

Deliver a new perspective
on globalization and
digitalization to all

SUSTAINABILITY ACTION BOOK

2025





A borderless world in which globalization and digitalization push forward, and the fusion of reality and the metaverse becomes the ordinary. The realization of a circular economy and ethical consumption, through all people undertaking environmental actions under gamification. A society in which people in every land have access to clean water and safe medical services, and can freely connect with and learn from each other at any time through ideas and thoughts.

Hitachi Solutions aims to realize such a society, promoting SX (Sustainability Transformation) through reliable technology and advanced solutions in co-creation with colleagues around the world. Doing so through an open network powered by diverse individuals, we will serve as a presence that spreads excitement to all and that achieves a society in which no one is left behind.

MISSION Our Corporate Philosophy

Look forward and spearhead change. Create a bright future for the global community collectively with reliable technologies and advanced solutions.

VISION Our Management Vision

Deliver new perspective of globalization and digitalization to all.
Accelerate collaboration that inspires revolution.
Build societies in which new values can be enjoyed by everyone.

VALUES Value that we Cherish

Collaborate openly
Step into the future
Encourage the desire to challenge
Spread excitement Act with integrity

Corporate Philosophy here



INDEX

Introduction

- 02 Hitachi Solutions by the Numbers
- 03 Our Ideal for the Company in 2030
- 04 Hitachi Solutions' SX

Top Dialogue

- 05 Top Dialogue

SX Story

- 09 SX Roadmap
- 10 SX Guidelines
- 11 Building an SX Culture
- 12 SX Promotion Structure
- 13 Promotion of Human Capital Management
- 14 CHRO Message

Materialities

- 15 Value Proposition
- 17 Co-Creation and Technology
- 21 People and Organization
- 25 Management Platform

Initiatives by Group Companies

- 29 Initiatives by Group Companies
- 30 Initiatives by Group Companies in Japan
- 33 Initiatives by Group Companies Overseas

Philanthropic Activities

- 34 Philanthropic Activities

Corporate Data

- 37 Financial and Non-Financial Highlights
- 38 Corporate Information

Editorial Policy

We have produced this report with the aims of redefining our reason for existence as a company and of communicating to stakeholders our efforts to realize SX, including our renewed Corporate Philosophy and our SX Project aimed at transforming ourselves. We also introduce our co-creation activities aimed at the enhancement of environmental value, social value, and economic value. * Company names, product names, and logos in this document are trademarks or registered trademarks of their respective companies. * Content in this document is as of September 2025. Company names, product names, and other content in this document are subject to change.

Hitachi Solutions by the Numbers

Amid continuous major changes, together with customers and co-creation partners we have built a solid track record by walking alongside diverse stakeholders. Based on data quantifying these achievements, here we briefly introduce our current position

Number of employees*

Non-Consolidated
5,049
Consolidated
14,548

Our non-consolidated company currently has about 5,000 employees. With Group companies included, our workforce is about 15,000 employees.

Number of Group companies*

17 countries
26 locations
4 domestic companies
8 overseas companies

The diverse human resources of our Group companies in numerous countries cross barriers of cultures and customs to demonstrate their individuality while collaborating among bases. We are expanding our business globally.

Number of external organizations*

120

We join external organizations to contribute to the advancement of the industry, companies, individuals, and regions through our business and corporate activities.

Number of sales partners*

182
companies

We enter into sales partnerships with excellent domestic companies that possess advanced software technical capabilities and outstanding business know-how. We are working to expand our sales network.

Number of alliance partners*

145 companies

The number of new contracted companies continues to increase. We will form alliances with startups holding innovative technologies to give impetus to co-creation.

Number of customers*

5,896 companies

Companies in every industry, professional and technical fields, government agencies—everyone is our stakeholder.

Number of procurement partners*

355 companies
5,757

We certify outstanding companies with technical capabilities and experience that match the needs of our business as Excel Partners, and are working to strengthen cooperation with these.

Main alliance partners

- Allganize Japan Co., Ltd.
- Amazon Web Services, Inc.
- Arctic Wolf Networks, Inc.
- Array Networks, Inc.
- Atlassian Pty Ltd.
- Automation Anywhere, Inc.
- Fortinet, Inc.
- Juniper Networks, Inc.
- Microsoft Corporation
- Okta, Inc.
- Palo Alto Networks, Inc.
- PTC Japan K. K.
- Realtimeboard, Inc. dba Miro
- SAP Japan Co., Ltd.
- ServiceNow Japan G.K.
- Snowflake Inc.
- Workato, Inc.
- Zscaler, Inc.
- ALAXALA Networks Corporation
- WingArc1st Inc.
- NTT DATA INTRAMART Corporation
- Salesforce Japan Co., Ltd.
- Google Cloud Japan G.K.
- Cisco Systems G.K.
- QlikTech Japan K.K.
- Oracle Corporation Japan
- Business Engineering Corporation
- Black Duck Software G.K.
- Red Hat K.K.
- Workiva Japan G.K.

Major awards received (2024)

Splunk Services Japan LLC
"Winning Big Deal of the Year" (2024)

ServiceNow Japan G.K.
"Technology Workflow
Partner of the Year" (2024)

Workato, Inc.
"Japan Innovation Partner of the Year" (2024)

Business Engineering Corporation
Seventh consecutive "Partner of the Year" award
(mcframe Award 2024)

* As of the end of March 2025



Deliver new perspective of globalization and digitalization to all.

Master craftsmanship converted into digital data

By turning knowledge from highly specialized, difficult-to-transfer skills into data, the craftsmanship of artisans will be easily reproducible.

Supporting co-creation and technology
People and Organizations

Anyone can connect with each other and learn freely

Through the latest technologies such as blockchain, we are creating a world where people can learn freely, safely, and securely.

Achieving a sustainable society
Value Proposition

Equal quality of healthcare in both urban and rural communities

It will be possible to assess patients' living conditions through sensors and remotely perform check-ups on patients at home. Advanced medical care will be accessible from any location.

Means of realizing value provided
Co-Creation and Technology

OUR VISION

Our Ideal for the Company in 2030

From a company that builds systems to a company that co-creates new value with others. Maximizing our domestic and overseas Group synergies, we deliver new experiences and horizons to people around the world.

Support for international initiatives
Management Platform

Faster, more comfortable travel

Drone taxis, self-driving shuttles, and linear motorcars, will overcome distances and make mobility easy.

Major advancements in preventive medicine

Daily vital data will be shared with hospitals and attending physicians through wearable devices. Even the slightest signs of illness will not be missed.

Leisure activities that contribute to the environment

Consideration of the environment will be a given. Contributing to environmental conservation will be possible through all manner of activities, even entertainment.

Transforming to realize our vision
Hitachi Solutions' SX

Hitachi Solutions' SX

New days. New encounters. A society in which people with diverse values, spanning generations, organizations, and sectors, are able to connect, live, learn, and make dreams come true, all while coming and going in open networks. Individuals change. Their environments change. With a sustainable society as our aim, we will strengthen and expand our ties with colleagues worldwide.



Teaming up to co-create with colleagues worldwide, we will spur transformation toward an exciting future.

Our SX breathes new value into our customers' futures and into society. At the core is co-creation with customers, partners, regions, communities, and other parties. We seek to enhance environmental, social, and economic value by further accelerating co-creation that connects wide-ranging stakeholders and by connecting a chain of value creation.

SX initiatives for sustainable corporate management and the realization of a sustainable society

Our company is accelerating DX through the use of AI to achieve sustainable corporate management and a sustainable society. We promote the use of AI, generative AI, and AI agents company-wide from four perspectives: advancing solutions for customers, improving development and internal business efficiency, risk management, and Governance.

Customers and society

- Industries
- IT (for all industries)
- Energy
- Life
- Mobility

Co-creation services

Seven priority businesses

- Smart manufacturing
- Smart mobility
- Smart life
- Security
- Digital acceleration
- Digital marketing
- Urban and spatial information

Advanced solutions	Applying AI to a wide range of solutions to enhance our Value Proposition for customers
Development business efficiency	Strengthening development techniques and environments through AI
Internal business efficiency	Aiming for 100% utilization of generative AI to drive productivity improvement
Risk management / Governance	Promoting AI risk management in collaboration with consortia, external experts, and Hitachi, Ltd.

TOP

Top Dialogue

A sustainable future envisioned through co-creation and reframing that evolves SX management globally

To achieve SX management that balances the promotion of sustainability and corporate growth, our company is accelerating organizational transformation. Our aim is for employees, customers, partners, and other stakeholders to contribute to SX across society as a whole, enjoying challenges and happiness. President Morita and Peter D. Pedersen, who has supported Japanese companies' environmental and sustainability strategies for many years, discussed future prospects from a global perspective.

DIALOGUE



Hideji Morita

President and Chief Executive Officer of Hitachi Solutions, Ltd.

Joined Hitachi, Ltd. in 1985. Engaged as a systems engineer in system development for the manufacturing and distribution industries. In 2016, was appointed as Executive Officer of Hitachi Solutions, and in 2019, was assigned to the United States as Chairman and CEO of Hitachi Solutions America, Ltd. Worked on transforming the portfolio of global business operations. Returned to Japan in 2023, overseeing domestic and international management strategies and SX. Was appointed President and Representative Director in April 2025. Hobbies include traveling, exploring cities, skiing, and reading.

Peter D. Pedersen

Representative Director of the specified non-profit organization Nellis Professor at Shizenkan University Graduate School
Outside Director of MARUI GROUP CO., LTD.
Outside Director of Meiji Holdings Co., Ltd.
Outside Director of Mitsubishi Electric Corporation

Born in Denmark in 1967. Graduated from the Faculty of Cultural Anthropology, University of Copenhagen. Began activities in Japan in 1984. Founded e-Square Inc. in 2000. In addition to extensive experience at environmental and CSR consulting firms, possesses broad global insight into sustainability management and next-generation leadership development. Main publications include "Living LOHAS," "The Fifth Axis of Competition," and "Resilient Company."

Thinking in terms of "trade-on" rather than "trade-off"

Morita: Today, we are joined by Peter D. Pedersen, a leading expert in sustainability strategy support. I would like to have an open exchange of opinions about the current state of SX management and future challenges from a global perspective. Mr. Pedersen, you are engaged in various activities under the themes of sustainability and innovation, but what are you most interested in these days?

Pedersen: For the past ten years or so, I have been focused on management innovation, in other words, transforming organizational operations. I see this as the most important issue for Japanese companies, and I support corporate transformation by providing unprecedented methods, techniques, and processes.

Morita: We also began full-scale organizational transformation in 2021 to promote sustainability management. We launched the SX project and, as a first step, renewed our corporate philosophy. After that, we formulated our materiality, and even now, we are

advancing various initiatives such as ideathons and business expansion projects to create new businesses through SX.

Pedersen: I think these are initiatives that accurately capture the trends of the times. I have long argued that, in addition to the 20th-century business competition axes of self-transformation ability, market share, quality, and price, environmental and sustainability strategies will become new axes of competition for corporate management in the 21st century. However, in Japan, the view that promoting sustainability and corporate profits are in a trade-off relationship still persists, and I believe we must first change that way of thinking. I propose that, rather, the two are in a "trade-on" relationship, complementing each other.

Morita: The Hitachi Group aims to realize a "Harmonized Society" in which the environment, well-being, and economic growth are in harmony. The trade-on concept truly resonates with that vision. The reason we have positioned SX promotion as a management issue is that we wanted to overcome the previous trade-off mindset and redefine all business activities as contributing to SX for society as a whole.

The "three A's" are essential to realizing SX management

Pedersen: I think it was a wonderful decision. Moreover, Hitachi Solutions is inherently highly compatible with SX. Not only is the environmental impact of the business model itself low, but you also have numerous solutions to address social issues.

Morita: That's exactly right. The ability to create solutions from scratch is what we consider our core value. In addition, we have a bottom-up culture that values the opinions of young employees on the front lines, which enables speedy decision-making within the company. By leveraging these strengths and organizing the Sustainability Committee, we aim to make 2025 our



"first year of sustainability implementation" and further accelerate the integration of SX and management.

Pedersen: To build a flexible and strong organization that promotes SX, the three A's—Anchoring, Adaptiveness, and Alignment—are essential. Among these, anchoring and adaptiveness can be said to have a yin-yang relationship. In a rapidly changing business environment, companies must constantly transform themselves to survive. On the other hand, if that's all there is, employees may lose sight of their mission, and the organization's centripetal force may be weakened. That's why companies must present a common goal that serves as an "anchor" for employees' hearts.

Morita: Our renewal of MVV (Mission, Vision, Values) with the involvement of employees, especially younger ones, also seems to be connected to anchoring.

