

News Release

FOR IMMEDIATE RELEASE

Hitachi builds new Global Integrated Platform to promote greater participation by the Group's diverse employees

Platform to be launched throughout the entire Hitachi Group from 2018



Goals of building the Global Integrated Platform

Tokyo, November 28, 2017 --- Hitachi, Ltd. (TSE: 6501, Hitachi) announced today that it has built a new HR Management Integrated Platform to establish a talent management framework that can be worked throughout the Hitachi Group on a global scale. This platform, which was achieved by utilizing the Cloud service "Workday," represents a framework that integrates information and processes related to human resources, including the global human resource management initiatives that Hitachi has implemented since FY2012, to enable centralized talent management for the Hitachi Group worldwide.

Hitachi's employees are the driving force behind the company's growth. As such, ensuring that diverse employees throughout the world can demonstrate their full potential is extremely important in terms of achieving Hitachi's goal of becoming an "Innovation partner for the IoT era," as outlined in the 2018 Mid-term Management Plan. This platform enables centralized management of employee information, including individual career histories, skills, fields of specialization, and career ambitions. It is designed to further increase the visibility of organizations and talent, and will be used to ensure optimum global allocation of manpower, and to plan training that is best suited to each individual employee. Employees will also be able to share among themselves information on the Hitachi Group's employee around the world, thereby further accelerating Collaborative Creation activities in a way never seen

before, transcending the boundaries of countries, regions, and business categories. The platform will begin full-scale operations in January 2018, encompassing roughly 50,000 employees of Hitachi in Japan and at overseas subsidiaries, and will be introduced throughout the entire Hitachi Group.

In the future, Hitachi will promote the further growth of the Group both by maintaining and innovating management platforms and structures, and by implementing reforms to the corporate culture to ensure that those platforms and structures are used effectively, and will expand the venues where diverse employees can demonstrate their abilities. In this way, it will continue to create new value and solutions to resolve the issues being faced by customers and by society.

Information managed on the HR Management Integrated Platform (start of operations: January 2018)

- Basic personal information (name, affiliation, contact information)
- Compensation information (salary, bonuses)
- Position management information (mission, reporting line, global grade)
- Performance management information (goals, evaluations)
- Career information (job history, skills, language abilities, qualifications, past training, career ambitions)

Goals of implementing the HR Management integrated platform

	Goals to be achieved	Expected effects
1	Use cloud services to enable centralized management of information and processes related to human resource management	<ul style="list-style-type: none"> - Enable rapid gathering of data required in manpower allocation and training - Conduct procedures quickly, when they are needed, regardless of location
2	Increase the visibility of information on organizations and employees	<ul style="list-style-type: none"> - Enable optimum allocation of talent on a global scale - Identify management leader candidates, and support training - Make decisions based on analyses of organizations on a global scale
3	Accumulate and store a wide range of personnel information, such as job history, skills, and career ambitions	<ul style="list-style-type: none"> - Strengthen training and develop careers suited to individual employees - Support diverse work styles - Promote smooth communications between managers and subordinates - Encourage employees' personal desire to learn and grow
4	Employees throughout the Hitachi Group can easily view and share talent information	<ul style="list-style-type: none"> - Promote interactions among employees, and create innovative new solutions and value

Main personnel management measures implemented throughout the Hitachi Group worldwide since FY2012

Year of implementation	New systems	Objectives
FY2012	"Global HR Database": Aggregating data on all Hitachi Group employees	<ul style="list-style-type: none"> - Monitor and analyze information on employees in specific regions or positions - Use this data as fundamental information in systems for implementing personnel management measures that are common throughout the world
FY2013	"Global Grading": Grading of all 50,000 managerial positions using a common scale	<ul style="list-style-type: none"> - Add further vitality to personnel transfers within Business Divisions and Group companies and throughout the Hitachi Group as a whole, and decide on appropriate compensation levels in keeping with the regions, titles, and job responsibilities in question
FY2014	"Global Performance Management": A framework for the evaluation and coaching of employees, and the management of goals	<ul style="list-style-type: none"> - Establish a clear link between the goals of individual employees and those of Hitachi as a whole, and implement work style reforms, to maximize the performance of both individuals and organizations

Regarding trademarks:

"Workday" is a trademark or registered trademark of Workday, Inc.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2016 (ended March 31, 2017) totaled 9,162.2 billion yen (\$81.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 304,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
