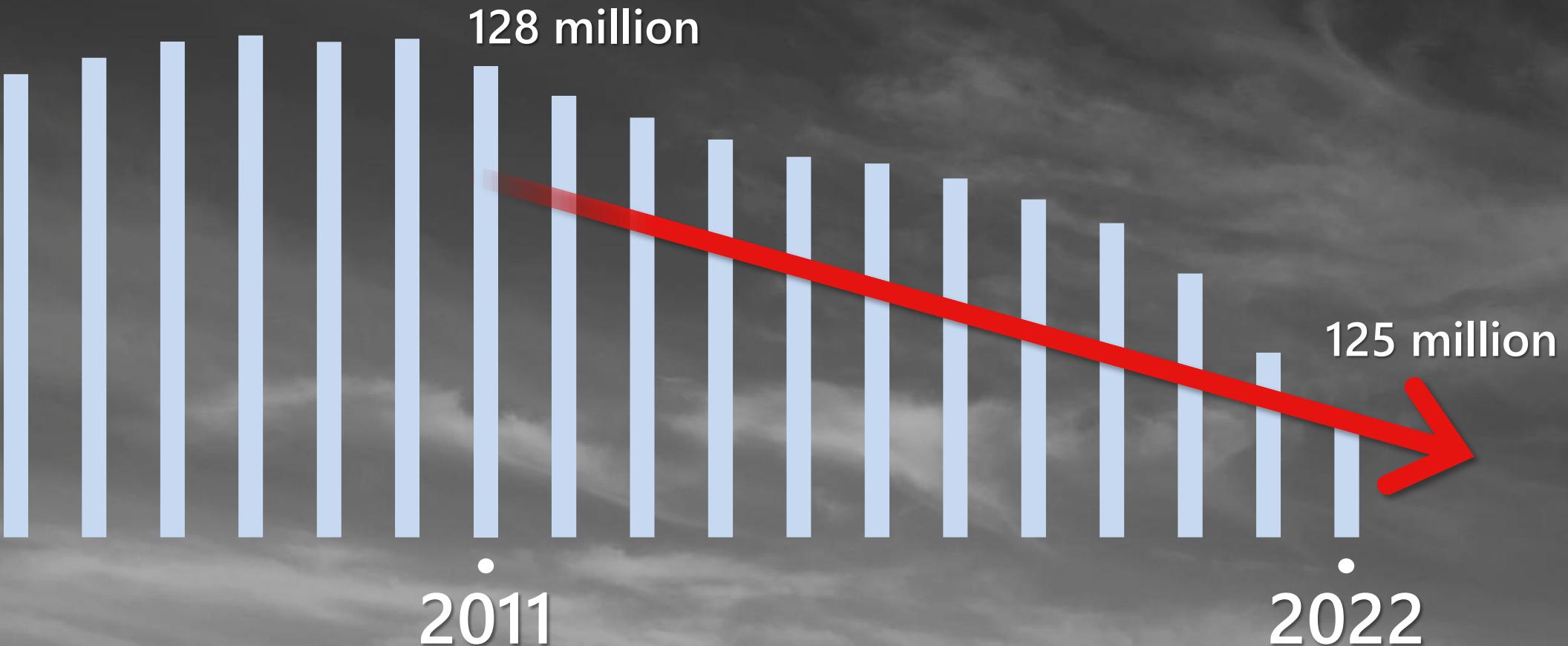


Sustainable economic growth

Decline in total population of Japan due to decreasing birthrate



Source: Statistics Bureau, Ministry of Internal Affairs and Communications
Population Estimates (as of October 1, 2022)

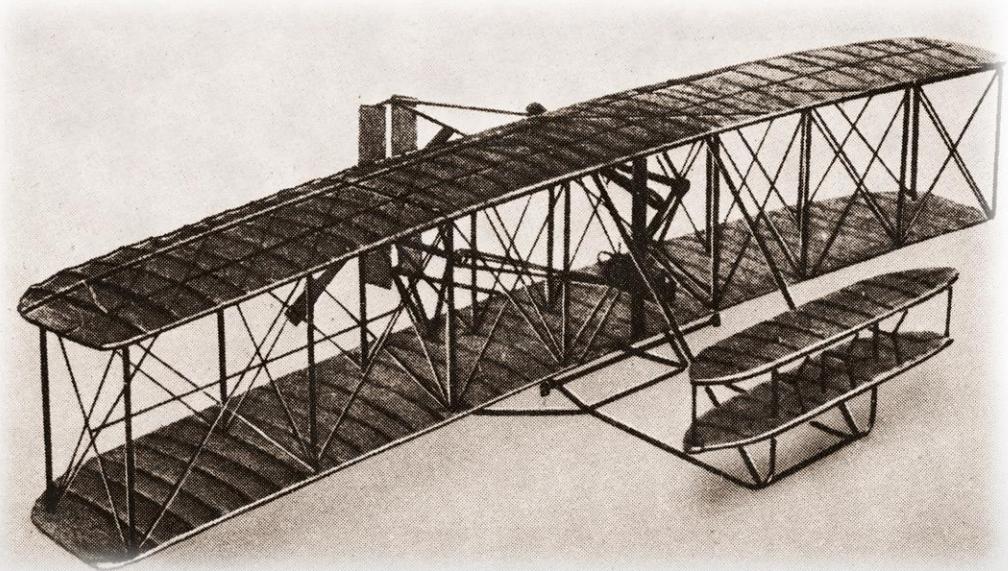
Japan's power to achieve innovations

The background of the slide is a photograph of a clear blue sky with a few wispy, white cirrus clouds scattered across it, creating a sense of depth and openness.

