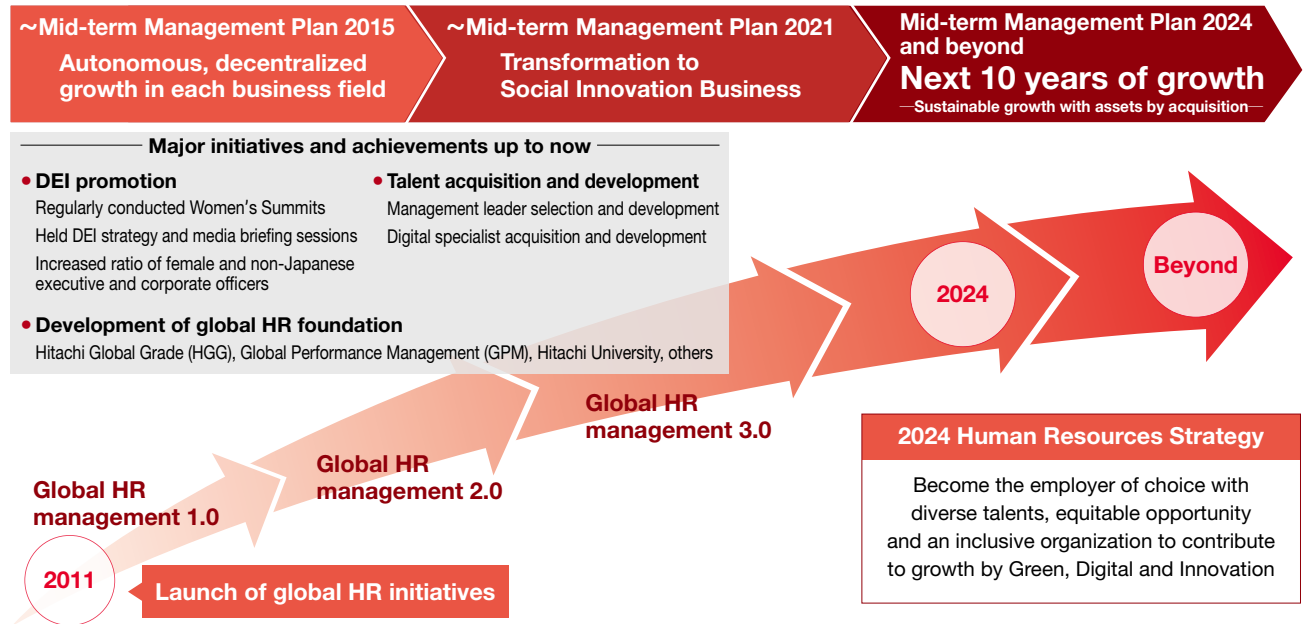


Human Resources Strategies

10 Years of Accelerating Global Growth Utilizing an Acquired HR Foundation

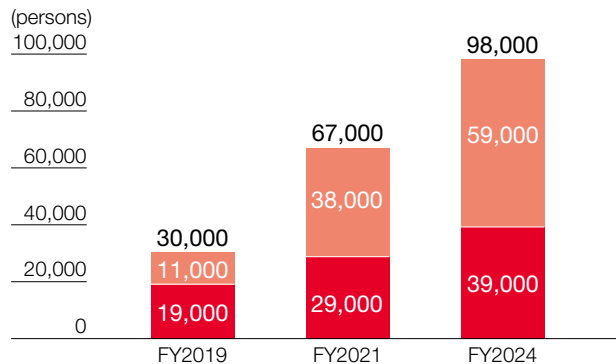
To develop the Social Innovation Business, Hitachi must explore social and customer issues and collaborate with customers to create unique new solutions. Over the past 10 years, we have retained and developed a diverse range of human capital, the driver of sustainable growth, and created an organization facilitating innovations and the creation of new value for a global and digital age. We believe human capital (people) is a wellspring of value in terms of Social Innovation Business global deployment. To realize a sustainable society, we will marshal the strengths of our more than 300,000 employees and continuously provide value to our customers and society.



