

CEO's Message

102-14

Meeting Society's Challenges Through the Social Innovation Business with an Open, Vigorous Mind, Considering the Needs and Feelings of Others

As COVID-19 cases continue to rise around the world, my thoughts go out to all those who have suffered from its symptoms and those who have lost loved ones. I also wish to applaud the courage and dedication of medical professionals and other essential workers who have put their own lives at risk to be of service to others.

We at Hitachi are committed to prioritizing the health and safety of all our stakeholders, including our customers, partners, and employees and their families. Our operations have been sustained by employees who are encouraged to work from home whenever possible to prevent the spread of infection. We are now seeking ways to adapt to the "new normal" by transitioning to shifts based on remote work for a wide range of job categories and promoting workstyles that are aligned with employees' type of work and role. One unique initiative to promote employee communication has been an experiment enabling closer online contact using an application that measures happiness levels. Our support measures for COVID-19 to date include provision of free medical equipment and supplies, donations by executives and employees, loans through nonprofit organizations, and support for infectious diseases research. Hitachi will continue to direct its resources to tackling the global challenge of COVID-19.

The 2021 Mid-term Management Plan announced in fiscal 2019 outlines Hitachi's strategy for achieving a sustainable world as a global leader in the Social Innovation Business through improvements in social, environmental, and economic value as well as contributions to people's quality of life and enhanced customer value. COVID-19 has highlighted the challenges confronting society and Hitachi, but the goals we have set out in the management plan remain unchanged. As employees shift increasingly to remote work and the digitalization of our economy accelerates through contactless technologies and automated production, we will contribute to addressing society's challenges through our Social Innovation Business.

Our most prized source of problem-solving prowess is the mindset of our employees. This was the impetus for holding a "Make a Difference!" idea contest, where employees were challenged to devise new ways of responding to the crisis caused by COVID-19 and thereby deepen their awareness of their links with society and its values. Some of the proposals have already been implemented, and others will follow. In advancing our business in these uncertain times, we will actively engage with our employees, highlighting the importance of the social, environmental, and economic value central to the Sustainable Development Goals (SDGs). As digitalization progresses, people are increasingly seeking out "sharing" rather than "ownership," leading to a new set of values built on a sharing economy. In such a society, it becomes all the more important to have a deep understanding of other people. Enhancing our resilience, then, will require each and every employee to relate to society's issues as their own, consider the needs and feelings of others, and vigorously spearhead changes in advancing the Social Innovation Business.

Of the many challenges confronting society, addressing climate change and other environmental issues is Hitachi's top priority. As the first step toward becoming a leader in creating environmental value and spearheading a decarbonized society, we announced our commitment this year to achieve carbon neutrality at Hitachi Group business sites by fiscal 2030. The knowhow we accumulate will also be offered as solutions to our customers in advancing our activities toward this goal.

Over the past 110 years since its founding, Hitachi has grown by addressing the challenges confronting society. We will continue to offer solutions to such challenges through close dialogue with our stakeholders.



Toshiaki Higashihara
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