Hitachi's vision for the future of innovation

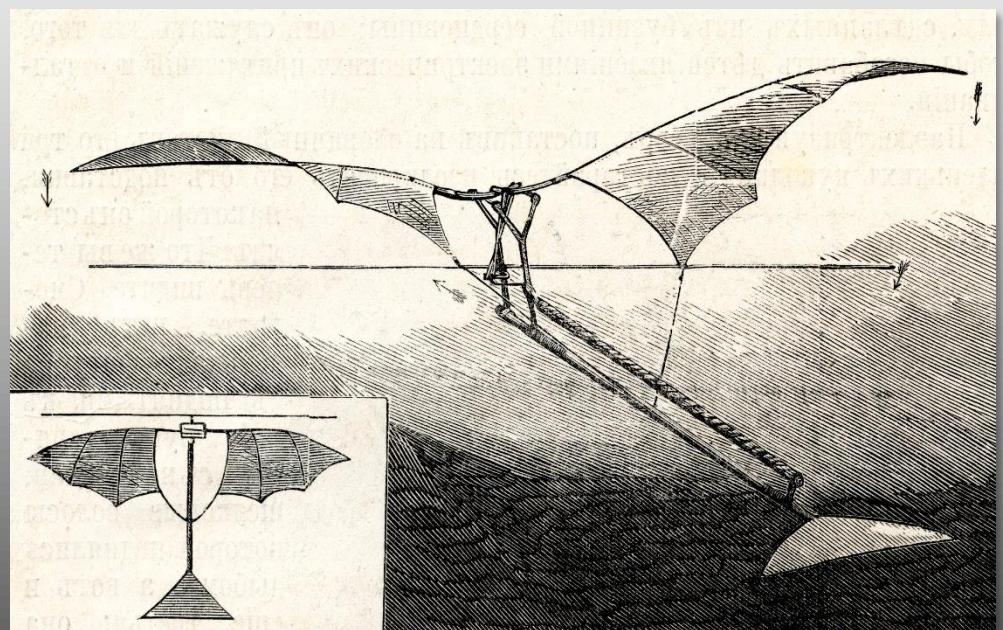
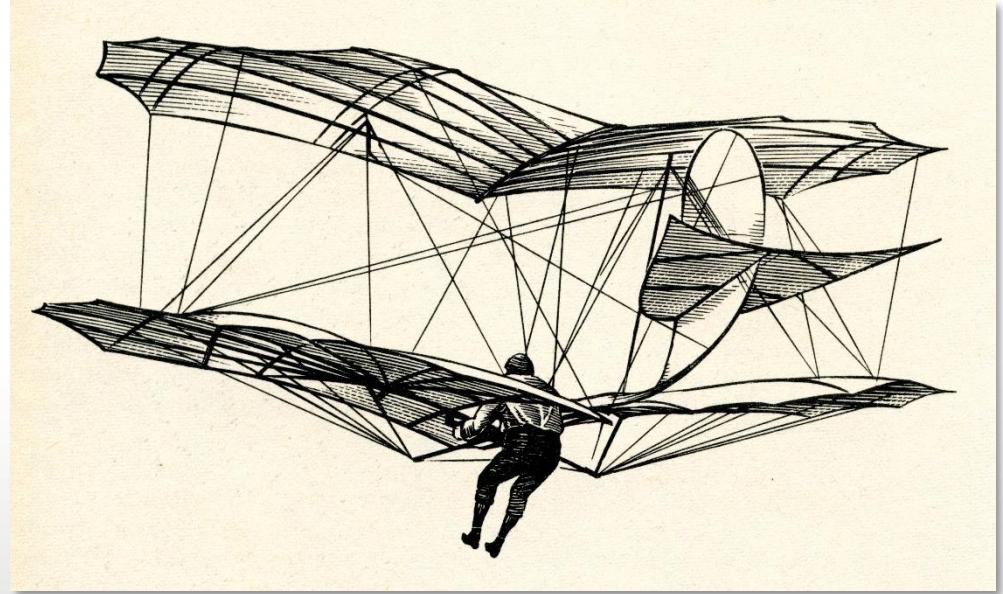
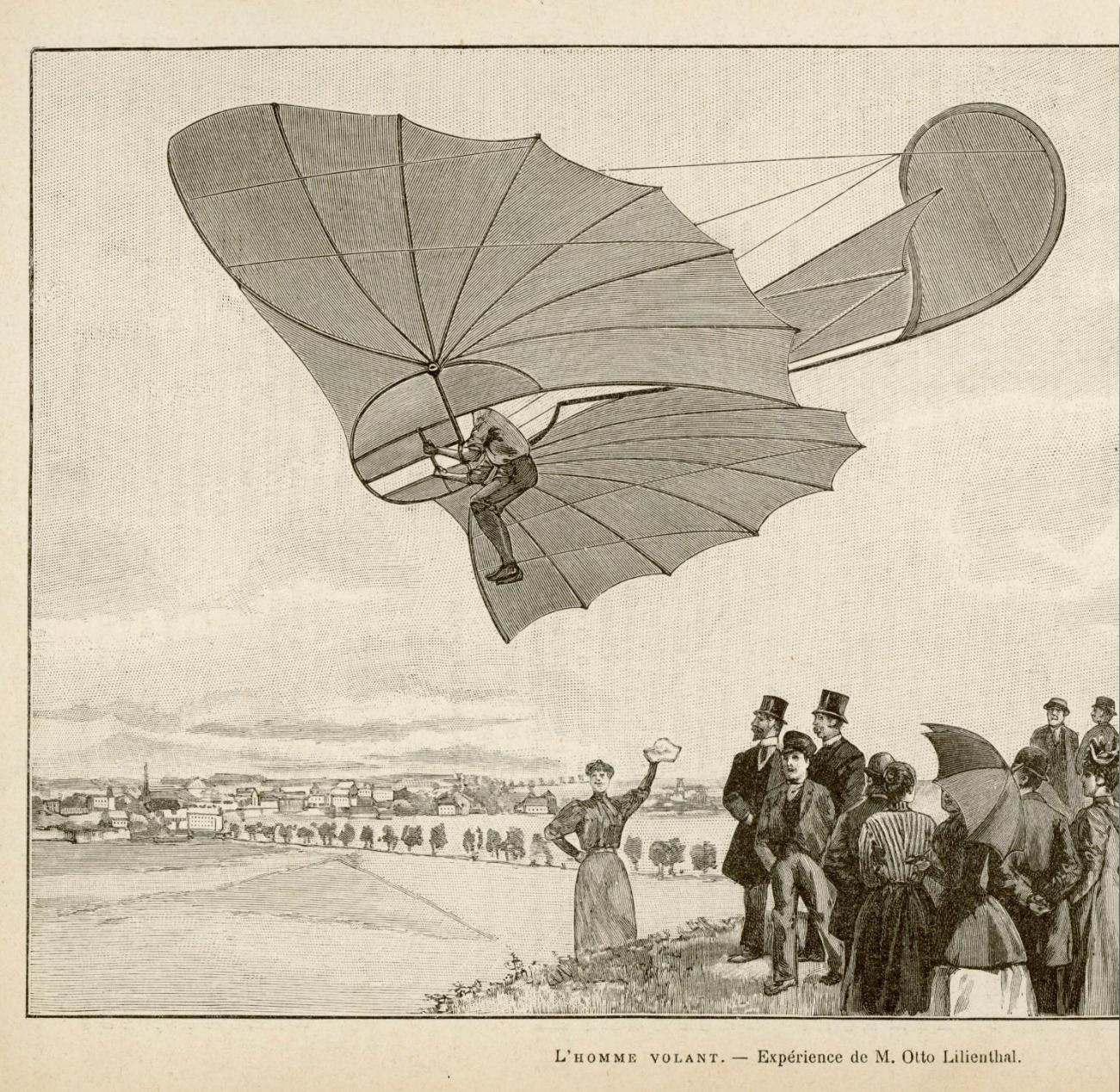
Orville Wright (1871-1948)
Wilbur Wright (1867-1912)

