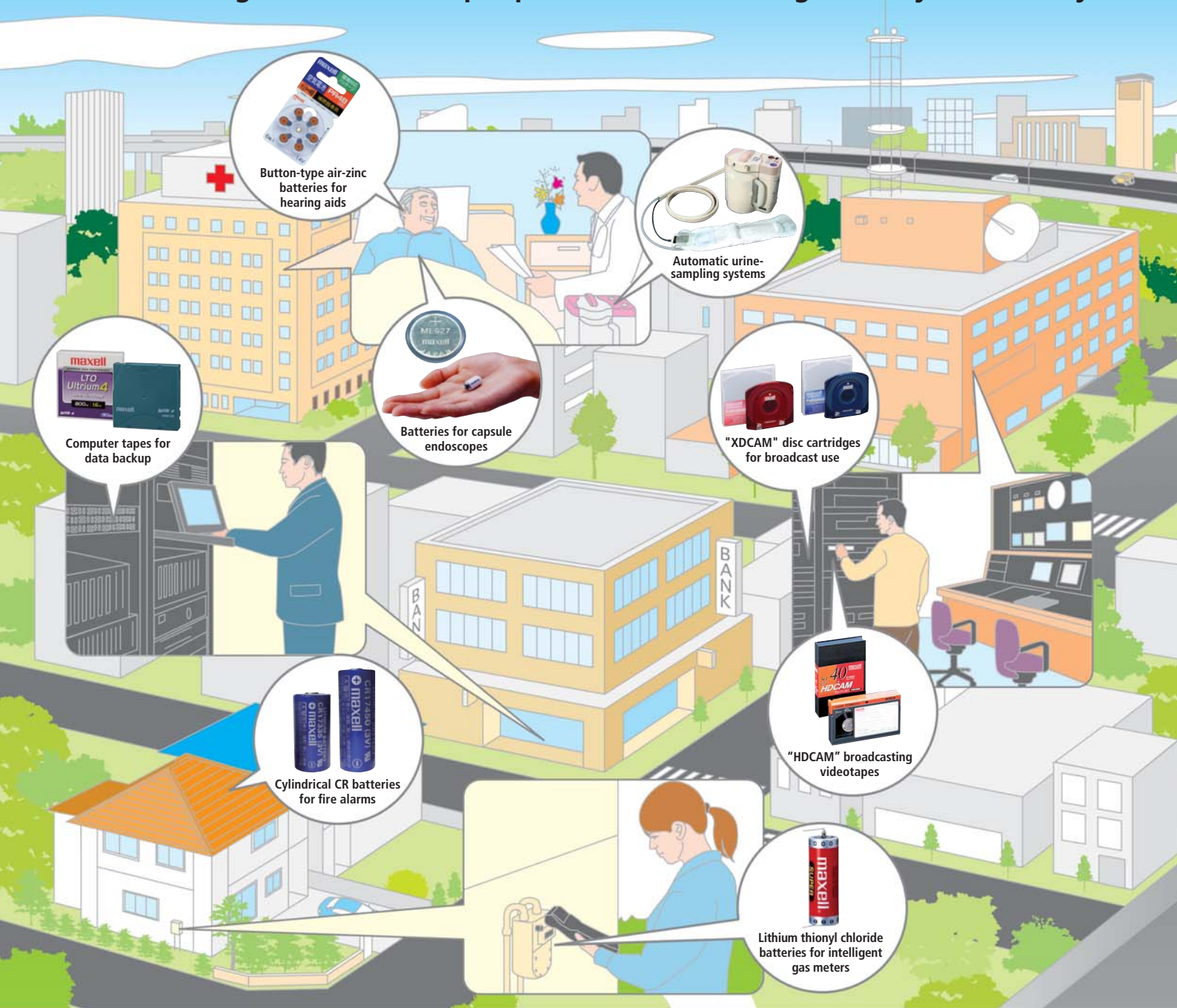




Things we will always hold  
Dreams, memories, people

The Maxell Group's technologies, products and services are geared to enhancing the comfort of people's lives and serving industry and society



## Corporate Profile

**Corporate name:** Hitachi Maxell, Ltd.

**Head Office:** 1-1-88 Ushitora, Ibaraki-shi, Osaka  
567-8567, Japan

**Established:** September 1960

**Paid-in capital:** ¥12,203 million (as of March 31, 2009)

**Consolidated net sales:**  
¥172.7 billion (for the year ended March 31, 2009)

**Number of employees (consolidated):**  
4,451 (as of March 31, 2009)

### Our Businesses

#### Information Storage Media

Computer tapes, broadcasting videotapes, Blue-ray Discs, DVDs, CDs, audio tapes, video tapes

#### Batteries

Lithium ion batteries, coin-type lithium secondary batteries, silver oxide batteries, lithium primary batteries, alkaline dry batteries

#### Data, Devices and Electric Appliances

Optical components, functional materials, adhesive tape, RFID systems, IC cards, small electrical appliances, electroforming and precision parts, Metal molds, synthetic resin molded products

## Operational Sites and Main Group Companies in Japan and Overseas

### EUROPE

Net sales  
**24.2** billion yen

### ASIA & OTHERS

Net sales  
**38.15** billion yen

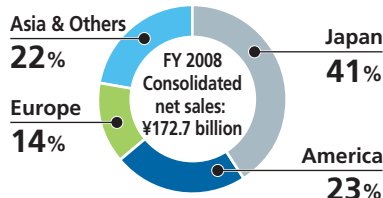
### AMERICA

Net sales  
**39.53** billion yen

### JAPAN

Net sales  
**70.79** billion yen

### Breakdown of Sales by Region

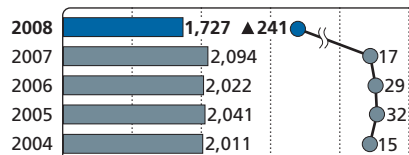




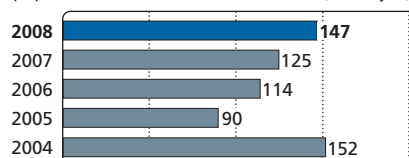


## Financial Data (Consolidated)

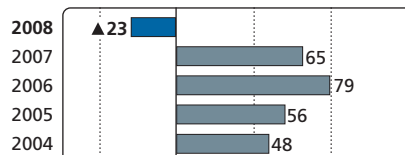
Net sales / Net income ■ Net sales ● Net income  
(FY) (billion yen)



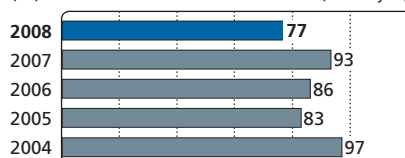
Capital investment  
(FY) (billion yen)



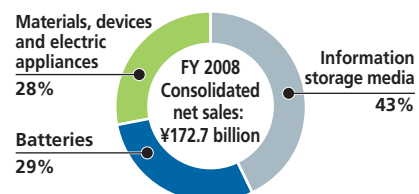
Operating income  
(FY) (billion yen)



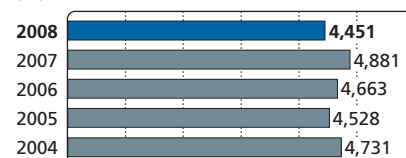
R&D expenses  
(FY) (billion yen)



Sales by segment



Number of employees  
(FY)



# C O N T E N T S

PAGE	
1	<b>Corporate Profile</b>
	
4	<b>Message from Top Management</b>
5	<b>Basic CSR Policy and Management</b>
7	<b>Special Feature</b> <b>Social Contributions through Technologies, Products and Services</b>
	
9	<b>CSR Initiatives and Results</b>
10	<b>Social Activity Report</b>
	
10	Together with Customers
13	Together with Employees
16	Together with Business Partners
17	Together with Shareholders and Investors
18	Together with Local Communities and Societies
23	<b>Environmental Report</b>
	
23	Environmental Fundamental Policy/ Environmental Management System
24	Business Operations and Environmental Impact
25	Hitachi Maxell Group 2008 Environmental Targets and Results
26	Eco-Management
27	Eco-Products
29	Eco-Factories
33	<b>Verification by a Third Party</b>
34	<b>Third Party Opinion</b>

## Editorial Policy

This report is published to communicate to stakeholders the Maxell Group's environmental, social and economic CSR activities.

Our CSR Report Editorial Committee consists of members from all divisions that engage in dialogue with stakeholders. These members consider possible report topics, taking into consideration stakeholders, society and the employees. Information ranked higher in importance by these three groups constitutes the core of our report. Again this year, we have featured the opinions of stakeholders, including employees.

Please visit our website for details on our environmental activities.



Editorial Committee

## Companies Covered by this Report

The Hitachi Maxell Group comprises Hitachi Maxell, Ltd., and 19 companies in Japan and overseas. Coverage is by subject area.

### HITACHI MAXELL GROUP IN JAPAN

**Manufacturing:** Hitachi Maxell, Ltd.; SLIONTEC Corporation; Kyushu Hitachi Maxell, Ltd.; Maxell Seiki, Ltd.; Maxell Hokuriku Seiki, Ltd.; Tohshin Seiko Co., Ltd.

**Services:** Maxell Shoji Co., Ltd.

### HITACHI MAXELL GROUP OVERSEAS


**Manufacturing:** Maxell De Mexico, S.A. DE C.V.; Maxell Europe Ltd.; Maxell Tohshin (Malaysia) Snd. Bhd.; Wuxi Hitachi Maxell Co., Ltd.; PT.SLIONTEC EKADHARAMA INDONESIA

**Sales:** Maxell Corporation of America; Maxell Europe Ltd.; Maxell Deutschland GmbH; Maxell (France); Maxell Italia S.p.A.; Maxell Asia, Ltd.; Maxell Asia (Singapore) Pte. Ltd.; Maxell (Shanghai) Trading Co., Ltd.; Maxell Taiwan, Ltd.

## Period Covered by this Report

The period covered is April 1, 2008 to March 31, 2009. In some instances, however, the subject matter relates to fiscal 2009.

## Verification by a Third Party

Environmental reporting is subject to third party verification. In the interval between the completion of this report and its issue, there were no significant events. Items verified by a third party are marked. 

## Reference Guidelines

Ministry of the Environment, Environmental Reporting Guidelines (2007 edition)  
Environmental promotion laws, Ministry of the Environment Guide to Entries in Environmental Reports (2nd Edition, November 2007), Global Reporting Initiative Sustainability Reporting Guidelines 2006\*

\*Guidelines for international sustainability reporting compiled by the Global Reporting Initiative

## Date of Issue

June 26, 2009 (Our next CSR report is scheduled for June 2010.)

## Related Reports

Information about Hitachi Maxell, Ltd.'s finances is published in the annual report and other financial reports.

## Message from Top Management

# Our CSR management contributes to society's sustainable development

## Sustainable development of society

Globalization, information-oriented societies, and other changes have heightened the importance of CSR, which involves rigorous compliance with laws and corporate ethics as well as product safety and social contributions. In recent years, management of the global environment has focused on developing a sustainable society.

As the owner of the global Maxell brand, the Maxell Group recognizes its responsibilities in seeking a more prosperous society through proprietary technologies and products. This philosophy underlies our commitment to CSR. As a responsible member of society, we pursue equitable, transparent corporate activities aimed at environmental management for a sustainable society (e.g., resource recycling). We are also making contributions to society intended to foster harmonious coexistence with local communities and improve quality control, customer satisfaction (CS), and health and safety.

## Review of fiscal 2008

The global financial crisis in fiscal 2008 has had serious effects, notably a business slowdown. The year saw major changes such as reduced capital expenditures by Japanese corporations and sluggish consumer spending. The Maxell Group addressed these changes while adhering to its Corporate Behavior Standards and promoting CSR activities.

In quality control and CS activities, all divisions improved quality and safety by reviewing legal compliance, technology, and product safety. We also developed numerous CS products that reflected customers' feedback.

In October 2008, we established the Maxell Group Health and Safety Committee, and it reinforces occupational health and safety measures groupwide.

We have continued supporting social programs in Japan, such as local education and a battery replacement campaign for elementary school students' security alarms. Overseas activities include participation in nature conservation programs implemented by NGOs and other groups, organization of university campus band contests, and other regional measures.

We have worked to reinforce corporate governance and increase the efficiency of environmental programs through our certified Environmental Management System (EMS) that integrates seven domestic regions. Other activities include the Hitachi Group Environmental Vision 2025, which targets an annual reduction of 100 million tons in



CO<sub>2</sub> emissions by Group products worldwide by fiscal 2025. To achieve this target, we have expanded our Eco-Products and reduced the environmental impact of our operations.

## Overcoming Crisis by Defensive and Offensive Measures

Facing difficult business conditions, the Group has been pursuing greater efficiency in management and implementing defensive and offensive measures to achieve our Change for Growth medium-term business plan.

From the last-half of fiscal 2008 into fiscal 2009, we have concentrated on defensive measures such as reductions in costs and fixed expenses that are intended to streamline our businesses. We are also enacting offensive measures centered on priority businesses to achieve major expansions in sales and profits in fiscal 2010. In our battery business, we are using the new electrode plant at our Kyoto Works to accelerate expansion while starting up Maxell Finetech, Ltd., in July 2009, integrating our optical components business, and making Sliiontech Corp. our base for functional materials.

## Toward the realization of high-quality management through CSR

The Maxell Group will maintain its commitment to CSR management to gain the understanding and trust of its stakeholders, with every employee upholding the "basics and correctness" of our activities.

We hope this report provides a better understanding of the Group's CSR endeavors. Readers are invited to express their views on the report's content.

June 2009

**Yoshito Tsunoda**  
President and Chief Executive Officer



# Fulfilling our social responsibility through business activities

## Maxell Group's Basic CSR Policy

The Maxell Group, in order to conduct its CSR activities in a systematic and continuous way, has established the Hitachi Maxell Group Corporate Behavior Standards, which specifies this Group's mission and duties, and decided on our CSR Activity Policy. Employees are urged to take positive action to uphold these policies and standards. In addition, through participation in Hitachi Group CSR liaison meetings, we will work diligently to maintain close collaboration among all Hitachi Group companies and to achieve total Group synergy.

### Hitachi Maxell Group CSR Activity Policy

#### 1. Commitment to CSR

The Hitachi Maxell Group recognizes CSR as vital to its activities and is committed to social responsibility in accordance with its CSR policy for the sustainable development of society and business.

#### 2. Contributions to society through business

The Hitachi Maxell Group contributes to a prosperous and vibrant society by providing safe, high-quality products and services to customers through activities based on its excellent research and technology development.

#### 3. Information disclosure and communication with stakeholders

The Hitachi Maxell Group discloses information fairly and transparently to maintain trust with its stakeholders and acts responsibly toward them through various communications.

#### 4. Corporate ethics and human rights

The Hitachi Maxell Group undertakes its business based on the principles of fairness and sincerity; acts with the utmost respect for human rights; and pursues a high corporate ethics in global markets, which have diverse cultures, morals, ethics, and legal systems.

#### 5. Environmental conservation

The Hitachi Maxell Group strives to minimize environmental impacts and utilizes resources effectively for the development of a sustainable society in harmony with the environment.

#### 6. Corporate citizenship activities

The Hitachi Maxell Group promotes social contribution activities as a good corporate citizen to realize a better society.

#### 7. Working environment

The Hitachi Maxell Group strives to create a pleasant and motivating working environment for its employees and fully supports employees' desire for self-fulfillment and self-development through their work.

#### 8. Responsible cooperation with business partners

The Hitachi Maxell Group promotes fair and sound business practices among its partners by sharing its awareness of social responsibilities.

Established April 2005

## CSR Management

The Maxell Group's CSR activities are classified into six categories: ethics abundance and risk management; quality control; improvement of customer satisfaction (CS); consideration for the environment; health and safety; and enhancement of workplace environments.

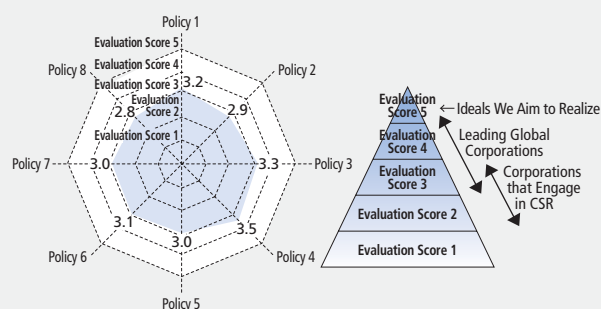
In accordance with the CSR Policy of the Maxell Group, established in fiscal 2005, we are promoting systemization and system improvements in these six categories and are aggressively urging employees to promote CSR activities daily.

