

Social

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Global human capital management

Approach to human capital

Hitachi is committed to contributing to a sustainable society by uniting the capabilities of employees around the world under the belief that people are the source of value, as it expands its Social Innovation Business globally.

Under the management plan, Inspire 2027, Hitachi continues to aim for sustainable growth through active investment in human capital. These efforts include securing top talent through competitive compensation systems, developing professionals with expertise in advanced technologies such as generative AI to drive business growth, and nurturing leaders to promote business creation.

Global human capital management structure

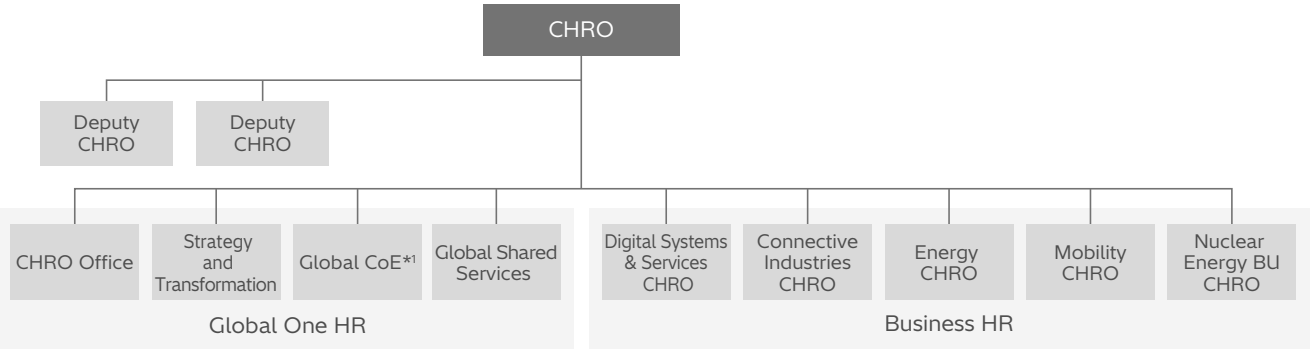
To support the growth of the Hitachi Group, we established a global human capital management structure to foster organizational culture and to

secure and develop talent. Under the leadership of the CHRO (Chief Human Resources Officer), Global One HR and Business HR work in close collaboration to formulate initiatives. In alignment with this structure, the HR teams across individual companies and regions adjust and implement these initiatives based on their unique characteristics and local contexts, aiming to realize globally optimized human capital management. With regard to key matters related to the formulation and implementation of human capital initiatives, those requiring executive-level discussion or approval are submitted to the Senior Executive Committee and reported to the Board of Directors as necessary.

Global human capital strategy

Under the management plan, Inspire 2027, Hitachi is driving transformation toward a “True One Hitachi” by strengthening the Lumada business, promoting business creation starting from the region, capturing new growth opportunities, and strengthening its global management foundation, including corporate functions.

Global human capital management structure



*1 Center of Excellence

Toward realization of this, we have established our new human capital strategy, considering the changes in talent landscape, including labor shortages, evolving employee expectations, changes in work styles driven by technology, and the continued complexity and transformation of society. We restructured and strengthened the three pillars of its human capital—People (Talent), Mindset (Culture), and Organization—

originally set under the Mid-term Management Plan 2024. We have also added two new pillars: Work Transformation (WX), essential for mid- to long-term growth, and the People Value Proposition, key to attracting and retaining core talent globally. We categorize Hitachi’s renewed human capital strategy to key five pillars.

Vision for each pillar of the strategy and roadmap to realization

Strategy pillars	Where we want to get to	Path to get there
PEOPLE VALUE PROPOSITION	Global employer of choice with employee wellbeing	<ul style="list-style-type: none">Enhance Hitachi employee value proposition through deploying of employer brand messages, etc.Ensure global compensation structure including stock plan to further strengthen competitiveness in labor market
ORGANIZATION	Workforce plan and resources shift: Well-Being/Productivity/Effectiveness	<ul style="list-style-type: none">Set higher target and implement it to accelerate talent diverse perspective of managersUpdate organization for executing Strategic Social Innovation Business and new regional strategy
	Strengthen in agile, transparent and simple decision-making	<ul style="list-style-type: none">Review of policies in organizational design and talent allocation, including optimization of the span of control for managers
TALENT	Leadership	<ul style="list-style-type: none">Revise Global Leadership Development Program (GLD) from One Hitachi standpoint including rotation of global leaders
	Capability	<ul style="list-style-type: none">Introduce global onboarding framework, and clarify managers role and training program based on this frameworkDevelop skills aligned with business strategy and dynamic workforce planning (e.g., IT x OT x Product)Develop global university relations program, building brand recognitionAccelerate talent and skillset development through further visualization of talent on Hitachi’s HR platform
CULTURE	Harmony	<ul style="list-style-type: none">Foster Hitachi culture with required behaviors aligned with Hitachi VALUES
	Sincerity	<ul style="list-style-type: none">Create collaborative culture and growth mindset by mobilizing employees and new incentive structure
Pioneering Spirit	Aggressively take on challenges with understanding and considering difficulties and risks	
WX (Work Transformation)		<ul style="list-style-type: none">Transform employee work and environment through Gen AI/Tech to enhance productivity and well-beingPromote optimization of the work by Gen AI and further enhance linkage with workforce plan

Global human capital targets

PLEDGES

Under the management plan, Inspire 2027, Hitachi has established Group-wide human capital-related targets and KPIs to advance its initiatives.

Global human capital targets

Strategic Pillars	Included Theme	FY 2027 Main targets/KPIs	
Leadership	Human capital acquisition and development, Individual leadership	Number of global leaders who realize growth strategy	1,000 people
		Number of generative AI professional talents	50,000 people
		Employee growth mindset score*1	70 points
Empowerment	Employee engagement, Organizational culture	Employee engagement score*1	80 points*2
		Number of people who receive allotment of Restricted Stock Unit grant	1,500 people
		Number of people eligible for Employee Stock Purchase Plan globally	150,000 people
Diverse perspectives	Inclusive workplace and opportunities for all	Encourage innovative ideas and their implementation through the new “Make a Difference!” program	

*1 Linked to executive compensation
*2 Ambitious target of 80 points is set, which exceeds global competitors (base target is 75 points)

Selecting and developing global leaders

Hitachi develops global management leaders, through the Global Leadership Development Program (GLD), which is led by top management and the Nominating Committee for the mid- to long-term development of management leaders who will drive transformation and innovation.

To develop candidates for future positions as CEO, heads of business units, and other management leaders, we select several hundred candidates globally into the GT+ talent pool. We provide these individuals with tough assignments*1 that include on-the-job and off-the-job training, and coaching. The percentage of non-Japanese nationals and women among the selected candidates has been increasing year by year.

In addition, within the GT+ talent pool, a group of high-potential employees aiming for early advancement into executive leadership roles are selected to participate in the Future 50 program. Through this program, they receive intensive development support, including job assignments in leadership positions, mentoring opportunities, and other targeted initiatives designed to accelerate their growth.

Under the management plan, Inspire 2027, Hitachi is revamping its talent pools and development programs with the goal of nurturing 1,000 global leaders who will realize our growth strategy by fiscal 2027. Development efforts are tailored to each individual’s aspirations and readiness.

*1 Tough assignments: high-stakes or high-difficulty job placements

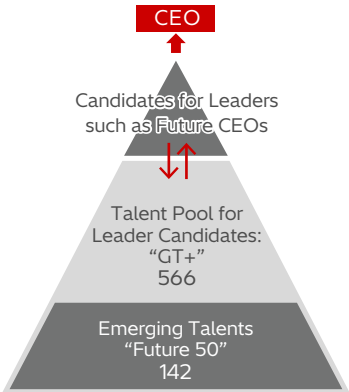
Selection of diverse talent as management leadership candidates

	GT+		Future 50 (Alumni, current candidates)
	FY2016	FY2024	
Selected	521	566	142
Non-Japanese	25 (4.8%)	177 (31.3%)	43 (30.3%)
Women	25 (4.8%)	135 (23.9%)	31 (21.8%)

Note: As of the end of March 2025

Management leadership candidate training

Training	Overview	FY2024 results
Global leadership acceleration program for key positions (GAP-K)	Selective training held for five months to accelerate the development of future management-level leaders	28 participants from 7 countries
Global advanced program for leadership development (GAP-L)	Training held twice a year for local leaders who are expected to perform well in subsidiaries outside Japan, aiming to develop superior leadership, mindset, and skills necessary to drive Hitachi’s global growth businesses	46 participants from 17 countries

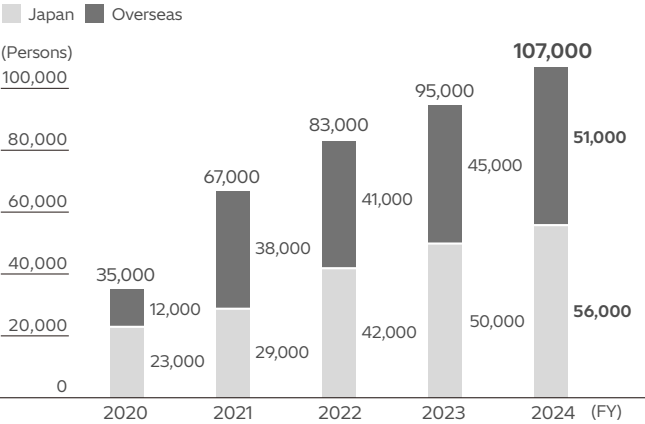


Acquiring and developing digital talent

To accelerate our Social Innovation Business through utilizing digital technologies, Hitachi has focused on securing and developing digital talent who will drive digital transformation (DX). Under the Mid-term Management Plan 2024, Hitachi set a target of expanding its digital talent pool to 97,000 by fiscal 2024. As a result of various initiatives, the number reached 107,000, exceeding the target.

Specifically, we implemented flexible hiring and training programs in response to business expansion through GlobalLogic and other companies. We have also strengthened our talent through M&A based on market trends and regional strategies.

Progress in the number of digital talent



Note: We define digital talent as someone having capabilities in one of 12 areas (design thinking, data science, security, etc.) necessary for digital business. The number of digital talents is the total number of persons have each capability (total number of people in thousands).

In Japan, we also promoted a personalized recruitment program that emphasizes matching each candidate's career needs with the job, including internships for new graduates. Additionally, we strengthened the acquisition and development of digital talent necessary for business growth by developing talent through Hitachi's proprietary DX training system and expanded training programs that incorporate practical experience.

Enhancing digital talent remains a key priority under the management plan, Inspire 2027. Accordingly, we will continue to identify and strengthen the digital talent required in each business division.

Acquisition and development of generative AI professionals

Under the management plan Inspire 2027, Hitachi aims to expand its pool of generative AI professionals to 50,000 by fiscal 2027, as part of efforts to enhance Lumada and deliver new solutions powered by generative AI.

To develop this talent, Hitachi is implementing practical off-the-job and on-the-job training programs in collaboration with Hitachi Academy, the Group's corporate university, while also leveraging training programs offered by partner companies.

Beyond these professionals, Hitachi recognizes the importance of enabling all employees to harness generative AI and other technologies to improve productivity. The company is also fostering the rollout of generative AI literacy programs for all employees.

Initiatives to put the right person in the right place

Hitachi created its policy on organization and talent allocation, which stipulates the process of considering the optimal organizational structure to achieve organizational goals, maximize the overall organizational performance, and secure and allocate talent to optimize configurations.

In this way, we ensure organizational and positional management by placing the right person in the right place. Our basic policy is to assign talent who meet the competency requirements of the positions in question, utilizing diverse talent including those from outside the Group, from a Group-wide and global perspective, regardless of attributes such as age, gender, or nationality. We conduct business- and regional-based talent reviews to achieve a more optimal match between the job and talent as part of the measures of job-based talent management. We aim to achieve further growth across the entire Hitachi Group through global talent management measures conducted in common at all Hitachi Group companies including Global Performance Management (GPM), succession planning, and the development of succession candidates.

Fostering Hitachi culture globally

To drive further growth and innovation, Hitachi believes it is essential to cultivate a shared Group identity rooted in its Mission and Values—the founding spirit of the company—and to foster a unified culture as One Hitachi. For employees who have recently joined the Group through M&A, Hitachi fosters deeper understanding and alignment with its Mission and Values through programs such as the Hitachi Discovery Program. The company also actively conducts town hall meetings led by senior leadership, as well as culture discussions for employees across the organization.

Cultivate employee growth mindset
As Hitachi Group drive into a new phase of growth, it is increasingly important for each employee to take proactive ownership of their individual development and adapt to changes in daily work.

In light of this, as part of our human capital management, Hitachi has introduced a new company-wide KPI related to the “Growth Mindset” in global employee survey, Hitachi Insights, starting in fiscal 2025. This KPI is based on the percentage of positive responses to questions regarding employees' attitudes and actions toward growth, as well as the organizational culture and managerial support that enable such growth. Our target is to achieve a score of 70 points by fiscal 2027.

We aim to drive sustainable growth through creating an environment that empowers employees to realize their full potential.

Mindset transformation that values diverse perspectives: Make a Difference!

To realize sustainable business growth, it is vital to nurture the development of individuals who contribute to the company's success.

As part of our organizational culture transformation aimed at fostering a growth mindset, we provide opportunities for employees to exchange ideas from diverse perspectives on themes related to organizational and operational reforms and encourage proactive engagement in implementing those ideas.

 **Mindset transformation that values diverse perspectives: Make a Difference!**

Enhancing employee engagement

As part of its human capital management, Hitachi monitors employee engagement*1 annually through its global employee survey, Hitachi Insights, and has established the employee engagement score*2 as a KPI to guide and evaluate improvement efforts. To identify key areas for action, Hitachi focuses on engagement drivers—factors highly correlated with employee engagement—and enhances optimal talent placement (including job-based talent management), advances global talent mobility*3, and fosters a psychologically safe work environment through the adoption of Hitachi Group Core Competencies*4. These initiatives are supported by efforts to cultivate Hitachi's culture and strengthen two-way communication with top management through town hall meetings, roundtable discussions, and internal social platforms.

As a result, Hitachi achieved its Mid-term Management Plan 2024 target of 68 points ahead of schedule in fiscal 2022. It subsequently met its revised goal of 71 points in fiscal 2024, reaching a score of 71.5.

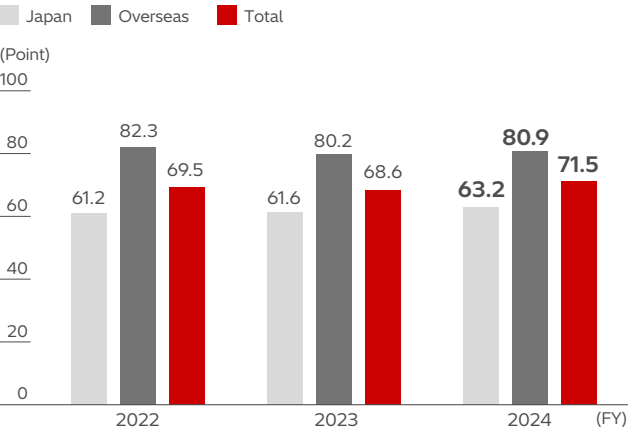
Under the management plan, Inspire 2027, the target has been raised again to 80 points*5 by fiscal 2027, and initiatives continue to move forward.

Hitachi Group Core Competencies



People champion Related Hitachi's founding spirit: <i>Harmony</i>	Cultivate an inclusive work environment based on safety and trust, which values diverse perspectives and encourages speaking up and growth so that we can perform at our best.	Focus areas <ul style="list-style-type: none">● Psychological safety● Speak up● Engage
Customer & society focus Related Hitachi's founding spirit: <i>Sincerity</i>	Focus on societal challenges, always act honestly, and be accountable for contributing to society through collaboration with internal and external stakeholders.	Focus areas <ul style="list-style-type: none">● Integrity● Outside in● Accountability
Innovation Related Hitachi's founding spirit: <i>Pioneering spirit</i>	Drive innovation with a passion for learning, challenge the status quo and respond with speed to create new value.	Focus areas <ul style="list-style-type: none">● Curiosity● Risk taking● Agile

Results of employee engagement score



*1 Employee engagement: The willingness of employees to work autonomously to understand the company's strategies and policies, as well as to take on challenges in their work, and to achieve results

*2 Employee engagement score: Employee engagement score measures the positive response rate of 4 factors - pride in working for Hitachi; whether it is a workplace one would recommend to others as a great place to work; job satisfaction and sense of accomplishment; and desire to continue working for Hitachi for the foreseeable future

*3 Global Talent Mobility: Mobility of human resources across business sectors and countries/regions

*4 Hitachi Group Core Competencies: Formulated based on Hitachi's founding spirit (Hitachi Values) and business strategies, etc. They specifically define how to embody the Hitachi founding spirit as behaviors expected of all Hitachi Group employees

*5 Ambitious target of 80 points is set, which exceeds global competitors (base target is 75 points)

IE (Industrial Engineering) Meister Certification Ceremony (Hitachi Group)

Hitachi certifies individuals as “IE Meisters” in recognition of their contributions to business reform and improvement within the Group through their outstanding expertise in manufacturing, leadership, and a passion for innovation.

This initiative began in Japan in fiscal 2018 and was expanded globally from fiscal 2024.

In addition to Japan, talent from Europe, the United States, and China were selected, and certificates of recognition were awarded at the Corporate Forum held in November 2024.

Ask Me Anything (Hitachi Group)

In July 2024, Hitachi held the “Global Online Event for employee – Ask me anything to CHRO.” Under the theme “People and Culture aligned with Hitachi’s Founding Spirits for Sustainable Growth,” this event was held as an initiative to enhance employee engagement through direct two-way communication with the CHRO. More than 2,400 employees from around the world participated in the event, which was held over several sessions.

Wellbeing program Be Well (Hitachi Rail)

Hitachi Rail has developed the company-wide wellbeing program called Be Well, providing a comprehensive framework that highlights five key areas connected to the human wellbeing to promote awareness and action within the company.

In fiscal 2024, their commitment is witnessed by two global initiatives around physical and mental health and conducted global initiatives on the themes of Eat Well: focusing on nutrition and healthy eating habits and Mentally Well: promoting mental health awareness and support. All the countries were involved, and more than 15 countries actively participated in these initiatives, totalizing more than 22,000 views on its internal social media site about the event.

Earth Alliance initiatives (Hitachi Vantara)

Hitachi Vantara’s Earth Alliance Employee Resource Group, led by 12 global Earth Alliance leaders, drives company’s environmental initiatives to raise awareness for the realization of a sustainable society. This group meets monthly to enhance engagement in local offices and advance Hitachi Vantara’s environmental efforts, such as holding Earth Month, promoting environmental education through Quarterly Connects and a Speaker Series, and fostering sustainable practices within the organization.

In fiscal 2024, Earth Alliance leaders hosted approximately 20 in-person and virtual events for Earth Month, covering key sustainability topics such as energy conservation, waste reduction, and tree planting.

Talent development initiatives to establish a learning organization

It is essential to foster a culture in which every employee can continue to acquire the necessary skills and capabilities, to provide new value continuously in unpredictable and rapidly changing environment, for example, with the increasing complexity and severity of social issues and the rapid evolution of digital technology. To enhance organizational capabilities globally, Hitachi provides a learning environment where employees can promptly access the necessary learning resources, aiming to cultivate a learning organization to drive business growth.

For example, we offer various training programs focused on enhancing specific skills and expertise, including digital talent development programs, along with standardized training for managers globally aimed at fostering the growth of the Hitachi Group.

Training for managers

Training	Overview	FY2024 results
Global Leadership Acceleration Program for Managers (GAP-M), Ready to Lead	Leadership training with common global content for managers and new managers	Held in 11 countries/ regions (Japan, the United States, the United Kingdom, India, Singapore, Thailand, Indonesia, Philippines, Korea, China, and Taiwan) with 3,522 participants

Initiatives at regional headquarters to develop employee skills

Hitachi is an organization with global operations, so our skills development programs are implemented primarily by regional headquarters (Hitachi America, Hitachi Europe, Hitachi Asia, Hitachi India, and Hitachi China) in keeping with the focus of each region’s business operations and cultural environment. Through these efforts, we seek to identify and nurture our global leaders across the Group.

Specifically, Hitachi provides employees in each region with access to Hitachi University, the Group’s shared learning platform, to support the acquisition of new digital skills such as DX, AI, and data science, as well as to encourage self-directed learning. In the area of leadership development, regional headquarters conduct talent reviews and succession planning to identify high-potential individuals and offer structured development through participation in Global Leadership Development Program.

As an example of regional initiatives, Hitachi Asia offers a global leadership program and has also created a series of leadership journeys, including coaching and mentoring by senior leaders, project assignments, and workshops to accelerate the development of potential future leaders. As part of our broader talent development efforts, we also support the Group companies with regional programs such as the Future Leaders Forum and Young Talent Nexus. In Hitachi America, we have introduced the Mentoring at Hitachi program to support the ongoing development of employees by helping them enhance their skills and explore career opportunities across the Hitachi Group.

Transformation to job-based HR management

Hitachi is shifting toward job-based human resource management. With this shift, we can clearly define jobs, as well as the skills and experience needed, making it possible to appoint talent who can perform those jobs according to their abilities and motivation, regardless of their nationality, gender, age, or other attributes. By doing so, we will enhance the motivation of each employee and the sense of unity between Hitachi and the individual, helping both to grow and flourish.

To visualize jobs and talent, Hitachi has adopted job descriptions and has conducted talent reviews to consider the placement and development of

each employee based on their aptitude and career orientation. Hitachi has also introduced the Learning Experience Platform (LXP), a system that supports autonomous upskilling and reskilling. On this platform, an AI interface recommends internal and external learning content according to career aspirations, etc. (and other factors), thereby promoting support for employees’ autonomous career development. Through these initiatives, we are offering LXP within Hitachi, Ltd. and to Group companies in Japan in stages.

