

Responsibility to Employees

Respect for human rights

P16 CSR Policy 4, 7

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 has been promoting human rights education in Japan and continued to offer training for managers and new employees in fiscal 2008.

Overseas, we strive to comply with local regulations in accordance with the central labor standards of the ILO*, including protecting freedom of association and the right to collective bargaining; prohibiting forced labor; abolishing child labor; and eliminating discrimination in hiring and employment practices.

* ILO: International Labour Organization. This is a United Nations organ that provides recommendations and guidance to governments on improving working conditions and enhancing social welfare.

Promotion and support of diverse human resources

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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. As a corporate group engaged in global operations, the Hitachi Chemical Group respects the diverse values held by its employees, regardless of nationality or gender, and intends to create a multicultural organization that takes advantage of differences to generate positive synergies.

● Promoting understanding of diversity of human resources

The Hitachi Chemical Group began offering diversity e-learning courses in fiscal 2008 to encourage deeper understanding of diversity and to cultivate a corporate culture in which human resources with diverse backgrounds can fully demonstrate their abilities. The courses were taken by 88% of all Group employees. We will continue to enhance the understanding of diversity through the courses in fiscal 2009, primarily with new employees.

We also launched a mentoring program for female employees, who constitute the largest minority across the Group. The program is designed to support the long-term, independent career development of female employees, who tend to lack accessible role models and often experience their scope of communication as being limited to their own divisions. Participants benefit from exchanges with Executive Officers and senior managers who serve as their mentors in addition to on-the-job training from their direct supervisors. Another goal of the program is to help Executive Officers and senior managers understand the diversity of our employees and enhance their own communication skills. The second year of the program began in April 2009 with the participation of 24 employee/mentor pairs.

● Global promotion of diversity in human resources

The Hitachi Chemical Group believes in the importance of hiring and training outstanding human resources representing various ways of thinking and backgrounds, regardless of nationality or gender, who are capable of responding quickly and flexibly from a global perspective to changes in the business environment.

Based on this conviction, we are actively engaged in discovering human resources across corporate boundaries within the Group, establishing a training system for local managers at overseas business sites, and conducting training to raise cross-cultural awareness among domestic employees.

● **Support for balancing work and private life**

The Hitachi Chemical Group supports its employees in balancing work and private life through various programs.

For example, three-year childcare leaves up to the end of the child's first year in elementary school and the option of reduced work hours until the child finishes sixth grade. We also operate a re-employment program for former employees who had resigned due to childcare, family care needs or the relocation of their spouse; as well as telecommuting programs to support childcare and family care; exemptions from late-night work and reduced overtime.

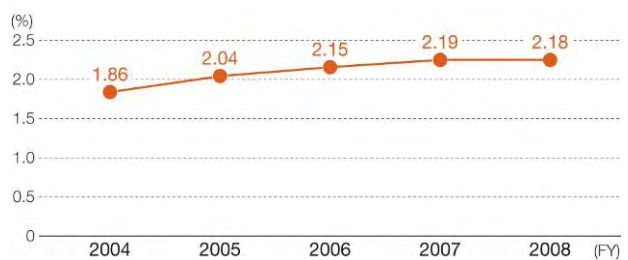
We are implementing these programs with periodical reviews and encouraging more employees to take advantage of these support programs by explaining them in simple terms on our intranet.

● **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.

In fiscal 2008, the ratio of disabled employees in Japan was 2.18% on a non-consolidated basis and 2.01% on a consolidated basis, both exceeding the legally mandated rate of 1.8%. Some Group companies, however, have not yet achieved the legal rate, and we are therefore exchanging information across the Group to reinforce employment efforts.

**Ratio of employees with disabilities
(Hitachi Chemical Co., Ltd.)**



Hitachi Chemical employee wins fourth place in the Beijing 2008 Paralympic Games

Yuki Kato, who works in the Human Resources and Administration Office, participated in the 100-meter and 200-meter women's track and field competition in the Beijing 2008 Paralympic Games. This marked her second major competition, the first being the Athens 2004 Paralympic Games, in which she won a bronze medal in the 100-meter sprint.

In the finals held at the Bird's Nest Olympic Stadium in Beijing on September 13 and 16, 2009, Kato battled her way to fifth in the 200-meter sprint and fourth in the 100-meter sprint. Her performance in the 100-meter competition was particularly noteworthy. Despite the adverse conditions of thunder and rain, Kato beat her personal record and came in just 0.02 seconds behind the third-place runner.

Hitachi Chemical will continue to fully support the achievements of its diverse employees.



Kato (far left) in the final 100-meter sprint race

Winning the grand prize in Ibaraki Prefecture's Awards for Childcare Supporting Companies

In January 2009, Hitachi Chemical's Yamazaki Works and Hitachi Chemical Techno Service Co., Ltd. received the grand prize in the Support for Balancing Work and Childcare Section of the Childcare Supporting Companies Awards organized by Ibaraki Prefecture. The prize is awarded to companies that are leading in these areas through innovative efforts, such as by introducing childcare programs that exceed legal requirements for childcare and family leave.



Receiving the award from the Governor of Ibaraki

In April 2008, Hitachi Chemical's Yamazaki Works and Hitachi Chemical Techno Service opened Sakura Hiroba, an in-house nursery near the Yamazaki Works, as part of our group-wide efforts to support employees balance work and raising children. The Hitachi Chemical Group is also promoting various programs, including childcare leave, reduced work hours, telecommuting and benefits for employees raising children. The award recognizes our efforts in this series of programs.

Encouraged by the award, the Hitachi Chemical Group will further reinforce its efforts to develop a lively environment in which diverse human resources can pursue their careers.

Enhancing employee capabilities and career development

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Hitachi Chemical focuses on on-the-job training as the core of its employee training and provides additional programs to supplement learning that cannot be gained through this type of training alone, thereby supporting employees in enhancing their capabilities and skills and encouraging self-development.

In our training programs, knowledge requirements for each job level and job category are defined in the curriculum, and we also offer other types of training from which employees can choose.

Employee survey

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Hitachi Chemical conducted a second employee survey in July 2008, involving all employees (approximately 4,300), following the first survey in 2006. The survey primarily focuses on the levels of work satisfaction and overall stress at the workplace. Results revealed the Company's strengths and weaknesses as well as challenges for the future.

We plan to continue these surveys every other year and apply the results to create a more motivating work environment and corporate climate.

Prevention of harassment

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We develop educational activities using the Hitachi Chemical Group CSR Guidebook to prevent sexual and moral harassment (see p. 22). We provide guidance to managers during training sessions on preventing harassment.

Sexual Harassment Consultants and Complaint Processing Committees have been 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 Hotline (see p. 22).