

Pass on the precious earth to the next generation Let's protect our beautiful environment.

1 Message from the President

I would like to explain the environmental protection activities that Hitachi Kokusai Electric conducted in fiscal 2000.

In October 2000, three companies, Kokusai Electric Co., Ltd., Hitachi Electronics, Ltd., and Yagi Antenna Co., Ltd. were merged into Hitachi Kokusai Electric Inc.

Before the merger was completed, all works of the three companies had already been certified with ISO14001, the international standard of environment management systems, and had promoted environment-oriented production. At the time of the merger, we drew up the Hitachi Kokusai Electric Global Environmental Chapter in keeping with our recognition that the environment issue is one of the highest priorities of our corporate management. Also, we are making continuous improvements in all environmental area, for example, energy, waste, and the quality of the air, water, and soil.

Environmental activities are being promoted throughout the company in cooperation with customers, local communities, and concerned organizations with emphasis placed on the following:

To help protect the environment we are developing energy-saving products suitable for a resource recycling society. We are also setting up model devices at each work to enable exchange of technologies between works through case presentation meetings.

Energy conservation, waste reduction, and chemical substance management in production are being promoted. Energy conservation is being promoted at works so that the primary unit of carbon dioxide emission will be 25% below the 1990 levels by fiscal 2010.

We are promoting efforts to reduce the amount of disposed waste to 10% or less of the 1991 levels by fiscal 2010. Through these activities, we will achieve zero

emissions in the near future, Regarding chemical substances, we are striving to more strictly enforce our own high standards for environmental management, as well as obeying the pertinent rules, regulations, and self-imposed, intra-industry regulations. In environmental issues, fusion and communication with local areas and communities are especially essential. On the premise that each work and employee are members of society, we push forward to coexist and co-prosper within the communities to which we belong.

It is our sincere wish that this report will lead to a deeper understanding of Hitachi Kokusai Electric group's policies and activities concerning environmental preservation, and any suggestions you have would be highly appreciated.

October 2001



M. Endo
Dr. Makoto Endo
Chairman Of The Board
President & CEO

2 Guideline for Environmental Protection Action

We established the Hitachi Kokusai Electric Global Environmental Charter based on the basic philosophy of the Hitachi Kokusai Electric Corporate Action Standard in March 2001 and have worked on environmental preservation.

Hitachi Kokusai Electric Global Environmental Charter

Basic Philosophy

Hitachi Kokusai Electric will enhance "Respect for humans" and the "Pioneer spirit" to deeply recognize that we are members of society, devote ourselves to fair and transparent corporate activities, and strive to preserve the global environment and improve the local living environment.

Guidelines for Action

1. Fulfillment of Our Social Obligation

Harmony with the environment is one of our highest priorities. We are committed to solving global environmental problems because we realize they are important problems common to all of humanity.

2. Reduction of Environmental Load

The environmental load caused by research, development, production, distribution, use, and disposal will be reduced to help build a resource recycling society.

3. Complying with Laws and Regulations

International, national, and local environment regulations will be obeyed, and a voluntary control standard will be set up to help prevent environmental pollution and improve the environment management level.

4. Linkage with Local Communities

Efforts will be made to preserve the global environment, improve the local environment, and have all employees receive a comprehensive environmental education to enhance awareness of the environment.

5. Preparation of Intracompany System

An executive in charge will be appointed to prepare an environment management organization system and help promote continuous activities for the environment, both internationally and nationally.

Drawn up in March 2001