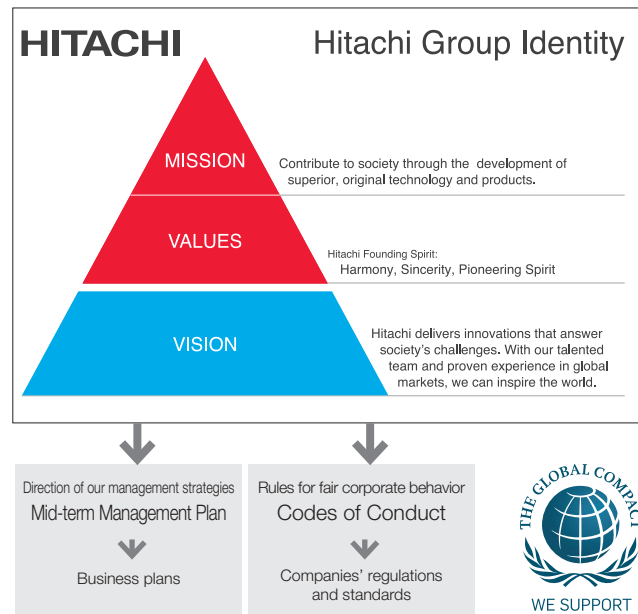
### Hitachi's Vision

Hitachi delivers innovations that answer society's challenges. With our talented team and proven experience in global markets, we can inspire the world.

Our Mid-term Management Plan provides a set of guidelines aimed at realizing our Vision. In carrying out this plan, each and every employee of the Group adheres strictly to the statutory and regulatory requirements of each country and engages in business activities based on the highest ethical values in line with the Hitachi Group Codes of Conduct, which is commonly shared throughout the Group worldwide.

Hitachi signed the United Nations Global Compact in 2009. In 2010, we put in place the Hitachi Group Codes of Conduct. Closely aligned to international principles, criteria, and rules including ISO 26000, we have translated these Codes of Conduct into 19 languages and have worked diligently to ensure Group-wide compliance as a part of efforts to strengthen our management platform. To complement the Codes of Conduct, the Group adopted and announced the "Hitachi Group Human Rights Policy" in line with the United Nations Guiding Principles on Business and Human Rights. By issuing this Hitachi Group Human Rights Policy, we have declared our commitment to business activities that take into consideration respect for human rights.

In addition, the Hitachi Group promotes dialog with stakeholders worldwide. These efforts are aimed at gaining an understanding of the diverse values held by external parties. Feeding back details of the needs uncovered through discussions with stakeholders into our business activities, we strive to become a truly global enterprise that pursues the creation of sustainable management and a sustainable society.



## Promoting Activities under the Five-Year CSR Roadmap

Guided by its Five-Year CSR Roadmap, a medium-term CSR plan formulated in fiscal 2010, Hitachi aims to take a leadership role in resolving global issues. To this end, we are further strengthening our Group-wide management platform, undertaking a quantitative assessment of our CSR activities, and enhancing transparency of our business activities.

For a fourth consecutive year, we were selected as a component of the Dow Jones Sustainability World Index (DJSI World), a leading global socially responsible investment fund index, providing external recognition for our activities.



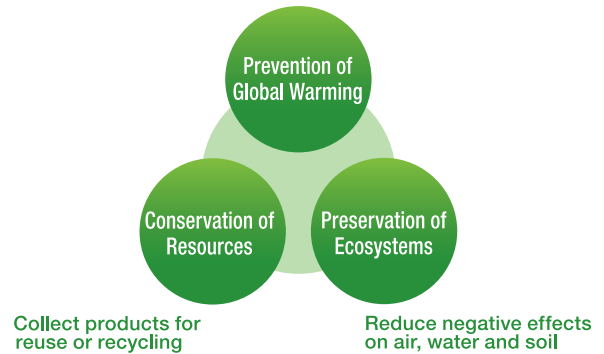
### The Five-Year CSR Roadmap



## Hitachi's Environmental Vision

We have drawn up the Environmental Vision which describes the aim of our environmental management as “achieving a sustainable society” to reduce the environmental burden. We are committed to the prevention of global warming, the conservation of resources, and the preservation of ecosystems as the three pillars of our vision, and our goal is to achieve a more sustainable society by promoting global production that reduces the environmental burden of a product throughout its life cycle.

