

# CSR Management

## Promoting CSR activities for total optimization

### ← P5 CSR Policy ①

The Hitachi Chemical Group recognizes CSR activities as being synonymous with corporate management to realize our corporate vision and established the Hitachi Chemical Group CSR Policy with eight key areas (see p. 5). Based on this policy, we formulated the Hitachi Chemical Group CSR Action Plans to promote CSR activities throughout the entire Group.

The Across-the-Board CSR Conference bears the primary responsibility for promoting CSR activities. Under the guidance and supervision of the President and Chief Executive Officer, the Conference is composed of the Directors and Representatives of Group companies. It makes decisions on important issues concerning CSR activities, such as the development of Group-wide action plans to achieve total optimization.

The CSR Planning Committee, consisting of representatives from the management departments of the Head Office, operating departments and divisions, formulates action plans. The Group CSR Promoters Conference was set up in fiscal year 2007 to discuss issues related to the implementation of action plans determined by the Across-the-Board CSR Conference.

Through this PDCA (Plan-Do-Check-Act) cycle, we endeavor to resolve issues related to Group CSR activities.

## Enhancing CSR awareness

### ← P5 CSR Policy ①④

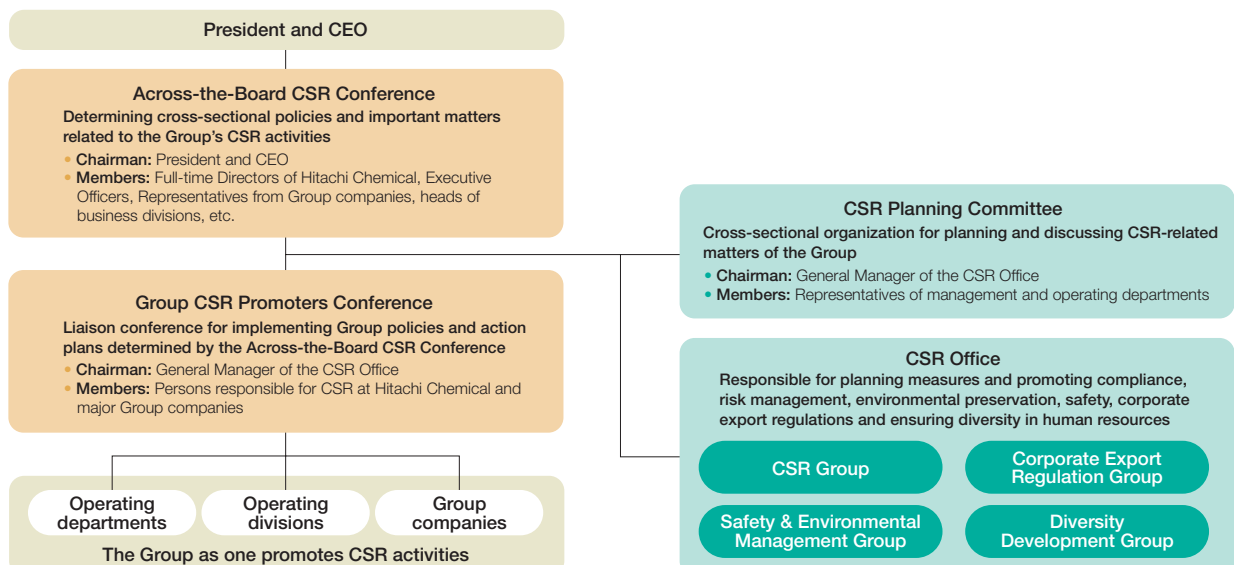
Specific points to be followed by employees are compiled in the “Hitachi Chemical Group CSR Guidebook,” which is distributed to all employees, and every employee is required to comply with the content. The Group endeavors to enhance awareness of compliance and CSR through an “Introductory Course on CSR” for all Group employees.

In August 2006, Hitachi Chemical conducted an “Employee Awareness Survey” (see p. 21) to determine the level of compliance and CSR awareness as well as employee satisfaction with the company. This was the second survey following the first one conducted in fiscal year 2004. Results will be reflected in our future activities.

The Hitachi Chemical Group CSR Guidebook is published on our corporate website.