### Self-Evaluation of CSR Activities and Results

Hitachi Maxell uses the CSR self-assessment tool developed by the Group to verify its CSR position and orientation. This tool was created on the basis of index items proposed in the internationally recognized standards on social responsibility investment (SRI), the Global Reporting Initiative's "Sustainability Reporting Guidelines 2006," and other sources. The eight policy areas are subjected to self-evaluation and analysis to clarify strengths and weaknesses. This approach also verifies the direction where measures aim to go as well as the impact of programs.

Our results for fiscal 2008 show we achieved high levels in "information disclosure and communication with stakeholders" and "corporate ethics and human rights," but we have room for improvement in "contributions to society through our business" and "responsible cooperation with business partners." We will use these results to formulate future strategies.

### Self-Evaluation of CSR Activities



Policy 1: Commitment to CSR  
 Policy 2: Contributions to society through business  
 Policy 3: Information disclosure and communication with stakeholders  
 Policy 4: Corporate ethics and human rights  
 Policy 5: Environmental conservation  
 Policy 6: Corporate citizenship activities  
 Policy 7: Working environment  
 Policy 8: Responsible cooperation with business partners

### Information Online

Hitachi Maxell Group Corporate Behavior Standards  
<http://www.maxell.co.jp/jpn/corporate/philosophy.html>

Our Relationship with Stakeholders  
[http://www.maxell.co.jp/jpn/csr/basic\\_decision/csr\\_stakeholder.html](http://www.maxell.co.jp/jpn/csr/basic_decision/csr_stakeholder.html)

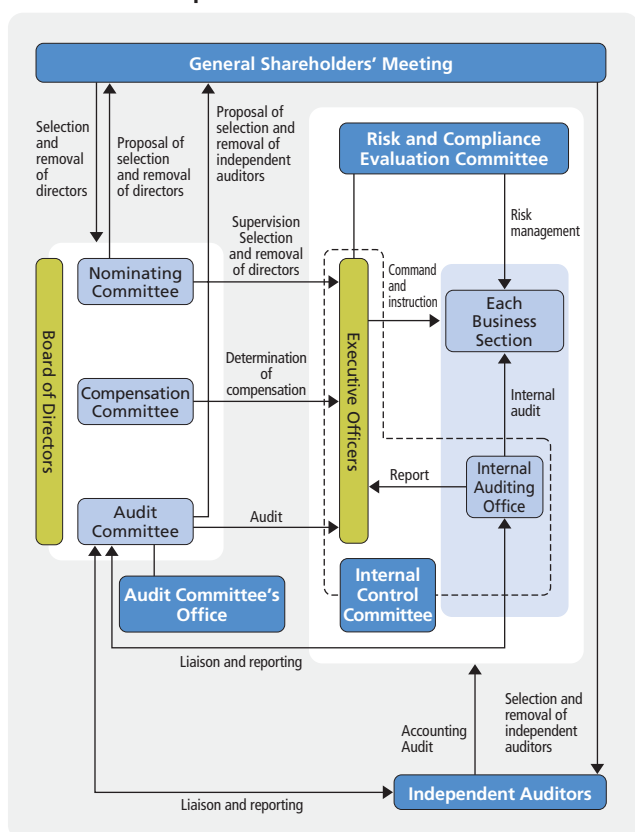
## Corporate Governance

### Building a Corporate Governance System

As part of its basic management policy, the Hitachi Maxell Group executes its management strategies for the benefit of all its stakeholders and endeavors to raise corporate value. In June 2003, we transitioned into a "company-with-committees, etc." to accelerate management decision-making. We are also improving the audit function by external directors to achieve highly transparent management.

We use external directors because of their extensive experience and specialized knowledge, as well as their third party perspectives that qualify them to supervise. We will reinforce their supervisory functions by verifying our executives' effectiveness every business year, particularly when they are eligible for reappointment.

### Overview of Corporate Governance Structure



### Status of Development of Internal Control Systems

We consider internal control to be the responsibility of managers, and the Maxell Group is developing controls for financial reporting and for supervision and evaluation of the controls' effectiveness. We have established an Internal Control Report System in response to Japan's Companies Act and the Law on Sales of Financial Products.

The Internal Control Committee, of which all executive officers are members, ensures that employees comply with corporate ethics. Through this infrastructure, we conduct audits as supervision and validation for all departments from the standpoint of efficiency, rationality, and compliance of business activities, with improvements reported and suggested to the chief executive officer and the Audit Committee.

### Implementation of Risk Management Programs

Hitachi Maxell conducts an annual risk evaluation that includes compliance in all divisions. The results are reported to the Hitachi Maxell Risk and Compliance Assessment Committee, which is made up of executive officers. Important items are dealt with laterally across divisions.

### Focus on Compliance Management

The Maxell Group considers Compliance Management, based on established legal compliance and corporate ethics, to be an important management issue. In 1998, we formulated the Hitachi Maxell Group Code of Ethics, and we introduced a Maxell Compliance Helpline System. In November 2007, however, Maxell and subsidiary Maxell Europe Ltd. were found to be in violation of the European Antimonopoly Law by the European Commission and were fined. To prevent any recurrence, we required employees to familiarize themselves with our Code of Ethics. In April 2008, we instituted antimonopoly law training sessions conducted by Fair Trade Commission personnel for general managers and divisional managers, who then trained their staffs.

Representatives of operations in America, Europe, and China and other personnel have attended Corporate Ethics and Compliance Seminars conducted by the Hitachi Group.

We are pursuing collaboration among Group companies, while strengthening our global compliance activities.

### Reinforcing Information Security

In fiscal 2008, Hitachi Maxell implemented measures to reinforce information security, including the prevention of information leaks through e-mail, and introduced monitoring software on PCs.

We joined with Group companies in Japan and other countries to hold IT meetings where participants seek a common awareness of information security and work to raise the security groupwide. As part of this initiative, from January 2009 all Group employees began e-learning programs on information security and personal information protection.

### Information Online

#### Hitachi Maxell Group Code of Ethics

<http://www.maxell.co.jp/jpn/corporate/ethic.html>

#### Personal Information Protection

<http://www.maxell.co.jp/jpn/privacy.html>

# Social Contributions through Technologies, Products and Services

Since its establishment, Maxell has generated new products and technologies by refining its core competencies. Our advanced products and technologies facilitate our social contributions.

## High-Power Cylindrical-Type Lithium Ion Batteries Contribute to Reduction of Environmental Impact

### Development of Environmentally Friendly Products to Replace Nickel-Cadmium Batteries

In July 2008, we began shipping high-power lithium ion batteries to replace nickel-cadmium batteries used in electric power tools and other applications. As controls on harmful chemical substances are increasingly implemented worldwide, we are working to improve performance and reduce environmental impact.



Maxell has developed unique electrode technologies and battery design technologies through its years of work with lithium ion batteries (non-aqueous electrolyte systems). We will advance these technologies and develop safe, powerful batteries superior to aqueous electrolyte batteries.

**Hyo Azuma**, Rechargeable Battery Division

## Silver Oxide Batteries Zero Use of Mercury and Lead

### Growth in Environmentally Friendly, Mercury-Free Silver Oxide Button Batteries

As more control of mercury increases worldwide, we began marketing mercury-free (zero-lead) products with excellent storage performance in October 2006. In fiscal 2008, these products were adopted by timepiece manufacturers and have had broader applications ever since.



We have realized superior electrolyte leak-proofing without using mercury and lead, which are anti-corrosion agents for the negative electrode. We have also established mercury-free technology and will develop more environmentally friendly products in the future.

**Masanori Sugano**, Primary Battery Division

## Heat-Resistant Lithium Manganese Dioxide (CR) Batteries Exhibiting Stable Properties even in Demanding Environments

### Exhibit Outstanding Properties Even in High Heat and Humidity

Materials with outstanding heat resistance and our unique sealing technology can withstand a wide range of operating temperatures. Our batteries exhibit stable properties for vehicle-mounted applications and other uses in special environments and can be trusted long-term.



After reexamining structures and materials, we developed outstanding batteries for stable use in a wide range of operating temperatures. We will continue achieving high quality and high reliability as we develop products geared to the needs of our customers.

**Noriyuki Yabushita**, Primary Battery Division

## Cylindrical-Type Lithium Manganese Dioxide (CR) Batteries Long-Term Reliability for 10 Years of Safe Consumer Lifestyles

### Proprietary Technology Achieves a Balance of High Capacity and Load Characteristics

We have developed a battery with proprietary coiling methods and sealed structures that provide the best match for industrial equipment applications. This battery's high capacity and output support high current-type fire alarms and all types of meters. Consequently, the battery has an important function in domestic safety with its long-term reliability of 10 years or more.



We have developed batteries that provide the temperature characteristics and long-term reliability required for gas, water, and other meters, as well as for fire alarms that require a 10-year life. We will continue to improve our technological capabilities and use them to earn greater customer trust.

**Takashi Kimura**, Primary Battery Division

## Alkaline Dry Batteries Over-Discharge Electrolyte Leakage Prevention

### New "Voltage" with Electrolyte Leak-proof Design

Alkaline dry batteries must be long-lasting, powerful and non-leaking. Maxell provides customers with new value in the form of longer-lasting triple power and an electrolyte leak-proof design.



The new zinc alloy has successfully reduced the residual amount of undischarged zinc, which causes the generation of hydrogen gas after over-discharging. We have realized an electrolyte leak-proof design and will continue developing products that our customers and dealers can use with a sense of security and satisfaction.

**Yoshihisa Hirose**, Primary Battery Division

## Proton-Exchange Membrane Fuel Cells Contributing to Prevention of Global Warming

### Making Electricity from Non-Petroleum Materials

We are promoting the development of clean, safe fuel cells with a unique mechanism: use of the reaction of water with aluminum to generate hydrogen to supply the fuel cell. This is a contribution to the prevention of global warming.



On Disaster Prevention Day (September 1) in 2008, Osaka Prefecture sponsored a drill for the Kinki Region with the scenario of a Tonankai-Nankai zone earthquake. Fuel cells were demonstrated as an emergency radio power source. The supply of emergency power is the key to disaster management, and fuel cells are attracting increasing attention.

**Toshihiro Nakai**, R&D Division





### In-Car Lenses For Automobile Safety

#### Outstanding Visibility for Safety Confirmation and Smooth Stopping and Parking

Forward and rear surveillance systems are used in many vehicles. The wide-angle in-car lens units (forward-field angle of 190° and rear-field angle of 130°) provide outstanding visibility with a wide view that aids in safety confirmation and smooth stopping and parking.



The in-car lens is not just for seeing to the rear. Its uses include confirming safety around the vehicle and as a collision prevention device. These uses should expand sales, and we will continue contributing to society by developing products for outstanding visibility.

**Kazuya Kimoto**, Optical Components Division

### Automatic Urine-Sampling Systems Medical and Nursing Applications

#### Reducing the Burdens of Patients and Nursing Caregivers and the Environmental Impact

Kyushu Hitachi Maxell, Ltd., has developed automatic urine-sampling systems as nursing-support products for patients with continence issues. Enhancement of patient independence and quality of life and reduction of the burden on nursing caregivers, coupled with less environmental impact from reduced quantities of diapers and incinerated waste, constitute our contribution to society.



The rapid aging of the Japanese society is raising issues in geriatric healthcare and nursing care. We intend to make full use of the knowhow in people-friendly universal design that we have developed in working with household appliances, and move forward with the development of medical and nursing products.

**Kiyoshi Kaeriyama**, Kyushu Hitachi Maxell, Ltd.

### Recording Media Providing the Value of a Record

#### Storage Capacity in the Terabyte Range

Information assets continue to swell, matched by the data cartridges essential for backup. Maxell's NeoSMART (Super Maximum-capacity Advanced Reliability Tape) technology is supporting dramatic advances in storage capacity.



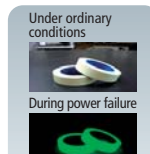
Text, images, videos, sounds, and other information are put into digital form and need storage. We hope to continue our contribution to raising storage capacity and improving reliability so that irreplaceable data and records can be securely preserved.

**Toshiyuki Watanabe**, Storage Media Division

### Luminous Adhesive Tape Enhancing Safety and Security in Consumers' Lives

#### Environmentally Friendly Luminous Adhesive Tape Clearly Marks Evacuation Routes and Emergency Exits

Sliontec Corporation is producing a high-brightness luminous adhesive tape that uses energy absorbed from light sources to shine in darkness. The tape meets the JIS standard for safety markings and signs (Z9107) and has been adopted for use in evacuation route signs in shopping centers, theaters, civic halls, ships, and elsewhere.



Luminous adhesive tape not only provides long-term afterglow persistence, it also uses highly flexible, solvent-free, non-halogen resin (non-PVC backing) that is environmentally friendly. We are pursuing the development of products that show our concern for safety and the environment.

**Masanao Shibuya**, Engineering Division, Sliontec Corporation

### UV-Cured Ink Environmentally Friendly Ink Jet Printer Ink for Commercial Use

#### Solvent-Free Ink Cured by UV LED is Able to Print on Non-PVC Media

We have developed an additive-free ink for use in commercial ink jet printers (IJP). The ink works with a UV LED as a light source. This environmentally friendly ink has low energy requirements and can print on non-PVC media on which solvent inks cannot be used.



The commercial IJP market views this UV-cured ink as an eco product embodying new ink technology. We intend to continue developing unique, environmentally friendly products.

**Katsuyuki Kito**, Storage Media Division

### Metal Mold Technology The Ultra-High-Precision Challenge

#### Realizing Mass Production of High-Precision Plastic Lenses with Proprietary Metal Mold Structure and Process Technology

Tohshin Seiko Co., Ltd., mass produces resin parts including plastic lenses that utilize our proprietary metal mold structure and process engineering for surface eccentricity tolerances of 1 μm or less. This technology is used in high-resolution cameras and other high-performance applications.



Camera units in mobile telephones provide greater compactness and higher resolutions. The precision of the lenses built into these units is important. In 2008, we began mass production of products that use this technology.

**Hiroaki Usami**, Optical Design Group, Engineering Department, Tohshin Seiko Co., Ltd.

# CSR Programs: Key Themes and Results

Category	Key Theme	Results of Fiscal 2008 Initiatives
Customers	Improving customer satisfaction	<ul style="list-style-type: none"> <li>Strengthened collaboration among three company units involved in promoting improved customer satisfaction (CS Promotion Group, Customer Service Center, QA Center).</li> <li>Goal of reducing total number of complaints proclaimed and 30% year-on-year reduction achieved.</li> </ul>
	Improving quality	<ul style="list-style-type: none"> <li>Formulate and promote voluntary action plan for product safety.</li> <li>Implement shared Hitachi Group "OCHIBO HIROI" program (product malfunction evaluation meetings) in Japan and overseas.</li> </ul>
Employees	Assuring diversity of employment	<ul style="list-style-type: none"> <li>Promote employment of persons with special needs (special needs employment quota rate of 2.03%)</li> <li>Develop system for re-employment of employees beyond mandatory retirement age and senior employment regulations.</li> </ul>
	Creating a good working environment	<ul style="list-style-type: none"> <li>Improve systems to support balance of work with child care and nursing care by extending period in which leave of absence for child-raising can be taken, etc.</li> </ul>
	Training human resources	<ul style="list-style-type: none"> <li>Participate in technical training at Hitachi Group technical training centers and manufacturing technology training centers.</li> <li>Improve training programs under education tailored to job classes.</li> </ul>
	Assuring workplace safety and promoting health maintenance	<ul style="list-style-type: none"> <li>Maxell Group Health and Safety Committee founded.</li> <li>Focus efforts on KYT training and safety education with aim of zero work-related accidents (zero work-related accidents resulting in stoppages, six work-related accidents not resulting in stoppages).</li> <li>Achieved 100% participation in periodic health checks and improved mental health care system.</li> </ul>
Suppliers	Thoroughgoing equitability in transactions	<ul style="list-style-type: none"> <li>Thoroughgoing application of Guidelines for Procurement Activities to transactions and the organization of study groups and other such activities for compliance with the Act against Delay in Payment of Subcontract Proceeds, etc. to Subcontractors.</li> </ul>
	Promoting CSR procurement	<ul style="list-style-type: none"> <li>Suppliers tasked regarding CSR-related matters at policy briefings by each operating division.</li> </ul>
	Promoting dialogue	<ul style="list-style-type: none"> <li>Suppliers: Hold annual business policy briefings, New Year celebration forum.</li> <li>Business Partners: Introduce account manager system.</li> </ul>
Shareholders & Investors	Promoting timely and appropriate information disclosure	<ul style="list-style-type: none"> <li>Publish annual reports, shareholder announcements, factbooks. Augment timely and appropriate information disclosure at Web sites.</li> </ul>
Communities & Society	Contributing to education and cultural activities	<ul style="list-style-type: none"> <li>Co-sponsored Media Post 2008 contest for presentation of learning and activity results for primary and lower secondary schools.</li> <li>Held fourth Security Buzzer Battery Check and Replacement Campaign at 64 primary schools (in five municipalities) nationwide.</li> <li>Organized "Get to Know Denjiro's Batteries: A Battery Experiment Show."</li> <li>Organized the "Third Chinese University Campus Band Contest" as contribution to sound nurturing of music culture.</li> <li>Youth soccer team support program in Singapore.</li> </ul>
	Contributing to environmental protection and local beautification	<ul style="list-style-type: none"> <li>Work with neighboring primary schools to implement Abundant Flower Campaign Activities to provide floral decoration at athletic festivals, graduations, and other such events.</li> <li>Implement cleanup activities in areas around operating bases.</li> <li>Implement nature conservation programs in cooperation with a NGO in China.</li> </ul>
	Promoting communication with communities and society	<ul style="list-style-type: none"> <li>Actively receive visitors for plant tours and participants in work-study and other such activities.</li> <li>Conduct dialogue with Osaka University students.</li> </ul>
Environment	Achieving Goals for Fiscal 2010 * See details under Hitachi Maxell Group 2008 Environmental Targets and Results on p. 25	<p><b>In Japan</b></p> <p><b>Eco-Products</b></p> <ul style="list-style-type: none"> <li>Increase in proportion of eco-products (97% of registrations)</li> </ul> <p><b>Prevention of global warming</b></p> <ul style="list-style-type: none"> <li>Reduced energy-derived CO<sub>2</sub> emissions (down 41% from fiscal 1990)</li> <li>Reduced CO<sub>2</sub> emissions per unit of real production (down 18% from fiscal 2006)</li> </ul> <p><b>Efficient use of resources</b></p> <ul style="list-style-type: none"> <li>Reduced waste generation (down 49% from fiscal 2000)</li> </ul> <p><b>Environmental communication</b></p> <ul style="list-style-type: none"> <li>Hitachi Maxell Kyoto Works receives Minister of Environment Award for distinguished corporate service, including contributions to the construction of a recycling-oriented society (corporate commendation for reduce, reuse, recycle program)</li> </ul> <p><b>Overseas</b></p> <p><b>Prevention of global warming</b></p> <ul style="list-style-type: none"> <li>Reduced CO<sub>2</sub> emissions per unit of production (increased 33% from fiscal 2003)</li> </ul> <p><b>Efficient use of resources</b></p> <ul style="list-style-type: none"> <li>Reduced quantity of final waste disposal (down 60% from fiscal 2005)</li> </ul> <p><b>Environmental communication</b></p> <ul style="list-style-type: none"> <li>Wuxi Hitachi Maxell Co., Ltd., commended by Wuxi City as "green corporation" for seventh consecutive year</li> </ul>

