



HITACHI

Year ended March 31, 2026

Hitachi Group IT Performance Report 2026

Message from CD&SO



The environment surrounding cybersecurity, IT, and AI is constantly evolving. In particular, cyberattacks, including those that misuse AI, are becoming more advanced and sophisticated at an increasingly rapid pace. Even in this environment, through its Social Innovation Business, Hitachi has a mission to deliver value that ensures safety and security for society and our customers. To fulfill this mission, the IT and Security divisions are further strengthening their collaboration and working to promote defensive measures against cyberattacks, provide a robust digital foundation, and enhance IT and security governance across the Group. In addition, by reviewing operations and processes based on the thorough utilization of AI and strengthening the digital foundation and cyber resilience, we will support swift and flexible decision-making and contribute to the realization of Hitachi's management plan, Inspire 2027.

Furthermore, by promoting structural reforms of IT assets, operations, and resources, as well as employee empowerment, we will optimize IT costs, provide IT services more rapidly, promote carbon neutrality, and improve productivity, agility, and risk management. With these efforts, we aim to achieve superior digital management and operations on a global scale.

These initiatives are guided by the Customer Zero concept, under which we take the lead in implementing advanced initiatives. By demonstrating value internally and rolling out the resulting insights and outcomes across the Group, we will provide strong momentum for Hitachi's AI-driven business transformation and, ultimately, contribute to enhancing our customers' business value.

It is my hope that you find the information within this report useful.

Vice President and Executive Officer,
CD&SO (Chief Digital & Security Officer)
Hitachi, Ltd.

S. Fujimori

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Basic IT Policies

In line with its Inspire 2027 management plan, the Hitachi Group is accelerating digital-centric value creation and striving to achieve sustainable growth and enhance corporate value.

The IT departments will contribute to strengthening competitiveness and creating value across the Hitachi Group through the full utilization of AI under the Customer Zero concept.

Basic IT Policies

The IT departments will respond to changes in the AI era. We will contribute to the global expansion of the Social Innovation Business through the development of a digital management platform, IT structural reform, and employee empowerment, and achieve outstanding digital management and operations. Through the full utilization of AI and under the Customer Zero^{#1} concept, we also contribute to strengthening the competitiveness of the Hitachi Group as a whole and creating value through Lumada^{#2}.

Policy for IT initiatives

Further acceleration of AX^{#3} in internal operations is required, as increasingly advanced and sophisticated cyber threats arising from the misuse of AI are becoming apparent. We must address these issues, which represent both the light and dark sides of AI.

Regarding the light side of AI, represented by business transformation through AX, we will drive business transformation that achieves both productivity improvements and value creation by undertaking a fundamental review of operations and processes based on the thorough utilization of AI and redesigning existing operations and IT services without treating any area as off-limits.

To address the dark side of AI, represented by cybersecurity threats, the IT and Security departments will act as one to make swift and appropriate decisions and promote defensive measures against cyberattacks and the provision of a robust digital foundation. We will also establish a new governance structure with strengthened IT control mechanisms.

Additionally, by becoming Customer Zero ourselves, repeatedly validating our initiatives as we put AI into practice and address related challenges, and rolling out the results both inside and outside the company, we will contribute to strengthening Hitachi's overall competitiveness and creating value.

Priority themes

1 Execution of DX and AX

Strengthen internal AX and promote Customer Zero

2 Rebuilding the governance model

Involve business divisions in rule/standard setting and monitoring, including inspections

3 Resource optimization

Leverage insourcing and improve employee performance

4 Cybersecurity measures

Improve cyber resilience through technical measures from an attacker's perspective

Corporate IT initiatives supporting value creation

In line with its Inspire 2027 management plan, the Hitachi Group is accelerating digital-centric value creation and striving to achieve sustainable growth and enhance corporate value.

The Corporate IT department will support these growth strategies and contribute to their execution through initiatives such as the thorough utilization of AI, the development of a digital management platform that supports swift and precise management decisions, employee empowerment that accelerates work style reforms, and human resource development. Additionally, by promoting structural reforms related to IT assets, costs, resources, and governance, we contribute to outcomes such as improved business profitability and reduced environmental impact, while also working to enhance the usability of internal IT services.

In addition, to enable a rapid response to the future transformation of the business portfolio that will lead to the achievement of Hitachi's long-term goal of Lumada 80-20^{#4}, we are developing an IT and security framework, consolidating knowledge, and strengthening global collaboration.

Through these initiatives, we will steadily deliver results and continue to contribute to business expansion and the realization of digital management.

^{#1} Customer Zero: An initiative in which we regard ourselves as the first customer and lead the way in implementing transformation.

^{#2} Lumada: A collection of solutions, services, and technologies developed through the use of Hitachi's cutting-edge digital technologies. Lumada is intended to create value from customer data and accelerate digital innovations.

^{#3} AX: AI Transformation ^{#4} Lumada 80-20: A long-term target for the Lumada business to account for 80% of revenue and achieve a 20% adjusted EBITA margin.

DX & AX

Through digital transformation (DX) and AI transformation (AX) initiatives such as promoting data utilization and generative AI adoption, streamlining business processes, and the democratization of DX, we will improve employee productivity and effect the transformation from information aggregation to advanced information utilization, contributing to further business expansion of the Hitachi Group.

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- 7 Initiatives for Accelerating DX



1 Overview of DX & AX Initiatives

The IT departments are promoting various DX and AX initiatives to contribute to the expansion of the Hitachi Group's business. We will accelerate DX and AX by providing an environment that can utilize digital technologies and AI, while fostering a corporate culture where all employees can practice DX.

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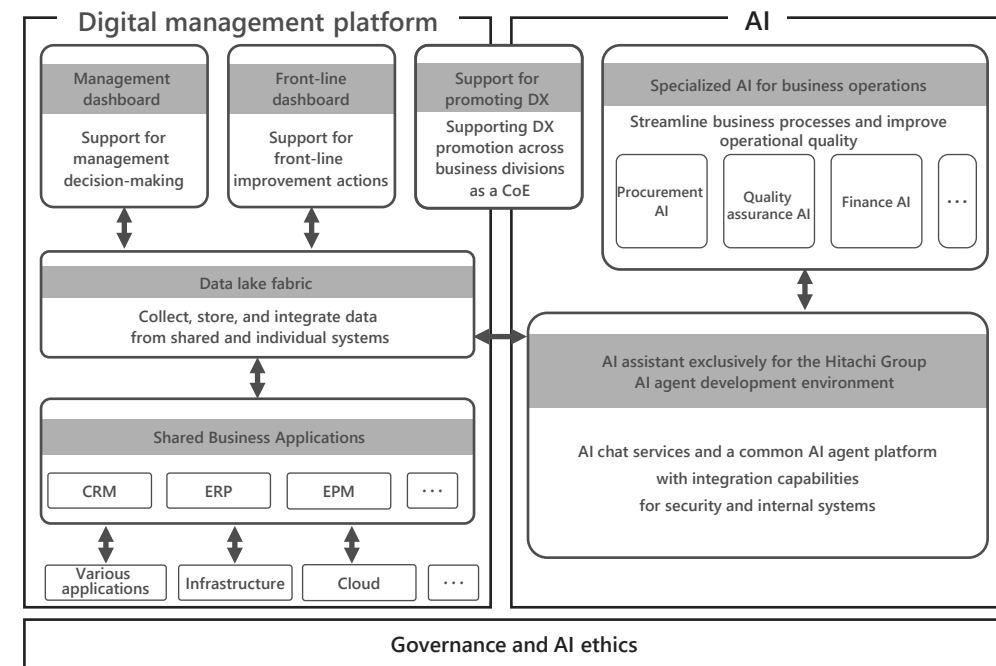
DX and AX Initiatives Led by Corporate IT

To expand its business, the Hitachi Group is shifting from information aggregation to advanced information utilization and promoting DX and AX centered on the use of data and AI. **By leveraging AI, we are streamlining and enhancing business processes while strengthening the digital management platform that enables faster and more accurate decision-making.**

By developing globally shared platforms for CRM^{#1} and ERP^{#2}, as well as EPM^{#3}, we centrally collect and store customer information, performance data, and other data across the Group. We are also advancing data integration using data lakes and enhancing the analytics platform. We provide multifaceted analyses that combine external and internal information, as well as management dashboards, order-intake simulations, industry/market forecasts, and other resources. These analyses enable consistent data utilization from management to the front lines and support more advanced strategic decision-making and sales activities.

We are also driving business process transformation by leveraging generative AI and AI agents. In areas such as procurement, quality assurance, and finance, we leverage internal and external data and knowledge across organizational boundaries to standardize and enhance operational quality while creating an environment that enables employees to focus on higher value-added work. In addition, by establishing AI assistants and an AI agent platform available across the Group, and providing development environments tailored to proficiency levels together with governance functions, we are promoting the safe and flexible use of AI and accelerating its implementation and utilization in business operations.

Furthermore, to promote the widespread adoption and establishment of DX and AX through the use of data and AI, we are also working to improve literacy and develop human resources. By establishing an environment in which employees can leverage data and AI to drive their own operational transformation, we are democratizing DX and enabling continuous value creation.



#1 CRM: Customer Relationship Management #2 ERP: Enterprise Resource Planning #3 EPM: Enterprise Performance Management

2 Data Utilization, Support for Decision Making

By implementing and deploying a company-wide management dashboard, we support swift and high-quality decision-making and strengthen collaboration between business units.

By developing use cases based on examples of effective dashboard utilization and rolling them out throughout the company, as well as providing AI-powered insights and strengthening data governance through data lake development, we will contribute to further improvements in management decision-making and business activities.

FY 2025 management dashboard users as a percentage of FY 2024 users

297%

Management dashboard user growth rate = $\frac{\text{Number of users in FY 2025}}{\text{Number of users in FY 2024}}$
Corporate IT-provided management dashboard

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Realizing data-driven management that enables quick business decisions

Under its Inspire 2027 management plan, the Hitachi Group is pursuing digital-centric corporate transformation, while the IT departments support faster and more sophisticated decision-making through DX. In FY 2024, we began providing a management dashboard and established an environment that enables the management team to make decisions based on the same data. **In FY 2025, we completed granting CxOs access. The Finance, Corporate Planning, and Sales Strategy divisions began using the dashboard, and the number of users reached 340.** For front-line sales teams, we began providing resources such as order-intake simulations and industry/market growth forecasts to support improvement actions. We completed the collection of project and financial data in the data lake.

Going forward, we will accelerate the company-wide rollout of the management dashboard, deepen collaboration through cross-business-sector visibility, and contribute to the realization of "True One Hitachi." We will advance AI-powered insight provision, expand capabilities to enhance management decision-making, broaden utilization within sales divisions, and extend front-line support beyond sales.

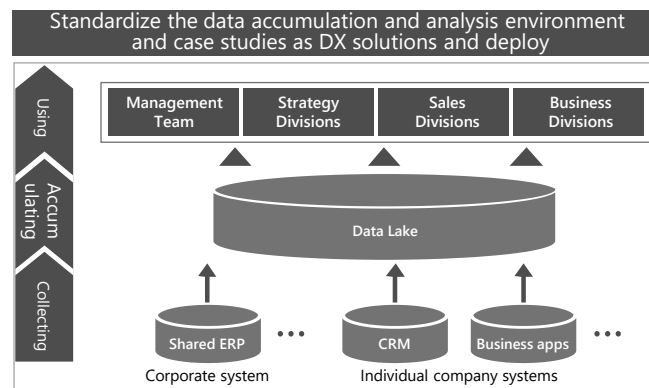
As part of our data collection activities, we are also consolidating management information from overseas Group companies and existing data lake platforms. By expanding the scope of data utilization, we will promote the use of global management information and support sustainable growth across the Hitachi Group.