As part of a broader review of its talent management systems, Hitachi, Ltd. revised its compensation framework for approximately 20,000 non-managerial employees in June 2024, shifting to a job-based system through the introduction of a job grading structure. This change clarifies the link between roles and compensation,

helping to advance optimal talent placement.

In October 2024, Hitachi, Ltd. also officially launched a side job program, both inside and outside the company. This program was introduced to support employees in independently shaping their careers and was formally launched after a one-year trial period.

Going forward, Hitachi will work to embed these systems and further expand skill development and growth opportunities that contribute to placing the right talent in the right roles.

Career training and consultation services to support self-directed career development
At Hitachi Ltd., we are focusing on fostering a growth mindset that encourages employees to think and act on their own careers. To support this, we introduced career training as a foundational program that directly influences employees' self-directed career development. The program uses the Will-Can-Must framework to promote specific initiatives for individuals to make self-directed efforts to develop their career and abilities by giving extra support to formulate action plans toward their intended career. Initially launched for mid- and late-career employees, the program was expanded in fiscal 2024 to include younger and mid-career employees, making it available across all generations. As of the end of March 2025, approximately 15,600 employees participated.

At our Career Consultation Room, we provide a careers advice service that supports employees with their own career development and helps to assign the right person in the right place for publicly available positions. The service includes "matching advice" that enables specific consultations on job openings within

the Hitachi Group and “career consultations” that support employees’ overall career development.

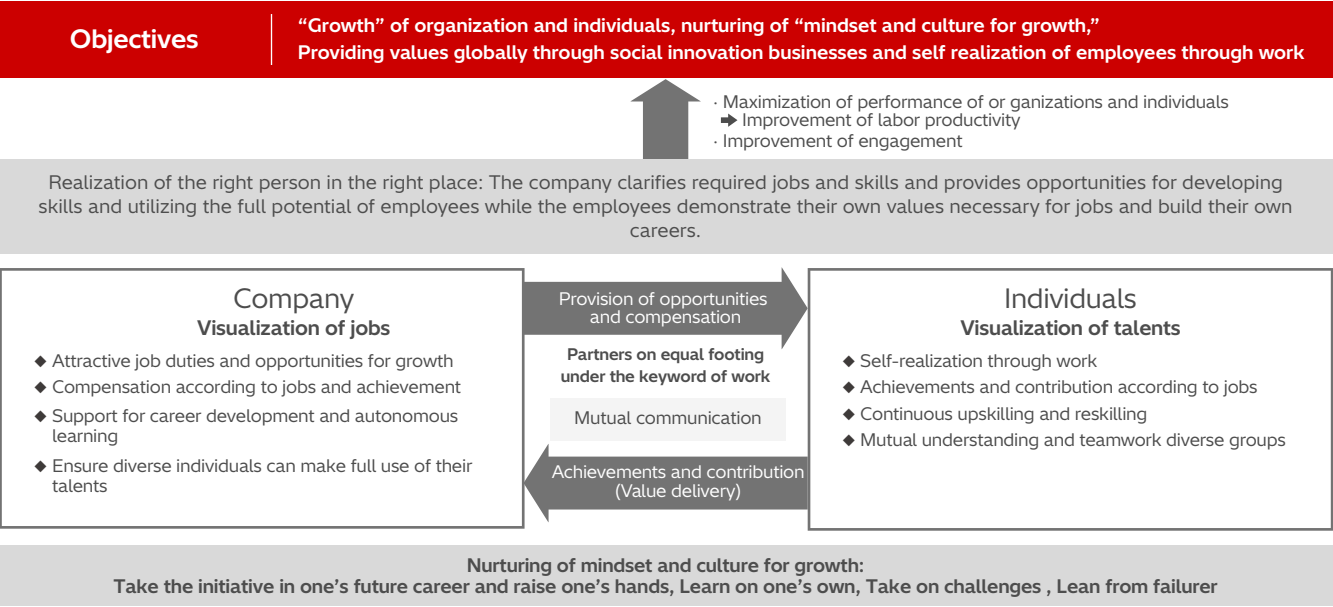
Going forward, we will continue to support individual self-understanding and career planning while respecting the individuality and aspirations of each employee, thereby linking individual motivation and abilities to improved performance, engagement, and overall well-being.

Adopting a platform for global human capital management

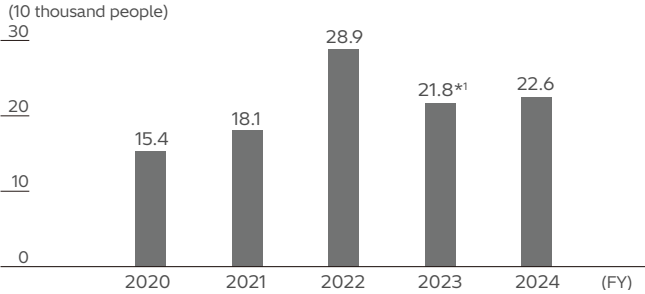
Hitachi is advancing the development of a globally unified talent management platform. Starting with the building of a talent database and implementing Global Leadership Development program targeting selected top talent, we continue to expand our efforts through common job grading and performance management, a global learning platform, and a global human resources management integration platform infrastructure. Newly added companies become part of these common platforms over time.

Integrated global human capital management platform
Through this platform, we share up-to-date talent information (professional skills, career preferences, etc.) via a cloud system. The platform enables centralized management of various processes, including search for talents across the Group. We utilize this information for team management, performance management, development planning, and career development. The platform is gradually being expanded throughout the whole Group.

Hitachi's job-based HR management



Introduction of the integrated human capital management platform



*1 The decrease from FY2022 is due to changes in the number of Group companies.

Fostering People Analytics

Hitachi’s People Analytics initiative involves gathering and analyzing data about regular employee awareness and behavior and putting the data to use in management and human resources measures.

Rather than relying on the experience and intuition of the person in charge, we visualize data to conduct talent management based on improved decision-making accuracy, as well as the characteristics and the aptitudes of the individual employees. In this way, we engage in effective and prompt measures regarding our talent, organization, and culture.

For example, we not only used the quantitative data obtained through the “Hitachi Insights” employee survey, but also worked on statistical analysis of free comments provided by employees (text data) with the aim of gaining deeper insights.

More specifically, we leverage text mining technology and analysis results using proprietary generative AI independently developed by Hitachi, Ltd., and

knowledge sharing related to analysis methods have been rolled out across the Hitachi Group, helping each organization to identify issues and consider measures.

By converting narrative data into statistical data in this way, Hitachi promotes data-driven decision-making with deeper insight, invigorating talents and organizations, and strengthening human capital.

Hitachi Global Grade (HGG)

To empower a diverse workforce to drive business forward, role- and job-based talent management is essential. One of the key tools for achieving this is the Hitachi Global Grade (HGG) system. The HGG consists of 11 grades, and each position is evaluated based on the common standards of the entire Hitachi Group.

Talent Review

Hitachi uses the business- and regional-based Talent Review as an initiative to strengthen and develop the match between jobs and talents. Managers in each workplace meet individually with subordinates to review performance and career plans, after which multiple managers have the opportunity to review each employee. Managers then discuss individual development and job assignments based on the employee’s strengths, weaknesses, and career aspirations. Through these efforts, we encourage the matching of jobs and talents, leading to employee career development and stronger organizational capabilities.

Global Performance Management (GPM)

Global Performance Management (GPM) forms the foundation for business management and performance enhancement with the aim of fostering the sustainable growth of organizations and individuals. Based on Hitachi's founding spirit, we have established the Hitachi Group Core Competencies (behavioral goals), which are the behaviors expected of Hitachi in aiming

for sustainable growth, and these items apply to all employees. Supervisors provide coaching and feedback to employees to help them achieve their targets. They encourage continuous performance improvements, which lead to the mid- and long-term development of employees. By clarifying the skills and behaviors that individuals need to demonstrate, while explaining how their actions contribute to the success of the business, we cultivate employee fulfillment at work while encouraging employees to take ownership over their work and self-development.

Ensuring fair evaluation and compensation

Hitachi respects and supports human rights as recorded in the International Labor Organization's (ILO), Declaration on Fundamental Principles and Rights at Work and is committed to ensuring fair evaluation and compensation. The company also believes that to empower a diverse workforce regardless of nationality, it must establish globally consistent systems for evaluating and compensating talent fairly.

As part of this effort, Hitachi has established its “Global Compensation Philosophy” as a formal policy to embody the “Hitachi Group Identity” and to secure and retain talent who drive business growth and maximize value for stakeholders, including shareholders and customers, while also enhancing employee engagement. This philosophy is founded on three core principles shared across the entire Group: “Ensuring market competitiveness” by designing appropriate and competitive compensation structures and levels for each market; “Pay-for-performance” that rewards results; and “Maintaining transparency.”

We ensure compliance with the laws and regulations of each country and region in which we operate when determining compensation. For instance, we conduct comprehensive and periodic checks through our system to ensure compliance with minimum wage requirements in Japan.

After developing a performance-based compensation system that is fair and competitive in the context of the labor market for the industry in each country or region, we made the system for determining compensation known to all regular employees. We thus evaluate the performance of all regular employees each year and then determine the amount of compensation.

Furthermore, Hitachi, Ltd. introduced a system for all regular employees in which compensation varies according to individual employee performance and company performance. In addition to evaluation results, employees receive feedback on their strengths and areas for improvement identified via the evaluation, as well as challenges and goals for future work to encourage personal growth.

Going forward, Hitachi will expand stock-based compensation, previously limited to executives at Hitachi, Ltd., to include executives at Hitachi Group companies and certain employees. By incorporating restricted stock units into a new compensation package, the company aims to enhance overall compensation levels and strengthen commitment to increasing corporate value. We are working to enhance this system with the target to extend eligibility to 1,500 individuals by fiscal 2027.

Diverse perspectives

Our approach to advancing inclusion

At Hitachi, we respect and value each other’s uniqueness. By creating an environment where we collaborate and support one another, our culture drives the success of our mission to contribute to society. Because together, we are stronger.

“Together, we are stronger” is more than a statement. It’s a foundational belief. It reflects how we work, grow, and succeed: by bringing together different perspectives, supporting each other, and creating shared value through collaboration. This mindset drives our innovation and our impact on society.

Hitachi’s approach to inclusion and fairness is outlined in our updated global policy of diverse perspectives, which affirms our commitment to building a workplace where all individuals can thrive because they feel respected, supported, and empowered to contribute their best.

This policy defines the principles, behaviors, and practices that shape a culture of inclusion, fairness, collaboration, and innovation. It reflects our belief in psychological safety, inclusive leadership, and merit-based systems as the foundation for long-term growth and competitiveness.

Policy of diverse perspectives -our foundational values

Since our founding in 1910, Hitachi has been guided by the values of Harmony, Sincerity, and a Pioneering Spirit. These values are not only part of our legacy, they continue to shape the way we lead, collaborate, and innovate today.

When viewed through the lens of our values, the approach to leveraging diverse perspectives can be interpreted as follows:

- **Harmony (Wa)** encourages us to work collaboratively and respectfully across differences, building mutual understanding and creating a sense of belonging that transcends roles, regions, or backgrounds.
- **Sincerity (Makoto)** reminds us to act with integrity and empathy, always striving for fairness, transparency, and ethical behavior in how we treat others and make decisions.
- **Pioneering Spirit (Kaitakusha-Seishin)** drives us to challenge convention, embrace new perspectives, and co-create solutions that serve society and improve lives.

These values are more than principles; they are our compass as we create a workplace culture where people feel they truly belong, are empowered to contribute their best, feel proud of their impact, and grow together.

 [Hitachi Global Policy on Diverse Perspectives](#)

Global commitment to advance inclusion, fairness, and respect

At Hitachi, our efforts to advance inclusion, fairness, and respect are grounded in a set of clear

commitments that guide our actions across all regions and business units (BU).

We are committed to building a culture rooted in respect and merit, where all people-related processes, from hiring and development to recognition and advancement, are fair, transparent, and grounded in individual merit and talent. Our goal is to ensure that the right people are placed in the right roles.

We believe in advancing equity through empowerment, recognizing that individuals may require different forms of development and support to succeed. We strive to ensure equitable access to opportunities and resources, including reasonable accommodation and enabling tools, so that everyone has the opportunity to thrive.

We are also committed to fostering a sense of belonging and psychological safety because when people feel valued, heard, and safe to express themselves, they can truly thrive. Our goal is to create a workplace where authenticity and mutual respect are not just encouraged but are expected.

Global management structure to leverage diverse perspectives

Under the leadership of the Chief DEI Officer (CDEIO), Hitachi strengthened its global and regional structure for leveraging diverse perspectives, setting the direction for the Group, implementing initiatives in line with business needs and local priorities.

From a global perspective, topics related to inclusion to leverage diverse perspectives are discussed both

at the executive level and the implementation level to ensure a common understanding and direction in terms of policies and initiatives. The Steering Committee, comprised of the CDEIOs of each sector and the Center of Excellence (COE) Head of HR, is responsible for setting the strategy and direction, while the Global Council, comprised of champions from key business group companies and regional leaders, is responsible for advancing inclusion by aligning priorities and implementing initiatives tailored to local contexts and business-specific needs. Material matters are reported to and deliberated on by the Senior Executive Committee and are reported to the Board of Directors when necessary.

From a regional perspective, the regional leaders are appointed in six regions (Americas, EMEA, India, China, APAC , and Japan) and are responsible for advancing inclusion. They work closely with business leaders to focus and drive initiatives aligned to local needs and business strategies.

The corporate global team supports the implementation of the Group initiatives, implementing the strategy to foster an inclusive culture and ensure transparent, fair and merit-based processes that empower people to contribute their best. To foster communication among all BUs, corporate functions, and the Group companies, the corporate global team facilitates working group sessions. These sessions involve all key internal stakeholders, and participants discuss specific topics related to inclusion and how to leverage diverse perspectives, share best practices, identify common issues, and find practical solutions.

Global management structure to enhance diverse perspectives



Global ambitions

Diversity at the leadership level

Hitachi, Ltd. established an aspirational goal to increase diversity at the leadership level, aiming to reach by fiscal 2030 the ratio of 30% of executive and corporate officer positions being held by women and another 30% by ethnically and culturally diverse individuals*1. This commitment also aligns with the Japanese Cabinet Office’s target of 30% of executive positions at Tokyo Stock Exchange prime-listed companies are held by women by 2030.

Diversity at the leadership level (Hitachi, Ltd.)



*1 Counting the number of non-Japanese members

Mindset transformation that values diverse perspectives: Make a Difference!

PLEDGES

Since fiscal 2015, Hitachi has been holding ideas contests open to all Group employees with the aim of strengthening the mindset of ownership and fostering corporate culture. Over the past 10 years, the contest has generated more than 4,930 ideas. In fiscal 2024, the team that won the contest’s top honor—the Gold Ticket—advanced efforts to commercialize their idea with support from senior management. This initiative is currently progressing with plans to launch in Asia and expand into Africa in the future.

Starting in fiscal 2025, Hitachi will further focus on building a corporate culture and employee mindset that enable innovation for society and sustainable growth. Specifically, to strengthen this initiative as a company-wide effort, we will introduce mechanisms which enable diverse talents to exchange ideas on organizational and work transformation, and cultivate a culture where employees value and praise each other. Furthermore, to advance innovation through the realization of One Hitachi ideas, we will offer new learning opportunities and provide cross-functional support from internal experts across organizations and divisions.

Strategy and focus areas to enhance inclusion and fairness

This belief continues to shape our global strategy, which is built on the foundations of inclusive leadership, psychological safety, and fair, merit-based systems. Rather than existing as isolated initiatives, our efforts are fully embedded into business planning, talent development, and innovation across the Hitachi Group.

Our strategic priorities focus on five globally relevant topics that support a culture where everyone feels respected, included, and empowered to thrive:

- **Promoting gender inclusion and opportunity**
Empowering people of all genders to advance equitably through inclusive talent acquisition, development, and promotion practices.
- **Cultural and geographic inclusion**
Strengthening cross-cultural collaboration by valuing diverse perspectives and fostering mutual respect across nationalities, regions, and ethnicities.
- **Collaboration across generations**
Enabling cross-generational learning and appreciation to support innovation and knowledge continuity.
- **Respect for individual identity and uniqueness - LGBTQIA+**
Fostering an environment where everyone can bring their authentic selves to work with dignity and pride.
- **Accessibility – Disability and neuro-inclusion**
Creating accessible workplaces and supporting employees with disabilities and neurodivergent traits.

Each BU and function identify specific priorities and actions aligned with these topics, ensuring our approach is embedded at both the local and global levels. We recognize that while our strategy is guided by shared principles and global standards, its success depends on adapting to the unique cultural contexts, business priorities, and societal needs of each region. This “glocal” approach allows us to maintain consistency in our values while respecting local customs, regulations, and areas that require specific focus or attention.

Employee resource groups: inclusion from the ground up

Employee Resource Groups (ERG*1) across the Hitachi Group are instrumental in building a culture of belonging. More than just communities, ERGs are catalysts for empathy, education, and meaningful change. These employee-led networks empower individuals to connect, collaborate, and advance inclusion in ways that are authentic and impactful.

Spanning Hitachi’s global operations, ERGs co-create campaigns, organize learning experiences, and serve as trusted listening posts—bringing real employee insights to the forefront. Their influence extends to policy and strategy, with executive sponsors and ERG leads actively contributing to regional and global councils. Through their grassroots energy and strategic input, ERGs are helping shape an inclusive culture that grows stronger every day.

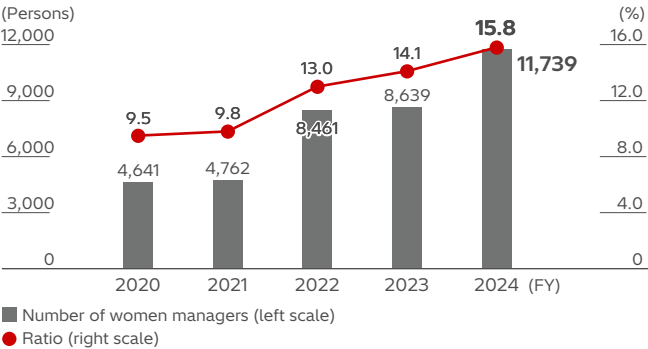
*1 Employee Resource Groups (ERGs): Employee-led groups that operate based on shared characteristics and experiences

Promoting gender inclusion and opportunity

At Hitachi, as of the end of March 2025, the percentage of women across our global workforce is 23.2%, and 15.8% of women in manager roles.

Achieving balanced gender representation at all levels of the company will allow Hitachi to better understand and respond to the needs of the market and society. Grounded in individual merit and talent, we aim to empower women and others by ensuring fair opportunities for advancement and placing the right people in the right roles.

Ratio and number of women managers (Hitachi Group)



Note: The figures are based on enrolled employees with employment contracts including those seconded from the Hitachi Group to other companies and those taking leave and excluding those seconded from other companies to the Hitachi Group (as of March 31). Manufacturing workers not registered in the employee database and employees of some newly consolidated companies are not included. As of the end of fiscal 2024, the number of manufacturing workers not registered in the employee database was 28,000. The increase in the number and percentage of women managers over time reflects improved coverage of our employee database and changes in the number of consolidated companies. Also, employees whose grades (job titles) are not registered in the employee database are not included in the number of managers

Initiatives of gender inclusion in Japan

At Hitachi in Japan, we are committed to advancing gender inclusion by promoting flexible work styles and career development programs that support women’s growth and success.

One such initiative is the “Career and Beyond” mentoring program, which supports women who are exploring or preparing for leadership positions but may still feel hesitant due to perceived role expectations or leadership stereotypes. This program fosters confidence, clarity, and connection, helping participants take the next step in their careers.

In addition, as part of our efforts to create an environment where diverse talent can thrive, we encourage both men and women to participate in childcare. We are also working to build a culture where all eligible employees feel empowered to take childcare leave, regardless of gender, by raising awareness among both employees and managers. To support this, we shared a video message from top management promoting paternity leave and held seminars across all domestic Group companies to highlight the importance of diverse work styles and supportive workplace.

Our goal is for all eligible employees to take advantage of paternity leave. In fiscal 2024, over 70% did so, a strong forward in fostering a more balanced and supportive workplace.

Cultural and geographic inclusion

As a global company, generating approximately 60% of its revenue from overseas markets and with nearly 60% of our workforce based outside Japan, Hitachi is committed to ensuring that its systems and practices empower individuals of all nationalities, ethnicities, and regions.

Hitachi’s workforce reflects a wide range of nationalities, languages, races, and cultural backgrounds. This diversity strengthens our ability to understand the needs of customers, partners, and communities while also encouraging innovation and driving sustainable business growth.

We recognize that empowerment must be accompanied by education and awareness. That is why we are also committed to fostering a deeper understanding of how to work effectively across cultures. By helping our teams navigate different communication styles, decision-making norms, and approaches to trust and feedback, we strengthen our ability to collaborate globally. This cultural agility not only supports smoother internal operations but also enhances our ability to serve diverse customers and stakeholders.

Initiatives at Hitachi Rail

In fiscal 2024, Hitachi Rail launched the “EatWell Around the World” competition as part of the global *BeWell* program. Employees from 15 countries shared over 100 recipes that promote wellbeing, while celebrating culture and inclusion.

As a result, Hitachi Rail created a multilingual Hitachi Rail Recipe Book, available in English, French, Italian, and Japanese. The book was made downloadable via the Rise Against Hunger platform with a minimum \$5 USD donation, collecting approximately 2,800 USD in fiscal 2024. All proceeds support ECD Connect, a program providing nutritious meals to children aged 1–6 during their most critical developmental years.

By sharing recipes, we are not only promoting wellness and connection within our teams, we are also making a real impact in the fight against hunger.

Initiatives in Japan

Nine Employee Resource Groups (ERGs) led the organization of the inaugural ERG Cultural Festival, a vibrant event celebrating our global diversity. The festival featured foreign employees working in Japan alongside executives and team members with international experience, who shared personal stories and insights. Together, they fostered a deeper understanding of cultural and geographical diversity, strengthening inclusion across our global workforce.