**We provide support for consumers' lives with safe, high-quality products and services.**

## Enhancing Customer Satisfaction

**We listen to customers' comments and use them to improve products and services.**

The Maxell Group considers the improvement of customer satisfaction (CS) a CSR mainstay. We try to reflect customers' comments in products and services. The CS Promotion Group, the Customer Service Center and the QA Center collaborate with the operating divisions to promote CS programs.

Customers' comments are entered into a database and shared with appropriate divisions for use in improving products and services. Product requests and suggestions are passed to the operating divisions and thus contribute to the development of CS products. When product defects occur, we provide the customer with a written report of the investigation of the product along with results of our analysis. We also use surveys to monitor customers' satisfaction with our reports and responses.

Reducing complaints was a goal for fiscal 2008, and we achieved a 30% year-on-year reduction. Our goals for fiscal 2009 include zero accidents from product faults, thorough ongoing QA and CS improvements.

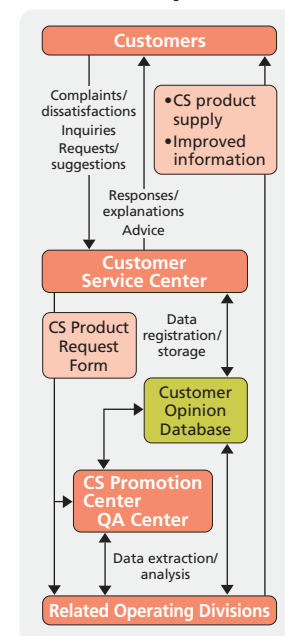
## Activities Using Gratitude Calls from Customers as an Index

Hitachi Maxell monitors the Customer Service Center using response rate\*<sup>1</sup> and rate of Gratitude Calls from Customers\*<sup>2</sup> as indices.

In fiscal 2008, our response rate was 85%, and the rate of Gratitude Calls from Customers was 5% (including letters of thanks for the technical information we provided about batteries that helped their children with their independent study projects).

As always, we will provide prompt, sincere responses with the Gratitude Calls from Customers serving as our encouragement.

### System "incorporating customers' opinions"



\*1 The percentage of calls from customers that connect and receive an operator's response.

\*2 The percentage of total accesses by customers that result in telephone calls or letters of appreciation.

## Case Studies

## CS Products Incorporating Customer Feedback

## Easily Record High-Definition Video on Easily Transportable "iV" Cassette Hard Disks

The "iV" cassette hard disk is for customers who wanted a simple way to record and carry many hours of digital high-definition video. The "iV", with a capacity of 320 GB, is now a commercial product.

The compact "iVDR" cassette hard disk is palm-sized and easy to carry, but still has high capacity and high-speed transfers up to 726 Mbps.



## The New "Voltage" Alkaline Dry Battery's Electrolyte Leak-Proof Design Allows Us to Offer Compensation for Leaks

Of all complaints relating to alkaline dry batteries, most concern electrolyte leakage. In response to demand, we employed an electrolyte leak-proof design in the new "Voltage" and are implementing electrolyte leakage compensation. This provides battery replacement, or appliance repair or replacement, when electrolyte leakage occurs in properly used batteries within the recommended five years of use.




## Universal Design—Ease of Use for All

## Earbud Headphones Make It Easy to Distinguish Left and Right Sides

The Maxell Group takes the Hitachi, Ltd., Universal Design Guidelines as a standard for the three steps of basic research, promotion of product development, and publicity and training activities, gradually incorporating improvements during these steps.

These activities yield results. We built a small protrusion into the housing, and now our HP-CN40 canal-type headphones help users easily distinguish the left earpiece from the right. These headphones went on sale in fiscal 2008.





## TOPICS



**Yuji Sawabe**

Consumer Sales Division

### Receiving an Award Four Years Consecutively is Proof of Winning Customers' Trust

The slogan of the Consumer Sales Division is "everything for the customer," and this division collaborates with the QA departments and product departments to promote product development that applies users' comments. We appreciate becoming GfK Certified as an evaluation by users and dealers of our product advantages, sales strengths and marketing strategies, and we will continue our efforts on CS improvement.

## We Work to Improve Corporate Customer Satisfaction

We are committed to achieving satisfaction for consumers and corporate customers who buy our products. In addition to our efforts to offer advantageous solutions, we respond promptly in writing to questions and complaints about technical matters. When necessary, we visit our customers and explain our answers.

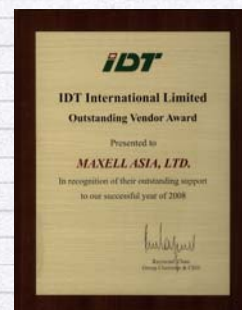
In fiscal 2008, Hitachi Maxell introduced a new account manager system for its BtoB customers. This system assigns sales representatives to each customer in major corporations to improve satisfaction and related matters. Adoption of this system lets us provide quicker and precisely tailored responses to each customer need.

The Consumer Sales Division has been GfK Certified<sup>\*1</sup> by the GfK Group for four consecutive years in recognition of its top share in the DVD media category in Japan. In other countries, Maxell Asia, Ltd., has received recognition for its responsiveness to customers, prompt deliveries and other achievements. In January 2009, it received



Awarded the GfK Certified No.1 share in the domestic DVD category for four consecutive years

an Outstanding Vendors Award<sup>\*2</sup> from IDT International Ltd., a Hong Kong electronic equipment manufacturer.



Awarded Outstanding Vendors Award from IDT in Hong Kong

<sup>\*1</sup> In Japan and the areas of Asia where the GfK Group keeps statistics, GfK recognizes manufacturers with the largest share of annual sales by major category.

<sup>\*2</sup> Each supplier is evaluated by quality, cost and delivery (QCD), and the 10 outstanding suppliers are chosen annually.

## Boosting Product Liability and Quality

### Measures to Ensure Product Safety

Hitachi Maxell has formulated the Product Safety Voluntary Action Plan and is promoting it to ensure the safety of our products. Product Safety (PS) and the Technologies Ordinance Committee form the core of a collaboration with the PS Risk Assessment Subcommittee to monitor the circumstances of product safety accidents, promote accident prevention and develop systems for legal compliance in technical fields.

The two topics taken up in fiscal 2008 were: (1) the thoroughgoing implementation of risk assessments and design reviews during new product development with the goal of product safety; and (2) the Consumer Products Safety Law and other technology law management frameworks and their implementation. Case studies using the risk map (R map) method<sup>\*3</sup>

and other recent approaches, along with mutual diagnosis of technology law compliance and product safety by the operating divisions concerned, have been introduced in the design and product divisions of all operating companies. This has succeeded in raising the companywide level of awareness of product safety assurance.

### Continuing Implementation of "OCHIBO HIROI"

"OCHIBO HIROI" is a groupwide QC initiative, with Maxell hosting periodic evaluation meetings for the prevention of product malfunctions. These meetings highlight case studies of quality failures and claims in addition to outstanding quality improvements, and act as a forum for the exchange of opinions that serves to foster awareness and raise consciousness of quality control issues.

In fiscal 2008, we initiated a program to improve reliability by having operating bases and affiliates in Japan focus on changes to

<sup>\*3</sup> A method of ensuring the safety of products from the design stage by creating a matrix with incidence on the vertical axis and extent of hazard on the horizontal axis to represent and examine the degree of risk.

### Information Online

#### Product Safety Voluntary Action Plan

[http://www.maxell.co.jp/jpn/corporate/product\\_safety\\_action\\_plan.html](http://www.maxell.co.jp/jpn/corporate/product_safety_action_plan.html)

specifications, which are a major factor in product malfunctions, and examine them more thoroughly. "OCHIBO HIROI" was also implemented by Maxell Tohshin (Malaysia) Sdn, Bhd. (Malaysia) and Wuxi Hitachi Maxell Co., Ltd. (China), where participants discussed the importance of noticing small changes at the production sites.



Overseas "OCHIBO HIROI" (Malaysia)

### Maxell Top Quality Campaign

To reinforce OC, the Group carried out the Maxell Top Quality Campaign from fiscal 2006 through 2008, with the aim of providing customers the highest-quality products and services.

Priority topics for fiscal 2008 were: (1) reducing defective product output, (2) reducing accidents resulting from product faults to give customers a greater sense of security and trust and (3) implementing CSR to contribute to society. Measures to address the third topic included continuation of programs for compliance with technology laws and activities for the Product Safety Voluntary Action Plan and thorough compliance with the Maxell Code of Ethics.

Our plans are to make good use of the results from activities during this three-year period by defining new objectives up to fiscal 2010 and pursuing measures focused on the design and development processes.

### Employee Education for CS and Quality Improvement

Hitachi Maxell conducts employee education to contribute to CS, product safety and quality improvement.

In fiscal 2008, the Group's e-learning course on ethics education for engineers, which had previously been for technology-related managerial personnel, was broadened to include all technology-related employees.



Comprehensive quality and reliability courses



Customer satisfaction enhancement courses

Name	Period	Employees involved/ Number of participants	Curriculum
Customer satisfaction enhancement courses	November 2008	Mid-level employees in all divisions/ 28 employees	Basic conceptual approach to CS, problem-solving techniques, etc.
Comprehensive quality and reliability courses	November 2008	Younger technology-related employees/ 24 employees	Fundamentals of quality and CS, analysis and management methods, design review, problem-solving techniques, etc.
Ethics Education for Engineers (Hitachi e-learning)	April 2008 to March 2009	All technology-related employees/ 215 employees	Basic content: What Ethics for Engineers Means, Responsibilities of Engineers, Why Ethics for Engineers Now? and others.

### Product Recall and Fault Notification

If there is cause for concern that a product malfunction may threaten lives, cause injury or damage property, we release information immediately, making every effort to minimize disadvantages to customers.

Three product malfunctions occurred in fiscal 2008 and information about them is on our website.

### Notices Regarding Products

A survey on observations by customers who bought button batteries manufactured by Hitachi Maxell revealed that counterfeit products shaped differently from our standard-specification product were being sold.

The products we checked were in proprietary outer packaging that apparently had been repacked with batteries by certain dealers, then repackaged and sold. Since products that have been repackaged in this way are unlikely to have undergone appropriate QC, we placed photographs of the outer packaging of standard-specification products on our website and urged our customers to take notice.

### Information Online

#### Important notice

[http://www.maxell.co.jp/jpn/important\\_notice/](http://www.maxell.co.jp/jpn/important_notice/)



# We are committed to realizing a pleasant working environment and supporting our employees' growth.

## TOPICS



**Yoriko Fukui**

Planning Group, Personnel  
Affairs Department

**Creating a pleasant working  
environment**

We are improving our systems to make it easier to balance child-raising and work. As we want people to make greater use of these systems, we will continue to respond to employees' needs and create an even more pleasant working environment.

### We have improved our systems for leave of absence for child-raising and for reduced working hours.

Hitachi Maxell's system for a leave of absence for child-raising makes it possible to obtain a leave that is longer than the legal requirement. We also have a system for reduced working hours.

In fiscal 2008, we extended the leave of absence for child-raising until when the child enters primary school, making it possible, according to the individual's circumstances, to take up to two years. We also changed the system (which had previously not permitted people to take this leave if their spouse could raise the child) so that the spouse's status does not affect eligibility.

The previous system for reduced working hours had allowed only six hours,

but now allows seven, which creates a greater variety of working arrangements.

We intend to make these systems even simpler and to support more diverse work styles for our employees.



### Basic Philosophy on Human Resources and Employment

The Maxell Group's human resources and employment activities are conducted with consideration for human rights, placing high importance on individuality and motivation. We believe this approach fosters an enthusiastic workforce, functioning as good corporate citizens and capable of success in the global arena.

The Hitachi Maxell Group's Code of Ethics was also made to specify "respect for employee character and human rights," and states, "it is forbidden to discriminate by sex, age, nationality, race, ethnicity, creed, religion, social position, special needs, and so on." We are engaged in initiatives to build employment and personnel systems that reflect the spirit of fairness and equality and in efforts to increase awareness of human rights.

### Creating an Enriching Workplace

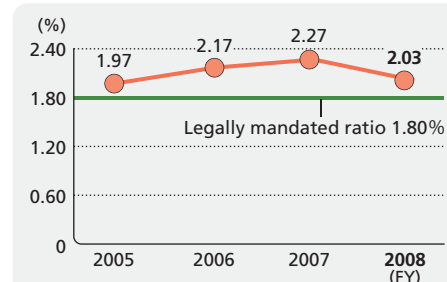
The Maxell Group aims to create a pleasant and motivating environment for its diverse staff, where it is easy for employees to demonstrate their individuality. To that end, we are improving workplace environments by establishing "refresh rooms" and other such measures.

Hitachi Maxell is pursuing activities based on a five-point action plan for personnel/treatment, placement of human resources, education, health and safety management and compliance with laws and in-house regulations. Punitive provisions against sexual harassment were added to our employment regulations, and the Company's rigorous stance regarding such behavior was stated explicitly.

### Promoting Employment for People with Special Needs

The quota rate of employment for people with special needs at Hitachi Maxell was 2.03% in fiscal 2008, or below our rate in fiscal 2007. To raise this rate, we intend to create a more welcoming environment for people with special needs.

#### Trends in Employment Ratio of People with Special Needs at Hitachi Maxell



#### Information Online

The employment situation

[www.maxell.co.jp/jpn/csr/employee/csr\\_employ\\_think.html](http://www.maxell.co.jp/jpn/csr/employee/csr_employ_think.html)



## Hiring Senior Citizens

Hitachi Maxell has introduced a system for the re-employment of personnel who have reached the mandatory retirement age and for the employment of senior citizens. As of January 31, 2009, 41 senior citizens were working under this scheme.

We also host Career Selection Seminars as a life-planning support tool for those considering their future while approaching retirement age. During fiscal 2008, these events benefited 62 employees aged 56 to 58. We aim to extend the target age-range of these events in the future to anyone in their fifties.



Career Selection Seminars

## Providing for Diversity in the Workplace

Hitachi Maxell enforces a policy of employment and compensation according to individual ability and experience. We are committed to treating employees equitably and impartially according to their abilities and performance regardless of their sex or whether they have special needs. We also respect diversity and promote fair employment at our operations in other countries.

## Positive Support for a Balance of Child-Raising and Work

Hitachi Maxell has long helped society foster the next generation with systems for reduced working hours and promotion of their use. In this way, we have supported employees in balancing their child-raising and work.