We also meet customer needs by converting data utilization cases and know-how into solutions and providing them to customers.

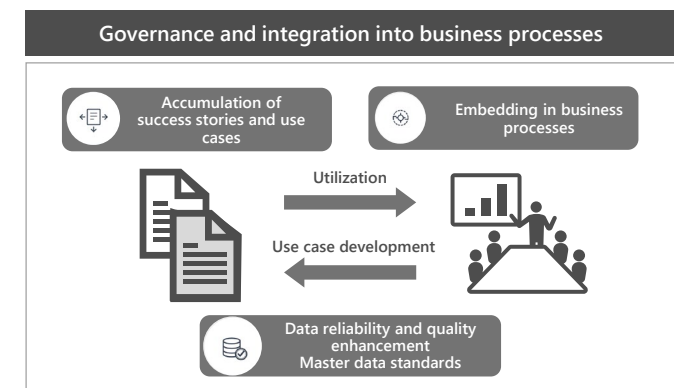
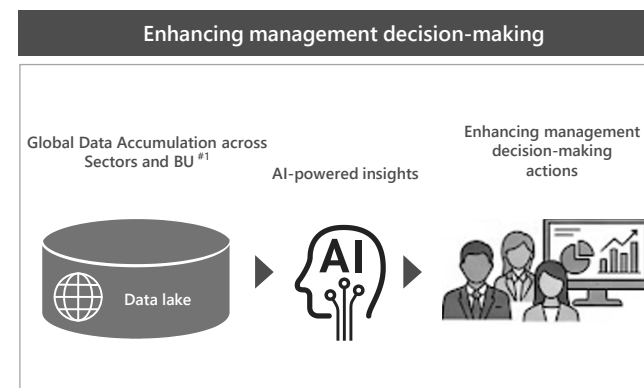
To make effective use of a management dashboard, it is essential not only to establish a digital foundation but also to embed it into business processes to ensure lasting adoption.

By systematizing success stories and rolling them out throughout the company, we will drive digitally enabled improvements in management decision-making and business activities. The services to be rolled out throughout the company will be implemented and provided based on common requirements derived from the needs of executives and front-line employees. We will strengthen data governance and quality and promote data standardization and improved reliability to meet multidimensional analysis needs.

Through these initiatives, we will support improvements in management decision-making and business activities using digital technologies and AI.



#1 BU: Business Unit



3 Utilization of AI

We are leading the way in rapidly developing generative AI technologies and promoting the creation of an environment in which our employees can utilize them.

We have deployed an AI assistant within the Hitachi Group. This allows users to use generative AI safely, securely, and at low cost. By providing functionality that enables users to reference knowledge accumulated throughout the Hitachi Group, we can form a collective set of knowledge and contribute to the creation of better business results.

AI assistant
usage

4.41 million uses

Number of times the generative AI assistant, developed for use within the Hitachi Group, was used
Actual results from April 2025 to March 2026

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Utilizing AI to improve internal business efficiency

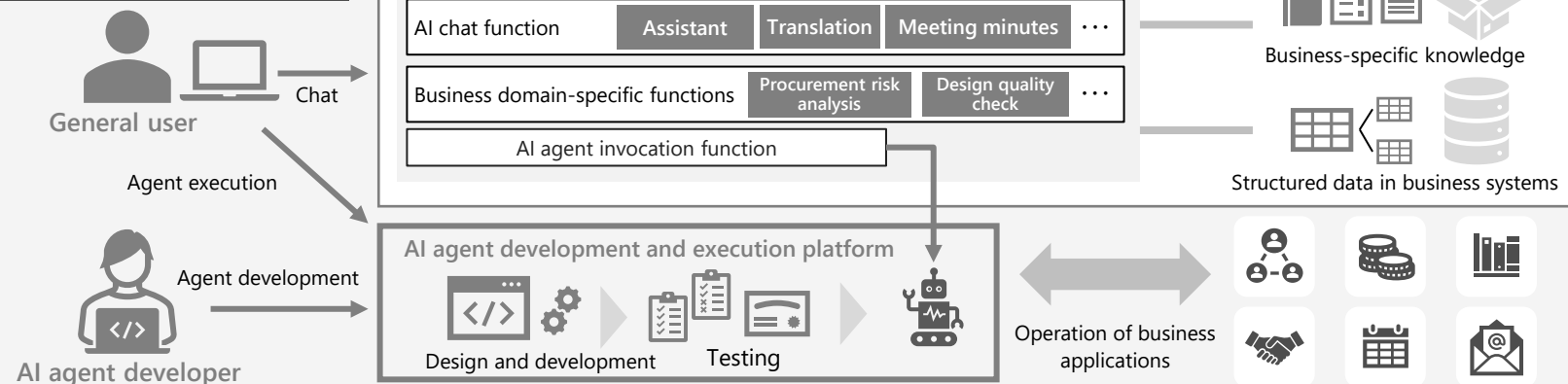
As AI technology continues to evolve and its adoption in business enters a full-scale phase, **the Hitachi Group is developing a common platform that enables employees worldwide to use AI safely and securely.** The AI assistant exclusively for Group employees has become established as an AI tool that supports daily operations and promotes AI utilization across regional boundaries, with the aim of improving productivity and operational quality globally. Beyond general-purpose operational support, we are also advancing AI utilization tailored to specific industries and operational characteristics. For example, in service desk operations, AI automatically responds to inquiries based on product specifications, manuals, and FAQs, among other tasks.

Amid advances in AI, AI agents, which autonomously make decisions, take action, and support business operations, have become a key focus for achieving business transformation. The Hitachi Group is also capitalizing on this trend. **We are advancing the use of AI agents that integrate business systems and knowledge across the organization, improving the efficiency and sophistication of individual operations, and promoting autonomous operational support that goes beyond simple conversational AI.** In addition, AI agents seamlessly support everything from information collection and analysis through decision-making support and business process automation, contributing to higher productivity across operations. Furthermore, we are developing the

platform that supports the use of these AI agents and gradually expanding their application to business operations.

Going forward, **the Hitachi Group will continue to promote and advance the global use of AI and accelerate value creation as One Hitachi by leveraging AI agents that transform business processes.** Through these initiatives, we aim to apply the AI utilization expertise developed within the Hitachi Group to customer-facing products and services over the long term.

Examples of improving business efficiency by using an AI assistant



4 AI Agent

We have established an environment that enables Hitachi Group employees to easily create AI agents and use them in their daily work. By providing an environment in which employees can work alongside AI in various situations, from improving and streamlining indirect business processes (such as procurement, quality assurance, and finance with AI agents) to reducing routine administrative tasks, we are helping enhance employee productivity.

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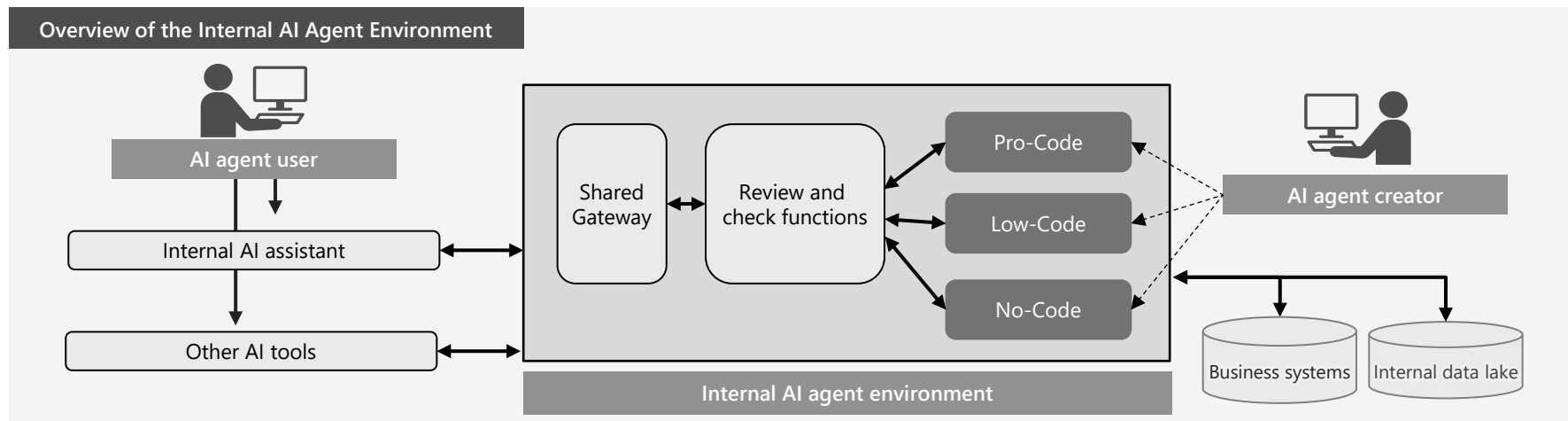
AI agent platform development

As AI adoption accelerates globally, AI agents are evolving rapidly. To respond to this trend, **we have established an internal environment that enables Hitachi Group employees to easily create AI agents.** The Hitachi Group has employees from a wide range of backgrounds, and their levels of literacy regarding AI tools also vary. To address this situation, the internal AI agent environment provides three types of tools tailored to different proficiency levels.

Specifically, we have developed three types of tools: “No-Code”, which enables even beginners to create AI agents through a GUI^{#1}; “Low-Code”, which enables users to create complex AI agents by combining a GUI with scripting languages and other tools; and “Pro-Code”, which enables users to develop advanced AI agents using programming languages and OSS^{#2} libraries.

In addition, by enabling AI agents to connect to internal business systems and data lakes, AI agents can access data from business systems and be integrated into and executed as part of business processes. As a result, significantly greater improvements in business operations can be achieved compared with using AI as a standalone tool.

We are also developing the ecosystem surrounding AI agents in parallel. This includes review and validation mechanisms for AI agents to prevent them from processing tasks based on inappropriate decisions, and mechanisms that integrate with the internal authentication platform to ensure their secure use.



5 Optimizing Business Processes

We are moving forward with efforts to establish and widely distribute digital tools and solutions for business reforms and for making business more efficient. We continue to provide support for the standardization of core operational processes and for making ongoing operations more efficient. These goals are accomplished, for example, through the use of tools such as generative AI and RPA, the sharing of case studies and knowledge, and the expansion of templates.

Indirect business
processes using
AI agents

900 Processes

Number of use cases in Head Office internal AI utilization projects
(as of July 2026)

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Accelerating business process transformation with AI agents

Against the backdrop of declining working-age populations in advanced economies, fundamentally improving productivity through the use of digital technologies has become an urgent challenge for society as a whole. In this context, Hitachi has set the twin goals of **improving front-line productivity and employee well-being** and is promoting the use of **generative AI and AI agents to accelerate transformation toward sustainable growth**.

