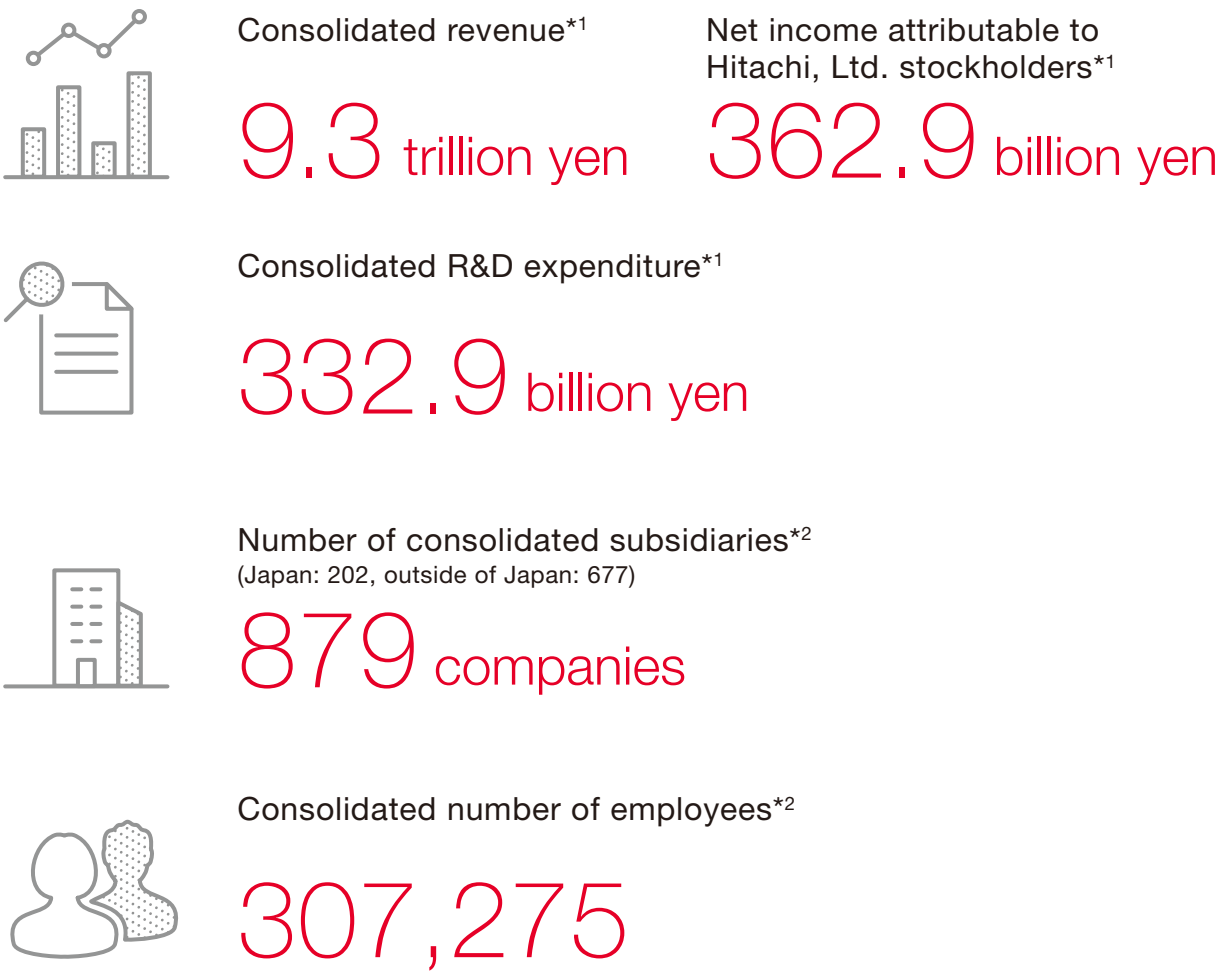


Hitachi Outline 2018–2019

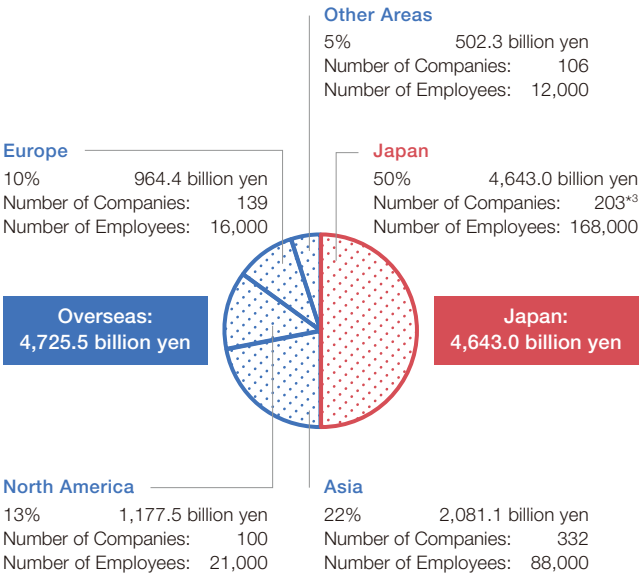


Who We Are

Hitachi Group: An experienced global performer



Revenue and Share by Region*1



Corporate Outline

Corporate name	Hitachi, Ltd.
Headquarters	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8280, Japan
Tel.	+81-3-3258-1111
Representative	Toshiaki Higashihara Representative Executive Officer, President & CEO
Capital*2	458.7 billion yen

*1 The fiscal year ended March 31, 2018.
*2 As of March 31, 2018.
*3 Including Hitachi, Ltd. and 202 consolidated subsidiaries, totaling 203 companies in Japan.
Note: Hitachi's consolidated financial statement is prepared based on the International Financial Reporting Standards (IFRS).