Pedersen: I completely agree. On top of that, what will be required of companies in the future is "alignment with society." In other words, companies must anticipate major social trends, build partnerships with external stakeholders, and put environmental and sustainability strategies into action. To sum up, I believe that companies equipped with these "three A's" are the ones that will be able to realize SX for society as a whole.



Anchoring initiatives foster a culture of challenge

Morita: Listening to your story, I am once again reminded of the importance of anchoring. In the past, even at our company, departments competed for performance, and there was a time when the sense of unity as a whole was lost. That gradually began to change when we, as the Hitachi Solutions Group, adopted the concept of Social Innovation. By setting SX as a major shared goal, I feel that the organization has become more integrated.

Pedersen: Since starting the SX project, what kind of changes have you noticed within the company?

Morita: I believe that a mindset of tackling challenges, which is also linked to the ability for self-transformation, has steadily taken root. We have also been working on creating mechanisms to support challenges as an organization, which is a part of our MVV. For example, since 2023, we have been implementing a program called the Startup Incubation Program. This program aims to develop global human resources who can tackle social issues from the SX perspective, launch services in the United States, and commercialize them. Using our Silicon Valley office as a base, we collaborate with venture capitalists and aim to start businesses locally.

Pedersen: Aiming to start a business ultimately means leaving the company, doesn't it? I think it's a very unique initiative.

Morita: Through this project, one company has already become independent from us. If a project does not end up as a business, the people can return to the company. The challenge is also one of nurturing robust human resources.

Pedersen: I feel that in Japan, the psychological hurdle to entrepreneurship is still quite high. That is why, in recent years, I have been emphasizing the importance of intrapreneurs (in-house entrepreneurs), but I think the experience of seriously aiming to start a business could be an effective approach to developing such human resources.

Morita: In terms of in-house entrepreneurship, we have

also started a project called the Domestic Service Business Creation Initiative, which solicits business ideas from divisions and provides support all the way to commercialization. Unlike a simple ideathon that only provides funding, a major feature is that we back up commercialization as an organization while collaborating with experts from various fields.

Balancing motivation and ease of work through a bottom-up approach

Morita: When it comes to changing mindsets, a visual approach is important. We were the first in the Hitachi Group to introduce a dress code-free policy. That alone made the atmosphere within the company much more flat, and above all, I feel we were able to clearly express the company's stance of wanting to create a more comfortable working environment. We have also implemented initiatives to improve EX (employee experience). One initiative that has received a great response is an in-house project aimed at balancing work and caregiving. Preventing productivity decline and

unwanted resignations due to caregiving has now become an essential management issue for companies.

I believe that the fact these initiatives have emerged bottom-up from employees, rather than from management, is an asset to the company.

Pedersen: Listening to you, I get the impression that bottom-up and top-down approaches are well balanced and integrated.

Morita: We are always conscious of that as well. For example, we regularly hold town hall meetings to create opportunities for direct dialog between employees and management. The facilitators are young employees, and speaking honestly, if I were young, I would have avoided that role (laughs). But encouragingly, so many people volunteer that we have to hold a lottery each time. Recently, several in-house communities led by employee volunteers have naturally sprung up. I think these movements are possible precisely because the bottom-up culture has taken root.

Pedersen: Working in an organization where you can take on challenges from the bottom up should also help fulfill what Maslow calls the need for self-actualization. Maslow also says that beyond self-actualization lies self-transcendence, that is, the desire to contribute to society. Hitachi Solutions, which promotes SX while balancing ease of work and motivation is becoming an organization where employees can aspire to such self-transcendence.



Building a foundation to support global co-creation

Pedersen: Toward the latter half of the 21st century, humanity will face major challenges in four areas: food, water, resource ecosystems, and energy. That is why companies are being called upon to innovate in these fields more than ever before. What becomes important here is the presence of emerging and developing countries in the Southern Hemisphere, known as the Global South. From my own experience, countries in the Global South are very favorable toward Japan. How can we join hands with them and build sustainable relationships? I believe this is a challenge full of possibilities for Japanese companies.

Morita: Global co-creation will become increasingly important, won't it? As a foundation for that, what we are working on is creating an environment where human resources with diverse backgrounds can work with peace of mind. Since 2009, our company has established a dedicated organization to promote diversity. By further accelerating these efforts, we hope to create a workplace where everyone can thrive, regardless of race, age, gender, nationality, or religion.

Pedersen: Mr. Morita, You have extensive business experience in global environments by yourself. Is there anything you were conscious of when collaborating with people from different backgrounds?

Morita: I was stationed in the United States twice. There was a book I often reread at the time, and what I learned from it was to always stay positive. Greet people energetically and speak while looking them in the eye. And always think from the perspective of the local people. It may sound simple, but I believe this is the foundation for co-creation worldwide.

Pedersen: That's a wonderful story. I now have a much better understanding of your approach as a leader. On the topic of co-creation, I am currently involved in building a regional base in Omihachiman, and what I keenly feel is the importance of "place." If you create an

attractive place, people will definitely gather. That doesn't change, whether it's global or local. That's why I want to devote all my energy to creating an innovation hub in the heart of Tokyo, where people, goods, money, and data from around the world gather. It's still in the conceptual stage, but I would be delighted if we could do something together with Hitachi Solutions there.

Morita: Co-creation is also an important theme in our SX project. We have worked together with a variety of stakeholders, including companies and NPOs, to create value. I hope we can co-create with you in various ways in the future.



Reframing is what changes society

Pedersen: With technology such as AI advancing at an accelerating pace, realizing DX is essential for promoting SX. I feel that Hitachi Solutions will play an increasingly important role as a hub connecting both of these wheels. On top of that, I would like you to adopt the method called "reframing."

Morita: Reframing means reviewing the very framework that underlies our thinking, right?

Pedersen: That's right. For example, when talking about sustainability, it's still common for people to immediately say, "But what about the cost...?" How can we reframe that mindset and achieve a trade-on? Thinking about that is

the job of future leaders. One of my favorite phrases is "Reframing is social change." Change can only be born from reframing. I hope Hitachi Solutions will be a company that leads that change.

Morita: Thank you very much. Talking with you has helped me clearly articulate things that had only been in my head until now. Using the insights gained from today's dialogue as guides, I want to actively practice reframing.

We will keep on running forward as a pioneer of change, aiming to realize a society in which all are able to live comfortable and healthy lives in harmony with the environment.

SX STORY

SX Roadmap

The SX that is promoted by our company originates in our VISION (Management Vision) that defines our ideal for ourselves in 2030. With the aim of creating a sustainable society filled with hope, we are united as a company in engaging in business and corporate activities based on co-creation with diverse stakeholders.

FY2021-2024

Preparation phase for the implementation of SX through building a foundation



Formulation of overall plan for SX Project

Formulation of new corporate philosophy

Materiality Formulation

SX Investment

Branding

Fostering of Corporate Culture

Preparing to Put Sustainability Management into Practice

Promotion of SX Investment

Promotion of Human Capital Management

Promotion of environmental and philanthropic activities

Sustained Corporate Communications

FY2021 FY2022 FY2023

FY2024

FY2025 onward

Implementation phase through the organization of SX and its integration into management



Practice of sustainability management

Through sustainability committee activities, discuss and organize key issues from a company-wide perspective and put sustainability management into practice.

P.12

Expansion of sustainability business

Fully integrate a sustainability perspective into all business activities and accelerate efforts to expand businesses that create sustainable value.

P.12

Promotion of Human Capital Management

Promote human capital management as a foundation to support sustainability management and business expansion. Achieve sustainable growth by promoting the success of diverse human resources and strengthening organizational capabilities.

P.13

Promotion of environmental and philanthropic activities

Continue to visualize and expand the planning and promotion of social contribution activities across the group to contribute to the realization of a decarbonized society and a circular economy.

P.34

Sustained Corporate Communications

Continue to evolve information disclosure through the Sustainability Action Book, globally communicate SX, introduce co-creation case studies and advanced technologies, and promote internal and external community activities.

New management plan



FY2025

SX Guidelines

In order to realize our Vision for 2030, "Deliver a new perspective on globalization and digitalization to all," we have identified 11 materialities as long-term guidelines to address the gaps between our current initiatives and the Vision of the Hitachi Group.

Our Management Vision

Deliver new perspective of globalization and digitalization to all.



Achieving a sustainable society

Value Proposition

Build a safe and secure borderless society through digital technology P.15

Integrate value creation processes to solve societal challenges P.16



Means of realizing value provided Co-Creation and Technology

Bring together stakeholders to accelerate co-creation P.17

Design new experiences through pioneering use of cutting-edge technology P.20



Supporting co-creation and technology People and Organization

Promote diversity and draw on the strengths of diverse talent P.21

Build a highly agile organization that can take on greater challenges P.23



Support for international initiatives Management Platform

Contribute to a decarbonized society P.25

Promote human rights initiatives P.25

Promote employee health and safety P.26

Raising the level of supply chain management P.27

Enhance governance framework to support growth P.28

Hitachi's Materialities

Building an SX Culture

Since launching the SX Project in FY2022, we have been working to foster an SX culture not only within the company but also in conjunction with external stakeholders through community and co-creation. We will continue to expand the circle of SX beyond internal and external boundaries to society as a whole.

Expanding the circle of SX to society as a whole



A community has been launched to turn ideas into reality and foster connections!



FY2022
Formulation of new corporate philosophy

We created new value propositions by leveraging our company's history, culture (strengths and uniqueness), to depict our ideal for the company by backcasting from the future.

FY2023
Formulation of materiality

We clarified key issues to address in order to realize our new Management Vision.



FY2024
Open community

We have promoted a wide variety of interactive events unique to our company (17 events through FY2024), covering themes including global trends, security, new business creation, and generative AI.

In-house community "Let's think about SX together!"

Company-wide awareness of SX initiatives has increased, and an in-house community has been established. Employees are actively sharing their diverse thoughts and examples of SX initiatives online.



Voices of stakeholders who participated in the event

- The global trend events are highly energetic and inspiring, so I strongly recommend them to those around me. (Consulting industry)
- Innovation and sustainability are a good match. (Manufacturing industry)
- I'm considering launching an in-house venture in the future, so it was meaningful to interact with people from different industries who have expertise. (Information and communications industry)



Ongoing initiatives to foster corporate culture

To promote understanding, empathy, and personal engagement with SX, we are advancing communication activities involving all employees, including SX study sessions and online talk events.



SX Promotion Structure

To further promote SX, in FY2024 our company established the Sustainability Committee. Its SX Promotion Subcommittee makes decisions on policies through management and employee representatives and implements initiatives in collaboration with internal and external communities. The Sustainability Management Subcommittee provisionally sets and regularly reviews materiality indicators to promote sustainability management.



*1 Officers at managing director level or above; advisors *2 Representatives of business, sales, and administrative divisions *3 Division General Managers, Management Group General Managers, Deputy General Managers (Procurement, Finance, Human Capital Management Departments) *4 Number of registrants as of the end of March 2025

Promotion of Human Capital Management

Our company engages in human capital management under the view that human resources are our most important assets. Focusing on three initiatives—acquisition and growth of human resources, cultivation of a bottom-up culture, and improvement of work engagement—we aim to enhance labor productivity while balancing the growth of each employee with the sustainable growth of the company.

Management Vision and materiality

Practice of human capital management (Main initiatives)

Value created

Deliver new perspective of globalization and digitalization to all.

Promote diversity and draw on the strengths of diverse talent



Build a highly agile organization that can take on greater challenges

Promote human rights initiatives

Promote employee health and safety



Acquisition and growth of human resources

- Further strengthening of human resource acquisition
- Strengthening of DX capabilities*
- Development of digital human resources and support for innovation creation
- Autonomous learning, upskilling, and reskilling
- Promotion of active roles for senior employees

* Capabilities that organizations should possess to leverage digital technology



Cultivation of a bottom-up culture

- Communication with senior management
- Enhancement of career awareness among younger employees
- Company-wide project to create startups
- Utilization of human resources holding diverse perspectives and ideas, and placement of the right people in the right positions
- Creation of new businesses and promotion of cross-boundary communication
- Agile workplace management



Improvement of work engagement

- Reduction of total working hours
- Health and productivity management
- Flexible work systems
- Further enhancement of psychological safety
- Development of a safe, fair, and inclusive work environment



Improvement of employee engagement survey scores



Improvement of external evaluations



Improvement of labor productivity

CHRO MESSAGE



Human capital management at the core of SX management promotion

Hiroaki Handa

Hitachi Solutions, Ltd.
 Vice President and Executive Officer
 General Manager,
 Human Resources and General Affairs Group
 CHRO^{*1}, CDEIO^{*2}, and CRMO^{*3}

Human resources are the driving force behind SX

To drive SX forward together with diverse stakeholders while creating innovation through digital technology, we position human resources as our most important capital. Especially in the coming era, what is needed are human resources who can quickly and flexibly adapt to change and proactively engage in work. In human resources management as well, rather than management per se, we aim to maximize the potential of human resources to foster a culture of motivation and challenge. This is our new human resources strategy, which we believe represents the ideal form of human capital management closely linked to our new management plan.

