

Pursuing quality in the manufacturing process

← P5 CSR Policy ②③

● Securing and enhancing quality

The Hitachi Chemical Group promotes ongoing quality enhancement through its Quality Assurance Principle established in 1988. Based on the concept that quality takes absolute precedence in *Monozukuri* (designing, manufacturing and repairing of products), the Principle emphasizes the importance of satisfying customers, winning their trust and contributing to society. It also clearly states that securing stable product quality and earning customer trust result from constantly improving quality at each step of the process from design and development to prototyping and mass production.

We are maintaining ISO 9001 certification at our major production sites and undertaking quality control in compliance with the standards. At the same time, each sales office seeks to research and understand the quality conditions of delivered products and customer needs and shares this feedback with the development and manufacturing divisions.

● Thoroughly controlling chemical substances —Comprehensive Chemical Substances Control System

The Hitachi Chemical Group is seeking to reduce or

eliminate the use of toxic chemical substances to significantly lower the impact from chemicals contained in products on the human body, environmental pollution at the time of disposal and harm to the ecosystem.

The ongoing globalization of the supply chain carries a responsibility for disclosing information on toxic chemical substances based on content regulations to guarantee safety, and customers have already initiated on-site audits of the chemical substance control systems of suppliers.

Therefore, the Hitachi Chemical Group developed its Comprehensive Chemical Substances Control System and implemented it in 2004. Under this system, we collect and compile current information, such as safety data on each chemical substance, toxicity, physical and chemical properties, and Material Safety Data Sheets (MSDS), as well as information related to the environmental impact caused by each site and Group company. By entering the name and amount of a chemical substance used during product development, we can research relevant laws and regulations governing its use.

Hereafter, we intend to develop a Risk Control System to assist in preventing and promptly addressing product-related accidents.

● Disclosing product information

In light of the recent reinforcement of environmental regulations, we are receiving more requests from

Enhancing quality and productivity through the creative ideas of employees

The Hitachi Chemical Group works, through small-group activities, to raise quality and productivity at each manufacturing site. Small groups are primarily organized within divisions responsible for production with the aim of continuously improving our response to problems that arise in daily operations and in the workplace, as well as in the overall working environment.

As part of these activities, leaders from each business site participate in

Company-wide Presentations by Small Groups. In 2006, presentations were made on themes such as “Small-Group Recommendations in the Workplace—Improving the Execution of Difficult Tasks.”

The Hitachi Chemical Group encourages employees to demonstrate their creative ideas to raise quality and productivity by enhancing their skills and job satisfaction.



Company-wide Presentations by Small Groups held in 2006



Chemical substance control in our products is thoroughly exercised by operating under the Comprehensive Chemical Substances Control System.



We revised product labels for the domestic market to include 99 substances designated by GHS.

customers for certificates that verify that toxic substances are not contained in products and have not been used. The Hitachi Chemical Group has quickly responded to the requests by applying our Comprehensive Chemical Substances Control System as well as installing equipment for analyzing the chemical content of products.

In 2006, the Occupational Safety and Health Law was revised in response to the Globally Harmonized System of Classification and Labeling of Chemicals (GHS), and the Hitachi Chemical Group accordingly revised labels containing safety information and other data for products sold in the domestic market that contain any of the 99 designated substances. We are also gradually revising labels and MSDS since GHS will be applied to regions around the world starting in 2008.

Through these activities, we are disclosing appropriate information on chemical substances contained in products to meet customer green procurement requirements and reducing the environmental impact of products throughout their life cycles.

Supplying people- and environment-friendly products

← P5 CSR Policy 26

The Hitachi Chemical Group intends to create a sustainable society by providing products and services

that contribute to the safety and health of people and preserve the global environment.

We are striving to control chemical substances and to reduce environmental impact focused on the manufacturing stage (see p. 30), and are actively engaged in developing products that contribute to the well being of humans and the environment. We are endeavoring to develop products with less environmental impact throughout their entire life cycles by verifying the environment-friendliness and safety of products under development based on Guidelines for Green Product Assessment and Registration System (see p. 29) and by evaluating environmental efficiency and other factors (see p. 29). In addition, we will renew our efforts to develop products and technologies in a way that reuses resources, conserves energy and is energy-efficient.

As the severity of global environmental issues increases and environmental consciousness among consumers rises, manufacturers of end products—our customers—are also aggressively engaged in developing products that are environment-friendly. The Hitachi Chemical Group will promote MSS (see p. 13) through closer collaboration with customers and suppliers to meet the needs of society.

Promoting “Environmental CSR-Compliant *Monozukuri*” in the active pursuit of security and safety for customers and society

Hitachi Chemical is promoting Environmental CSR-compliant *Monozukuri* in the active pursuit of security and safety for customers and society, in addition to adhering to environmental regulations. As part of this initiative, we organized the Environmental CSR-compliant *Monozukuri* Committee in 2005 to ensure environmental compliance centered on controlling chemical substances in products company-wide.

Environmental regulations around the globe require corporations to exercise voluntary control across the entire supply chain, and Hitachi Chemical must also seek closer collaboration among its business division and its quality assurance division and other related divisions. Clearly the control of chemical substances and the disclosure of information are directly connected to Hitachi Chemical's business strategy. The committee is

therefore strengthening its activities to achieve optimum impact by encouraging greater collaboration among business divisions by way of better communication and bolstering our business strategy, while also developing a Risk Control Support System by incorporating an IT system for centralized control.

* *Monozukuri*: *Monozukuri* literally means “manufacturing.” In this context, it means the entire process of creating value in the products and services we produce.