Since 2025, Hitachi has divided its operations into three layers, identified strategic application areas through a top-down approach, and promoted operational transformation using AI agents. Specifically, we define: 1. Service operations, which support business lines; 2. Indirect operations, which support staff functions; and 3. Common employee operations, which support individual employees' work. We are also accelerating internal business process transformation by providing one-stop AI agent development and operations through a specialized team.



Expanded application to indirect operations

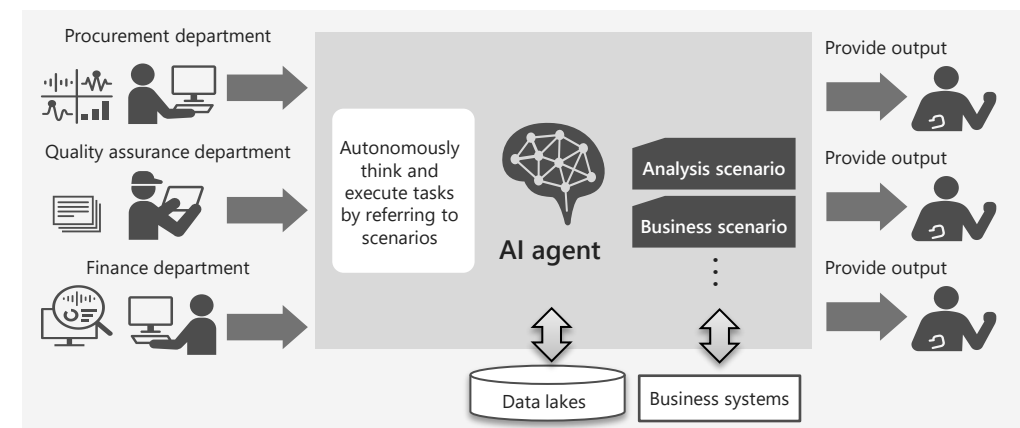
We are promoting initiatives to streamline business processes by leveraging frontier AI and AI agents and enabling interconnectivity with existing business systems, various data lakes, and office environments. We began verifying AI agents for business application in FY 2024, focusing on indirect operations such as procurement, quality assurance, and finance, and started operational use in FY 2025.

Examples of application to business

Procurement: Evaluate and select suppliers based on information from the web and various internal sources (in operation since October 2025).

Quality Assurance: Check the consistency of design documents against higher-level and related documents and identify areas of inconsistency (in operation since April 2026).

Finance: Understand the structure of financial data and generate analyses and reports. Predict investor questions based on past Q&A and industry trends (scheduled to enter operation during FY 2026).



6 Achieving Seamless Communication

To drive growth through True One Hitachi, and to promote cross-functional communication organizational boundaries within the Hitachi Group, we are considering and introducing new technologies and providing a shared communication platform for the Hitachi Group. We will achieve global and interactive communication, thereby creating value through Group-wide synergies.

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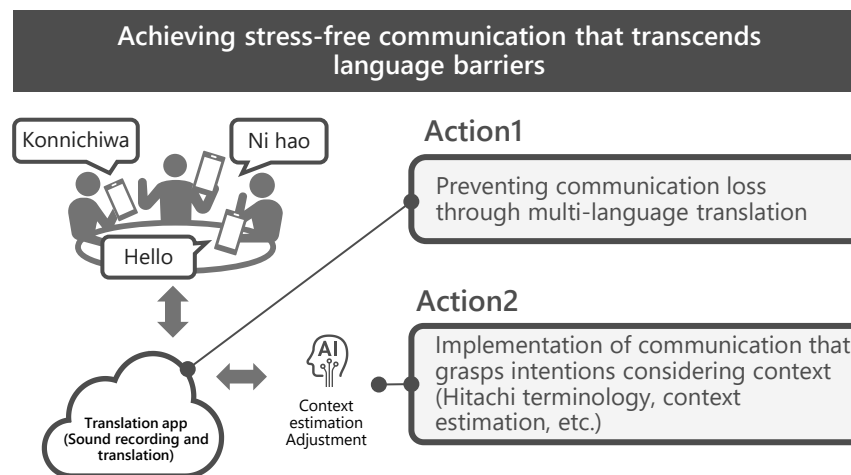
6 Achieving Seamless
Communication

7 Initiatives for Accelerating DX

Seamless communication between internal and external parties

We aim to facilitate communication within the Hitachi Group and with external parties, and to build highly productive collaborative relationships with global members both inside and outside the company. By leveraging advanced technologies, including AI-powered translation apps, to remove language barriers, we are working to achieve stress-free communication that transcends differences in languages and cultures.

Following needs assessments and trials conducted with individual business divisions, a **web conferencing translation service was introduced in May 2026**. Going forward, we plan to continue evaluating solutions other than the web conferencing translation service while taking the needs of each business division into account.



Hitachi Group shared communication portal

To drive growth through True One Hitachi and connect with colleagues around the world, we relaunched the Hitachi Group shared communication portal in April 2026 and are promoting its utilization across the entire Hitachi Group. Through this renewal, we have strengthened the portal's functions as a digital platform that enables Group employees to connect safely and securely across the organization. We are also further improving the employee experience and contributing to the creation of a consistent One Hitachi brand by unifying the look and feel of internal portals.

In addition, through the Hitachi Group shared communication portal, we publish important management information, including messages from the CEO and other executives, and aim to foster an open organizational culture through two-way communication that incorporates employees' feedback and reactions.

7 Initiatives for Accelerating DX

To promote DX and contribute to accelerating business growth across the entire Hitachi Group, we are working to address the risks of new technologies (such as generative AI) and implement DX initiatives organized by the Ministry of Economy, Trade and Industry to enhance corporate competitiveness.

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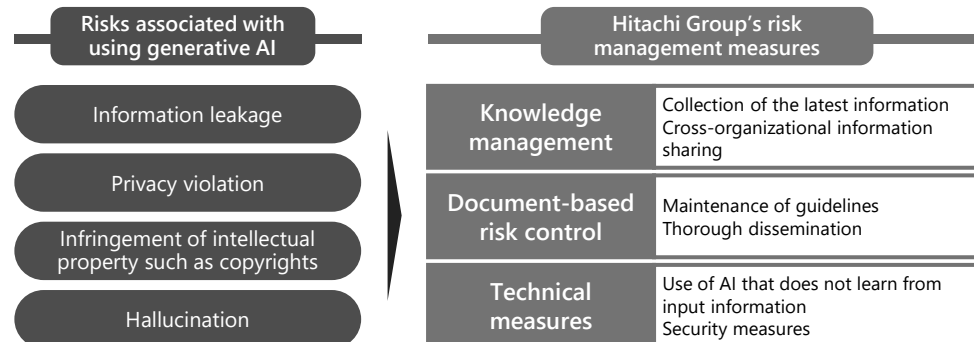
7 Initiatives for Accelerating DX

Addressing risks associated with AI (new technology)

To enable employees to safely and securely use various forms of AI, including AI agents and physical AI all forms, we conduct cross-organizational knowledge management by collecting and sharing information on the latest models, domestic and international regulations, policies, and other relevant information in a timely manner. We are conducting cross-organizational information sharing on AI risks with headquarters-controlled organizations that oversee AI governance within the company, as well as with various BUs/Group companies, and we are also focusing on addressing AI risks on a global scale.

In addition, since establishing our Principles Guiding the Ethical Use of AI in 2021, we have continued to develop related documents, such as guidelines for the use of AI, and regularly update them. Whenever these documents are updated, we announce and communicate company-wide the matters to be observed when using AI, with the aim of improving employees' literacy regarding AI risks.

As a technical measure, to address risks of confidential information leakage, privacy/copyright infringement, and the generation of harmful information or hallucinations, we thoroughly implement security measures such as the use of AI that does not learn from input information, multi-factor authentication, and encryption to reduce risks.



Compliance with Ministry of Economy, Trade and Industry's DX initiatives

Based on the guidelines (Digital Governance Code) formulated by the government, the Ministry of Economy, Trade and Industry has introduced initiatives such as the DX Certification system, which certifies businesses with excellent practices, and the DX Stocks program, which selects listed companies that have established mechanisms for promoting DX and demonstrated outstanding digital utilization achievements. Hitachi participates in these initiatives, promoting company-wide DX utilizing advanced digital technologies such as AI, while enhancing its brand image among stakeholders and showcasing Hitachi's capabilities.

Hitachi is registered as a DX Certified business operator and was selected among the "DX Platinum Companies 2024-2026", becoming the first in the electrical equipment industry to receive this recognition. Top management is directly driving DX, and Hitachi is recognized for transforming operations and business, collaborating with external partners, and delivering value to customers and society.



DX Platinum Companies
2024-2026
Digital Transformation

Shared Business Applications

By deploying the global shared Customer Relationship Management (CRM), Enterprise Resource Planning (ERP), and Enterprise Performance Management (EPM) platforms, as well as aggregating business data from across the Hitachi Group, we will achieve both expanded data coverage and rapid information provision, enabling data-driven management that allows for timely and precise management decisions.

- 1 Group-wide CRM Platform
- 2 Global Shared ERP Platform
- 3 Group-wide EPM Platform

1 Group-wide CRM Platform

We have built a CRM platform that aggregates and visualizes market, customer, and project information globally, contributing to company-wide marketing information provision and sales activities. This platform has been fully operational as an IT service since April 2025. We will comprehensively visualize the relationship between the Hitachi Group and our customers, and strengthen marketing and sales activities across the entire Group.

- 1 Group-wide CRM Platform
- 2 Global Shared ERP Platform
- 3 Group-wide EPM Platform

Company-wide deployment and visualization of information about customers and projects in all our companies

The Group-wide CRM platform was released in Japan in August 2022 and released overseas in January 2023; however, it was rolled out to some overseas Group companies in advance. Full-scale operation as an IT service began in FY 2025, and the platform is now being used by over 13,000 users.

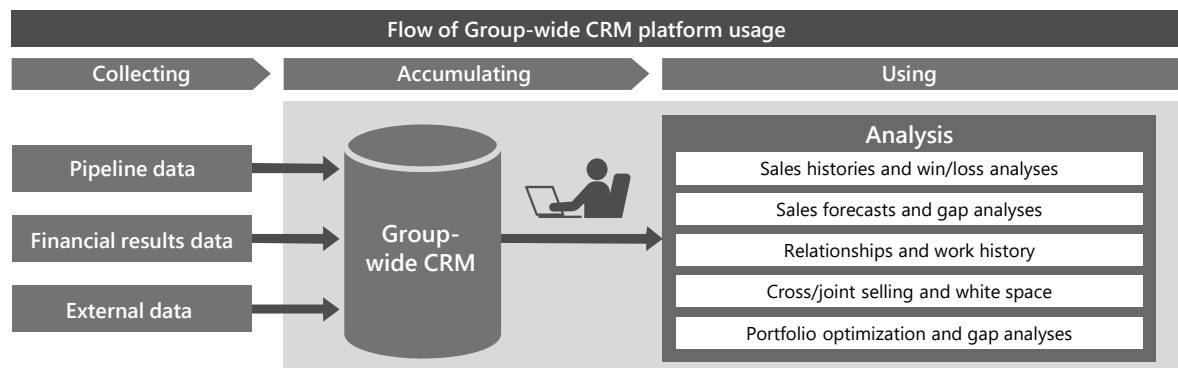
To strengthen our marketing and sales activities, it is important to make the state of business at all companies visible in real time, as well as to gather and store data of consistent quality globally. As a result, **we will share information across the Group and visualize data such as customer contact histories, order data, negotiation pipelines, competitor landscape, and macro market conditions.**

Providing insights gleaned from data analysis

To drive the sophisticated utilization of aggregated data, we have implemented AI-powered data-analysis functionality to provide insights to inform the next action. Previously, searches were limited to the order and procurement records of individual BUs or Group companies, and their industry, region, customers, etc. The Group-wide CRM platform combines external information (such as market size and growth rates) with internal information (such as orders, sales amount, and gross profits), enabling exploration from multiple perspectives.