We formulated a general business voluntary action plan for the two-year period starting in April 2005 in accordance with the Next Generation Nurturing Support Measures

Promotion Law<sup>\*1</sup>. The results were recognized, and the Company acquired "Kurumin" Next-Generation Human Resource Cultivation Support Accreditation in June 2007 from the Osaka Labor Department of the Ministry of Health, Labor and Welfare, which deemed Hitachi Maxell a general business with compliant planning criteria.

## Employee Education, Training, and Skill Development

The Maxell Group provides employee education, training and skill development.

In fiscal 2008, Hitachi Maxell conducted specialized technical training at Group technical training centers and manufacturing technology training centers. Forty-six personnel participated. Training programs under education tailored to job classes were also improved, from new entry training to selective education for executive candidates.

Our plan is to continue with improvements in education tailored to job classes in fiscal 2009. In education for internationalization, we have introduced a Chinese-language program and unified our English conversation classes while gearing them to the TOEIC examination. In education for new entrants, we are scheduled to introduce a full-scale mentor system<sup>\*2</sup>.

We are handling employee compensation by a highly transparent system of evaluation by the two indices of performance and behavior.



First year follow-up training



Manager training

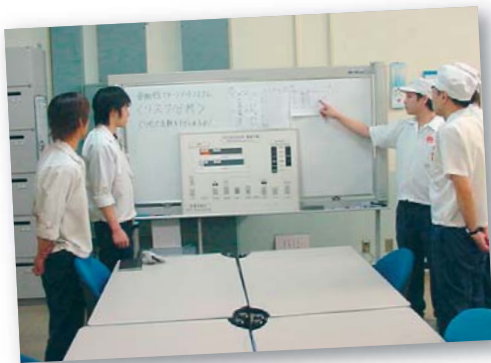


"Kurumin" Next-Generation Human Resource Cultivation Support Accreditation

<sup>\*1</sup> This is a law intended to develop an environment in which the next generation of society's leaders can be born and grow up in good health. Business operators who hire 301 or more workers are required to formulate specific plans for improving the workplace environment.

<sup>\*2</sup> The purpose is to position the fostering of new entrants as a companywide issue and to make employees aware of the importance of human resource development. Mentors act as employee representatives in coaching new entrants and helping them learn what they need to know within two years of joining the Company. The system allows new entrants and mentors to foster growth in each other and contribute to vitalizing the Company's human resources.

## Together with Employees



Implementation of risk assessment

### The Maxell Group Starts an Occupational Health and Safety Committee

The Maxell Group in Japan is promoting health and safety activities, led by the directives of the Hitachi Maxell Group Occupational Health and Safety Basic Policy.

In fiscal 2008, the Hitachi Maxell Group Health and Safety Committee was initiated with the participation of Hitachi Maxell's five operating bases and five Group companies. Continuing from the year before, we created an occupational health and safety management system in accordance with the OSHMS\*1 being promoted by the Ministry of Health, Labour and Welfare. In May 2008, 39 group leaders and coordinators from Tohshin Seiko took part in an OSHMS seminar.



Safety education

\*1 Occupational Safety and Health Management Systems are certified by the Japan Industrial Safety and Health Association. Based on health and safety management programs in Japan, these systems incorporate risk assessment, system auditing, documentation and other requirements that have produced results in Europe and America.

\*2 Frequency rate: Death or injuries from work-related accidents per million hours worked

\*3 Number of work days lost per 1,000 hours worked

### The Circumstances of Work-related Accidents

No work-related accidents resulting in stoppages occurred at our operating bases in Japan in fiscal 2008, but six work-related accidents occurred but did not result in stoppages. We intend to reinforce our programs aimed at achieving zero risk.

### Building Better Labor / Management Relations

Organized labor unions exist at Hitachi Maxell, which is working to build well-rounded labor-management relations through a union shop system.

Such issues as management, working hours, employment for people with special needs, and health and safety are reported and deliberated at periodically convened labor-management consultations.

During fiscal 2008, we reduced overtime by providing 14 health management days annually. Other options to reduce overtime are being adopted through labor-management cooperation.

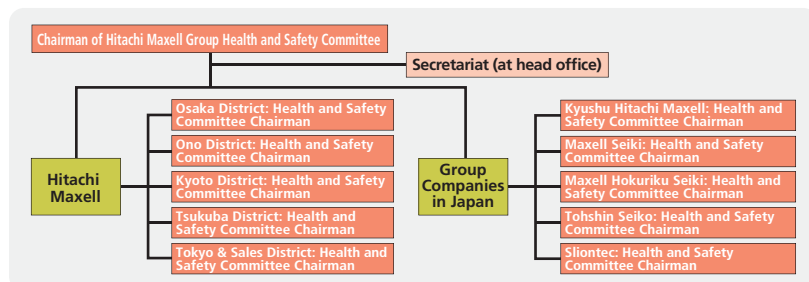
### Consideration for Employee Health

Hitachi Maxell has programs to protect the physical and mental health of its employees. In fiscal 2008, for example, we organized health fairs to prevent metabolic syndrome and provided mental health education for managers. Tohshin Seiko also organized lectures on mental health.

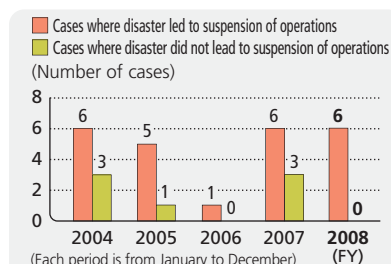
We took measures to counter new strains of influenza including a pamphlet with basic information and hygienic masks for employees in Asia. We also installed automated external defibrillators (AED) at all our companies.



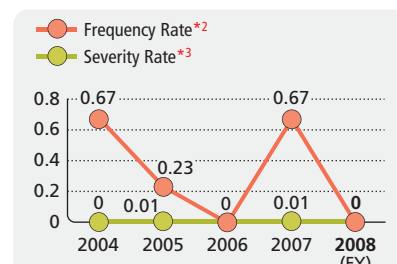
### Organization of the Hitachi Maxell Group Health and Safety Committee



### Trends in Number of Work-related Accidents at Hitachi Maxell



### Trends in Frequency Rate and Severity Rate at Hitachi Maxell



# We engage in sound, equitable business based on solid relationships with our business partners.

## Fair Transactions with Suppliers

Hitachi Maxell is committed to developing equitable business relationships with the suppliers of its materials, products, and services. We conduct procurement in accordance with the Hitachi Group's Guidelines for Procurement Activities and are working to make our employees familiar with these guidelines, which are also incorporated into our company regulations.

In fiscal 2008, the materials divisions under our operating divisions organized study groups on the topic of ensuring strict compliance with the Subcontract Law and other laws and regulations.

In the future, the Maxell Group intends to collectively promote programs on fair transactions with suppliers throughout the supply chain.



Study groups on legal compliance

## Working for Shared Awareness with Suppliers Regarding CSR

As part of building solid relationships of trust with suppliers, Hitachi Maxell holds annual policy briefings in each operating division.

The fiscal 2008 briefings in June were attended by 217 people from 114 companies. Divisional managers explained our product strategy and business policy and presented the requirements for the promotion of green purchasing and other CSR-related matters.

At the New Year's celebration forums in January 2009, the president requested that every participating company adhere to thorough compliance and risk management when procuring materials.

## Reinforcing Support of Our Business Partners

Hitachi Maxell communicates actively with its business partners, primarily through its sales divisions.

In fiscal 2008, we introduced an account manager system for dealing with our BtoB partners. We have now developed systems that provide our main business partners with support closely tailored to their needs.

**\*1** Customs Trade Partnership against Terrorism

This certification program was developed by the United States government in 2003 to strengthen national security in the international supply network. Participating corporations formulate and implement programs to strengthen security in accordance with U.S. Customs' guidelines and are required to obtain certification.

**\*2** These corporations are certified as outstandingly compliant exporters under the Japanese government's Authorized Exporter's Program. They have strengthened security measures and sped up distribution procedures in support of more advanced international distribution.

Authorized exporters that receive certification can anticipate such advantages as more efficient export operations.

## Information Online

### Hitachi Maxell's Guidelines for Procurement Activities

[http://www.maxell.co.jp/jpn/dbps\\_data/\\_template/\\_user/\\_SITE/\\_localhost/\\_res/htdocs/material/purchase/\\_res/pdf/transaction\\_policy.pdf](http://www.maxell.co.jp/jpn/dbps_data/_template/_user/_SITE/_localhost/_res/htdocs/material/purchase/_res/pdf/transaction_policy.pdf)

### CSR Policy of the Hitachi Maxell Group

[http://www.maxell.co.jp/jpn/dbps\\_data/\\_template/\\_user/\\_SITE/\\_localhost/\\_res/htdocs/material/purchase/\\_res/pdf/csr\\_policy.pdf](http://www.maxell.co.jp/jpn/dbps_data/_template/_user/_SITE/_localhost/_res/htdocs/material/purchase/_res/pdf/csr_policy.pdf)

## TOPICS

### A Global Corporation Strengthening the Foundation for International Transactions

Corporations have had greater appreciation of trade security and anti-terrorism since the attacks in the United States on September 11, 2001. Business with the United States frequently requires assurances of security when selecting vendors. The Maxell Group, as part of its global business expansion, found it necessary to promptly address these issues.

In 2007, Hitachi Maxell participated in the measures known as C-TPAT<sup>\*1</sup> to strengthen the security management of United States cargo. We have consistently

acted to strengthen the foundation for international transactions, and that same year we obtained certification as an Authorized Exporter<sup>\*2</sup> in Japan.

In addition to our distribution management as an Authorized Exporter, we also reinforce our checks of users and applications in cooperation with overseas dealers and agencies and will improve our export security controls. Through these actions, we will work to heighten the Maxell Group's credibility in international transactions.



**Koji Kanie**  
Global Sales Headquarters

### Emphasizing good and evil over profit and loss

International transactions must put good and evil over profit and loss. With this in mind, we are accurately and promptly following the export control procedures of controlled goods.



# We are committed to providing timely and appropriate information and to improving dialogue with stakeholders.

- \*1 A compilation of data needed for investment analysis, including various financial indicators and operational values.
- \*2 Paper share certificates for listed companies will be phased out and shares will be managed electronically within a computerized system.
- \*3 The world's representative SRI stock index, developed by FTSE International Limited for selecting the U.K. corporations meeting the social responsibility criteria.
- \*4 Nikko Investor Relations Co., Ltd. has established 117 objective evaluation criteria according to ease of understanding, ease of use, and quantity of information. The ranking is based on a survey of the websites of all 3,920 corporations listed from mid-June to the end of September 2008.
- \*5 Daiwa Investor Relations Co., Ltd., reviewed the IR websites of 1,879 major listed corporations from March 10 to April 14, 2008. As a result of evaluations by quantitative scoring, 402 companies were selected.

## Information Online

### Shareholder and Investor Information

<http://www.maxell.co.jp/jpn/ir/index.html>

## Timely and Appropriate Disclosure of Information

The Maxell Group endeavors to provide timely, appropriate information disclosure, and has acted positively on a variety of IR activities during fiscal 2008. In addition to quarterly briefings on earnings results and twice-annual business briefings, we hosted investor visits.

Our efforts include posting simultaneous press releases in Japanese and English on our website on the date of account settlement. We have also created annual reports, shareholder bulletins, and a fact book\*1 and distributed them to shareholders. To support the computerization of share certificates\*2 initiated in January 2009, we created a summary of the changes in systems that we mailed to shareholders along with the interim business report and posted this information on our website.

## Active Commitment to Communication with Shareholders and Investors

We are actively giving individual investors a deeper understanding of our businesses and strategies.



"Kansai Nomura Asset Management Fair" Booth of Hitachi Maxell

In February 2008, Hitachi Maxell sponsored a booth at the Kansai Nomura Asset Management Fair and welcomed approximately 2,000 visitors in two days.

Tohshin Seiko is the industry leader in optical components, one of the three key businesses assigned priority by the Maxell Group, and we invited institutional investors to tour the Tohshin plant. We introduced the key technology for this business and actively disclosed related information.

## SRI External Assessments

In March 2008, Hitachi Maxell was included in the FTSE4Good Global Index\*3 of constituents for the fourth consecutive year.

As the audit standards for SRI inclusion become more rigorous every year, we are committed to continue our disclosure by providing SRI evaluators with precise information.

## TOPICS



### Takahiro Yamada

Legal & Corporate  
Communication Division

#### EMaking the IR Website More Understandable

The IR website is one of our important tools for communicating with shareholders and investors. Our aim is to continue striving for completeness of information disclosure and to make our IR website easier to understand.

## Selected as an Outstanding Website among IR Websites Evaluated for Completeness of Information Presented

The Maxell Group is improving its IR website with more information for shareholders and investors. We post presentation materials and videos at the time of account settlement and make detailed reports available for reference. We also make the fact books available in PDF and Excel formats.

The completeness, functionality, and other qualities of the information presented on our IR website have received recognition. In fiscal 2008, we were named an Outstanding Website in the fiscal year 2008 ranking of listed corporations' websites\*4 selected for completeness by Nikko Investor Relations Co., Ltd. In May 2008, we were also included for the seventh consecutive year as an outstanding corporation in the Internet investor relations (IR) websites of 402 companies\*5 selected by Daiwa Investor Relations Co., Ltd.



The Hitachi Maxell IR Website

# We place great importance on dialogue and interaction and will contribute to the realization of a better society and a brighter future.

## Local Educational and Cultural Support Activities

### Co-sponsorship of Media Post 2008

The Media Post contest for elementary and junior high school students evaluates digital works created using personal computers, presented as the outcomes of learning or as activity logs. Hitachi Maxell has supported this program since its inception.

At the thirteenth contest, the award from the Ministry of Education, Culture, Sports, Science and Technology went to a project to confirm global warming by experimentation in the lower secondary school division and the Himeshin Line OK Project for better human communication in the primary school division.

### Third Kids Battery Crafts Contest

Hitachi Maxell organized the third Kids Battery Crafts Contest in fiscal 2008.

In this handicrafts contest, primary and lower secondary school students around Japan used batteries, and about 90 works were submitted. In the final round of judging, Dr. Denjiro Yonemura, a well-known science event producer, and his assistant, Charlie Nishimura, served as the judges. Their rigorous evaluations resulted in the selection of seven winning works.

### A Collaborator in the Kids Saver Program

Hitachi Maxell participated as a corporate collaborator in the Kids Saver Program, a project to nurture children and inspire their dreams.

As part of this program, a joint event with the Asahi Shimbun called the "Pterosaurs; Rulers of the Skies in the Age of Dinosaurs" was held from June 28 to August 31, 2008, at the National Museum of Emerging Science and Innovation. We distributed DVD-R disks with an original pterosaur design so the children could record their memories of their summer vacation.



### "Maxell Kids Wonder Library"

<http://www.maxell-kids.com/>

Introduces Media Post 2008, the Kids Battery Crafts Contest, and other events.

### Softball Workshop Held

In December 2008, Hitachi Maxell held a softball workshop at the Ibaraki Municipal Lower Secondary School in Osaka Prefecture. Players from our Japan Women's Softball League team coached about 100 children, teaching them basic plays, fungo practice, toss-batting practice, and other batting skills.



Softball workshop

## TOPICS

### Know Batteries with Denjiro: A Battery Experiment Show

Hitachi Maxell co-sponsored the battery experiment show by the science event producer Denjiro Yonemura on January 18, 2009. Dr. Yonemura introduced more people to interesting uses for batteries.

The event took place at Takeshiba New Pia Hall in Tokyo, where 715 primary school students and parents watched the presentation by Dr. Denjiro. The children were fascinated particularly by the air cannon experiment, in which a mysterious ring of smoke came out of a box.

We will continue to support events, so parents and children can spend time together and experience the fun of science and batteries.



Dr. Denjiro's Experimental Show

### Mei Matsuzaki

Advertising Group  
Global Sales Headquarters

Enjoyment for Everyone,  
Satisfaction for All

I was happy we organized this show of scientific experiments by Dr. Denjiro Yonemura. Every experiment received great applause. The show appealed not only to children but also to adults, and I sensed that everyone enjoyed it tremendously.



## Together with Local Communities and Societies

\*1 Archive originally meant public record repository. In this report, the process of converting valuable cultural content and materials into digital form and preserving them is referred to as archiving.



Internship (Tohshin Seiko)

\*2 This activity was proposed and initiated by the Kyoto Industrial Association to heighten children's awareness of science and develop people who will take responsibility for science and technology. Hitachi Maxell's Kyoto Works has co-sponsored this program since 2006 and holds an annual workshop for parents and children on building a dry battery.

### Fourth Security Alarm Battery Check and Replacement Campaign

Hitachi Maxell is conducting this campaign to help more people realize the importance of checking and replacing security alarm batteries.

