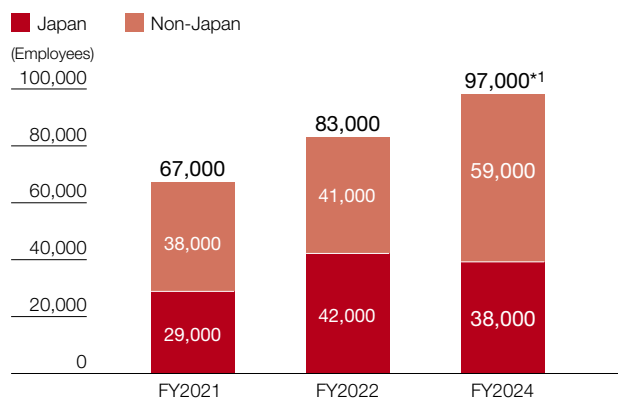


Human Resources Strategy

[Human Resources Strategy \(Sustainability Report\)](#)

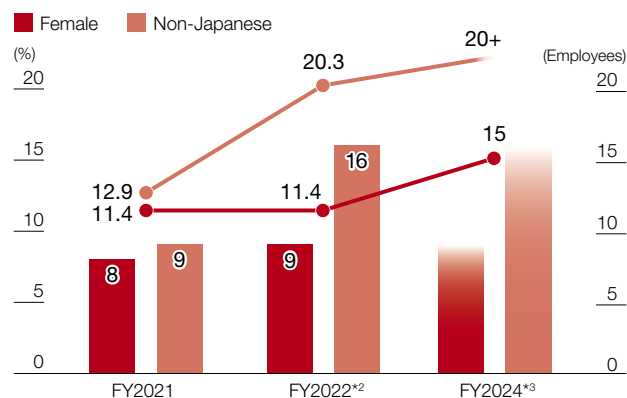
Hitachi believes that human capital is the source of value and aims to provide customers and society with value and contribute to the realization of a sustainable society by harnessing the power of employees. In the Mid-term Management Plan 2024, we have set KPIs linked to management strategy and have implemented each initiative. Specifically, we have set three goals, namely, digital talent acquisition and development, the increased ratio of female and non-Japanese executives and corporate officers, and improvement of employee engagement, as the main human capital KPIs.

Digital talent



*1 Excluding Hitachi Astemo

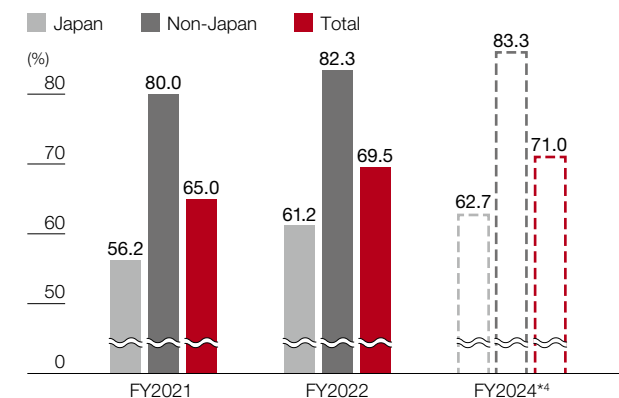
Ratio of female and non-Japanese executives and corporate officers (Hitachi, Ltd.)



**2 Includes personnel changes effective April 1, 2023

**3 Includes personnel changes effective April 1, 2025

Employee engagement (Positive response rate)



**4 We raised our fiscal 2024 target as we achieved the previous target ahead of schedule in fiscal 2022.

Digital Talent Acquisition and Development

The enhancement of digital talent is progressing well. Outside Japan, we are increasing the ranks of digital talent, primarily at GlobalLogic and Hitachi Vantara. And at GlobalLogic in particular, we are working to enhance the acquisition of human capital through M&As and recruitment in India where there are many digital talents, in addition to fostering young talents through short-term intensive training.

At the same time, in Japan, we are enhancing digital talent mainly by developing internal human capital. For example, the Hitachi Academy is offering approximately 130 courses by skill and level, including digital literacy e-learning to acquire basic knowledge and digital transformation (DX) training to develop the basic human capital able to play an active role as project members of digital businesses. In addition to the reciprocal dispatch of engineers with GlobalLogic, we have begun offering programs that incorporate the company's educational methods.

