

Data

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Indicators and Data

The Key Indicators of Hitachi's sustainability activities are listed below. Comparative tables with the GRI Standards Content Index, as well as our Policy and Guidelines, are only available on our website.



[Comparative Tables with GRI Standards Content Index](#)



[Policy and Guidelines](#)

Financial Results (Consolidated IFRS)

	(billion yen)		
	FY 2016	FY 2017	FY 2018
Revenue	9,162.2	9,368.6	9,480.6
Adjusted operating income	587.3	714.6	754.9
EBIT*1	475.1	644.2	513.9
Income from continuing operations, before income taxes	469.0	638.6	516.5
Net income attributable to Hitachi, Ltd. stockholders	231.2	362.9	222.5
Capital investment (completion basis)	377.5	374.9	414.7
R&D expenditure	323.9	332.9	323.1

*1 EBIT: Income from continuing operations before income tax, less interest income, plus interest charges.

Environmental

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Achieving a Low-Carbon Society/Achieving a Resource Efficient Society/Achieving a Harmonized Society with Nature					
Rate of reduction in CO ₂ emissions from use of products and services (base: FY 2010)*1 (%)	—	—	35	33	34
CO ₂ emissions from factories and offices (kt-CO ₂)	4,128	3,895	4,577*2	4,663*2	4,470*2
Water use (million m ³)	46.86	43.91	41.34*2	38.54*2	37.02*2
Waste and valuables generation (kt)	692	618	1,336*2	1,356*2	1,384*2
Atmospheric emissions of chemical substances (t)	4,415	3,615	4,380*2*3	4,223*2*3	4,392*2*3

Scope of Data

Hitachi, Ltd. and consolidated subsidiaries.

Number of companies: FY 2014: 996; FY 2015: 1,057; FY 2016: 865; FY 2017: 880; FY 2018: 804.

Environmental performance data associated with Hitachi's business operations: Hitachi Group companies whose environmental load comprises 90% of the total (based on Hitachi calculations); data for each fiscal year indicates performance within the given scope for the fiscal year.

*1 New indicator established in fiscal 2016.

*2 Figures include a materials company that has become a consolidated member of the Hitachi Group since fiscal 2016.

*3 The management scope of chemical substances has been expanded from 41 to 50 substances since fiscal 2016.

Social

Innovative Management

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Research and Development/Intellectual Property					
Ratio of R&D expenditure to revenue (%)	3.4	3.3	3.5	3.6	3.4
Patent application ratio outside Japan (%)	59	59	57	56	58

Scope of Data

Hitachi, Ltd. and consolidated subsidiaries (including variable interest entities).

Number of companies: FY 2014: 996; FY 2015: 1,057; FY 2016: 865; FY 2017: 880; FY 2018: 804.

Human Capital

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Employee Data					
Number of employees*1	31,375	37,353	35,631	34,925	33,490
Male	26,428	31,536	29,921	29,220	27,828
Female	4,947	5,817	5,710	5,705	5,662
Average age (years)*1	41.0	41.2	41.4	41.7	42.1
Male	41.6	41.7	42.0	42.3	42.7
Female	38.0	38.4	38.6	39.0	39.3
Average service (years)*1	18.4	18.4	18.6	18.8	19.0
Male	19.0	19.0	19.2	19.4	19.6
Female	15.4	15.6	15.7	16.0	16.1
Turnover ratio (%)**1,2	1.4	1.3	1.5	1.5	1.6