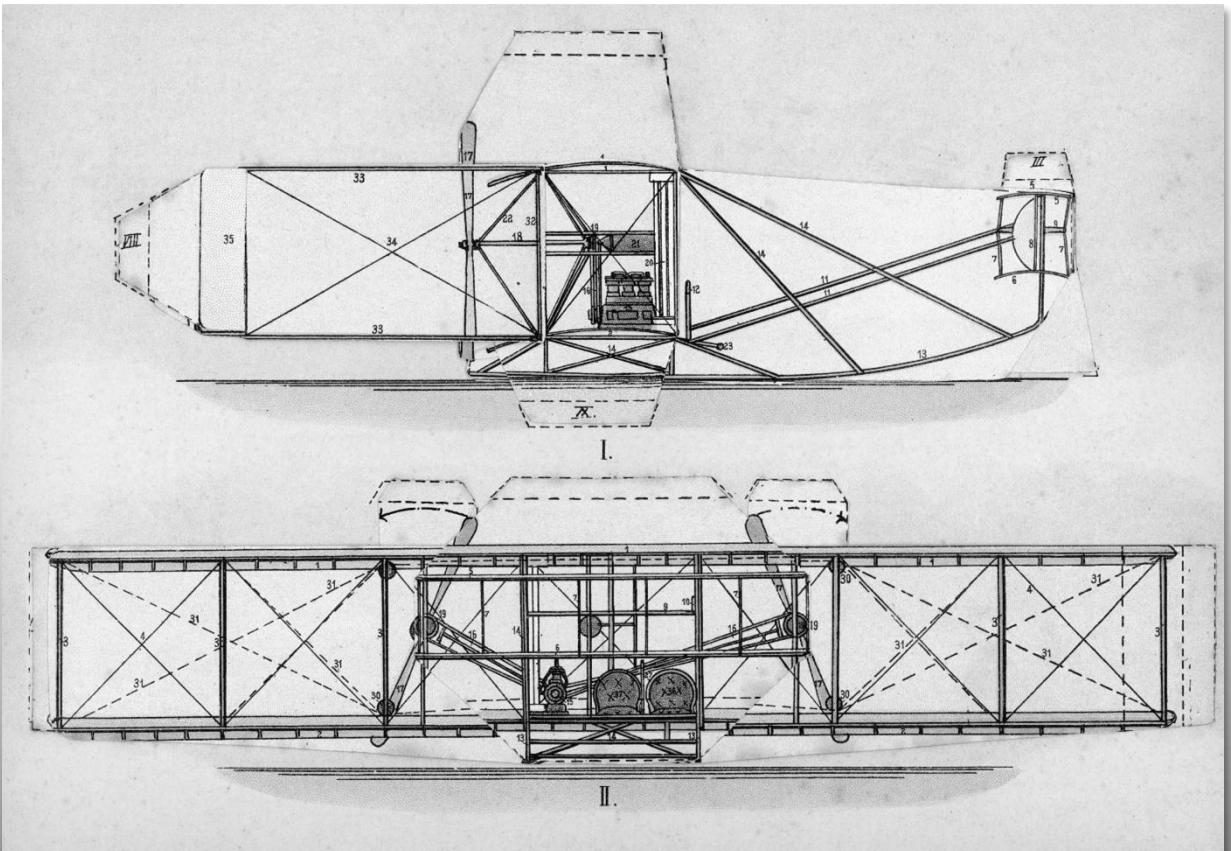
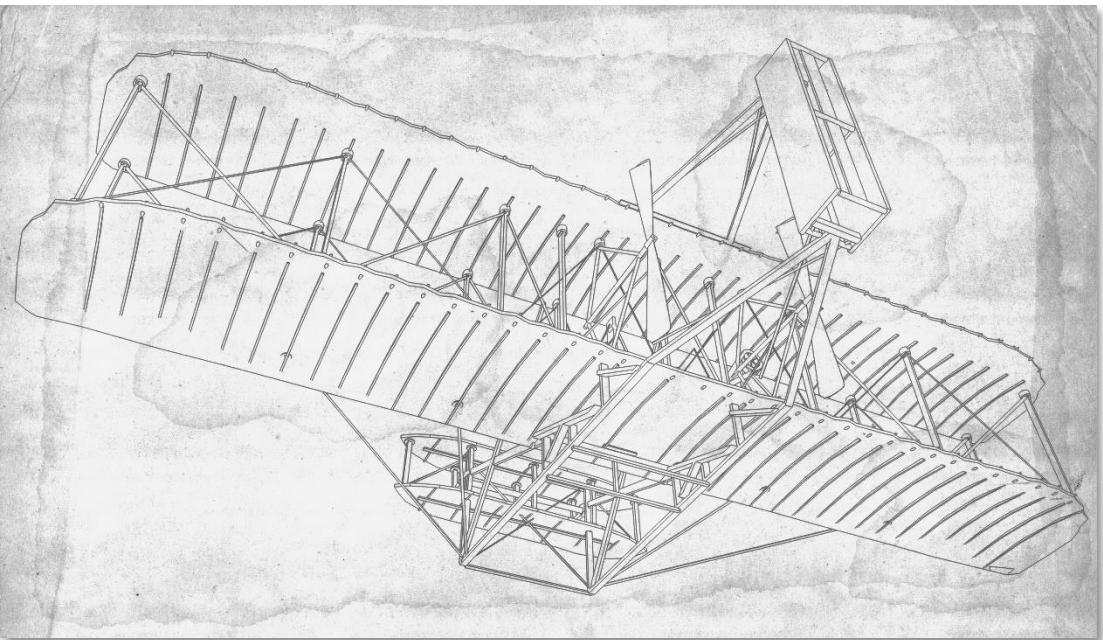


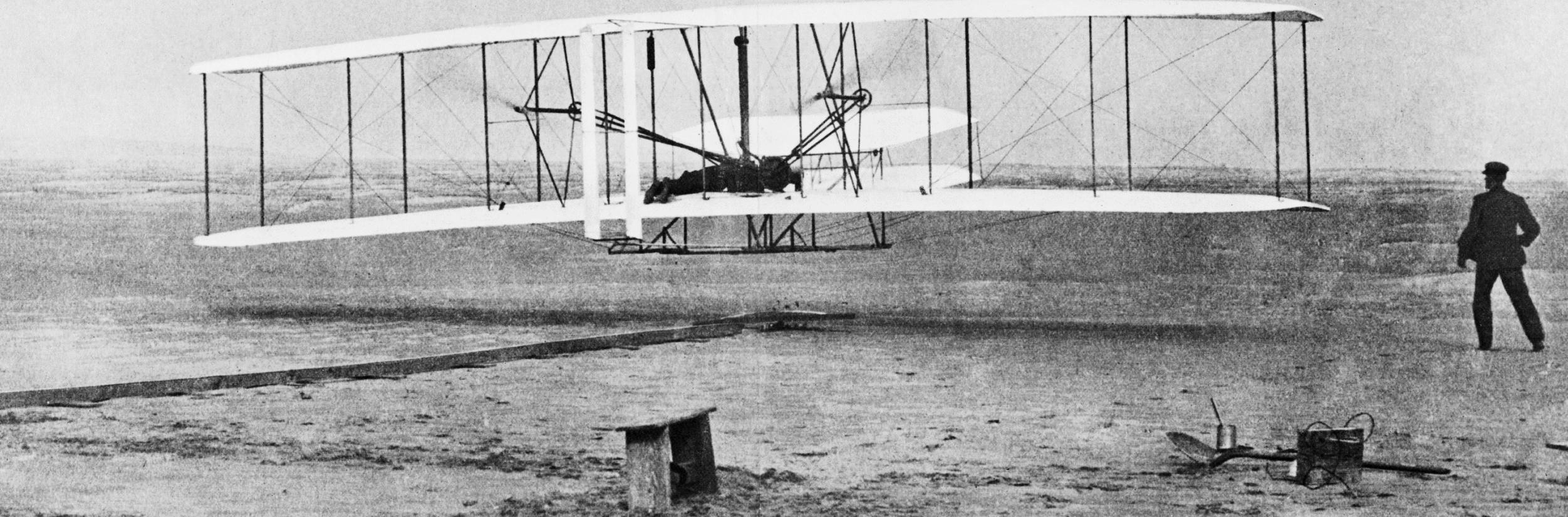


Orville Wright (1871-1948)
Wilbur Wright (1867-1912)