Key initiatives in human capital management

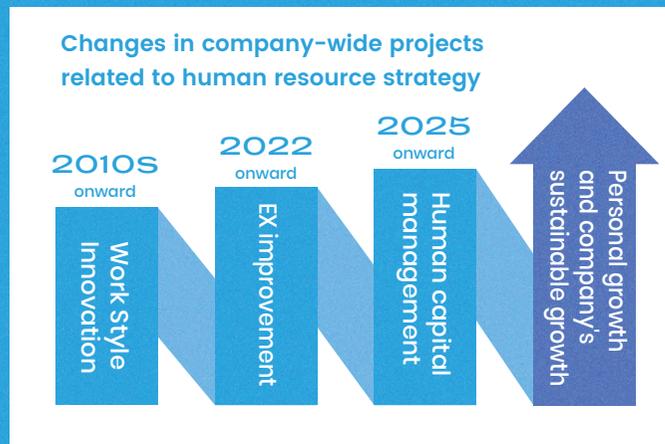
Results from our annual employee awareness survey show that elements such as "job satisfaction," "sharing and empathy with management policies," and "ease of work" are closely related to increased engagement. With these points in mind, we will practice human capital management with a focus on three initiatives. The first is acquisition and support for the growth of human resources. By leveraging diverse perspectives to promote innovation and organizational growth, and by enhancing education and training systems and career development support, we will actively invest in the

growth of each employee. We also want to provide an environment where all can build their careers proactively and gain diverse experiences across job types and departments. The next initiative is cultivation of a bottom-up culture. Already at our company, bottom-up initiatives such as the Work and Caregiving Balance Project and the Internal OSS Community are actively underway. In FY2024, we also launched the Domestic Service Business Creation Initiative, which solicits business ideas from departments and provides support that extends to commercialization. We will continue to promote a corporate culture in which management and employees communicate in both directions and enjoy taking on challenges. The third initiative is enhancement of work engagement. To enable individuals to fully realize their potential, it is essential that we establish a healthy working environment that forms the foundation of "ease of work." Toward that end, we have strengthened our support system to care for employees' physical and

mental health. We will continue to listen to employees' voices and implement measures to continuously enhance motivation and satisfaction at work.

Aspiration as CHRO

The Hitachi Group aims to realize a "Harmonized Society" in which environment, well-being, and economic growth are in harmony. To achieve this, it is essential to balance individual happiness with the sustainable growth of the company. We believe that SX for society as a whole can only be realized beyond that point. That is why, through the practice of human capital management, we aim to build an organization where all employees openly work together to shape the future of global society, and can take on challenges with enthusiasm and a sense of purpose. If creating such an environment leads to growth or happiness for people somewhere, that would be my greatest reward as CHRO.



*1 CHRO: Chief Human Resources Officer
 *2 CDEIO: Chief Diversity, Equity & Inclusion Officer
 *3 CRMO: Chief Risk Management Officer

MATERIALITIES

Our latest initiatives related to Materialities

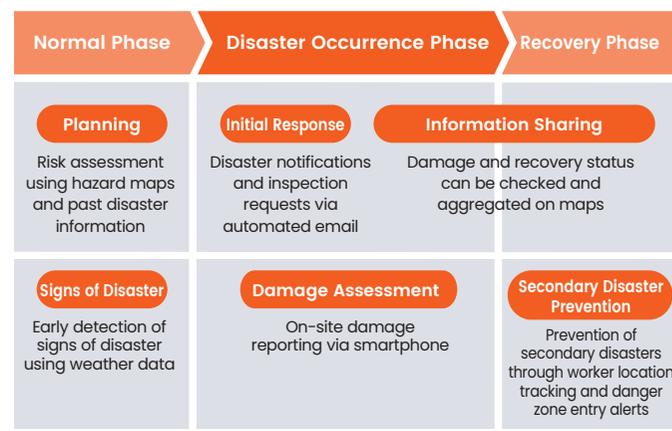


Build a safe and secure borderless society through digital technology

Geographic Information Systems supporting a disaster-resilient society

Natural and climate change-related risks such as earthquakes, typhoons, heavy rain, floods, and landslides have become major threats. Amid an increasingly urgent need for BCP^{*1} that enables a swift transition to the recovery phase in the event of a disaster, the importance of key weather information is growing. Our Disaster Countermeasure Solution using GIS^{*2} enables rapid response to disaster risks at customers' sites by overlaying weather disaster data with customers' disparate site and facility data on a map and managing locations via GIS. The system automates disaster-related tasks such as damage assessment, emergency communication, and prevention of secondary disasters, which previously required significant human power, to provide total support spanning normal operation to recovery.

*1 BCP: Business Continuity Plan
*2 GIS: Geographic Information System



Contributing to a safe and comfortable automotive society

Under the recent SDV^{*1} concept, automotive technology has evolved, increasing convenience through autonomous driving and other advances while expanding external communications and increasing the risk of cyberattacks. Attention is focusing on TARA^{*2}, which analyzes threats for each in-vehicle item and determines responses to risks. Under a distributor agreement with C2A-SEC, we have begun offering a cybersecurity platform that robustly supports the complex TARA process. By supporting the evaluation and review of individual risks, as well as supporting ongoing measures against ever-changing new threats, we reduce the workload of security personnel. Connecting the digital and the physical (vehicles), we contribute to the realization of a safe, comfortable, smart mobility society in which people and cars coexist in harmony.

*1 SDV: Software Defined Vehicle: Vehicles designed and developed on the premise of updates to functions via software
*2 TARA: Threat Analysis and Risk Assessment

Security support for a safe and secure IoT society

As seen in the enactment of the Cyber Resilience Act in the EU and Japan's launch of a security framework covering all IoT products using Internet protocols, there is a growing demand for organizations and security functions that meet strict security requirements and can respond to vulnerabilities, in both hardware and software. We provide one-stop support spanning legal compliance consultation to product planning, manufacturing, and operation of IoT devices. We protect the safety of systems that control and monitor industrial processes including manufacturing, energy, and transportation.

One-stop support spanning IoT device product planning to manufacturing and operation, and compliance with cybersecurity laws



* PSIRT: Product Security Incident Response Team



Integrate value creation processes to solve societal challenges

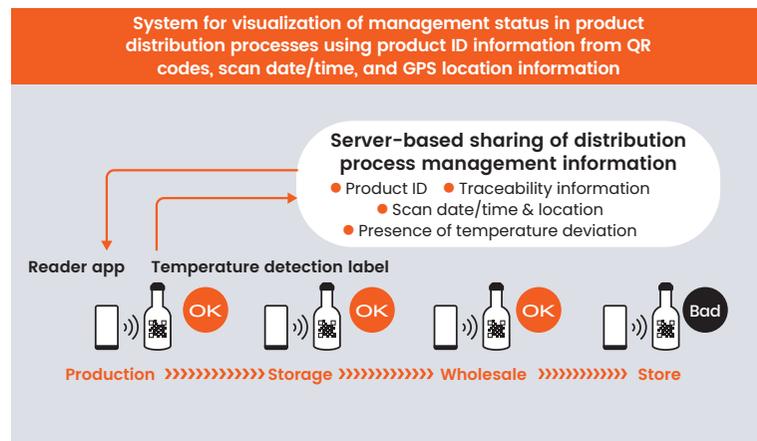


Supporting the expansion of exports of Japanese agricultural and marine products

With the global Japanese food boom, exports of domestically produced agricultural, forestry, marine products, and foods continue to grow. Creating a cold chain that connects production sites to consumption areas is essential. In collaboration with group companies, we have developed and offer a Temperature Detection QR Code Label that changes ink color when the managed temperature is exceeded to enable easy visual confirmation, and a smartphone reader app Temperature Detection Label Scanner that can batch-read multiple labels and instantly collect and manage temperature deviation information and QR code data. In cooperation with Kagoshima Prefecture, we achieved temperature monitoring for individual items of farmed amberjack exported to Singapore, enabling determination of the appropriate amount of refrigerant used during transportation and

demonstrating reductions of 33% in refrigerant use, 10% in transportation costs, and 11% in CO₂ emissions. A feature of this service is the ability to detect the temperature of individual product units, not just the ambient temperature during transportation. The information embedded in the QR code on the label can be set arbitrarily, allowing for the display of product or producer information and expanding the Value Proposition. In recognition of this initiative together with Hitachi, Ltd. and Hitachi High-Tech Nexus we received the Special Jury Prize of the Japan Industrial Technology Awards sponsored by Nikkan Kogyo Shimbun. We will expand the service's scope from marine products to all products requiring temperature control, contributing not only to reducing food loss but also to expanding sales channels by ensuring the quality and enhancing the brand value of Japanese products exported overseas.

Temperature management service utilizing temperature detection QR code labels



* In this project, Hitachi, Ltd. is responsible for product development, Hitachi High-Tech Nexus Corporation for service provision, and our company for app and system development.

Total support spanning subscription business launch to monetization strategy, CX improvement, and operations

Business models are undergoing a major shift from one-time sales to subscriptions. Our Subscription Business Support Solution is a platform created to reduce the increasing operational burden on companies, supporting complex pricing such as flat-rate and pay-as-you-go models not found in traditional product sales, billing operations for various charging models, and advanced asset management including sharing services. We provide comprehensive support for both IT and non-IT areas according to the phase of customers' businesses. We provide total support spanning launch support through business model planning consultation, monetization strategies such as billing and contract management, operational support offering real-time asset information management using IoT, and customer success support that promotes continued and expanded service use. The expansion of an ecosystem involving diverse partners accelerates the creation of new value chains through data utilization.

Overview of the Subscription Business Support Solution



* In cooperation with Mitsubishi HC Capital Inc. and others



Promoting co-creation as a DX partner to realize value creation through digital technology



From left

Hiroshi Ibuka

Mitsubishi Chemical Corporation
Digital Management Group
Department Manager,
Digital Planning Department

Rikazu Morimoto

Mitsubishi Chemical Corporation
Hiroshima Plant
Equipment Technology Department
Department Manager

Misako Tahira

Mitsubishi Chemical Corporation
Head Office, Technology Division
Planning Section Manager,
Equipment Technology Department

Tetsuya Kobayashi

Hitachi Solutions, Ltd.
Sustainable City Business Division
Smart Social Solution Division
Group Manager,
Smart Maintenance Solution Department

Shigeki Kobayashi

Hitachi Solutions, Ltd.
Sales Operations
Digital Innovation Sales Division
Manager,
Digital Solution Sales Department 2

Mitsubishi Chemical Corporation (hereinafter "Mitsubishi Chemical") aims to always be a "Green Specialty Company" that inspires customers through the power of materials. Hitachi Solutions, as a "DX strategy partner" supporting this vision, is driving the promotion of digital utilization. As part of this effort, we worked with Mitsubishi Chemical's equipment technology division to advance DX for regular plant maintenance operations. With the goal of improving worker utilization rates, we supported the development and implementation of the Preventive

Maintenance Progress Management Service for Plants, which manages the progress of all processes in the cloud. This resulted in a 16% improvement in worker utilization rates. The effects have greatly exceeded initial expectations, and include shorter regular maintenance periods, optimized workforce allocation, and reduced monthly overtime hours for the company's employees. We will continue to support the advancement of equipment management using digital technologies and data while further expanding the scope of co-creation.

Desired future

"KAITEKI," a goal of Mitsubishi Chemical Corporation means "comfort for people, society, and the planet that continues into the future." As a strategic partner, our company supports value creation initiatives utilizing digital technology, focusing on areas such as stable supply infrastructure for green chemicals, environmentally conscious mobility, and advanced data processing and communications.

Value Proposition

The Preventive Maintenance Progress Management Service for Plants is attracting attention as a service that redefines the industry standard for progress management. By solving the challenges faced by Mitsubishi Chemical Corporation, one of Japan's largest comprehensive chemical manufacturers, we will drive transformation across the industry and contribute to solving larger social issues such as population decline and technology succession.

Perspectives

Mitsubishi Chemical Corporation

We have high expectations for the strong support of Hitachi Solutions, which provides a wide range of solutions for the manufacturing industry. We hope that Japanese companies will continue to inspire each other and create new value together.

