

# 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.



## 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.