Deepening sales activities by putting data to use

By assigning priorities to different opportunities and visualizing the status of projects, we support cross-sales expansion and the creation of Social Innovation Businesses across multiple departments. By exploring white space (unmet customer needs) through analysis of internal and external information, we can visualize information that previously could not be seen, and support the enhancement of proposals through analyzing orders placed and received, and sharing customer data. In addition, by reducing the level of effort required to prepare proposals via the use of aggregated customer-related data and case examples, we will promote stronger sales activities. This will enable efficient sales activities while allowing us to make proposals that maximize the value of the Hitachi Group for our customers, contributing to the resolution of a wide variety of challenges through One Hitachi.



Sales coverage ratio

100%

Sales coverage ratio = Net sales of companies that have already deployed the platform ÷ Net sales of companies that have been requested to deploy the platform*

*Top 18 companies accounting for 85% of the net consolidated sales in FY 2025 and 3 RCs*¹

#1 RC: Region Company

2 Global Shared ERP Platform

By standardizing core operational processes and introducing a global shared ERP platform, we can slim down IT assets, strike a balance between lower IT costs and greater flexibility, and make rapid decisions through the consolidation of data.

Benefits from
building a shared
ERP platform

70 billion yen

Cumulative benefits through FY 2027

- 1 Group-wide CRM Platform
- 2 Global Shared ERP Platform
- 3 Group-wide EPM Platform

Integration and consolidation into a shared ERP platform

Individual Hitachi Group companies have implemented and currently operate their own ERP systems, which will reach the end of their maintenance period in 2027. We will take this opportunity to **integrate and consolidate the ERP systems within the Hitachi Group onto a shared ERP platform, thereby enabling us to shift human resources and assets to competitive business areas and to respond more quickly to issues such as business restructuring.**

The shared ERP platform will increase the ratio of Core areas^{#1} and Common areas^{#2} while also appropriately allocating Distinct areas^{#3} that support business competitiveness. In addition, we will build the minimum ERP instances necessary for each business model and carry out efficient migration and implementation using the fit-to-standard methodology.

Streamlining IT assets, reducing IT costs, and accelerating management decision-making

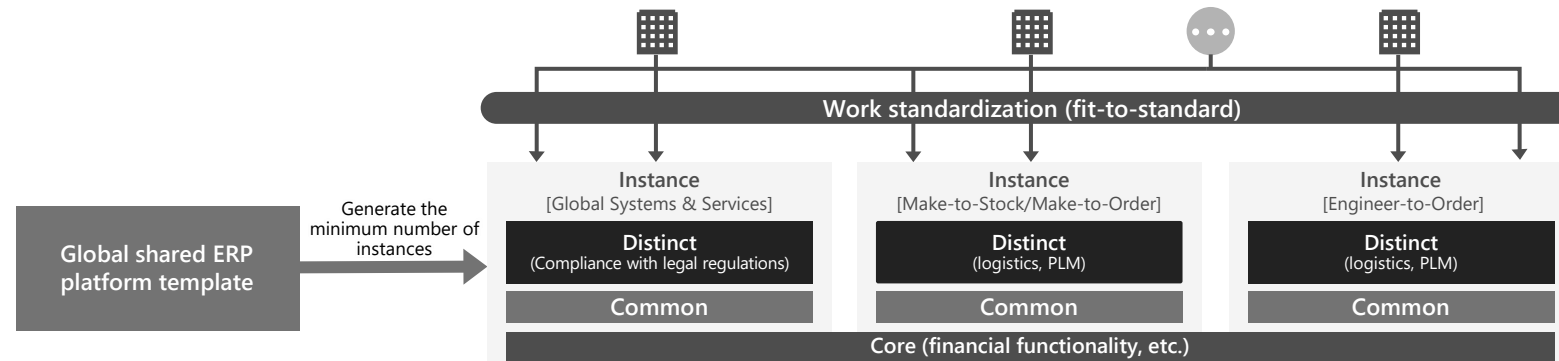
Implementing the capabilities of the legacy systems, which were individually developed and operated at various Hitachi Group companies, and incorporating them into a shared ERP platform will accelerate the reduction of IT assets. Furthermore, by keeping the development scope to the minimum required level, we can both maintain business competitiveness and keep IT costs down.

The shared ERP platform will centrally manage the Hitachi Group's management data and organically link with other shared IT platforms, contributing to **global autonomous decentralized management**. Also, by proactively utilizing cutting-edge technologies and advanced cloud services and solutions, we will contribute quickly and flexibly to changes in the business environment and the realization of a sustainable society.

Promoting the introduction of pilot projects, and the status of deployment

For companies where the system has already been implemented, stable operation continues. The next group of companies for the Global Systems & Services model, as well as the first pilot companies for the Make-to-Stock/Make-to-Order model and Engineer-to-Order model, have officially begun operations. Going forward, we will accelerate deployment across Hitachi Group companies and continue monitoring post-implementation benefits.

We aim to utilize the knowledge gained through this implementation to the maximum extent possible in subsequent projects, and to build a digital management platform that supports the practice of "Customer Zero" and contributes to DX and AI utilization for group consolidated management and risk management.



#1 Core area: Used in common for all business entities

#2 Common area: Used in common for each business model

#3 Distinct area: Used independently by each BU or Hitachi Group company

3 Group-wide EPM Platform

To realize "Inspire 2027", Hitachi Group's management plan, we are introducing a globally standardized EPM platform as the core of a digital management platform that supports greater management agility. We are also building a new consolidated performance management platform that centralizes financial and non-financial data across the Group. Through this platform, we will accelerate data-driven decision-making and contribute to the creation of social and environmental value and the sustainable enhancement of corporate value.

Number of consolidated subsidiaries under centralized management

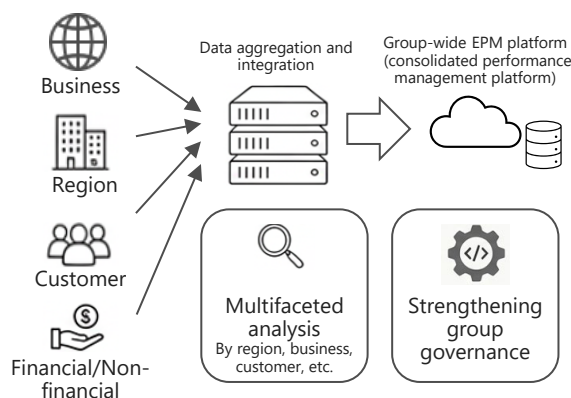
600+ companies

Target for FY 2028

- 1 Group-wide CRM Platform
- 2 Global Shared ERP Platform
- 3 Group-wide EPM Platform

Centralizing global management data and enhancing transparency

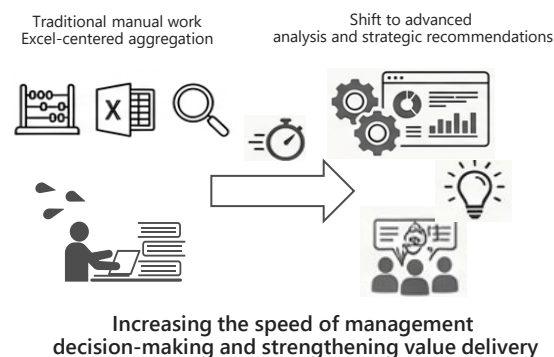
Globally dispersed Group management data, which has faced issues such as inconsistent codes, will be **integrated and centralized** through the construction of a **Group-wide EPM platform** (a new consolidated performance management platform), **and the establishment of Group-wide data governance**. This will **enable Group-wide visualization of multifaceted management information, including information by region, business, and customer, and significantly improve the Group's overall transparency**. Using this advanced data platform as the foundation, **we will strengthen customer engagement as One Hitachi, vigorously promote rapid portfolio transformation and optimize resource allocation, thereby contributing to the sustainable enhancement of corporate value**.



Accelerating decision-making and strengthening value delivery

We will fundamentally systematize and automate the end-to-end consolidated performance management processes, including aggregation of actual results, budget and forecast management, and reporting, moving away from conventional manual work and individually optimized operations across different organizations. By automating data aggregation and shifting resources to advanced analysis and strategic recommendations, **we will significantly improve the speed and value of the management information we provide**.

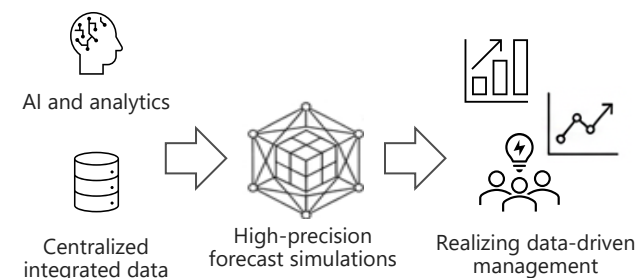
By sharing and utilizing this timely and advanced management information across the Group in an agile manner, **we will improve the speed and quality of management decision-making in response to change and achieve globally optimized operations as One Hitachi**.



Realizing data-driven management by leveraging integrated data and AI

By combining AI and analytics with an AI-ready data platform built through data centralization and code standardization, **we will strengthen initiatives to realize demand forecasting and future scenario simulations**. This will enable us to move away from conventional methods that rely on experience and intuition and make forward-looking management decisions backed by reliable data.

We will link more advanced data utilization to the transformation of decision-making across the company and aim to **realize true data-driven management that enables us to consistently identify optimal strategies proactively, even in rapidly changing market environments**.



Assets and Operations

We will achieve an appropriate IT cost ratio, rapid service delivery, further robustness, and carbon neutrality by promoting cloud migration, standardization, and streamlining of IT assets, as well as consolidating operations.

- 1 IT Asset Optimization and Cost Efficiency
- 2 Standardizing and Consolidating IT Operation Processes
- 3 Enhancing Security through the Provision of Device Sets
- 4 Initiatives for the Environment



1 IT Asset Optimization and Cost Efficiency

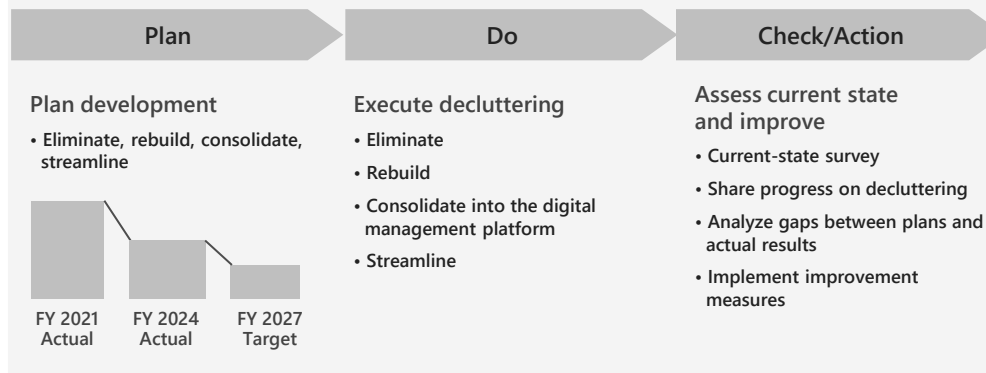
We will achieve more lightweight IT assets by advancing the visualization of Hitachi Group's IT assets, decluttering legacy IT, and consolidating and integrating IT assets into the digital management platform. While optimizing IT operation costs across the entire Hitachi Group, we will expand investments aimed at transformation and growth, contributing to the enhancement of business value.