We provided batteries to 64 primary schools in six municipalities during fiscal 2008.

### Offering Internships

The Maxell Group offers internships at its operating bases to provide practical experience in manufacturing to young people and help them develop good work values.

For example, Tohshin Seiko accepted two students from the Miyagi National College of Technology and taught them about optical component production processes through lectures and practical training. Twelve trainees also traveled from Vietnam to acquire experience in the Optical Products Department.

### Cooperation in Archiving PFF Winners

Hitachi Maxell has worked with Maxell Shoji Co., Ltd., since 2004 to archive\*1 the award-winning works from the competitive division of the Pia Film Festival (PFF).

In fiscal 2008, we converted the 1981 PFF winner, "March" directed by Koji Matsuoka,

to a high-definition digital format and archived it. We will continue this project to pass on video works and contribute to the development of future talents.

### Support for Digital Hollywood

Hitachi Maxell is cooperating with Japan's first practical multimedia school, Digital Hollywood, and supporting the work to foster young creators in this field.

- Support the development of an on-campus DVD environment
- Support the archiving of outstanding works on DVD
- Support the "Battle of Sekigahara" video project

### Other Social Contribution Activities

#### AED Contribution

As part of its social contribution activities, in April 2008 Hitachi Maxell donated an automated external defibrillator (AED) to Oyamazaki-cho, Kyoto, where the Kyoto Works is located. We appreciate the letter of appreciation for our efforts from the mayor of Oyamazaki-cho.

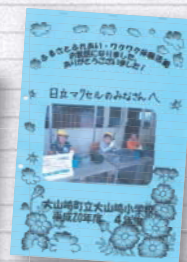
## TOPICS

### Plant Study Tours and Trainees

#### Fiscal 2008 Results

Osaka Works	October to January: A study tour for 937 students from local primary schools.
Kyoto Works	July 12: 60 participants in Kyoto Edison Program.*2 October 21: Three Oyamazaki Primary School fourth-graders participated in "Wakuwaku Taiken" (Exciting Experience). November 6-7: Six second-year students from Oyamazaki Lower Secondary School participated in hands-on workplace training.
Kokinu Laboratory	Four second-year students from Kokinu Lower Secondary School participated in hands-on workplace training.
Tohshin Seiko	October 15: Study tour for 44 students from Miyagi National College of Technology. February 3-5: Two students from Watari High School participated in hands-on training in molding.
Kyushu Hitachi Maxell	October 28: Five sixth-year primary school students took plant tours, studied the assembly of electric hair clippers, and learned about the environment.
Kawasaki Works of Sliontec Corp.	June 24: A study tour for 109 third-year students from Caritas Elementary School.

Hands-on training in the molding process at Tohshin Seiko



Certificate of appreciation for the program at the Kyoto Works



Plant tour at the Osaka Works



Assembly of electric hair clippers at Kyushu Hitachi Maxell



## TOPICS Communicating with University Students

Hitachi Maxell invited 11 students and one associate professor from the Division of Global Architecture in the School of Engineering at Osaka University to visit the head office on December 10, 2008. We discussed environmental activities.

We distributed copies of the CSR Report 2008 and the Annual Report 2008, brought in the people to give an overview of their business and explain environmental protection activities. During the question-and-answer sessions, we discussed profits versus environmental protection issues.

We will continue our CSR activities and communicating with stakeholders. In this

way, we can learn their expectations and hopes for our Group efforts.



Conversing with university students

### Message from Associate Professor Nobuhiko Matsumura, faculty member in charge

Thank you very much for your cooperation for this event. By listening to people responsible for environment issues explain the latest measures, rather than having a lecture, the students have learned more and have taken a broader interest in society.

## Promoting Environmental Protection and Beautification

### Abundant Flower Campaign Activities

Hitachi Maxell's Kyoto Works has participated in the Abundant Flower Campaign Activities since 2001. This program involves neighboring primary schools; planting seedlings with the children; and decorating athletic festivals, graduation ceremonies, and other such festivals with lots of flowers.

This is also a good opportunity to experience nature. The program is now a regular well-received school event.

### Car-Share Commuting: "Don't Commute Alone Day"

At Maxell Hokuriku Seiki, Ltd., one day every month from May to November 2008 was declared "Don't Commute Alone Day." This movement encouraged sharing cars to commute to work or use buses, trains, and other public transportation, or come by bicycle or on foot. This movement realized a reduction of approximately 837 kg in CO<sub>2</sub> emissions during fiscal 2008.

### Cleanup Activities around Company Facilities

All of the Maxell Group's operating bases have implemented periodic cleanup activities in their surrounding areas in fiscal 2008 as part of efforts to beautify the local environment.

### Cleanup Highlights for Fiscal 2008

Tokyo Building	Cleanup activities at I-Garden South Street on the first Wednesday of every month before work.
Osaka Works	Sanjo River cleanup once a year. In September, the central loop highway was cleaned up. The area around the plant was cleaned up once every two months.
Ono Works	The plant was cleaned up in November and the industrial park in June.
Maxell Hokuriku Seiki, Ltd.	Thirteen people took part in the Jintsu River cleanup in April. Other cleanup activities were in June at the Ida River and then the surrounding areas in August.
Tohshin Seiko	Neighboring areas were cleaned up in June and October.
Kyoto Works	Sixty participants cleaned up the surrounding areas in May. In June, Seven people hiked to Tennozan Mountain to cleanup that area.
Kyushu Hitachi Maxell	Four hundred people cleaned up the area around the plant in April and December.

### Information Online

**Maxell Hokuriku Seiki, Ltd.**  
<http://www.maxell-hs.co.jp/>  
**SLIONTEC Corporation**  
<http://www.sliontec.co.jp/>  
**Kyushu Hitachi Maxell, Ltd.**  
<http://www.e-kyuma.com/>  
**Tohshin Seiko Co., Ltd.**  
<http://www.tohshinseiko.co.jp/>



"Don't Commute Alone Day" (Maxell Hokuriku Seiki, Ltd.)



Jintsu River cleanup (Maxell Hokuriku Seiki, Ltd.)



Cleanup the industrial park (Ono Works)

## Together with Local Communities and Societies



Winners of the Third Chinese University Campus Band Contest

\*1 The Wuxi City Environmental Protection Agency selects corporations that satisfy 12 criteria, including (1) no past record of violating environmental regulations, (2) no history of accidents that contaminate the environment, and (3) no serious environmental problems.

\*2 Main criteria for recognition as an honorary citizen of Wuxi City:

1. The candidate and the candidate's corporation rigorously observe the laws and regulations of China.
2. The corporation the candidate belongs to makes investments in Wuxi and contributes to the development of Wuxi's economy.
3. The candidate takes part in and supports activities for the public's benefit.
4. The candidate actively makes Wuxi known in other places and supports activities to attract corporations and conducts business and cultural exchange meetings and similar activities outside Wuxi.

### Overseas Social Contributions

#### Third Chinese University Campus Band Contest

Since fiscal 2006, Hitachi Maxell and the Maxell (Shanghai) Trading Co., Ltd., have held a Chinese University Campus Band Contest. The number of applications in fiscal 2008 far exceeded those in the previous year, and regional elimination rounds took place in Beijing, Guangzhou, and other locations, followed by intense competition in the finals.



#### Environmental Campaign in Malaysia

Maxell Tohshin (Malaysia) Sdn. Bhd. conducts an annual environmental campaign.

In fiscal 2008, a RoHS poster contest was about compliance with RoHS directives. To reduce waste matter, we have forbidden the use of polystyrene containers for meals. We have also collected newspapers, aluminum cans, and other material for recycling and donated the proceeds to an orphanage.

#### Assistance in the Sichuan Earthquake Relief

Wuxi Hitachi Maxell Co., Ltd., and Maxell (Shanghai) Trading Co., Ltd., provided aid to Sichuan Province in China following an earthquake.

For its efforts, Wuxi Hitachi Maxell Co., Ltd., received a commendation from the New District Red Cross Society.



#### Sichuan Earthquake Relief

Wuxi Hitachi Maxell Co., Ltd. (Wuxi, China)	Donated 20,667.8 yuan, and provided 200,000 alkaline dry batteries
Maxell (Shanghai) Trading Co., Ltd. (Shanghai, China)	Donated 15,170 yuan to the Red Cross Society of China



Afforestation campaign (Hong Kong)

#### President Yoshito Tsunoda Becomes an Honorary Citizen\*2 of Wuxi City (China)

Wuxi Hitachi Maxell Co., Ltd., has incorporated environmental protection activities into its business activities. It also sponsors a Maxell Cup Table Tennis Tournament with the Wuxi municipal government and the New District government. Wuxi Hitachi Maxell also participates in blood donation drives and other corporate citizenship activities.

In recognition of its activities, WHM has been designated a Green Enterprise\*1 by the Wuxi City Environmental Protection Agency for seven consecutive years. In August 2008, Hitachi Maxell President Yoshito Tsunoda was made an honorary citizen\*2 of Wuxi City.

#### Singapore Youth Soccer Team

Maxell Asia (Singapore) Pte. Ltd. supports a youth soccer team and players from Singapore's pro soccer league serve as coaches.

This company also holds an annual youth soccer tournament—the Maxell Cup. The tournament in December 2008 had eight intensely competitive teams.



#### Environmental Protection Activities with a NGO (China)

Maxell Asia, Ltd. (Hong Kong) participates in environmental protection activities with a NGO and other organizations around the Maxell Group's production and sales bases in China.

In April 2008, four Maxell Asia employees participated in an afforestation campaign by Friends of the Earth and planted 48 saplings in Tai Lam Country Park, a national park.

In November 2008, the company also took part in a campaign to raise funds for wetland protection in Hong Kong organized by the World Wide Fund for Nature (WWF).

#### Involvement in Politics

In accordance with the guidelines of the Japan Economic Federation (Nippon Keidanren), with



## TOPICS

Our television commercial won a prize in the commercial division of the 48th Advertising Beneficial to Consumers Contest.\*3 This was our third consecutive year of winning an award.

The Hitachi Maxell television commercial series, "Zutto, Zutto: Amami Island Song," won a bronze prize in the commercial division of the 48th Advertising Beneficial to Consumers Contest\*3 of the Japan Advertisers Association. This award was our third consecutive prize. This series of commercials has been rated very highly in

advertising contests.

Elsewhere, our television commercial, "Blow Away Guy (Man in the chair)," which was broadcast in 1979 by the Maxell Corporation of America, was ranked sixth on the list of ads most likely to be remembered for 40 years in the 40th anniversary edition of New York Magazine.



A scene from a commercial for the "Zutto, Zutto. Amami Island Song" series



Blow Away Guy (Man in the chair)

### Other Awards and Recognitions

Award	Content
Maxell DVD Commercial "Zutto, Zutto. Niitome Primary School Episode"	Award in the film division of the 55th Cannes International Advertising Festival
Maxell Corporate Commercial "Zutto, Zutto. Traditional Song Yasaburo Bushi Episode"	Awarded silver prize in the electric appliance category of the film division of the Asia Pacific Ad Festival (12th Asia Pacific Advertising Festival)
Maxell Corporate Commercial "Zutto, Zutto. Amami Island Song" series	Awarded bronze prize in the corporate category of the film division of the Asia Pacific Ad Festival (12th Asia Pacific Advertising Festival)



Award ceremony



Asia Pacific Ad Festival Trophy

which Hitachi Maxell is affiliated, the Maxell Group has no particular bias toward any political parties or groups regarding governmental activities and contributions and strives to maintain a neutral stance.

### Involvement in Industry Bodies

As a member of Nippon Keidanren, Hitachi Maxell reinforces its ties with other member corporations and contributes to the economic development of Japan and the world. In addition, we comply with the federation's Corporate Behavior Charter and Global Environmental Charter and contribute to building free, transparent and fair markets and promoting global environmental protection.

### Economic Distribution throughout Society

In fiscal 2008, Hitachi Maxell made donations of approximately ¥24 million, including scholarship

grants to the Odaira Memorial Hitachi Education Foundation, the Hitachi Environment Foundation, and other organizations. We also participated in "Shinsetsukai" humanitarian activities to promote welfare contributions on a smaller scale.

During fiscal 2007, the economic value of relationships with respective stakeholders was as follows.

Stakeholder	Ratio A (%)	Ratio B (%)	Content
Business partners	77	—	Materials costs, transportation costs, advertising costs, etc.
Employees, etc.	12	50	Costs for employees and corporate officers
Shareholders	1	4	Shareholders' dividend
Financial institutions, etc.	1	6	Interest expenses, etc.
Public sector (government)	1	3	Corporate taxes, etc.
Private sector	0	0	Dividends from net income, excluding directors' bonuses
Employees, etc.	8	37	Non-operating expenses, etc.
Total	100	100	

Ratio A is the relative share for each stakeholder type. Ratio B is the relative share calculated excluding business partners.

\*3 Started in 1961; selects advertising useful to consumers in preliminary screening by consumer representatives, followed by the main judging; judges include people from academia or with previous experience as judges.



# We are improving our environmental management system and working to improve our programs.

## Environmental Protection Action Guidelines

The Maxell Group has established Environmental Protection Action Guidelines for all our environmental activities. These guidelines support the Global Environmental Charter of the

Nippon Keidanren (Japan Business Federation) and were formulated in line with the Hitachi Maxell Group's Corporate Behavior Standards.

### Environmental Protection Action Guidelines

1. Recognizing that problems affecting the global environment are serious matters for all humankind, harmony with the environment will be a top management priority throughout the Company.
2. Officers and sections in charge of responding to environmental problems will promote environmental preservation activities by establishing a structure to promote such activities, enacting regulations relating to the environment, setting environmental impact reduction targets and taking other related measures. Moreover, environmental audits will be used to confirm the efficacy of activities and measures to ensure constant improvement.
3. The Company will strive to gain an understanding of how best to respond to the various global environmental problems and make contributions to society through the conscientious development of highly reliable technologies and products.
4. The Company will give due consideration to reducing the impact that products have on the environment throughout their entire lifecycles, from the R&D and design stages through manufacturing, logistics, use and final disposal.

5. The Company will investigate and examine the effects of its business operations on the environment and seek to introduce new technologies and materials with superior characteristics that contribute to the goals of environmental preservation, energy conservation and resource conservation.
6. In addition to observing international, national and local regulations concerning the environment, the Company will develop its own standards where necessary to improve its contribution to environmental preservation.
7. The Company will give full consideration to the effects activities outside Japan and export products have on local environments and implement measures in response to the wishes of the respective local communities.
8. In addition to working to enhance the environmental awareness of its employees, the Company will expand the focus of such activities to include society at large and contribute to the communities of which Maxell is a part with environmental preservation activities originating from a broad perspective.
9. In the event that an environmental problem arises as a result of the Company's business activities, the Company will take appropriate steps to minimize any consequent impact.

Established June 1996



## Maxell Group Environmental Management System

Hitachi Maxell's operating bases and Group companies in Japan formerly pursued their environmental programs with ISO 14001 environmental management systems (EMS) acquired separately by region as their foundation. In fiscal 2007, we began integrating our EMS to reinforce corporate governance and increase efficiency. In December 2008, seven of our Japan regions acquired integrated ISO 14001 certification, and Siontec is expected to acquire it in fiscal 2009.

The third party auditing organization, JACO, gave us high marks for maintaining and improving environmental management and for continuing implementation of audits for 10 years or more, and presented us with an "11-Year Continuity Award."



"11-Year Continuity Award"

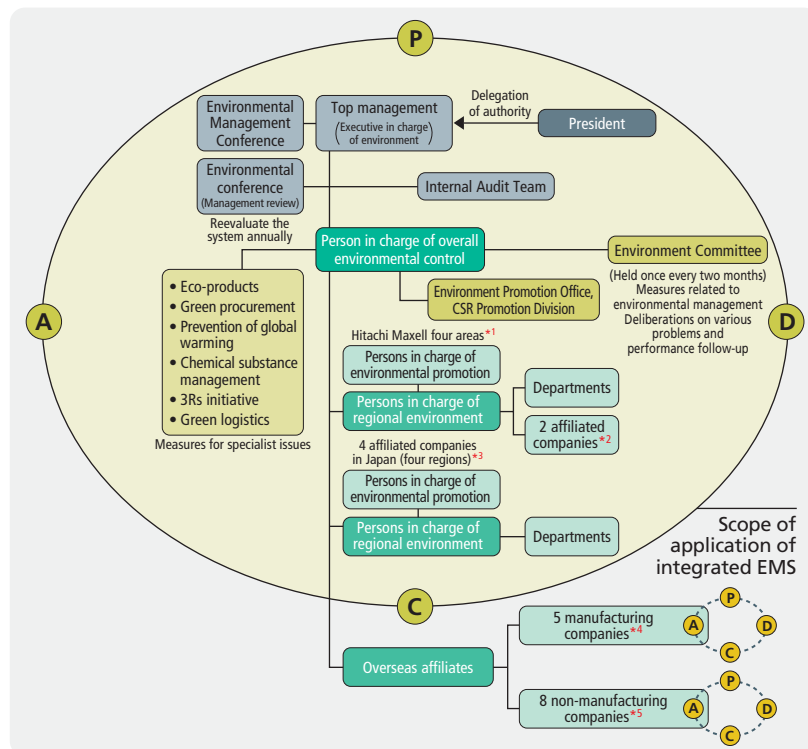
### Acquired Integrated EMS Certification

The Maxell Group formulated its environmental guidelines, objectives and targets in conjunction with the Hitachi Group Environmental Action Plan. Environmental impact assessment methods that differed for each region were integrated.