Hitachi Solutions

We want to continue to listen to the "real voices" of those working on the front lines and, by organically combining our expertise and solutions, to steadily and powerfully support DX across Mitsubishi Chemical Corporation.

Megatrends

Regular plant maintenance requires enormous resources. At large sites, the number of stakeholders can reach thousands, and in recent years, securing labor has become a major challenge due to work style reform-related legislation and labor shortages. To overcome these circumstances, business reforms utilizing digital technology are underway.



Ethical food that naturally enables people to choose "something a little better" for the future



From left

Hirofumi Watanabe

Hitachi Solutions Ltd.
Business-Innovation Business Division
Digital Solution Division
Department Manager,
Digital-Solution-Service
Development Department

Nozomi Takita

CCC MK Holdings
Corporate Planning Division
"V Everyone's Ethical Food Lab" Leader

The food chain that supports our daily lives hides numerous social issues such as food loss, excessive packaging, environmental and human rights concerns, and animal welfare. To achieve a sustainable future for food, CCC MK Holdings launched the co-creation platform "V Everyone's Ethical Food Lab" with the involvement of many stakeholders. Hitachi Solutions also empathized with this vision and joined the

initiative. Through participation in the Food Sustainability Forum and other activities, we have engaged in ongoing discussions to promote ethical food. We will work to support the realization of the Ethical Food Action Score, which visualizes ethical consumption starting from CCC MK Holdings' V Points, and, leveraging our IT expertise, will take a more active role in creating the ethical food market in Japan.

Desired future

In the future we hope to realize, consumers can naturally choose "ethical" and "better products" in their daily lives. By utilizing data from V Points and establishing mechanisms by which each individual's small actions lead to a big impact, we will create a sustainable food cycle together.

Value Proposition

To promote the creation and spread of an ethical food market, we provide the Ethical Food Action Score, solutions for marketing challenges, and the development of certification standards that are easy for food manufacturers and other companies to use.

Perspectives

CCC MK Holdings

To promote ethical food actions, it is not enough to simply change consumer awareness. Together with stakeholders, we will build mechanisms that make it natural for people to choose ethical food.

Hitachi Solutions

Establishing the ethical food market will not only solve social issues but also lead to the creation of new businesses. We will leverage our strengths, including expertise in digital marketing, to further promote co-creation.

Megatrends

Although ethical food is attracting global attention as a means to achieve sustainable food, its adoption rate in Japan remains much lower than in Europe and the United States. Accordingly, companies are facing demands to build mechanisms that naturally encourage behavioral change among consumers, such as establishing standards for ethical food, scoring consumption behaviors, and creating new sales spaces.



A new form of online medical consultation to realize a society without underserved medical areas



From left

Soji Inoue

JCOM Co., Ltd.
IT Planning Promotion Division,
IT Planning Department Manager

Taketo Setsuka

JCOM Co., Ltd.
Business Design Division,
Department Manager,
Business Development

Manami Akimoto

Hitachi Solutions, Ltd.
Sales Operations
Manager, Telecommunications &
Social Sales Division, Department 2

Iwanaga Yohei

Hitachi Solutions, Ltd.
Smart Life Solution Business Division
Life Innovation Division
Senior Engineer,
Billing Service Department

JCOM Co., Ltd. (hereinafter "J:COM"), a broadcasting and telecommunications provider rooted in local communities and offering a variety of services that support daily life, launched J:COM Online Medical Consultation in limited areas in 2021. A major feature of the service is convenient use from the comfort of home via a television. Even seniors who are unfamiliar with smartphones can intuitively use the service using familiar remote controls, allowing them to receive medical consultations with peace of mind. Hitachi Solutions has continuously supported the construction

and maintenance of J:COM's customer management and billing infrastructure. By utilizing our solutions that handle service management for subscription businesses, customer and contract management, and payment management all in one place, we enabled J:COM to quickly introduce its first individual billing model. New features such as multi-device support and the Medication Pickup Service have been released following the launch of the service, which continues to evolve as a provider of seamless medical experiences.

Desired future

Our goal is a society with unlimited access to medical care. In this society, patients and seniors who have difficulty visiting medical facilities, as well as people living in areas with limited transportation infrastructure, can access medical services with peace of mind. We are building such a system through the power of digital technology. By leveraging the local networks that J:COM has built, we will deliver the system in a way that is easy for everyone to use.

Value Proposition

We provide a one-stop remote medical service that covers everything from medical consultations to medication guidance and prescription pickup. When using the service via television, staff visit users' homes as needed to assist with device setup and other tasks. To meet the needs of busy working generations and families raising children, we have also started offering the service through the MY J:COM smartphone app.

Perspectives

J:COM

We aim to enrich the lives of Customers, support local communities, and create a society in which future generations can live with peace of mind, by making cutting-edge technology accessible to everyone and by putting our brand message, "Making the new the norm," into practice.

Hitachi Solutions

As a partner of J:COM, which has steadfastly addressed local issues, we will leverage our unique strengths, including data analysis, to build a foundation for delivering new value to everyone.

Megatrends

Online medical consultation has rapidly expanded in response to the spread of COVID-19. While this is expected to help solve the problem of limited access to medical care, a challenge has arisen in that about 80% of users are under the age of 50. As the government is now making a serious effort to promote medical DX, there is a growing need to provide services that anyone can use more easily.



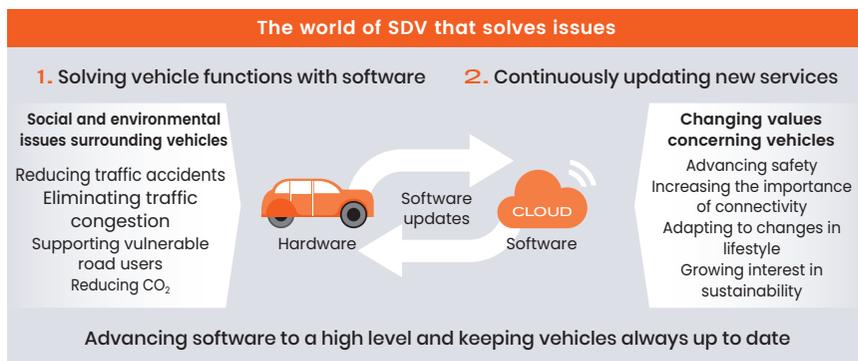
Design new experiences through pioneering use of cutting-edge technology



Realizing a safe "smart mobility" society through the use of cutting-edge technology

The term "Software-Defined Vehicle (SDV)" has become an essential keyword when discussing the future of the automotive industry, and vehicle development is becoming more advanced and complex. Regulations are targeting development that ensures security, as seen in the adoption of rules on vehicle cybersecurity by the United Nations Economic Commission for Europe (UNECE). To maximize the value of SDV, our company is developing innovative initiatives in the four areas of development, design, safety, and social connectivity, contributing to the realization of a safe "smart mobility" society.

1 Development	In development process management, we promote the introduction of lifecycle tools and integrate the entire flow from requirements definition to release. This centralization simultaneously improves development efficiency and ensures quality, enabling both the speed and accuracy required for SDV.
2 Design	Model-based development plays an important role in enhancing design flexibility. By developing technologies for synchronizing different versions of design models and automating test processes, we enable early detection of issues and reduction of man-hours in the design stage, allowing for quick and reliable responses even in complex software design.
3 Safety	From the perspective of ensuring safety, we are advancing automation of threat analysis and risk assessment in the field of security, aiming to improve the reliability of in-vehicle software. Even for increasingly complex in-vehicle systems, it is possible to ensure a safe and secure development environment.
4 Social Connectivity	In the field of communication technology, we are promoting the construction of systems that connect vehicles, people, and things in real time by providing the V2X* middleware platform, an in-vehicle communication platform compatible with communication standards in numerous countries. We contribute to realizing a safer and more comfortable mobility environment.



* V2X: Vehicle-to-X is a system by which vehicles communicate wirelessly with other vehicles or road infrastructure such as traffic lights and road signs, without going through IT infrastructure, to support safe and environmentally conscious driving.

Utilization of AI in co-creation activities and design/development work

Achieving co-creation that generates new value from diverse perspectives, unconstrained by existing concepts or business frameworks, faces many challenges from idea generation to business model creation. These include ① the requirement for a major shift in thinking, ② difficulty in sharing with partners due to lack of visualization, and ③ burdensome preparation for discussions.

Our company utilizes the latest AI technologies, accumulated in anticipation of social trends. By leveraging AI's unique ability to generate diverse outputs based on large amounts of learned data and patterns, we broaden the scope of ideas in workshops, make content creation for shaping ideas easier, and dramatically speed up the review process.

It also demonstrates its power in the design and development field, which has traditionally required long hours and enormous effort. Excellent results can be expected in improving a wide range of tasks, from planning and persona definition to journey maps, storyboards, and screen mockups.

Journey map created by AI



Screen mockup created by AI





Promote diversity and draw on the strengths of diverse talent



AI transformation through global collaboration and co-creation



The rapid evolution of generative AI is bringing a wave of major transformation not only to corporate activities but also to society as a whole. Leveraging his experience stationed in Silicon Valley in the U.S., AI evangelist Hirotake Kitabayashi predicts that 2025 will be the first year of AI agents. AI agents that can autonomously execute tasks, not just serve as chat partners, are finally entering the practical stage. Building on these trends, our company aims to accelerate DX for companies and society, starting with business reforms through AI, and ultimately contribute to SX. We are currently promoting the use of AI with a focus on the four areas of advanced solutions, development work efficiency, internal business efficiency, and risk management and governance. We have also been holding internal contests to gather

ideas for AI utilization, aiming for 100% AI usage within the company. Another of our strengths is the ability to collaborate with Hitachi Solutions India Pvt. Ltd., which has many talented AI engineers. Gugan Kailasam, who serves as a technical architect and a bridge between our company and India, shares, "We have established a system that enables various forms of co-creation, from R&D and technical research to prototyping, product development, and technical support." At the same time, as AI becomes more widespread, security issues are becoming more apparent. AI harbors risks that differ from those of conventional IT. It is also our mission to contribute to building a society in which everyone can use AI with peace of mind, by incorporating new security concepts such as protecting AI safety with AI.

Promoting workplace well-being through "femtech"

Aiming to create an environment where everyone can work healthily and enthusiastically, we have launched the free online health consultation service that we call "Service to support the success of female employees." This "femtech" service was developed through co-creation with Kishokai Medical Corporation, Japan's largest perinatal medical institution, and has been adopted by many companies aiming to improve well-being. Experienced specialists such as ob-gyn nurses and midwives provide video consultations for women's unique physical concerns and anxieties associated with changes in life stages. The service can be accessed by making an appointment via a browser or smartphone app. The content of consultations is not disclosed to employees, workplaces ensuring privacy and peace of mind.



Reflecting diverse overseas values and ideas in our work

Through collaboration with overseas group companies, we are strengthening efforts to build comprehensive relationships with diverse human resources active globally, including female leaders worldwide, and to reflect diverse overseas values and ideas in our work. One such initiative is global meetings in the HR and IT departments, held mainly to share best practices. At the global HR meetings, we discuss the status and challenges of subsidiaries, as well as improvement measures for HR policies. At the global IT meetings, we work to strengthen IT and information security controls across the entire Hitachi Group and continuously discuss the use of generative AI in business, promoting initiatives in collaboration with overseas group companies.





Female engineers pioneering the future of security are highly regarded both in Japan and abroad

An employee of our company has received an award in the Cybersecurity Woman of Japan 2024 Awards, which recognize women who lead the global cybersecurity industry and bring innovation to organizations. Momoko Aoyama's expertise and outstanding leadership have strongly impacted society, and as a relatable role model for women active in the field of Security, her very presence is attracting attention. Since joining the company as a new graduate, the award-winning employee has built her career as a white-hat hacker by engaging in tasks such as verifying network security products, identifying system vulnerabilities from the perspective of cyber attackers, and proposing improvements through penetration testing services. She participated in the Security Professional Center, created to strengthen the ability to respond to cyberattacks both inside and outside the Hitachi Group. In 2017, taking advantage of the company's bottom-up culture, she also contributed to human resources development by launching a security contest that has since become a regular company-wide event with 300 to 400 participants every year. In addition, aiming to create a society where female security engineers can thrive as a matter of course, she has actively worked on developing human resources outside the company. She participated in the management of CTF for GIRLS, a community for female engineers. Through activities such as lectures based on her own experiences with childbirth and childcare, she is expanding opportunities and promoting diverse career paths for women, who are still a minority in this field. Security technology is becoming increasingly important as infrastructure that supports the foundation of society. As a white-hat hacker protecting the safety of society, Ms. Aoyama continues to improve her skills by mastering ever-evolving technologies.