Main KPIs

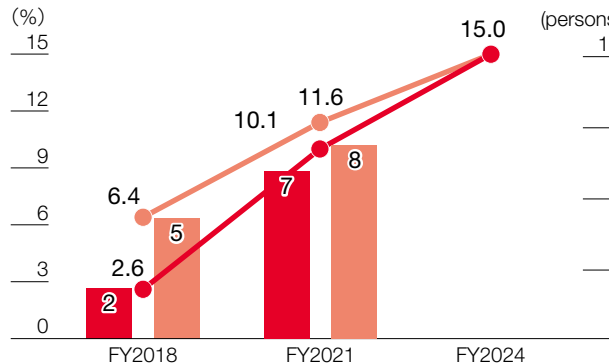
Digital talent

■ Japan ■ Overseas



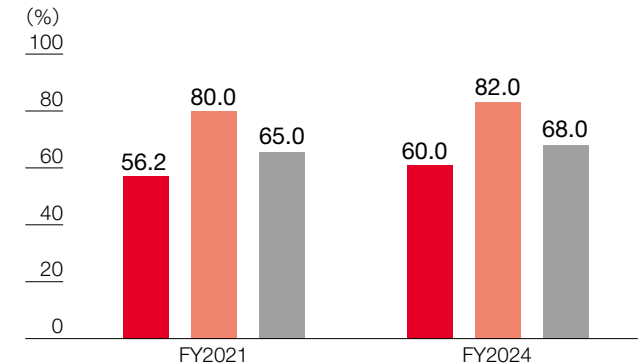
Ratio of female and non-Japanese executive and corporate officers

■ Women ■ Non-Japanese



Employee engagement (positive response rate)

■ Japan ■ Overseas ■ Total



HR Strategy within the Mid-term Management Plan 2024

In this global and digital era, we must explore the needs of societies and customers throughout the world and provide services that resolve the issues they face. Human resources are the most critical driver in terms of facilitating the acceptance of diverse values, and of responding to the changing value sought by customers and to the increasing complexity and severity of social issues. Hitachi formulated the 2024 HR Strategy with the mission of acquiring and developing diverse human resources, providing equitable opportunity, and contributing to business through an inclusive organization. To grow business through a data-driven cycle of value co-creation with customers and a growth model that realizes higher earnings

throughout the cycle, we aim to maximize talent (human capital and individual capabilities) and its engagement to achieve growth in each business. We also to promote inter-division collaborations and enhance global productivity and efficiency to cultivate an awareness and culture oriented toward sustainable growth. Specifically, we will acquire the global leaders and digital talent required to achieve growth. We will retain, develop and place the right people in the right places at right time within the Hitachi Group, and make an effort to enhance employee wellbeing and engagement. Hitachi will become the “Employer of choice” in global markets.

HR Mission, Vision and Strategy

The 2024 HR Strategy comprises three main pillars for realizing individual employee and organizational growth: People (talent), which involves acquiring, retaining and developing global and digital talent, positioning the right people in the right places, and promoting employee wellbeing and engagement; Mindset (culture), which involves the cultivation of a corporate culture realizing innovation, ongoing and autonomous skill development, including upskilling and reskilling in consideration of individual career development, and the promotion of innovations and change; and Organization, which involves promotion of the transformation to a high-quality human capital division that enhances DEI, breaks down organizational silos and engages in co-creation in order to ensure diverse human resources can work energetically with diverse values. Hitachi will work to foster a corporate culture enabling the group’s more than 300,000 human resources to maximize individual potential while coming together to create an organization where everyone plays an active role.

Mission	Contribute to business through diverse talents, equitable opportunity, and inclusive organization.
Vision	We lead transformation into “Employer of choice” in global market to become a vibrant “Talent Destination” that contributes to society

		Pillars	Key Initiatives
HR Strategy		People (Talent) Maximize talent (human capital and individual capabilities) engagement for growth	<ol style="list-style-type: none"> 1. Acquire, retain, develop and allocate global leaders and digital talent to maximize their potential 2. Place the right people in the right places (matching) at right time in the Hitachi Group 3. Enhance employee wellbeing and engagement
		Mindset (Culture) Fostering a mindset and culture for growth	<ol style="list-style-type: none"> 4. Embody Hitachi’s founding spirit and cultivate global Hitachi culture to realize sustainable growth 5. Promote growth mindset (ongoing, autonomous skills development, including upskilling and reskilling) 6. Promote innovations and transformations: Ensure psychological safety and encourage the taking on of challenges
		Organization Promoting collaborations between divisions for growth and the realization of global productivity and efficiency	<ol style="list-style-type: none"> 7. Break down organizational silos and collaborate to enhance customer value 8. Create new workstyles 9. Utilize digital technologies to transform HR with the provision of higher-quality HR services and solutions
		Foundation	<ul style="list-style-type: none"> • Ensure physical and mental wellbeing and safety • Strengthen exhaustive risk management (compliance, prevent incidents and accidents, respond to disasters, etc.)