Integrated EMS Audit

## Maxell Group Environmental Management System and Scope of Integrated EMS



\*1 Tokyo Area, Kyoto Area, Tsukuba Area, Osaka/ Ono Area

\*2 Maxell Seiki, Ltd.; Maxell Shoji Co., Ltd.

\*3 Kyushu Hitachi Maxell, Ltd.; Maxell Hokuiku Seiki, Ltd.; Tohshin Seiko Co., Ltd.; SLIONTEC Corp.

\*4 Maxell Europe Ltd.; Maxell Tohshin (Malaysia) Sdn. Bhd.; Wuxi Hitachi Maxell Co., Ltd.; Maxell De Mexico, S.A. DE C.V.; PT.SLIONTEC EKADHARMA INDONESIA

### Affiliated Companies Not Included in the Scope of Environmental Data

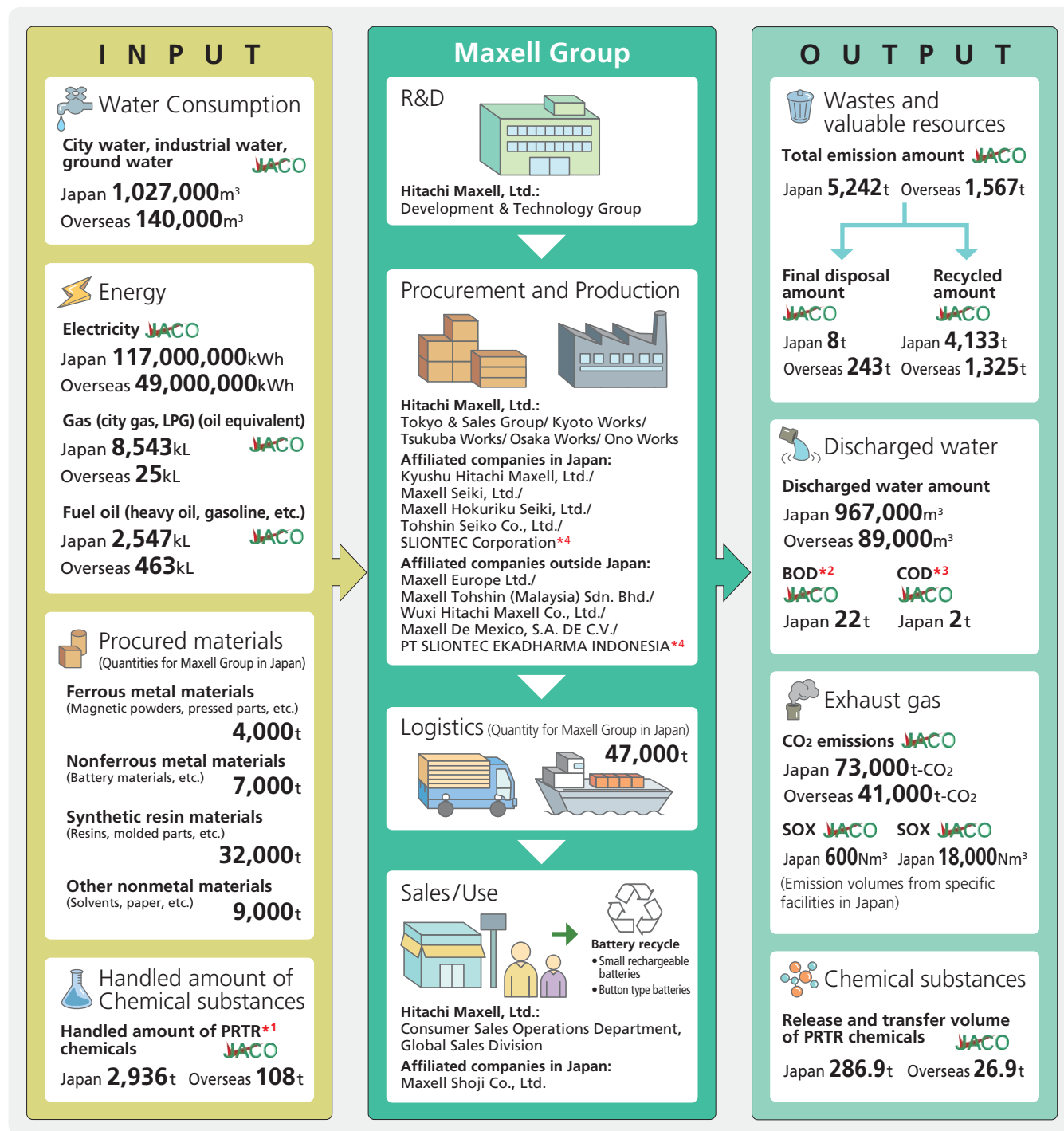
\*5 Maxell Corporation of America/ Maxell Deutschland GmbH/ Maxell (France)/ Maxell Italia S.p.A. / Maxell Asia, Ltd./ Maxell (Shanghai) Trading Co., Ltd./ Maxell Taiwan, Ltd./ Maxell Asia (Singapore) Pte. Ltd.

# Creating products with lifecycles in mind.

The Maxell Group uses raw materials, including magnetic powders, pressed parts, battery materials, resins and molded parts, in addition to energy and water, to provide customers with useful products. However, its production processes impact the global environment by emitting CO<sub>2</sub> and other exhaust gases,

effluent water, chemical substances and other waste products.

In its drive for sustainable development as a corporation, the Maxell Group endeavors to reduce the environmental impact of its operations throughout the lifecycles of its products, from input of materials and energy to product use and disposal.



\*<sup>1</sup> Pollutant Release and Transfer Register

\*<sup>2</sup> Biochemical Oxygen Demand




























\*<sup>3</sup> Chemical Oxygen Demand

\*<sup>4</sup> Environmental impact data since fiscal 2008 include figures for Sliontec plants in Japan and other countries.

# Working Steadily to Reduce Our Environmental Impact in Preparation for Fiscal 2010 Targets

The Maxell Group formulates a yearly environmental action plan based on the Hitachi EcoValue Plan 2015<sup>\*1</sup> as a directive for its ongoing activities.

Evaluation criteria  Target achieved  Target partially achieved

Category	Activity	Fiscal 2010 Targets		Fiscal 2008 Targets	Fiscal 2008 Results	Self-evaluation
Ecological Mind and Global Environmental Management	Establishment of an environmental value creation corporation	Promote GREEN21 <sup>*2</sup> activities 1,280 GP GP: Green Points		Japan: 1,024GP Overseas: 985GP	1,120GP 1,014GP	
	Construction of an Environmental Management System (EMS)	Maintain & expand Maxell Group (Japan) integrated EMS <sup>*3</sup>		Acquired accreditation	Acquired accreditation	
	Cultivation of Environmental Literacy	Ecological mind education (e-learning) enrollment rate 100% (Japan)		100% enrollment	100% enrollment	
Provision of Next-Generation Products and Services	    Promotion of Eco-Products	Expansion of Eco-Products	Ratio of sales: 50% <sup>*4</sup>	38%	55%	
			Ratio of registrations (application rate) 100% <sup>*5</sup>	96%	97%	
			Super Eco-Products ratio 30% <sup>*6</sup>	Super Eco-Products register 2 products	Two new products registered	
		Improved environmental efficiency of products (base level fiscal 2000 for each targeted product)	Increase global warming prevention factor <sup>*7</sup> (Target value: Factor of 3.2)	33% increase	173% increase	
			Increase resource factor <sup>*8</sup> (Target value: Factor of 3.4)	47% increase	174% increase	
		20% increase in recycled plastics usage (compared with fiscal 2000)		13% increase	31% increase	
	Promotion of Environmental CSR Manufacturing	29% reduction in packaging materials (compared with fiscal 2000)		7% reduction	41% reduction	
		Continue content surveys for 25 specified chemical substances in Hitachi Group			Continue content surveys	
		REACH regulations compliant			Implement preliminary registration	
Works and Offices with a High Level of Environmental Consideration	Global warming prevention	12% reduction in CO <sub>2</sub> emissions (Japan, compared with fiscal 1990)		8% reduction	41% reduction	
		35% reduction in CO <sub>2</sub> emissions per unit production (Japan, compared with fiscal 1990)		28% reduction	59% reduction	
		Target reduction in emissions per unit of production by site (overseas) (FY2003 comparison)		4% reduction	33% increase <sup>*10</sup>	
		11% reduction in unit energy consumption during transportation (Japan, compared with fiscal 2006)		2% reduction	18% reduction	
	Efficient Use of Resources	Reduction of waste generation	30% reduction (Japan, compared with fiscal 2000)	26% reduction	49% reduction	
			25% reduction in final disposal amount to total discharge (Overseas, compared with fiscal 2005)	16% reduction	60% reduction	
		10% increase in resources recycling <sup>*9</sup> (Japan, compared with FY 2005)		6% increase	14% increase	
		10% reduction in water usage (Japan & overseas, compared with FY2005)		2% reduction	14% reduction	
	Chemical substance management	VOC emissions volume	30% reduction (Japan, compared with fiscal 2000)	20% reduction	43% reduction	
			10% reduction (Overseas, compared with fiscal 2005)	6% reduction	44% reduction	
	Wastewater and water quality management at works	Accident prevention for wastewater treatment facilities			Implement symptomatic management	
		Compliance with the Soil Pollution Countermeasures Law			Implemented at 1 site, no abnormalities detected	
	PCB management	Thorough storage management of equipment containing PCB			Implemented	
Environmental Cooperation with Stakeholders	Environmental communication	Communication with stakeholders			CSR Report issued, display of Eco-Products, etc.	

<sup>\*1</sup> Hitachi EcoValue Plan 2015: The roadmap for implementation of the Hitachi Group's vision for environmental promotion extending to 2015.

<sup>\*2</sup> Hitachi Group's self-evaluation system to evaluate its environmental activities and identify the challenges for continuous improvement.

<sup>\*3</sup> EMS: Environmental Management System.

<sup>\*4</sup> Ratio of Sales=(Eco-Products Sales)/(Maxell Group Sales): Denominator is sales of all products worldwide.

<sup>\*5</sup> Ratio of registrations=(Eco-Products Sales)/(Eco-Product Area Sales): Denominator is Maxell designated product area.

<sup>\*6</sup> Super Eco-Products ratio=(Super Eco-Products sales)/(Eco-Products Area Sales): Denominator is Maxell designated product area.

<sup>\*7</sup> Index of the degree by which a product's global warming prevention effect has improved. It expresses a product's "value" and the volume of global warming gas emitted over the product's lifecycle as a percentage of those of a standard product.

<sup>\*8</sup> Index of the degree by which a product's resource utilization ratio has improved. It expresses the volume of resources used to make a product, and the volume of resources discarded, as a percentage of those of a standard product.

<sup>\*9</sup> The Hitachi Group's common calculation method to evaluate the proportion of waste effectively utilized by reuse, recycling, heat recovery or other means.

<sup>\*10</sup> The result of expanded production in China, a country with a large electric-power/CO<sub>2</sub> conversion coefficient.



# The Group is reinforcing and improving its environmental management.

## Environmental Activity Assessment: GREEN21

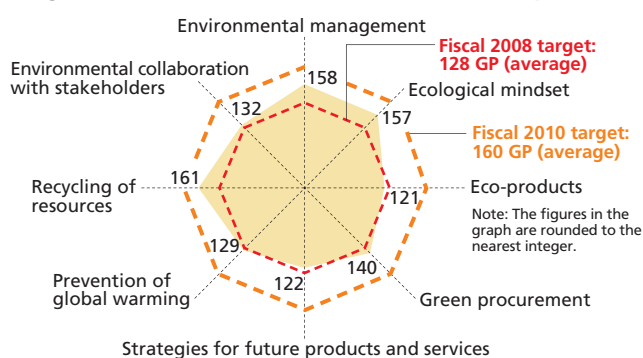
The Maxell Group has adopted the Hitachi Group's common evaluation system, GREEN21, as the benchmark for self-assessment of all its environmental protection activities.

Evaluations of the Group for its environmental management have improved since last year due to its acquisition of accreditation for integrated environmental management system (EMS). Evaluations have also been favorable for the Group's ecology-related efforts, particularly its broadening of the audience for environmental e-learning.

### GREEN21 Evaluation Items

Category	Major evaluation items
1 Environmental management	Action plan, environmental accounting, risk management
2 Ecological mind	Employee education
3 Eco-products	Eco-Design Management System, green products, Management of chemical substances contained in products
4 Green procurement	Green procurement, Green purchase
5 Strategies for future products and services	Business and product strategies, Sustainable business model, External advertising
6 Prevention of global warming	Site-level energy conservation, Environmentally friendly logistics
7 Recycling of resources	Waste reduction, chemical substance management
8 Environmental collaboration with stakeholders	Information disclosure, Communications activities, global citizen activities

### Targets and Evaluation Results of GREEN21 (Japan)



## Environmental Internal Audit

In addition to third party investigations, we conduct internal audits to verify that our environmental management system conforms to ISO 14001 standard requirements, is properly implemented and is functioning effectively.

During fiscal 2008, a total of 28 items were identified for attention in the audit, all of which were corrected before the regular fixed screening took place.



Mutual environmental internal audit



Environmental education

## Environmental Education

In Japan, the Maxell Group provides general education to raise knowledge and awareness among employees, as well as specialized education by region for employees to learn and implement specific environmental technologies. The general program aims to familiarize employees with the Group's environmental policy and Environmental Action Plan and e-learning.

In fiscal 2008, an environmental e-learning program was completed by all 3,066 recipients. Specialized education was also carried out in each region.

## Strict Compliance with Laws and Regulations

There were no environment-related accidents, violations, fines or complaints at Maxell Group works, the R&D division, or affiliated companies in fiscal 2008.

We have voluntary standards for the seven typical pollution issues—air, water, soil, odors, noises, vibrations and ground—and we conduct periodic monitoring and measurements. No violations of laws or regulations were discovered, and no incidents occurred that would trigger government actions.

## Environmental Accounting

We have introduced environmental accounting practices to track the costs and quantitative impacts of environmental programs in order to find ways of making them more efficient. These practices also make it possible to communicate the economic aspects of our programs inside and outside the Company. These accounting practices cover the Group in Japan and use calculation methods based on the Environmental Accounting Guidelines 2005 of the Ministry of the Environment.

Our activities in fiscal 2008 were focused mainly on energy-saving capital expenditures. Costs were down 35% from the previous year, reflecting the severity of economic conditions.

	(Millions of yen)		
	FY2006	FY2007	FY2008
Costs	3,037	3,084	2,005
Investment	417	38	85
Economic Benefits	1,424	2,119	2,840

(Figures include Siontec from fiscal 2008)

# Reducing Environmental Impact over Product Lifecycles



Green Procurement Guidelines

- \*1 The REACH regulations, a system of controls for chemical substances in the EU, were enacted on June 1, 2007. REACH covers chemical substances manufactured in the EU or imported into the EU in amounts exceeding one ton per year per corporation.
- \*2 Control Standard for Handling Chemical Substances  
<http://www.maxell.co.jp/jpn/csr/control.html>
- \*3 Suppliers accredited by the Maxell Group that operate an EMS with ISO 14001, KES, Eco-Stage, or other such certification.

## Criteria for Approval as Super Eco-Products

Satisfy either factor 10 or higher, be the best in the industry or in an external evaluation and agree with business strategies

## Criteria for Approval as Eco-Products

Satisfy two points or more of the five-point environmental assessment criteria for each evaluation item, with an average score of three points or more

## Definitions of Environmental Efficiency

Global warming prevention efficiency =  

$$\frac{\text{Product life} \times \text{Product function}}{\text{Amount of greenhouse gas emitted over lifecycle}}$$

Resource efficiency =  

$$\frac{\text{Product life} \times \text{Product function}}{\sum \text{Value coefficient of resource in question} \times (\text{quantity of resource newly used during lifecycle} + \text{quality of resource disposal in lifecycle})}$$

## Definition of Factors

Global warming prevention factor =  

$$\frac{\text{Global warming prevention efficiency of product evaluated}}{\text{Global warming prevention efficiency of reference product in fiscal 2000}}$$

Resource factor =  

$$\frac{\text{Resource efficiency of product evaluated}}{\text{Resource efficiency of reference product in fiscal 2000}}$$

## Environmental Consideration throughout the Supply Chain

### Upstream, Downstream

The Maxell Group seeks to reduce environmental impact throughout its products' lifecycles.