Reduce CO<sub>2</sub> emissions in energy production  
Enhance energy efficiency of our products



## Towards a Sustainable Society

### Long-Term Plan Environmental Vision 2025

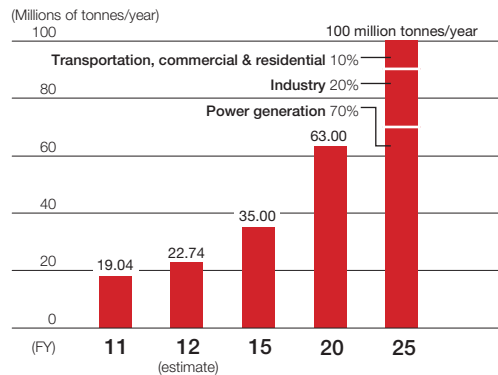
Hitachi has set forth its Environmental Vision 2025 as a long-term plan for business activities in order to contribute to the prevention of global warming. With fiscal 2005 as the base year, we have set the goal of reducing CO<sub>2</sub> emissions by 100 million tonnes by 2025 through our products and services. To this end, we are pursuing greater environmental efficiency in products and moving ahead with design and development to make all Hitachi products environmentally conscious “Eco-Products.”\*1

In fiscal 2012, our contribution to CO<sub>2</sub> reduction was 22.74 million tonnes. A wide range of products and services including high-efficiency thermal power plants, inverters,

energy-saving information systems, as well as parts and materials used in energy-saving products contributed to the reduction in emissions. In addition, the number of Eco-Products, for which the Group controls or influences environmental impacts, increased to over 11,000 in fiscal 2012 with the Eco-Products sales ratio reaching 84%, topping our goal of 81%.

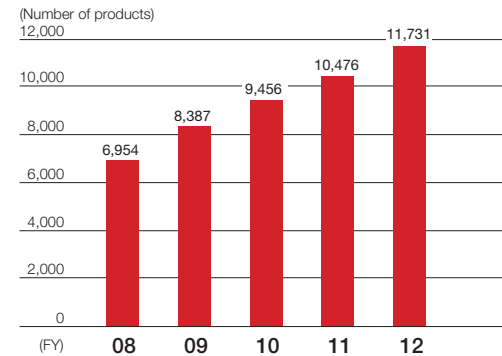
\*1 Eco-Products are internally qualified products evaluated against eight criteria, including mass and volume reduction, recyclability, energy savings and environmental protection, stipulated in Hitachi's unique Assessment for Design for Environment (DFE).

### Contributions to CO<sub>2</sub> Emission Reduction (Base: FY2005)<sup>2</sup>



<sup>2</sup> CO<sub>2</sub> emission coefficients used in Hitachi's contributions to CO<sub>2</sub> emission reduction are based on the 2010 figures in the IEA's *CO<sub>2</sub> Emissions from Fuel Combustion Highlights* (2012 Edition).

### Expanding Eco-Products



### Reducing Environmental Burden in Business Activities

Under its Environmental Action Plan, the Hitachi Group has set specific targets for reducing greenhouse gas emissions, waste, chemical substance emissions, and water use as a part of efforts to reduce the environmental load of its global business activities. In order to further unify its management and environmental activities, the Hitachi Group has also revised the term of its Environmental Action Plan from five to three years to coincide with the 2015 Mid-term Management Plan, which ends in fiscal 2015.

Under the Eco-Factory & Office Select program, a certification system for facilities that show a high level of environmental consciousness as well as outstanding results, 11 new facilities were certified together with the 15 facilities that were recertified. This result reflects the progress made by individual factories and offices to promote the efficient use of

energy through the introduction of highly efficient equipment, the installation of solar power generation systems, and other efforts to utilize renewable sources of energy.

In fiscal 2012, particular emphasis was placed on reducing energy consumption. In this regard, Hitachi took steps to visualize energy consumption at each of its major operating sites in Japan. By allowing employees to see with their own eyes the level of energy consumption on an hourly basis, successful steps have been taken to enhance awareness toward the efficient use of energy. As a result, peak energy consumption has been cut by up to 164,000 kW compared with maximum levels recorded in fiscal 2010. Looking ahead, the Hitachi Group as a whole will continue to promote the efficient use of energy.