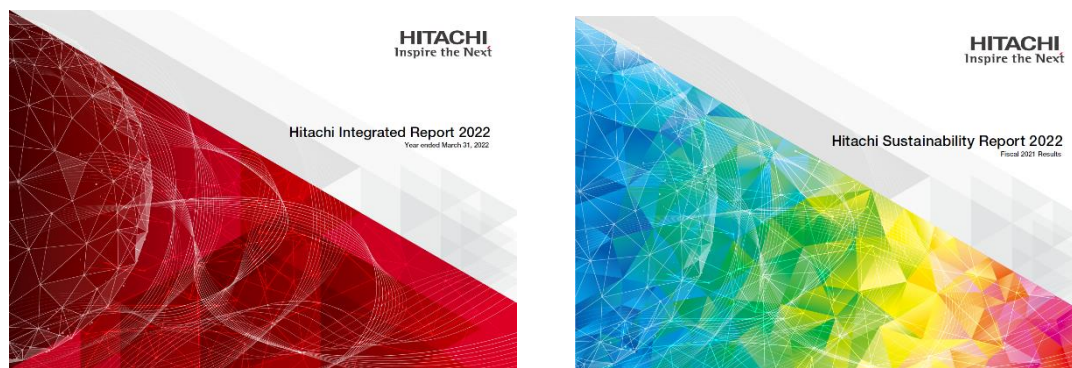


Hitachi Publishes “Hitachi Integrated Report 2022” and “Hitachi Sustainability Report 2022”

Identifying six material topics and practicing sustainable management



Tokyo, September 16, 2022 – Hitachi, Ltd. (TSE: 6501, “Hitachi”) has published “Hitachi Integrated Report 2022” and “Hitachi Sustainability Report 2022” as communication tools for stakeholders.

Hitachi considers the Integrated Report as a tool to mainly disclose Hitachi’s value creation story. The “Hitachi Integrated Report 2022” was created based on our hope to give our stakeholders a better understanding of Hitachi’s vision and create value by encouraging further dialogue. This report describes Hitachi’s future vision, management, and business strategies under the Mid-term Management Plan 2024*¹. In addition, the report highlights the measures Hitachi is taking to realize a sustainable society.

*¹ April 28, 2022: Mid-term Management Plan 2024 https://www.hitachi.com/New/cnews/month/2022/04/220428/f_220428pre.pdf















The Sustainability Report discloses Hitachi’s approach to sustainability and reports the ESG-related information comprehensively. The “Hitachi Sustainable Report 2022” highlights the specific measures that Hitachi is taking to promote sustainable management under the newly strengthened sustainability management structure.

The key point of these reports is the clarification of six critical issues (material topics) in sustainable management in light of global initiatives and the expectations and needs of stakeholders. The Senior Executive Committee and Board of Directors will further discuss these issues during their meetings, along with the business strategies described in the Mid-term Management Plan 2024.

Hitachi will fulfill its responsibility to stakeholders by disclosing information in a fair and highly transparent manner, and by conducting various communication activities.

Key point of disclosure: Clarification of material topics

Setting out from a comprehensive understanding of social issues, Hitachi has identified 6 material topics and 15 sub-material topics based on an analysis of risks and opportunities from a sustainability perspective as well as feedback from stakeholders. Please see page 15 of each report for more details.

Material topics	Sub-material topics	Target	Relevant SDGs
Environment ● Contributing to decarbonization and resource circulation	Decarbonization	Carbon neutrality through the value chain <ul style="list-style-type: none"> FY2030: Achieve carbon neutrality in business sites (factories and offices) FY2050: Achieve carbon neutrality through the value chain Contributing to CO₂ reduction through business <ul style="list-style-type: none"> FY2024: 100 million metric tons/year 	
	Resource circulation	Transition to a circular economy <ul style="list-style-type: none"> FY2024: Full application Eco-Design for new product development FY2030: Zero² waste to landfill¹ from manufacturing sites Effective use of water <ul style="list-style-type: none"> Reduction rate in water use per unit (compared to FY2010) FY2024: 24%, FY2050: 50% 	
	Harmonize with nature	Minimize impact on natural capital	
Resilience ● Contributing to the maintenance and rapid recovery of social infrastructure	Strengthening supply chains	Build flexible supply chains capable of responding to disasters and risks	
	Maintaining social infrastructure	Resilience and sophistication of maintenance through DX of social infrastructure <ul style="list-style-type: none"> Contribute to stable energy supply through substation management Approx. 1.9 billion people³ 	
Safety & Security ● Contributing to safe and secure society-building	Safe and secure urban environments	Safe and comfortable transportation <ul style="list-style-type: none"> A total of 15 billion people use railway services annually³ 	
	Ensuring cyber security	Secure cybersecurity for social infrastructure and business systems	
Quality of Life ● Contributing to physical and mental wellness and a prosperous life	Connected and prosperous society	Increase healthy life expectancy and wellbeing <ul style="list-style-type: none"> Blood tests and other physical exams: 20 billion tests/year³ Build a trustful relationship with others <ul style="list-style-type: none"> Users of happiness service (10 thousand in FY2022 → 90 thousand in FY2024) 	
	Employee happiness	More flexible working styles to increase engagement <ul style="list-style-type: none"> Employee engagement score (FY2021: 65.0% → FY2024: 68.0%) 	
Business with Integrity ● Adhering to ethical standards as well as respect human rights	Business ethics and compliance	Encourage employees to apply ethical standards in day-to-day work. <ul style="list-style-type: none"> Achieve a score of at least 60 (out of 100) in FY2022, the first year of results from Ethical Culture & Perceptions Assessment, improving it every year 	
	Respect for human rights	Promote human rights due diligence and strengthen monitoring of procurement partners for responsible procurement, including human rights	
	Occupational safety	Creating a safe working environment without accidents <ul style="list-style-type: none"> Zero fatal accidents 	
	Safe and secure products and services	Ensure products and services safety while putting customers first	
Diversity, Equity and Inclusion (DEI) ● Contributing to a society where everyone can shine	Diverse organization that fosters innovation	Strengthen diversity in management <ul style="list-style-type: none"> Ratio of female and non-Japanese executive and corporate officers (30% in FY2030) 	
		Acquiring and developing digital talent <ul style="list-style-type: none"> FY2021: 67,000 persons → FY2024: 98,000 persons 	
	Contribution to a diverse and equitable society	Empower DEI of society through community relationship programs <ul style="list-style-type: none"> Support young generations in Asia through the Hitachi Young Leaders Initiative A total of 405 students participating (as of end of July 2022) 	

¹ Wherever this is compatible with local conditions and regulations ² Less than 0.5% ³ FY2021 results

6 material topics, 15 sub-material topics and targets

Hitachi Integrated Report 2022

English

<https://www.hitachi.com/IR-e/library/integrated/>

Japanese

<https://www.hitachi.co.jp/IR/library/integrated/>

Hitachi Sustainable Report 2022

English

<https://www.hitachi.com/sustainability/download/>

Japanese

<https://www.hitachi.co.jp/sustainability/download/>

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About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society with data and technology. We will solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products, under the business structure of Digital Systems & Services, Green Energy & Mobility, Connective Industries and Automotive Systems. Driven by green, digital, and innovation, we aim for growth through collaboration with our customers. The company's consolidated revenues for fiscal year 2021 (ended March 31, 2022) totaled 10,264.6 billion yen (\$84,136 million USD), with 853 consolidated subsidiaries and approximately 370,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