Message from Top Management



An example of Hitachi's technology for the future, this communication robot helps to improve quality of life.

Social Innovation for the creation of affluent lifestyles

The recent evolution of digital technology has caused significant change around the world, spurring reconstruction of industrial and social infrastructure. Data application, the key to digitalization, is creating novel ways of solving issues and delivering new services that promise to change the future.

Hitachi is a unique global company, with a portfolio that contains not only IT-related digital technologies including artificial intelligence (AI) and big data analysis, but also operational technology (OT) and products. Leveraging these strengths, our Social Innovation Business addresses social issues via the global supply of digital solutions, notably through social infrastructure that offers enhanced added value.

The adoption by the United Nations in 2015 of the Sustainable Development Goals (SDGs) has prompted moves to address a variety of global social issues.

Hitachi has always worked to address these kinds of issues as they have changed over time, based on our founding philosophy of “contributing to society through the development of superior, original technology and products.” This idea is consistent with the direction of the SDGs and the Social Innovation Business.

By continuing to promote the Social Innovation Business, we will continue improving the quality of life for people, construct a sustainable society in collaboration with customers and business partners and realize the SDGs.

T. Higashihara
Toshiaki Higashihara
President & CEO

Supporting Innovation in Every Era

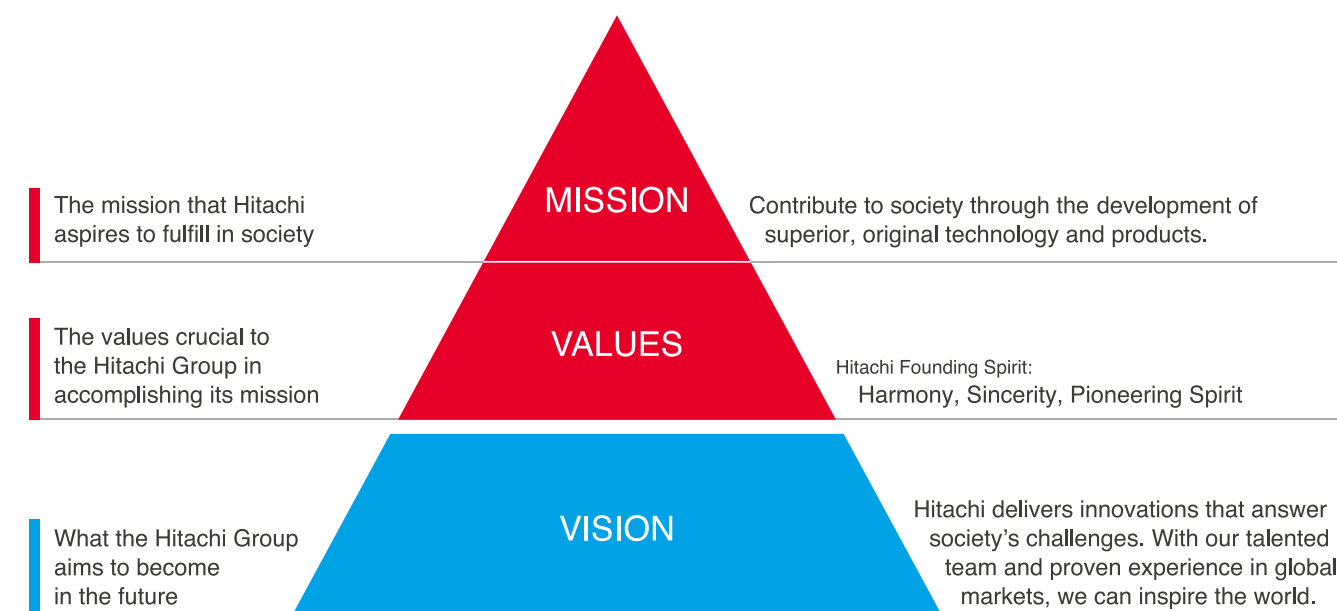
Hitachi Group Identity

The more than century-long history of Hitachi since its founding is built atop the Mission expressed by founder Namihei Odaira— “Contribute to society through the development of superior, original technology and products.” Launched by a handful of individuals, Hitachi has today evolved into a corporate group with a workforce of more than 300,000 people. Over the years, Hitachi has continued to hone its proprietary technologies, fulfilling its Mission to society by delivering products and services in every era that resolve the issues that society has faced.

Today and for the future, Hitachi aims through its wide-ranging business activities to resolve the issues of its customers and society in the quest to build a more dynamic world.

