

Human Resource Development and Promotion

Placing value on individual abilities, employing and promoting diverse human resources, without any discrimination

To ensure sound employment and work environments, the Hitachi Chemical Group follows a basic policy of treating employees in compliance with the relevant laws and regulations in each country and region where it operates. In hiring, the Group's fundamental policy is not to discriminate on the basis of sex, age, national origin, race, ethnic group, ideology, creed, religion or physical handicap. At the same time, the Group respects the diverse views of individuals, and believes it is vital to reflect them appropriately in management.

The Group is also determined that utilization of human resources based

on individual capabilities and willingness to work regardless of sex is important.

New graduate recruitment with precise information disclosure and a fair selection process

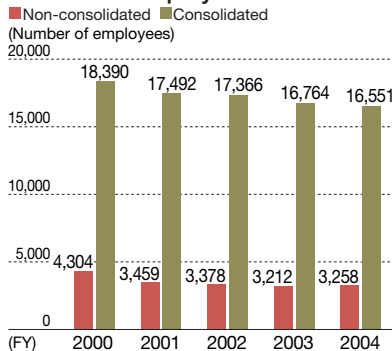
Hitachi Chemical always wants new graduates with a high level of expertise, respectful personality, and strong motivation who will be able to realize the Corporate Vision. It also endeavors to disclose corporate information as precisely as possible for the purpose of respecting applicants' individuality and for recruiting candidates convinced of joining the Company. In the selection process, we focus on interviews and follow the same procedures for all applicants regardless of their age, sex, nationality, and other attributes. The Company adopts a year-round recruiting system

to avoid unfair treatment based on local practices of a particular nation or region. In 2004, the Company recruited 58 graduates.

Respecting normalization and promoting employment and expansion of job categories for the handicapped

Respecting the principle of normalization, the Group reforms facilities, promotes recruitment, and expands job categories for the handicapped to provide such people who have the willingness to work with opportunities to participate in society. In 2004, the ratio of handicapped employees at Hitachi Chemical was 1.85%, which surpasses the national average of 1.48% and was well above the statutory rate of 1.80%.

Number of employees

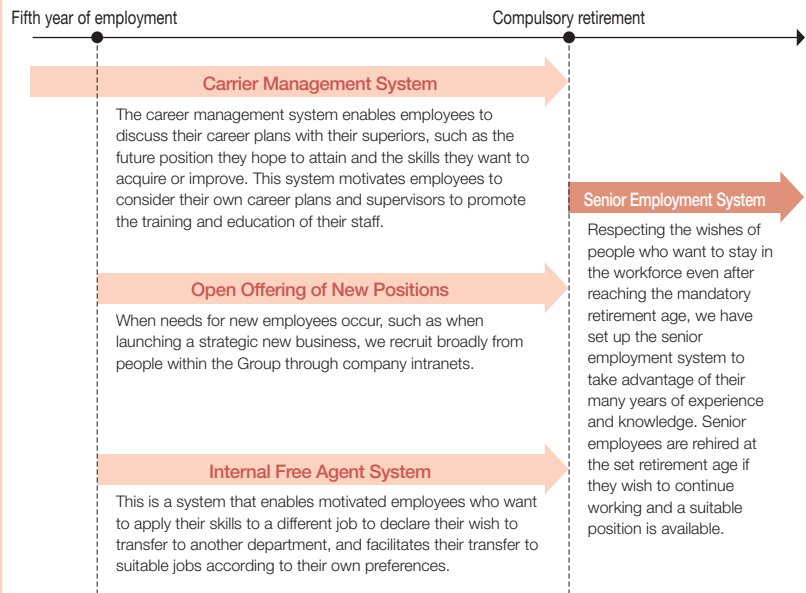


Employee Commendation System

Hitachi Chemical commends products that significantly contribute to its performance and employees who were involved in patent acquisition or made significant success in the area of sports or social contribution. In 2004, two technologies—environmentally friendly multilayer material and new production method for CMP slurry were honored for excellence by the Chief Executive Officer (CEO). The bronze medalist in the female 100-meter sprint at the Athens Paralympics, Yuki Kato of the Corporate Management Office, was honored for special excellence by CEO. Also, three other contributions including the support activities for the Katsuta Marathon were honored by CEO.

Major Personnel Systems of the Hitachi Chemical Group

The Hitachi Chemical Group has created various systems to increase the motivation of employees in their jobs and to use human resources effectively. Thus, the Group supports the self-actualization of every employee.



Employment status change systems from clerical assistant to main career track as well as from contract/part-time to permanent are also available.