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Streamlining IT assets

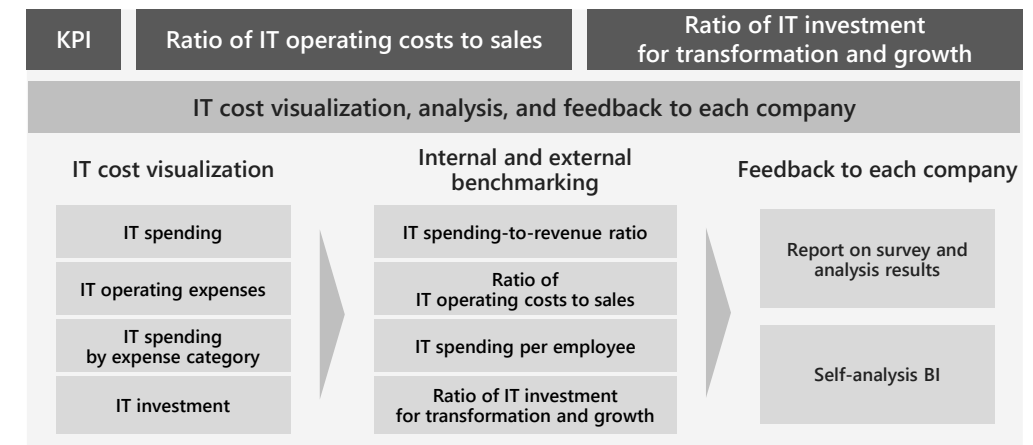
The Hitachi Group is working to enhance visibility into IT assets across the Group with the aim of improving operational efficiency and achieving overall optimization. In FY 2025, we further deepened the visualization of IT assets and steadily advanced the avoidance of duplicate investments, the rationalization of legacy IT assets, and modernization as planned. In addition, by strengthening corporate governance, we are steadily consolidating and integrating the IT assets held by each company into the digital management platform, accelerating improvements in operational efficiency and overall optimization. The corporate division regularly monitors IT asset holdings and ensures that progress remains on plan by applying the PDCA cycle.

PDCA cycle for streamlining IT assets (example)



IT cost optimization

In FY 2025, we advanced IT investments for transformation and growth while reducing the costs associated with routine IT operations and ongoing IT operating and maintenance expenses. We have set the ratio of IT operating costs to sales and the ratio of investment for transformation and growth as key KPIs. The corporate division regularly monitors and analyzes the actual situation of each company, provides feedback, and makes corrections if there are gaps with the targets. Through these activities, we will maintain IT operating costs at an appropriate level while contributing to management and business transformation and growth through strategic IT investments, and achieve improved employee engagement.



2 Standardizing and Consolidating IT Operation Processes

We are providing advanced maintenance and operation services at lower costs by standardizing and consolidating IT services and IT operation processes.

We optimize the Hitachi Group's IT costs through unification of IT services at a global level, and are building a solid foundation for Hitachi to conduct business globally.

- 1 IT Asset Optimization and Cost Efficiency
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Improving cost efficiency through service integration and automation

We are consolidating the IT systems individually introduced by Hitachi Group companies into standard IT services with globally standardized operational processes.

We provide low-cost services and optimize resources through the consolidation of IT operations and automation of service delivery processes.

In addition, we strive to further reduce costs by carrying out IT operations at lower-cost delivery locations.

Speeding up business launches and improving user convenience

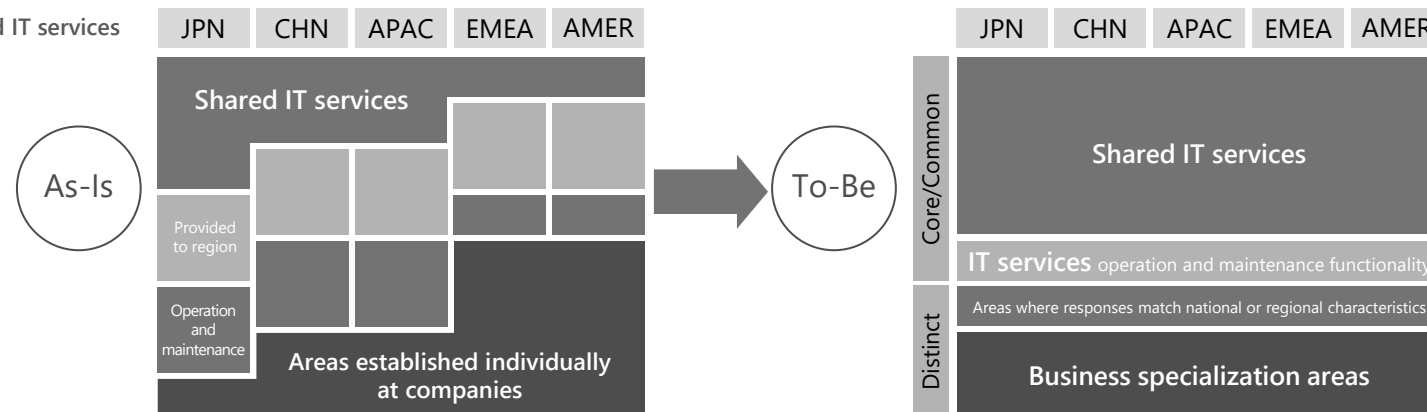
To enable Hitachi Group employees to concentrate on their business without being concerned about where they work (country, region, etc.), we provide standard IT services of uniform quality globally. In particular, we aim to simplify applications for IT services necessary for business operations, accelerate the speed of service provision, shorten lead times for PCs and other office equipment, and speed up troubleshooting by visualizing the status of IT services. Through these efforts, we are able to speed up the launch and expansion of business sites and to improve convenience for users along with global business deployment.

Enhancing security globally

To ensure that Hitachi Group employees can concentrate on their business without being exposed to external threats, we will globally apply standard IT services that meet Hitachi's security standards and strengthen security for the entire Hitachi Group.

We will also build and provide services with automated security measures as a standard feature and work to unify security policies at a global level.

Establishing shared IT services



3 Enhancing Security through the Provision of Device Sets

By unifying IT operations and monitoring globally, we will standardize security and provide an environment where employees can work with peace of mind anywhere. We aim to enhance security further by globally deploying devices and software that comply with Hitachi Group's security standards.

- 1 IT Asset Optimization and Cost Efficiency
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- 3 Enhancing Security through the Provision of Device Sets
- 4 Initiatives for the Environment

Enhanced security through device procurement and automated kitting

We are globally deploying a system that automatically configures devices and software in compliance with Hitachi's security standards, ensuring that Hitachi Group employees can work securely and confidently without worrying about security threats.

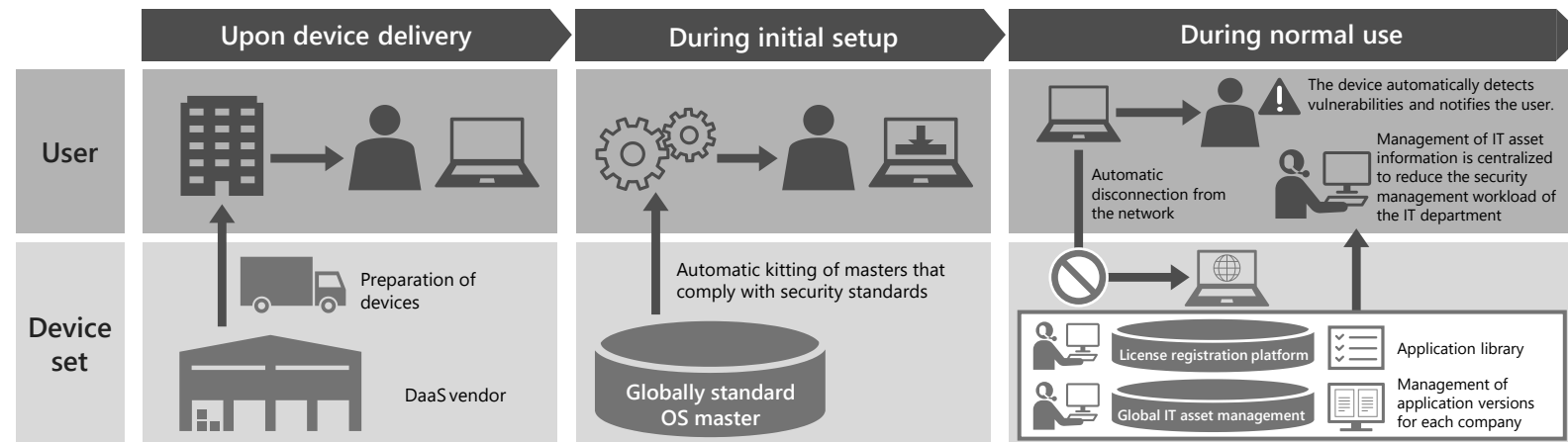
This will promote the improvement and standardization of security levels.

By utilizing DaaS^{#1} vendors that can provide services globally, we have built a scheme to provide devices to the entire Hitachi Group, and are promoting its deployment across the company. By combining Microsoft's Autopilot function with the provided devices and offering globally unified security services for employee-used devices, we will standardize security levels and reduce the occurrence of security incidents across all companies.

Enhanced security through global management and operational support

By visualizing compliance with Hitachi Group security standards and license usage, we shorten the lead time required for remediation by administrators and end users. We mitigate damage to the Hitachi Group from external attacks and prevent loss of trust caused by compliance violations.

To achieve the above, we will progressively strengthen the security risk countermeasures implemented to date. As a first step, by expanding the collection of software vulnerability and EOL^{#2} information, we will enable faster responses. In addition, from 2027 onward, by centrally managing device status on a globally standardized platform, we aim to enable coordinated organizational responses to security risks and compliance violations while reducing the operational workload required.



#1 DaaS: Device as a Service #2 EOL: End of Life

4 Initiatives for the Environment

Hitachi has developed its Environmental Vision and long-term environmental targets, "Hitachi Environmental Innovation 2050", which outline the company's direction and ambitions toward FY 2050. In our IT departments, we are continuing and expanding the promotion of "IT operations with low environmental impact" to contribute to company-wide CO₂ reduction activities. We also conducted educational activities aimed at fostering environmental awareness among employees.