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Developing Global Human Capital					
Number of young employees participating in training outside Japan ^{*3}	720	674	382	378	392
Diversity and Inclusion/Work-Life Management					
Ratio of female employees (%) ^{*1}	16.3	16.5	16.8	17.2	17.8
Global ratio (number) of female managers ^{*4} ✓	6.0	6.4	6.3	6.4	6.8
Ratio (number) of female managers ^{*1*5} ✓	(3,670)	(3,727)	(3,365)	(3,459)	(3,638)
	3.7	4.0	4.1	4.2	4.8
	(434)	(474)	(509)	(577)	(635)
General manager or above	2.8	3.2	3.3	3.2	3.4
	(87)	(104)	(113)	(128)	(135)
Section manager	4.1	4.3	4.4	4.6	5.3
	(347)	(370)	(396)	(449)	(500)
Ratio of new female graduates hired (%) ^{*6}	21.7	22.8	26.3	26.6	24.2
Technical	18.3	17.3	20.8	17.2	17.9
Administrative	41.0	45.5	42.1	53.8	51.6
Employment ratio of people with disabilities (%) ^{*7}	2.03	2.08	2.11	2.15	2.23
Number of employees taking maternity/ paternity leave ^{*1}	508	524	664	724	720
Female	236	307	352	426	464
Male	663	668	822	887	893
Number of employees using shorter working hours for child care ^{*1}	4	3	2	2	5
Female	8	8	7	7	9
Male	9	9	8	14	9
Number of employees taking nursing-care leave ^{*1}	7	9	9	12	11
Female	3	3	3	3	2
Male	15.4	15.6	16.3	17.2	18.7
Average number of days	64.3	65.3	68.1	72.0	78.3
Ratio (%)	12.2	11.9	12.8	10.9	9.3
Average overtime hours/month ^{*1}	3	4	3	5	0
Occupational Health and Safety^{*8}					
Number of fatal accidents	0.09	0.07	0.18	0.17	0.11
Occupational accident severity rate ^{*9} ✓	0.27	0.22	0.18	0.25	0.20
Occupational accident frequency rate ^{*9} ✓					

Scope of Data

- *1 Hitachi, Ltd.
- *2 Includes only voluntary resignations.
- *3 Hitachi, Ltd. and Hitachi Group companies in Japan.
- *4 All full-time, regular female managers excluding those dispatched to non-Group companies.
- *5 Since fiscal 2017, "Female managers" has included managerial employees dispatched from Hitachi, Ltd. to other companies and those accepted from other companies by Hitachi, Ltd. Earlier figures include regular managerial employees dispatched to other companies but exclude those accepted from other companies.
- *6 Graduates from universities or colleges (including postgraduate schools and technical colleges).
- *7 Including Hitachi, Ltd. and special subsidiaries and related Group companies. Data compiled on June 1 of each fiscal year (2.26% ✓ in fiscal 2019 including 2 special subsidiaries and 17 related Group companies).
- *8 January to December each year.
- *9 251 Hitachi Group companies in Japan including Hitachi, Ltd. for 2014; 240 Hitachi Group companies in Japan including Hitachi, Ltd. for 2015; 200 Hitachi Group companies in Japan including Hitachi, Ltd. for 2016; 202 Hitachi Group companies in Japan including Hitachi, Ltd. for 2017; 188 Hitachi Group companies in Japan including Hitachi, Ltd. for 2018.

Value Chain Management 

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Responsible Procurement					
Number of audits by external auditing organizations	20	20	20	18	24

Community



	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Social Contribution Activities					
Funding for social contribution activities (million yen)*1	1,218	889	527	948	841
Funding for social contribution activities (million yen)*2	2,327	2,057	1,953	2,195	1,888

Scope of Data

*1 Hitachi, Ltd. and the Hitachi Global Foundation in Japan.

*2 Through to fiscal 2014: (in Japan) Hitachi, Ltd., 136 Group companies (including equity-method associates and joint ventures), and five foundations; (outside Japan) 199 companies. For fiscal 2015: (in Japan) Hitachi, Ltd., 136 Group companies (including equity-method associates and joint ventures), and the Hitachi Global Foundation; (outside Japan) 244 companies. For fiscal 2016: (in Japan) Hitachi, Ltd., 134 Group companies, and the Hitachi Global Foundation; (outside Japan) 159 companies. For fiscal 2017: (in Japan) Hitachi, Ltd., 141 Group companies, and the Hitachi Global Foundation; (outside Japan) 196 companies. For fiscal 2018: (in Japan) Hitachi, Ltd., 141 Group companies, and the Hitachi Global Foundation; (outside Japan) 152 companies.

Governance

	Total	Gender		Nationality	
		Male	Female	Japanese	Non-Japanese
Directors*1	11*2	9	2	7	4
Executive officers*1	39	39	0	37	2
Executive officers and corporate officers*1*3	80	76	4 (5.0%) 	73	7 (8.8%) 

*1 As of June 2019.

*2 Including eight independent directors (four from Japan and four from outside Japan).