Collaboration across generations

At Hitachi, we embrace the strengths, experiences, and perspectives of all generations. We believe that when people of different age groups collaborate, we create richer, more innovative solutions that reflect the diversity of society and the evolving needs of our customers.

Today, Hitachi’s workforce includes diverse generations working side by side, each contributing unique knowledge and capabilities. This generational diversity is one of our strengths, blending long-standing expertise with emerging skills and fresh perspectives. As of 2024, Generation Z already

represents around one-fifth of our global workforce, a figure that will continue to grow in the years ahead. This evolving demographic landscape presents both an opportunity and a responsibility to build an environment where all employees, regardless of age, feel valued, heard, and supported.

Colleagues across generations bring distinct values, from institutional knowledge and deep industry expertise to emerging skills, fresh thinking, and new ways of working. At Hitachi, we are committed to creating spaces for cross-generational learning, open dialogue, and mutual support. Through collaboration and mentorship, we prepare the next generation of leaders while honoring the continued contributions of every age group.

Initiatives at Hitachi Asia (APAC region)

With the aim of unlocking the potential of all age groups and advancing multi-generational inclusion, Hitachi Asia hosted an event to celebrate multi-generational diversity with the India and Australia regions. In addition to participants from each region, ERG members of “Voice of Youth*1” from Japan were invited to a panel discussion where lively discussions were held on multi-generational collaboration. A total of 414 people with more than 20 Group companies such as Hitachi Rail and Hitachi Energy participated, deepening their understanding of the importance of multi-generational inclusion.

*1 ERG of global employee network for collaboration on sustainability

Respect for individual identity and uniqueness - LGBTQIA+

At Hitachi, we are committed to fostering a workplace where each person’s uniqueness is valued and respected. We support an environment where individuals of all identities can feel safe, included, and empowered to contribute their best.

We believe that when people are free to express their full selves and feel proud of their unique perspectives and experiences, we unlock the kind of creativity, collaboration, and innovation that define our shared success.

As part of this commitment, we recognize and support our LGBTQIA+ colleagues across the Hitachi Group. We strive to create a culture of understanding and inclusion where all employees, regardless of sexual orientation, gender identity, or gender expression can thrive.

To foster respect for others, we engage in a range of initiatives including awareness campaigns, education, training, and regionally driven programs.

Initiatives at the global level

During Pride Month in June 2024, Hitachi launched a global Group campaign to raise awareness about LGBTQIA+. As part of these activities, Hitachi held in-person and online events, inviting external speakers, ERG members and executives to share their experiences and efforts on these topics. Hitachi has also created the LGBTQIA+ Toolkit and made it available to all employees. The Toolkit offers definitions of terminology related to LGBTQIA+, and showcases specific actions that can be put into practice in the workplace to foster awareness and inclusion.

Initiatives in Japan

Since April 2020, most Hitachi Group companies in Japan have extended the same benefits to employees with same-sex partners as those with opposite-sex partners. These benefits include family care leave, childcare support, and work-life balance initiatives. In recognition of these efforts, Hitachi, Ltd. and several Group companies were honored in the PRIDE Index 2024, an evaluation of LGBTQIA+, related initiatives led by the Japanese General Incorporated Association “work with Pride.”

Hitachi has also demonstrated global support for LGBTQIA+ communities by sponsoring local pride parades. In Japan, Hitachi became a sponsor of Tokyo Rainbow Pride for the first time in 2024, following a joint proposal from the LGBTQIA+ ERG and company leadership—rooted in the authentic voices of employees.

As part of our broader commitment to inclusion, Hitachi also supports the Business for Marriage Equality campaign, which advocates for the legalization of same-sex marriage in Japan.

Accessibility – Disability and neuro-inclusion

Our commitment to individuals with disabilities and neurodivergent traits includes raising awareness, enhancing support, and fostering a culture of respect and inclusion. We are continuously improving our workplaces, policies, systems, and tools to ensure greater accessibility and enable all colleagues to thrive.

Disability at Hitachi is understood as encompassing a wide range of visible and non-visible conditions, including physical, mental, intellectual, and sensory differences. We also recognize and include neurodiversity, while acknowledging that not everyone

who is neurodivergent identifies as having a disability. Our goal is to ensure that all employees, regardless of how they define themselves, have access to the tools, conditions, and support they need to succeed.

Creating more inclusive workplaces for individuals with disabilities and neurodivergent traits is essential to building an environment where all employees can thrive. Accessible environments and inclusive practices help unlock potential, foster innovation, and contribute to a workplace where all voices are valued and supported.

In 2021, Hitachi joined the Valuable 500, a global network of companies committed to advancing disability inclusion through leadership and systemic change. Since then, we have worked across the Group to increase awareness and embed accessibility principles into everything we do: from physical environments and digital tools to talent processes and daily ways of working.

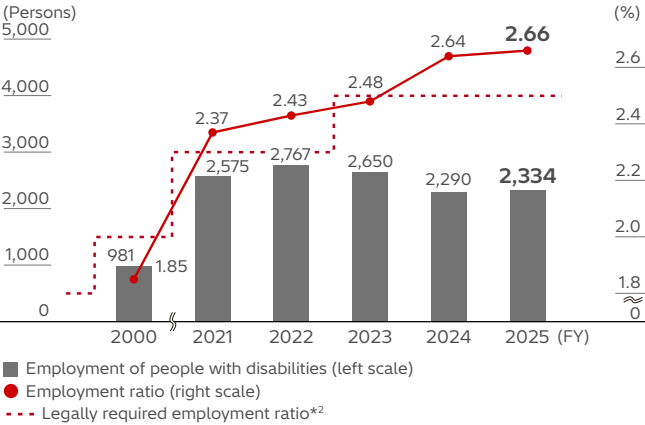
We will continue to enhance accessibility and flexibility by nurturing a culture where every individual feels respected and supported.

Employment of people with disabilities in Japan

Hitachi, Ltd. and Hitachi Group companies in Japan recruit people with disabilities without discrimination and through accessible and accommodating processes.

As of June 2025, the employment ratio of people with disabilities was 2.66% at Hitachi, Ltd. and 2.69% for the entire Group in Japan.

Employment of people with disabilities and employment ratio (Hitachi, Ltd.)*1



Note: Data compiled on June 1 of each fiscal year. The employment ratio is calculated according to methods prescribed in the relevant laws

*1 Includes special subsidiaries and related Group companies. (One special subsidiary and 21 related Group companies in June 2025 Figures include Hitachi, Ltd.)

*2 The legally required employment rate was 1.8% through FY2012, 2.0% for FY2013-2017, 2.2% for FY2018, 2.3% for FY2021-2023, and 2.5% for FY2024-2025

Accessibility in brand guidelines

Accessibility is also being embedded into our broader systems and tools, including the design principles in Hitachi’s new global brand guidelines. These guidelines emphasize clear communication, inclusive visuals, and user-friendly formats to ensure that all employees, partners, and customers can access and engage with our content equitably. Additionally, our brand uses typography that prioritizes accessibility.

Initiatives in Japan

Many events were held globally in conjunction with IDPD in December 2024. In Japan, a disability inclusion cafe seminar was held for employees, featuring a university professor to discuss neurodiversity. More than 1,000 people participated and deepened their understanding of neurodiversity through online interactive Q&A sessions. In addition, in 2024, a community working on disability inclusion was formed as an ERG, which plays an important role in raising awareness, sharing real-life experiences, and developing practical improvement measures in the workplace.

Leadership training to foster inclusion

Hitachi fosters a culture rooted in a growth mindset, the belief that leadership potential can be developed through continuous learning, feedback, and challenges.

In 2023, Hitachi launched a global Inclusive Leadership training program for executive officers, corporate officers, and the Group company presidents. The program emphasized self-awareness, inclusive communication, and the practical behaviors that enable leaders to create environments where diverse perspectives are welcomed and valued. By encouraging reflection on leadership habits and fostering intentional, inclusive decision-making, the training helped position inclusion as a core leadership capability essential for future-readiness and organizational growth.

To embed these principles across the organization, global in-house trainers have been certified, and the program is being expanded to senior managers levels across Hitachi Group worldwide. This reflects Hitachi’s commitment to inclusive leadership as a catalyst for innovation and sustainable growth.

Health and safety

Basic approach for health and safety

Hitachi communicates the Hitachi Group Health and Safety Policy to all Hitachi Group companies worldwide in Japanese, English, and Chinese. This policy is based on our philosophy that Health and Safety Always Comes First. We coordinate with all related companies, including contractors and procurement partners, to ensure the Group works together to create safe, secure, comfortable, and healthy workplaces for all.

We instill our belief in everyone who works at the Hitachi Group that occupational injuries and illnesses can be prevented and that each of us is responsible for our own health and safety. We also strive to actively adopt practices to protect our own health and safety and foster a culture of raising mutual awareness.

Hitachi Group Health and Safety Policy Health and Safety Always Comes First

Basic policy

In accordance with our mission, “Contribute to society through the development of superior original technology and products,” the Hitachi Group will endeavor to ensure safe and healthy workplaces under the principle of “Health and Safety Always Comes First.”

1. Continuously be involved in taking health and safety activities in order to prevent occupational injuries and illnesses through designating the health and safety of employees as management’s top priority
2. Comply with local laws and regulations regarding health and safety
3. Develop safe and comfortable work environments by encouraging employees to maintain their own health and by taking a proactive stance on health and safety activities in the workplace
4. Require an understanding of Hitachi’s principles and promote health and safety awareness for all business partners of the Hitachi Group (contractors, cooperating companies, procurement partners, etc., involved in Hitachi Group business activities)
5. Contribute to safe and pleasant societies by emphasizing activities that make health and safety a top priority in all Hitachi business activities

Structure of the health and safety management system

At Hitachi, the global safety and health management division at the headquarters oversees health and safety for the entire Hitachi Group, holding the Health and Safety Leaders Meeting every other month. Officers in charge of health and safety at each Group company and the health and safety manager of each division attend the meeting to develop strategies for Group-wide health and safety activities, to set targets and Group-wide KPIs, and to confirm the progress of division initiatives. Participants also work to improve health and safety management systems by analyzing the factors behind incidents and implementing detailed measures to prevent recurrence, sharing best practices, and implementing training.

The Senior Executive Committee receives reports and discusses the number of incidents and responses

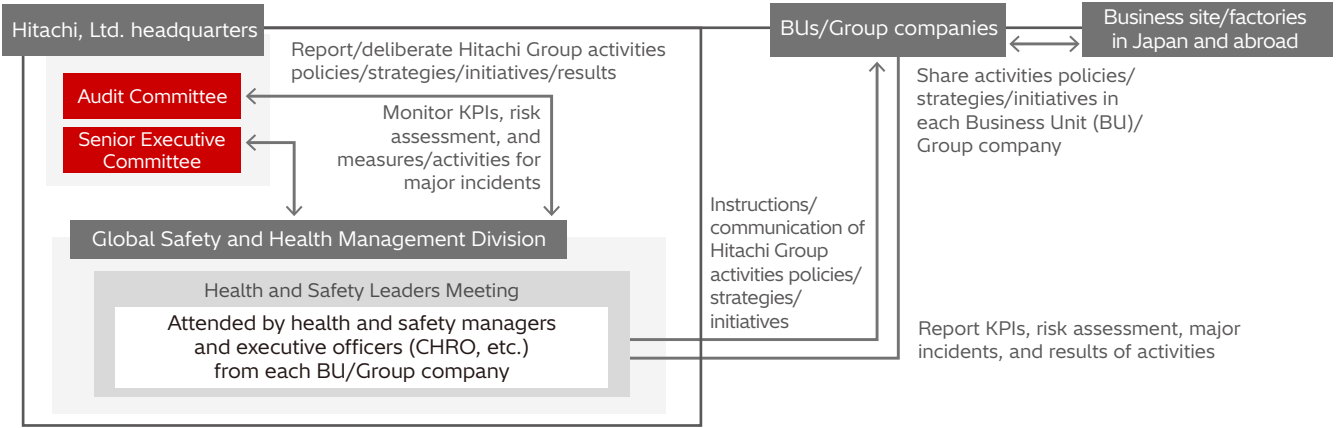
to health and safety risks, the results of which are reported to the Board of Directors.

In Japan, each business site or other location convenes a monthly health and safety committee, which is attended by the business operators, labor union, and employees. Participants analyze the factors leading to incidents and develop countermeasures, share information, and discuss health and safety activities considering the situation regarding employees who have taken sick leave. If serious injuries or fatal incidents occur at work sites outside Japan, the global safety and health management division may take direct action to support improvement activities, depending on the circumstances.

The Hitachi Group has also obtained international certifications such as ISO 45001 at multiple sites.

Labor-management cooperation toward improving health and safety levels

Structure of the health and safety management system



Global health and safety targets

PLEDGES

Hitachi is committed to creating safe, incident-free, and healthy workplaces by eliminating serious incidents and fostering a strong safety culture. Based on our health and safety aspiration for 2035, “prioritizing health and safety above all and achieving a globally top-level safe environment,” we have set the direction for fiscal 2027: Prevention of serious incidents, reduction of mental illness rates, and improvement of safety culture to achieve a safe and secure work environment.

Under the Mid-term Management Plan 2024, Hitachi set targets of zero fatalities, including contractors, and reducing the total recordable injury frequency rate (TRIFR^{*1}) by half compared to fiscal 2021. We made steady progress, and the TRIFR declined each

Safety targets and results (Hitachi Group)

KPI	FY2022 results	FY2023 results	FY2024 results	FY2024 targets
Fatal incidents (including contractors)	5 cases (including 2 cases at contractors)	4 cases (including 4 cases at contractors)	2 cases (including 0 cases at contractors)	0 cases per year
Total recordable injury frequency rate (TRIFR)	0.26	0.16	0.13	Half rate of fiscal 2021 ^{*1} by fiscal 2024

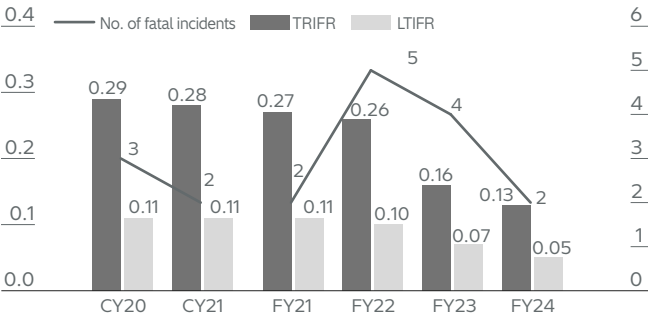
^{*1} TRIFR in fiscal 2021: 0.27

year, reaching the fiscal 2024 target. However, while fatal incidents showed a downward trend over the three years, unfortunately, they have not yet reached zero. We believe that one of the factors for the continued occurrence of such incidents may be that risk assessment and mitigation measures for high-risk activities^{*2} have not been sufficiently implemented. To address these challenges, the next plan will include initiatives such as improving the quality of risk assessments using generative AI and clarifying competency requirements for assessors. In line with the sustainability strategy PLEDGES, Hitachi will work toward achieving its fiscal 2027 targets of zero fatalities (including contractors) and a TRIFR of 0.1 or lower.

^{*1} TRIFR: Total Recordable Injury Frequency Rate (number of recordable injuries per 200,000 work hours)

^{*2} High-risk activities: (1) electric shocks (high voltage), (2) work at height (3) industrial vehicles (4) heavy lifting (5) getting caught in or between objects (6) confined space (7) toxic gases (8) fires and explosions

Fatal incidents and total recordable injury frequency rate (TRIFR)



Note 1: We used the statistical period between January and December of each year in the past. However, in accordance with the safety targets set under our Mid-term Management Plan 2024, we changed the statistical period to April through March beginning in fiscal 2021

Note 2: LTIFR (Lost-Time Injury Frequency Rate) is provided as a reference value

Key initiatives in health and safety

To realize its direction for fiscal 2027, Hitachi has identified five key elements of health and safety—safety culture and leadership, communication and

engagement, risk management, governance, and competency—as critical focus areas. Under the management plan, Inspire 2027, Hitachi is committed to advancing initiatives based on these elements.

Key initiatives for fiscal 2025–2027

Safety culture and leadership	<ul style="list-style-type: none">• Deploy the Hitachi Group Health and Safety Policy• Raise safety awareness across the organization and close perception gaps between job levels through safety awareness surveys• Challenging issues common to the Hitachi Group in Global Health and Safety Steering WG (One Hitachi Approach)
Communication and engagement	<ul style="list-style-type: none">• Foster psychologically safe workplaces through enhanced communication initiatives• Deploy cross-Group communication programs, such as in-house health and safety conventions and inter-site visits within BUs
Risk management	<ul style="list-style-type: none">• Support qualitative improvements in risk assessment to eliminate serious incidents and reduce incident severity• Institutionalize early detection and monitoring practices to help reduce the incidence of mental health disorders
Governance	<ul style="list-style-type: none">• Standardize health and safety practices across corporate, BU, and site levels in line with the Hitachi Group Occupational Health and Safety Management System (including performance evaluations via corporate audits, follow-ups on management reviews, and occupational health initiatives)
Competency	<ul style="list-style-type: none">• Establish and roll out qualification and competency requirements for specialized training in risk assessment and incident investigation• Improve employee literacy in both mental and physical health through continuous education

Deployment and operation of the health and safety management system

To raise the overall level of health and safety across the Group and to strengthen and correct risk management practices, Hitachi has established the Hitachi Group Health and Safety Management System Standards (available in Japanese and English), which meet the requirements of ISO 45001. Hitachi is working to roll out and operate this system across all BUs and Group companies.

In fiscal 2024, to further enhance health and safety efforts Group-wide, Hitachi revised several shared guidelines, including the Hitachi Group Risk Assessment Guidelines and the On-site Construction Safety Management Guidelines. Hitachi also focused on training internal auditors to enable health and safety management system audits by BU and site teams, in addition to those conducted by corporate departments. Approximately 160 employees participated in the internal auditor training held in fiscal 2024 and were certified as internal auditors.

Risk assessment

At Hitachi, risk assessments are conducted in accordance with the Hitachi Group Risk Assessment Guidelines, which align with the Group’s Health and Safety Management System Standards. These assessments are carried out when introducing or modifying machinery, changing processes, or in response to incidents, in order to mitigate risks.

In particular, to prevent serious occupational incidents and reduce the lost time injury frequency rate (LTIFR), Hitachi emphasizes proper risk assessments for high-risk activities and implements standardized risk

management practices across the Group.

To ensure high-quality risk assessments, it is essential to accurately identify hazards and develop effective mitigation measures. To support this, Hitachi is working to improve the quality of risk assessments at each Group company and business site, including exploring the use of generative AI, so that hazards can be appropriately identified and effective countermeasures can be planned and executed.

Internal audits and monitoring

Hitachi reports to the Audit Committee on an annual basis for discussion regarding its policies, plans, and performance on its health and safety activities. Reports are also made at least once a year to the Senior Executive Committee, meetings of the Group company presidents, and other bodies, about important issues such as fatal incidents and potentially serious events. The results of monitoring incidents requiring improvement in particular are also reported.

In addition, starting in fiscal 2024, Hitachi established a system to conduct annual internal audits based on the Hitachi Group Health and Safety Management System Standards. These standards require each BU and Group company to supervise and manage health and safety activities across the domestic and international sites under their jurisdiction. To support this, Hitachi fosters a three-tiered audit framework (three lines of defense):

- **Self-audits:** Conducted independently by each site
- **Business audits:** Conducted by the health and safety departments of each BU or Group company for the sites under their control
- **Corporate audits:** Conducted by the Global Safety and Health Management Division at headquarters

for each BU and Group company’s health and safety department

Through this multilayered audit framework, Hitachi works to review, evaluate, and improve health and safety activities across its numerous sites Group-wide.

Implementation of health and safety training

To prevent occupational incidents, Hitachi aims to develop a culture of safety by implementing a wide range of health and safety training for all executive officers and employees.

For all employees, Hitachi offers e-learning programs that are available at any time, focused on health and safety. The same content is also used in annual training sessions for newly appointed managers and assistant managers to deepen their understanding of safety. 5,185 individuals participated in this training in fiscal 2024.

For line managers, safety officers, and senior executives, Hitachi offers in-person training programs with more specialized content. For example, the Safety Instructor Development Program for Safety Personnel and Line Managers is designed to train instructors responsible for safety education at each BU and Group company, with the aim of ensuring consistent implementation of Group-wide safety initiatives. In addition, Management Executives Training is conducted as leadership training specifically focused on safety. During these sessions, senior executives from each BU and Group company engage in dialogue and mutual learning to foster a stronger safety culture. The program also helps reinforce

their awareness of their roles and responsibilities as leaders in building safe workplaces. Moreover, after executive officers complete training, we also evaluate changes in awareness and behavior through one-on-one interviews with external consultants.

Beyond these Group-wide programs, each BU and the Group company implements training tailored to their specific risk profiles to advance health and safety education. This includes distributing work guidelines and procedures relating to business and industry. We also conduct safety-focused training at each organizational level, as well as education and drills tailored to each organization and business type, for line managers and safety staff and for workers engaged in specific hazardous activities in the field. We provide individual guidance to new hires and temporary workers in particular, as they are at a higher risk of injury. We perform this training through on-the-job training to increase awareness and understanding of work procedures and dangers before engaging in work.

	Number of Participants				
	FY2020	FY2021	FY2022	FY2023	FY2024
Management executives training (BU CEOs, the Group company presidents, etc.)	104	138	173	25	93
Safety instructor development program for safety personnel and line managers	57	–	146	–	18

Ensuring the health and safety of contractors

Hitachi strengthened safety management systems, including laws and regulations, rules, and operations, at sites outside plants based on incidents involving contractors during construction, installation, service and maintenance work at sites outside plants.