Innovations

Actions

Acquire new knowledge



Information

Share and develop knowledge

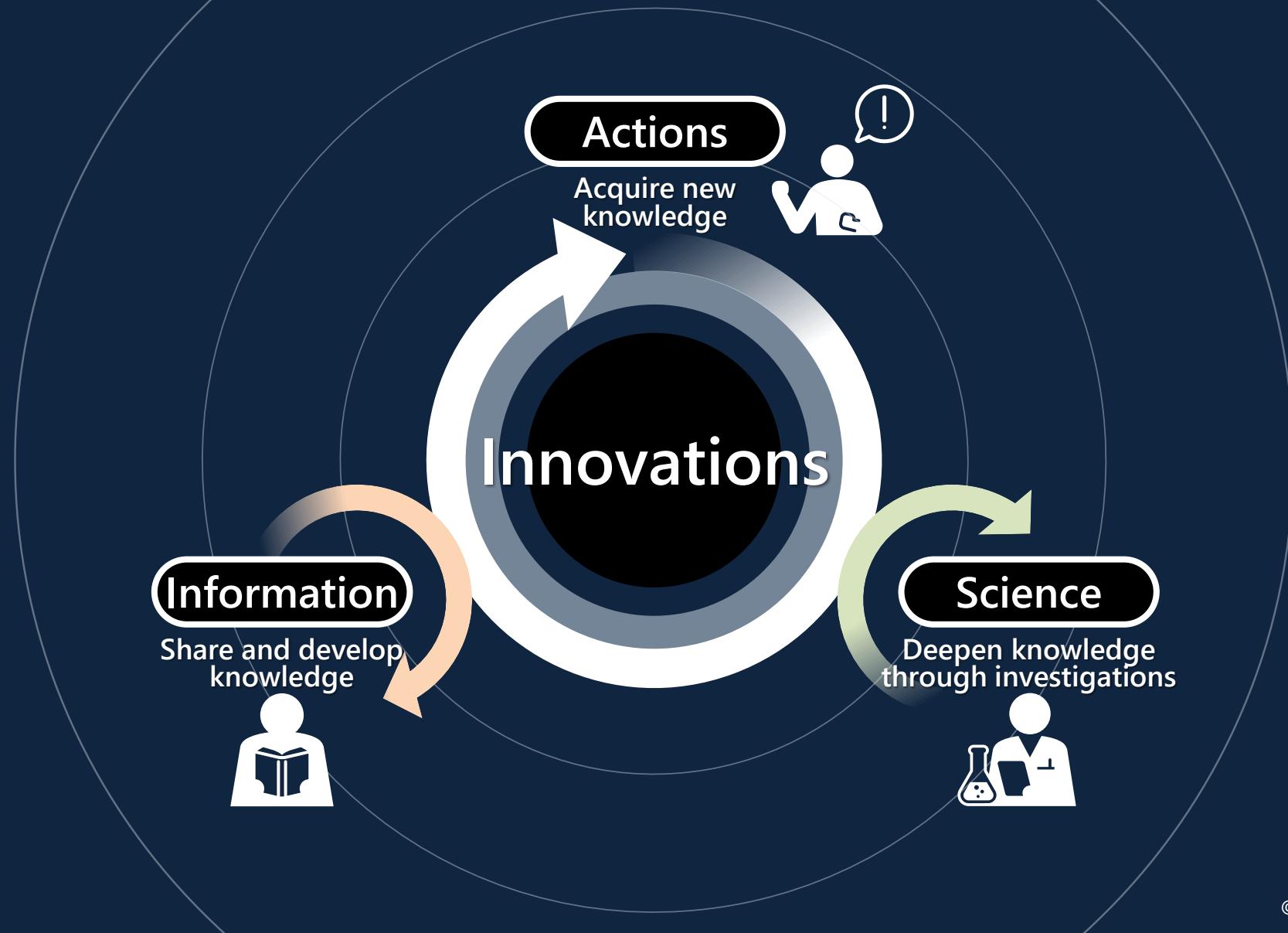


Science

Deepen knowledge through investigations



Human evolution through a chain of innovations





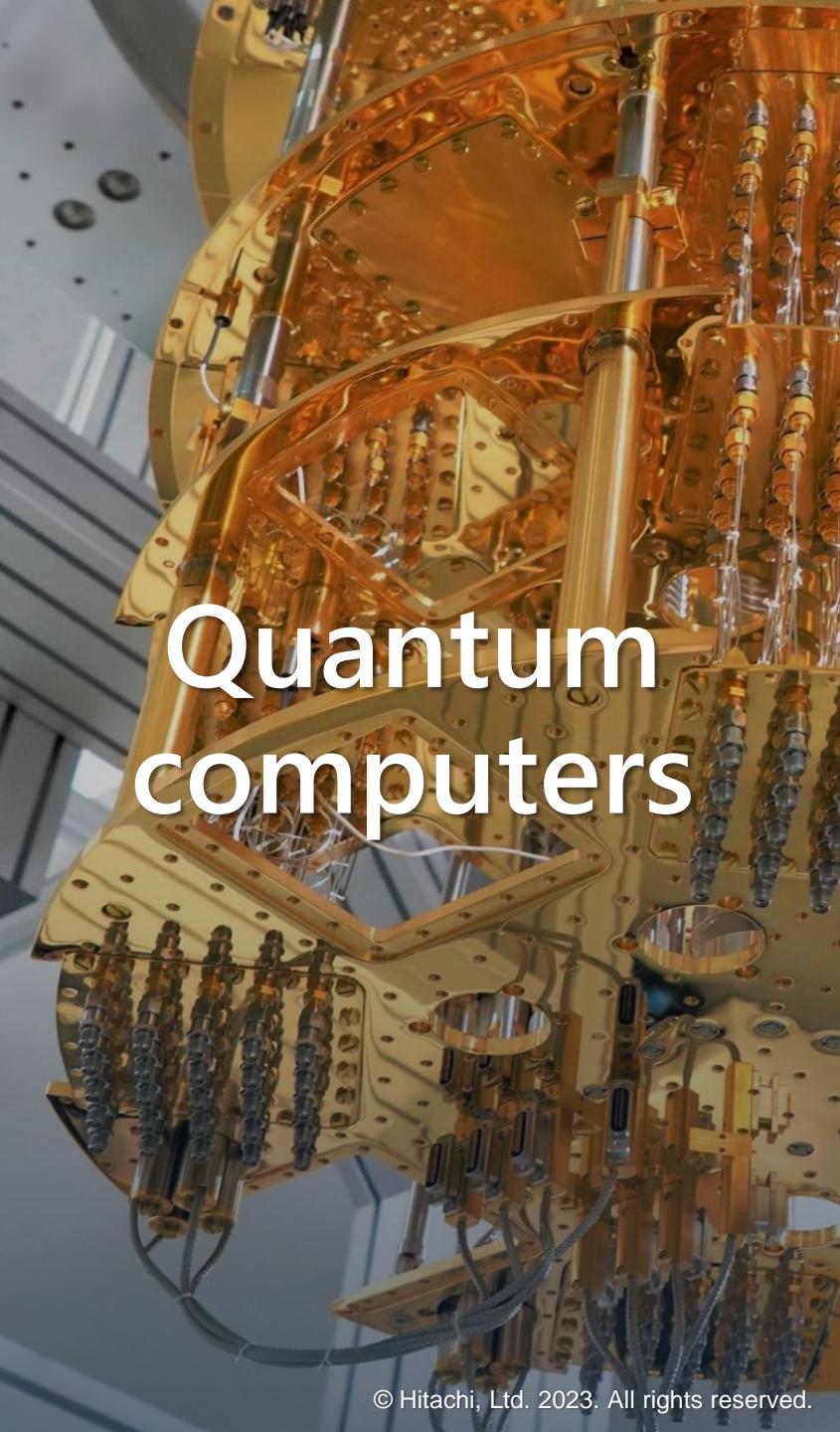
**Hitachi Social Innovation is
POWERING GOOD**