*3 Positions considered to be at executive officer and corporate officer level within the company.

Key Sustainability Challenges and GRI Standards

In reporting the achievements of its sustainability initiatives, Hitachi seeks to identify issues that are of interest to its stakeholders. Selection is made with reference to the GRI Standards and the ESG (environmental, social, and governance) investment indexes, and reporting is performed after review by the executive officer in charge of CSR.

We also aim to provide a more detailed account of the topics' social impact by clarifying the boundaries (importance to internal and external stakeholders) of each topic.

 Comparative Tables with GRI Standards Content Index

	Material Issues	GRI Standards	Reporting Boundary	
			Internal	External
Environmental	Environmental Vision and Long-Term Environmental Targets		●	●
	Environmental Governance	GRI 201: Economic Performance GRI 307: Environmental Compliance GRI 404: Training and Education	●	
	Achieving a Low-Carbon Society	GRI 302: Energy GRI 305: Emissions	●	●
	Achieving a Resource Efficient Society	GRI 303: Water GRI 306: Effluents and Waste	●	●
	Achieving a Harmonized Society with Nature	GRI 304: Biodiversity	●	●
	Environmental Data	GRI 201: Economic Performance GRI 301: Materials GRI 302: Energy GRI 303: Water GRI 305: Emissions GRI 306: Effluents and Waste	●	
Social	Innovation Management	GRI 203: Indirect Economic Impacts	●	●
	Human Capital	GRI 202: Market Presence GRI 401: Employment GRI 402: Labor/Management Relations GRI 403: Occupational Health and Safety GRI 404: Training and Education GRI 405: Diversity and Equal Opportunity	●	
	Human Rights	GRI 402: Labor/Management Relations GRI 406: Non-discrimination GRI 407: Freedom of Association and Collective Bargaining GRI 408: Child Labor GRI 409: Forced or Compulsory Labor GRI 410: Security Practices GRI 411: Rights of Indigenous Peoples GRI 412: Human Rights Assessment GRI 414: Supplier Social Assessment	●	●
	Value Chain Management	GRI 204: Procurement Practices GRI 308: Supplier Environmental Assessment GRI 414: Supplier Social Assessment GRI 416: Customer Health and Safety GRI 417: Marketing and Labeling GRI 418: Customer Privacy GRI 419: Socioeconomic Compliance	●	●
	Community	GRI 413: Local Communities	●	●
Governance	Corporate Governance		●	
	Compliance	GRI 205: Anti-corruption GRI 419: Socioeconomic Compliance	●	●
	Risk Management		●	●

Main Assessments and Awards

Hitachi actively pursues a range of activities aimed at developing a more sustainable society. These activities have earned the Hitachi Group high marks from numerous external organizations.

Actively Responding to ESG Assessments

The Hitachi Group welcomes external assessments as a target for ESG*1 and sustainability-oriented investment. For ten years in a row, starting with fiscal 2009, the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific),*2 a leading global socially responsible investment index, has listed Hitachi, Ltd. as a component stock. Since fiscal 2017, the company has also been included as a component of the Euronext Vigeo Eiris World 120 Index.*3

Four Group companies (Hitachi Chemical, Hitachi Metals, Hitachi Construction Machinery, and Hitachi High-Technologies) were selected for the FTSE4Good Index Series.*4 Hitachi Chemical was also selected for the MSCI ACWI ESG Leaders Index.*5

*1 ESG stands for "environmental," "social," and "governance"—key factors in promoting socially responsible investment.

*2 DJSI: A family of ESG indexes developed by Dow Jones & Company (USA) and RobecoSAM (Switzerland) that includes global and regional indexes with specific compositions. DJSI World, for example, selects on a global basis, while the DJSI Asia Pacific Index covers Japan, Asia, and Australia.

*3 Euronext Vigeo Eiris World 120 Index: A sustainability index comprising 120 companies from Europe, North America, and the Asia Pacific region that have achieved the most advanced performance in the ESG areas. Created by NYSE Euronext, which operates several stock exchanges in the United States and Europe, and an ESG research firm, Vigeo Eiris.

*4 FTSE4Good Index Series: One of the indexes calculated by the London Stock Exchange—owned FTSE Group that selects component stocks based on their ESG performance, specifically environmental management, climate change mitigation, human rights and workers' rights, supply chain labor standards, and bribery and corruption prevention.