Rate of reduction
in CO₂ emissions due
to server reductions
at Hitachi data centers

100 %

Corporate IT-managed in-house data centers
Results for reductions in FY 2025 (compared to FY 2010)

- 1 IT Asset Optimization and Cost Efficiency
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Promoting IT operations that have a low environmental impact

To achieve the company's environmental goals, our IT departments are focusing on reducing the CO₂ emissions from IT itself. **We continue to promote CO₂ reduction through the Review of IT Equipment Usage and Operation, which targets servers, data centers, and user devices (PCs, monitors, and smartphones).**

As part of our efforts to reduce the environmental impact of servers and data centers, we are promoting cloud lift and shift in collaboration with public cloud vendors, as well as energy conservation and the use of renewable energy in data centers. The Corporate IT department completed the cloud consolidation of servers owned in the in-house data centers and achieved a carbon neutrality rate of 100% by the end of FY 2024. We are currently promoting efforts to achieve carbon neutrality for the servers and data centers owned by the IT departments of Hitachi Group companies. With the goal of achieving a carbon neutrality rate of 100% for Hitachi Group IT departments by the end of FY 2030, we will promote the lift and shift of servers to environmentally friendly cloud services and accelerate carbon neutrality across the entire company.

As part of our efforts to reduce the environmental impact of user devices (PCs, monitors, and smartphones), we are encouraging users to switch to newer, more environmentally-friendly device models. To facilitate the switch, newer models of PCs and monitors that come with the right to offset CO₂ emissions over the entire product lifecycle will be provided as an IT service within Hitachi. For smartphones, encouraging the switch from older models to newer 5G-compatible models will lead to the use

of carriers' 5G equipment and base stations, which run on renewable energy, thereby contributing to a reduction in CO₂ emissions. The carbon neutrality rate for user devices provided through the Corporate IT department services achieved 100% by the end of FY 2024.

We will investigate the IT devices used by BUs and Group companies and provide solutions that support the switch to environmentally-friendly IT services. This will accelerate efforts to reduce the environmental impact of the Hitachi Group as a whole.

Measures		Details	Goals
1	Reducing the environmental impact of servers and data centers	 Servers, data centers	Reducing CO₂ emissions • Eliminate unnecessary servers • Lift/shift servers to a green-energy cloud • Conserve energy and use renewable energy at the Hitachi Group's data centers
	Reducing the environmental impact of user devices	 PCs, monitors  Smartphones	• Reduce unnecessary power consumption • Improve energy efficiency through intensified consolidation • Curb CO₂ emissions by using renewable energy
2	Fostering environmental awareness	 Grassroots movement	• Offset CO₂ emissions throughout each product's lifecycle, from procurement to disposal^{#1} • Reduce power consumption at conventional kitting sites • Use renewably generated power at communication base stations
		• Switch to the latest carbon-neutral models • Perform PC kitting online • Switch to the latest carbon-neutral models	Changing our behaviors to be more eco-friendly • Create opportunities to learn about environmental information and market trends that can be put into practice in the workplace and in our private lives
3		• Selecting and implementing environmental actions together as all employees • Discussions on the environment at each workplace • Regularly disseminate information related to the environment	

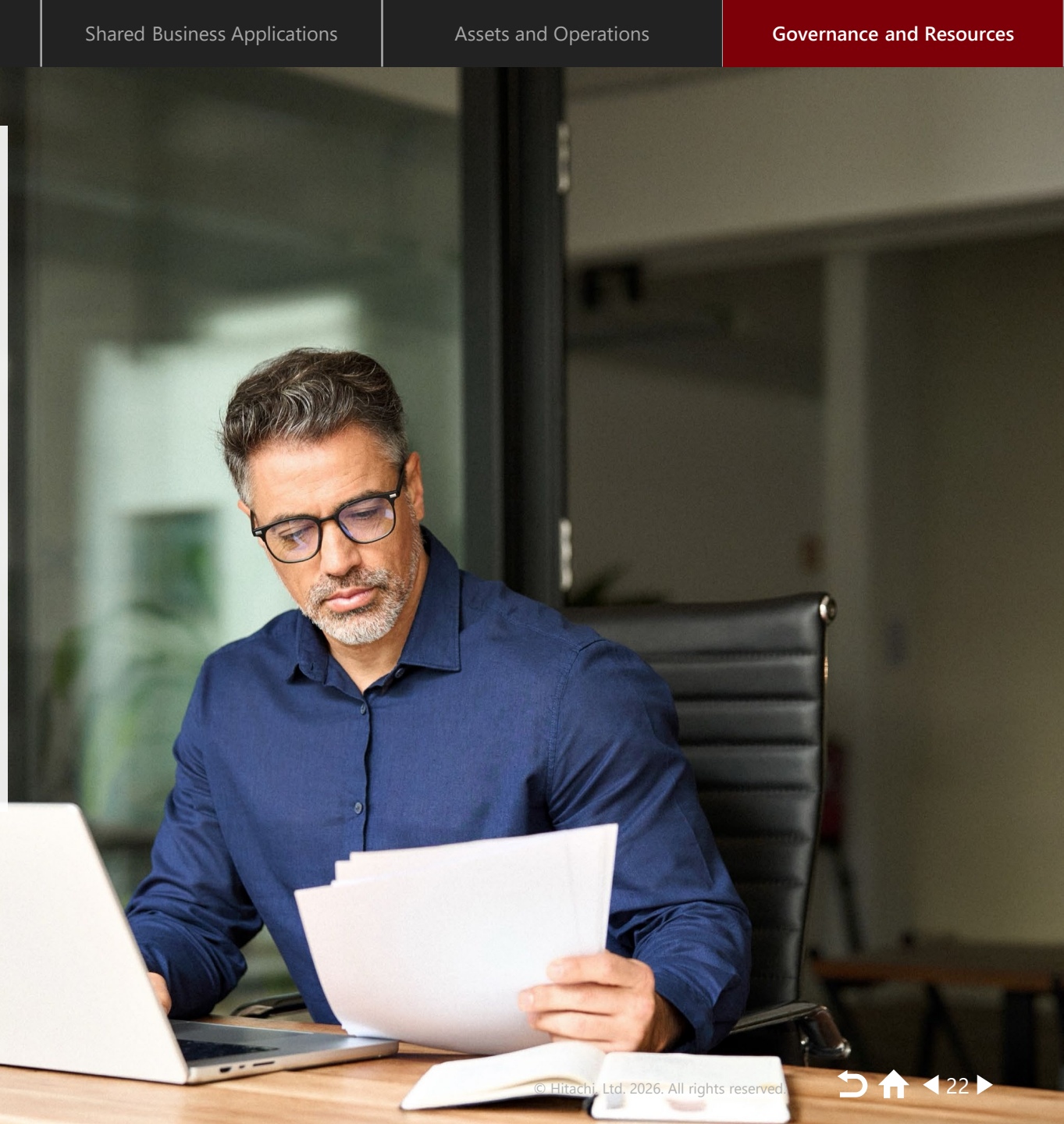
^{#1} Carbon offset: Offsetting your own CO₂ emissions through various methods, such as investing in reforestation or biofuel development businesses or donating an amount comparable to the amount of emissions

Governance and Resources

We are working to strengthen IT governance to ensure information security, IT compliance, and business continuity across the entire Hitachi Group.

In addition, We are accelerating IT resource reallocation, talent development, and the recruitment of diverse talent, and advancing the globalization of IT talent.

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- 2 Thorough Compliance with IT Controls
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- 6 Contributions to Regional Business Strategies in Global Areas
- 7 Global IT Human Resources Management



1 Establishing IT Rules and Standards

Aiming to reduce internal IT risks, we have established requirements for IT controls and IT architecture for BUs and Hitachi Group companies as IT rules and standards to achieve information security, IT compliance, and business continuity.

1 Establishing IT Rules and Standards

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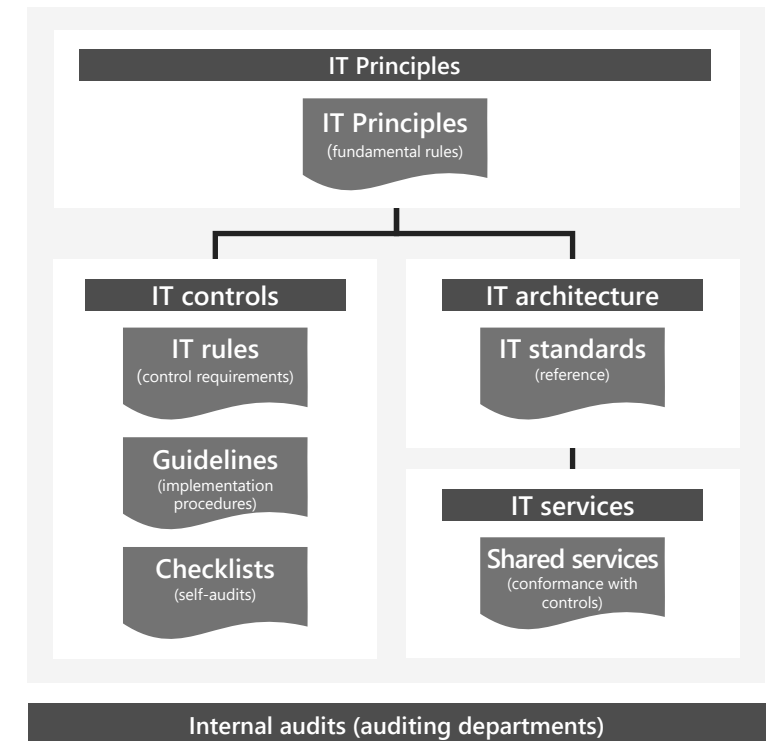
Ensuring IT governance throughout the entire Hitachi Group

To support global business through internal IT, it is important to meet requirements such as information security, IT compliance, and business continuity, while reducing IT risks and costs. The Hitachi Group has BUs and Group companies of various industries and sizes located worldwide. To implement effective governance for these companies, it is essential to establish consistent requirements.

Therefore, we have formulated IT Principles as universal guidelines that can be accepted by the IT departments of all BUs/Group companies, regardless of region, industry, or size. Furthermore, we have established IT rules and standards for the entire Hitachi Group, which include requirements for IT controls focusing on IT risk measures, and IT architecture for IT standardization.

Additionally, we have formulated and are operating the Hitachi Group IT Governance Framework, which is a framework to ensure IT governance across the entire Hitachi Group. This includes the provision of IT services based on IT rules and standards and verification through internal audits.

Hitachi Group IT controls framework



2 Thorough Compliance with IT Controls

Throughout the entire Hitachi Group, including companies resulting from business reorganizations and companies that have been integrated as a result of M&As, we are working to ensure information security, IT compliance, and business continuity for internal IT, and are encouraging the standardization and sharing of IT. We are engaged in a thorough application of IT controls, by establishing IT rules and standards as well as by performing self-diagnostics and internal audits.

Self-inspection
implementation rate

98%

Percentage of required FY 2025 IT control self-inspection results submitted by BUs and Hitachi Group companies

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Promoting compliance with IT controls

To mitigate internal IT risks, we require BUs and Group companies to comply with IT rules that define essential requirements for IT controls, focusing on areas such as information security, IT compliance, and business continuity. In addition, to promote compliance with regulations, we have created self-inspection checklists to verify the level of compliance with IT rules and guidelines, and have introduced a system that requires each BU/Group company to regularly conduct self-inspections of their own IT and take necessary corrective measures. Furthermore, if deficiencies are identified through internal audits conducted by the auditing department, we request corrective actions from BUs and Group companies to strengthen IT controls.

