

## Social

Human Capital

Diversity, Equity and Inclusion

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Responsible Procurement

### Quality and Customer Satisfaction

#### ▶ Executive Summary

Quality and Product Safety Management

Customer Satisfaction

Social Contribution Activities



Social Data

## Quality and Customer Satisfaction

### Basic Concept

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. We engage in quality assurance activities through our unique practice of OCHIBO-HIROI, which means “gleaning” in English and involves analyzing and learning from failure to further develop our technologies.

We also place great importance on communication with customers and strive to reflect their opinions in our management, products, and solutions.

Topic	Overview
 <p>Quality and Product Safety Management</p>	<p>The Hitachi Group Codes of Ethics and Business Conduct states our commitment to quality and safety. We define our basic principles for quality assurance in Quality Assurance Standards, and we communicate these principles to ensure employee awareness.</p> <p>As well as establishing a framework for quality assurance, we are engaging in incident prevention activities that go beyond incident recurrence prevention. Specifically, we confirm safety across all product development processes and conduct risk assessments from a wide perspective in collaboration with related BUs and research laboratories.</p> <p>We also conduct regular external audits of product safety for certified products and other products. In addition, We acquire certification from external certifying organizations and we are committed to effectively apply the findings of third-party evaluations to our improvement activities.</p>
 <p>Customer Satisfaction</p>	<p>To improve communication with customers, we are strengthening our global account management and foster digital management to manage and monitor marketing information centrally for the entire Hitachi Group. We have established and operate under various guidelines in our advertising activities to comply with laws and regulations, in addition to showing deference to society as a whole. In addition, we established a global support portal on our website to respond to various types of information received.</p>

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## Quality and Product Safety Management


GRI 3-3/417-1

### Approach to Quality Assurance Activities

#### Approach

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 Basics and Ethics, and the principle that “right and wrong” is more important than “profits and losses.” We engage in quality assurance activities through our unique practice of OCHIBO-HIROI, which means *gleaning* in English and involves analyzing and learning from failure to develop our technologies further.

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.

 The Hitachi Group Code of Ethics and Business Conduct  
[https://www.hitachi.com/corporate/about/conduct/pdf/conduct\\_e.pdf](https://www.hitachi.com/corporate/about/conduct/pdf/conduct_e.pdf)

### Framework for Quality Assurance

#### Structure

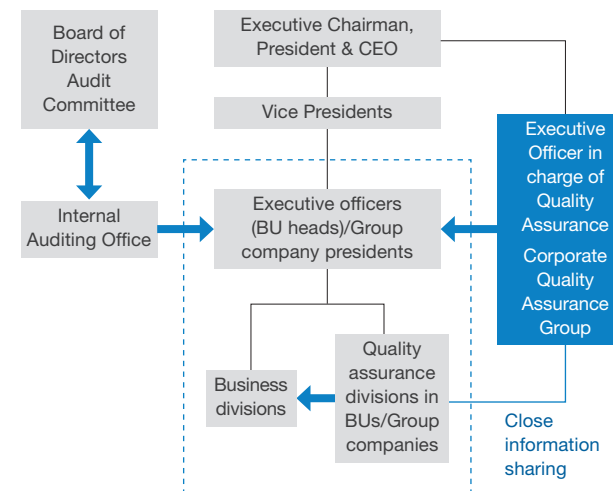
GRI 2-25

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 framework for activity in which the safety and trust of customers are the top priorities. To strengthen this structure further, we made quality assurance divisions independent from business divisions. We also 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 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 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 Framework

Hitachi strengthens our global quality assurance framework as a high-priority initiative. Specifically, we encourage awareness of Hitachi’s basic principles of quality assurance globally, receiving incident reports from Group companies outside Japan. As in Japan, we are establishing international quality assurance reporting lines that are independent of the business divisions, as well as practicing OCHIBO-HIROI.

### Quality Assurance Activities

Activities

Materiality

Hitachi strengthens 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.

### Quality Enhancement Activities Related to Service, Software, and Security

To strengthen quality in software and services, areas that continue to grow in scale, we have established a Service and Software Quality Enhancement Division and share quality improvement activities and current challenges. At the same time, we ensure the software development capabilities and expertise in improving reliability owned in solutions divisions are incorporated in product divisions, ensuring higher levels of reliability in increasingly sophisticated and complex software. Furthermore, we are improving and incorporating

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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 promotes internal awareness of product regulations, revised statutes, and enforcement dates in each country and region. We also work to clarify product-specific laws (with our product-specific laws map), pursue regulatory compliance, and implement continuous process improvements under our product compliance management system.