*5 MSCI ACWI ESG Leaders Index: A family of indexes developed by US-based Morgan Stanley Capital International comprising companies with high ESG ratings relative to sector peers.

Results of ESG Analysis in Fiscal 2018

Institution	Index	Companies selected
RobecoSAM	Dow Jones Sustainability Asia Pacific Index	Hitachi, Ltd.
MSCI	MSCI ACWI ESG Leaders Index	Hitachi Chemical Co., Ltd.
	MSCI Japan ESG Select Leaders Index	Hitachi, Ltd., Hitachi Chemical Co., Ltd., Hitachi Metals, Ltd., Hitachi Construction Machinery Co., Ltd., Hitachi High-Technologies Corporation
	MSCI Japan Empowering Women Index (WIN)	Hitachi, Ltd., Hitachi Chemical Co., Ltd., Hitachi Metals, Ltd., Hitachi High-Technologies Corporation
FTSE	FTSE4Good Index Series	Hitachi Chemical Co., Ltd., Hitachi Metals, Ltd., Hitachi Construction Machinery Co., Ltd., Hitachi High-Technologies Corporation
	FTSE Blossom Japan Index	Hitachi Chemical Co., Ltd., Hitachi Metals, Ltd., Hitachi Construction Machinery Co., Ltd., Hitachi High-Technologies Corporation
Vigeo Eiris	Euronext Vigeo Eiris World 120 Index	Hitachi, Ltd.

MEMBER OF
Dow Jones Sustainability Indices
 In Collaboration with RobecoSAM



Diversity Management Selection 100

In 2013, Hitachi, Ltd. was chosen for inclusion in the Diversity Management Selection 100, an initiative of Japan's Ministry of Economy, Trade, and Industry (METI). The Diversity Management Selection 100 system chooses and recognizes companies that have achieved high results in such areas as improving innovation and productivity by using the talents of diverse employees, including women, different nationalities, older employees, and people with disabilities. Hitachi was lauded for going beyond simply introducing diversity programs to promote diversity management Group-wide as a corporate strategy backed by strong management commitment.

In 2015, Hitachi Solutions was chosen for the METI Diversity Management Selection 100.



Kurumin Certification

Kurumin certification is granted under Japan's April 2005 Act on Advancement of Measures to Support Raising Next-Generation Children to companies that create action plans for child-care support in line with this legislation and that meet performance requirements.

In February 2011, Hitachi, Ltd. acquired this certification*1 in recognition of its achievements in developing and implementing action plans supporting child care so that employees can work with the peace of mind that comes from a good work-life balance.

*1 Hitachi Group companies receiving Kurumin certification are: Hitachi Construction Machinery Co., Ltd., Hitachi Kokusai Electric Inc., Hitachi High-Technologies Corporation, Hitachi Urban Investment, Ltd., Hitachi Systems Ltd., Hitachi Solutions, Ltd., Hitachi SC, Ltd., Hitachi Solutions East Japan, Ltd., Hitachi Social Information Services, Ltd., Hitachi Architects & Engineers Co., Ltd., Hitachi Mito Engineering Co., Ltd., Mito Engineering Service Co., Ltd., Okinawa Hitachi Network Systems, Ltd., and Hitachi Solutions Create, Ltd.



Eruboshi Certification

The Eruboshi mark is conferred to companies that have submitted action plans under the Act on Promotion of Women's Participation and Advancement in the Workplace (which came into effect on April 1, 2016) and are implementing exceptional measures.

On February 28, 2017, Hitachi, Ltd. was awarded Eruboshi certification for promoting diversity as an important component of its management strategy and for creating work environments enabling its diverse human capital to play an active role. Companies are assessed in five categories*1 and are grouped into three classes according to the number of standards they clear; Hitachi, Ltd. was awarded class 2.*2

*1 The five assessment categories are (1) recruitment, (2) years of continuous employment, (3) workstyles, including working hours, (4) percentage in management positions, and (5) diversity of career choices.

*2 Other Hitachi Group companies earning Eruboshi certification are: Hitachi Systems Ltd. (class 3); Hitachi Solutions, Ltd. (class 3); Hitachi Chemical Co., Ltd. (class 2); Hitachi High-Technologies Corporation (class 3); and Hitachi Solutions East Japan, Ltd. (class 2).