Diversity, Equity and Inclusion (DEI)

Hitachi is committed to implementing DEI (Diversity, Equity and Inclusion) in the organization to become a global leader and foster a sustainable growth of our business. Sustainability is the very core of Hitachi's business strategy, and to be a global leader in Social Innovation, Diversity, Equity and Inclusion is a crucial component for successful growth. A diverse workforce that represents society will allow the group to better understand customers and society's needs. For this reason, in Hitachi DEI strategy has been integrated into the core of the new MTMP as part of the Sustainability structure, with the aim to strengthen the management structure and integrate all the sustainability topics in one organization and to create a strong and coordinated approach toward ESG.

From this fiscal year, we have added "equity" as a key element of the DEI plan, showing a clear commitment to create "equitable opportunity for everyone." At Hitachi, we recognize that we are all different, and therefore each person may have different needs. By including Equity in our DEI strategy, we consciously seek to address the needs of each person based on their own unique circumstances. By recognizing differences, we are better able to provide everyone with access to the same opportunity and to fulfil their potential based on their will and competences.

There's growing evidence that Diversity drives innovation, as diverse teams, working in an inclusive environment, can lead to better ideas. By providing and fostering an equitable and inclusive environment, Hitachi will be able to create effective and innovative technologies to tackle climate crisis, respect planetary boundaries and increase people's wellbeing.

Being a global player, Hitachi is committed towards all the diversity pillars, such as age, gender, background, ethnicity, sexuality, religion, disability, marital status, and thinking style. All of those are relevant. To track our progress, Hitachi has identified and set KPIs for three main global themes common and applicable to all businesses, everywhere, which are gender balance, cultural diversity and multi generation. In 2021 Hitachi announced publicly a global commitment, to reach 30% female and 30% non-Japanese in executive and corporate officer positions by fiscal 2030 in Hitachi, Ltd. Each Business Unit and function part of the group at the global level also has set DEI targets for diversity in decision-making layers and female managers by fiscal 2024, in accordance with their business strategy. In addition to these KPIs, each business and region is setting specific targets focused on other dimensions, prioritizing and adopting actions according to their specific needs and business strategies.



Lorena Dellagiovanna

Vice President and Executive Officer,
Chief Sustainability Officer, Head of
Global Environment Division, and CDIO

Gender Balance

For our business to be successful, we want our workforce to have equal representation of the society we want to serve. About 50% of the world population is female. For this reason, we set specific targets for gender balance, creating more opportunities for women across the business. We provide access to roles through recruitment, offer opportunities for their progression into leadership positions and support to ensure a workplace where women can thrive. As the group, we are putting in place many activities on a global level. For example, in Japan, the company is providing support for a childcare-work balance, pre-maternity leave and reinstatement support seminars, and the development of childcare facilities, as well providing paternity-maternity leave seminars. As of fiscal 2020, the double-income ratio had increased to 30%, and participation in childcare leave and leave for the purpose of childcare among men had increased to 35%. We believe these efforts can improve wellbeing and promote personal diversity through participation in childcare.

Cultural Diversity

Being culturally diverse is about creating a team that reflects the global nature of our company. Hitachi has grown into a global innovation business from its Japanese roots, and our desire is that the global and diverse nature of our business portfolio should be reflected in our people, particularly at the decision-making levels. By providing the opportunity for more individuals from different nationalities to progress into leadership, we create opportunities for Hitachi to access new markets and sustain our global growth. For example, Hitachi's R&D team, being conscious that language can often present a barrier to integration, is working to place more English communication in their promotional activities, replacing Japanese-only communication.

Multi Generation

Technology and society change fast, and the voice of our younger colleagues is essential in Hitachi's approach to innovation. We seek to attract new generations of colleagues into our workplace and ensure they contribute to our thinking. We recognize the value that individuals can bring regardless of age and therefore our aim is that colleagues are recognized based on competence rather than age. For example, to attract and retain future talent, Hitachi Energy has set targets on early career hiring (under 28 years old), partnering with university relations and our Power+ trainee program. Its Diversity 360 scheme also focuses on lifelong learning. Hitachi Energy has also ensured that its recruiting policy creates an inclusive workplace by examining areas such as the office infrastructure and embedding flexible working practices.

