# CONTENTS

Editorial Policy1
CSR in the integration of business sites
Our business management and CSR2
Information Disclosure of the Hitachi Kokusai Electric Group
Commitment of the President and Chief Executive Officer $\cdots 3$
Company Outline and Main Products5
Main Centers for Development, Design and Production and
Group Network6

#### Special Report:

Value Created through Dialogue with Customers

By pursuing *Monozukuri*, we provide true value to the customers and society......7 We develop advanced technologies as a world pioneer with the aim of creating an affluent and sustainable future.......9

#### Social Reports

the second se	
Pursuing the Quality	11
Promoting CSR Activities in Our Supply Chain	12
Respecting and Enhancing Human Assets	13
Respect for Human Rights, Basics and Ethics	15
Living Together with Communities	16
Environmental Reports	
Eco-Mind & Global Environmental Management	17
Eco-Factories & Offices	19
Next-Generation Products and Services	21
Collaboration with Our Stakeholders for the Environment …	22

## **Editorial Policy**

## Basic Concept

This report is intended to declare that Hitachi Kokusai Electric Inc. (the "Company" herein) and its Group companies consider earning the confidence and meeting the expectations of society through all its business activities as its corporate social responsibility (CSR), and to describe and report how it works to fulfill that responsibility.

At the Group, we wish to make this report an opportunity to communicate, deepen mutual understanding, share our ideas and exchange information with our customers, business partners, colleagues, neighbors, stockholders and many other stakeholders. To that end, we narrow it down to the essential contents and items, thereby striving to make the report more readable and understandable.

## Referenced Guidelines

#### Global Reporting Initiative (GRI\*) "Sustainability Reporting Guidelines Version 3.1"

In 2013, the Company has produced a CSR report with reference to the GRI Guidelines, while considering the global trend of the standardization of CSR, including the issuance of ISO (International Organization for Standard-ization) 26000 in November 2010, the amendment to the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises in May 2011, and the revision to the IR Framework of IIRC (International Integrated Reporting Council) in December 2013.

Our self-assessment and comparison table as per the GRI Guidelines will be posted on our "CSR information" page on the Internet around the same time as the publication date of the English version of our CSR report.

\*GRI: A nonprofit organization (NPO) located in the Netherlands. Under a strategic partnership with the United Nations Environment Programme, GRI has been helping corporations and public organizations to prepare their environmental reports, and has been issuing its guidelines since 2000.

## Scope of this Report

Period : The main period covered is Fiscal 2013 (from April 1, 2013 to March 31, 2014). Companies : The Company and its Group companies (the "Group" herein)

Note: Important organizational changes during the period covered are described as footnotes to "Group Network" on page 6.

Scope of Data: Indicated under each item.

Indication of enumeration data: Financial values are displayed as rounded down to the displayed unit as per the accepted practices of financial reporting. Environmental reports and other non-financial reporting portions are displayed as rounded to the nearest displayed unit as in conventional practice.

## Next Issue

The next report is planned to be issued in September 2015.

## CSR in the integration of business sites

## Integration into the "Tokyo Works"

In order to reform and strengthen business structures as part of the Medium-term Management Plan, we integrated the Hamura Works of the Company and Omiya Works of Hitachi Kokusai Yagi Solutions Inc. into the Koganei Works in October 2013, and started strengthening our solution business under the new name, "Tokyo Works."

The integration of business sites inevitably influences or changes the relations with relevant local environments and communities, the working environment of employees, etc. We consider that our corporate responsibility is to increase opportunities to have a conversation with stakeholders, minimize negative effects, maximize positive effects, and create more mutually beneficial relationships. Our entire Group will make efforts to do so, and report on our specific activities through this report and websites within an appropriate scope.