#### Pursued through 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

#### Activities

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.

The chart below shows a representative sample.

#### Management System Certification

Area	Name of standard	Number of certified sites
Overall quality	ISO 9001	1,046 sites
Railway business	ISO/TS 22163	13 sites
Medical devices	ISO 13485	22 sites

Note: Survey results as of the end of June 2023

### External Audits Concerning Product Quality Assurance

#### Activities

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)

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

### Quality and Reliability Education

#### Training

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 for specialists every year. Each BU also conducts specialized technical courses regarding manufacturing, quality assurance, and maintenance.

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## Response to Product Safety Incidents

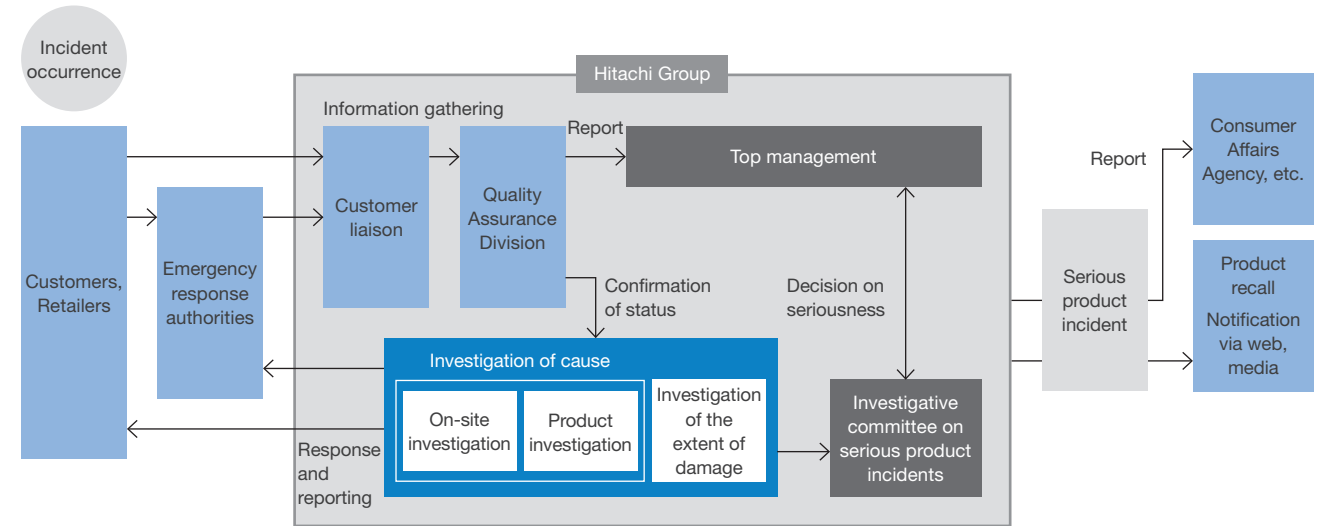
### Structure

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, framework, and motivating factors leading up to the occurrence, along with ways to prevent recurrence, to ensure product safety.

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 framework in place to ensure that fast and appropriate action is implemented at all companies across the Group.

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.

### Response Procedure for Product Incidents



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## Customer Satisfaction GRI 2-25

### Initiatives to Improve Communication With Customers

#### Activities

Hitachi values communications with customers. The sales and marketing divisions at Hitachi, Ltd. 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 Group companies, leading initiatives for improving communication with customers while working to build closer relationships between customers and account managers.

### Strengthening Global Account Management

Hitachi established the Global Marketing & Sales Transformation Division within the Corporate Sales & Marketing Group to achieve sustainable global business growth, driven by the concepts of *Green*, *Digital*, and *Innovation*. This headquarters works closely with business units (BUs), Group companies, and regional headquarters as *One Hitachi* to support the delivery of solutions to key customers and partners.

As a priority initiative, the division develops and executes sales strategies to develop new global businesses in the Green and Digital sectors. The division also assigns global account managers to key customers to enhance global sales activities.

### Digital Marketing

Hitachi created the *One Hitachi CRM* 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 leverage this information in digital marketing to plan business strategy for growth, conduct customer targeting, raise the sophistication of proposals, and monitor progress in the sales process.

