

# With Our Business Partners – Material Procurement –

We will work to establish good partnerships with our business partners and continue to grow together in order to create and manufacture 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 which are appropriate in terms of quality, delivery period, and price from global markets, in order to provide products that its customers will appreciate and be satisfied with. The Group also emphasizes the need to observe relevant laws and to be eco-friendly, engages in fair and open trading, and elaborates close partnerships with its business partners.

## Collaboration with Our Business Partners

To provide high-performance products and services that our customers can use without worry, it is important to establish a good partnership and step up our linkage with our business partners. Our Group has established as our business model the practice of continuously providing products that make our users happy by growing together with our business partners, and maintaining the best possible trading relationship.

### ■ Building partnerships with our business partners

#### Increasing business chances

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

#### Stepping up our corporate strength

1. Promoting the use of information technology
2. Production reforms and quality enhancement
3. Promoting VEC effectiveness

#### Promoting our CSR activities

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

The support and cooperation of our business partners



### 1. Sharing CSR

In selecting our business partners, we request their understanding on our CSR activities. More specifically, we ask their understanding of, and seek their cooperation in connection with, our Group's concepts, including management philosophy, environmental concerns and information security.

### 2. Information security

We ask our business partners to control as confidential information the diverse information that we share with them. Moreover, we ask our business partners to whom we provide particularly important information to sign an "agreement for preventing information leakage," and work together in order to step up information security. (We have established such agreements with 323 corporations as of April 1, 2009.)

## 3. Eco-friendliness

This refers to promoting the procurement of raw materials and parts having low environmental impact. We identify as "green suppliers" our business partners who have obtained certifications such as ISO14001, and encourage more companies to acquire such certification. In fiscal 2008, we publicly recognized two business partners as "eco-friendly suppliers" for their excellent cooperation with us.

### Voice

#### Business partners who received Eco-friendliness Awards, and their comments

##### Wako Plating Industries Corporation

Thank you very much for this very honorable award. Under the concept that environmental actions lead to cost reduction, we are mainly committed to energy-saving and waste reduction. Though as a small corporation, or rather because of our small size, we consider it natural to pursue companywide efforts that consequently made us more environmentally conscious, and have managed to lead such efforts toward process improvements and the improvement of other production functions including quality

##### Murata Manufacturing Co., Ltd.

Thank you very much for the Eco-friendliness Award, indeed an honorable prize. We take our effects on the global environment seriously and regard actions to alleviate our environmental impact as a very important action challenge in line with our corporate philosophy established when our company was founded. We consider this award to be indicative of Hitachi Kokusai Electric's recognition of the results of our accumulated companywide efforts to alleviate our environmental impact. We intend to continue our companywide efforts and supply planet-friendly parts.



Recognition with thanks



Business partner meeting at the Koganei Works

#### Glossary

※1 ISO14001 ..... An international standard concerning management systems in order for corporations and their organizations to continuously help improve the environment.