Starting upstream in the supply chain, we employ the "A Gree' Net" database system of chemical substances to promote green procurement. Next, in product design we implement "eco-product design assessments." Moving further downstream, we enforce strict control of chemical substances using the "Unified Management System for Chemical Substances Contained in Products." Finally, as we continue downstream we promote modal shifts.

## Management of Chemical Substances

### Promoting a Manufacturing System for Environmental CSR

The Maxell Group has been conducting activities for a manufacturing system for environmental CSR since 2005 to reduce the environmental impact of products throughout their lifecycles.

In our parts procurement and shipment, we are assessing and managing the 25 chemical substances prohibited or stipulated as requiring management by the Hitachi Group in a drive to rid our products of noxious chemical substances.

### Responses to REACH Regulations\*1

Enacted in June 2007, the REACH regulations are a comprehensive framework for registration, evaluation, authorization, and restriction of chemical substances in Europe.

The ink produced at the Hitachi Maxell Kyoto Works was subject to registration, and the company completed the preliminary registration of the materials in the ink in November 2008. A list of 15 candidate substances of very high concern (SVHC) was published before April 2009, and after registering the relevant substances in our Control Standard for Handling Chemical Substances \*2 and placing them under control, we also made the list available on a public webpage. An extremely large number of chemical substances are soon to be subject to control, and we will handle these within the Hitachi Group.

## Green Procurement

### Procurement from Green Suppliers

The Maxell Group is reducing its environmental impact throughout its supply chain by promoting a green purchasing policy of procuring products and services from suppliers that actively promote environmental measures (i.e., green suppliers\*3).

In April 2008, Hitachi Maxell sent all of its suppliers a CSR Activity Policy to expand the awareness of social responsibility in procurement activities.

## Eco-products

### Setting Global Targets for the Ratio of Sales

We conduct an "eco-product assessment" based on the Hitachi Group's common evaluation standards, which are supplemented by Maxell-specific evaluation criteria to evaluate the environmental impacts of products. All products that clear these standards are designated as eco-products. Of these eco-products, those that excel in environmental performance are further accredited as "super eco-products."

In fiscal 2008, we earned accreditation for two products as super eco-products and 37 as eco-products.

We plan to expand the sales of eco-products worldwide with the aim of increasing their ratio in total sales.

## Solar Power Units

As awareness of the environment increases, more attention is being devoted to natural energy.

The integrated solar panel and battery developed by Maxell Hokuriku Seiki, Ltd., form a unit that will prove useful in disaster and emergency situations when no other electricity is nearby.





## Mercury and Lead-Free Silver Oxide Batteries

Super Eco-Products

We have developed a button-type silver oxide battery with superior long-term electrolyte leak resistance without using mercury or lead as anti-corrosion agents—a goal previously out of reach. Using our proprietary technology, we have reduced our impact on the environment.

We also trimmed the materials used and improved productivity. As a result, we achieved a 23% reduction in CO<sub>2</sub> emissions.

Global warming prevention factor: 1.3  
Resource factor: 1.1



## LTO Ultrium4 Computer Tape

Super Eco-Products

The LTO Ultrium4 employs magnetic material with greater microparticulation to realize 1.6 TB of storage capacity, or twice that of the LTO Ultrium3 (using data compression; 800 GB uncompressed). This storage capacity is equal to approximately 2,300 CDs (700 MB), thus contributing to the effective use of resources.



Global warming prevention factor: 12.2 Resource factor: 9.9

\* LTO, the LTO logo, Ultrium, and the Ultrium logo are trademarks of Hewlett-Packard, IBM and Quantum in the United States and other countries.



## Micro SD Memory Cards

Super Eco-Products

These memory cards have four times the capacity of previous products (up from 1 GB to 4 GB) and almost three times the data transfer speed (up from 7 MB/second to 20 MB/second).

We have also reduced the environmental impact per storage capacity and used recyclable PET as a packaging material to more effectively use our resources.

Global warming prevention factor: 7.6  
Resource factor: 8.2



## "iV" Cassette Hard Discs

Super Eco-Products

The "iV" hard disc M-VDRS 320 GB is capable of recording approximately 64 hours\*4 of high-definition terrestrial digital broadcast TV. The power consumption per gigabyte is low, and the use of a compact container and recycled paper in the packaging are effective uses of resources.

Moreover, the product meets the criteria for magnetic disc devices under Law on Promoting Green Purchasing designated procurement items.

Global warming prevention factor: 7.1  
Resource factor: 7.0

\*4 Digital high-definition broadcast recorded in TSE mode on the 320 GB "iV" using a Hitachi "Wooo" flat-screen high-definition TV.



## EcoSelect Series of Labels and Cards

Eco-Products

The EcoSelect series of products is a line of 115 items that combine the financial "eco" for economical and the environmental "eco" for ecological.

The use of new paper that is half the size of A4 vertically for forms and new name cards half the size of traditional business cards reduces the amount of paper used.

Global warming prevention factor: 1.0  
Resource factor: 2.3



## RM-GX1 Single-Blade Rotary Shaver

Eco-Products

Using lithium ion batteries in the power supply extends the shaver's use three times on a single charge. Using a high-efficiency motor with a newly developed, powerful drive mechanism reduces annual power consumption by 30% or more.

We also updated the packaging and improved transportation efficiency.

Global warming prevention factor: 7.6  
Resource factor: 5.5



## Environmental Vision 2025 by the Hitachi Group—Curbing CO<sub>2</sub> Emissions by 100 Million Tons

In the Environmental Vision 2025, the Hitachi Group set an objective of curbing 100 million tons of CO<sub>2</sub> emissions annually by Group products worldwide by fiscal 2025.

To promote this program, the Hitachi Group has set up an Environmental Vision 2025 badge campaign from October 2008 to March 2011. All Hitachi Group employees are wearing these

environmental badges.

As a member of both the Maxell Group and the Hitachi Group, we are committed to reducing CO<sub>2</sub> emissions by expanding the use of Eco-Products.



**Information Online** Environmental Vision 2025 <http://www.hitachi.co.jp/environment/vision/vision2025.html>



# Manufacturing with Consideration for the Global Environment

## Eco-Factories

The Maxell Group aims for all its manufacturing sites to be Eco-Factories, with high levels of environmental awareness, measures for global warming prevention, waste reduction, and appropriate management of chemical substances.

In fiscal 2008, Hitachi Maxell's Ono Works was accredited as a Super Eco-Factory by the Hitachi Group in recognition of its consideration for the environment. The Ono Works follows the Kyoto Works (accredited in fiscal 2006) in earning this distinction.

The environmental impact figures include Sliontec from the base fiscal year onward.

## Global Warming Prevention

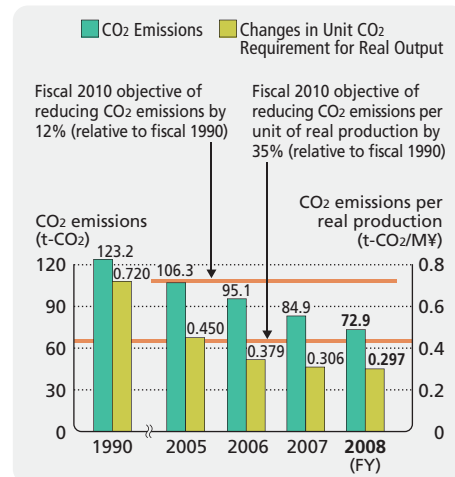
The Maxell Group in Japan's objective is to achieve a 12% reduction in the emissions of CO<sub>2</sub> generated by its energy use by the year 2010 relative to the base year of 1990.

CO<sub>2</sub> emissions by the Maxell Group in Japan amounted to 72,913 t-CO<sub>2</sub>\*<sup>1</sup> in fiscal 2008, down 41% from 1990 and down 14% from the previous fiscal year. The main reasons for the reduction are the efficient operation of energy-conserving facilities at the Kyoto Works and Fukuchiyama Works using ESCO and NEDO, and decreased internal production due to the shift of production overseas as a result of Super ODM\*<sup>2</sup> at the Tsukuba Works.

Our objective is to achieve a 35% reduction in CO<sub>2</sub> emissions per unit of real production\*<sup>3</sup>

by fiscal 2010 relative to 1990. In fiscal 2008, we achieved a figure of 0.297 as a result of efforts to increase production efficiency, which yielded a reduction of 59%.

## CO<sub>2</sub> Emissions, Changes in Unit CO<sub>2</sub> Requirement for Real Output (Maxell Group in Japan)



## Participation in the Trial Operation of an Integrated Domestic Market for Emissions Trading

In December 2008, Hitachi Maxell participated as part of the Hitachi Group in the trial operation of an integrated domestic market for emissions trading as proposed by the Japanese government, and registered its voluntary targets for fiscal 2008 with the market. We achieved the target with an actual figure of 55.4 t-CO<sub>2</sub>/¥100 million relative to the Hitachi Maxell target CO<sub>2</sub> emissions per unit of real production of 61.9t-CO<sub>2</sub>/¥100 million.

## TOPICS



**Tetsuo Egawa**

Kyoto Environmental Group,  
CSR Promotion Division

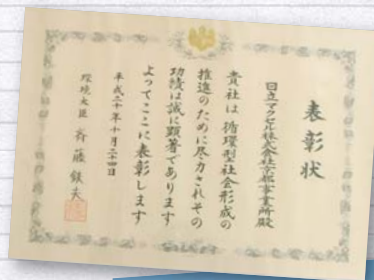
### Toward the Formation of a Recycling-Oriented Society

All the personnel at the Kyoto Works are actively engaged in the separation of waste and recycling of resources in the best interests of a recycling-oriented society.

## Minister of Environment Award Received in Corporate Commendation for Reduce, Reuse, Recycle (3R) Program

In October 2008, the Hitachi Maxell Kyoto Works received the Minister of Environment Award at the Third All-Japan 3R Promotion Conference in recognition of meritorious service in building a recycling society during fiscal 2008.

The Kyoto Works reduced waste materials, achieving zero waste emissions\*<sup>4</sup> for the seventh consecutive year. In recognition, Kyoto Prefecture accredited the Kyoto Works as an "Eco Kyoto 21 Meister." Clearly, our activities to develop a recycling-oriented society have been appreciated.



The Kyoto Works



## Case Study from the Global Warming Prevention Initiative

### Hitachi Maxell Kyoto Works

#### Lithium Ion Battery Electrode Plant Constructed on Design Concept of an Advanced, Environmentally Compliant Plant

A new plant to produce electrodes for lithium ion batteries for use in mobile equipment and power tools, as well as electrodes for automobile batteries, was completed at the Kyoto Works in February 2009.

The new plant's energy-saving facilities exemplify an advanced, environmentally compliant design concept. A closed recirculating system minimizes the use of chilled water for production equipment and air conditioners. A damage control system and other safety equipment can respond promptly in the event of a disaster.



New plant at the Kyoto Works

### Hitachi Maxell Ono Works

Accredited as a Super Eco-Factory

#### Accredited as a Hitachi Group Super Eco-Factory

The use of energy for cooling at the Ono Works was reduced by sheathing a drying furnace with high-performance thermal insulation to limit heat emissions. In combination with increased efficiency in the air conditioning, this modification yielded an energy savings of approximately 328 MWh. Measures like these raised energy efficiency to the highest levels in the industry (9.8% mean five-year improvement rate in CO<sub>2</sub> emissions per unit of real production), enabled us to achieve seven consecutive years of zero emissions, and earned a Green Point score of 1,233 GP—far exceeding the Group objective of 1,024 GP under GREEN21. In recognition of these achievements, the Ono Works was accredited as a Super Eco-Factory by the Hitachi Group in fiscal 2008.



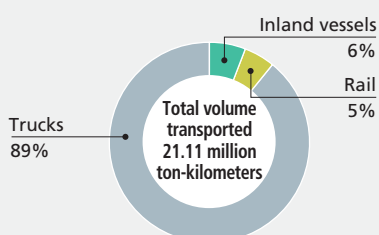
The Ono Works

### Green Logistics (modal shift)

Efforts to lower the environmental impact from transportation yielded a reduction of 6% from the previous year in the Maxell Group's volume of goods transported in Japan. The volume totaled 21.11 million tons\*<sup>5</sup> in fiscal 2008. This was primarily achieved by increasing the volume of imported goods and cutting the haulage distance through the promotion of Super ODM at our Tsukuba Works.

The proportion of modally shifted transport in our total transport volume (the "modal shift percentage") was 11% during the year. Compared with the case where all of our transport was by trucking, this represents a reduction of 296 tons of CO<sub>2</sub> per year (9%).

#### Present State of Product Transport (Maxell Group in Japan)



### Eco-Rail Mark Certification

In fiscal 2008, an electrolyte leak-proof design using a new zinc alloy—the industry's first patented technology—made it possible to offer electrolyte leakage compensation in the New "Voltage" alkaline dry batteries. This product has acquired Eco-Rail mark certification (with a rail transport ratio of 37% in fiscal 2008). This is our third product to receive Eco-Rail mark certification.

In the future, Hitachi Maxell will make use of rail transport, which produces approximately one-seventh the CO<sub>2</sub> emissions of truck transport.



Alkaline dry batteries being shipped (Osaka Works)



The Eco-Rail Mark system was established by the Ministry of Land, Infrastructure and Transport and the Railway Freight Association to reduce environmental impact by promoting rail freight transportation. Criteria for certification stipulate that for land freight transportation of 500 kilometers or more, 15% or more of total product shipments by rail for companies and 30% or more shipments by rail for individual products.

\*<sup>5</sup> The volume of goods transported in fiscal 2008 includes the data for Group companies in Japan (Siontec, Kyushu Hitachi Maxell, Maxell Hokuriku Seiki, and Tohshin Seiko). The fiscal 2007 figure was 22.47 million ton-kilometers.

### 3R (Reduce, Reuse, Recycle) Initiatives

#### Promoting Reduction

We are striving to decrease the waste generated during production processes (improved yield, greater efficiency, and minimal losses).

#### Promoting Reuse

Whenever possible, trays and pallets are reused within production processes, and materials are supplied and handled in returnable containers.

#### Promoting Recycling

We are reinforcing our separation systems and recycling to facilitate effective utilization of waste. Recycled plastics are also used as materials in the manufacture of products.

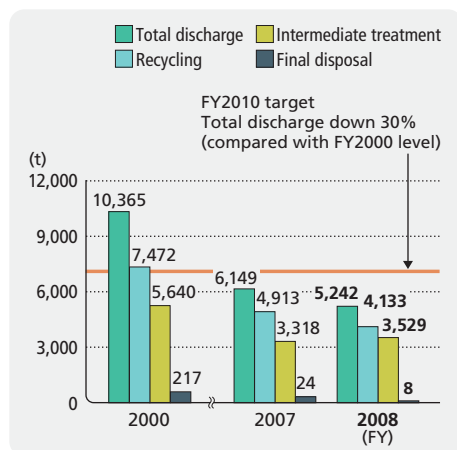
\*1 Volatile Organic Compounds  
This is the general term for organic compounds such as toluene and methyl ethyl ketone that are volatile and can exist in a gaseous form.

### 3R Promotion and Waste Reduction

#### Entire Group Achieves Zero Emissions

The Maxell Group in Japan has an objective of a 30% reduction in waste generation by fiscal 2010 versus fiscal 2000. Waste generation in fiscal 2008 amounted to 5,242 tons, a 49% reduction. We achieved this reduction by decreasing defective work and internal production at all factories.

#### Waste situation (Maxell Group in Japan)



#### Waste Generation Reduced by Use of MFCA

Material flow cost accounting (MFCA) "visualizes" the cost input in waste materials (negative products) in order to resolve issues in each process.

Hitachi Maxell introduced MFCA at its Kyoto Works in fiscal 2006, and waste and cost have gone down.

In fiscal 2008, the Environment Promotion Office used accounting data to "visualize" loss costs for lithium ion battery processes and provided feedback for waste reduction at the production site.

### Proper Management of Chemical Substances

#### EManagement of PRTR Substances

The Maxell Group properly manages the emission, transfer and amounts of chemical substances handled based on the Pollutant Release and Transfer Register (PRTR) Law. The main substances scheduled for PRTR notification that we handled in fiscal 2008 were toluene used in production of magnetic tape, and manganese and cobalt and their compounds used as battery materials.

