



Community Involvement and Development

Hitachi's Aims: Building a Better Future Through Collaborative Creation

Corporations interact with a diverse community of stakeholders through their on-site 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 collaborating with various stakeholders in carrying out a diverse range of community activities with the aim of achieving coexistence

with society, such as through youth development, creation of cultural diversity, assistance for local community development, and environmental preservation.

Key SDGs



Hitachi and Society

Our Impact on Society

Funding for social contribution activities

2,195 million yen

Our Performance

No. of participating volunteers

53,749

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 long-term relationship with it, and contribute to its development, we believe 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.

The results of these activities are monitored using internationally recognized methods for measuring effectiveness, and improvements are made as needed. In order to realize the sustainable society envisioned by Hitachi, the entire Group will join hands to promote STEM education and cultivate human capital capable of tackling social issues. We will also seek additional ways for the Hitachi Global Foundation to contribute to local communities as we accelerate our efforts moving forward.

Social Contribution Activities

Policy on Social Contribution Activities

Hitachi's Group-wide policy on social contribution activities guides our promotion of a range of socially responsible initiatives. The engine of our various businesses including social innovation is driven not only 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 fiscal 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 2017, approximately 4,400 employees and family members participated in 143 separate activities rooted in local communities, from environmental initiatives carried out together with local residents and students to support for welfare and educational facilities.

These activities are promoted by our Sustainability Promotion Division in conjunction with the CSR and social contribution departments of business units and major Group companies, planning and carrying out initiatives as appropriate to the nature of their business and the needs and challenges of the regions they operate in.

In fiscal 2017, Hitachi and the Hitachi Global Foundation

provided 2,194.72 million yen in funding toward social contribution activities worldwide. Additionally, 53,749 Hitachi Group employees participated in social contribution activities.

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"

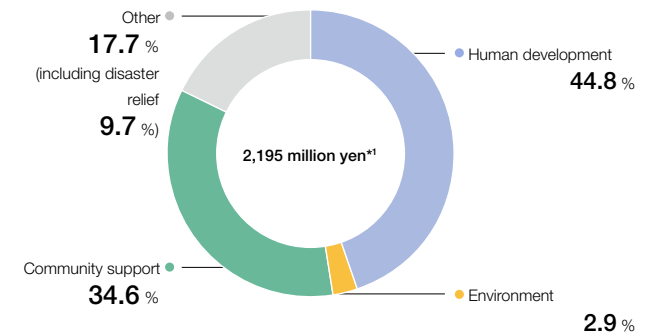
The statement was set down to succinctly express and convey the meaning of the policy to as many people as possible.



Social Contribution Activities

Key Indicators

Breakdown of Funding for Social Contribution Activities



*1 Japan: Hitachi, Ltd., 141 Group companies, and the Hitachi Global Foundation. Outside Japan: 196 Group companies.

Classification According to LBG Guidelines

We conduct surveys of social contribution activities across all eight business segments 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 business operations, 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)

	FY 2014	FY 2015	FY 2016	FY 2017
Charitable gifts	80%	80%	75%	71%
Community investment	18%	16%	20%	23%
Commercial initiatives in the community	2%	4%	5%	6%

*1 LBG (London Benchmarking Group): An internationally recognized, global network of around 180 companies that provides a framework for measuring corporate community investment. Around 1,000 companies worldwide use the LBG model.



Advancing STEM Education as One Hitachi

The Hitachi Group and the Hitachi Global Foundation carry out activities related to science, technology, engineering, and mathematics (STEM) education in order to develop a new generation of human capital capable of addressing social challenges.

In Japan, we held the Hitachi Science Seminar with the cooperation of our Group companies, dispatch researchers to “Super Science High (SSH) schools” as scientific technological advisors, and support science education through volunteer employee activity in fiscal 2017.