**Bio-
technology**



Generative AI

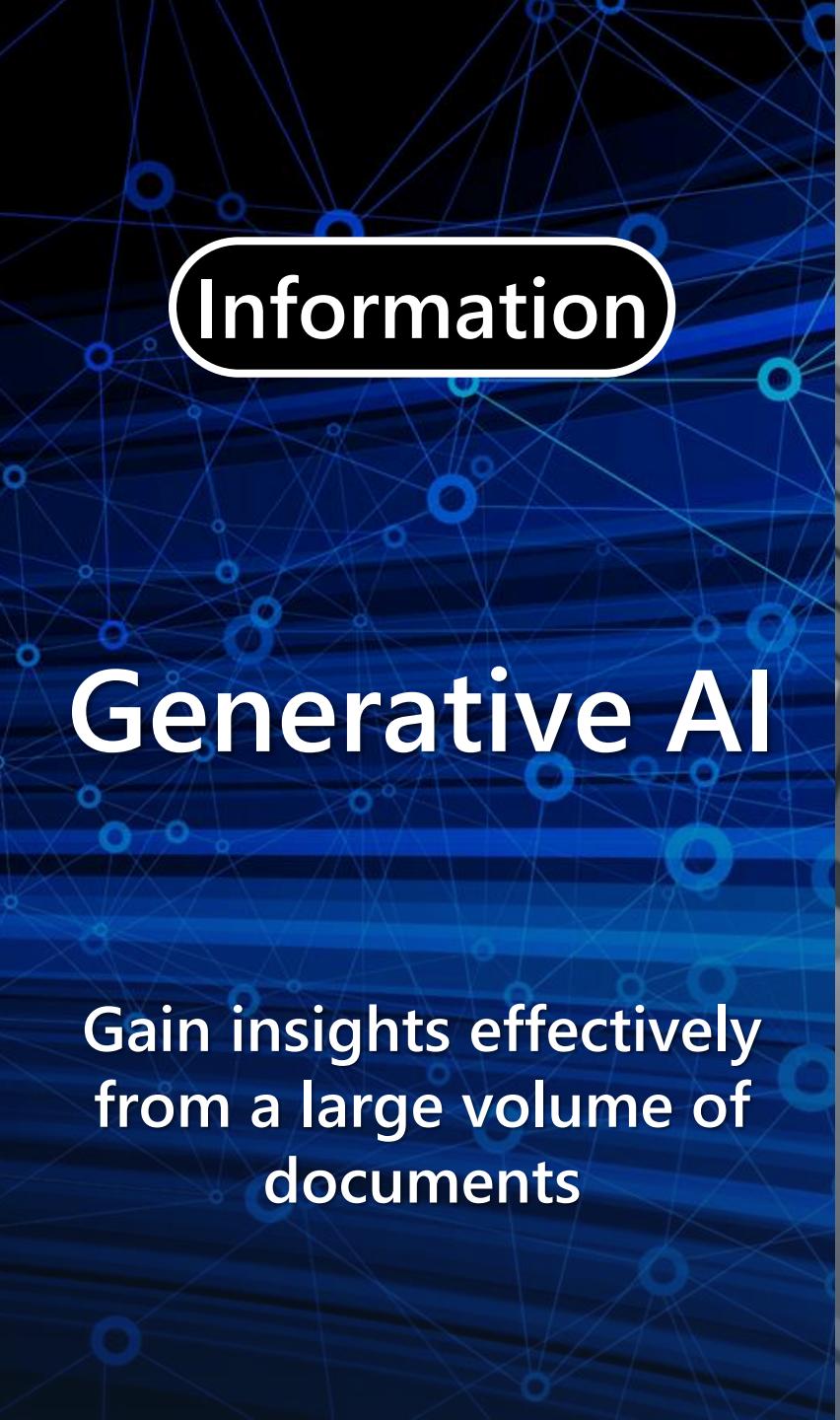




Actions

Bio- technology

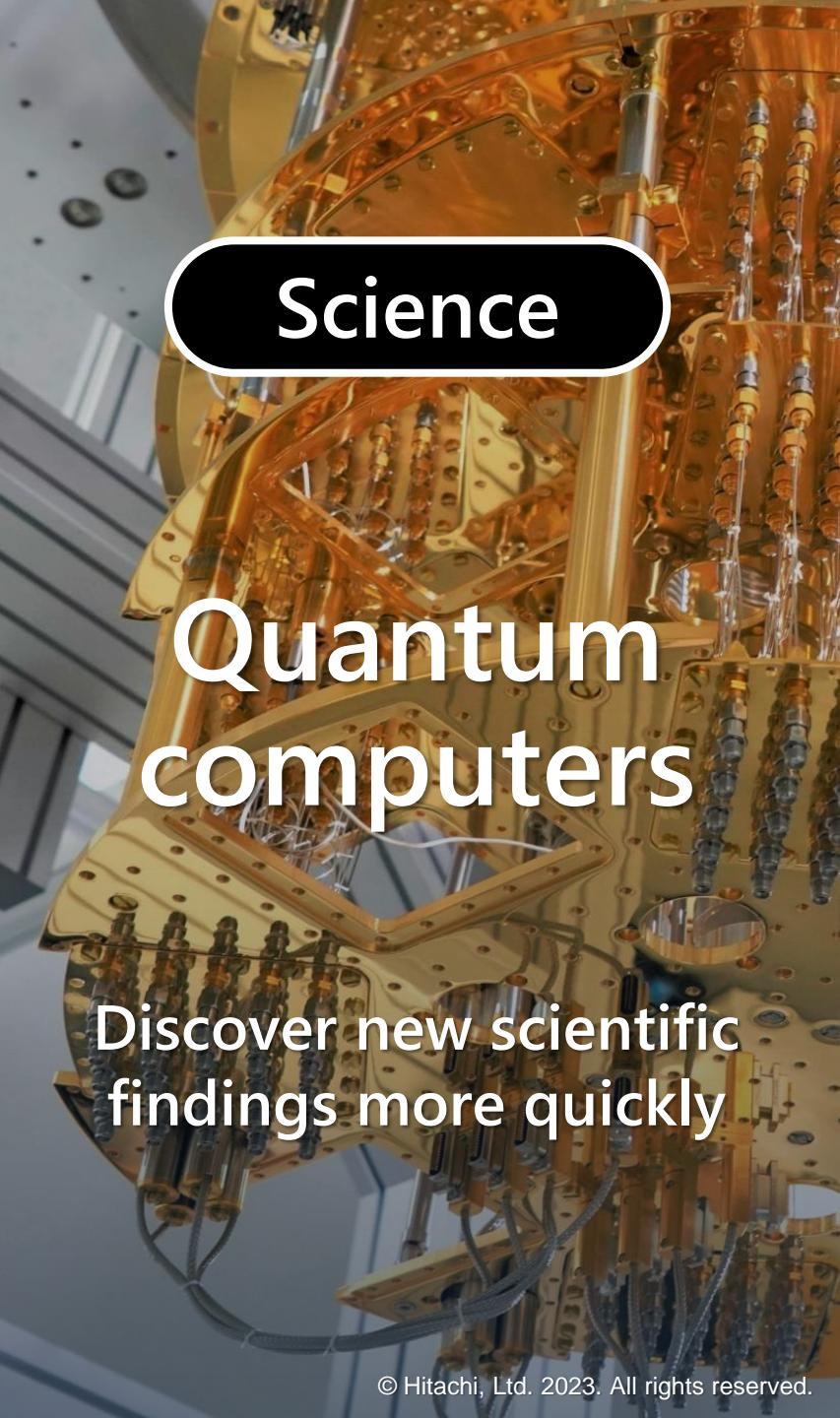
Extend healthy lifespan
and improves activity



Information

Generative AI

Gain insights effectively
from a large volume of
documents



Science

Quantum computers

Discover new scientific
findings more quickly

Generative AI



Modeling intelligence based on language

Mechanism of generative AI

**Large volumes
of knowledge**

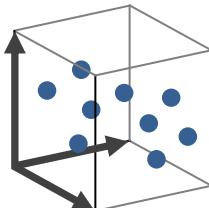
Natural (human)
language information



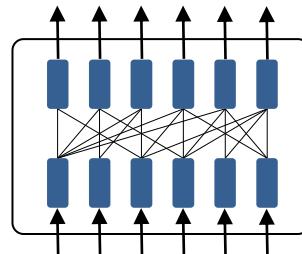
Accumulate



**Transformer
-based learning**



Convert words
into vectors
(Recognize multidimensionally)



Rapidly learn word
relationships and context
(Iterate word connection predictions)

Large Language Model

Transformer-based
large neural networks



Questions



Answers

The accuracy of the intellectual work improves dramatically when the language model scale exceeds a certain number of parameters