**URL** <http://www.hitachi-chem.co.jp/english/csr/guidebook.html>

### CSR promotion structure



# CSR Management

## Uncompromising commitment to compliance

### P5 CSR Policy 4

Compliance is the basic responsibility for every member of society and constitutes the core of CSR. The Hitachi Chemical Group broadens the definition of compliance beyond mere adherence to laws and regulations to include corporate ethics and employee conduct based on the ethical values and conscience of each individual.

All Group employees are expected to comply with the content of the Hitachi Chemical Group CSR Guidebook, and the Group also strives to maintain its uncompromising commitment to compliance by conducting internal audits.

The Hitachi Chemical Group established the Hitachi Chemical Group Hotline as a consultation and whistleblowing system available for any Group employee who may be harmed by actions that violate laws and corporate ethics or who may obtain knowledge of such action in the course of their work. The CSR Group of the CSR Office is responsible for this system and accepts requests for consultation and information through a special page on the corporate intranet and e-mail as well as through internal and postal mailing systems. Requests for consultation and information are addressed in a timely and appropriate manner while protecting the anonymity of the reporter.

## Implementing stringent export controls

### P5 CSR Policy 4

The Hitachi Chemical Group has established a Corporate Export Regulation Group within the CSR Office to exercise appropriate export control in the areas of product design and development, business with customers, order receipt, production and shipment.

Asian countries including Japan and China have recently been preparing legislation to counter nuclear proliferation and terrorism following resolutions adopted by the United Nations and international conferences. With respect to chemical substances, the list of toxic substances requiring export permission has expanded in accordance with international law.

In response to these circumstances, we will establish the Group Consolidated Export Regulation Center in 2007 and strengthen export controls across the entire Group. Through these efforts, we will establish a system for ensuring compliance with all laws and regulations in Japan and other countries and for enabling customers to safely use our products, and thereby further contributing to international peace and the preservation of the global environment.

### Promoting the development of CSR leaders overseas

We have distributed foreign language editions (English, Chinese, Korean) of the Hitachi Chemical Group CSR Guidebook at Hitachi Chemical Group's overseas locations as a basic CSR promotion, education and training tool for all employees. Every employee is required to comply with the contents.

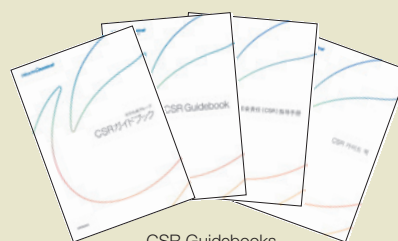
To further enhance our CSR activities overseas, we are conducting seminars designed to develop leaders for CSR activities. In fiscal year 2006,

one of these seminars was held in Thailand with Hitachi Chemical



CSR seminar at Hitachi Chemical Automotive Products (Thailand) Co., Ltd.

employees attending from the host and surrounding countries.



CSR Guidebooks

## Promoting risk management

### ← P5 CSR Policy 1 2

As an enterprise that is involved in wide-ranging areas and regions, the Hitachi Chemical Group faces a variety of business risks including natural disasters, major fires and terrorism. We strive to sufficiently analyze risks in advance to constantly plan and implement countermeasures, always keeping in mind potential risks at every stage of our business activities and at all organizational levels.

In order to eliminate risk and to effectively respond to emergencies, we have defined the nature of risks, the responsibilities of management and employees for preventing the occurrence of crises, the membership and activities of the Emergency Response Task Force that is set up in times of a crisis, and communication standards based on the “Guidelines for Implementing Measures to Counter Risk at Hitachi Chemical.”

These activities are continuously improved through self-audits in each department and Group company as well as through regular audits by the CSR Office and related departments.

## Ensuring airtight information security

### ← P5 CSR Policy 4

#### ● Information security

To prevent the leakage of information, Hitachi Chemical has compiled guidelines that require employee compliance with “Hitachi Chemical’s 15 Rules for the Prevention of Information Leakage.” Every employee is expected to strictly adhere to the content. In addition, key employee requirements for handling information assets have been clarified in accordance with the “Basic Policy for Information Security.”

The Information Security Committee has been set up as the supervisory entity for determining information security policies as well as for planning and implementing related measures. We have also assigned a Person Responsible for Information Security at each site, an Information Asset Manager for each information asset and an Information System Administrator.

#### ● Protecting personal information

The Hitachi Chemical Group protects the personal information it possesses of customers and employees by establishing the Personal Information Protection Committee as well as designating a Person Responsible for Personal Information Protection and a Personal Information Manager at each site.

