# With Our Business Partners

Our Group will work to establish good partnerships with our business partners and continue to grow together in order to devise good products that satisfy our customers.

## Basic Principles for Procuring Materials

The Hitachi Kokusai Electric Group procures materials, services, and other items necessary for production and supply in appropriate qualities, under specified delivery terms, and at reasonable prices from global markets to provide products that its customers will appreciate and be satisfied with.

The Group also emphasizes the need to observe relevant laws, be eco-friendly, engage in fair and open trading and form close partnerships with its business partners.

#### Collaboration with Our Business Partners

To provide products and services with high performance that our customers can use without worry, it is important to obtain various proposals, assistance and cooperation from our business partners. By building partnerships and stepping up our collaboration, we are establishing business models that will let us develop together with our business partners.

# **1**Sharing CSR

In selecting business partners, we ask for their understanding on CSR activities. More specifically, these include respect for human rights, environmental conservation activities, contributions to society, and building a comfortable workplace.

#### 2 Activities for Value Engineering for Customers (VEC)

In VEC activities aiming to increase the value of design, materials, fabrication and other operations, we promote the manufacturing of high-quality products through a joint creation process by positively accepting proposals from our business partners.

## ■Building partnerships with our business partners

Increasing business

- 1.Creating new business
- 2.Tackling new fields
- 3.Globalization

Stepping up our corporate strength

- Promoting the use of information technology 2. Production reforms and improving quality
- and improving quality
  3.Promoting VEC effectively

Promoting our CSR activities

- 1.Contributing to society
- Observing laws and taking eco-friendly measures



#### 3 Eco-friendliness

This refers to promoting the procurement of raw materials and parts having low environmental impact. To devise products that reassure our customers, we identify as "green suppliers" our business partners who have obtained certification under ISO 14001 and/or various other environmental certification standards, and strive to gain more companies registered as such. Moreover, we provide uncertified companies with support for acquiring such certification.

#### **Business Partner Meeting (BPM) Activities**

Our Group promotes BPM activities with our main business partners to promote the various principles stated thus far together with those business partners. These activities are designed to provide such varied information as the business principles of our Group and provide an opportunity for us to respond to requests, comments and questions raised by our business partners. We therefore promote these activities to share information.

At the general assembly, which meets twice a year, we also publicly recognize outstanding business partners that have particularly contributed to our company in a significant way.



BPM general assembly at the Toyama Works



BPM general assembly at the Koganei Works

Glossary

\$1: ISO 14001: An international standard concerning management systems in order for corporations and their organizations to continuously help improve the environment