Momoko Aoyama
Hitachi Solutions, Ltd.
Security Solutions Business Division
Security Cyber Resilience Division
Chief Security Analyst,
Managed Security Service Department

Overcoming developmental disabilities and depression to acquire AI skills for a new career

After graduating from university, I secured employment with local government, but due to stress, I took a leave of absence after two weeks. Facing depression on top of developmental disabilities, I was forced to resign. To return to society, I spent a year at a facility supporting employment transition to the advanced IT industry, acquiring skills in AI and machine learning. After a one-month internship, I joined the company. I am engaged in work in a department promoting company-wide adoption of generative AI, my area of expertise. My abilities and motivation have been recognized, and in my fifth year, I was appointed as team leader. I am now expanding my fields of activity.



Motoki Yamamoto
Hitachi Solutions, Ltd.
Technical Innovation and
Management Group
AI Transformation Driving Division
AI Transformation Engineering
Department

An engineer's endeavor to contribute to society through technical skills while struggling with intractable disease

ADSS1 myopathy is an intractable a progressive muscular disease that often involves decreased lower limb muscle strength, respiratory dysfunction, and swallowing disorders, with an incidence rate of about one in a million persons. I was diagnosed about ten years ago. Now living in a wheelchair, I mainly work from home, developing consumer services for major telecommunications companies with support from my team members. Utilizing my technical skills, I also contribute to patient family association activities.



Satoshi Fujioka
Hitachi Solutions, Ltd.
Smart Life Solution Business
Division
Life Innovation Division
Senior Engineer, Communication
Service Department



INTERVIEW

Misa Asai
Hitachi Solutions, Ltd.
Smart Life Solution Business Division
Life Innovation Division
Remote Work Service Department

Genta Hirotsuka
Hitachi Solutions, Ltd.
Smart Life Solution Business
Division
Life Innovation Division
Senior Engineer,
Remote Work Service Department

An in-house community nurtured under the OSS philosophy, starting transformation from the bottom up

Knowledge accumulated in projects is not easily shared or utilized across the organization. In response to these challenges in the SI industry, our on-site engineers launched an internal community based on the OSS*1 philosophy of freely sharing creations for use and further development by all. With the creation of a space for free discussion and exploration of a wide range of topics, from generative AI to system architecture and UI/UX*2 design, a cycle is taking root within the company by which individual growth naturally leads to social contribution.

*1 OSS: Open Source Software
*2 UI/UX: User Interface / User Experience



Build a highly agile organization that can take on greater challenges



Launch of a new Startup Incubation Program in Silicon Valley

As a part of the Startup Incubation Program that supports entrepreneurship in Silicon Valley, we launched a roughly one-month training program in the form of a short-term boot camp that allows participants to experience the actual process of starting a business. Participants practically learn business issue setting, market analysis, technical review, and design thinking for new businesses, mainly targeting the North American market. In FY2024, a total of 35 employees from group companies participated in this program, with two passing the final selection and tackling entrepreneurship, as we work to develop the next generation of young human resources.

Startup Incubation Program short-term boot camp

Japan Session (4 days of work) — Lecture —	U.S. Session (7 days of work) — Practice —	After returning to Japan (1.5 days of work) — Reflection —
Group training <ul style="list-style-type: none"> Orientation Design thinking Pitch Team activities <ul style="list-style-type: none"> Pitch presentation 	Group training <ul style="list-style-type: none"> Orientation Idea validation Team activities <ul style="list-style-type: none"> Idea validation (Interviews with general users conducted in the US) Pitch (final presentation) 	<ul style="list-style-type: none"> Review session Preparation of presentation materials Webinar presentation

Challenge to create domestic service businesses

We have launched a company-wide initiative to create and expand domestic service businesses. Participating teams focus exclusively on creating new businesses, apart from their daily routines. While collaborating with external experts in varied fields, they advance the creation of business ideas and marketing activities. The initiative consists of short-term cycles of one phase every three months, setting candidate issues, building and validating hypotheses, validating solutions, and proposing commercialization. Evaluation is conducted based on KPIs defined for each phase. Teams that pass all of the phase gates can proceed to ward business launch. We are accelerating a corporate culture of challenge, in which employees can always step into the future without fear of failure.

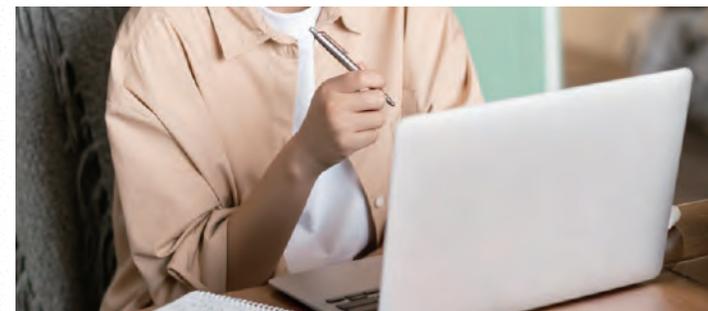


Launch of a new service that enables working styles making the most of individual abilities and skills

As efforts to realize human capital management accelerate, strengthening human resources and enhancing engagement have become major challenges for companies. To address these challenges, our company has developed and begun offering a service for filling side job positions inside a company. The service's system matches employees' abilities and skills with workplace needs. As a spot-type service usable in one-hour increments, it can be easily used by employees to take on tasks in other departments during free time without transferring departments. Using their skills, employees can contribute to other departments' work, increase their income, and demonstrate new value. This is expected to improve employee engagement, prevent internal resource outflow, and minimize operational burdens.

Benefits of the service for filling side jobs inside a company

- Utilize skills and experience**
Employees register their skills and experience, information that is utilized internally
- Improve employee engagement**
The service provides new opportunities for employees to demonstrate their value
- Transform into a corporate culture that fosters innovation**
The service provides opportunities for human resources with diverse skills and experiences to interact





Para Sports Team

Our company is united in supporting the para sports team.

In November 2004, we established Japan's first ski team for athletes with disabilities, aiming to provide talented and dynamic athletes with an environment to focus on their sport and to nurture competitors who excel on the world stage. In April 2014, we launched a new wheelchair track and field team. The combined teams have grown into a comprehensive para sports team aiming for both the Summer and Winter Paralympics. The team continues its remarkable progress in these sports that symbolize our group, fueled by the passionate support of all our employees.



Athletes Nitta and Kawayoke shine in the finals of the competition



Cheered on by our employees at the Oita International Wheelchair Marathon, athlete Kishizawa responds with a powerful run

Paralympic athletes with a proud history of brilliant achievements

The para sports team's ski division (Nordic skiing) has won medals at five consecutive Paralympic Games, from the 2006 Turin Games to the 2022 Beijing Games. It has also achieved victories at World Championships and World Cups, showcasing the athletes' talents on the global stage. The wheelchair track and field team has shown remarkable performance, winning the 5,000m (T54 class) at the 34th Japan Para Athletics Championships in 2023 and setting a new Japanese record* in the 5,000m (T54 class) at the Sharjah 2025 International Open in the United Arab Emirates, adding to a growing record of achievements continuing to grow.

* As of the end of March 2025

Ski Team



Yoshihiro Nitta



Yurika Abe



Taiki Kawayoke

Wheelchair Track and Field Team



Kozo Kubo



Tatsuya Baba



Hiroki Kishizawa

Tackling the world's highest peaks through the power of teamwork

The team was created with the hope of fostering its growth as Japan's first full-fledged corporate team for athletes with disabilities. Supported by the company, the athletes undergo rigorous training under the guidance of renowned coaches who have led many athletes to medals. Coaches and trainers are not the only ones who support the athletes' training. Skiing is a sport in which collaboration among athletes, coaches, and wax technicians determines victory or defeat. The presence of wax coaches who assess the condition of the athletes and their skis is also essential. The dedication of training staff and the support of everyone cheering for the team help drive the success of the para sports team.



Contribution to a decarbonized society

Contribution to the realization of a decarbonized society through horizontal PET bottle recycling

Recycling initiatives are essential for realizing a carbon-neutral society. Horizontal recycling, an initiative which remakes used PET bottles into new PET bottles, has attracted attention through reports that it reduces CO₂ emissions by more than 60% compared to production from crude oil. In Japan, where waste separation and collection are well established, the PET bottle collection rate and recycling rate exceed 90% and 80% respectively, but the horizontal recycling rate remains in the 30% range. PET bottles contaminated with dirt or foreign substances are not suitable for horizontal recycling. One of the main challenges in improving quality is business-related PET bottle collection

at office buildings and commercial facilities. To address this issue, we first launched a project to conduct a demonstration experiment within our head office. The project utilized a technique called "nudging" to achieve behavioral change among employees. We will continue to expand these efforts and contribute to the realization of a carbon-neutral society.

* Nudging: A word for lightly poking with the elbow, this refers to mechanisms or techniques that encourage people to voluntarily choose desirable behaviors rather than coerce them.



Overview of the in-house demonstration experiment for horizontal PET bottle recycling

In-house recycling station



Before verification (FY2023)
Bottles with leftover drinks or with caps and labels not removed are mixed in.

Methods to encourage user behavior change based on data + behavioral science

- Posters promoting waste separation (Reference class prediction)
- Educational content videos (Social norms)
- Intranet pop-ups (Mere exposure effect)
- Cap voting (Gamification)
- Improvement and relocation of recycling boxes (Default effect), etc.



After verification (FY2024)
The quality of collected PET bottles has improved.

Maintained the quality of separation even one year after the experiment!

Transition of separation rate

July 2024	September 2024	June 2025
In-house demonstration experiment		

Promote human rights initiatives

Initiatives aimed at respect for human rights in the value chain

We view business activities that demonstrate respect for human rights as a responsibility that all companies must fulfill. In light of the increasingly complex business environment and global trends surrounding human rights, we revised the Hitachi Group Human Rights Policy on November 1, 2024, to strengthen respect for human rights throughout the value chain. Based on this policy, our company has created an environment in which all employees can

act with consideration for human rights through human rights awareness-raising via in-house education, initiatives to respect human rights in the supply chain, operation of consultation desks, and Human Rights Promotion Committee meetings. In July 2021, we took part in the "My Human Rights Declaration" project supervised by the Ministry of Justice, under which our Company president released a human rights declaration.

Basic approach to human rights

We respect the human rights and other rights of all people. Based on its corporate philosophy and management vision, the Hitachi Group has formulated the Hitachi Group Human Rights Policy and undertakes initiatives aimed at respect for the human rights of all people involved in its products, services, and business activities, not only in our Company but also in the supply chain. The Hitachi Group Code of Ethics and Business Conduct lays out the foundation for decision-making and the

conduct to be observed by all executives and employees of the Hitachi Group. It clearly stipulates elimination of discrimination and respect for international norms on human rights, human rights associated with information management, and fundamental rights in labor. All officers and employees understand and comply with this code of conduct, uphold high ethical standards, and act with integrity and fairness.

Our structure for advancing respect for human rights

We operate the Human Rights Promotion Committee as a structure for advancing the creation of a company that respects human rights. Committee meetings are convened once a year to draft training plans based on the achievements of the previous year's employee training and to conduct internal awareness-raising. We have also established a consultation desk aimed at the prevention and early correction of human rights infractions or other compliance violations (e.g.,

illegal or inappropriate conduct), and work to quickly solve such issues and prevent their recurrence.

Human Rights Promotion Committee

The 16-member committee is chaired/vice-chaired by executive officers and comprises Department manager-level and higher representatives from management groups and business divisions.

Chair, Vice-Chair

Members: Representatives of management groups/business divisions

Education related to human rights

In accordance with the Hitachi Group Human Rights Policy, we continuously work to strengthen human rights awareness among officers and all employees. Every year, all employees take human rights e-learning courses. Through awareness activities such as education for new employees and training by job level, we

communicate the importance of respect for human rights in every employee's work.

Status of attendance in education

Target	FY2022	FY2023	FY2024
One time/year/person	100%	100%	100%

My Human Rights Declaration

On July 29, 2021, we took part in the "My Human Rights Declaration" project supervised by the Ministry of Justice, releasing our own "My Human Rights Declaration." This initiative is aimed at

achieving a society in which all people respect human rights, through declarations of conduct that respects human rights by companies, organizations, and individuals.



Promote employee health and safety



Ongoing company-wide and workplace-level mental health training

As an ongoing initiative, we conduct company-wide and workplace-level mental health training and analyze data from stress check results to prevent and detect mental health issues at an early stage. When a leave of absence is required, the Human Capital Management Department conducts interviews with the supervisors of the employee on leave to identify causes. We have also created detailed return-to-work support programs to thoroughly prevent recurrence. The mental health incidence rate has been improving year by year.