Improvement of Employee Engagement

As of fiscal 2022, we were able to achieve our target for the positive response rate to questions about employee engagement in employee surveys ahead of schedule. By visualizing the survey results as numerical values, we are working to make improvements at each workplace so that the opinions of employees can be reflected. We will aim for an even higher engagement level by accelerating a growth mindset with One Hitachi, including promoting PMI with Hitachi Energy and GlobalLogic.

Initiatives of the Power Grids Business Unit

To accelerate synergy generation between Hitachi Energy, which was acquired from ABB, and the existing domestic power grids business, we are promoting exchanges of key personnel from both sides and holding roundtables among potential leaders in each country and region and the CEO of each business unit in the energy sector for talent exchanges across businesses. In Japan, we have established project teams to promote business reforms and create opportunities for proactive proposals and activities.

Initiatives of the Railway Systems Business Unit

In the Railway Systems Business Unit, which has a diverse workforce of 15,000 employees of about 80 nationalities in about 40 countries around the world, we encourage employees, including those whose native language is English, to use simple English. In addition, we offer programs such as a common global onboarding program and e-learning to foster an inclusive culture.

▶ Global Infiltration of Hitachi Culture

As a result of promoting diversity, equity and inclusion (DEI), talent acquired through global M&As is progressively becoming more active. Due to the inclusion of diverse human capital, we understand the issues faced by our global customers and this leads to stronger innovation.

By sharing Hitachi's Mission and Values (founding spirit) with approximately 100,000 employees who have been newly added through multiple cases of M&A in recent years, we are working to foster a culture of One Hitachi. To do this, in fiscal 2022, CEOs and other executives and corporate officers in Japan and overseas held 277 town hall meetings to talk with employees.

In-house idea contest "Make a Difference!"

To strengthen the "I will!" mindset, we have been holding an employee-suggested idea contest since fiscal 2015. Expanding applicants from all group companies worldwide include many participants from Hitachi Energy and GlobalLogic. In fiscal 2022, members of Hitachi Energy received the Gold Ticket, the highest award, for a new business proposal with a "green" theme.



Award presentation ceremony

Collaboration with GlobalLogic

Co-creation with Nojima

To accelerate the development of digital talent and introduce GlobalLogic's design-led digital engineering expertise, we are fostering talent exchanges between GlobalLogic employees and Hitachi. In Japan, GlobalLogic Japan has established an office within Hitachi's co-creation base, Lumada Innovation Hub Tokyo, to facilitate the integration of GlobalLogic and Lumada's capabilities. One such collaboration is with Nojima Corporation, aiming to further enhance Nojima's Consulting Sales by offering personalized product recommendations tailored to individual customer preferences.

Teams were formed using a "two-in-a-box" model, pairing specialists from GlobalLogic and Lumada Innovation Hub Tokyo with the same role, such as a designer and a strategist. The collaboration began with a storytelling session in which Japanese team members shared anecdotes about Nojima's customer service, using their own purchasing experiences at Nojima as examples, to provide insights into the customer-centric approach cherished by Nojima.

Through store visits and interviews with Nojima employees, Japanese team members facilitated the understanding of Japanese customs and characteristics of the stores and surrounding areas for their GlobalLogic counterparts, who in return provided essential insight and support. The involvement of project architects, responsible for creating digital business models and processes, has enabled swift value creation. The project is currently undergoing validation in physical stores.



Co-creation project with Nojima [↗](#)

GlobalLogic employee interviews

Collaborating with Hitachi was a remarkable learning journey for our team. We faced initial challenges in understanding each other's company culture and bridging the language gap, while the COVID-19 pandemic further complicated communication.

Frequent discussions and exchanges with our Japanese colleagues were key to overcoming these challenges. It allowed us to immerse ourselves in their culture and understand their working style.

We learned the importance of detailed planning, even in Agile projects, to meet Japanese business practices. Through extensive discussions, we developed a "hybrid Agile model" that blended fixed schedules with the necessary flexibility to meet the customer's needs. We believe that the success of these projects stemmed from the strong foundation of trust built through our ongoing dialogues with Hitachi.

We look forward to working with Hitachi around the world to provide new added value to our customers and society.



Kathirvel Palaniswamy,
Senior Manager at
GlobalLogic

Employee reward system

As an evaluation system to ensure a link between the organizational and individual goals of the company and divisions, we introduced Global Performance Management (GPM) in fiscal 2014. Performance is reflected in compensation by setting bonus evaluation indicators for organizations and individuals based on the management goals set forth in the Mid-term Management Plan 2024.