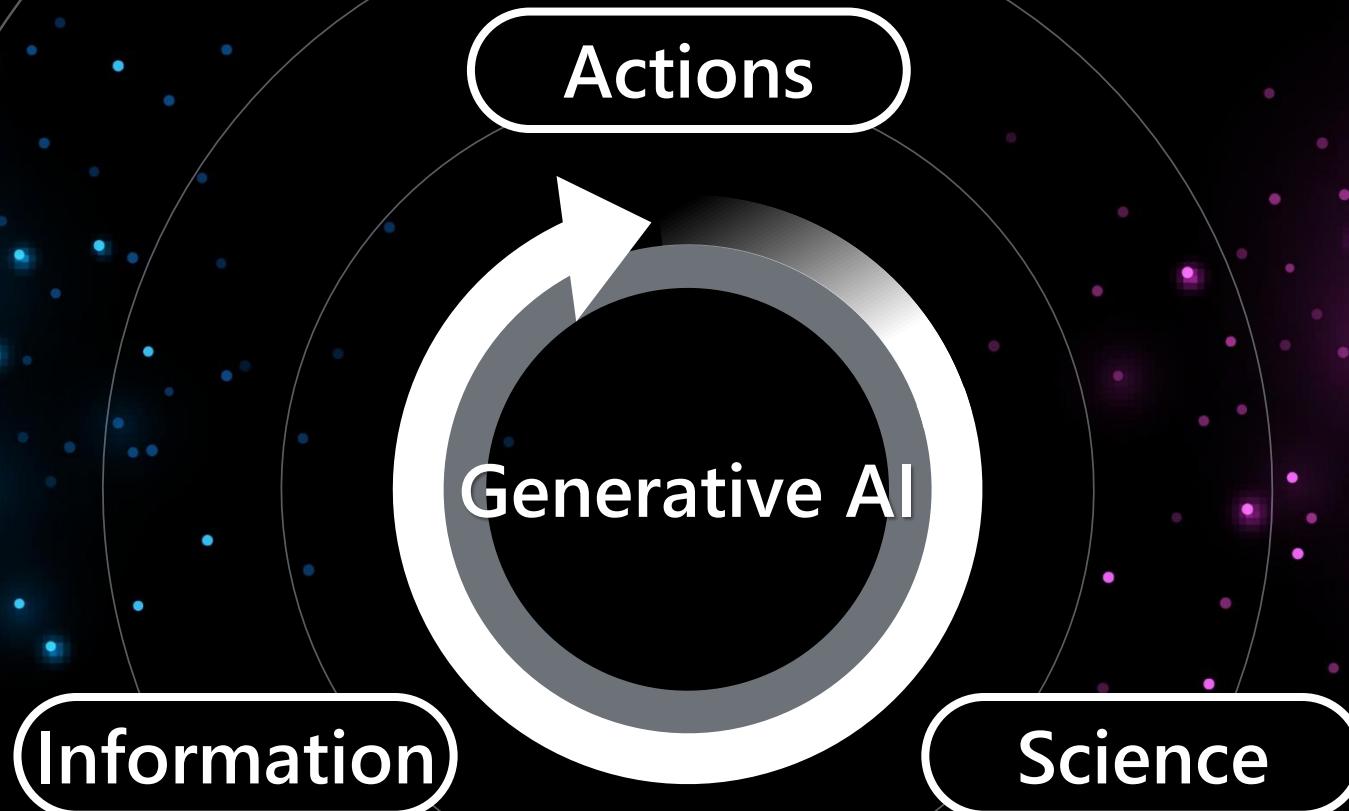
Present ideas and options even for questions with no clear answers

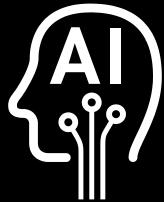
Enables the intuitive use of huge volumes
of information

Generative AI

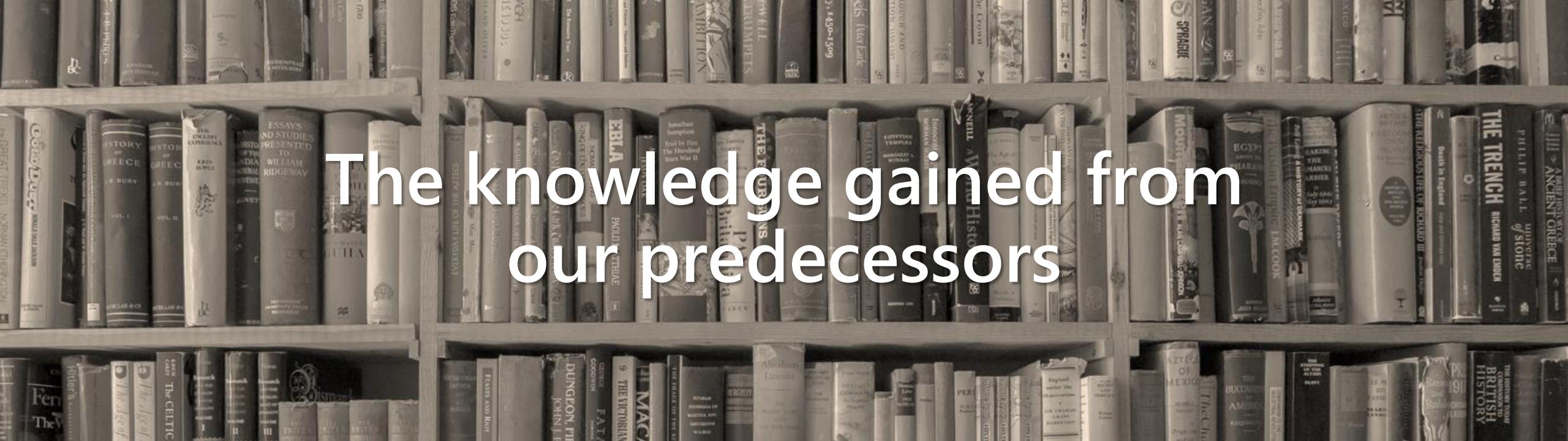
Provides powerful assistance in human intelligence
tasks and illuminates information that remained
hidden in the past

