CSR Management

Introduction

The Maxell Group's corporate social responsibility (CSR) initiatives come under the broad categories of ethical compliance and risk management, quality control, enhancement of customer satisfaction, environmental friendliness, health and safety, and improvement of workplace environments. In accordance with the Maxell Group Policy on CSR Activities and Initiatives,*1 we are reorganizing or establishing systems in each of the fields in which we conduct CSR initiatives so that all of our employees can actively contribute to the advancement of CSR initiatives through their everyday work.

■ Our Basic Approach to CSR Initiatives

With a view to achieving systematic and ongoing CSR initiatives, the Maxell Group established the Maxell Group Corporate Credo in 1983. The credo sets out the Group's mission and duties and clear, specific guidelines on conduct.

The Maxell Group fully understands that as members of society companies must be rigorously fair and transparent in their conduct of business activities. Further, we are committed to helping create a truly affluent society through unstinting efforts as a good corporate citizen to realize harmony with the environment and contributions to society.

Based on this approach, we set out the Maxell Group Policy on CSR Activities and Initiatives in April 2005. All of the Maxell Group's executives and employees recognize that meeting CSR and conducting business activities are one and the same and, as such, act to sustain the development of both society and the Group's businesses.

Also, in fiscal year 2006 we made the Maxell Group Corporate Credo easier to understand for all stakeholders by upgrading compliance rules, establishing rules about respect for the Maxell brand, and revising the terminology throughout.

With a view to helping realize a sustainable society, the Group has categorized its CSR initiatives under eight themes. When taking concrete steps, we refer to the ISO 26000 guidance on social responsibility. In line with the aforementioned policy and credo, we aim to earn society's trust and understanding by continuing to advance business activities that fulfill our CSR.

▲ Maxell Group Policy on CSR Activities and Initiatives

- 1. Commitment to corporate social responsibility 5. Environmental preservation
- 2. Contribution to society through our business activities
- 3. Facilitating communication and information disclosure
- 4. Corporate ethics and human rights

- 6. Corporate citizenship activities
- 7. Good working environment
- 8. Sharing awareness on social responsibilities with business partners

Established in April 2005

▲ Stakeholder Engagement

"Harmony and cooperation, working with heart and soul, and being of service to society" Guided by this founding spirit, the Maxell Group benefits society by developing outstanding proprietary technologies and products. Also, we take measures to build favorable relationships with many different stakeholders.



- Compliance with laws and regulations
- Participation in projects for development of "welfare towns"
- · Conclusion with municipal authorities of ethics agreements
- Joint development with universities and NPOs
- Cooperation in order to resolve environmental issues



- Participation in neighborhood greening and beautification
- Sustainable ecosystems and forest preservation
- Opening of sports fields and gymnasiums
- Acceptance of interns from local universities and technical colleges and acceptance of technical interns from overseas
- Support for educational initiatives focused on next generation





Within the Future







Local

communities

- General Meeting of Shareholders
- Briefings and provision of information for analysts and institutional investors
- Briefings and events for individual
- Disclosure via website
- Issuance of integrated reports and other reports for investors







- Announcement of the Green Procurement Guidelines
- Construction of Green Procurement System
- Acceptance of Value Engineering (VE)*2 proposals
- Promotion of green delivery • Responsible procurement
- of minerals Environmental activities throughout the supply chain









- Compensation that is fair and clearly understood
- Promotion of occupational health and safety and health-oriented business management
- Promotion of diversityoriented management
- · Holding of labor-management councils and social gatherings to maintain and enhance mutual trust
- · Regular surveys of employees' attitudes

^{*1} http://www.maxell.co.jp/csr/basic_decision/csr_plan.html (in Japanese only)

^{*2} Value Engineering is a systematic method of improving value based on analysis of the relationship between the function and cost of a product or service.