Hitachi Group Identity

Originally set by Hitachi founder Namihei Odaira, the Mission has been carefully passed on to generations of employees and stakeholders throughout the company's 100-year history. The Values reflect the Hitachi Founding Spirit, which was shaped by the achievements of our company predecessors as they worked hard to fulfill Hitachi's Mission. The Vision has been created based on the Mission and Values. It is an expression of what the Hitachi Group aims to become in the future as it advances to its next stage of growth. The Mission, Values, and Vision are made to be shared in a simple concept: Hitachi Group Identity.



Hitachi Founder, Namihei Odaira



Repair shop when Hitachi was founded



The power station at the Hitachi mine (1916)

MISSION

In 1910, Hitachi was founded as a mining machinery repair shop in Ibaraki Prefecture, Japan.

At a time when Japan was relying on imported products and technology, Hitachi founder Namihei Odaira formed a team that chose to rely on a different resource—themselves. With perseverance and enduring passion, the team created, developed, and delivered original products and technologies.

The driving force behind the team was Odaira's noble belief: “Contribute to society through the development of superior, original technology and products.” This belief was the starting point for the Hitachi Group. Today, it forms Hitachi's Mission, which is the overarching concept of the Hitachi Group Identity.

VALUES

Hitachi Founding Spirit

Harmony

The willingness to respect the opinions of others and discuss matters in a manner that is thorough and frank, but fair and impartial, and once a conclusion has been reached, to cooperate and work together to achieve a common goal.

Sincerity

To act with a sense of ownership and honesty at all times and never pass the buck.

The spirit to meet society's expectations and generate credibility for Hitachi.

Pioneering Spirit

To work creatively, using novel approaches to enter new areas.

To always act as a pioneer within our areas of expertise and to have the passion to pursue higher goals beyond our capabilities.

Our Innovation History

In every era, Hitachi has brought innovation to the issues society faces, in step with the economic, social and environmental changes of the times. Beginning with product development and manufacturing driven by independently developed technology, Hitachi has honed Operational Technology (OT) that moves production site equipment and systems throughout the manufacturing process. During periods of high growth, Hitachi engaged in the development of large-scale systems to support infrastructure, and was vigorously involved in the development of Information Technology (IT). What has emerged since is Hitachi's transformation into one of the world's most unique companies, defined by sophisticated OT and manufacturing technology, cutting-edge IT, and products known for high quality and reliability. The driving force for this change is Hitachi Innovation, a tireless commitment to overcoming challenges in a wide range of fields to deliver an array of technological innovations and products for meeting the expectations of society at large and our customers.

1960s- IT promotion



1965
HITAC 5020 system
(produced in Japan)



1974
HITAC M-series
large-scale computer



1924
Large-scale electric locomotive
(first produced in Japan)



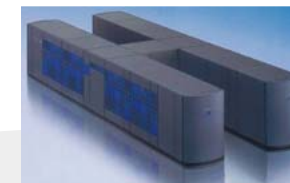
1932
Hitachi's first electric refrigerator



1942
Electron microscope (first for
commercial use produced in Japan)



1984
Started mass production of
256-kbit DRAMs



1999
Super Technical Server
(world's fastest at the time)



2004
Storage system



2015
Wearable sensor for measuring
organizational activity



1979
First mass-produced bank ATM



1995
Super TFT LCD module featuring
ultra-wide viewing angles



2000
Practical use of finger-vein
authentication technology

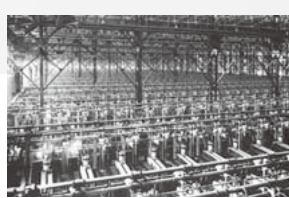


2007
EMIEW2, a small and lightweight
interactive robot

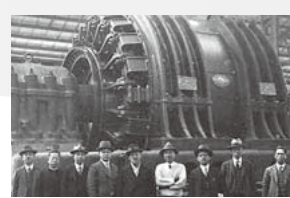
1910s- OT and product promotion



1910
Five-horsepower induction
motor, Hitachi's first product



1931
Hydraulic electrolytic cell, which
helped boost fertilizer production
in a time of food scarcity



1933
DC mill motor (world's largest at
the time)



1968
All-transistor color television
(first produced in Japan)



1972
Train operation management system



1982
Holographic electron microscope



2011
Large scale centrifugal pump with
world's highest efficiency level,
supplied to Edmonston pumping
station, USA.



1964
Cars for the Shinkansen (Bullet
Train), first at the time to reach
speeds of 200 km/h



1968
Elevators for Kasumigaseki Building
(fastest in Japan at the time)



1974
Shimane Nuclear Power Station,
Japan's first commercial-use
nuclear power station



2001
Proton therapy system installed in
University of Tsukuba Hospital

2010s- IoT* promotion

* Internet of Things: Internet connectivity via an array of physical devices



2016
Launched Lumada as solutions for accelerating digital innovation

Social Innovation Business

Evolution of technologies such as IoT and AI is transforming enterprise and people's lives. On the other hand, problems are emerging in many parts of the world as societies become more advanced, complex and diverse.

Advocating Sustainable Development Goals (SDGs) to overcome the challenges facing all humanity, the United Nations has called on industry to contribute through business.

Hitachi's Mission focuses on realizing the social value targeted through the SDGs. This has been the major theme of management ever since Hitachi was founded. Working with stakeholders, we are strongly promoting the Social Innovation Business to share the varied issues with society and customers, and to help address these issues by leveraging Hitachi's strengths in OT, IT and products/systems.