Specifically, in fiscal 2024, we revised On-Site Construction Safety Management Guidelines, a set of guidelines for standard Hitachi Group safety management systems common to off-plant sites, and are working to improve integrated safety management, including contractor safety. These guidelines stipulate specific operational procedures for the selection of contractors, competency assessments, and safety management by ordering party, from the planning stage through to completion. As part of daily health and safety activities for contractors, Hitachi conducts orientation training to ensure awareness of safety rules and emergency procedures and has strengthened safety patrols. In addition to regular on-site inspections by health and safety professionals, Hitachi enhances a culture of safety by sharing best practices among contractors and recognizing outstanding examples through awards.

Through these initiatives, Hitachi is committed to further strengthening health and safety management for high-risk work at off-plant sites. The Hitachi Group Sustainable Procurement Guidelines also stipulate matters related to health and safety.

 [Hitachi Group Sustainable Procurement Guidelines](#)

Initiatives to improve employee health

Hitachi believes that improving employees’ wellbeing is essential for sustainable growth, so we endeavor to create workplaces in which all Group employees work in health and safety, both mental and physical. Through an annual global employee survey, Hitachi monitors responses to questions related to wellbeing. Based on the results, we implement appropriate initiatives to further enhance employee wellbeing.

Enhancing employee engagement

Targets for health in Japan
In Japan, we implement health management measures on a steady basis, strengthen mental health support in accordance with new work styles, and strive to eradicate employee lifestyle-related diseases. Over the medium and long term, we will implement measures based on Group-wide policies after ascertaining the actual conditions and identifying issues related to occupational health measures globally.

Targets and results for health management (Hitachi Group companies in Japan)

	CY2022 targets	CY2022 results	FY2023 targets	FY2023 results	FY2024 targets	FY2024 results
Rate of mental illness	Less than 0.7%	0.74%	Less than 0.7%	0.85%	Less than 0.7%	0.90%
Implementation rate*2 for specific health guidance*1	50% or more of eligible employees	54.2%	More than 55%	55.1%	More than 55%	26.3%*3

Note: We used the statistical period between January and December of each year in the past. However, beginning in fiscal 2023, we changed the statistical period to April through March

*1 Specific health guidance: Support by professional staff (public health nurses, dietitians, etc.) to review lifestyle habits for persons at high risk of developing lifestyle-related diseases and for whom lifestyle-related diseases can be prevented to a large extent through lifestyle improvements

*2 The reported figures are based on the data submitted to the Ministry of Health, Labour and Welfare

*3 The results for fiscal 2024 will be finalized in October 2025

Health support initiatives in Japan

- Provide occupational health services at health management centers that support communities and businesses
- Health maintenance measures provided based on periodic medical exams and other examinations to prevent serious disease
- Medical interviews and advice to prevent mental and physical disorders among employees working long hours
- Consultations and guidance by occupational healthcare workers to address employee health concerns and encourage regular exercise
- Qualitative improvement of occupational healthcare activities and the human capital development of occupational healthcare workers through regular meetings, study groups, and training sessions attended by both occupational healthcare workers and human resources staff
- Implement approaches to encourage highly stressed persons identified under the stress check program to receive guidance from a physician, as well as meet with internal and external consultation offices, etc.
- Establish environments in which employees are

comfortable approaching EAP*1 consultation desks, both internally and externally, to access opportunities to resolve a wide range of concerns as early as possible

- Have counselors approach employees based on daily mood changes (smartphone app)

*1 EAP: Employee Assistance Program

Employees on leave due to mental or physical reasons (Hitachi Group companies in Japan)

	CY2020	CY2021	CY2022	CY2023	CY2024
Mental	0.62	0.66	0.74	0.84	0.90
Physical	0.22	0.21	0.24	0.21	0.20

Note: The percentage of employees taking sick leave for seven or more consecutive days or formally taking leave (number of employees taking sick leave per month/number of employees per month × 100)

Addressing mental health

Hitachi has established measures to address mental health for employees, workplace managers, occupational healthcare workers, health and safety divisions, and human resources divisions. We communicate basic mental health knowledge and understanding of ways to deal with stress and raise the ability of those in positions of authority to respond to these issues.

The mental illness incidence rate among employees in fiscal 2024 was 0.9%. Therefore, we continue to take a proactive approach to increases in mental strain caused by workstyle changes, diversity, etc.

- (1) Regular one-on-one interviews
- (2) Expand system for remote consultations with occupational physicians
- (3) Offer EAP consultation desks
- (4) Individual interviews with employees who are stationed at customer companies
- (5) Tips for working from home posted on the intranet
- (6) Identification of health issues using a survey of employees working from home
- (7) Implement approaches to encourage consultations and interviews with internal/external consultations offices for high-stress individuals identified by stress checks
- (8) Provide a handbook for care by line managers when working from home
- (9) Provide e-learning contents related to self-care and care by line managers in light of changes in work styles

We will also clarify which target levels require special attention based on our global employee survey and the opinions of occupational physicians, taking an effective and active approach to self-care and line care.

Initiatives addressing mental health at Hitachi

	Stage	Industrial physicians Industrial health staff	Self-care (In person)	Line care (Supervisors)	Human resources division		
Preventive management	Healthy period	Health awareness-raising activities (industrial physician lectures and health guidance)	Mental Health Literacy Improvement	Workplace Management	Workplace management guidance Reduction of long working hours Training and education course promotion		
			Hitachi Group Standard Mental Health Training				
			Stress Check System under the Occupational Safety and Health Law in Japan (Hitachi Group Common Stress Check)				
			<ul style="list-style-type: none">• EAP consultation, etc. (Hitachi Group EAP consultation, Hitachi Health Insurance Health Association health consultation)• Self-care training, stress coping courses, assertiveness training, etc.• e-learning for all employees (self-care)	Basic training for workplace environment improvement, etc.	Handbook for Managers E-learning for managers (care by line)		
						<ul style="list-style-type: none">• e-Learning Time to Think about Mental and Physical Health Ver. 1-3	Hitachi Group EAP Consultation Line care training, active listening training, etc.
Symptom management	Mentally unhealthy period	Mental health interview at time of physical exam Health consultation	Health examination Receiving medical exams	For employees on leave handbook		Workplace management Promotion of medical exams	Management of persons who work long overtime hours
Onset management	From start of absence or leave to leave in progress	Regular interviews Reinstatement support	Leave-of-absence program			Regular interviews	
Recurrence management	From reinstatement decision to post-reinstatement	Reinstatement support program Regular interviews	Trial attendance program	Examination of work with reinstatement Regular interviews Situation check after reinstatement	Reinstatement support program Regular interviews		
Repetitive management	Leave-reinstatement repetition period	Regular interviews	Directed to external rework program				

Promoting Collabo-Health

The Group companies in Japan carry out a variety of health improvement initiatives, including Collabo-Health^{*1}, according to their own unique characteristics. Further, the Group companies in Japan strive to maintain and improve the health of employees by taking full advantage of the services offered by the Hitachi Health Insurance Society^{*2}. Hitachi also ensures that all Group companies become certified under the Health and Productivity Management Organization Recognition Program of the Ministry

of Economy, Trade and Industry. We evaluate health promotion initiatives on an annual basis, giving recognition to the most accomplished companies and BUs within the Group to heighten motivation among business owners and employees to pursue such activities.

^{*1} Collabo-Health: A concept involving insurers, such as the Health Insurance Society, who work proactively with business owners to establish a clear division of labor and form positive working environments that prevent illness and improve the health of insured persons (employees and their families) effectively and efficiently
^{*2} Hitachi Health Insurance Society: Hitachi Group employees and their families are members of this organization which is one of Japan’s

Number of Hitachi health insurance society member corporations Certified under the health and productivity management organization recognition program (Hitachi Group companies in Japan)

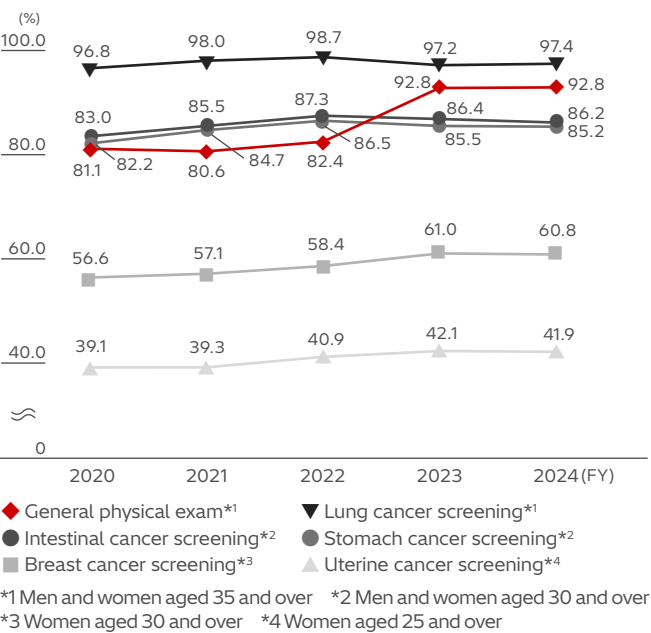
	FY2020	FY2021	FY2022	FY2023	FY2024
Large companies	58/95 companies (Including seven with “White 500” status)	75/87 companies (Including four with “White 500” status)	78/80 companies (Including four with “White 500” status)	75/78 companies (Including seven with “White 500” status)	65/65 companies (Including nine with “White 500” status)
Small- and medium-sized companies	41/75 companies (Including three with “Bright 500” status)	66/70 companies (None with “Bright 500” status)	65/66 companies (including two with “Bright 500” status)	61/62 companies (Including three with “Bright 500” status)	43/43 companies (Including three with “Bright 500” status)

Encouraging employees to receive medical exams and quit smoking

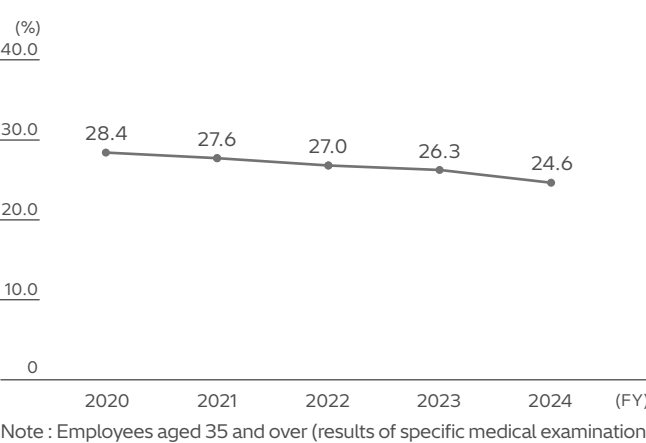
In Japan, Hitachi has established a system that offers financial support for medical exams by the Health Insurance Society. We encourage employees aged 35 and over to receive general physical and other exams specified under law, as well as targeted screening based on age, for the early diagnosis and treatment of lifestyle-related diseases, cancer, etc.

At Hitachi, Health Insurance Societies in Japan pursue policies to prevent and control conditions such as diabetes, cerebral strokes, and myocardial infarctions. In fiscal 2024, we offered two smoking cessation programs, the Minchare and the Fully Online Smoking Cessation Program, to mitigate the reluctance to visit smoking cessation outpatient clinics due to COVID-19 and promote smoking cessation for employees working at home. A total of 826 individuals participated in the program, and 52.3%, or 432 people, quit smoking—far more than results from outpatient smoking cessation clinics.

Medical exam and screening attendance rates (Hitachi Group companies in Japan)



Smoking rate trend (Hitachi Group companies in Japan)



Health promotion initiatives for employees and their families

To encourage healthy lifestyles among employees and their families, the Hitachi Health Insurance Society established a portal site for individuals called MY HEALTH WEB. By providing information on health exam results and a system of incentive points allowing employees to receive rewards for entering health-related activities, the site raises health awareness, helps employees understand the state of their own health, and offers a range of support for adopting healthier lifestyles.

Hitachi has introduced Risk Simulator, a service that predicts the risk of hospitalization for eight major diseases based on the results of employee and family health checkups, with approximately 80,000 people taking advantage of the service in fiscal 2024.

Moreover, we held two walking campaigns in the spring and fall for approximately 80 to 100 days with the MY HEALTH WALKING program provided by MY HEALTH WEB, with approximately 40,000 people taking part in each event. Additionally, to encourage regular checkups, we also offer an online service that allows employees and their families to make appointments for medical examinations using MY HEALTH WEB. By creating an environment in which we can provide a variety of health services aimed at improving health literacy, the employee registration rate for MY HEALTH WEB has surpassed 90%.

In addition, to encourage spouses and other dependents to undergo health checkups, Hitachi is using a smartphone app to provide health information and make appointments, with approximately 37,000 people having registered for this service.

Addressing infection prevention and other global health issues

Hitachi endeavors to prevent the spread of infectious disease overseas. To this end, we provide information for employees posted overseas and business travelers regarding vaccinations for hepatitis A, tetanus, cholera, etc., according to the health conditions in the destination country. We also offer vaccinations at in-house health management centers or outside medical institutions. We also post information on the Hitachi Group intranet to help travelers and their families to live safely, providing warnings for personnel living overseas about infectious diseases including malaria, one of the three major infectious diseases in the world. Information includes descriptions of symptoms, prevention, and what to do if one contracts a disease.

In Japan, the Health Insurance Society also offers an incentive point system to reward influenza vaccine recipients, including employee family members, with the aim of preventing influenza outbreaks in the workplace. Moreover, as an initiative to prevent contracting influenza, we recommend employees get vaccinated prior to the flu season. Nearly 80,000 employees and their families take advantage of the program every year.

Health and safety considerations for nuclear businesses

Since 2008, Hitachi has worked with the world’s leading nuclear power plant operators to develop voluntary, private principles of conduct covering the export of nuclear power plants and reactors. The Nuclear Power Plant and Reactor Exporters’ Principles of Conduct were formally announced on September 15, 2011.

 [Nuclear Power Plant and Reactor Exporters’ Principles of Conduct](#)

Support for radiation workers

For workers engaged in radiation-related tasks at nuclear power plants in Japan, Hitachi uses the Hitachi Radiation Control System to centrally manage radiation exposure, including that of partner company personnel. Hitachi has established its own internal radiation exposure standards, which are more stringent than those required by Japanese law, and manages exposure appropriately based on these standards. In terms of health management, in addition to legally mandated periodic health checkups, Hitachi supports employee well-being through on-site health consultations with in-house occupational physicians. To ensure safety in radiation-related work, employees receive foundational training on radiation and safety before starting tasks. Practical training is also provided through immersive programs such as experiential safety training and virtual reality (VR) simulations, helping reinforce knowledge and raise safety awareness to ensure safe work practices.

Initiatives to reduce radioactive waste

To help make nuclear power a safer and more sustainable energy source and improve its social acceptability, Hitachi is advancing the development of fast reactors and fuel cycle technologies. These efforts aim to promote more efficient use of resources and reduce the environmental impact of radioactive waste.

 [Initiatives in fuel cycle](#)

Work-life management

Approach to work-life management

Hitachi goes beyond “work-life balance,” in which employees are balancing work and private life, to advance “work-life management” which encourages employees to proactively take charge of improving the quality of both their work and private lives. To achieve this approach, we have introduced systems and initiatives to support each employee on their path as a professional and as an individual, leading to sustainable growth for the individual and for our organization.

Implementing work-style reform

Hitachi pursues work-style reforms to allow diverse employees to work vibrantly and show their performances. Today, approximately 95% of all Hitachi, Ltd. employees are eligible to adopt our programs to work from home or satellite offices, promoting work styles that offer flexible, time- and location-free work. Under these programs, employees do not need to commute to the office for a certain amount of time, and they may work outside the office without any limitations. Employees may also work at locations where child care, nursing care, etc. are provided or where relatives reside. In addition, starting in fiscal 2024, employees are permitted to work in locations outside Japan where their relatives reside, subject to certain conditions.

We have also introduced location-free work for managerial-level employees and employees eligible for discretionary work, which allows these individuals to work on a spot remote basis. We have eliminated minimum daily work hours for flex-time work, allowing for regular work days to become “non-work days.”

Furthermore, we have also begun expanding rest and vacation options by introducing the Life Support Leave program (multi-purpose, 100% paid leave program), responding to diversifying needs for leaves.

As part of our aim to create autonomous and flexible work styles, we also work to provide policy recommendations through the KEIDANREN (Japan Business Federation) and the Japan Employers’ Federation of Electrical, Electronics & Information Industries, as well as offer input, as representatives of various economic associations, to governmental meeting bodies such as the Working Conditions Committee within the Ministry of Health, Labour and Welfare’s Labor Policy Council.

Expanding support systems for balancing work with child care and nursing care

Hitachi is working to enhance workplace environments that help employees balance work with child care and nursing care. Specifically, at Hitachi, Ltd., we organize the support required based on the four perspectives of (1) information provision, (2) financial support, (3) work-style reform, and (4) mindset reform, and provide and promote concrete support measures as an all-inclusive, integrated package. Similar initiatives are also being rolled out across the Group companies in Japan.

Work-life management support system at Hitachi, Ltd.

	Child-care	Nursing-care
Information provision	<ul style="list-style-type: none">◦ Child-care and women’s health concierge services<ul style="list-style-type: none">· Support for finding a nursery school service· Consultations on women’s health-related concerns· Distribution of columns to encourage men’s participation in child-rearing◦ Child-care matching service in collaboration with company-led nurseries◦ Expectant parent seminars / pre-maternity leave and return to work support seminars<ul style="list-style-type: none">· Provision of information needed to consider taking child-care leave· Panel discussions by Hitachi Group employees who have taken child-care leave	<ul style="list-style-type: none">◦ Consultations with a nursing care concierge<ul style="list-style-type: none">· Consultations on internal and external support systems· Introduction to care facilities and accompanied visits· Creation and review of care plans to balance work and nursing care, tailored to individual care needs◦ Seminars on how to balance work and nursing care<ul style="list-style-type: none">· Lectures by external experts· Panel discussions by Hitachi Group employees with caregiving experience◦ Distribution of support handbook on balancing work and caregiving
Financial support	<ul style="list-style-type: none">◦ Subsidies to help balance work and child-care<ul style="list-style-type: none">· Child care and work support allowance (up to 100,000 yen per year per child through the third grade of elementary school)· Cafeteria Plan (child-care options)◦ Tool to simulate salary and benefits during child-care leave	<ul style="list-style-type: none">◦ Subsidies to help balance work and caregiving<ul style="list-style-type: none">· Work-caregiving balance support points (1,000 points [100,000 yen] per person receiving care per year)· Work-caregiving balance support points (3,000 points [300,000 yen] per person receiving care)· Cafeteria Plan (nursing-care options)
Work-style reform	<ul style="list-style-type: none">◦ Flexible work programs<ul style="list-style-type: none">· Flexible working hours<ul style="list-style-type: none">· Working from home (including overseas)· Shorter working hours (generally 4, 5, 6, 6.5, or 7 hours)· Elimination of posting of employees away from family◦ Expanded care-leave system<ul style="list-style-type: none">· Annual paid leave (in hours)<ul style="list-style-type: none">· Family-nursing leave (5 days/year)· Life support leave (5 days/year)<ul style="list-style-type: none">· Child-nursing and related leave (5 days/year)	
	<ul style="list-style-type: none">◦ Expanded child care-leave system<ul style="list-style-type: none">· Maternity leave (prenatal)· Paternity leave (5 days per child)· Child-care leave (up to 3 years, until the child completes the first grade of elementary school; can be taken nonsequentially)· Fertility treatment leave (1 year in total)· Leave for prenatal medical appointments, pregnancy related leave	<ul style="list-style-type: none">◦ Expanded nursing care-leave system<ul style="list-style-type: none">· Annual nursing-care leave (5 days/year)· Nursing-care leave (1 year in total, can be taken nonsequentially)
Mindset reform	<ul style="list-style-type: none">◦ Awareness-raising to promote diverse workstyles<ul style="list-style-type: none">· Lectures for all employees◦ Mindset reform for managers<ul style="list-style-type: none">· E-learning for managers (for all managerial positions)· Guidance on management approaches tailored to specific situations (pregnancy, childbirth, caregiving, return to work) provided on the intranet	
	<ul style="list-style-type: none">◦ Commitment from top management<ul style="list-style-type: none">· Video messages to encourage taking child-care leave◦ Promoting workplace communication through use of the child-care leave workflow system	<ul style="list-style-type: none">◦ Mindset reform for managers<ul style="list-style-type: none">· Lectures for general managers◦ Strengthening communication between supervisors and subordinates to support work-life balance

Activities for balancing work with child care and nursing care

In terms of support for balancing work and child care, we provide a range of programs tailored to each stage, from before child-care leave begins through employees’ return to work. At Hitachi, Ltd., we enhance workplace communication and awareness through initiatives such as sharing video messages from top management and employees who identify as men and have taken child-care leave, and encouraging declarations of intent to take leaves. These efforts aim to ensure that all eligible employees are able to take advantage of child-care leaves and related programs. We also hold seminars attended by both employees planning to take leaves and their supervisors to ease concerns during the leave period and provide stronger supports for their return to work. Additional post-leave support includes a child care and work balance allowance and other assistance programs.

With regard to support for balancing work and nursing care, due to the declining birthrate and aging population in Japan, the number of employees facing the challenge of providing nursing care for elderly family members increases continuously. In response, we are expanding our support programs with the aim of helping employees balance work and nursing care and preventing turnover because of providing care. Hitachi, Ltd. and the Group companies in Japan regularly conduct employee awareness and fact-finding surveys concerning nursing care. Based on the results of these surveys, we enhance measures to help employees balance their work and home nursing care responsibilities. Specific initiatives include regular nursing care seminars featuring panel discussions with Hitachi Group employees who have caregiving experience. We are also taking measures such as setting up consultations with experts familiar with internal and external support systems, and developing a communication guide for supervisors and subordinates

to facilitate better conversations around balancing work and care. Hitachi, Ltd. took the lead in implementing these initiatives and over 80% of employees are aware of national and company support programs, leading to avoidance or control of turnover and taking long-term leaves due to providing care. Additionally, in response to what is known as the “2025 problem,” occurring as the members of Japan’s first baby boom enter the 75-and-over age bracket, we formulated plans for measures to support a balance between nursing care and work at all Hitachi Group companies in Japan and are pursuing initiatives in this area.