Increasing the power to create innovations





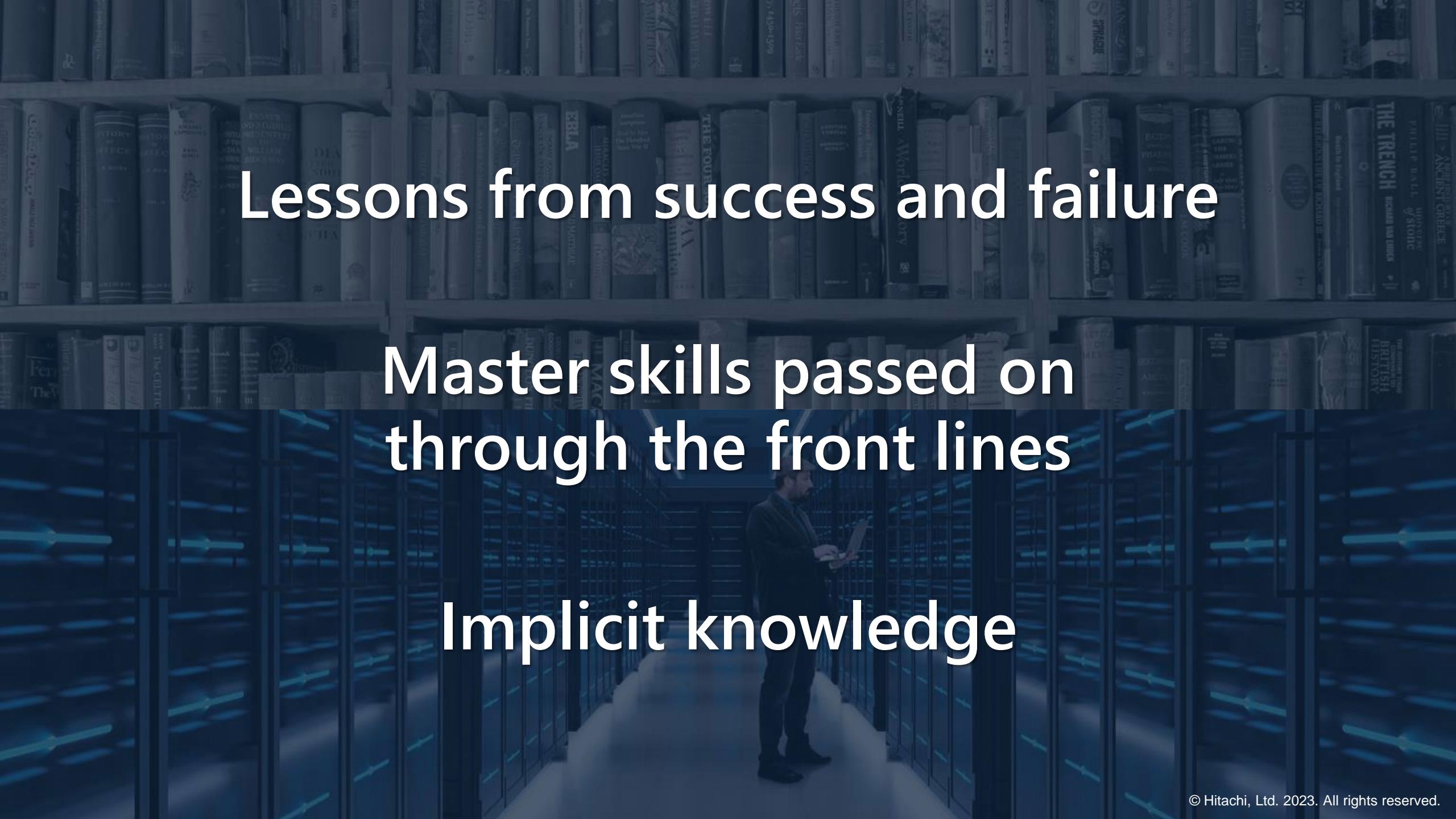
**Generative AI draws out
the hidden potential of companies**



The knowledge gained from
our predecessors



The knowledge within
the organization

The background of the slide features a photograph of a data center or server room. Rows of server racks are filled with glowing blue lights, creating a futuristic and high-tech atmosphere. A man in a dark suit and tie stands in the center aisle, looking down at a laptop computer. He appears to be a professional or technician. The overall mood is one of advanced technology and knowledge.

Lessons from success and failure

Master skills passed on through the front lines

Implicit knowledge

**Accelerating companies' innovations
Contributing to sustainable economic growth**

SEKISUI

HITACHI
Inspire the Next[®]



Comments from customers

“We want you to deliver more advanced materials even more quickly”



Materials Informatics (MI)



Using data and digital technologies
to accelerate the development of new materials

A large, modern building with a distinctive curved, multi-story design. The facade features horizontal white stripes and many windows. The building is set against a clear blue sky with a few wispy clouds. In the foreground, there's some greenery and a fence.

It was difficult to centralize digital data for MI



Minase Innovation Center

SEKISUI



Gather and organize test data from inside and outside the company

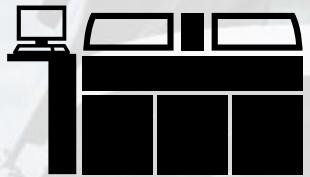


Knowledge
Base

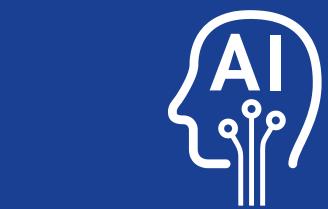
Public
Data Base

Making data easy to use

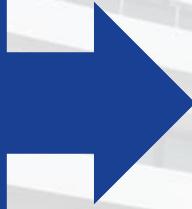
Automatic gathering and centralized management of test data



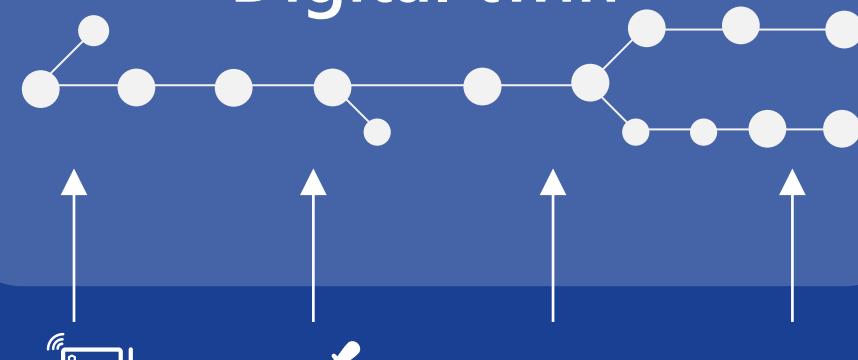
Test data



Centralized
management



Digital twin



Build digital twins to
conduct tests in a digital space



**Together with
Hitachi's sales staff and engineers,
we are striving to improve the efficiency of
data gathering and analysis, and to
develop even more advanced materials.**

**Innovative Informational Intelligence Center,
Advanced Technology Institute,
R&D Center, SEKISUI CHEMICAL
Yoshikazu Masuyama**