Enhanced Acquisition of Digital Talent

To expand the Social Innovation Business, Hitachi must retain and develop digital talent to drive Lumada business growth. In the Mid-term Management Plan 2024, we aim to become a global top-class DX company with plans to increase the ranks of digital talent from 67,000 at the end of fiscal 2021 to 98,000 by the end of fiscal 2024, mainly overseas, including at GlobalLogic and Hitachi Vantara.

GlobalLogic has systems in place and track record of timely human capital acquisitions required for business, leading to the reinforcement of global human capital in the Digital Systems and Services sector, the driver of the Lumada business Groupwide.

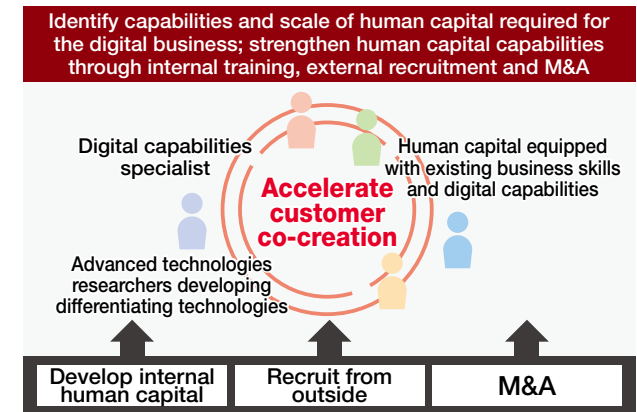
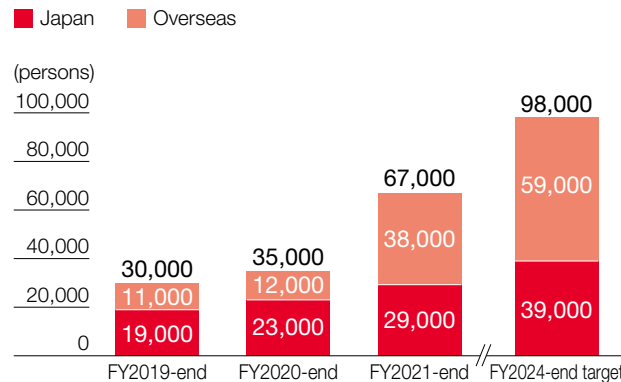
At the same time, in Japan, we are strengthening human capital by developing internal human capital and recruiting from outside the company.

In developing internal human capital, we will accelerate the bolstering of digital capabilities necessary for business growth through digital literacy e-learning to inculcate a basic understanding of digital transformation (DX) and Hitachi's digital business, DX training to develop basic human capital

able to engage in digital businesses as project members, and enhanced training programs for each skill and position, including OJT programs aimed at developing professional human capital able to plan and lead projects.

Further, when recruiting from outside the company, we seek new graduates who are treated competitively in the digital talent recruitment course, and promote the retention of talented human capital, including experienced mid-career hires in Japan and recruited directly from India, Eastern Europe and other overseas locations.

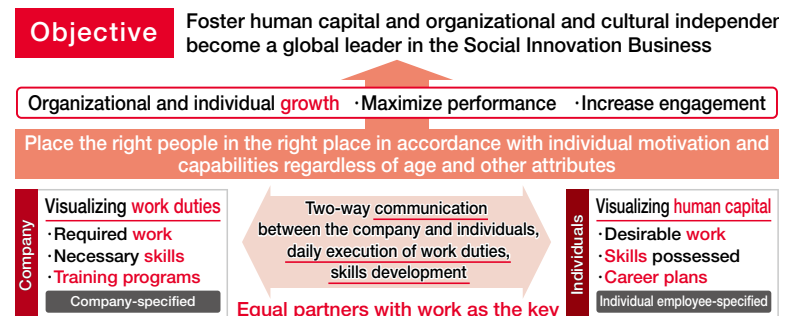
Digital talent



Promoting Job-based HR Management

In order to achieve global business growth, each employee must grow. In response to changes in the business environment, Hitachi's business direction, social issues in Japan and changes among individual employees, Hitachi is promoting job-based human capital management to support business growth. Specifically, we will promote awareness and behavioral changes by visualizing work duties and human capital, strengthening upskilling and reskilling education, recruiting and assigning work with clear job descriptions and maximizing individual performance, which will lead to growth throughout the entire organization.