To help employees to balance work with child care and nursing care, it is essential to foster a workplace culture that makes it easy for them to access and utilize various support systems. To this end, starting in fiscal 2024, we have launched new “Seminars to Promote Diverse Work Styles” for all Group employees in Japan. These seminars explain the background behind our efforts to support diverse work styles and emphasize the importance of workplace-wide engagement in work-style reform. Our goal is to create a culture in which everyone’s work and private lives are respected regardless of specific circumstances such as child care or nursing care and where mutual support is encouraged.

Recent activities at Hitachi, Ltd.

Category	Activity	Key components
Child-care	Expectant parent seminars	<ul style="list-style-type: none">Targeted at employees who are expecting a child themselves or whose spouse/partner is expecting a child, and aims to provide the knowledge necessary to consider taking child-care leave and to encourage the use of leave and work systemsOver 90% of participants who are men stated that they would like to take child-care leave after attending the seminar
	Declaration of childcare leave via workflow system	<ul style="list-style-type: none">Initiative aimed at identifying child-care leave intentions early and securing time to build workplace support structuresFacilitates communication and meetings with supervisors regarding the use of child-care leave while also providing necessary information on relevant systems and seminars during the period leading up to the start of the leave
	Child-care and women’s health concierge services	<ul style="list-style-type: none">Provides support for finding a nursery school serviceShares parenting quizzes and articles aimed at encouraging men’s involvement in child-care, and also offers an advice service for women with health-related concerns
Nursing-care	Strengthening workplace communication to support work-life balance	<ul style="list-style-type: none">Distributed the “Work-Nursing Care Balance Workplace Communication Guide” to all employees (The guide outlines communication flow and key points to help facilitate dialogue between employees facing nursing care responsibilities, their supervisors, and specialists (nursing care concierges))
	Introduction and expansion of nursing care concierge (individual consultation service)	<ul style="list-style-type: none">Provided services handling nursing care-related worries, delivered by nursing care experts acquainted with our company programs, to employees and their familiesThis service covers approximately 90% of the Group employees within Japan (as of February 2025)
	Regular seminars and lectures	<ul style="list-style-type: none">Regular panel discussions featuring Hitachi Group employees with experience of handling both work and caregiving, and lectures by external expertsIn fiscal 2024, approximately 17,400 employees participated, with about 90% reporting that the sessions helped alleviate their concerns and anxieties

Support systems and measures that meet diverse employee needs

Hitachi, Ltd. and the Group companies in Japan are implementing systems that provide the necessary level of support based on the business environment of each company and the needs of employees through group-standard lifestyle support programs and measures. These programs and measures include the following: a Cafeteria Plan program; housing support; systems for balancing work with childcare and nursing care; retirement and pension plans; a compensation system for absence from work; an employee stock ownership program; Hitachi Group insurance; a property accumulation promotion system; discount sales scheme for Hitachi Group employees; and a Health Insurance Society. We also have systems in place for non-regular employees, based on their employment status.

Retirement benefit plans

Hitachi, Ltd. and the Group companies in Japan offer partial or full defined benefit pension plans, defined contribution pension plans, and lump-sum retirement allowance plans. These plans respond to the diverse needs of employees as they age by providing supplementary benefits and the plans play an important role in allowing retired people to live more affluently. At Hitachi, Ltd. these defined benefit pension plans, defined contribution pension plans, and lump-sum retirement allowance plans are available to all regular employees. We also have systems in place for non-regular employees, based on their employment status.

Employee stock purchasing plan

Hitachi, Ltd. and certain Group companies in Japan have adopted an employee stock purchasing plan to support asset accumulation among employees and enhance their sense of participation in

management. Under the employee stock purchasing plan, employees will receive training on asset accumulation when acquiring Hitachi, Ltd. shares and may receive incentive payments based on Hitachi, Ltd. performance. This system links to the growth of the company to employee asset accumulation. The shares held by Hitachi’s Employee Stock Purchasing Plan ranks ninth in terms of major company shareholders (shareholding ratio: 1.73% as of March 31, 2025).

Furthermore, we are working to introduce a new framework that will allow employees outside Japan*¹ to purchase company stock. Through this initiative, we aim to further support employees in building personal assets, strengthen their sense of belonging, and align the interests of employees and shareholders. Our goal is to expand the Employee Stock Purchasing Plan to cover 150,000 eligible employees by fiscal 2027.

*1 Excludes employees in countries where legal or operational constraints make implementation difficult

Preventing long working hours and heavy workload

Hitachi complies with the laws and regulations of each country and region concerning long working hours and heavy workload. To maintain employee health and improve productivity, Hitachi, Ltd. sets company wide KPIs for work-style reform in Japan each fiscal year. In this way, the company strengthens workplace management and reviews business processes. We also offer e-learning programs to ensure compliance with laws and regulations related to working hours and annual paid leave. Workplaces and projects that may involve long working hours are managed on an individual basis. To manage long working hours and prevent heavy workload, we have introduced a way to check

employees’ working hours based on PC use, and also provide labor management-related information and send out alerts to help supervisors monitor the working conditions of their subordinates in a timely manner, thereby supporting appropriate management in the workplace. We are extending similar efforts to prevent long working hours and heavy workload using IT tools to the Group companies in Japan.

Hitachi, Ltd. also notifies all employees of their actual total working hours and projected annual working hours each month via mass emails so that employees can reflect on their work styles and increase productivity on their own, and distribute content through pop-up messages on PC screens to foster behavioral changes related to work styles. Through these initiatives, we are creating a culture change in which each employee works efficiently (achieving results in a shorter time) and rests once work is finished (recharging and preparing for the next workday to maintain high performance).

In addition to paying over the minimum legally required premium rates for overtime, late-night work, and work on weekends and holidays (while the law requires premiums of 25% for overtime, 25% for late-night work, and 35% for work on weekends and holidays, Hitachi, Ltd. pays 30%, 30%, and 45%, respectively), we also give employees who work their prescribed working hours on weekends or holidays time off in lieu (employees receive the premium rate for the hours worked even if they take this time off in lieu).

Initiatives at regional headquarters to create positive work environments

Across Hitachi’s global regions, our regional

headquarters (Hitachi America, Ltd., Hitachi Europe Ltd., Hitachi Asia Ltd., Hitachi India Pvt. Ltd., and Hitachi (China) Ltd.) are taking the lead in implementing a variety of measures to build flexible, collaborative work environments and improve employee wellbeing while complying with the laws and regulations of each country and region.

We implement hybrid work and flex-time work across these locations, which support employees’ work-life management while also encouraging collaboration through in-office work. Initiatives such as setting “No Meeting Day” and promoting transparent organizational management help secure a safe work environment where employees’ abilities are evaluated fairly and achievements are supported. Efforts to support employees’ health and wellbeing are also well-developed. These include webinars on mental and physical health and financial wellbeing, as well as professional mental health support through Employee Assistance Programs (EAPs), all designed to help employees perform at their best.

To enhance interaction and collaboration among employees, various events are held, such as networking events, family days, corporate culture events, outdoor gatherings, and New Year parties, which help strengthen organizational cohesion. Communication across vertical and horizontal levels is also reinforced through executive town hall meetings and cross-department networking events, deepening connections among employees. We are also actively promoting an inclusive corporate culture by offering training sessions and publishing guidelines to raise awareness about the importance of diverse perspectives. Through leadership training and sessions that foster ethical business practices, we continue to raise employee awareness and instill our corporate philosophy, which is based on Hitachi’s founding spirit (Harmony, Sincerity and Pioneering Spirit).

Freedom of association and collective bargaining

Respecting the rights of employees

Hitachi is committed to fulfilling its responsibility to respect all internationally recognized human rights, as stated in the Hitachi Group Human Rights Policy. This includes the International Bill of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the Ten Principles of the United Nations Global Compact.

The Hitachi Group Code of Ethics and Business Conduct also calls for compliance with the laws and regulations of each country and region and for the respect of employees’ fundamental rights in accordance with international standards. In particular, we recognize freedom of association, the right to organize, and the right to collective bargaining as human rights that are especially relevant to the workplace. Furthermore, we have signed the United Nations Global Compact, which states, “businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.”

We strive to deepen employees’ understanding of the importance of respecting human rights through onboarding training and the activities in the annual Hitachi Group Corporate Ethics Month.

-  [Hitachi Group Human Rights Policy](#)
-  [Respect for human rights](#)
-  [Hitachi Group Code of Ethics and Business Conduct](#)

Mutual communication between employees and management

The relationship between employees and management at Hitachi is stable with healthy ongoing dialogue.

In Japan, workers are guaranteed the three fundamental rights (the right to organize, the right to collective bargaining, and the right to collective action) under the law, and Hitachi also respects these rights. The Federation of Hitachi Group Workers Unions (FHGWU), which comprises the trade unions of Hitachi, Ltd. and the Group companies in Japan, fosters mutual understanding between employees and management through dialogue. Specifically, we hold quarterly Hitachi Group management round-tables to share information and exchange views and opinions on the Group business conditions. In addition, we have established five round-table conferences and committees, such as the Hitachi Group Health and Safety Roundtable Conference, which each meet once or twice a year to share information and exchange opinions.

At Hitachi Ltd., the Central Management Council, the Business Units Management Council, and the Business Sites Management Council have been established to ensure smooth management operations, advance business growth, and improve working conditions for union members. In addition, 14 thematic committees, advisory panels, and round-table conferences, including the Next 100 Labor and Management Committee, the Central Compensation Committee, and the Employment and Work Style Committee, have been set up to facilitate information sharing, opinion exchanges, and discussions one to four times a year in each group.

Hitachi, Ltd. and the Hitachi Workers Union have

been bound by a collective agreement since 1951. Every other year, as part of the union-management negotiations held each spring, we renew our collective agreement following discussion of revisions for the improvement of working conditions. Our Group companies in Japan have also concluded collective agreements between employees and management and revise these on an ongoing basis. The employee membership rate in trade unions, etc., in major group companies in Japan (60 companies) is approximately 99% as of March 31, 2025. All Hitachi, Ltd. employees, with the exception of managers, can join the Workers Union, and the membership rate is approximately 96% as of March 31, 2025.

The Group companies outside Japan also pursue dialogues with individual trade unions and their representatives in accordance with the laws and regulations in each country and region. These dialogues deepen mutual understanding of employees’ working conditions and compensation treatment, as well as business conditions. For example, Hitachi Europe holds an annual European Labor-Management Council meeting to provide a forum for management and employees to exchange views on the Group’s business environment and strategies. Hitachi China holds an annual management information meeting with the industrial association (trade union) to facilitate smooth communications with employees and share information on business conditions and issues. In addition, the company and the industrial association concluded collective agreements on working conditions, wage revisions, the protection of women employees, and other matters to protect the rights and interests of employees.

In fiscal 2024, no Hitachi Group operating sites reported violations of freedom of association and the right to collective bargaining.

Notification of company guided reassignments and transfers to group companies

The collective agreement between Hitachi, Ltd. and the Hitachi Workers Union states that employees’ reassignments or transfers to group companies for work-related reasons should adequately take into consideration the situation of the employees, as well as require the company to promptly inform the Hitachi Workers Union of the decision. More specifically, the company discusses with the union regarding basic matters related to large-scale transfers, reassignments, or changes in the company.

Labor-management cooperation toward improving health and safety levels

Hitachi, Ltd. and the Hitachi Workers Union are dedicated to improving health and safety levels through employee management cooperation. This includes signing a collective agreement on the promotion of health and safety measures, a health and safety committee, education and training programs, and health checks for employees etc.

The Health and Safety Committee works with the Group companies in Japan to ensure a healthy and safe work environment through initiatives that include formulating and tracking an annual health and safety plan. The committee also reviews measures to prevent occupational incidents and shares information on the health checkup status.

-  [Health and safety](#)

Respect for human rights

Respecting the human rights of all people

Hitachi believes that respecting human rights is our duty as a global company and essential to conducting business.

We refuse to engage in any acts that may impair individual dignity or discriminate on bases such as gender, sexual orientation, age, nationality, race, ethnicity, ideology, belief, religion, social status, family origin, disease, or disability.

We place great importance on engagement with stakeholders in order to understand and manage our impact on human rights. Stakeholders whose human rights are affected or may be affected by Hitachi’s operations include employees at Hitachi and its procurement partners, local communities, consumers, other individuals or groups whose livelihoods or working environments may be affected, industry associations, government entities, investors, NGOs/ NPOs, and human rights organizations, etc.

Hitachi group human rights policy

In 2013, Hitachi conducted stakeholder dialogue inviting representatives from the European Commission, the International Labour Organization (ILO), NGOs, companies, and lawyers specializing in human rights issues, after which we formulated the Hitachi Group Human Rights Policy, positioned as one of the highest standards of internal company rules.

In November 2024, Hitachi revised and significantly expanded the policy to reflect changes in the business

environment and global trends with the aim of strengthening the commitment to “respect human rights” across the entire value chain. The updated policy incorporates feedback and recommendations from a wide range of stakeholders, including the U.S.-based human rights NGO Shift, and was approved by the Executive Committee following internal deliberation.

Key updates include: a clearer articulation and expansion of the international standards to which Hitachi commits; the identification of six salient human rights issues as high-risk areas; and the clarification of Hitachi’s human rights due diligence (HRDD) process based on its track record to date.

Hitachi also calls on its diverse network of business partners to understand and align with this policy, working with them as needed to fulfill its responsibility to respect human rights throughout the value chain and to advance efforts toward a more sustainable society.

Hitachi also protects freedom of expression and the right to privacy, as recognized by international norms, such as the International Covenants on Human Rights, to ensure no violations of human rights.

Furthermore, with respect to the human rights of children, we are striving to ensure there is no child labor nor forced labor in our company or value chain. The Hitachi Group Code of Ethics and Business Conduct stipulates that consideration be given to human rights, including those of children.

- 📄 [Revision of Hitachi Group Human Rights Policy](#)
- 📄 [Hitachi Group Human Rights Policy](#)
- 📄 [Hitachi Group Code of Ethics and Business Conduct](#)
- 📄 [Hitachi Group Sustainable Procurement Guidelines](#)
- 📄 [Encouraging procurement partners to conduct activities](#)

Structure for advancing respect for human rights

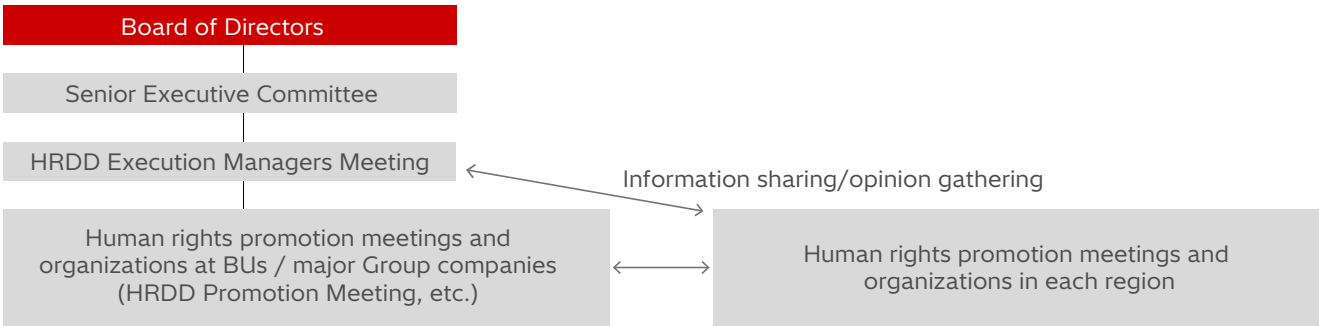
Hitachi continues to strengthen human rights risk management worldwide through efforts that include tasking the Chief Sustainability Officer with Group-wide human rights initiatives and the formulation of policies based on the status of human rights due diligence (HRDD) progress throughout the Hitachi Group. Our HRDD Promotion Secretariat, established within the headquarters of Hitachi, Ltd. (consisting of the human capital division, procurement division and sustainability division) takes charge of core promotion activities based on inter-divisional cooperation that includes investigating HRDD promotion measures for the Hitachi Group and its procurement partners, preparing implementation-oriented manuals and guidelines, and responding to inquiries from business units (BUs) and the Group companies.

Hitachi comprises diverse business entities and must manage human rights risks by taking into consideration the characteristics of each business and its value chain. To achieve this, Hitachi appoints

the heads of BUs and presidents of major group companies as HRDD promotion officers. HRDD execution managers are then appointed to take charge of HRDD execution in the respective BUs and Group companies and convene HRDD Promotion Meetings. We take measures to advance the formulation and maintenance of an implementation framework, aiming to address global human rights risks. Subsidiaries of BUs and major group companies outside Japan work closely with regional headquarters to share region-specific issues (cultural and religious backgrounds, legislative trends, etc.) and discuss how to respond.

In addition, we hold the HRDD Execution Managers Meeting once or twice a year as an occasion for the Group-wide information sharing and discussion. Important matters discussed at the meeting may also be deliberated and decided on by the Senior Executive Committee and reported to the Board of Directors as necessary. The Audit Committee, composed of independent directors, conducts operational audits on sustainability-related operations, while the responsible executive officer reports on important human rights issues.

Structure for advancing respect for human rights



Roles of human rights-related meeting body and organization

Meeting body/organization	Attendees	Purpose/Role
HRDD execution managers meeting	HRDD execution managers at BUs and major Group companies	<ul style="list-style-type: none">• Providing information from experts• Sharing the status of each company’s initiatives
Human rights meetings and organizations at BUs/major Group companies	Persons responsible for HRDD promotion, persons responsible for HRDD implementation, and persons in relevant divisions	<ul style="list-style-type: none">• Pursue human rights activities tailored to the business characteristics of each BU/major Group company
Human rights meetings and organizations in each region	Persons in charge of HRDD promotion at regional headquarters, regional/local representatives selected from BUs/major Group companies	<ul style="list-style-type: none">• Share regional regulatory trends and risk information• Consider measures to address human rights issues in major projects based on regional characteristics

Global human rights targets

PLEDGES

Hitachi is committed to building a sustainable society in collaboration with stakeholders by respecting human rights and the environment across the entire value chain.

To achieve this, the company strives to ensure respect for human rights in every aspect of its business processes and throughout the value chain, in accordance with the Hitachi Group Human Rights Policy.

Under the management plan, Inspire 2027, Hitachi aims to strengthen its HRDD practices to identify and address human rights risks proactively. As a Group, Hitachi will actively work to remediate the specific human rights risks it has identified.

Human rights due diligence (HRDD) initiatives

Hitachi manages human rights risks according to the following HRDD process, based on the Human Rights Risk Management Implementation Manual prepared for practical use for each BU and the Group company, and in line with the UN Guiding Principles on Business and Human Rights.

By fiscal 2024, we implemented a series of HRDD processes to include determining and executing countermeasures (a post-risk assessment procedure), setting indicators for verifying the effectiveness of countermeasures, and explaining/disclosing information.

HRDD process



Implementation status of recent major HRDD

FY2022	Transitioned from headquarters-led HRDD to a model led by business units (BUs) and major Group companies. Conducted four training sessions with Shift and carried out human rights risk assessments.
FY2023-FY2024	Continued HRDD led by BUs and major Group companies, and completed human rights risk assessments by all BUs and major Group companies. A total of four guidance sessions with Shift carried out to understand the HRDD process after human rights risk assessments. Some of the leading BUs and the Group companies also implemented measures against salient human rights issues and the formulation of indicators to verify their effectiveness.

(1) Assess risks

Since fiscal 2022, Hitachi has been advancing HRDD at each BU and major Group company, taking into account the characteristics of their respective value chains and regions of operation.

In fiscal 2023, in alignment with the UN Guiding Principles on Business and Human Rights, all BUs and major Group companies assessed human rights issues based on the severity and likelihood of potential negative impacts within their operations and value chains, evaluating both. Heat maps were developed for each BU and major Group company. From this process, Hitachi identified the following as salient human rights issues common across multiple BUs and the Group companies:

- Forced labor (including violation of migrant worker rights)
- Child labor
- Harassment
- Discrimination
- Health and safety
- Freedom of association

In conducting HRDD, BUs and the Group companies are not limited to these salient issues; they also identify and prioritize other human rights risks specific to their business operations and take corrective actions starting with the highest-risk areas.

Risk assessment for new businesses and projects

At Hitachi, investment decisions are made based on the scale of each project. The Sustainability Division participates in the Investment Strategy Committee, which submits proposals to the Senior Executive Committee, and conducts risk assessments that include human rights considerations. Similar processes are followed when BUs and the Group companies make their own investment decisions, ensuring that risk assessments are thoroughly conducted before launching any new business or project across the Hitachi Group.

If human rights risks are identified after a project or business has begun, a task force is assembled as needed to conduct fact-checking and take appropriate action.

Support for HRDD implementation by external experts

As part of the HRDD risk assessment process, Hitachi developed a self-assessment questionnaire (SAQ) with support from BSR (Business for Social Responsibility), a U.S.-based nonprofit and external human rights expert. The SAQ enables BUs and the Group companies to conduct due diligence on the six salient human rights issues identified in Hitachi’s Human Rights Policy. It is designed to assess whether business operations align with the international standards to which Hitachi has committed. Use of the SAQ began across BUs and the Group companies in fiscal 2025.

In addition, to deepen understanding of measures to address salient human rights issues and evaluate their effectiveness, Hitachi held four study sessions in fiscal 2024 using materials from the HRDD guidance sessions provided by Shift in fiscal 2023. A total of 89 participants from BUs and major Group companies took part in the sessions.