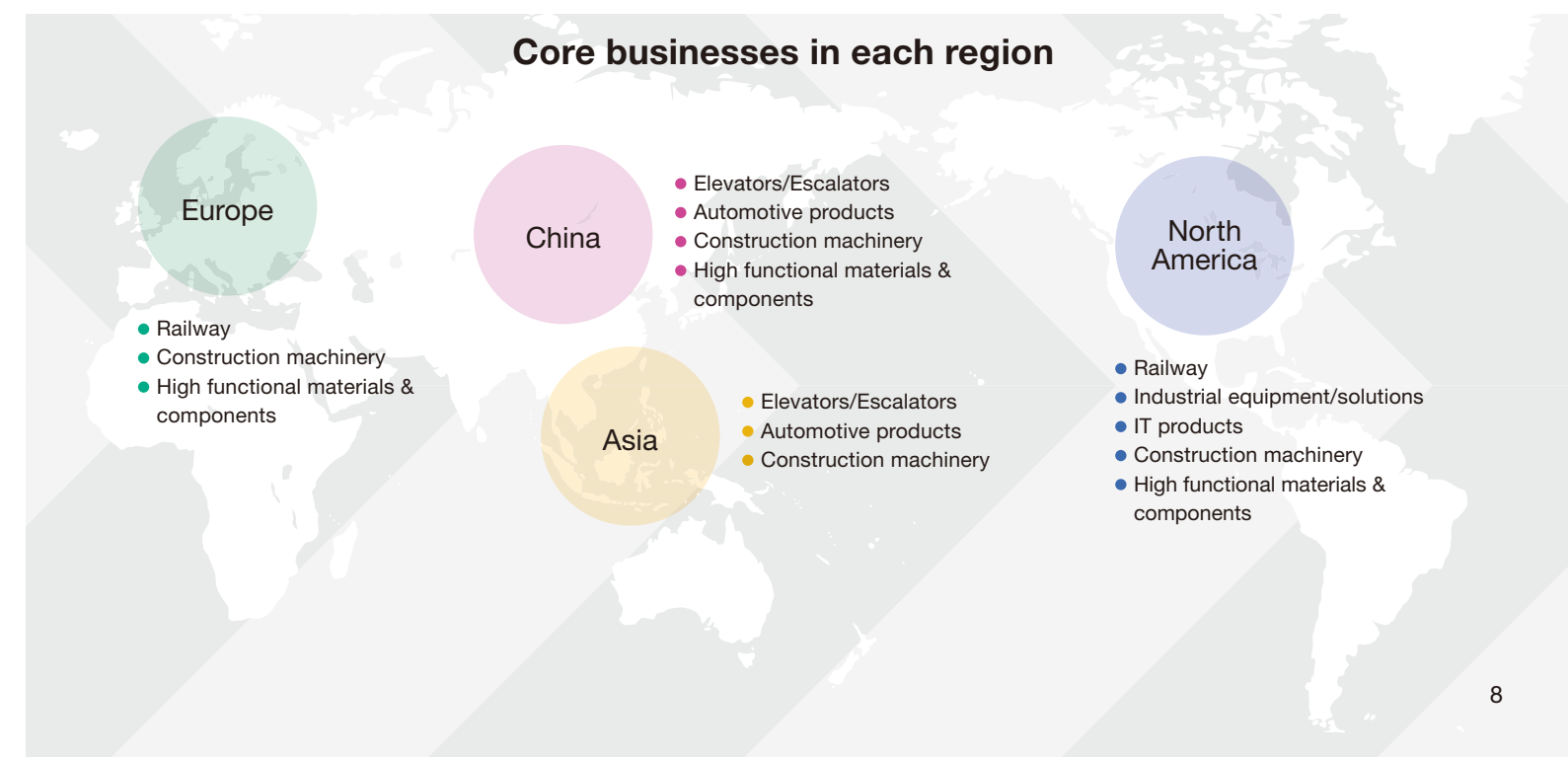
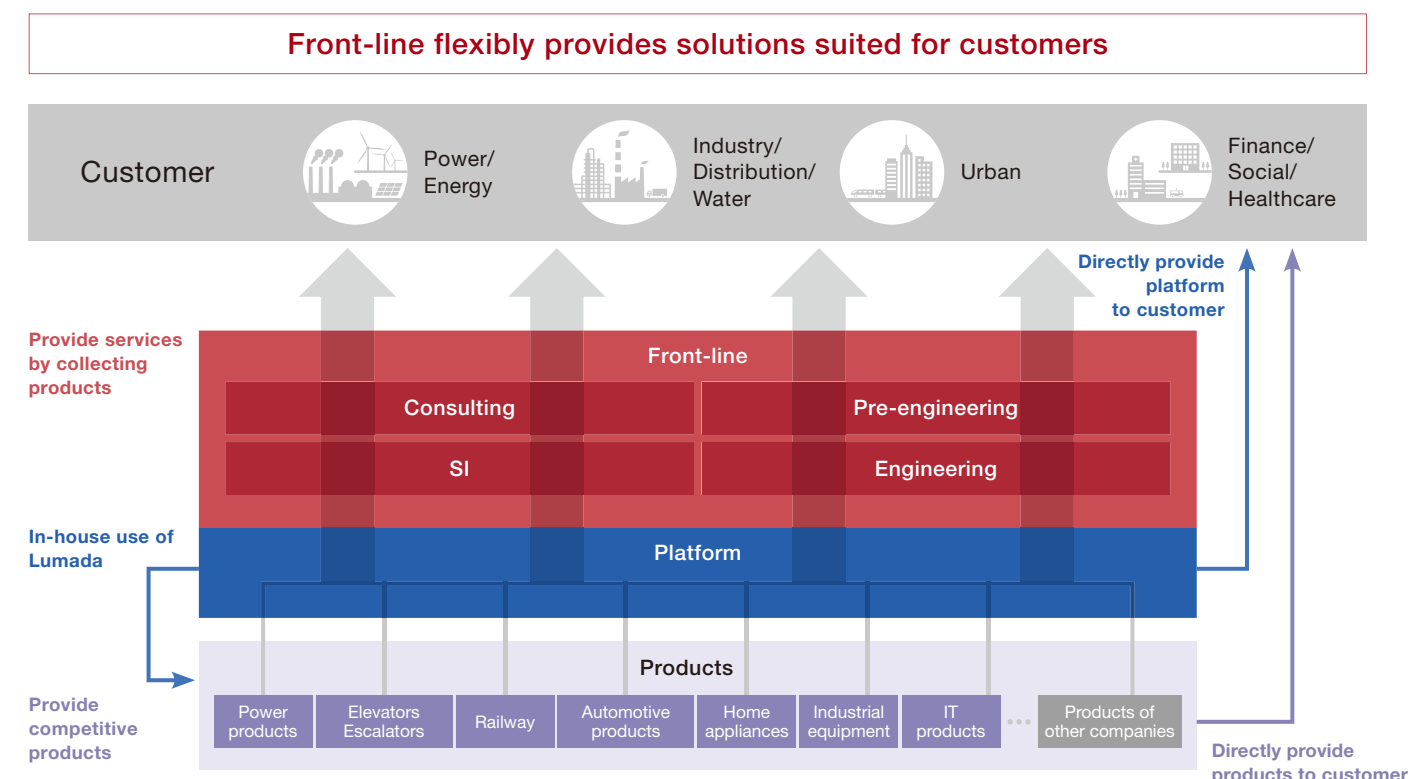
2018 Mid-term Management Plan Target: An Innovation Partner for the IoT Era