Most recently, we are promoting measures that include revitalizing internal employment opportunities using the group's open recruiting system, strengthening support for managers through training that enhances manager capabilities, providing support for upskilling and reskilling in line with career goals, and introducing a learning experience platform. Through these efforts, we aim to become a global leader in the Social Innovation Business by targeting individual and organizational growth, thereby fostering independence among Hitachi's human capital, organization and corporate culture.



Enhancing Employee Engagement

Employee wellbeing is a necessary condition for increasing productivity, as well as a management issue. Creating comfortable work environments and workplaces where all employees can proactively engage in work and achieve results is the source of Hitachi's sustainable growth.

To this end, enhancing employee engagement is critical. Diverse human capital working with high engagement across countries, regions and companies is essential for maximizing human capital and organizational performance. Each year, we conduct Hitachi Insights, a global employee survey aimed at ascertaining employee understanding of Company strategies and measures, job satisfaction, and desire to autonomously engage in efforts to achieve results. Through this process, in addition to employee engagement, we quantify understanding of management policies, operational reforms, DEI, career development opportunities, health and safety, and growth motivation, and work to improve them.

Hitachi Insights results are shared by executives and managers at each workplace with other members of their organization, leading to specific improvement measures and the formulation

of a PDCA cycle that creates rewarding workplaces. This facilitates the prioritization of human capital-related measures throughout Hitachi, workstyle reviews in each workplace, and productivity improvements.

Since this survey was introduced in 2013, scores have improved over the medium term. In fiscal 2021, Hitachi Insights was conducted in 14 languages for approximately 240,000 people worldwide, with a participation rate of 86%. The employee engagement index was 65% in fiscal 2021, and we aim to raise this to 68% in fiscal 2024.

By conducting this survey annually, we can evaluate and review initiatives, as well as measure effects directly linked to work and workplace improvements. In promoting a growth-oriented mindset among all employees (continuous and independent skills development, including upskilling and reskilling), we will accelerate innovations and transformations embodying Hitachi's founding spirit to inculcate Hitachi's corporate culture on a global scale.

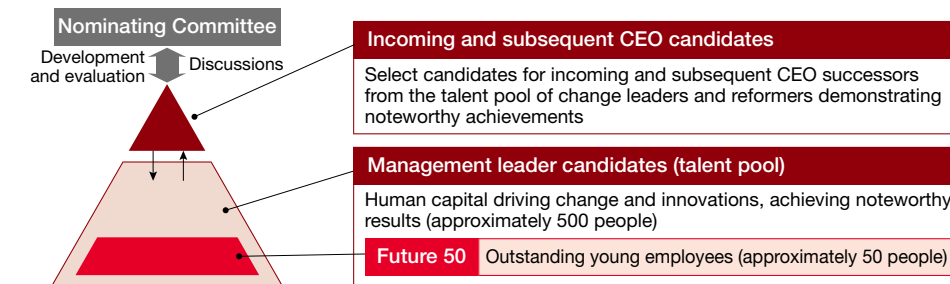
Cultivating the Next Generation of Management Leadership

The rapid selection and development of management leader candidates is one of Hitachi's most important management issues. Thus, Hitachi is focused on the development of young leader candidates referred to as the Future 50.

Each year, 500 high-performing Hitachi employees around the world who have driven changes and innovation leading to noteworthy results are nominated for intensive development, with only 50 selected as members of the Future 50. Members from all over the world gather to discuss what is required for Hitachi Group growth. In making recommendations to management, they acquire the capabilities of next-generation leaders who can practice "I will" mindset and take resolute actions. Further, through participation in unconventional tough assignments* and internal and external training sessions, Future 50 members broaden their horizons and expand their perspectives beyond the responsibilities of the business areas in which they are engaged. The Nominating Committee also holds discussions and individual interviews with incoming and subsequent CEO candidates to proactively develop the next generation of managers. Hitachi's management, including the Board of Directors, has strengthened its ability to respond to increasingly complex global social issues through diversity regardless of gender and nationality, as well as through a strict approach to the governance of various issues. Inculcating this change in management awareness among young leader candidates will lead to the global recruitment of truly talented human capital without reliance on age, gender or nationality, deepening and broadening the pool of next-generation leaders throughout Hitachi.