Thoroughly implementing the self-inspection system

The self-inspection system is not limited to Group companies in Japan; it also applies to Group companies outside Japan. To ensure that the system is thoroughly implemented at BUs and Group companies, we clearly defined in advance the target companies for each business group and specified that the business group is responsible for ensuring their subsidiary companies conduct self-inspections. As a result, the self-inspection implementation rate has remained above 90% since FY 2020. Aiming for an implementation rate of 100%, we are continually enhancing our efforts through cooperation with business group leaders.

Also, Hitachi provides BUs and Group companies with services (such as authentication and antivirus measures) that are necessary for compliance with IT rules and guidelines. In response to the increase in cyberattacks in recent years, we clarified guidelines on measures against software vulnerabilities that pose particularly high risks, and are providing services that support BUs and Group companies in implementing the measures. We are also using these services to help BUs and Group companies that find it difficult to take adequate measures on their own to improve their response capabilities.

Responding to business integration resulting from M&A and other events

As business integrations resulting from M&A and other events increase, we are strengthening measures to reduce IT risks at an early stage for related BUs and Group companies. Specifically, from the aforementioned self-inspection checklist, we will select priority items (such as vulnerability countermeasures) that integrated companies should comply with as a matter of priority. We require the parent company of the business group that conducts M&A to ensure that the self-inspection of priority items is performed by the integrated company and, if any deficiencies are found, ensure that corrections are made by the specified deadline.

3 IT-BCP^{#1} : Supporting Business Continuity through IT

To prepare for large-scale earthquakes, which are considered likely to occur in Japan, and natural disasters arising from global warming, as well as various other kinds of emergencies, such as pandemics and cyberattacks, we are formulating and operating IT-BCPs that enable us to support business continuity for the Hitachi Group through IT. In addition, we are continually revising our plans so that we will be able to support the latest IT architecture.

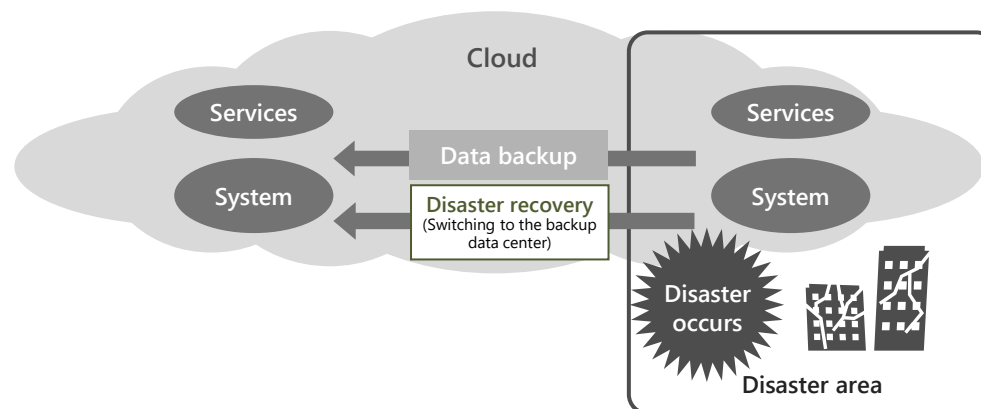
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Responding to disasters

In response to new work styles, we established and improved our remote work environment. By using the remote work environment, we are able to continue our business even in the event of a pandemic.

In addition, to prepare for large-scale disasters, we clearly defined the desired state of IT from a BCP perspective: the BCP goals. Specifically, the three points are: (1) improving fault tolerance, including the development of disaster recovery environments through cloud migration; (2) ensuring the continuity of systems and services in the event of a disaster in Japan through the offshoring of operations; and (3) strengthening backup operations to ensure **data protection**. For these initiatives, we prioritize systems and services based on their impact on businesses that sustain essential social functions and implement the initiatives in stages. Through these measures, we will support the stable continuation of business.

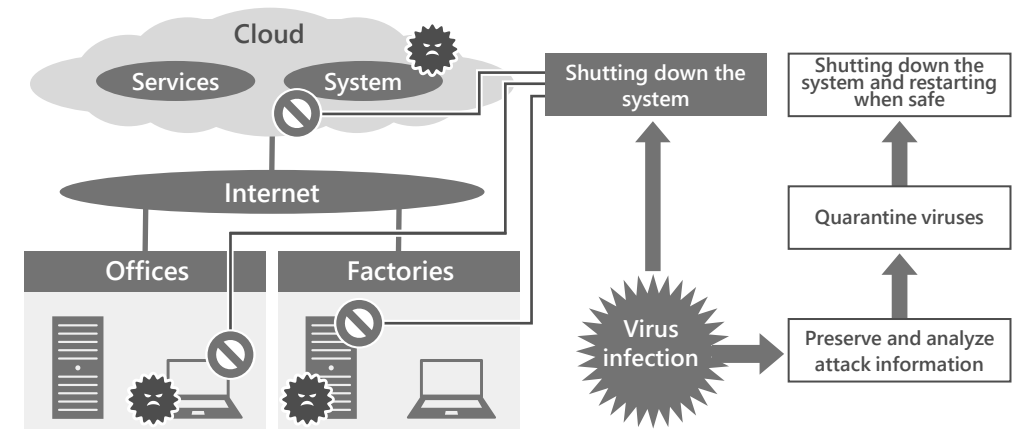
Furthermore, we regularly conduct training based on these BCPs to strengthen preparedness for emergencies.



Responding to cyberattacks

To address cyberattacks, we are implementing robust security measures by transitioning to a **zero-trust architecture**. In addition, anticipating a variety of cyberattacks, including ransomware, spear-phishing emails, computer worms, and unauthorized access to public-facing servers, we have established response procedures from initial response through recovery for each type of attack. These include isolating infected systems by disconnecting systems or preventing applications from launching, preserving and analyzing attack information, quarantining viruses, and disconnecting and reconnecting systems. As a result, we are working hard to ensure safe system operation and rapid recovery.

Furthermore, to firmly establish and improve our BCP, we regularly review our measures, conducting exercises based on anticipated cyberattack scenarios and the latest IT architecture, and preparing for new threats.



4 Promoting Global IT-PMI^{#1}

In preparation for the investment in priority business fields and reorganization of businesses under “Inspire 2027”, Hitachi Group’s Management Plan, we are enhancing the capability to support the integration and separation of IT, which will be key points for successful M&A, and are engaged in initiatives to reduce risks and increase efficiency via IT-PMI globally.

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Risk mitigation and efficiency improvements in IT-PMI

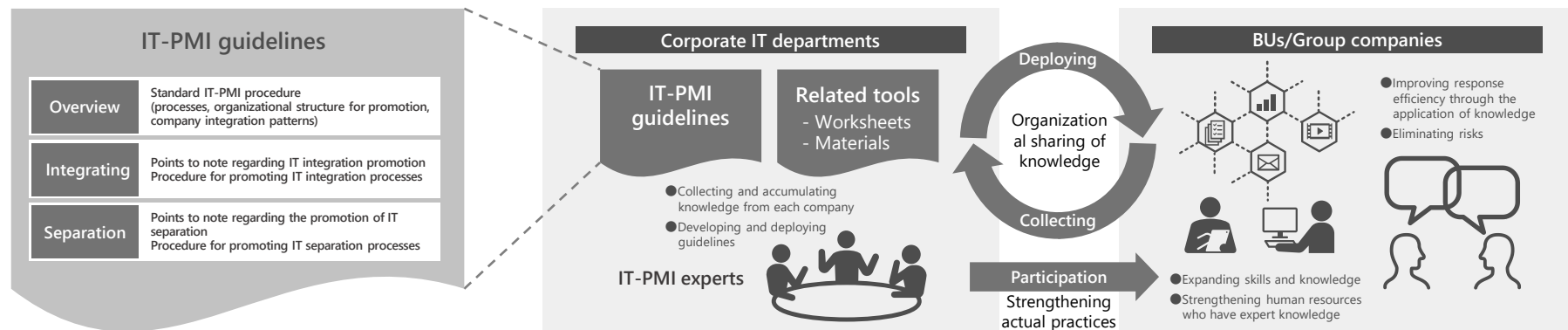
IT departments in the Hitachi Group are promoting IT-PMI, which involves IT integration and separation activities associated with business restructuring. We have carried out large-scale global integrations and IT separation projects associated with business restructuring. We are currently implementing PMI (Post-Merger Integration) following the acquisition of Thales’ railway signaling-related business, and we are proceeding with smooth and efficient IT integration and separation. **To reduce risks associated with IT-PMI and improve efficiency, the Hitachi Group has created IT-PMI guidelines that standardize implementation procedures and know-how.**

Continuous enhancement of the IT-PMI guidelines

Companies newly joining the Hitachi Group are required to comply with Hitachi Group IT regulations and to establish IT management structures immediately after the acquisition is complete. In recent years, **we have enhanced our security check items in response to increased security risks associated with M&A.** This initiative not only speeds up the IT-PMI process, but also improves the effectiveness of IT-PMI from an IT control perspective.

Strengthening capabilities to handle IT-PMI projects

To achieve business income and expenditure plans in M&A, it is important to minimize the discrepancy between the planned and actual costs related to IT-PMI. To ensure that all parties involved in M&A have a common understanding, we take steps such as holding IT-PMI briefing sessions both inside and outside Japan. In addition, IT-PMI experts strategically participate in actual projects to supplement skills and knowledge, and we strengthen human resources who have expert knowledge, thereby improving our project-support capabilities.



5 Global Integration of IT and Security with Strengthened Governance

By integrating IT and security strategy formulation and control functions and enhancing the operating framework, the Hitachi Group is accelerating decision-making, improving the effectiveness of initiatives, strengthening governance that combines consistency with effectiveness, and developing a flexible and robust digital foundation.

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Integrating strategy formulation and control functions and strengthening governance

The Hitachi Group is enhancing its IT and security functions and strengthening collaboration between them to support global business expansion and reinforce its management foundation. **We will integrate the previously dispersed strategy formulation and control functions for IT and security and enhance Group-wide policy formulation and controls.** This enables us to advance strategy and risk response within a consistent framework, accelerate decision-making, and improve the effectiveness of initiatives.