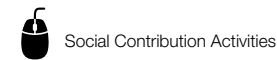
The Hitachi High-Tech Group is developing its STEM education support activities globally. In North America, Hitachi High Technologies America, through its STEM Education Outreach Program, contributes to enhancing students’ interest in science by lending tabletop microscopes to regional schools, colleges, teacher training conferences, science museums, and other institutions and organizations involved in science education. In fiscal 2017, more than 100 programs were carried out in ten states. Programs using tabletop microscopes were also independently planned and put in motion by local Hitachi High-Tech Group employees in China, South Korea, Singapore, and these activities are now expanding to Ukraine and Russia.

Hitachi India decided to carry out the setting up of Atal Tinkering Lab (ATL), a Government of India initiative, in schools, to implement and promote access to world-class STEM models and real-life problem-solving projects and inculcate familiarity with technology among students. The education program named by Hitachi India “UJJAWAL MIRAI (Bright Future)” fosters scientific thinking, problem-solving skills, and entrepreneurial mindset among secondary school students, in association with NGOs contributing to the promotion of STEM in India. In fiscal 2017, Hitachi India collaborated with the Indian Government and Kendra Vidyalaya schools (three schools) in Delhi through NGOs to provide access to the STEM program to more than 2,000 young students representing the 6th to 12th grades. Through March 2019, an estimated 1,000 additional students will continue to receive hands-on training in the areas of design thinking and usage of computational techniques.

Working as one Hitachi, we will continue to promote STEM education.



Russian junior high school students using microscopes provided through our STEM activities.



The Hitachi Global Foundation

The Hitachi Global Foundation, a corporate foundation funded by Hitachi, is engaged in non-profit activities in three areas: promotion of academic research, science, and technology; human development; and support for local communities.

Promotion of Academic Research, Science, and Technology: The Foundation awards Kurata Grants to support research in Japan. The Kurata Grants system was originally proposed in 1967 by Chikara Kurata, the second president of Hitachi, Ltd., who hoped to encourage the development of science and technology within the country. In fiscal 2017, the Foundation awarded 32 grants to research seeking solutions to social challenges in the three areas of energy/environment, urban development/transportation, and health/medical care.

The Hitachi Scholarship was established in 1984 and has since served to support the development of science and technology in Southeast Asia. In fiscal 2017, the scholarship system was thoroughly reviewed and restarted as the Research Support Program. This new program aims to support scientific and technological research in the same three areas as the Kurata Grants system. Applications are now being

accepted from doctoral degree holders at 15 colleges and universities in 6 Southeast Asian countries.

Human Development: Hitachi has developed a unique, project-based quest-style educational program called the Hitachi Future Innovator Program. In fiscal 2017, the program was trialed at two elementary schools in Japan: an elementary school attached to Faculty of Education, Wakayama University, in Wakayama Prefecture; and Midorino Elementary School in Nakano City, Tokyo. Designed to foster a new generation of STEM professionals capable of creating innovation, the program also featured Hitachi Group employees participating as corporate lecturers. Hitachi also held an education forum attended by a total of over 130 stakeholders from within and outside the Hitachi Group to broaden understanding of the program's educational merit.

Support for Local Communities: The Foundation published the second issue of its web magazine *Mirai* ("Future"). The issue's theme is the dark side of the parent-child relationship, and it features articles written by experts in medicine, psychology, sociology, and criminology as well as interviews with journalists delving into the problems that exist within the parent-child relationship in modern society.

Fiscal 2017 marks the 50th anniversary of the Foundation's activities. This landmark was commemorated by a symposium entitled "Investment in Children Creates the Future: Educational Investment and Social Return," with the aim of reviewing, in a modern context, the themes of early childhood education and healthy juvenile development pursued by the Odaira Memorial Hitachi Educational Foundation and the Hitachi Mirai Foundation (forerunners of the Hitachi Global Foundation). The symposium also addressed the pressing social issues of child poverty and inequality.

Hitachi will continue developing non-profit projects that contribute to resolving social challenges in response to the requirements of the times.



The Hitachi Global Foundation