*Work duties with a relatively high degree of difficulty

Selection and Development of Management Leaders (pipeline construction)



Nominating Committee	Conducts discussions and individual interviews with incoming and subsequent CEO candidates, participating in focused, medium-range development
Execution side	Selects and develops global management leader candidates (1) Discussions conducted at 30 Talent Committee meetings each year (composition changes annually) (2) Selection of approximately 500 employees developed mainly through stretch assignments (includes non-Japanese and female employees)
Execution side + Nominating Committee	Selects talented young people as members of the Future 50 and provides intensive training. Allocates tough assignments, facilitates one-on-one sessions with the CEO and organizes lectures by Nominating Committee members, among other efforts

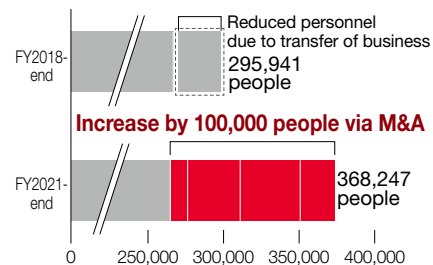
Cultivating Global Hitachi Culture

Of the approximately 370,000 Hitachi Group employees in Japan and overseas (as of the end of fiscal 2021), more than 100,000 (about 30%) have joined the group over the past three years. While diverse human resources are the driving force behind corporate growth and innovation, there is also a need to repeatedly share the Hitachi Group Mission and Values to inculcate common understanding and behaviors.

As this is the inaugural fiscal year of the Mid-term Management Plan 2024, we are also making efforts to facilitate understanding through online meetings for group and global executives conducted by President and CEO Kojima and videos distributed to all employees. Town hall meetings are held with all business unit and division managers to explain the Mid-term Management Plan 2024 and divisional policies to all employees while reaffirming Hitachi's Mission and Values.

With the addition of new talent in the group, it is important to develop a human capital management system and inculcate Hitachi's corporate culture. To this end, it is essential that we deploy and utilize the global HR foundation Hitachi has been working on to strengthen internal communication among group companies, disseminating and sharing consistent messaging throughout the Hitachi Group. It is also important to implement cultural inclusion measures targeting employees who recently joined the group through M&A by respecting each company's unique culture and sharing and incorporating the necessary cultural features and elements for future growth. In the Mid-term Management Plan 2024, we will consolidate PMI knowledge accumulated through past M&A and other efforts in the Center of Excellence (CoE) established at our Corporate Division, creating a system that can be utilized for new projects.

Changes in consolidated employee numbers



Initiatives and Results Associated with GlobalLogic PMI

Steady efforts are already bearing fruit. For example, at the Make a Difference! idea contest held to promote our corporate culture, the Success Paths concept proposed by GlobalLogic, which joined the Hitachi Group in July 2021, was presented with the Gold Ticket* award for fiscal 2021. Make a Difference! is an idea contest launched in fiscal 2015 as a means of reforming the "I will" mindset aimed at new business and internal reforms. The Success Paths proposed by GlobalLogic focus on Hitachi employee engagement, utilizing an app that addresses individual careers as well as social activities (hobbies, volunteering, personal development and other pursuits). These efforts were recognized as a unique method for guiding employees down the path to success.

*Conferred to outstanding projects demonstrating high feasibility

Lumada Business Award Jointly Awarded to Hitachi Energy, Hitachi Vantara and GlobalLogic

The One Hitachi Acceleration for Green Digital Program powered by Lumada jointly proposed by GlobalLogic, Hitachi Vantara and the ABB power grids business (now Hitachi Energy), which became part of the Hitachi Group in July 2020, won the fiscal 2021 Lumada Business Award (Grand Prize), demonstrating that Hitachi's PMI is functioning effectively. These three companies provide services, including stabilized power distribution and the sale of surplus power to local users, to power transmission and distribution companies that utilize Battery Energy Storage Systems (BESS). This award was conferred in recognition of Hitachi's contributions to resolving issues faced by social infrastructure maintenance operators, including reliability modeling and equipment inspection solutions based on diagnostic imaging. In terms of cultural inclusion, while respecting the unique culture of each company that has become part of the Hitachi Group through M&A and other efforts, it is critical to foster global Hitachi culture by mutually sharing and incorporating cultural characteristics and elements necessary for future growth.