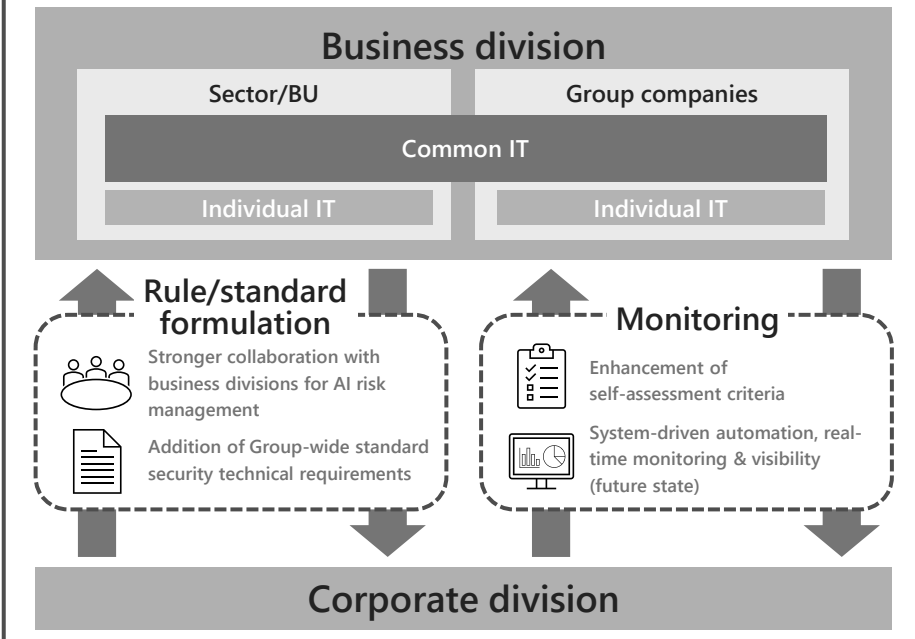
In addition, we will develop an integrated operating framework for the IT and security functions that have been deployed by individual business divisions. As the business portfolio has evolved, we have made the use of common IT the basic principle while permitting individual IT tailored to the characteristics of each business. **Taking these circumstances into account and respecting the characteristics of each business division, we will redesign the Hitachi Group's IT and security control standards and strengthen governance that combines consistency and effectiveness.**

As a specific initiative, we will strengthen two-way communication between the corporate division and individual business divisions to further expand business division participation in the rule/standard formulation process, more accurately reflect each division's characteristics, and establish highly effective rules and standards that ensure diversity, agility, and economic rationality. Furthermore, by strengthening cross-business-division monitoring led by the corporate division, we will improve monitoring accuracy and enable sound assessments based on consistent standards throughout the Group.

Through these initiatives, **the Hitachi Group will further strengthen its global IT and security functions while promoting the development of a flexible and robust digital management platform that supports business growth.**

Initiatives to strengthen governance

- Strengthening two-way communication between the corporate division and business divisions
- Enhancing rule/standard formulation and improving monitoring accuracy
- Use common IT as the rule while allowing individual IT tailored to business characteristics



6 Contributions to Regional Business Strategies in Global Areas

The IT departments in each of the five global areas are contributing to the smooth and efficient management of business in the region through various measures tailored to each region's particular characteristics and business strategies.

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Hitachi America Ltd.

Bala Krishnapillai



In 2025, Hitachi America's IT organization advanced the One Hitachi vision by transforming IT from a support function into a strategic business value engine. Through scalable shared services and enterprise platforms, we enabled regional growth, improved operational efficiency, strengthened cybersecurity, and accelerated digital transformation across the Americas.

We expanded AI and digital capabilities by launching enterprise AI applications, HR chatbots, private AI cloud infrastructure, enterprise AI platforms, and insights services. These initiatives improved employee productivity, business responsiveness, and operational efficiency by approximately 20%.

We also advanced Agentic AI, data automation, low-code platforms, workflow automation, and enterprise data services to create intelligent, outcome-driven operations. As a result, service tickets were reduced by 30% and mean time to resolution improved by 18%, shifting IT toward proactive and predictive service delivery.

Cybersecurity and risk management remained priorities through integrated SecOps^{#1}, vulnerability management, AI-enabled monitoring, and stronger governance. Sustainability also progressed, with a 48% CO₂ reduction from FY 2023.

In partnership with Corporate IT department, we rolled out the Group-wide CRM platform to reduce costs, improve data visibility, and strengthen customer connectivity across Hitachi Group companies. Looking ahead, we will continue scaling AI, automation, data platforms, and global services to support growth, incubation, and One Hitachi transformation.

Hitachi Europe Ltd.

Mark Checkley



FY 2025 saw continued success for IT Shared Services in the EMEA region. The growth in the adoption of digital management platform has been accompanied by expansion in Global Application Management Services and a highly successful insourcing transition. Similarly, we have seen great success in the expansion of our European Public Cloud offer. Both initiatives have delivered increased value and cost reduction in the EMEA region.

In FY 2026 we anticipate an exciting year where we can consolidate our Global Application Management operations and service design while expanding into new regions. We will continue to promote the further adoption of the Digital Management Platform in Europe, Asia and the Americas. Our European Public Cloud offer continues to form the backbone of our cloud operations, cyber security and compliance excellence. Furthermore, we will look to empower employee productivity through the adoption of AI, supported by our newly established Modern Workplace^{#2} team.

We are also benefiting from stronger global commercials with our suppliers to support all companies operating in Europe.

Hitachi (China), Ltd.

Bao Long



To address US-China AI regulatory gaps, we launched a localized AIGC platform built on Chinese LLMs to support Hitachi's operations in China. Serving 7,700+ users with chatbot, translation, knowledge search, meeting memo, and HR/finance assistants, it achieves over 130,000 annual uses.

The current "node orchestration"^{#3} model enables fast development for only single-use scenarios. In FY 2026, we will shift to a "capability-component"^{#4} architecture, standardizing RAG, web search, data analysis, and system integration into reusable skills. Business users can rapidly assemble AI agents.

Leveraging Hitachi's unified global architecture, our agile component model enables rapid, low-cost development and cross-regional export of AI skills. This evolves the localized AIGC platform from a project tool into a reusable, scalable AI platform that drives business-led innovation across key enterprise functions in China.

#1 SecOps: Security Operation #2 Modern Workplace: A new way of working and workplace environment enabled by digital technologies.

#3 Node Orchestration: An architecture that enables rapid development of task-specific AI solutions by combining resources and actions as workflow nodes.

#4 Capability Component: An architecture that provides reusable components for RAG, web search, data analysis, and system integration, enabling rapid AI solution development and deployment.

6 Contributions to Regional Business Strategies in Global Areas

The IT departments in each of the five global areas are contributing to the smooth and efficient management of business in the region through various measures tailored to each region's particular characteristics and business strategies.

Hitachi Asia Ltd.

Anang Zainuddin



In FY 2025, Hitachi Asia's IT and cybersecurity teams drove digital transformation and security across the region, creating notable business value and resilience in support of "Inspire 2027", Hitachi Group's Management Plan and Social Innovation mission.

We strengthened digital management platforms and data utilization to enable faster, data-driven decisions, while consolidating business operations and shared platforms across the region. We accelerated automation through RPA and AI adoption, expanding usage company-wide across the Hitachi Group and improving productivity and cycle times. In parallel, we reinforced cybersecurity and governance by advancing zero-trust practices, regulatory readiness and security awareness to enable trusted digital business and resilience.

People and collaboration remained key, with investment in new tools and focused training promoting ongoing learning and innovation. Employees gained advanced technologies and skills, maximizing use of data analytics, cloud, and AI.

Cross-regional collaboration grew through knowledge-sharing events like the Annual IT Regional Conference and APAC Cyber Security Conference, aligning business needs and best practices while fostering a unified, innovative approach.

FY 2025's integrated IT and cybersecurity leadership delivered strong business impact and operational excellence, building a solid base for future success. We remain dedicated to advancing Hitachi's vision and supporting customers with secure, efficient digital solutions.

Hitachi India Pvt. Ltd.

Prashant Ranjan



With a legacy of over nine decades in India, Hitachi India has continuously strengthened its partnership with the nation, expanding its footprint through 26+ Group companies across a wide spectrum of dynamic and high-growth businesses.

As a key enabler of organizational progression, the Hitachi India IT team delivers globally benchmarked IT services complemented by agile, business-aligned local solutions. By fostering a proactive security culture through regular awareness programs and maturity assessments, the team ensures continuous enhancement of cybersecurity readiness across the organization.

The Indian government has introduced the Digital Personal Data Protection Act. As a proactive initiative, we have already started knowledge sharing to support data protection management activity in each company. Hitachi India Limited (HIL) has developed robust capabilities to deliver Global IT Operations, providing 24x7 cost-effective IT services to Hitachi group companies worldwide. It also operates a Global Service Desk supporting English-speaking entities across the organization. By strategically leveraging in-sourced partner capabilities, HIL is strengthening integration and collaboration in alignment with the "True One Hitachi" mission.

These initiatives are designed to improve operational efficiency, support the broader growth of the Hitachi Group, and enable the development of a resilient and secure IT platform.

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- 2 Thorough Compliance with IT Controls
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- 4 Promoting Global IT-PMI
- 5 Global Integration of IT and Security with Strengthened Governance
- 6 Contributions to Regional Business Strategies in Global Areas
- 7 Global IT Human Resources Management

7 Global IT Human Resources Management

We will train human resources who have the capabilities to contribute via IT to the global business expansion of the Hitachi Group, transforming our IT talent portfolio.

We are working to improve employee engagement by enhancing work efficiency in a comfortable workplace environment, while also focusing on promoting individual development and skill improvement.

- 1 Establishing IT Rules and Standards
- 2 Thorough Compliance with IT Controls
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Transforming the IT talent portfolio

To become world-class IT departments, we are working to acquire and develop global IT talent, including digital specialists, and to improve their technical capabilities. Specifically, in line with the global business expansion of the Hitachi Group, we formulate a To-Be vision for our IT talent, review our IT talent portfolio, support career paths to achieve that vision, and work on strengthening their technical skills. In particular, toward the realization of the Hitachi Group's Inspire 2027 management plan, we are cultivating highly skilled IT and DX talent through such projects as the application of AI to business operations. To further strengthen our global response capabilities, we are promoting the development of global IT talent through both on-the-job training (OJT), such as assignments to global IT projects, and off-the-job training (Off-JT), such as training and education. To promote this initiative, we assess the global level of individual employees annually, accurately grasping and evaluating the development status of global IT talent, and continuously striving to transform the IT talent portfolio.

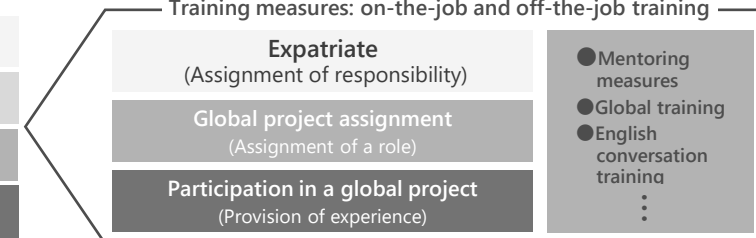
Level 4	Global IT organization manager	Capable of management that leads the organization
Level 3	Global IT project leader	Capable of leading global projects
Level 2	Global IT project member	Capable of participating in global projects
Level 1	Global IT project intern	Capable of supporting global projects

Level 0 Human resources limited to IT in Japan

Improving employee engagement

We aim to enhance employee engagement by enabling employees to work efficiently and deliver strong results in a comfortable work environment. As specific initiatives, we are working to improve workplace environments by enhancing employee work efficiency and motivation, implementing measures to improve workplace communication, and improving workplace facilities and equipment. As part of improving operational efficiency, we reduced the budget management workload by 19% by promoting the use of AI agents and reducing meetings and procedures. To enhance communication, we have been continuously encouraging the adoption of one-on-one communication between supervisors and subordinates. In FY 2025, we encouraged the identification of organizational issues by diversifying communication channels, strongly promoting not only one-on-one meetings between managers and their direct reports, but also one-on-one meetings with more senior managers. To improve the workplace environment, we are creating opportunities for communication across departments and job roles through company-wide recreational activities, fostering a sense of unity. Additionally, we continue our efforts to enhance the work environment by collecting employee feedback through suggestion boxes and implementing improvements based on their input.

Training measures: on-the-job and off-the-job training



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