The 2018 Mid-term Management Plan was formulated in May 2016, covering the period to fiscal 2018 (ending March 2019). The plan targets include expanding the "Front" business that develops and supplies services to cater to a variety of social needs globally (to generate 40% of revenues), while also expanding global operations (for an overseas revenue ratio of over 55%). Our aim is to be an Innovation Partner for the IoT Era, led by development of the Social Innovation Business.

In developing our "Front" operations, we are targeting the four focus business domains of Power/Energy, Industry/Distribution/Water, Finance/Social/Healthcare, and Urban in our global development of the Social Innovation Business, by utilizing advanced digital technologies.

Hitachi is committed to delivering the best solutions to meet the needs of society via an accelerated process of collaborative creation with customers and business partners.

Toward Future Global Growth Using Digital Technology



New Value Through Collaborative Creation

Hitachi Digital Solution

Hitachi is working to address issues faced by customers and society by upgrading product and system performance to save power or to achieve faster speeds. Yet identifying issues at manufacturing sites is made more difficult by factors such as labor shortages and more diverse product lifecycles, along with more complex and multifaceted tastes and values.

Hitachi launched Lumada, solutions for accelerating digital innovation, in 2016 as part of efforts to generate original value and solve problems through a process of collaborative creation with customers by utilizing its track record in OT/IT and broad internal knowledge base. Bringing together varied specialist expertise and knowledge from a wide range of businesses spanning fields such as industry, railways, energy, finance and healthcare, Hitachi is looking to transform society by using digital solutions to solve advanced issues.

Solving Issues via Collaborative Creation Lumada Customer Cases

Lumada-based solutions involving a collaborative creation process with Hitachi customers, mainly in the industrial sector. Aimed at creating new value, the process involves first designing a business model to describe the shared issues and vision, before testing and simulation. Hitachi is also accelerating the development of digital solutions globally through Hitachi Global Digital Holdings Corporation, which was established in April 2018.