Annual remote walking events

To encourage employees' autonomous health management, we hold remote walking events every year. This has yielded many benefits, including improvement of the exercise habit rate* from 20.2% (FY2019) to 26.7% (FY2024)

* Exercise habit rate: An indicator showing the percentage of people who maintain an exercise habit that meets certain criteria



Promotion of personalized care measures to combat lifestyle-related diseases

We also focus on early detection, treatment, and prevention of serious progression of lifestyle-related diseases. In addition to actively encouraging medical checkups, we promote personalized care measures such as regular follow-up interviews by occupational health staff for high-risk individuals who exceed certain values. Regarding blood pressure, while the national anomaly detection rate* is typically in the 18% range, our numbers remain below that level every year.

* Anomaly detection rate: The proportion of employees undergoing health checkups in whom anomalies are observed

Toward an organizational culture in which work and caregiving can be balanced



Our company is advancing an in-house project aimed at achieving a balance between work and caregiving. We believe that creating an environment in which business caregivers who work while providing care and "next caregivers" who will undertake caregiving in the future can continue to work with peace of mind is not just an improvement of the working environment, but a management issue that the company must address. Under this recognition, we have been working to improve literacy and change awareness among all employees. First, we visualized the current situation regarding caregiving within the company using diagnostic tools. We then promoted awareness of the caregiving leave system and conducted e-learning training for managers. We are also fostering an open culture

where employees can easily talk about caregiving through online in-house talk events and lectures. Jun Kawauchi, the representative director of the NPO Tonari no Kaigo, commends these corporate caregiving support initiatives as solutions that go beyond in-house projects and also contribute to solving social issues. We intend to further instill improved literacy and awareness at the departmental level to create a corporate culture in which balancing work and caregiving is the norm. By creating a workplace environment in which employees do not need to give up careers for caregiving and do not bear caregiving worries alone thanks to people solving issues together in the company, we aim to build a sustainable organization where everyone can perform at their best, even while providing care.



Raising the level of supply chain management



Sustainable overseas software procurement strategies built with overseas partner companies in Vietnam, India, and other countries



INTERVIEW

Moe Shinmiya
Hitachi Solutions, Ltd.
Procurement Management Group
Software Procurement Department

Kayo Iida
Hitachi Solutions, Ltd.
Procurement
Management Group
Assistant Manager,
Software Procurement
Department

As the shortage of domestic IT human resources becomes more serious, we are accelerating efforts to secure development resources through collaboration with overseas partners. Our company, which has long engaged in overseas software procurement, has recently strengthened partnerships with Vietnam and India. Both countries have a large labor force and a focus on IT education. Accordingly, they offer many excellent engineers with high affinity for the technical fields we seek. Through co-creation with these engineers, we have already achieved results in numerous projects. At the same time, as both countries' economies grow, the engineers' labor costs are catching up with those in Japan and the cost advantage is not as significant as it once was. Moe Shinmiya, who is involved in overseas software procurement as a buyer, emphasizes,

"That is why new forms of co-creation are needed." Rather than simply comparing costs, the most important thing in generating high value-added output by combining the technological strengths of each country is building trust with overseas partner companies. Kayo Iida, who has over 20 years of experience in the procurement department, points out, "Understanding different cultures is the first step." She also says that, to avoid unnecessary trouble with partner companies, it is important to clearly define in advance the details of requests, deadlines, the timing of confirmations, and the quality expected. Remaining our partners' company of choice and actively learning the latest technologies from them while building relationships of mutual respect is the new model for co-creation that will support sustainable business growth.

Quality assurance initiatives in cooperation with overseas group companies

To provide highly reliable solutions that aptly meet the diverse needs of customers, we are working to mature our quality management processes in compliance with our global QMS*, applying Hitachi, Ltd.'s global quality management system at overseas group companies. We have strengthened collaboration by holding hybrid meetings (both in-person and online) with relevant departments and by engaging in active discussions about the quality assurance process. By sharing project information and confirming

the status of risks and issues, we are strengthening our management platform. We are also enhancing our project management capabilities by sharing global knowledge within the company, piloting initiatives based on the expertise of Hitachi, Ltd.'s overseas group companies, supporting development processes for Japanese corporate customers, providing consultation on operations, and fostering a sense of unity through sharing best practices with overseas group companies.

Exchange meeting with Hitachi Solutions India Pvt. Ltd.

Employees from Hitachi Solutions India Pvt. Ltd. visited Japan and discussed mutual quality management processes, KPIs, and culture. We plan to continue holding quality management collaboration events with group companies.



Global Conference in collaboration with overseas group companies

We hold events in which our company and overseas group companies share best practices and case studies, working to strengthen project management capabilities and foster a sense of unity within our group. In FY2024, a total of 48 participants (26 from our company and 22 from regions outside Japan including the United States, India, the United Kingdom, Singapore, and the Philippines) engaged in lively exchanges of opinions.





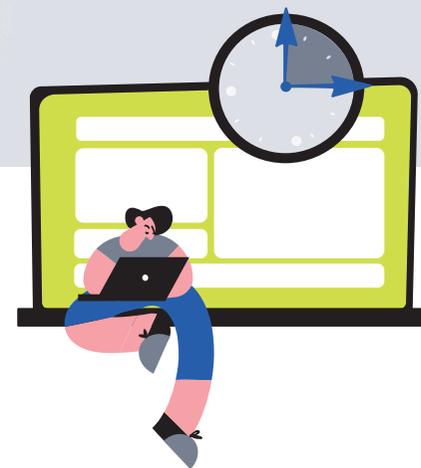
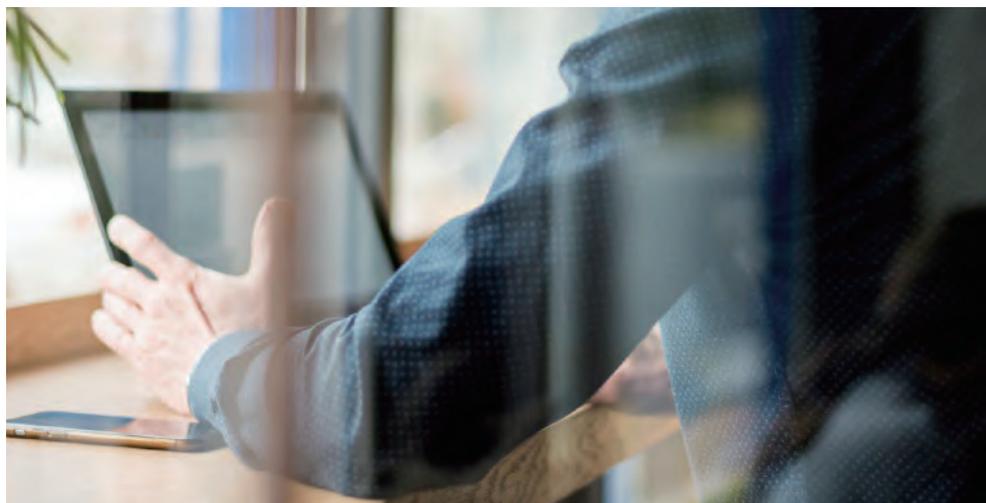
Enhance governance framework to support growth



Initiatives to strengthen governance for safe and secure AI utilization

Our group has established the AI Transformation Driving Division as a core base to accelerate AI Transformation. Based on the concept of advancing AX to accelerate DX for society, customers, and our company and contributing to SX for a sustainable society, we are formulating strategies in collaboration with related organizations, taking into account market conditions and technological trends. We are working to strengthen our structure to enable rapid response to change. In our organization, we are accumulating know-how on AI utilization and, with consideration of the risks of applying

generative AI to development and internal operations, are promoting the development of guidelines to ensure that employees can use AI appropriately. In addition to complying with internal regulations on the management of personal and confidential information, we also address risks related to intellectual property, copyrights, and export control. From the perspective of AI ethics, we are also working to build a governance system for safe AI utilization by using the checklist formulated by the Hitachi Group AI Ethics Committee.



Appropriate work management through data-driven approaches

To achieve proper labor time management, we have introduced an application called Time Entry Support Tool on employees' PCs to enable automatic time stamping. As stated in the Ministry of Health, Labour and Welfare's "The Guidelines for Measures to Be Taken by Employers to Properly Monitor Working Hours" we enable self-reporting by employees based on data. We also conduct regular labor management education in accordance with the Labor Standards Act as well as annual attendance audits. We accurately track employees' working hours and vacation acquisition status, striving to maintain an appropriate working environment. We have set a company-wide goal of total annual working hours at 1,950 hours or less for FY2025, and clarified monthly checks and follow-up items to achieve the goal. We aim for overtime hours of 20 hours or less per month and annual paid leave days of 20 days or more. To further promote various types of leave, we have added new goals: a 100% rate of refresh leave use and a 100% rate of five days of childcare-related leave use per year by male employees.

GROUP ACTIVITIES

Sustainability efforts together with Group companies

Our Group companies, rich in cutting-edge technologies, wide-ranging industry and business knowledge, and advanced know-how, all demonstrate individuality. By bringing together proprietary system development capabilities honed through co-creation with partners and customers, they achieve the provision of advanced solutions tailored to diverse needs. They also actively engage in philanthropic activities, making the most of each company's business characteristics and ties to their regions.



Business activities of group companies

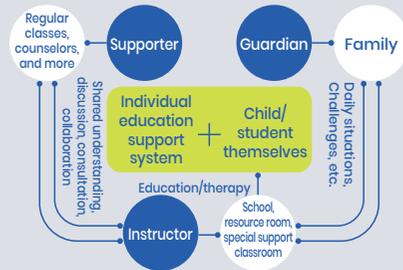
Hitachi Solutions East Japan



The challenge to achieve a society where no one is left behind, supported by the individual education support system

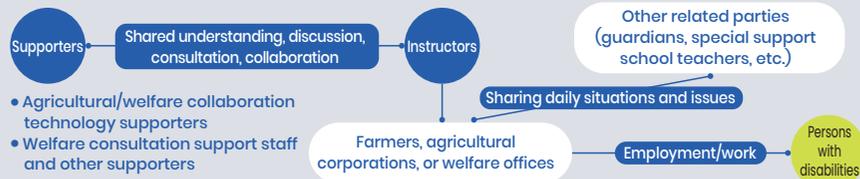
The number of children and students not attending school in Japan reached over 346,000 FY2023, marking a record high. Numerous factors involving learning, daily life, and mental aspects underlie this issue. There is an urgent need to build a framework that closely coordinates education, welfare, and administration to support learning methods tailored to circumstances. The individual education support system is designed to provide personalized support for children and students who need special educational assistance, including those not attending school. By sharing detailed information about children and students among teachers, guardians, and related support organizations, the system aims to enhance educational support planning and the quality of support based on actual conditions and challenges, while also reducing the workload of school staff. In a demonstration project connecting the "Manabi no Mori" Eniwa City Education Support Center in Tsuruoka Gakuen Hokkaido Bunkyo University and municipal junior high schools online, the effectiveness of the individual education support system in facilitating two-way communication was confirmed. Digitizing analog-based communication methods, it enabled timely and

Overall image of the demonstration experiment for individual education support system



comprehensive assessment of information such as the learning status of students not attending school, allowing appropriate early intervention and streamlining administrative tasks. By sharing insights with guardians, teachers are able to provide appropriate guidance and support, leading to improved learning comprehension, self-esteem, and a positive mindset for students. Supporting the progress of individuals, we will also propose employment support solutions for people with developmental disabilities, to realize an inclusive and sustainable society.

Vision for usage at employment support facilities (example of agricultural/welfare collaboration support)



Hitachi Solutions West Japan



Realizing sustainable traceability that supports food safety and security

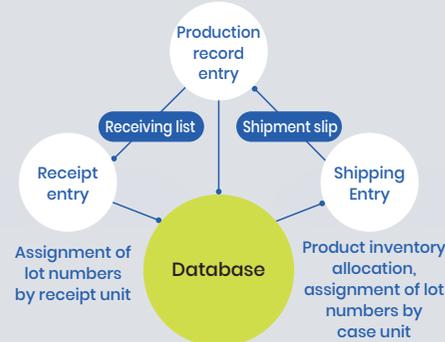
Food traceability refers to mechanisms that record the flow from the manufacturing stage to the dining table, enabling rapid investigation of causes and recalls when problems occur. Solutions specialized for the advanced quality control required in the food manufacturing industry. Its key feature is the ability to assess history data for specific processes such as production, processing, and distribution. Shipment lots can be traced up to receipt and receipt lots can be traced up to shipment. This facilitates trace forward to track distribution and sales destinations over time and trace back to follow movement records in reverse chronological order, enabling early identification of the causes of incidents and rapid identification of suppliers, related production lines, processes, and lots. Diverse data are centrally managed in the system.