### Advertising Activities

#### Activities

GRI 417-3

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 Advertisement 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 conducting communications and promotional activities on social media channels, we abide by the Hitachi Social Media Policy, which consists of the Communication Guidelines and the Guidelines for Employees, to not only protect our brand, but also to avoid violating the rights of others. The policy stipulates our rules for social media use and specific promotional methods. To raise awareness of this policy among members of the company, we carry out e-learning activities in Japanese, English, and Chinese about the use of social media and associated risks.

We noted no instances of violations of regulations or voluntary standards related to corporate advertising activities in fiscal 2022.

[About Hitachi's Social Media Activities](https://www.hitachi.com/utility/socialmedia/index.html)  
<https://www.hitachi.com/utility/socialmedia/index.html>

### Comprehensive Customer Support Online

#### Activities

Hitachi offers comprehensive global customer support on its website to respond to customer inquiries, opinions, requests, and complaints. 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. We also conduct training courses, including a Web Inquiry Responsiveness Improvement Course, to improve our handling of these inquiries. Going forward, the Hitachi Group will continue to strengthen and improve consultation desks/response mechanisms among Group companies to respond more quickly and accurately to customer feedback.

### Activities to Improve the Satisfaction of Home Appliance Customer

#### Activities

The Customer Satisfaction Division of Home Appliances business provides services and solutions to improve the quality of life for people of all ages and regions. In Japan, these initiatives are carried out under the slogan, *360° Happiness: More smiles to life for one and all*.

The call centers and websites of the Customer Support Center and Repair Contact Center handle about 2.04 million customer inquiries, repair requests, and complaints about washing machines, refrigerators, and other appliances every year. We have undertaken a number of initiatives to respond better to inquiries and to reflect customer feedback in our MONOZUKURI (Manufacturing). These initiatives include

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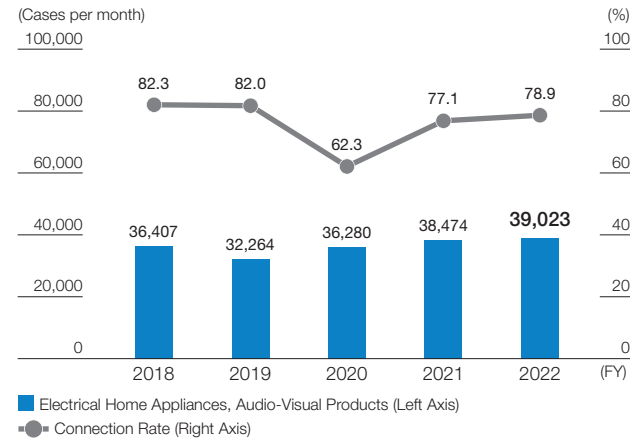
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improving the connection rate of call center; creating a database about voice of the customers, including consultations, inquiries, and complaints; and enhancing our website's FAQ section.

We also conduct customer service evaluation surveys at approximately 90 service centers in Japan every month. Based on the answers, we are improving after-sales services through CS training courses and other programs.

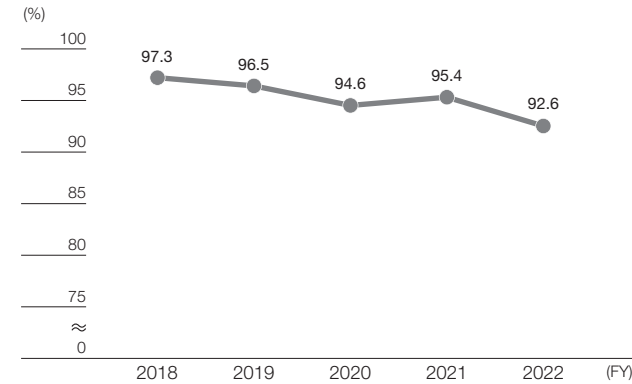
In fiscal 2022, more than 27,000 customers responded to the questionnaire, and 92.6% of respondents expressed satisfaction with our customer service.

### ▶ Customer Contact Cases, Call Completion Rate\*1 at Customer Support Center (12-Month Average)



\*1 Call center call completion rate

### ▶ Results of Evaluation Survey for Customer Repair Services (CS)



Note: Target scope: Customers for whom repair services are provided (approx. 1.0 million cases a year)  
 Question: How satisfied were you with the service from the repair request to completion?  
 Responses: Satisfied/Somewhat satisfied/Somewhat dissatisfied/Dissatisfied (4 levels)  
 Satisfaction level: Percentage of respondents who answered Satisfied or Somewhat Satisfied

### ▶ Flow of Customer Service