(2) Integrate and act and (3) Track

In fiscal 2023, some BUs and major Group companies that had identified salient human rights issues in the fiscal 2022 risk assessment considered specific countermeasures and developed indicators to verify their effectiveness. In fiscal 2024, HRDD execution managers at those BUs and the Group companies took the lead in implementing these measures.

For example, regarding forced labor, Hitachi Asia used the self-assessment questionnaire (SAQ) to survey Hitachi Group companies in the ASEAN region on issues such as recruitment fees and passport retention. Hitachi High-Tech conducted SAQ-based interviews with 100 procurement partners and continues to analyze the results and monitor progress.

Human rights initiatives in the Digital Systems & Services Sector

In fiscal 2023, the Digital Systems & Services Sector conducted a human rights risk assessment of 140 Group companies to identify potential human rights risks across the value chain. The evaluation considered factors such as industry-specific risks, country risks, number of employees, and number of migrant workers.

The assessment confirmed that none of the companies posed a high likelihood of negative human rights impacts. However, to further strengthen human rights practices, a more detailed questionnaire survey was conducted in fiscal 2024 targeting the 19 Group companies identified as having relatively higher overall risk. The survey covered areas such as human rights and labor, technology, value chains, management, business ethics, environment, and community. Based on the findings, the human rights team in charge of the sector engaged in direct communication with companies where concerns were identified. These efforts included reinforcing awareness of the Hitachi Group Codes of Ethics and Conduct and the Hitachi Group Human Rights Policy and explaining the need for ongoing improvement. The insights and know-how gained through these efforts will be applied to further strengthen human rights initiatives across the entire Digital Systems & Services Sector in fiscal 2025 and beyond.

Response to recruitment fee burdens on workers

A Group company accounted for using the equity method and based in Southeast Asia was found to have required workers to bear recruitment fees, a practice permitted under local law but deemed inappropriate by the ILO. In response, Hitachi collaborated with the majority shareholder outside the Group, the minority shareholder within the Hitachi Group, and Hitachi, Ltd. to take corrective action in accordance with ILO guidelines. Affected employees received reimbursement within three months of the issue being identified.

(4) Communicate

Hitachi discloses information on initiatives concerning respect for human rights, including HRDD, through our Sustainability Report, websites, and other channels. We also strive to deepen understanding of Hitachi initiatives through appropriate communication in response to questions, observations, and the like from investors, ESG evaluation organizations, NGOs, and media outlets. In addition, we incorporate opinions from both inside and outside our organization when considering future measures.

Dialogue with stakeholders

Hitachi places a strong emphasis on stakeholder engagement with rights holders, the subjects of human rights, and the individuals or organizations that represent them. In fiscal 2024, we held seven engagement sessions, using the insights gained to inform our risk analysis and corrective actions. In some cases, a task force was established with relevant stakeholders from both domestic and overseas Hitachi Group entities to implement more comprehensive responses.

In addition, to enable not only headquarters but also BUs and the Group companies to carry out effective stakeholder engagement, Hitachi began compiling stakeholder lists with input from external experts. These lists have been in full use since fiscal 2025.

Measures to prevent harassment

Hitachi recognizes harassment as a serious violation of human rights in the workplace and is committed to creating an environment where everyone is respected and feels comfortable expressing their opinions. As part of this effort, we incorporate harassment-related content into our annual compliance e-learning program for all employees.

Beginning in fiscal 2023, Hitachi developed new Group-wide e-learning materials focused on preventing all forms of harassment, including sexual harassment, power harassment, and other types, with the aim of enhancing understanding and awareness. These materials are actively used across the Group.

In addition, training programs are tailored to the specific circumstances of each workplace. For example, we conduct training programs for managers that focus on creating workplaces where employees feel safe and on developing management practices to foster open and communicative workplaces. All employees at the respective workplaces also receive training on harassment prevention and communication. Furthermore, newly appointed managers and assistant managers are required to complete human rights training that includes content on workplace human rights issues and harassment prevention to ensure proper understanding and application of these principles.

Initiatives to prevent child labor and forced labor

To prevent child labor, Hitachi reviews official documents to confirm that the age of an employee

does not constitute child labor upon hiring. Our Business and Human Rights e-learning course and other awareness-raising materials offer case studies and other methods to inform employees that, in accordance with the UN Guiding Principles on Business and Human Rights, companies have a responsibility to respect rights not only within their own operations but also across their supply chains, including among procurement partners, particularly regarding child labor and forced labor.

Encouraging procurement partners to conduct activities

To deepen respect for human rights throughout our entire supply chain, Hitachi includes the Hitachi Group Human Rights Policy in the Hitachi Group Sustainable Procurement Guidelines for our procurement partners. We encourage an understanding of the Hitachi policy to strengthen respect for human rights and strive to ensure that our approach is put into practice. Moreover, the guidelines make it clear that child labor and forced labor must be eliminated. We ensure the raising of awareness for human rights and engagement with procurement partners in our supply chain by efforts including Sustainability Procurement Seminars in various regions.

Since fiscal 2022, we have utilized EcoVadis*¹, a third-party evaluation platform, to assess and monitor our sustainability performance relating to human rights, including efforts to address forced labor and child labor. This assessment involved gathering written responses to a survey to understand the actual situation on the ground. We also conducted sustainability audits, including labor and human rights, in reference to responses to our written survey. We explained to our procurement partners the issues identified during the

audits and requested that they make improvements.
*1 EcoVadis: A sustainability assessment service platform that evaluates companies in the four areas of the environment, labor and human rights, ethics, and sustainable procurement.

Strengthening engagement with procurement partners

Human rights education and raising awareness among employees and executive officers

In accordance with the Hitachi Group Human Rights Policy, Hitachi familiarizes executives and all employees with human rights through a message communicating on the importance of respect for human rights from the President & CEO on Human Rights Day, e-learning, and other efforts. In fiscal 2024, the company placed a special focus on enhancing awareness and understanding of the revised Human Rights Policy across the Group through a variety of approaches.

Initiatives for executive officers
As part of its annual executive training, Hitachi invited President and CEO of the U.S.-based human rights NPO Business for Social Responsibility (BSR) to speak at the 2024 session. His presentation reinforced the recognition that human rights risks are a core management issue. BU leaders, who are responsible for driving HRDD, also attended, helping

to lay the foundation for ensuring respect for human rights in all aspects of business operations.

Initiatives for employees
In Japan, we aim for every employee to attend annual group training, lectures, or video-based educational activities held at each business site or Group company. In addition, we conduct various awareness initiatives that include onboarding training directed at new hires, training by job positions, and training for employees transferred abroad. In this way and others, we strive to convey to each employee the significance of respecting human rights in their own work.

In fiscal 2024, in addition to awareness-raising initiatives for all executives and employees, Hitachi held a human rights seminar led by BSR for employees in procurement and sales departments. More than 600 employees took part, gaining basic knowledge about human rights issues, such as child labor and forced labor, and deepening their understanding of the responses companies are expected to take. Regional headquarters for Group companies outside Japan engage in various HRDD awareness initiatives tailored to local conditions to facilitate regional coordination and support. Examples include seminars for HRDD personnel in the region, awareness surveys for regional headquarters executives, and dialogues between outside experts and regional headquarters executives.

Implementation status of activities to raise awareness of human rights		
Target	Details	FY2024 results
Hitachi Group executives and all employees	Human rights message by President & CEO on Human Rights Day (every year)	Sent to all Hitachi Group employees via email and intranet
	E-learning course on business and human rights (provided in 15 languages, taken about once every three years)	Current course which started in December 2024, has been completed by more than 170,000 people as of the end of fiscal 2024

Initiatives to promote Broad-Based Black Economic Empowerment (B-BBEE) in South Africa

As Hitachi conducts business in South Africa, we pursue activities aligned with the country’s Broad-Based Black Economic Empowerment (B-BBEE)*1 policy to create employment and economic development.

Hitachi Energy

Hitachi Energy South Africa is obliged to meet the Employment Equity Act (EEA)*2 targets and plans, which are reviewed every three to five years and which require annual progress reporting. The target is to have 70% of our workforce comprising of employees who are Historically Disadvantaged South Africans (HDSA) backgrounds, based on occupational levels for employment equity, with the ultimate aim of ensuring that there is diversity in the workforce, including gender diversity. As of November 2024, Hitachi Energy in South Africa achieved Level 1 under B-BBEE.

The company’s training strategy is aligned with the skills development targets linked to B-BBEE. The company also invests in its current employees in line with diversity and equity to enhance performance and promotability of internal talent. Every year, Hitachi Energy South Africa hires graduates and trainees with HDSA backgrounds, including learners living with disability. Currently, employees with HDSA backgrounds comprise 54% of management / supervisory positions at Hitachi Energy South Africa.

Hitachi Vantara

At Hitachi Vantara South Africa, we are committed to driving sustainable transformation and fostering inclusive growth in alignment with the principles of Broad-Based Black Economic Empowerment (B-BBEE). We recognize that transformation is not only a legislative requirement but also a moral and strategic imperative for building a more equitable and prosperous society.

*1 B-BBEE: Companies and organizations in South Africa are scored on B-BBEE approaches and contributions, rated on a scale from level 1 (highest) to level 8 (lowest), or as non-compliant

*2 Employment Equity Act (EEA): A South African law that promotes fairness and equal opportunities in the workplace for all employees

Grievance mechanisms for human rights

Hitachi established a Group-wide internal reporting system called the Hitachi Global Compliance Hotline.

This system is a whistle-blowing system operated by a third-party organization and available in approximately 50 languages. It is available not only to Hitachi Group employees, but also to business partners and other stakeholders. All reports, including those concerning human rights and harassment, are investigated in principle while maintaining confidentiality and anonymity. Once the facts are confirmed, the whistleblower is informed of the investigation results, and appropriate corrective actions are taken as necessary. We make every effort to deal with situations as appropriate, including taking remedial action when necessary. The number of labor-related and harassment reports (including reports in previous years) that were resolved in fiscal 2024 was 287 (of which 86 were confirmed as compliance-related issues) and 773 (of which 284 were confirmed as compliance-related issues), respectively.

 [Hitachi Global Compliance Hotline](#)

 [Hitachi Global Compliance Hotline \(Whistleblower System\)](#)

Sustainable procurement

Basic procurement policy

Hitachi believes that putting sustainability at the core of our business throughout our value chain will lead to mutual prosperity for procurement partners and the Hitachi Group. To achieve this, we pursue sustainable procurement, identifying and mitigating procurement risks associated with the globalization of business as early as possible. These risks include human rights violations and greenhouse gas emissions in the supply chain.

We established the Hitachi Group Global Procurement Principles as our highest-level code of conduct to be followed in our procurement activities. This code clearly states that Hitachi must give due consideration to human rights, labor practices, safety, ethics, quality, and security in the supply chain, and that it requests its procurement partners to do the same.

Examples of the Hitachi Group Procurement Partner Code of Conduct

Category	Content
1 Labor	<ul style="list-style-type: none">• Prohibition of forced labor and child labor• Compliance with working hours• Compliance with minimum wage laws
2 Health and safety	<ul style="list-style-type: none">• Prevention of occupational injuries and illnesses• Communication of health and safety-related matters
3 Environment	<ul style="list-style-type: none">• Management and reduction of greenhouse gases• Contribution to the circular economy
4 Business ethics	<ul style="list-style-type: none">• Prevention of bribery and corruption• Fair competition
5 Product quality and safety	<ul style="list-style-type: none">• Ensuring product safety
6 Prevention of personal and confidential information leakage	<ul style="list-style-type: none">• Protection against threats to computer networks including cyberattacks• Measures to prevent personal information leakage
7 Management systems	<ul style="list-style-type: none">• Corporate commitment (declaration)• Conducting due diligence on upstream suppliers in the supply chain

We also established the Hitachi Group Sustainable Procurement Guidelines for procurement partners. The guidelines include the Hitachi Group Procurement Partner Code of Conduct, which Hitachi expects all procurement partners involved in Hitachi Group’s business to comply with. The Code is organized into seven major categories: labor, health and safety, environment, business ethics, product quality and safety, prevention of personal and confidential information leakage, and management systems. We also use the guidelines as a communication tool to inform procurement partners about Hitachi Group initiatives and share our policies and activities related to sustainability.

We aim to develop a sustainable society and business together with procurement partners by fostering procurement activities that adhere to these codes.

 [Sustainable procurement](#)

 [Hitachi Group Sustainable Procurement Guidelines](#)

Sustainable procurement management framework

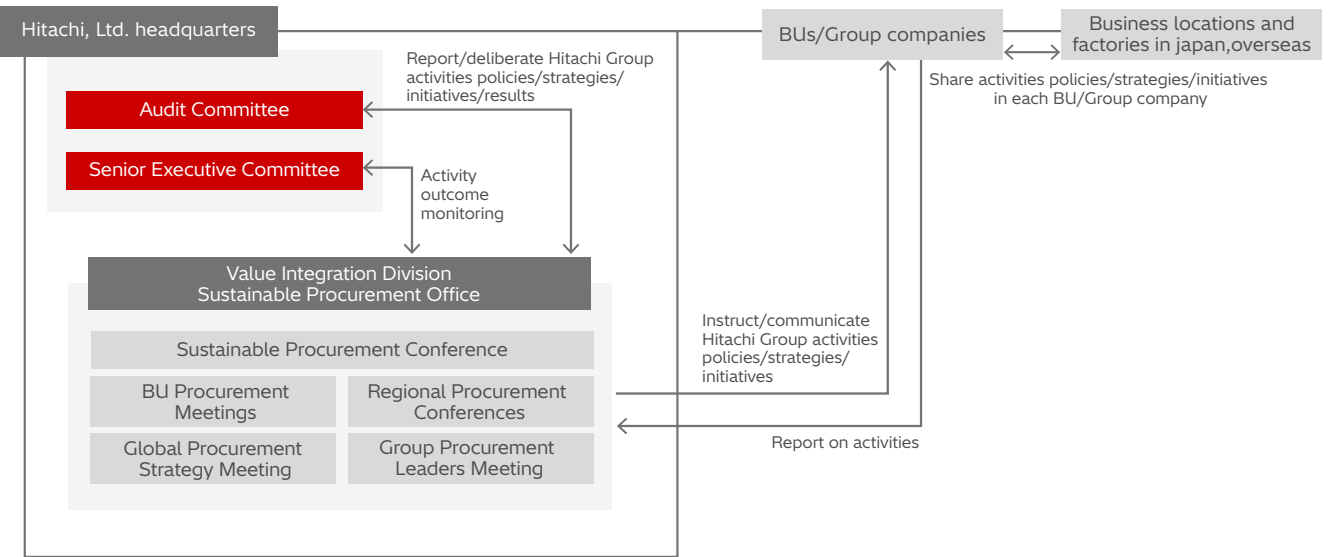
Hitachi established the sustainable procurement office within the value integration division (an organization reporting directly to the President & CEO). The sustainable procurement office is responsible for procurement activities at our head office, and it plays a central role in deliberating and deciding various policies related to sustainable procurement.

Once decisions are made, they are thoroughly communicated across the Hitachi Group via platforms such as the Sustainable Procurement Conference, which is attended by the heads of procurement divisions from business units (BUs) and major Group

companies. This conference also facilitates the strategic development of sustainable procurement activities and the sharing of best practices, enhancing Group-wide initiatives related to sustainability, including environmental and human rights-related measures.

In addition, the value integration division reports regularly to the Senior Executive Committee on key procurement strategies and on sustainable procurement activities. Each year, the division reports on priority procurement measures to the Audit Committee, which consists of members of the Board of Directors. These reports include matters identified and addressed in the previous year, and feedback from the Audit Committee is reflected in activities in the following year.

Sustainable procurement management framework



Sustainable procurement conference

Hitachi holds the Sustainable Procurement Conference once or twice a year to improve understanding of sustainable procurement and provide practical support to the procurement divisions of its business units (BUs) and the Group companies. This conference is open to all procurement division members, including the heads of procurement divisions at all global locations. Approximately 240 people participated in fiscal 2024. The conference provides an opportunity to develop a human rights due diligence process, gain a better understanding of the status of Scope 1, 2, and upstream Scope 3 efforts toward carbon neutrality, and share the latest internal efforts toward carbon neutrality.

Task force activities for regulatory compliance

Hitachi has established task forces led by the procurement division to ensure Group-wide compliance with sustainability-related laws and regulations in Europe—such as the Carbon Border Adjustment Mechanism and the EU Deforestation Regulation—which require the cooperation of procurement partners. The task force is composed not only of the procurement division but also of corporate functions such as the sustainability and legal divisions, and includes global members from across the Group, advancing regulatory compliance as One Hitachi.

Global targets for sustainable procurement

PLEDGES

To realize PLEDGES, Hitachi’s sustainability strategy outlined in the management plan, Inspire 2027, and to deliver value to society, mutual understanding and a relationship of trust with procurement partners are essential.


To strengthen engagement with procurement partners, Hitachi has established new global targets for sustainable procurement.

Global targets for sustainable procurement

KPI	FY2027 targets
Number of procurement partners taking action on environment and human rights (compared to FY 2024)	1.5 times (6,000+ procurement partners)
Number of procurement partners that set GHG reduction plans and targets	700 procurement partners

The initiatives involving “procurement partners taking action on environment and human rights” includes efforts such as sustainability risk assessments and audits of procurement partners.

Through these initiatives, Hitachi aims to accurately understand the concerns and challenges faced by its procurement partners and work together to resolve them, thereby building a sustainable value chain.

-  **Encouraging procurement partners to reduce their environmental footprint**
-  **Human rights due diligence (HRDD) initiatives for procurement partners**

Strengthening engagement with procurement partners

Raising awareness of the Hitachi Group Sustainable Procurement Guidelines

In May 2025, Hitachi conducted a comprehensive revision of its Sustainable Procurement Guidelines. The updated guidelines clearly outline the Code of Conduct that procurement partners are required to follow in terms of compliance with laws and regulations, and are expected to respond to the Self-Assessment Questionnaire (SAQ) and accept on-site audits. New items have also been added, such as respect for land rights and contributions to the circular economy. To ensure that Hitachi’s global procurement partners can recognize and understand the guidelines in their local languages, the number of available languages has been increased from the previous four to sixteen.

Additionally, to help procurement partners better understand the guidelines, Hitachi has developed digest edition guidelines and introductory video that highlight the key elements of the guidelines, presenting the expected sustainability standards in an accessible format.

These guidelines have been distributed to procurement partners, and Hitachi is working to promote understanding and compliance through sustainable procurement seminars and other communication efforts.

 **Hitachi Group Sustainable Procurement Guidelines**

Regional sustainable procurement seminar

Hitachi invites our procurement partners in Southeast Asia, India, China, and Japan to the regional sustainability procurement seminar and study sessions to address social issues proactively together with our procurement partners. In fiscal 2024, 156 procurement partners participated. We strive to communicate the Hitachi Group Sustainable Procurement Policy to each region.

Regional sustainable procurement seminar and study sessions

Region	Details
Southeast Asia India	Provided 24 procurement partners with an overview of the Hitachi's sustainable procurement policy and strategies, including environmental and human rights initiatives. Encouraged participation in EcoVadis*1 assessments and audits and shared examples of carbon neutrality/net zero initiatives by procurement partners.
China	Provided 114 procurement partners with an overview of the Hitachi's sustainable procurement policy and strategies, including environmental and human rights initiatives and introduced sustainability trends in China and encouraged participation in EcoVadis assessments and audits.
Japan	In a study session co-hosted by the Nuclear BU and Hitachi Power Solutions, 18 procurement partners received training focused on human rights and EcoVadis. Participants learned the fundamentals of human rights issues and the importance of managing human rights risks within companies. Hitachi also requested their cooperation with sustainable procurement initiatives such as undergoing EcoVadis assessments.

*1 EcoVadis: A sustainability risk assessment service platform that evaluates companies in the four areas of environment, labor and human rights, ethics, and sustainable procurement

Sustainability risk assessments

To manage sustainability risks across the upstream in the supply chain, Hitachi not only promotes sustainability efforts among procurement partners but also conducts sustainability risk assessments to evaluate their initiatives.

Hitachi has established the Hitachi Group Sustainable Procurement Guidelines, which include Hitachi Group Procurement Partner Code of Conduct, and is actively working to raise awareness of these guidelines.

The guidelines are incorporated into Hitachi Group’s contracts and during the onboarding process for new suppliers, a compliance review—including sustainability criteria—is conducted.

In addition, sustainability risk screening is conducted based on the industry and country of operation of each procurement partner. Based on the screening results, procurement partners are selected for further evaluation based on criteria such as strategic importance, procurement spend, and business continuity. These selected partners are then assessed and analyzed through SAQs on their sustainability initiatives, as part of efforts to foster engagement and conduct risk assessments.

Hitachi utilizes the third-party evaluation platform EcoVadis to support the overall process of evaluation, analysis, and monitoring. EcoVadis assesses sustainability initiatives across four key areas: Environment, Labor and Human Rights, Ethics, and Sustainable Procurement.

In fiscal 2024, we conducted sustainability risk assessments of approximately 4,000 procurement partners across the Hitachi Group. Based on the information obtained from these assessments, we are

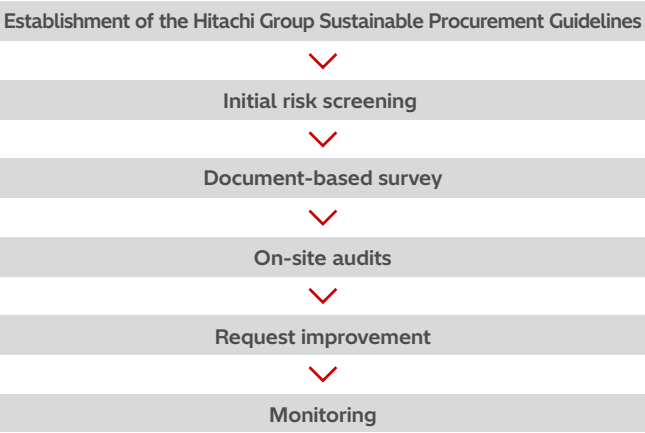
conducting the following activities.

