Value Empowerment

Hitachi has been working to solve the challenges facing society for 115 years, guided by its corporate philosophy. Under Inspire 2027, we continue to address social challenges by leveraging our strengths in IT, OT and Products more than ever before. Our goal is to contribute to the realization of a Harmonized Society, where the environment, wellbeing, and economic growth are in balance, and to enhance sustainable corporate value.

Chief Sustainability Officer, CHRO, and CDEIO Message

PLEDGES as a Compass for Maximizing Corporate Value, Deepening Sustainable Management through One Hitachi

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Driving Further Growth through Sustainability

Under the philosophy of "Contribute to society through the development of superior, original technology and products," Hitachi has positioned sustainability at the core of its corporate value enhancement and has fostered management that integrates sustainability with business activities. For us, sustainability is not a standalone initiative—it is synonymous with management itself, driving both innovation and growth.

We have steadily delivered results through environmental initiatives and measures in accordance with the human resources strategies, and our sustainability goals have progressed largely as planned. These efforts, along with highly transparent information disclosure, have been well recognized by global external organizations such as MSCI and CDP.

However, to further deliver value to society, stronger collaboration across regions and businesses within the Hitachi Group, as well as co-creation with all stakeholders including partners, is essential. Under Inspire 2027, Hitachi aims to realize a Harmonized Society where environmental, social and economic values are in balance. To this end, the company has formulated the Hitachi Group's sustainable strategy PLEDGES, which represents our commitment to pursuing sustainability across the entire group in collaboration with all stakeholders. Structured around seven strategic pillars, it defines our vision and sets KPIs and targets for fiscal year 2027, which are key to realizing a sustainable society and business growth.

By advancing management in accordance with the PLEDGES framework, We will deliver value to society, accelerate sustainable business growth and aim for further enhancement of corporate value. Rather than merely pursuing KPI achievement, each employee is expected to develop sense of ownership toward PLEDGES, translate it into behavioral change and

Sustainability Strategy PLEDGES

Sustainability Report 🖸

Planet	Lead green transformation globally to achieve a decarbonized society	Linked
Leadership	Lead transformation with people who can boldly tackle societal issues and pave the way for a brighter future	ğ
Empowerment	Build a culture that praises learning and encourages challenge and growth	executive
Diverse perspectives	Drive innovation by maximizing capabilities and performance of diverse talents	
Governance	Build a resilient foundation with safety and ethics as priority	compensation
Engagement	Build sustainable value chain along with stakeholders	ation
Sustainability for all	Accelerate value delivery to society and Hitachi's sustainable growth through PLEDGE	

appropriately monitor progress toward its realization. By positioning its sustainability strategy as the foundation for enhancing corporate value, and by achieving both the resolution of social challenges and corporate growth at a high level, Hitachi will contribute to the creation of a truly sustainable future as a global leader.

Executing Human Capital Strategy toward Inspire 2027

It has been one year since I took on the additional responsibilities of CHRO, building on my two years of experience as Chief Sustainability Officer. Over this past year, I have once again come to deeply acknowledge that "people" are the key driver of Hitachi's innovation and growth. We have consistently adopted to change and achieved sustainable growth through the human capital strategy that is clearly aligned with our business strategy. To move toward the next stage of growth, Hitachi aims to unite the strength of our 280,000 employees as True One Hitachi and maximize the potential of each individual. It is essential to establish a steady and virtuous cycle; Employees are encouraged to set ambitious goals and take on challenges, while the company ensures that their achievements are appropriately rewarded.

We have established human capital-related KPIs within the PLEDGES framework and are implementing concrete initiatives to achieve them. Under Inspire 2027 in particular, we will actively invest in human capital by focusing on securing core talent through competitive compensation, including stock-based incentives, strengthening expertise in areas such as generative AI, developing future leaders and promoting talent mobility. Through these initiatives, we will actively lead the integration of diverse perspectives across regions and businesses, foster both organizational and individual growth, and drive our business forward and further enhance corporate value.