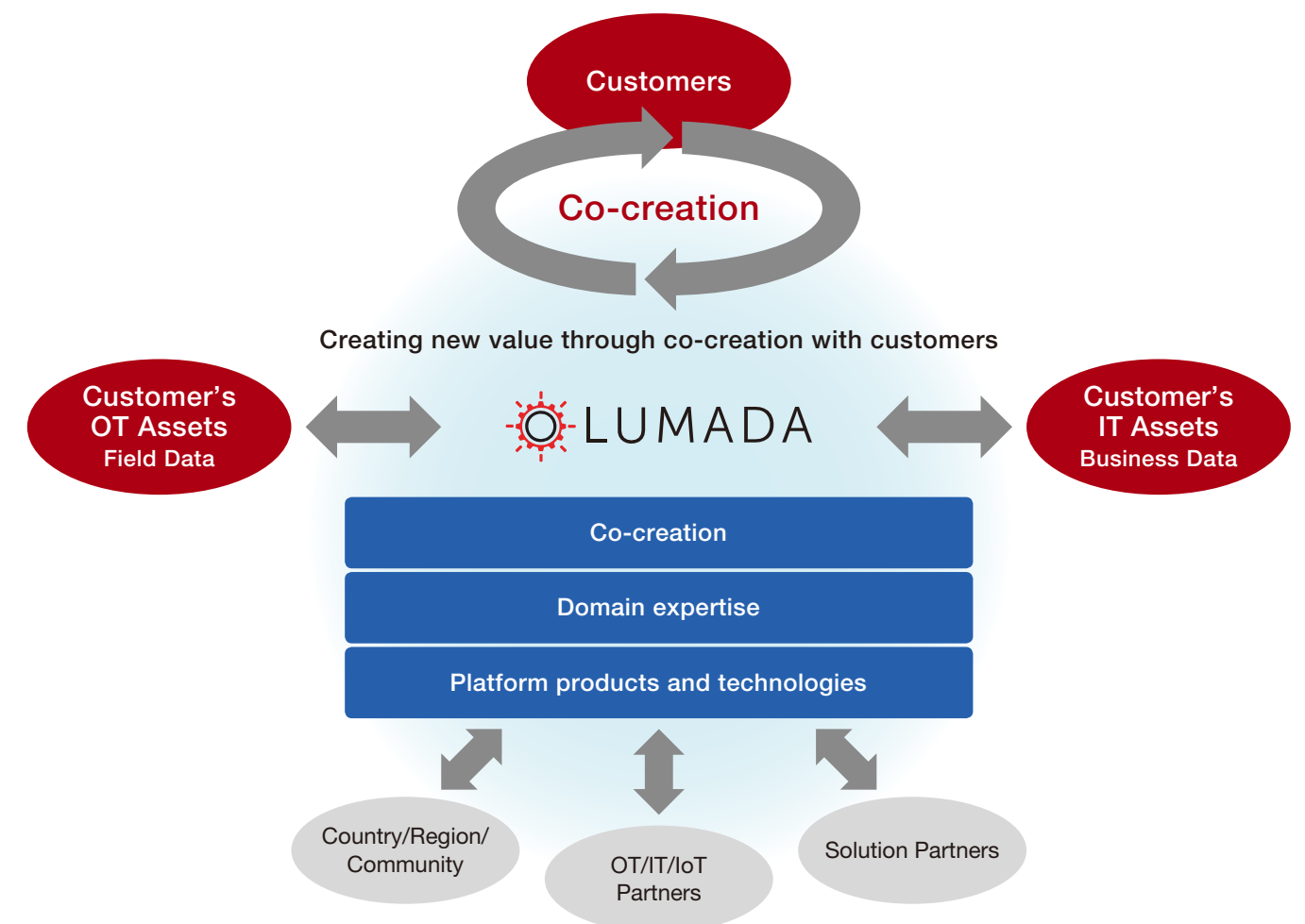
Copenhagen Metro Project

In Europe, Hitachi is focusing on the Urban business domain, mainly railway systems. The business aim is to expand from rolling stock, signaling and other products/systems into digital solutions for the railway sector. Hitachi is now working with Metroselskabet, the public-sector infrastructure owner of the driverless subway operating in the Danish capital Copenhagen, to test a new dynamic headway solution that combines Hitachi's digital and IoT technologies with the train control systems of Ansaldo STS, a Hitachi subsidiary operating in the railway systems business.

Passenger demand on the Copenhagen Metro varies significantly depending on the time of day and any events occurring near the network. Moreover, the opening of a new line in 2019 is expected to result in a substantial increase in passenger numbers on the existing lines. The elimination of overcrowding in trains is a major issue.

Having used rolling stock and signaling systems supplied by the Hitachi Group for many years, Metroselskabet is an important Hitachi long-term partner. The advanced service provided by Hitachi for

Lumada
Hitachi's digital solutions create value from customer data and accelerate digital innovation



the Copenhagen Metro includes driverless trains that run 24 hours a day.

The dynamic headway solution automatically adjusts train frequency using the results of an analysis of changes in passenger numbers, visualizing congestion data collected from sensors located in each

station. By easing congestion before it occurs, this provides a more satisfying transport experience for passengers. The system also helps the metro operator to reduce costs by adjusting train frequency to real-time changes in demand, contributing to energy savings along with higher efficiency.





Through the Social Innovation Business, Hitachi aims to address various issues while contributing to a better quality of life for all by supporting the achievement of SDGs.

Hitachi’s Social Innovation Business and Sustainability

In 2015, the United Nations announced 17 Sustainable Development Goals (SDGs) to be achieved by 2030, including goals for ending poverty, fighting inequality and injustice, and tackling climate change. Organizations are expected to develop long-term frameworks and take ownership of this push for sustainability to realize the SDGs and create a better world.

Hitachi’s heritage of over a century is built on the determination of founder Namihei Odaira to “contribute to society through the development of superior, original technology and products.” The company has always aspired to fulfill this mission by delivering products and services that address society’s challenges.