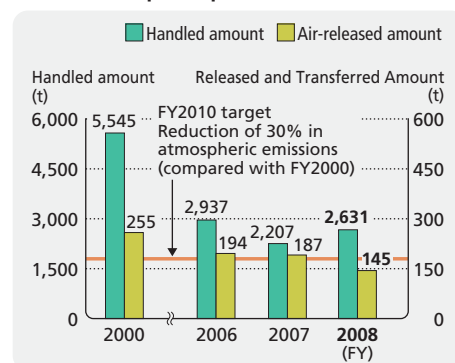
During fiscal 2008, we handled 2,936 tons of PRTR substances, released 101 tons into the atmosphere and transferred 186 tons.

### VOC\*1 Emission Reductions

Volatile organic compound (VOC) emission regulations have been in force since April 2006 in accordance with revisions to the Air Pollution Control Law.

The Maxell Group in Japan has formulated a voluntary plan for using equipment by fiscal 2010 that produces 30% less VOC emissions than the fiscal 2000 levels. In fiscal 2008, the groupwide use of VOC disposal facilities (recovery equipment) resulted in a 43% reduction in the release of VOCs into the atmosphere relative to fiscal 2000.

#### VOC Volumes Handled and Emitted (Maxell Group in Japan)



### Groundwater Protection and Pollution Prevention

#### Reduction in Amount of Pumped Groundwater

The Maxell Group derives more than half of the water used in its manufacturing processes from groundwater. Accordingly, we have installed water-circulation facilities at all of our operational sites to promote repeated use of groundwater in an effort to conserve this natural resource.

#### Soil and Groundwater Protection Measures at the Osaka Works

At the Hitachi Maxell Osaka Works, heavy metals were detected in some soils, and VOCs were detected in groundwater at levels exceeding environmental standards and confirmed at the groundwater observation wells around the site periphery in 2006. In January 2007, we installed submerged permeable reactive walls that purify groundwater around the perimeter to prevent VOCs from leaking. In April 2007, we installed groundwater treatment facilities (water-lifting aeration) at the site to purify contaminated groundwater. As of April 2009, VOC concentrations in groundwater observation wells are below the levels set by environmental standards.

We also carried out appropriate actions from October 2007 to January 2008 to deal with the soil contaminated by heavy metals, including soil removal and paving over of cleared land.

#### Information Online

##### Eco-Site Data

<http://www.maxell.co.jp/jpn/csr/ecofactory/sitedata/>

##### SLIONTEC Corporation

<http://www.sliontec.co.jp/>



## Overseas Environmental Initiatives and Data

### ISO 14001 Certification of Manufacturing Plants in Other Countries

Our production sites in other countries have acquired ISO 14001 certification (with the exception of Slientec's plant in Indonesia).

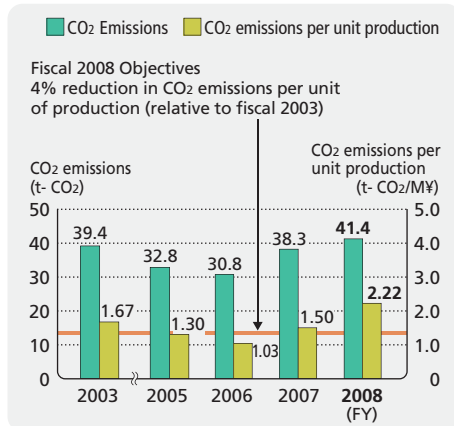
Environmental impact figures include Slientec's Indonesia plant from the base fiscal year onward.

### Reduction of CO<sub>2</sub> Emissions in China

CO<sub>2</sub> emissions for the Maxell Group in other countries (production sites) amounted to 41,354 t-CO<sub>2</sub> in fiscal 2008, up 5% over fiscal 2003 and up 8% year on year. CO<sub>2</sub> emissions per unit of production came to 2.22 t-CO<sub>2</sub>/M¥, an increase of 33% over fiscal 2003.

These increases were the result of expanded production in China, which has a large electric-power/CO<sub>2</sub> conversion coefficient\*3. We plan to introduce energy-saving equipment to reduce these CO<sub>2</sub> emissions.

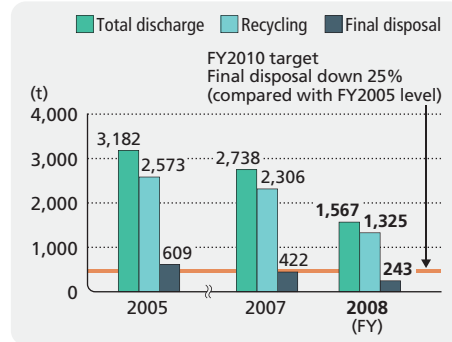
#### CO<sub>2</sub> Emissions, CO<sub>2</sub> emissions per unit production (Production sites of the Maxell Group Overseas)



### Steady Progress in Reducing Waste Materials

Revision of packaging specifications and advances in recycling of waste have resulted in a 51% reduction, at 1,567 tons, in total waste generated in fiscal 2008 relative to fiscal 2005, with the quantity of final waste disposal down 60% to 243 tons.

#### Waste situation (Production sites of the Maxell Group Overseas)

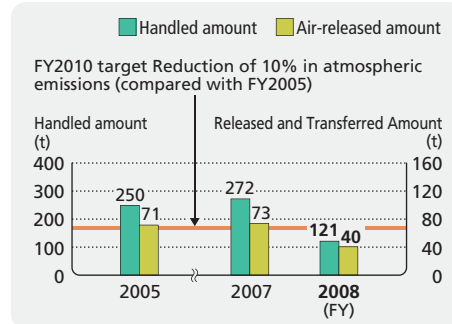


### VOC Emission Countermeasures

We are taking preventative measures against VOC emissions in other countries.

In fiscal 2008, we reduced VOC emissions at the Wuxi Plant by switching to the manufacture of products that do not use VOCs. At Slientec's Indonesia plant, we are using VOC recovery equipment to significantly curb emissions.

#### VOC Volumes Handled and Emitted (Production sites of the Maxell Group Overseas)



\*3 As the coefficient for calculating CO<sub>2</sub> equivalents of electric power for overseas sites (unit: tons of CO<sub>2</sub> per million yen), we use the Japan Electrical Manufacturers' Association Report on Survey to Estimate Unit CO<sub>2</sub> Emissions for Power Generation in Various Countries, Ver.3.

#### Electric-power/CO<sub>2</sub> conversion coefficient

China	1.02t-CO <sub>2</sub> /MWh
Malaysia	0.534t-CO <sub>2</sub> /MWh
Indonesia	0.997t-CO <sub>2</sub> /MWh
Mexico	0.731t-CO <sub>2</sub> /MWh
United Kingdom	0.566t-CO <sub>2</sub> /MWh
Japan	0.289 to 0.550t-CO <sub>2</sub> /MWh

(Ministry of the Environment, fiscal 2007 figures for CO<sub>2</sub> emissions coefficient by electric utility)



VOC recovery equipment at Slientec's Indonesia plant

## TOPICS

### Wuxi Hitachi Maxell Co., Ltd. Environmental Initiatives at the Wuxi Plant in China

We are committed to reducing the environmental impact of business operations at Wuxi Hitachi Maxell Co., Ltd. (WHM).

In fiscal 2008, we installed inverter-type compressors that yielded annual power consumption savings of approximately 86.4 MWh. In consideration of the residences near the plant, we implemented additional emission- and noise-reduction measures.

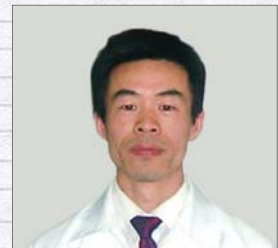
These measures have been well received, and WHM has been commended by the Environmental Protection Agency of Wuxi City as a "green corporation" for seven consecutive years.



Wuxi Hitachi Maxell Co., Ltd.



Green Corporation Certificate



#### Simon Cai Wuxi Hitachi Maxell Co., Ltd. Concentrating on Measures against Emissions and Noise

We made improvements to the emissions and noise issues in fiscal 2008. Measures included modifications of exhaust ducts, installation of exhaust filters, adoption of low-noise cooling towers, and augmentation of noise barriers.

# Verification by a Third Party



## Third party verification report regarding the "Hitachi Maxell Group Corporate Social Responsibility Report 2009"

May 14<sup>th</sup>, 2009

To: Hitachi Maxell, Ltd.  
Dr. Yoshito Tsunoda, President & CEO

Japan Audit and Certification Organization  
for Environment and Quality  
Yasunori Shimoi, President & CEO

Hitachi Maxell, Ltd. (hereinafter referred to as "Maxell") has prepared the "Hitachi Maxell Group Corporate Social Responsibility Report 2009" (hereinafter referred to as the "report") on its own responsibility, and has requested the Japan Audit and Certification Organization for Environment and Quality (hereinafter referred to as "JACO") to implement independent third-party verification, based on JACO's verification criteria\*, in accordance with a mutually agreed upon procedure. During the verification, JACO tried to minimize verification risk by confirming and utilizing the effectiveness of the Environmental Management System (ISO 14001) at Maxell.

### [Conclusion]

This was the fourth report verification conducted for Maxell by a third party. The scope of verification covered report descriptions related to the environment. We verified qualitative descriptions and quantitative data, including CO<sub>2</sub> emissions, energy consumption, and discharge of waste and valuable resources, which represent Maxell's environmental impact.

We highly praise the company's environmental management in regard to the following points:

- 1) Maxell has established and maintained an organization-wide environmental management system for more than 10 years and achieved excellent environmental performance.
- 2) Maxell actively participates in trial implementation of an integrated market for emissions trading in Japan and has achieved the registration goal.
- 3) Maxell has appropriately expanded the applicable scope of the group's report to important additional sites (Japan: SLIONTEC Corporation, overseas: PT. SLIONTEC EKADHARMA INDONESIA) and given consideration to allowing easy comparison with past results.
- 4) Maxell continues to hold meetings for stakeholders to exchange opinions.

No negative evidence was found during our verification process, therefore we concluded that Qualitative items, Environmental performance data and Environmental Accounting data comply with JACO's verification criteria.

### [Purpose of Verification]

The purpose of the verification was to validate descriptions on FY2008 (descriptions in the FY2009 report) prepared by Maxell and the following items related to achievements, and to present verification results on the reliability of the report.

- 1) Confirmation of completeness and appropriateness of the report descriptions and compatibility with the report principle.
- 2) Reliability of environmental performance data (hereinafter referred to as the "data") in processes including the necessary data, measurement, calculation, evaluation and reporting to the upper organization (division).

### [Scope of Verification]

The scope of the verification covered the following items related to the environmental report in the CSR report. (CSR items irrelevant to the environment were not verified.)

Classification	Items verified	Sites verified
Qualitative items	Message from top Management, Environmental management principle, policy, Organizations of verification, etc.	Registered Head Office
Environmental performance data**	CO <sub>2</sub> emissions, energy consumption (Electricity, Gas, Fuel oil), discharges of wastes and valuable resources, industrial water consumption, discharges of harmful substances, PRTR chemical substances (volume handled, volume released and volume transferred), Environmental compliance	Registered Head Office (Based on the results of on-site verification at domestic business sites over the past three years, we verified the report at the Registered Head Office by confirming monthly report data, submitted data and a portion of the original forms and records from each site.)

\*\* JACO has been added to the verified data

\* JACO conformed to the Ministry of the Environment's "Law Concerning the Promotion of Business Activities with Environmental Consideration by Specified Corporations, etc. by Facilitating Access to Environmental Information, and Other Measures" and referred to "Draft Environmental Report Preparation Standards", "Draft Environmental Report Verification Standards" and the "Ministry of the Environment Environmental Report Guidelines 2007".



# Third Party Opinion on Reading the Hitachi Maxell Group CSR Report 2009

## Contribution to Society and to Environmental Protection through Products

As explained in the Special Feature, the products created by Hitachi Maxell include information media, batteries, materials, devices, and electric appliances, and these contribute to our lives as well as to the development of industry and society and environmental protection. Making a contribution to society by means of products is the central issue in CSR, and it is to be hoped that this point will be systematized as a CSR activity and linked to the corporate strategy. These products are supplied around the world via global manufacturing. If the global aspect of the conceptual approach to CSR activities can be shown, and Group corporations in other countries can be included, the future will benefit immeasurably.

## Measures to Strengthen Corporate Governance

This year's statement from top management about commitment touches on measures to strengthen corporate governance that were taken by the Group during fiscal 2008. These included acquiring accreditation for integrated EMS and establishing the Maxell Group Health and Safety Committee. These measures have raised the base level of CSR activities for the Group, and this is to be commended. It is to be hoped that future CSR activities will also be governed as Group programs, and that they will yield beneficial results.

## Environmental Management Measures

Hitachi Maxell's Environmental Action Plan is based on the roadmap for the Hitachi Group. The Group's environmental performance in fiscal 2008 largely achieved its objectives, and represents an extremely high level of achievement. This is particularly the case for CO<sub>2</sub> emissions reduction under the heading of global warming prevention, with fiscal 1990 as the

base year. The Group's determined efforts have received recognition. Moreover, the interim objective of a 12% reduction for fiscal 2010 relative to the base year has already been met and even greater reductions have been achieved. This is the result of global warming prevention measures implemented by the Group, including the promotion of a modal shift that led to Eco-Rail Mark certification, also worthy of commendation.

## Reduction in Waste Material by the Use of Material Flow Cost Accounting (MFCA)

In fiscal 2006, Hitachi Maxell introduced MFCA methods, which can help achieve a balance between waste material reductions and cost reductions. An international standard for MFCA is under preparation as ISO 14051, and it is hoped that the results from early adoption of this standard will provide the foundation for further development.

## Materiality (Importance) of Hitachi Maxell

The editorial policy made reference to materiality, and it is necessary for the report to explicitly state the materiality of Hitachi Maxell. The perspective of materiality indicates the Company's attitude toward CSR. I hope that Hitachi Maxell will incorporate the opinions of its stakeholders as it creates reports from a comprehensive viewpoint.

**Katsuhiko Kokubu**

Professor  
Graduate School of  
Business Administration  
Kobe University



## GRI Guidelines Content Index

Item	Page
<b>1. Strategy and Analysis</b>	
1.1, 1.2	P4
<b>2. Organization Profile</b>	
2.1, 2.2, 2.3, 2.4, 2.6, 2.7, 2.8	P1, Website
2.10	P11, P17, P21, P22, P23, P29, P32
<b>3. Report Parameters</b>	
<b>Report Profile</b>	
3.1, 3.2, 3.3, 3.4	P3, Back cover
<b>Report Scope and Boundary</b>	
3.5, 3.6, 3.7, 3.9	P3, P24, P25, P27
<b>GRI Content Index</b>	
3.12	P34
<b>Assurance</b>	
3.13	P33
<b>4. Governance, Commitments, and Engagement</b>	
<b>Governance</b>	
4.1, 4.2, 4.3, 4.4, 4.8, 4.9	P5, P6, Website
<b>Commitments to External Initiatives</b>	
4.11	P6
<b>5. Management Approach and Performance Indicators</b>	
<b>Economic</b>	
Economic Performance M EC1	P22
<b>Environmental</b>	
Management Approach	P23, P25, P26
Materials M EN1	P24
Energy M EN3, EN4, EN6	P24, P28
Water M EN8, EN9	P24, P31
	M EN16 P24, P29, P32
	V EN18 P29, P30, P31
Emissions, Effluents, and Waste M EN20	P24
	M EN21 P24

\* Only the extracted items are indicated.

☒ Mandatory ☐ Voluntary

Item	Page
Emissions, Effluents, and Waste M EN22	P24, P31, P32
	M EN23 P26, P31
Products and Services M EN26	P27, P28
Transport V EN29	P30
Overall V EN30	P26
<b>Society</b>	
<b>Labor Practices and Decent Work</b>	
Management Approach	P5, P13, P14, P15
Employment M LA1	Website
	M LA7 P15
Occupational Health and Safety M LA8	P15
Training and Education V LA11	P14
<b>Human Rights</b>	
Management Approach	P5, P13, Website
Non-Discrimination M HR4	P13
Freedom of Association and Collective Bargaining M HR5	P15
<b>Society</b>	
Management Approach	P5, P6
Corruption M SO4	P6
Public Policy M SO5	P22
Anti-Competitive Behavior V SO7	P6
Compliance M SO8	P6
<b>Product Responsibility</b>	
Management Approach	P11
Customer Health and Safety M PR1	P10, P11, P12
	V PR2 P12
	M PR3 P10
Product and Service Labeling V PR4, PR5	P10
Customer Privacy V PR8	P6
Compliance V PR9	P6, P12





## Hitachi Maxell, Ltd.

### For inquiries

Environment Promotion Office, CSR Promotion Division,  
1-1-88 Ushitora, Ibaraki-shi, Osaka 567-8567, Japan  
Telephone: +81-72-623-8250

Maxell Japan: <http://www.maxell.co.jp/>

Maxell Worldwide: <http://www.maxell.com/>