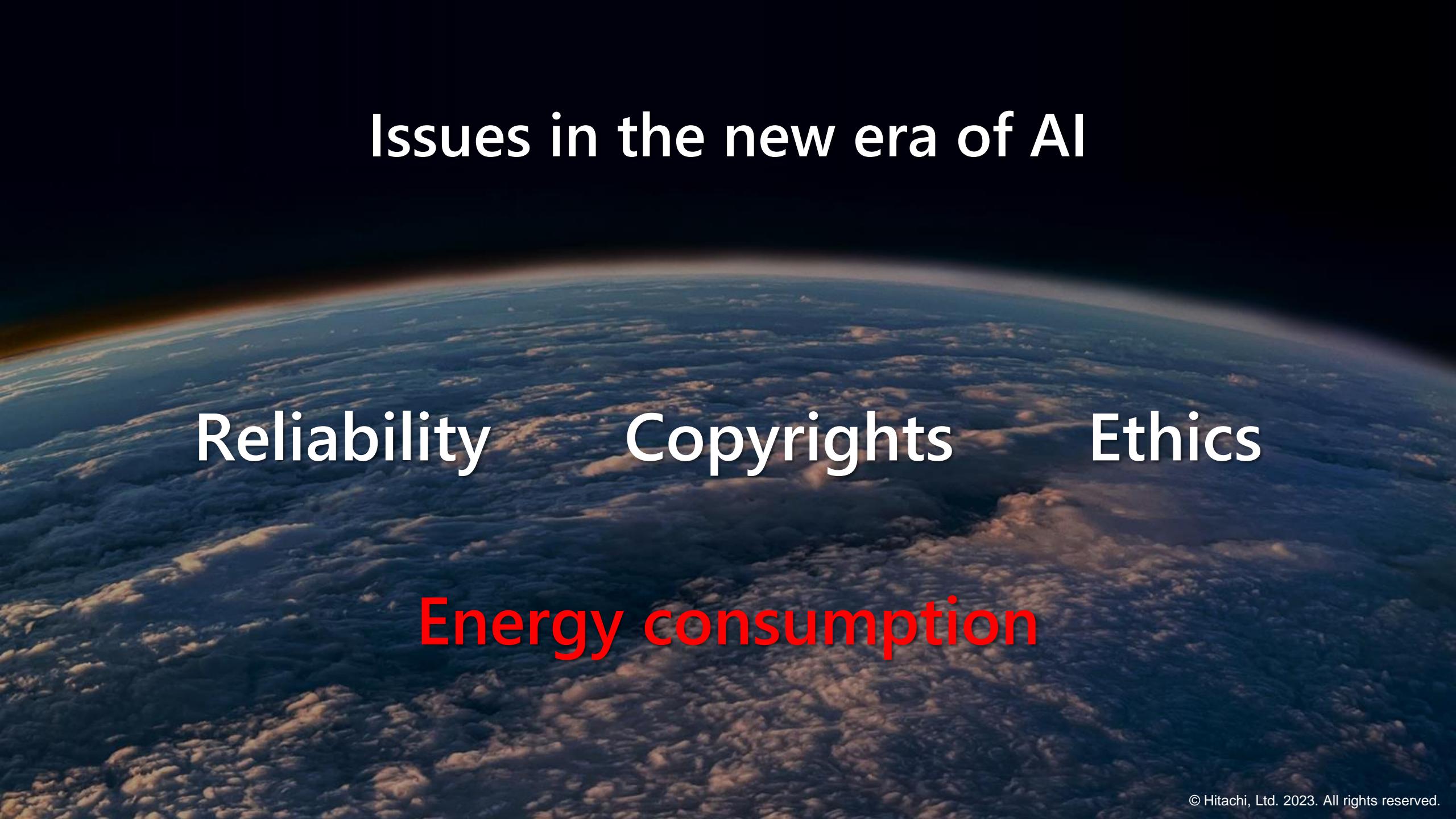


**Digitize the implicit knowledge and expertise
of skilled employees and developers**



**Draw out the organization's full potential
to create more advanced materials**

Issues in the new era of AI



Reliability

Copyrights

Ethics

Energy consumption

Electric power demand in data centers

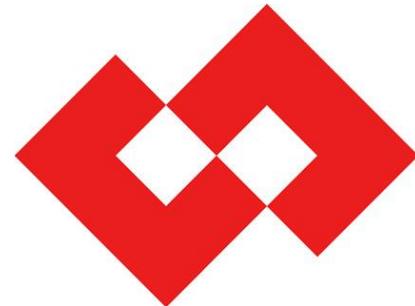


Source: Japan Science and Technology Agency (JST)

"Impact of Progress of Information Society on Energy Consumption (Vol. 2)" (February 2021)

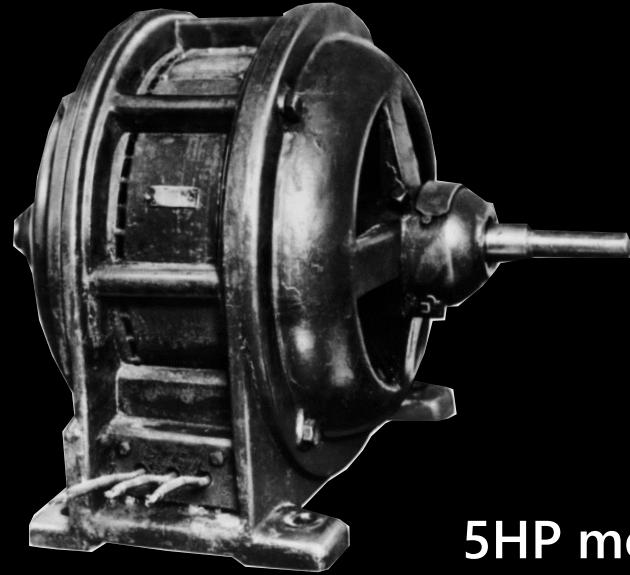


Developed energy management technologies
to make further use of
renewable energy at data centers



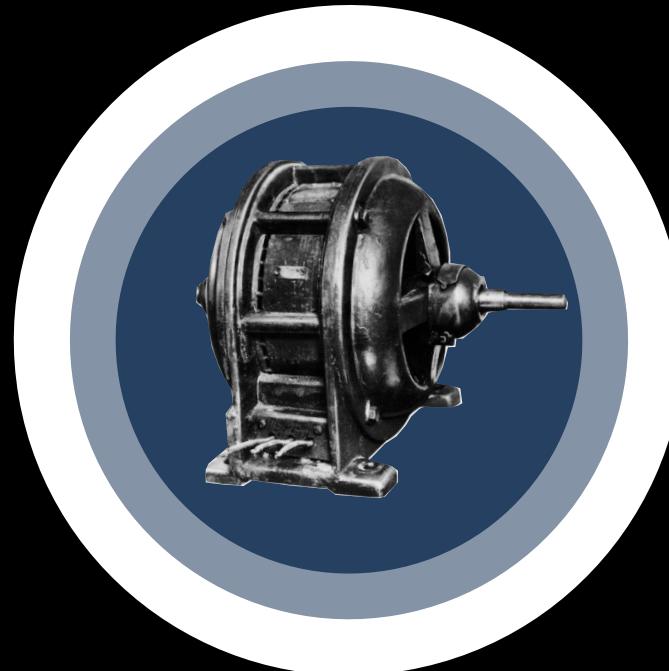
TEPCO Power Grid, Inc.

HITACHI
Inspire the Next[®]

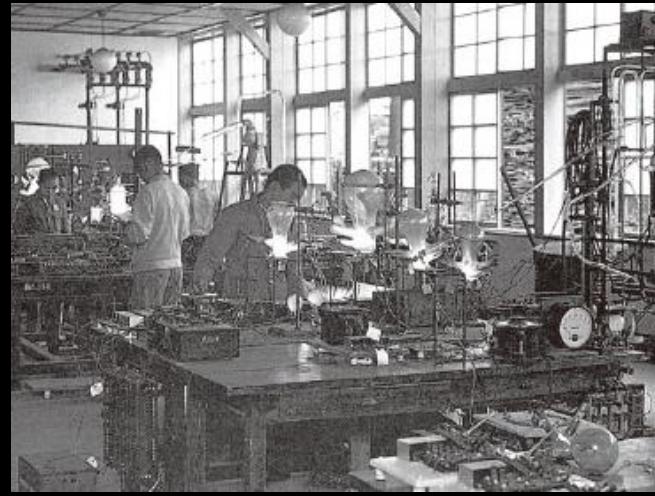
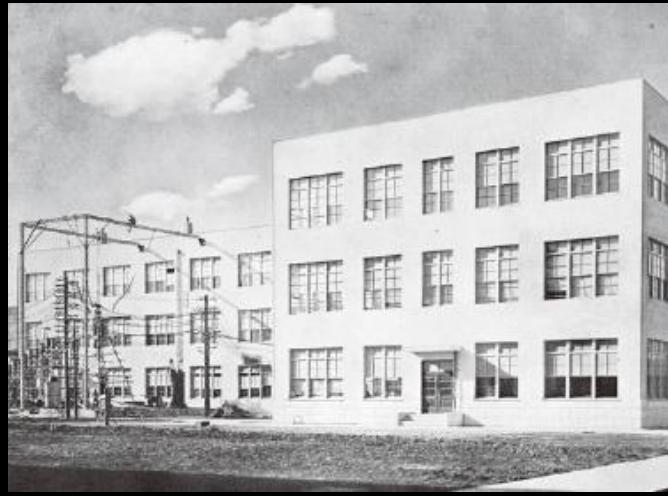


5HP motor

A strong will to develop machinery
with Japanese technologies
for the country's growth



Founder Namihei Odaira



Newly set up R&D Unit

Founder Namihei Odaira

Japan's first industrial technology magazine by a company “Hitachi Review”



Founder Namihei Odaira

Actions

Will

Information

Science



The People of **Hitachi**



Contributing to
sustainable economic growth

Will and actions to improve society



The driving force behind innovations



Hitachi Social Innovation is
POWERING GOOD