

News Release

Hitachi Digital Services Launches R2O2.ai Framework to Build, Scale and Operate Trustworthy Al

Company's outcome-oriented, purpose-built and responsible offering, R2O2.ai harnesses full potential of AI development and operation, enabling businesses to achieve sustainable competitive advantages

DALLAS, Texas. October 8, 2024 – <u>Hitachi Digital Services</u>, the digital consultancy and technology services subsidiary of Hitachi, Ltd. (TSE: 6501), today announced the launch of its generative artificial intelligence (GenAI) offering: **Reliable**, **Responsible**, **Observable** and **Optimal** AI or R2O2.ai. The R2O2.ai framework is designed to bridge the gap between conceptualizing AI workloads and deploying them at scale, delivering reliable, responsible and observable AI models at unprecedented speed and efficiency — ideal for enterprises aiming to scale their AI projects responsibly and optimally. The R2O2.ai framework will further expand our proprietary HARC (Hitachi Application Reliability Centers) offering, a suite of engineering services that helps our customers build and manage systems with reliability, resiliency, security and cost efficiency.

R2O2.ai leverages 20-plus years of experience implementing AI solutions, complemented with a comprehensive library of 25-plus custom models built to address common industry problems and accelerate AI adoption. Its approach and frameworks enable efficient data adaptation, maximizing model reusability while allowing for the development of highly targeted solutions. This streamlined process ensures a seamless transition from proof of concept to live production in weeks, rather than months. Beyond that, R2O2.ai addresses critical business and industry challenges, offering a comprehensive solution that empowers enterprises to implement AI models that enhance operational efficiency, reduce downtime and ensure compliance with ethical standards.

"R2O2.ai, expands our HARC offering to AI," said Rajesh Rajappan, Chief Strategy Officer of Hitachi Digital Services. "R2O2.ai helps our customers adopt next-generation AI technologies from design to build to ongoing operations. Building on principles of HARC, our R2O2.ai framework empowers developers to design effective AI solutions by incorporating industry best practices, delivering full life-cycle solutions from identifying fit-for-purpose models with a forward-looking design and build for reliable, safe and optimized operations."

From energy to transportation to environmental protection and more, Hitachi Digital Services has successfully operationalized AI solutions for global clients across various industries. For example, one of the largest fleet operators in the USA, utilized R2O2.ai-enabled advanced analytics to proactively predict faults before those happened and offer repair guidance, reducing the overall fleet downtime. In the U.K., a smart hospital implemented R2O2.ai homegrown IT/OT ML models to realize an intelligent command center for operations, which can predict admissions and discharges, enhancing bed space management and patient care*1 by significantly reducing discharge times. A leading private equity firm, managing over \$20 billion in assets, has streamlined its M&A process with our generative AI solution. By automating tasks for CIM summarization and content augmentation using context-specific search, our GenAI solution delivered acquisition briefs 60% faster.

Hitachi has been a leader in Al innovation for decades and continues to drive progress through groundbreaking initiatives, like the Hitachi Generative Al Center, which opened its doors in 2023*2. With borderless innovation across Hitachi Group Companies, Hitachi Digital Services actively integrates with other initiatives across the Group. Hitachi Digital Services' GenAl services, powered by R2O2.ai, offer a comprehensive approach to building, deploying and managing Al models that are not only efficient and effective but also transparent and scalable.

Bridging the gap between theory and practice, its newest offering covers accelerators, frameworks and methodologies that allow businesses to monitor parameters and logs effectively, ensuring reliability, resilience and value for their Al investments.

- *1 Better Patient Care with Digital Hospitals : https://social-innovation.hitachi/en-eu/case_studies/better-patient-care-with-digital-hospitals/
- *2 Hitachi Establishes New "Generative Al Center" to Accelerate Value Creation and Improve Productivity in the Lumada business by promoting the use of Generative Al (May 15, 2023): https://www.hitachi.com/New/cnews/month/2023/05/230515.html

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About Hitachi Digital Services

Hitachi Digital Services, a wholly owned subsidiary of Hitachi, Ltd., is an edge-to-core digital consultancy and technology services provider helping organizations realize the full potential of Al-driven digital transformation. Through a technology-unified operating model for cloud, data and IoT, Hitachi Digital Services' end-to-end value creation for clients is established through innovation in digital engineering, implementation services, products and solutions. Built on Hitachi Group's more than 110 years of innovation across industries, Hitachi Digital Services helps to improve people's lives today and build a sustainable society tomorrow. To learn more, visit https://hitachids.com/.

Also to learn more about our Al and GenAl Services, visit https://hitachids.com/service/ai-genai-services/

About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society through the use of data and technology. We solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products. Hitachi operates under the 3 business sectors of "Digital Systems & Services" – supporting our customers' digital transformation; "Green Energy & Mobility" – contributing to a decarbonized society through energy and railway systems, and "Connective Industries" – connecting products through digital technology to provide solutions in various industries. Driven by Digital, Green, and Innovation, we aim for growth through co-creation with our customers. The company's revenues as 3 sectors for fiscal year 2023 (ended March 31, 2024) totaled 8,564.3 billion yen, with 573 consolidated subsidiaries and approximately 270,000 employees worldwide. For more information on Hitachi, please visit the company's website at https://www.hitachi.com.

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