Based on this philosophy and guided by the SDGs, Hitachi is working with stakeholders to grasp the varied

issues faced by society and customers, while strongly promoting its Social Innovation Business to help address such issues by utilizing the infrastructure and cutting-edge IT technologies it has developed over the years.

Accordingly, through innovative solutions and products from our Social Innovation Business, we will strive to create economic, social, and environmental value as part of our management strategy. We will also reduce negative social and environmental impacts resulting from our business and seek a deeper understanding of business risks arising from social and environmental changes to ensure greater robustness against them.

Identifying Key Social Challenges

In fiscal 2017 Executive Sustainability Committee meetings chaired by the CEO, taking into consideration the ISO26000 standard, UN Global Compact and other factors, the committee members deliberated the 17 SDGs, and the opportunities and risks they represented, and identified the 11 Goals that pose the most important social challenges for Hitachi: 5 Goals where Hitachi can make significant impact through its business strategy, and 6 additional Goals relevant to its corporate commitment to society, to affect Hitachi’s very sustainability as a company.

Embracing the belief that Hitachi can contribute broadly to the achievement of the SDGs through a wide range of business activities, the company is also investigating options for supporting the remaining six Goals in the short to medium term. We are committed to supporting efforts to reach all SDGs, both directly and indirectly, especially in terms of the interaction and interdependence between them.

Contribution to SDGs



Tackling the SDGs with Our Business Strategy

To select the SDGs where Hitachi can make the greatest impact through its business strategy, all business units and key Group companies spent nearly a year reviewing the 17 SDGs and 169 targets in light of the contributions Hitachi could make through its core business, making recommendations to the Executive Sustainability Committee. Hitachi identified five SDGs where it can have a significant impact.

These are the five SDGs best aligned with our business strategy across the four focus business domains of our Social Innovation Business: “power and energy,” “industry, distribution, and water,” “urban,” and “finance, social, and healthcare.” We will continue to promote our Social Innovation Business, as we believe that working toward these goals will provide not only growth opportunities but also the chance to create social values through business.

Tackling the SDGs with Our Corporate Commitment

To meet the expectations of our stakeholders and fulfill our social responsibilities, we identified six additional SDGs we can help achieve throughout our operations.

Sustainability initiatives have been developed in compliance with management policies such as the

Hitachi Group Codes of Conduct, the Hitachi Group Human Rights Policy, and Hitachi Environmental Innovation 2050. We will make steady progress by setting specific targets for each initiative.

Below we introduce some examples of how Hitachi's Social Innovation Business is creating new social value.

Partnering for Innovation

Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Smart Manufacturing with IoT

Daikin is a leading global producer of air conditioners that sees skills transfer and ongoing improvement of productivity and quality across different countries and regions as important challenges. It was concerned that brazing skills were not being transferred efficiently because of the many aspects of brazing that cannot be adequately explained in written form or through practice alone. In response, Hitachi developed a Brazing Skills Training Support System that can produce quantitative assessments of the “man, machine, and material (3M)” factors of production. This system has been in operation at Daikin’s Shiga Plant since its introduction in October 2017.



Building Communities

Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable



Upgrading Railway Transportation in the UK

Through the UK’s Intercity Express Programme (IEP), Hitachi is delivering 866 new vehicles that will constitute a step change in capacity, reliability, maintainability, and environmental friendliness on every trip. Journey times will also be reduced, improving the connectivity of cities within the UK.



Recognizing the Value of Water

Goal 6 Ensure availability and sustainable management of water and sanitation for all



Extending the Global Water Footprint Through “RemixWater”

RemixWater is a new integrated seawater desalination and water reuse system from Hitachi designed to save energy and reduce environmental impact. Capable of drinking water-level quality output, it is suitable for industrial or domestic use. In 2016, construction began on RemixWater as a four-year demonstration program for eThekwin, South Africa’s third most populous municipality. (Demonstration project conducted by NEDO*)

* NEDO: New Energy and Industrial Technology Development Organization



Powering Change

Goal 7 Ensure access to affordable, reliable, sustainable and modern energy for all



Wind Turbine Generation for a Cleaner Environment

Hitachi developed a 5.2-MW, large-scale, downwind-type wind power generation system for offshore power plants in 2015, in addition to the conventional 2-MW-class wind power generation system. Also, in 2016, we expanded the wind receiving area by increasing the blade length, and added the HTW 5.2-136, which can increase power generation even in low wind speed areas with annual average wind speeds of less than 7.5 m/s. These features are fulfilling customers’ wide-ranging needs as Hitachi actively develops business in the turbine generator systems market, where future expansion is projected. Hitachi has received orders for a cumulative total of 325 turbines, of which 198 are currently in commercial operation.* By providing the power systems that support social infrastructure, Hitachi is helping to make a low-carbon society a reality.

* As of end of June 2018



Transforming Financial Services

Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Creating New Services in Collaboration with Financial Institutions

Using digital technologies such as AI and big data, Hitachi is bridging the financial divide* to provide new lending services for SME customers, to enhance loan examination services, and to conduct proof-of-concept testing for advanced business matching services. In the blockchain field, Hitachi is undertaking various initiatives, including offering cloud services that provide a blockchain technology environment and organizing joint onsite demonstrations for supply chain management applications of blockchain technology.

