



Management Approach

Activities

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Community Involvement and Development Promoting Sustainable Community Involvement and Development

Community Involvement and Development

Hitachi's Aims

Corporations interact with a diverse community of stakeholders through their onsite operations. In working toward a sustainable society, modern corporations are expected to recognize the value of community interaction and utilize their operational strengths in actively supporting the local community through projects that bolster involvement and development at the local level.

As a good corporate citizen, Hitachi is carrying out a diverse range of community activities and advancing coexistence with society, such as through youth development, creation of cultural diversity, assistance for local community development, and environmental preservation.

Main Plans and Results

Policies	FY 2015 goals/plans	Results in FY 2015	Achievement level	FY 2016 goals/plans
· Examination and implementation of measures to establish longer-term relationship with communities in which Hitachi operates	· Plan, implement, and review activities that serve as precedents	· Implemented research and analysis of in-house activities that serve as precedents	★★	· Construct framework for activities
· Implementation of community support activities	· Conduct programs by or for Group employees · Conduct independent programs in collaboration with Group companies · Have each Group company and business unit conduct independent community support programs	· Group employee volunteers conducted Universal Design (UD) Educational Programs at 38 schools in and outside Japan · Held seven Hitachi Science Seminars in collaboration with Group companies · Implemented 113 community support programs during Hitachi Volunteer Day—a month of social contributions by the entire Group	★★★	· Continue with independent community support programs of each Group company and each business unit
· Implementation of policies to cultivate human resources in developing countries	· Hold 13th Hitachi Young Leaders Initiative (HYLI)	· Held HYLI in Manila, Philippines, with the participation of 31 university students from seven ASEAN countries and Japan	★★★	· Prepare for 14th HYLI
	· Examine and implement exchange program with students from Asian University for Women (AUW)	· Implemented internship for one AUW graduate	★★★	· Continue exchange program with AUW

★★★: Achieved ★★: Partially achieved ★: Not achieved

Promoting Sustainable Community Involvement and Development

Hitachi's Approach

Our diverse operations span the globe and involve a wide range of communities. In order to participate in a community, establish a longer-term relationship with it, and contribute to its development, we feel it is important to strategically

pursue social contribution activities and to establish sustainable goals. We have formulated a policy on social contribution activities and are carrying out a wide variety of activities across the Group.



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Social Contribution Activities

Policy on Social Contribution Activities

In fiscal 2014, we revised our policy on social contribution activities based on our own CSR management framework. With the new Group-wide policy on social contribution activities, we will proactively promote our activities. The engine of our various businesses including social innovation is not only driven by Hitachi's efforts to build a relationship with communities as a corporate citizen but also by our employees' flexible mindset and motivation brought about by volunteer activities. We believe that these initiatives enable us to contribute to the development of sustainability in both our business and society as a whole.

As one of Hitachi's global efforts, we introduced the Hitachi Volunteer Day in 2012. To mark the International Volunteer Day on December 5 each year, we set every November and December as a period during which we further encourage our employees to organize and take part in a broad range of volunteer activities to contribute to their communities.

In fiscal 2015, Hitachi and the Hitachi Global Foundation provided 2,057 million yen in funding toward social contribution activities worldwide.

Policy on Social Contribution Activities and Statement Policy on Social Contribution Activities

The Hitachi Group promotes interactive communication with local society through social contribution activities related to business activities, employee volunteers, and charitable activities in the key fields of human development, the environment, and community support.

Statement

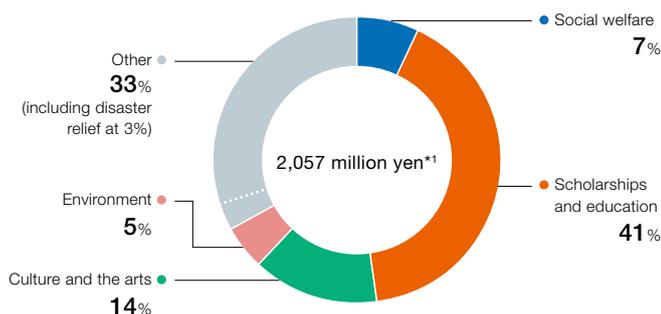
"Nurturing People, Connecting to the Future"

The statement was set down to succinctly express and convey the meaning of the policy to as many people as possible.

Social Contribution Activity

Key Indicators

Breakdown of Funding for Social Contribution Activities



*1 Japan: Hitachi, Ltd., 137 Group companies, and the Hitachi Global Foundation. Outside Japan: 244 Group companies.

Classification According to LBG Guidelines

We conduct surveys of social contribution activities by applying three categories of motivation based on the LBG*1 measurement framework, namely charitable gifts, community investment, and commercial initiatives in the community. Hitachi continues to focus on ways to strategically align its social contribution activities with its business, with efforts toward this end including continued charitable activities and increased community investment across the Hitachi Group.

Ratio of Social Contribution Activities Based on LBG Guidelines (monetary basis)

	Fiscal 2014	Fiscal 2015
Charitable gifts	80%	80%
Community investment	18%	16%
Commercial initiatives in the community	2%	4%

*1 LBG (London Benchmarking Group): An internationally recognized, global network of 114 companies that provides a framework for measuring corporate community investment. Over 300 companies worldwide use the LBG model.

LBG

The Hitachi Global Foundation

On April 1, 2015, five foundations in Japan long supported by the Hitachi Group—namely, the Odaira Memorial Hitachi Education Foundation, the Kurata Memorial Hitachi Science and Technology Foundation, the Hitachi Environment Foundation, the Hitachi Scholarship Foundation, and the Hitachi Mirai Foundation—merged into the Hitachi Global Foundation. The aim is for the newly formed organization to develop the activities previously undertaken respectively by each of the five foundations to further meet societal needs.

Under a policy on social contribution activities revised in fiscal 2014, the Hitachi Global Foundation plans to utilize Hitachi's experience and know-how to promote activities in three key areas—promotion of academic research, science, and technology; human development; and support for local communities—in order to enhance social value through collaboration across the Hitachi Group.

In fiscal 2016–18 we will focus attention on consolidation of the organization. The Foundation has a long-term view informing how it carries out social contribution programs based on an array of societal needs, such as addressing the declining birthrate and the graying of society, responding to the rapid advancement of information technology, cultivating future human resources, and invigorating local communities. Our programs include providing scientific research grants, nurturing future science- and engineering-related personnel, offering scholarships to faculty at universities around Asia, and launching new programs addressing global issues facing the socially vulnerable, including youths and the elderly.

The Hitachi Global Foundation