- Set a benchmark EcoVadis score and request corrective actions from target companies
- Provide improvement methods and conduct monitoring using the EcoVadis platform
- Set a benchmark EcoVadis score and conduct sustainability audits of target companies

Corrective action efforts require the understanding and cooperation of procurement partners. To support these efforts, Hitachi provides guidelines on corrective measures to assist procurement partners in their initiatives.

Moving forward, Hitachi will strengthen measures to steadily promote sustainability risk assessments of procurement partners, promote early detection of risks, and drive corrective actions through active engagement with partners.

Sustainable procurement process



Sustainability audits and monitoring

Hitachi conducts sustainability audits of the manufacturing bases of our global procurement partners on a regular basis. We use external evaluation organizations to conduct sustainability audits.*1 Sustainability audits consist of document surveys, employee interviews, and facility inspections to confirm sustainability initiatives at procurement partners from the perspectives of labor and human rights, health and safety, the environment, and ethics.

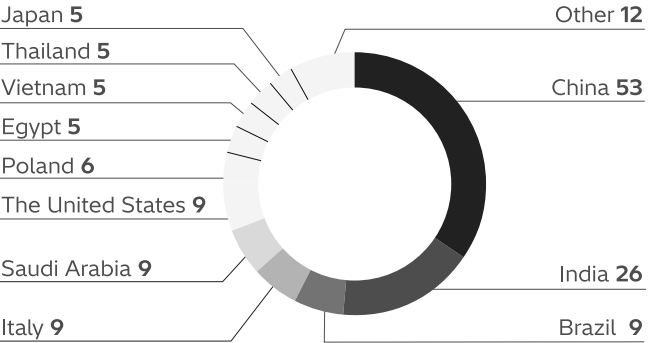
In fiscal 2024, to promote understanding of audits, Hitachi held audit briefing sessions in collaboration with external auditing organizations for procurement partners in the following regions: 114 companies in China, 27 in Thailand, 15 in India, and 11 in Japan.

Partners that are audited are selected based on the results of SAQs, as well as the scale and importance of partnerships (e.g. procurement spend). In fiscal 2024, sustainability audits were conducted on 153 procurement partners. For any matters identified during the audit, we explain the details to our procurement partners. In particular, when high-risk matters are identified, we ask our procurement partners to take corrective action, including identifying the cause of the occurrence and formulating an improvement plan. After which, we continue to provide guidance and monitor improvements.

Going forward, Hitachi will continue to expand its sustainability initiatives and reduce sustainability risks in the value chain by giving training to support improvements and conducting follow-up audits in-person for procurement partners who are deemed to be at high risk as a result of these audits.

*1 Some Group companies conduct sustainability audits by internal auditors

Regional distribution of sustainability audits in FY2024 (15 countries, 153 companies in total)



Note: Other regions include Mexico, Turkey, Bulgaria, and Colombia

Examples of matters identified for improvement

Category	Examples of matters identified
Labor and human rights	<ul style="list-style-type: none">• Requiring employees to pay monetary deposits or recruitment fees (as defined by the ILO) at the time of hiring• Employee overtime hours not properly managed
Health and safety	<ul style="list-style-type: none">• Lacking legally required building permits or fire safety permits• Emergency exits and emergency lights are not adequately maintained
Environment	<ul style="list-style-type: none">• Environmental impact assessments not properly conducted
Ethics	<ul style="list-style-type: none">• Employees not trained on fair business

Encouraging procurement partners to reduce their environmental footprint

Hitachi is working with procurement partners to build a sustainable value chain with a strong focus on environmental responsibility.

To achieve net zero across the entire value chain by fiscal 2050, Hitachi is committed to reducing GHG emissions from purchased goods and services (Scope 3 Category 1). With a target of establishing GHG emission reduction goals and plans with 700 partners by fiscal 2027, we are further strengthening engagement with procurement partners.

■ Encouraging procurement partners to reduce their environmental footprint

Human rights due diligence (HRDD) initiatives for procurement partners

Hitachi is implementing human rights due diligence initiatives for its procurement partners. Our initiatives include conducting sustainability risk assessments for procurement partners, sustainability audits and monitoring, and providing a hotline for procurement partners. In such a way, we strive to reduce human rights risks by helping our partners understand Hitachi’s approach to respecting human rights.

The “Labor” section of the Hitachi Group Sustainable Procurement Guidelines stipulates not only the prohibition of forced and child labor, but also that working hours, including overtime, must not exceed the limits set by local laws and regulations. Where no such regulations exist, total working hours, including overtime, should not exceed 60 hours per week. Regarding wages, the guidelines require compliance with all applicable laws and regulations, including those related to minimum wages, overtime pay, and legally mandated benefits.

■ Encouraging procurement partners to conduct activities

Procurement partner hotline

In order to foster honest and fair dealings with procurement partners, Hitachi accepts consultations and reports from stakeholders, including procurement partners, on all matters involving potential misconduct, such as violations of laws and regulations and the Hitachi Group Business Ethics and Codes of Conduct. We established the Hitachi Global Compliance Hotline as a help desk, and we publicize the help desk and procedures on our website. The hotline is accessible 24 hours a day, seven days a week, online or via telephone.

■ Hitachi Global Compliance Hotline

■ Hitachi Global Compliance Hotline (Whistleblower System)

Internal education and training on sustainable procurement

Hitachi provides trainings to procurement personnel, raising awareness across divisions responsible for sustainable procurement practices.

Specifically, at all of our global locations, we enhance trainings on human rights due diligence, carbon neutrality, advanced internal practices related to sustainable procurement and other important sustainability initiatives. We also offer e-learning on sustainable procurement to encourage a complete understanding of various policies that include the Sustainable Procurement Guidelines, Green Procurement Guidelines, and Responsible Mineral Procurement Policy. We also provide training on sustainable procurement not only to procurement personnel but also to newly appointed managers. In

fiscal 2024, 1,815 employees completed our training.

In fiscal 2024, to further raise human rights awareness among Hitachi Group employees, including those in the procurement division, Hitachi invited the non-profit organization BSR (Business for Social Responsibility) to conduct training on human rights risks in the value chain and the responsibilities expected of companies.

■ Human rights education and raising awareness among employees and executive officers

Participating in supply chain-related initiatives

Hitachi participates in the United Nations Global Compact Network Japan (GCNJ). In fiscal 2024, we took part in the supply chain workshop and HRDD workshop, actively exchanging opinions with Japanese companies on best practices regarding sustainable procurement.

Additionally, as a member of the CSR Committee of JEITA (Japan Electronics and Information Technology Industries Association) and its Responsible Supply Chain Working Group, Hitachi is working to raise CSR awareness within the industry, address shared challenges, and streamline CSR procurement management.

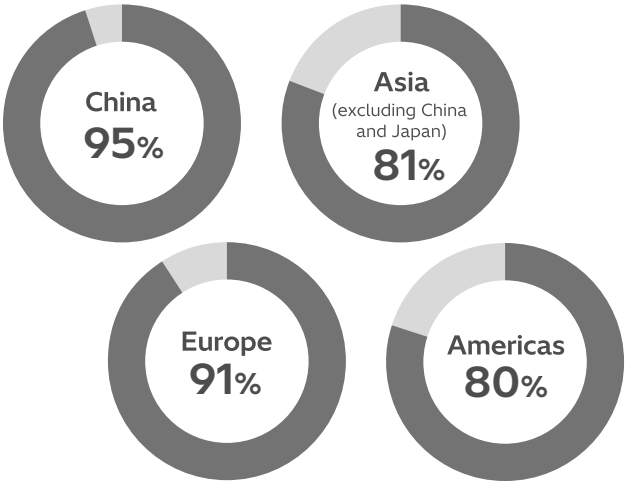
As part of cross-industry initiatives, Hitachi participates in the Human Rights Subcommittee organized by BSR, using insights gained on legal and social expectations related to human rights to strengthen measures for mitigating human rights risks upstream in the supply chain.

■ Sustainability initiatives

Strengthening global partnerships

With the worldwide expansion of Hitachi’s business, our procurement partners have become increasingly globalized as well. We now deal with some 30,000 procurement partners in over 60 countries. Accordingly, we appoint procurement officers to oversee procurement activities locally in the main regions (China, other Asian countries, Europe, and the Americas) in order to encourage procurement from locally based partners in line with the principle of promoting local production for local consumption. These officers carry out activities including sustainability monitoring, sustainability audits, and sustainable procurement seminars for procurement partners in their respective regions to strengthen sustainable procurement.

Ratio of local procurement of materials for main regions (FY2024)



Responding to the conflict mineral issue

In fiscal 2013, Hitachi formulated a Conflict Minerals Procurement Policy, declaring our stance and commitments regarding conflict minerals. The policy was revised in fiscal 2016 to lay out explicit measures to be implemented to ensure responsible procurement. Expanding the scope of corporate responsibilities for the procurement of minerals is a global trend. Companies are increasingly expected to address broader overall risks to human rights beyond the risk of being complicit in conflicts and recognize responsibilities that extend beyond the countries adjoining the Democratic Republic of the Congo to a wider area where the risks are high. In consideration of these developments, we revised this policy to formulate

the Hitachi Group’s Policy for Responsible Supply Chain of Minerals in fiscal 2021.

Hitachi Group’s Policy for Responsible Supply Chain of Minerals

System and initiatives

Sales divisions, business groups, manufacturing sites, procurement divisions, and other divisions within individual BUs and the Group companies work together to respond to investigation requests and inquiries relating to conflict minerals. We also strive to grasp developments in conflict mineral-related laws and regulations in each country and region and what global society demands of enterprises, and work to share information within the Group.

Each BU and the Group company investigates its

use of conflict minerals and reports the results to customers when requested. We carry out supply chain investigations with the cooperation of the relevant BUs’ and the Group companies’ sales, procurement, and sustainability divisions. In addition, Hitachi, Ltd. is a member of the Japan Electronics and Information Technology Industries Association (JEITA)’s Responsible Minerals Trade Working Group. This working group addresses the issues of conflict minerals with other members of the association. In fiscal 2024, the working group held an online information session targeted at personnel in charge of investigating conflict minerals at companies and organizations that face common issues related to responsible minerals. The working group explained the background behind responsible minerals to 2,830 people from 1,290 companies.

Sustainability leadership

Procurement BCPs initiatives

Hitachi is committed to enhancing its procurement Business Continuity Plan (BCP) throughout the Group to ensure that incidents*1 do not disrupt operations and cause significant impacts on society.

The procurement departments of each BU and major Group company are working to minimize the impact of disasters by promoting the following measures: (1) minimizing procurement risks through thorough standardization and the use of common parts; (2) multi-supplier arrangements; (3) diversifying manufacturing locations; (4) budgeting for strategic inventory; and (5) considering alternative products. In fiscal 2024, as severe weather events, floods, and large-scale fires continued to occur frequently around the world, we are actively advancing these initiatives while also strengthening the resilience of our supply chain through the use of digital infrastructure.

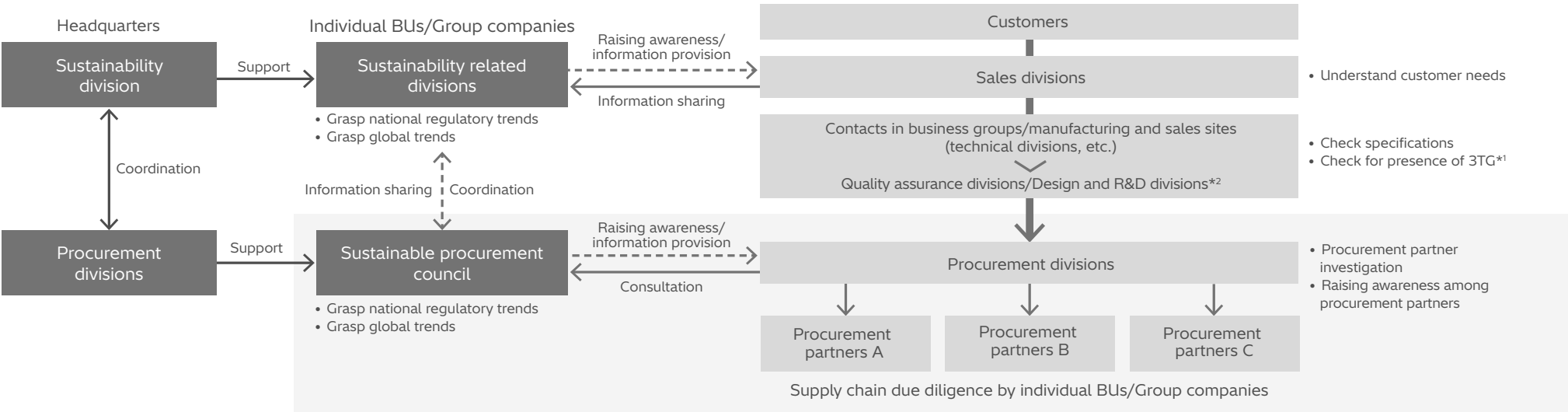
*1 Events such as natural disasters (including major earthquakes) serious enough to disrupt business

Procurement BCPs initiatives

Strengthening and expanding the procurement supply chain risk management platform

Hitachi is promoting the implementation of a procurement supply chain risk management platform to enable the rapid detection of disaster-related information, identification of affected sites, and assessment of impacts on a global scale. By introducing an optimized platform that considers both regional and business perspectives, Hitachi is advancing the visualization of procurement supply chain risks.

Hitachi’s conflict minerals response framework



*1 3TG: Collective term for four commonly used conflict minerals: tin, tantalum, tungsten, and gold
*2 May differ depending on BU or the Group company

Quality and product safety

Approach to quality assurance activities

Hitachi was founded on the founding spirits of Harmony, Sincerity, and Pioneering Spirit. We ensure product quality and safety by adhering to these principles, along with the basics and ethics, and by putting right and wrong before profit and loss. Based on the belief that trust in the quality of our products and systems is of utmost importance, we prioritize our operations according to the principle of S (Safety) >> Q (Quality) > D (Delivery) > C (Cost), placing the highest importance on safety and quality.

In the event of an incident, it is crucial to thoroughly analyze the failure, learn from it, and use those lessons to advance our technology and prevent recurrence. Reflecting the belief in gathering insights from failures, Hitachi has continued to hold review sessions for product incidents—referred to as OCHIBO-HIROI (literally, “gleaning”)—since the 1950s. Through this initiative, we aim to prevent recurrence, avoid similar incidents, and promote technological advancement.

As stipulated in the Hitachi Group Code of Ethics and Business Conduct, we aim to provide products and services that meet the needs and requirements of our customers, complying with relevant laws and standards and ensuring quality and safety by setting additional standards of our own where necessary. We define our basic principles for quality assurance in Quality Assurance Standards, and we communicate these principles to ensure employee awareness.

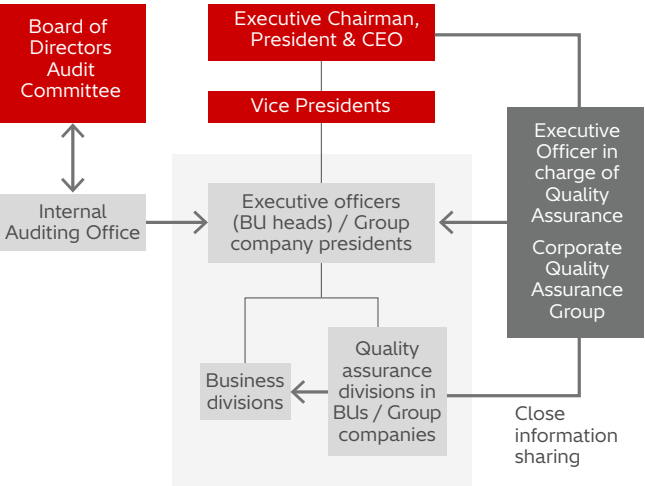
 [Hitachi Group Code of Ethics and Business Conduct](#)

Structure for quality assurance

To ensure full control over quality governance, Hitachi establishes quality assurance divisions within business divisions to act independently from product design divisions and manufacturing divisions, creating a structure for activity in which the safety and trust of customers are the top priorities. To further strengthen our quality assurance structure, we made quality assurance divisions independent from business divisions and strengthened the reporting line to the corporate quality assurance group at the headquarters, creating a system for close information sharing. Furthermore, by giving greater authority to the corporate quality assurance group we strengthened our quality governance.

When a product incident occurs in the Hitachi Group, the quality assurance division in the business unit (BU) or the Group company with relevant oversight reports the incident to the corporate quality assurance group. Weekly reports are provided to management executives, including the Executive Chairman, and the President & CEO at Hitachi, Ltd. In the event of a serious incident, the quality assurance division in the BU or the Group company reports the incident to management executives, including the Executive Chairman, and the President & CEO at Hitachi, Ltd., as promptly as possible. We review these response procedures every six months and make improvements as necessary.

Quality assurance structure



Global quality assurance structure

At Hitachi, the globalization of our business is accelerating through portfolio reforms and M&A activities. To deliver Hitachi Quality to customers around the world in line with our corporate philosophy, we are working to strengthen and embed a global quality assurance structure. Specifically, we encourage awareness of Hitachi’s basic principles of quality assurance globally, receiving incident reports from the Group companies outside Japan. As in Japan, we are establishing international quality assurance reporting lines that are independent of the business divisions. We also ensure rigorous pass/fail assessments by quality assurance divisions, as well as practicing OCHIBO-HIROI.

Quality assurance activities

PLEDGES

Hitachi strengthens the organization and management, technology, and human capital aspects of our quality assurance activities in every process—from planning and development to design, manufacturing, testing, delivery, and maintenance. We engage in incident prevention activities that go beyond incident recurrence prevention, based on our approach that prevention is the essence of quality assurance.

Implementing OCHIBO-HIROI review sessions for product incidents

At Hitachi, we hold review sessions for product-related incidents, known as OCHIBO-HIROI, in principle every six months for each business division. These sessions are conducted from the customer’s perspective, sharing the impact of the incident and identifying not only the technical causes but also the business processes that led to the incident and the psychological factors and issues involving those concerned. We have set a target of 100% executive participation (including Hitachi executives and business site senior management) in OCHIBO-HIROI sessions and collect annual participation data to strengthen efforts to prevent product incidents.

Quality enhancement activities related to service, software, and security

To strengthen quality in software and services, areas that continue to grow in scale, we share quality improvement activities and current challenges. At the same time, we ensure the software development capabilities and expertise for improving reliability that solutions divisions have are incorporated in product divisions, ensuring higher levels of reliability in increasingly sophisticated

and complex software. Furthermore, we are improving and incorporating secure development and maintenance processes for our products and services to respond to the increasing security risks arising from network connectivity and openness.

Technical law compliance activities
Hitachi fosters internal awareness of product regulations, revised statutes, and enforcement dates in each country and region. We also work to clarify regulations with product-specific laws maps, pursue regulatory compliance, and implement continuous process improvements under our product compliance management system.

Pursue thorough safety design and safety monitoring for products and services
When developing products and services, Hitachi makes the safety of customer lives, health, and property the top priority in product design. We strive to ensure safety at every step, from development and production to sales and maintenance. We strive to ensure safety through risk reduction according to the following order of priority: design (fundamental safety design), protective measures (safeguards), and usage information such as user instruction manuals. Also, we conduct risk assessments from a wide perspective in collaboration with related BUs and research laboratories.

International standards certification for our quality management system

Hitachi’s quality management system has acquired certification from external certifying organizations. We are committed to effectively applying the findings of third-party evaluations to our improvement activities as well. We have also obtained quality management system certification for each of our product categories worldwide. As of the end of June 2025, the status of major certifications is as follows. Because certification status may change due to factors such as business globalization, the establishment or relocation of sites, and M&A activity, we conduct annual surveys of the number of certified sites and the number of sites planning to obtain certification.

Management system certification		
Area	Name of standard	Number of certified sites
Overall quality	ISO 9001	1,062 sites
Railway business	ISO/TS 22163	11 sites
Medical devices	ISO 13485	23 sites

Note: Survey results as of the end of June 2025

External audits concerning product quality assurance

Hitachi commissions regular external audits of product safety for certified products and other products. Relevant logos indicate products that have received certification. We also commission regular external audits following certification to confirm ongoing quality standards.

S-Mark: Indicates third-party certification for electronics based on a certification system administered by the Steering Council of Safety Certification for Electrical and Electronic Appliances and Parts of Japan (SCEA) (Frequency of external audits: 1 time/year, Subject to audits: Product and factory quality control)

UL Mark: Indicates compliance with safety standards established by UL Solutions, a safety certification company (Frequency of external audits: 4 times/year, Subject to audits: Products)

Quality and reliability education

Hitachi regularly provides various forms of education and training related to quality and reliability, including the safety of products and services, depending on the target employees. In addition to implementing e-learning courses on Hitachi’s philosophy regarding quality, available at any time for all employees, we also feature quality assurance as a topic for position specific and executive-oriented training, as well as new employee education. We also hold various basic and technical reliability-related courses for specialists every year. Each BU also conducts specialized technical courses regarding manufacturing, quality assurance, and maintenance.

Enhancing S >> Q > D > C training
Hitachi provides training for employees involved in product and service safety or quality to increase awareness and understanding of the company’s operational priority: S (Safety) >> Q (Quality) > D (Delivery) > C (Cost). This training reinforces the importance of safety and quality among employees. To ensure relevance in light of changes in products, services, and the business environment, the training materials are reviewed and updated every three years.