Top 100 Telework Pioneers

In November 2018, Hitachi, Ltd. and Hitachi Solutions were selected among the “Top 100 Telework Pioneers” in a contest sponsored by Japan’s Ministry of Internal Affairs and Communications. The ministry has recognized leading telework pioneers since fiscal 2015 as part of its efforts to promote telework as a flexible workstyle using ICT free from time and location constraints. Companies receive the “Top 100 Telework Pioneers” award if they meet certain criteria and track records: more than 25% of their regular workforce must be eligible for telework, more than half of their eligible workforce (or 100 employees) must have practiced telework, and the average number of days of teleworking among those practicing telework must be at least four days a month.



Telework Promotion Awards

In February 2019, Hitachi, Ltd. received an honorable mention for telework practice from the “Telework Promotion Awards” hosted by the Japan Telework Association. This was the 19th year of the awards, which were established in fiscal 2000 with the aim of developing and promoting telework.

We were highly commended for our efforts to reduce overtime and improve meeting productivity through the “Hitachi Work Life Innovation” initiative, thus building a vibrant environment bringing the most out of diverse human capital with different views and values.

Nikkei Smart Work Awards

In January 2019, Hitachi, Ltd. won an award in the “Technology Utilization” category of the “Nikkei Smart Work Awards 2019” sponsored by Nikkei Inc. These awards aim to recognize

advanced companies enhancing productivity and sustainable growth through work-life reform. From 2018, based on a survey that covers all listed and major unlisted companies across Japan, the external review committee began comprehensively evaluating and selecting award-winning companies based on performance in areas such as human capital development, innovation capability, and business foundation.

Hitachi, Ltd. earned high scores for its use of cutting-edge technologies for its universal talent management system, its innovation capability in creating a system that allows development of the most optimal production plan on-site, and its management in adjusting and transforming its business with the times, also expanding its solution offerings.


Environmental Communication Awards

In February 2019, Hitachi received the “Global Warming Countermeasure Communication Award (Global Environment Forum Director’s Award)” at the “22nd Environmental Communication Awards,” co-sponsored by Japan’s Ministry of the Environment and the Global Environmental Forum. These awards aim to promote environmental communication initiatives among business operators as well as enhance their quality by commending excellent environmental reports.

The *Hitachi Sustainability Report 2018* was evaluated highly for its clear explanation of how our policies for a sustainable society are consistently reflected in our entire management structure, from the CEO’s message and environmental vision to information on planning and business activities, as well as the relationship of our business to our risks and opportunities.



Independent Assurance


To enhance the reliability of the data disclosed in the Hitachi Sustainability Report 2019, we have received independent assurance of key environmental and social performance indicators by KPMG AZSA Sustainability Co., Ltd. The indicators that were assured are marked with a .

The standards, guidelines, and calculation methods used in collecting environmental data are posted on our website.




Calculation Methods for Environmental Load Data

Third-Party Assurance Report



Independent Assurance Report

To the President and CEO of Hitachi, Ltd.

We were engaged by Hitachi, Ltd. (the "Company") to undertake a limited assurance engagement of the environmental and social performance indicators marked with  (the "Indicators") for the period from April 1, 2018 to March 31, 2019 (with the exception of the 'Ratios for Female and Non-Japanese Executive and Corporate Officers', the 'Employment of people with disabilities' and the 'Employment ratio of people with disabilities', which are as of June 2019) included in its Hitachi Sustainability Report 2019 (the "Report") for the fiscal year ended March 31, 2019.

The Company's Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the "Company's reporting criteria"), as described in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the 'International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information' and the 'ISAE 3410, Assurance Engagements on Greenhouse Gas Statements' issued by the International Auditing and Assurance Standards Board. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement. Our assurance procedures included:


- Interviewing the Company's responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company's reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company's reporting criteria, and recalculating the Indicators.
- Visiting Hitachi Construction Machinery Tierra Co., Ltd.'s Shiga Factory selected on the basis of a risk analysis.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company's reporting criteria as described in the Report.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.


 KPMG AZSA Sustainability Co., Ltd.
 Tokyo, Japan
 October 15, 2019