Centrally managing data in the system



Image of lot number assignment

Assignment of lot numbers by performance unit



The solution can output forms such as raw material receipt schedules, manufacturing instructions, expiration dates, production record management, and picking lists. Thorough shipment management helps prevent human errors in logistics and reversal of shipment lots, strengthens management of expiration dates and other freshness factors, and prevents disposal losses. Data management and form output tasks can be linked with handy terminals and MES*. The solution support operational efficiency and error-free input work required for increasingly strict traceability certifications. It offers powerful support for traceability, the most important issue in the food manufacturing industry, and contributes to enhancing corporate brand strength.

* MES: Manufacturing Execution System—A system that monitors and manages progress at manufacturing sites and provides instructions and support to workers

Business activities of group companies

Hitachi Solutions Create



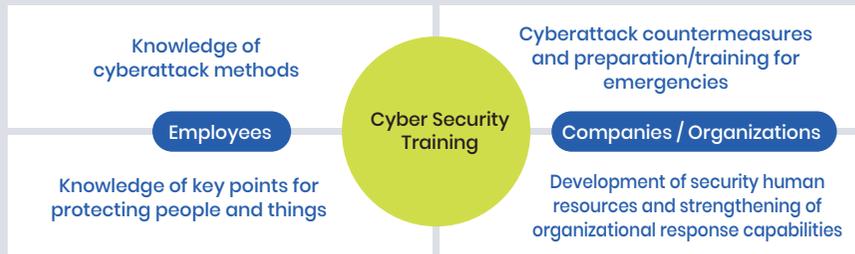
Sustainable development of human resources for cyber security led by white hat hackers

The Hitachi Solutions Group has continued to lead cyber security technology. For over 20 years, we have supported security measures for critical infrastructure and for diverse companies and organizations that support society. To minimize the risks of increasingly sophisticated cyber attacks, strengthening incident response capabilities is essential. Sharing incident flows established by management during normal operation with security human resources as well as with all practitioners and engineers and undergoing realistic practical exercises, are essential in preparing for emergencies. Hitachi Solutions Create offers Cyber Security Training that supports the development of security human resources and organizational strength, through a white hat hacker team certified for advanced

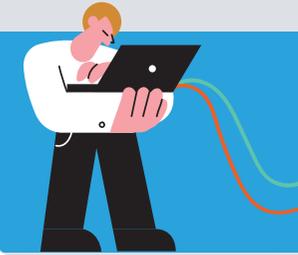
expertise. Based on know-how gained in diverse fields such as information/control security, cloud services, and IoT, we implement curricula that include practical exercises. We offer a wide range of courses tailored to participant groups and levels, from basic content for employees to specialized training for CSIRT* and PSIRT development. We are also able to propose effective educational content tailored to the human resources development plans of our customers. We further collaborate with Hitachi Solutions, which offers the Cyber Resilience Solutions security measures taking a new approach that assumes cyber attack intrusion and damage. Through this, we aim to realize a society where people can live safely and securely.

* CSIRT: Computer Security Incident Response Team, a specialized team for security incident response

Value that can be created through Cyber Security Training



Hitachi Solutions Technology



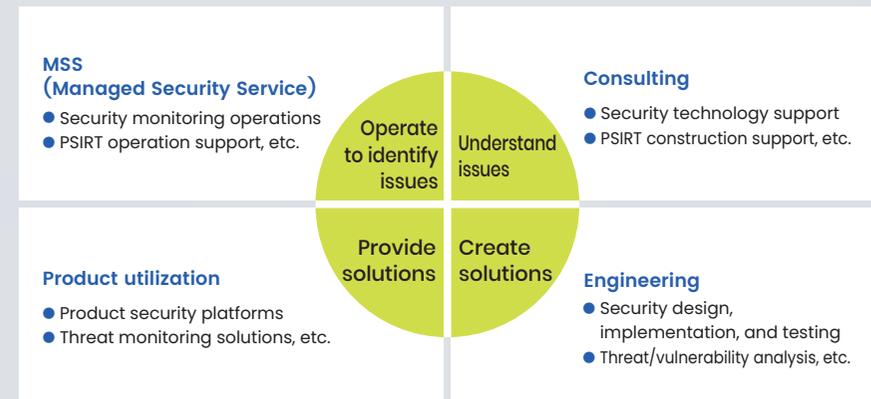
Supporting security measures for the IoT product life cycle to protect end users

Cyber security risks exist at every stage of the product life cycle. I vehicle devices or IoT devices directly or indirectly connected to networks suffer information leaks, data tampering, or service outages, the damage to companies can be immeasurable. To protect end users from threats during the product support period, continuous security measures repeated throughout the development and operation cycles are required. We combine the extensive consulting experience of Hitachi Solutions and the development expertise of Hitachi Solutions Technology to provide total solutions that address vulnerabilities throughout the product life cycle, from consulting to security design, product

utilization, and MSS. In addition to our traditional strengths in engineering technologies, we have begun sales of services to support PSIRT construction and operation using SCA* tools, which are increasingly used by major manufacturers in the automotive and medical device industries in Europe and the U.S., as well as sales of the product security platform Kinibi. By building PSIRT tailored to customers, situations, we have enabled rapid and effective response to security incidents. Through initiatives leveraging the strengths of group companies, we achieve significant reduction of security risks that lurk in the product life cycle.

* SCA: Software Composition Analysis

Using a spiral growth model based on the Lumada model, we co-create with customers to solve issues



Corporate activities of group companies



Hitachi Solutions East Japan

Discussion by next-generation employees: Young ES Training Camp

The Young Employee ES* Retreat was held to improve ES by providing a face-to-face, interactive exchange opportunity away from the workplace, mainly for the generation that spent much of its post-employment life during the COVID-19 pandemic. Discussions on topics such as the relationship between personal values and the company's purpose, ES, company policies, work style reforms, and workplace environment were conducted in small groups. By regularly shuffling members, dynamic communication was realized across departments and generations, including senior employees. In lively discussions, participants spoke honestly about their thoughts. By providing a valuable opportunity to recognize differences in values with others and reaffirm the importance of respecting different perspectives, the camp was rated very highly in participant survey results.



* ES: Employee Satisfaction

Hitachi Solutions Create

"Unconscious Bias* VR Training" for General Managers

In Unconscious Bias VR Training for General Managers, participants used VR goggles to become the main character in immersive simulations involving harassment, balancing childcare and work, LGBT issues, and other themes. Afterwards, through group discussions and lectures by instructors, participants reaffirmed that they themselves are part of diversity, and considered specific actions to enhance psychological safety. We will gradually expand the training to department managers and will promote "personal engagement with Diversity, Equity, and Inclusion" throughout Hitachi Solutions Create.



* Unconscious Bias: Unconscious prejudice that unknowingly influences one's perspective, behavior, and decision-making

Hitachi Solutions West Japan

Health promotion seminars for employees as a part of Health and Productivity Promotion Month

From November to December 2024, we held multiple health promotion seminars with external lecturers as part of Health and Productivity Promotion Month. Each seminar was attended by 500 to over 800 employees, who actively deepened their learning. The wide-ranging topics included practical methods for 1-on-1 meetings to enhance psychological safety and improve results, basic knowledge of mental health and stress management points, and health issues unique to women and ways to address them, with the aim of acquiring knowledge useful for daily work and health management.



Hitachi Solutions Technology

Health and Productivity Enterprise certifications in 2024 and 2025

To realize our corporate philosophy of creating a kind and hopeful society together with customers and partners, the mental and physical health of all employees, a vital management resource, is fundamental. Hitachi Solutions Technology has promoted measures and structures that prioritize the safety and health of employees above all else. For employees who cannot fully demonstrate their abilities due to health reasons, we complement consideration by supervisors with enhanced support through occupational health staff and others, providing support for both physical and mental aspects of health.



Business and corporate activities of overseas group companies



Business activities

Hitachi Solutions Europe Ltd.

Development of a proof-of-concept model for digital twins in collaboration with the UK Environment Agency

Hitachi Solutions Europe Ltd. collaborated with the UK Environment Agency to develop a proof-of-concept digital twin model aimed at environmental impact assessment through the introduction of low-oxygen technology. We reproduced the water environment and low-carbon industrial cluster in the Humber region of the UK as a digital twin, which is utilized to assess the cumulative impact of decarbonization and the environmental capacity of the region.

Hitachi Solutions America, Ltd.

Continuous selection as Microsoft Business Applications Inner Circle partner 2024/2025

Hitachi Solutions America, Ltd. has been continuously selected as a Microsoft Business Applications Inner Circle partner. Inner Circle members are top companies worldwide that demonstrate outstanding achievements in sales and service quality. Hitachi Solutions America aims to realize a sustainable society by collaborating with other companies and solving customer challenges.

Hitachi Solutions Europe Ltd.

Support for the digital transformation of production and sales business processes at the French National Forest Office

The National Forest Office (ONF), a public institution under the jurisdiction of the French Ministry of Agriculture and Food, is responsible for managing national forests and forests owned by local governments. Hitachi Solutions Europe Ltd. is collaborating with ONF to support the digital transformation of business processes related to timber production and sales, thereby promoting the sustainable use of forest resources.

Hitachi Solutions India Pvt.Ltd.

AI research and development for a sustainable society

At the R&D Center of Hitachi Solutions India Pvt. Ltd., engineers including those with master's degrees in AI-related fields survey research papers and results from around the world collaborate with headquarters in Japan on the safe utilization of generative AI and AI agents. The company engages in productivity improvement through chatbots, evaluation of cutting-edge startups and trending technologies, and other activities.



Corporate activities

Hitachi Solutions Europe Ltd.

Receipt of the Smarter Working Live award

The environmental survey management system jointly developed with the UK Environment Agency and the Department for Environment, Food & Rural Affairs received the Customer Experience Award at the Smarter Working Live Awards hosted by the UK government agency GPA. This award is given for outstanding business improvement and innovation. As part of EA's Regulatory Services Program (RSP), we are working toward the digital transformation of environmental regulations.

Hitachi Solutions America, Ltd.

Participation in the Power Platform Community Conference

Hitachi Solutions America, Ltd. participated as a sponsor in the Power Platform Community Conference held in Las Vegas from September 16 to 21. During the event, sessions were held on business outcomes through low-code development and training, attracting over 700 participants.



Hitachi Solutions Philippines Corporation

Recipient of the HR Asia Best Companies to Work for in Asia award for three consecutive years

For its initiatives focused on employee satisfaction and ease of work, Hitachi Solutions Philippines Corporation has received awards for three consecutive years at the HR Asia Best Companies to Work for in Asia Awards, which recognizes companies across Asia with high standards in HR systems, employee engagement, and workplace environment.



Philanthropic Activities

Our Group also actively promotes philanthropic activities that lead to the creation of social and environmental value and that contribute to a sustainable society and the sustainable advancement of business.

Education

Hitachi Solutions

Class on information security at Waseda University

Our white-hat hackers and security consultants serve as part-time instructors in the collaborative course "Cutting-edge Security Creating Future Society" at Waseda University's Global Education Center. The class incorporates the latest case studies concerning the rapidly expanding field of AI in society along with case studies and exercises on security challenges and countermeasures involving companies.



Hitachi Solutions Create

Cooperation with ICT and security event programs for junior high, high school, and technical college students

We sponsored the Singularity Battle Quest competition, in which high school students enjoy acquiring ICT skills, supporting planning and development of the competition, event management, and more. We engage in support activities such as providing problems for the KOSEN Security Contest and dispatching technical mentors to the Cyber Sakura security education program.

Hitachi Solutions East Japan

Dispatch of employee instructors to TOHOKU Wakuwaku School



We participated in TOHOKU Wakuwaku School outreach classes for elementary and junior high school students organized by the Tohoku Revitalization Research Center. We visited requested elementary and junior high schools to explain the work of SEs in an easy-to-understand manner and aimed to improve IT literacy through demonstrations using information devices such as smartphones and pen tablets. In FY2024, we conducted activities at elementary schools in Fukushima and Iwate prefectures.

Hitachi Solutions, Hitachi Solutions Create, Hitachi Solutions Technology

Dispatch of employee instructors to the Hitachi Mirai Innovator Program

The Hitachi Mirai Innovator Program is a project-based inquiry program for fifth-grade elementary school students conducted by the Hitachi Foundation. Students identify issues related to problems at school under the theme of "Ideal School," while employee instructors from Hitachi Group companies support their learning by advising on the students' ideas. In FY2024, 16 employees from three companies in the Hitachi Solutions Group participated as instructors.