Quality and reliability education

Training program	Target	Purpose	Timing
Hitachi’s quality philosophy	All employees	To promote understanding of Hitachi’s basic approach to quality and the initiatives for its realization	Ongoing
New employee training	New employees		Upon joining the company
Training for newly appointed managers	Newly appointed managers		Annually
S >> Q > D > C training	Employees involved in product and service safety or quality	To instill Hitachi’s operational priority of “S >> Q > D > C”	Annually
Specialized technical training	Employees involved in product and service safety or quality	Practical and technical training on product safety and quality	Annually
Executive candidate training	Future executive leaders	To promote understanding of Hitachi’s quality philosophy	Annually

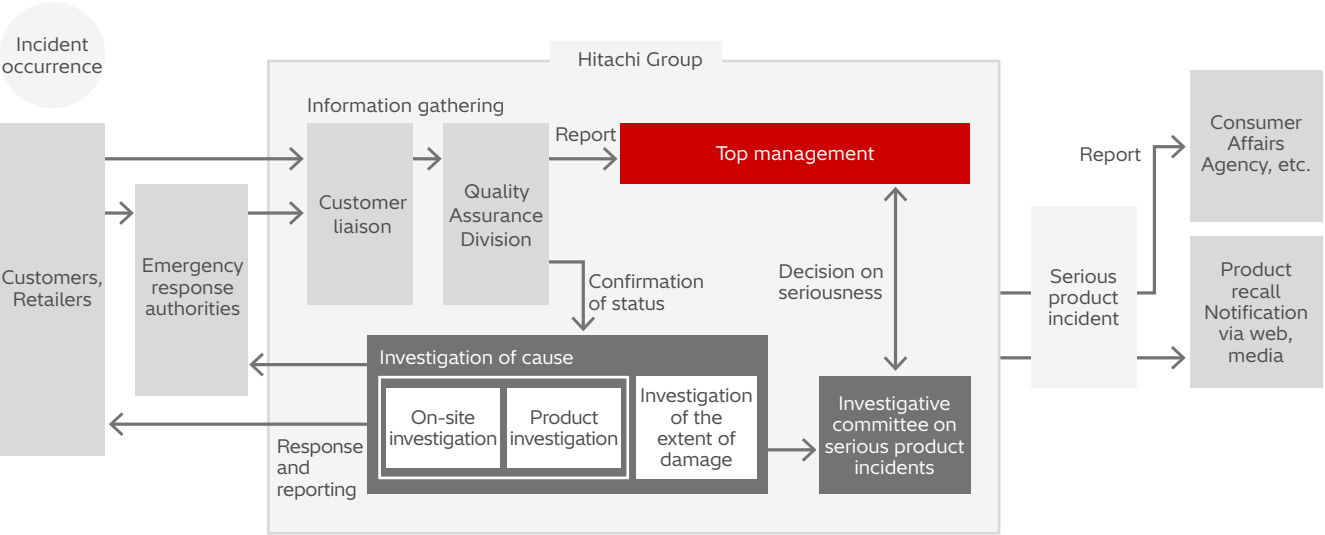
Response to product safety incidents

In the event of an incident, the division responsible acts swiftly to resolve the problem. We not only investigate the technical causes, but also thoroughly discuss the process, organizational structure, and motivating factors leading up to the occurrence, along with ways to prevent recurrence, to ensure product safety.

If we determine that retroactive action is necessary, we notify customers via newspaper advertising and websites to carry out the necessary repair or replacement program.

In the case of a severe incident, we provide prompt status reports to top management, issue reports to government agencies in line with legal requirements, and provide relevant information disclosure to customers on our website and through other communication channels. At the same time, we have a structure in place to ensure that fast and appropriate action is implemented at all companies across the Group.

Response procedure for product incidents



Customer satisfaction

Initiatives to improve communication with customers

Hitachi values communications with customers. The sales and marketing divisions at Hitachi listen to customer feedback when developing management, product, and solution strategies. These divisions assign an account manager to each customer to help grow the business of the Hitachi Group. These account managers serve as points of customer contact with the Group companies, leading initiatives for improving communication with customers while working to build closer relationships between customers and account managers.

Strengthening global account management

To achieve sustainable global business growth, Hitachi has appointed regional strategy officers in six key regions—the Americas, EMEA, APAC, India, Japan, and China—to ensure that regional growth opportunities and risks are promptly reflected in management discussions. In addition, Hitachi has established the position of CMO (Chief Marketing Officers) in charge of global sales transformation to further work closely with business units (BUs), the Group companies, and regional headquarters as One Hitachi beyond regional and business boundaries to enhance customer engagement by providing solutions to key customers and partners.

As a priority initiative, we are also proceeding with the planning and implementation of sales strategies to develop new global businesses. In line with the Group Account Program, we have appointed Group Account Managers, representing the Group for key customers worldwide. These managers work in cooperation with cross-BU account teams to build strategic partnerships with those customers.

Digital marketing

Hitachi created the One Hitachi CRM (Customer Relationship Management) to manage Hitachi Group marketing information centrally. We are also consolidating the role of market analysis for the Hitachi Group on a global level. We promote digital marketing in cooperation with the Group Account Program by leveraging information, for example, in planning business strategies for growth, customer targeting, creating more advanced proposals, understanding the state of communication with customers, and monitoring progress in the sales process.

Advertising activities

Because Hitachi believes that advertising activities must show proper consideration for society as a whole, as well as comply with laws and regulations, we established the Advertising Guidelines. To ensure these guidelines are followed strictly at all business locations globally, even where languages and customs may vary, the guidelines include an Advertising Material Checklist. All items on the checklist are confirmed in multiple languages when creating advertisements.

When using social media, we conduct activities rooted in business ethics and legal compliance. Policies and guidelines have been established for employees to protect the Hitachi brand and not infringe on the rights of others. Educational activities are also carried out in the form of e-learning courses in Japanese, English, and Chinese regarding specific operational methods and risk countermeasures.

We noted no instances of violations of regulations or voluntary standards related to corporate advertising activities in fiscal 2024.

 [About Hitachi's Social Media Activities](#)

Comprehensive online customer support

Hitachi offers comprehensive global customer support on its website to respond to a wide range of incoming communications, including inquiries, opinions, requests, and claims. We take corrective actions and measures to prevent recurrence in the event of matters that we must address or resolve in connection with information received. We incorporate customer feedback when forming corrective actions or measures to prevent recurrence. Going forward, we will continue to strengthen and improve global customer support/response mechanisms among the Group companies to respond more quickly and accurately to customer's feedback.

 [Contact Us](#)

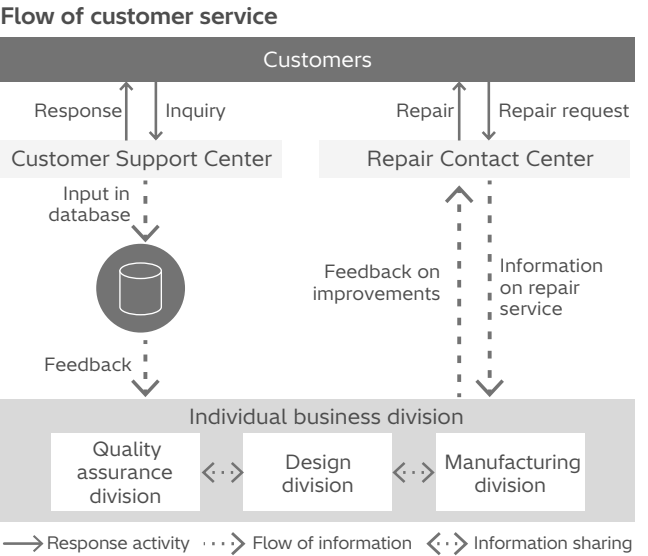
Activities to improve the satisfaction of home appliance customers

The Home Appliances business provides products, services and solutions to improve the quality of life for people of all ages and regions. These initiatives are carried out under the slogan, 360° Happiness: More happy smiles to life for one and all. For example, in our home appliances business, we collect, store, and analyze data from connected home appliances to perform fault diagnostics. By doing so, we are improving the accuracy of our after-sales service and promptly addressing customer inconveniences. We also detect potential defects in the market quickly and carry out activities to improve product quality.

In fiscal 2024, approximately 1.87 million customer opinions—including inquiries, repair requests, and dissatisfactions about washing machines, refrigerators, and other appliances were responded

to by the customer relations division through the calls and the websites of the Customer Support Center and Repair Contact Center. To further improve the quality of our responses and reflect customer feedback in product development, we are pursuing a number of initiatives—these include improving the connection rate of call center; building a database coming from real customer voices such as consultations, questions, and dissatisfaction, and enhancing the FAQ section of our website.

We also conduct customer repair service evaluation surveys at approximately 90 service centers across Japan throughout the year. Based on the survey results, we hold CS (Customer Satisfaction) training sessions to enhance our after-sales services. In fiscal 2024, over 35,000 customers responded to the survey, and 89.5% of them expressed satisfaction with our customer service.



Social contribution activities

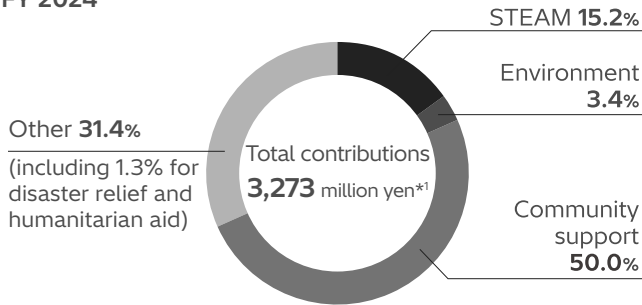
Approach to social contribution activities

Under the Hitachi Group Identity, we position social contribution activities as important activities that contribute to the creation of social and environmental value, thereby supporting the sustainable development of both society and business, and actively foster social contribution activities mainly in regions where it operates. With the social contribution statement “Nurturing People, Connecting to the Future,” we engage in various activities focused on three key areas: STEAM (Science, Technology, Engineering, Arts, Mathematics), Environment, and Community support. Details of Hitachi’s vision for social contribution activities are provided in our Policy on Social Contribution Activities.

Funding for social contribution activities and the number of participating employees

The Hitachi Group and the Hitachi Global Foundation provided 3,273 million yen in fiscal 2024 toward social contribution activities worldwide, including initiatives to cultivate a talented younger generation and financial donations and other support for disaster-struck areas. A total of 32,493 Hitachi Group employees (roughly 11.5% of total employees) participated in social contribution activities in fiscal 2024.

Breakdown of funding for social contribution activities in FY 2024



*1 Japan: Hitachi, Ltd., 78 Group companies (79 companies total), and the Hitachi Global Foundation
Outside Japan: 207 companies.
Funding includes monetary and in-kind donations, independently organized programs, participation or dispatch of employees, and employee donations. Funding excludes personnel costs incurred from the participation or dispatch of employees.

Support for employee social contribution activities

Hitachi believes that if each employee views social issues as their own and engages actively in social contribution activities it will lead to the growth of our entire organization. To this end, we create systems that facilitate employee participation in social contribution activities.

Social contribution scheme enabling Hitachi and employees to provide financial support (donations / loans) together

Hitachi has introduced a social contribution scheme whereby financial support (donations/loans) provided by employees is matched by the company. The scheme not only helps to improve employee engagement through active social contribution activities, but also gives added impact to the financial support provided by employees.

Matching fund

Hitachi makes use of a matching fund that enables employees to donate to nonprofit organizations in response to disasters, accidents, disease outbreaks, or other such social problems. This matching fund utilizes a service provided by Canada's Benevity which gives employees the ability to select the NPOs of their choice swiftly according to the social issues faced. To date, employees and the company have donated a total of 91.8 million yen, with approximately 0.84 million yen having been donated in fiscal 2024 alone.

Microfinance

Hitachi uses microfinance to provide loans to business owners in seven fields (agriculture, education, construction, healthcare, housing, manufacturing, and transportation) that contribute to solving social issues so that people in developing countries can become more self-reliant. This microfinance utilizes the crowdfunding platform provided by the US NPO Kiva Microfunds, which works with microfinance institutions around the world online to provide individual support by matching borrowers with lenders. To date, employees and the company have provided a total of USD 4.8 million in loans to 88,000 borrowers in 63 countries, with a total of USD 670,000 provided in fiscal 2024. Hitachi sees microfinance as a way to break the chain of poverty in developing countries and so will continue to work to support this type of financial service.

Life support leave system

Hitachi, Ltd. has introduced Life Support Leave, a multi-purpose paid leave system designed to balance work and family, career development, and social contribution (volunteer activities outside of work, participation as a donor for bone marrow or organ donations, etc.) based on different needs at each life stage. The leave system also encourages autonomous work styles. Employees can take up to five days leave per year by using this

system, and 3,497 people took leave under this system in fiscal 2024, of which 74 (185 times) used it for volunteer purposes.

Examples of social contributions

Hitachi engages in a wide range of social contribution activities, both globally and in local communities, with the aim of resolving social issues. Specific social contribution activities are published on social media with the hashtag #HitachiSocialGood.

STEAM

Hitachi fosters the development of the next generation through a wide range of initiatives, including educational support activities that utilize the resources of Hitachi Group companies, as well as grants and scholarships for young university faculty members and researchers in the natural sciences.

Support for talent development in science and engineering

Hitachi provides opportunities for the younger generation to experience science and technology. Hitachi High-Tech has supported science education since the 1990s, using its own tabletop electron microscopes. To date, the organization has offered outreach classes and loaned tabletop electron microscopes in 31 countries and regions, and provided learning opportunities to approximately 55,000 people in fiscal 2024. We seek to cultivate talent who will lead the development of science, medical technology, and other related fields by stimulating interest and curiosity in science and technology and by supporting research activities in more countries and regions.

[Hitachi High-Tech Science Education Support](#)

Environment

Hitachi engages in environmental education activities such as environmental experience classes and factory tours; greening activities such as forest conservation and tree planting; and cleanup activities around offices and factories, as well as along coastlines.

Earth month

As part of Earth Month, more than 700 Hitachi Vantara employees from across the globe actively participated in a wide range of environmental protection initiatives. These efforts included impactful activities such as community clean-up events, tree planting and greening projects, as well as educational workshops and interactive webinars focused on sustainability. By engaging in these diverse programs, Hitachi Vantara not only demonstrated its commitment to environmental stewardship but also fostered stronger connections among employees worldwide. Through these collective actions, the company aims to contribute to building a more sustainable and resilient future for the next generation, while increasing awareness and collaboration across its global workforce.

Community support

In addition to contributing to society through our business activities, Hitachi also undertakes initiatives that leverage the resources developed through those activities to help solve issues and support development in local communities. To realize a sustainable society, we engage in community-based initiatives while building trusting relationships with local communities.

Fostering next-generation leaders in Asia through the Hitachi young leaders initiative

Hitachi Ltd. and Hitachi Asia have been supporting the Hitachi Young Leaders Initiative (HYLI) since 1996 with the aim of developing young leaders who will lead the next generation in Asia. The four-day program, consisting of forums, workshops, and fieldwork is designed for university and graduate students from seven ASEAN countries and Japan. Participants discuss and exchange opinions on social issues facing ASEAN, and on the final day of the program, they make specific proposals for solving these social issues.

In fiscal 2024, the 17th HYLI was held in Indonesia under the theme Greening Together: Inclusion & Sustainability. As of the end of July 2024, a total of 437 program participants are each playing an active part in various fields such as international organizations, government, companies, and NPOs.

 [Hitachi Young Leaders Initiative](#)

Wellbeing for a brighter ASEAN

Hitachi Asia carried out a series of unified social contribution activities under the theme Wellbeing for a Brighter ASEAN across its offices in ASEAN countries over the period from January to March, 2025. Specific initiatives included: an upcycling workshop promoting ethical consumption (Singapore); free health checkups and donation of medicine (Indonesia); health education sessions (Malaysia, Thailand, and Myanmar); provision of hygiene kits and meals for children (the Philippines); and a marathon event to promote health, with donations made based on participants’ running distances (Vietnam). A total of 1,341 people, including employees, took part in these activities, and USD 31,000 was donated.

Educational support for children in the poorest countries

Hitachi Energy has been partnering with Swiss based foundation BringKids2Schools since 2021. Bring Kids 2 Schools works with US-based NPO, buildOn to finance and build schools in the world's poorest countries to give more children access to education and the chance to unlock their full potential. Hitachi Energy employees, families, and friends support this initiative by raising donations through participating in virtual sporting challenges every year. In 2024, 1,716 participants in 125 teams from 60 countries raised USD 37,366, which was matched by the company (to USD 74,732), plus an additional bonus donation of USD 11,000. So far the company has raised funds for nine schools in Malawi and Senegal - three in Malawi, two in Senegal, and four more are under construction in Malawi. This will give over 1,300 girls and boys the opportunity for education which they might otherwise not have had.

Revitalizing the hometown (Hitachi Kashiwa Reysol)

Hitachi Kashiwa Reysol, one of Hitachi Group companies, operates a professional soccer team based in Japan, has been actively engaged in community outreach activities in Kashiwa City, Chiba Prefecture, where its stadium is located. These initiatives include player visits to local elementary schools, stadium tours for elementary and kindergarten children, workplace experience programs for junior high school students, and public stadium open events. Additionally, the club participates in the “Children’s Rights Awareness Program” in collaboration with Save the Children, dispatching players to teach “Children’s Rights Classes.” Through these efforts, the club has contributed to the growth and development of over 4,000 children.

Disaster relief

Hitachi promptly coordinates within the Hitachi Group to provide disaster relief and support for recovery efforts in affected areas, depending on the scale of the disaster. Major activities include donations to organizations such as the Red Cross and the provision of relief supplies.

Support for disaster-stricken areas through donations and activities

Hitachi donated a total of 10 million yen to the Japanese Red Cross Society and the Central Community Chest of Japan to support relief efforts, help rebuild lives, and assist volunteer activities in areas affected by the heavy rain disaster that struck the Noto Peninsula in Japan’s Hokuriku region in September 2024. In addition, as part of the recovery support following the Noto Peninsula earthquake that occurred in January 2024, product fairs featuring goods from Ishikawa Prefecture were held at Hitachi offices in Japan and at Kashiwa Reysol match venues.

In response to the earthquake that struck off the eastern coast of Taiwan in April 2024, Hitachi donated a total of 10 million yen to the Japanese Red Cross Society and other organizations to support relief efforts for those affected. Hitachi also provided support to areas impacted by a hurricane that struck the United States in September 2024 and wildfires that occurred in California in January 2025.

 [Hitachi to Donate to Support the 2024 Eastern Taiwan Earthquake Relief Efforts](#)

 [Hitachi to Donate to Support Hurricane Helene Relief Efforts](#)












 [Hitachi to Donate to Support the Wildfires Relief Efforts in California, U.S.](#)

Contributing to society through the Hitachi Global Foundation

The Hitachi Global Foundation conducts activities that contribute to the public good centered on three areas: promotion of academic research, science and technology, human development, and realization of an inclusive society. These contributions are in line with the intention of Namihei Odaira, the founder of Hitachi, to contribute to society through business activities.

In fiscal 2024, to promote academic research, science and technology, we held an international symposium to present the results of five research projects funded by the Hitachi Fund Support for Research Related to Infectious Diseases over a three-year period. Applications and nominations for the 56th Kurata Grants and Fifth Hitachi Global Foundation Asia Innovation Award also took place in fiscal 2024, and the grant recipients and research findings of the award winners have been shared publicly. In the area of human development, we have continued to conduct the Hitachi Future Innovator Program at elementary schools, with 53 instructors from nine Hitachi Group companies participating. In addition to these efforts, in the field of realizing an inclusive society, we published Issues 2 and 3 of the e-journal Hitachi Global Foundation Global Society Review as a forum for academic experts to exchange opinions and engage in constructive dialogue.

Examples of the Hitachi Global Foundation activities

Area	Activity	Details
Promotion of Academic Research, Science and Technology	 <u>The Kurata Grants</u>	A grant program supporting researchers working to solve global social issues by subsidizing original pioneering research in the natural sciences and engineering, and research in humanities and the social sciences related to highly technological societies. [Cumulative grants awarded by the end of fiscal 2024: 1,652]
	 <u>The Hitachi Global Foundation Science and Technology Seminars</u>	An awareness-raising initiative providing opportunities for the public to learn more about cutting-edge science technology topics, with the aim of supporting people in discovering the fascinating fields of science. [In fiscal 2024, the seminar titled “What is Fatigue? — The Virus Knew It All —” was held.]  <u>20th The Hitachi Global Foundation Science and Technology Seminar (Japanese only)</u>
	 <u>The Hitachi Global Foundation Asia Innovation Award</u>	An initiative providing awards for achievements in research and development in science and technology innovation that help to solve social challenges in the ASEAN region. [Cumulative awards given as of the end of fiscal 2024: 69]
	 <u>Hitachi Fund Support for Research Related to Infectious Diseases</u>	A research grant initiative aimed at promoting academic investigations, analysis, and considerations based on data and evidence for issues that became apparent under COVID-19. The aim of the grant is to share findings and research results internationally. [Number of Projects Selected: 5]  <u>Report on the International Symposium for the Hitachi Fund Support for Research Related to Infectious Diseases</u>
Human Development	 <u>Hitachi Future Innovator Program</u>	An exploratory learning program designed to help children themselves discover and solve problems at school with the aim of creating an ideal school, with Hitachi Group employees serving as instructors to support learning by giving advice on the children’s ideas. [Cumulative schools and students participating by the end of fiscal 2024: 30 schools and 2,062 students]
	 <u>Girls in Science Support Project</u>	A program aiming to support science and engineering education for women by showing the rewards of science and engineering careers to female junior and senior high school students in Japan. [In fiscal 2024, a dialogue and workshop were held featuring female role models and William Magwood, Director-General of the OECD Nuclear Energy Agency]  <u>PIONEER TALK (Japanese only)</u>
Realization of an Inclusive Society	 <u>Realization of an Inclusive Society</u>	A program urging a new understanding among citizens for the purpose of creating inclusive societies in which people accept various viewpoints and values. [In fiscal 2024, Issues 2 and 3 of the Hitachi Global Foundation Global Society Review were published. Aiming to be a hub for new research and network building, the electronic journal effectively serves as a platform for experts in academic fields related to inclusion to interact and share their expertise with one another, promoting organic connections and deepening research on an inclusive society.]  <u>Hitachi Global Foundation Global Society Review (Japanese only)</u>