

Creating a Vibrant, Safe and Healthy Working Environment Responsibility to Employees

Human resource development guidelines

← P5 CSR Policy 47

The Hitachi Chemical Group has set a guideline for human resource development. This guideline provides a five-point summary of desirable employee characteristics for accomplishing the Group's corporate vision.

We not only treat employees in accordance with the laws of each country or region, we also strive to conduct fair hiring practices, provide appropriate working conditions and create a working environment in which employees can do their jobs with enthusiasm while fully realizing their potential.

Respect for human rights

← P5 CSR Policy 47

● Implementation of human rights education

Sustainable corporate development requires respect for human rights and the personality of each employee as well as the creation of a corporate culture that allows workers to freely demonstrate their individuality and creativity.

Based on this stance, the Hitachi Chemical Group promotes training on human rights, and in 2006, we conducted training for managers and new employees.

● Prevention of harassment

We develop educational activities using the Hitachi Chemical Group CSR Guidebook (see p. 8) to prevent sexual and moral harassment.

Sexual Harassment Consultants and Complaint Processing Committees are set up at each business site as part of a system for responding promptly and appropriately to incidents of harassment. Consultations and reports are also accepted through the Group Hot-line (see p. 9). Managers receive training on preventing harassment.

Encouraging career development for a diverse workforce

← P5 CSR Policy 7

● Global promotion of diversity in human resources

The Hitachi Chemical Group is globalizing its business to realize its corporate vision of leading the creation of new and innovative value throughout the world.

This requires hiring and training outstanding human

Female Employee Encouragement Project

In 2006, Hitachi Chemical launched the "Female Employee Encouragement Project" to improve the working environment for female employees.

A seminar was held in August 2006 to raise the awareness of senior management and employees, and related articles were published in the corporate newsletter.

Female Employee Meetings were also held at each business site to understand the current situation and to raise awareness among women as well. To respond to requests for

information on corporate measures for promoting the careers of female employees and the expressed need for a place to exchange and communicate opinions that commonly emerged at these meetings, a Female Employee Cheer Site with a bulletin board was opened on the intranet to introduce measures undertaken by the Company.

The entire Company, from top management and senior managers to each individual employee, is promoting these activities to create an

environment in which diverse human resources can freely demonstrate their potential.

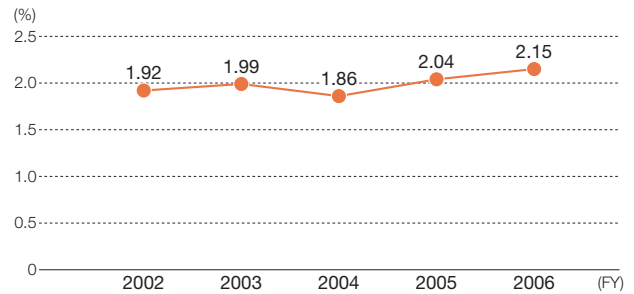


Female Employee Cheer intranet site



In October 2006, the Hitachi Chemical Group held its second Overseas Subsidiary Forum, attended by national staff from overseas. Based on topics discussed each day at the Forum, staff representing countries worldwide play a leading role in joint projects for expanding overseas sales.

Ratio of employees with disabilities (non-consolidated)



resources representing various ways of thinking and backgrounds, regardless of nationality or gender, and we are actively seeking diverse personnel across the Group and developing appropriate training systems.

● Promotion of female employees

The future development of the Hitachi Chemical Group vitally depends on every employee, regardless of gender, fully realizing their potential and continuing to work with enthusiasm. To this end, we launched the “Female Employee Encouragement Project” in 2006 and established a dedicated section in April 2007 to heighten awareness and create a dynamic working environment. We have also set numerical targets to promote the hiring of female employees for career-track positions and the advancement of female employees to management positions. In 2006, four female employees were employed in management positions, and as a result the ratio of female managers was 0.9% of all managers, on a non-consolidated basis.

● Recruitment of persons with disabilities

The Hitachi Chemical Group is expanding the number of positions available for disabled employees and improving facilities to actively offer opportunities for

social participation by disabled persons who are eager to work.

While the ratio of disabled employees was 2.15% in 2006 and exceeded the legal employment rate on a non-consolidated basis, some Group companies have yet to achieve the legal rate, and we are striving to promote employment Group-wide by exchanging information.

Enhancing employee capabilities and career development

← P5 CSR Policy 7

Hitachi Chemical provides various employee education and training opportunities for enhancing capabilities and skills.

Our company-wide education system is organized under two over-arching categories—training by job level and by job category—to clarify knowledge requirements based on each employee’s level and category, and we also provide elective courses that employees can freely choose. By using the Hitachi Learning Gate e-learning platform, employees are able to participate in training at any time.

Major Personnel Programs at Hitachi Chemical

Category	Major Programs and Activities
Career management system	We offer a system in which employees determine their future careers and skill attainment and discuss these goals with their supervising department managers. The intent of the system is to provide an opportunity for each employee to think about their own careers, to learn, and to seek self-fulfillment by communicating with their supervising department managers.
Group open opportunity application system	When new personnel are required for the strategic launch of a new business, for example, we first seek applicants from within the Group through an open position offer system on our intranet.
Internal free agent system	This system enables highly motivated employees to apply their skills in a different work setting. Three employees took advantage of this system in 2006.
Over-sixty employment system	This system utilizes the motivation and years of accumulated experience and knowledge of employees who wish to remain in the workforce after mandatory retirement. Four such workers were re-employed in 2006.