Hitachi Solutions Asia Pacific Pte. Ltd.

Universal design education at an exchange event between Hitachi Group and local students

Together with Hitachi Group companies in Malaysia, employees of Hitachi Solutions Asia Pacific Pte. Ltd. Malaysia branch visited schools in Kuala Lumpur to introduce the concept and significance of universal design to students.



EDUCATION

Environment

Hitachi Solutions, Hitachi Solutions East Japan, Hitachi Solutions Create, Hitachi Solutions Technology

Promotion of ecosystem conservation activities

The Hitachi Group engages in ecosystem conservation activities, one of the action goals set to achieve our long-term Hitachi Environmental Innovation 2050 target aimed at achieving our environmental vision. The Digital Systems & Services Sector participates in three conservation activities: rural woodland conservation in Yokozawairi, Akiruno, Tokyo; forest conservation in Otani Green Space, Hachioji, Tokyo; and marine conservation in Katase Nishihama, Fujisawa, Kanagawa Prefecture. Many employees from the Hitachi Solutions Group participate in these activities. In a beach cleanup at Katase Nishihama, participants were actively involved from the planning stage. About 40% of the approximately 200 participants on the day were from the Hitachi Solutions Group.



Forest conservation at Otani Green Space, Hachioji, Tokyo



Marine conservation at Katase Nishihama, Fujisawa, Kanagawa Prefecture



Rural woodland conservation activities at Yokozawairi, Akiruno, Tokyo



Hitachi Solutions Europe Ltd.

Promotion of environmental conservation activities through Ecologi

Hitachi Solutions Europe Ltd. is actively engaged in environmental conservation activities through Ecologi, an online platform supporting climate change measures. In FY2024, the company achieved a record of planting over 8,500 trees and earned a badge for its volume of CO₂ emissions avoided.

Hitachi Solutions West Japan

Participation in Fukuoka's Love Earth Cleanup

We participate in the volunteer litter cleanups organized by the municipal government of Fukuoka, in Fukuoka Prefecture. In the annual Love Earth Cleanup event, citizens, companies, and government work together to clean up beaches, rivers, parks, and other city areas as a practical activity for global environment and local action, contributing to the achievement of the SDGs and measures to combat marine plastic waste.

ENVIRONMENT

Community

Hitachi Solutions

Wind orchestra performances

We hold regular concerts as opportunities for music appreciation and cultural exchange. At the concerts, we also organize joint performances with Tokai Junior High School in Shinagawa, Tokyo, providing a place for employees and local residents to enjoy music together.



Hitachi Solutions

Donation of picture books to nursery schools and kindergartens in Shinagawa, Tokyo

In collaboration with Shinagawa, Tokyo, we implemented the Picture Book Delivery to the Future project, donating picture books and other items no longer needed at employees' homes to nursery schools and kindergartens in the city. Of the picture books collected from employees, 180 books requested by nursery schools and kindergartens were donated to 41 facilities. Items not donated are recycled and reused as resources such as toilet paper.

Hitachi Solutions Europe Ltd.

Support as the official AI partner of the young professionals network MYP

Hitachi Solutions Europe Ltd. is active as the official AI partner of the UK-based Manchester Young Professionals (MYP), to support career development and provide networking opportunities for young professionals. We share practical knowledge concerning AI and cloud technologies with young professionals who seek to solve social issues.



Hitachi Solutions Technology

Cooperation with events held by nursery schools

On Halloween, we welcomed children from nearby nursery schools to our headquarters floor in Tachikawa, Tokyo. On Christmas Eve, employees in costumes visited nursery schools to exchange gifts of sweets.



Hitachi Solutions Europe Ltd.

Provision of 3D movie experience for children at local welfare facilities

In celebration of International Children's Day on June 1, we collected donations at the Bulgaria branch of Hitachi Solutions Europe Ltd. to give children at local welfare facilities their first 3D movie experience.



Hitachi Solutions Europe Ltd.

Participation in the Run2gether Inclusive Marathon

To help realize an inclusive society, employees of the Hitachi Solutions Europe Ltd. Bulgaria branch participated in Run2gether, a marathon event in which all participants, regardless of disability, recognize each other's differences and together aim for the goal.

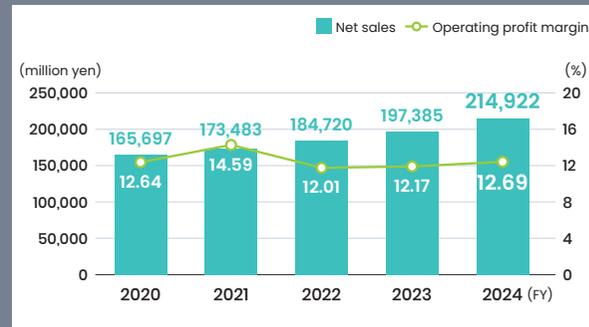


COMMUNITY

CORPORATE DATA

Financial and Non-Financial Highlights (Non-consolidated)

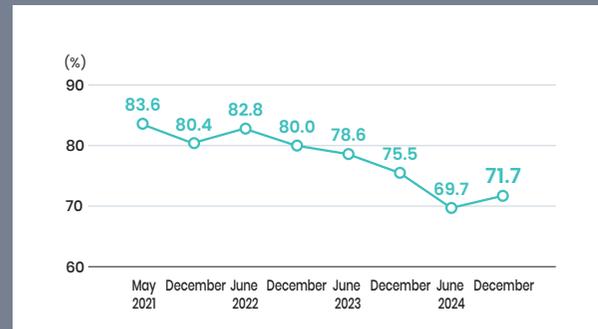
Net sales/Operating profit margin



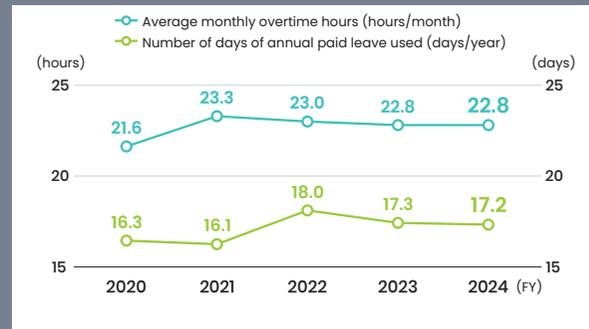
Electricity usage



Work-from-home rate

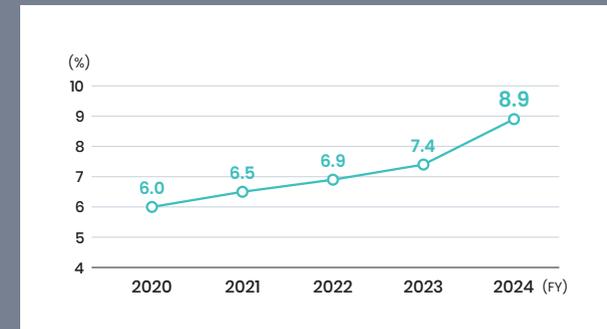


Average monthly overtime hours/Number of days of annual paid leave used



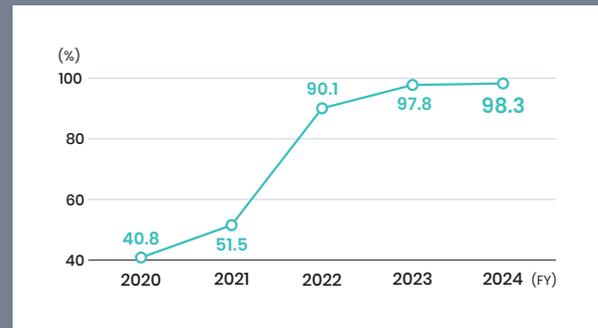
* 24 days of annual paid leave are granted

Percentage of women in managerial positions



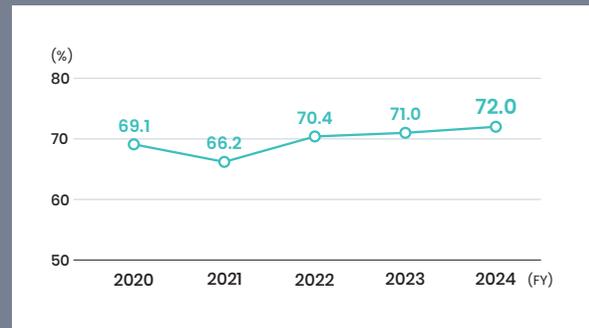
* Based on personnel at the end of the fiscal year

Percentage of men taking childcare leave



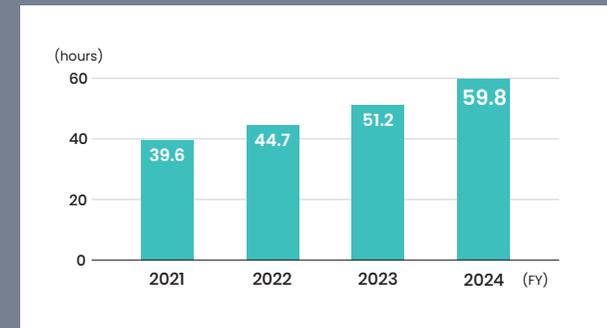
* Numerator: Of employees whose spouses have given birth in the fiscal year, the number of employees who have taken childcare leave in the fiscal year (including leave taken in single-day units)
Denominator: The number of employees whose spouses have given birth in the fiscal year
* Published values based on the Childcare and Nursing Care Leave Act and the Women's Active Promotion Act are 105% for FY2022, 102% for FY2023, and 98.0% for FY2024. (Numerator includes men whose spouses gave birth in the previous or earlier fiscal years.)

"Hitachi Insights"¹ Engagement² Positive response rate



*1 A survey conducted every year with the same content across the Hitachi Group to assess the strengths and weaknesses of the Group overall and of individual departments. Based on the analysis results, management staff and the Human Resources Department collaborate on drafting and implementing action plans and connect these to the enhancement of organizational performance and engagement.
*2 Engagement is an indicator of employees' overall degree of satisfaction, representing a state in which employees find their jobs to be rewarding and autonomously engage in their jobs to generate results.

Average hours of training per employee



Corporate Information

Location	Head Office: 4-12-7 Higashishinagawa, Shinagawa-ku, Tokyo
Established	September 21, 1970
Capitalization	20 million yen
Net sales	214,922 million yen as of March 31, 2025; non-consolidated
Number of employees	5,049 (Non-Consolidated) / 14,548 (consolidated) * As of March 31, 2025



See more information on our Company Profile here

Profit and Loss (Non-consolidated)

	FY2020	FY2021	FY2022	FY2023	FY2024
Net sales	165,697	173,483	184,720	197,385	214,922
Gross profit	47,611	52,028	54,276	56,241	60,925
Selling, general and administrative expenses	26,652	26,706	32,098	32,227	33,643
Operating profit	20,958	25,322	22,177	24,013	27,281
Ordinary profit	26,675	30,258	25,993	30,568	35,035
Net profit for the period	20,203	18,811	20,243	24,796	26,401

Awards and certifications

 <p>Ministry of Economy, Trade and Industry certification: Health and Productivity Enterprise 2025 "White 500" organization (Large Enterprise Category)</p>	 <p>PRIDE Index 2024 "Gold"</p>
 <p>Minister of Health, Labour and Welfare certification: Highest level of "Eruboshi"</p>	 <p>Ministry of Economy, Trade and Industry certification: "Digital Transformation Certification"</p>

- Ministry of Education, Culture, Sports, Science and Technology commendation: "Sports Achievement Group Commendation"
- 46th Japan BtoB Advertising Awards: "Sustainability Award" (second consecutive year)

Network in Japan

Sites in Japan

- Head Office (Tokyo)
- Yokohama Office
- Chubu Office
- Kansai Office

Group companies in Japan

- Hitachi Solutions East Japan, Ltd.
- Hitachi Solutions West Japan, Ltd.
- Hitachi Solutions Create, Ltd.
- Hitachi Solutions Technology, Ltd.

Network overseas

Group companies overseas

- Hitachi Solutions America, Ltd.
- Hitachi Solutions Canada, Ltd.
- Hitachi Solutions Europe Ltd.
- Hitachi Solutions Germany GmbH
- Hitachi Solutions India Pvt. Ltd.
- Hitachi Solutions Asia Pacific Pte. Ltd.
- Hitachi Solutions (Thailand), Ltd.
- Hitachi Solutions Philippines Corporation

HITACHI