* Financial divide: Gap that emerges due to differing access to financial services and degree of financial knowledge.



Connected Healthcare

Goal 3 Ensure healthy lives and promote well-being for all at all ages



Improving the Effectiveness of Surgical Therapy with iMRI

Hitachi’s intraoperative MRI (iMRI) is among the core technologies for advanced digital operating theaters. Hitachi’s innovative open-type permanent magnet design is superior to the traditional superconducting magnet design, reducing running costs by 30% and offering clear image resolution in low magnetic fields. The economical iMRI technology is gaining wider adoption, giving more patients access to quality healthcare services. We also provide training opportunities for health workers in developing countries.



Corporate Commitment

In the pages that follow, we introduce specific examples of the expectations our stakeholders have for Hitachi, as well as our response to global guidelines.

Environmental Strategy

Goal 13 Take urgent action to combat climate change and its impacts

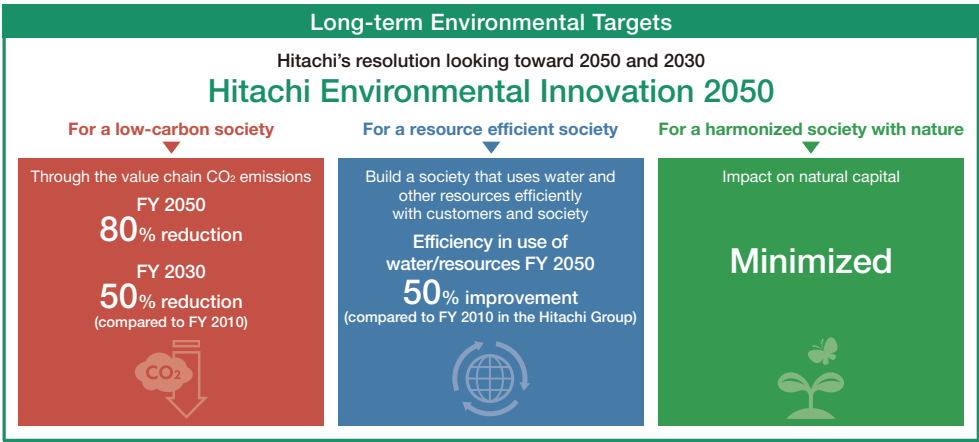


The Environmental Vision and Hitachi Environmental Innovation 2050

The Paris Agreement, which came into force in 2016, sets ambitious targets, including a global long-term target of keeping global warming to below 2°C and efforts to limit the increase to 1.5°C. As the seriousness of issues such as climate change, resource depletion, destruction of ecosystems and various other environmental concerns deepens, companies will face mounting pressure and expectations to curb their environmental impact.

In the light of these global demands and our own management policy, we created an Environmental

Vision clearly stating our aim to both improve the quality of life and achieve a sustainable society from a long-term perspective, as well as to achieve a low-carbon society, a resource efficient society, and a harmonized society with nature by promoting environmental management. Looking toward 2030 and 2050, we also established long-term environmental targets called Hitachi Environmental Innovation 2050 that demonstrates our resolve to achieve the kinds of societies outlined in our Environmental Vision.



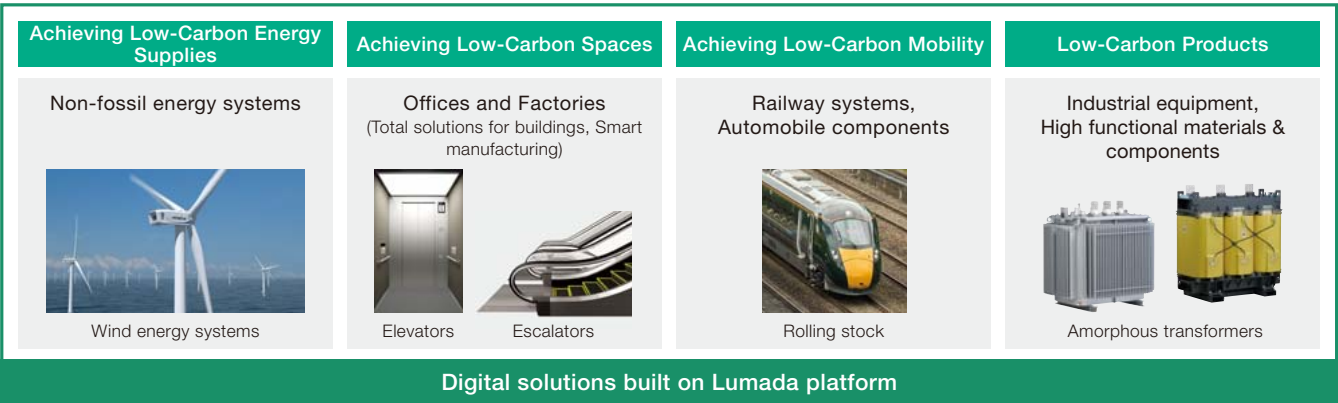
Responding to Climate Change Through Growth in “Low Carbon Businesses”

To achieve high-level reductions in greenhouse gas emissions, Hitachi has established a goal of reducing CO₂ emissions throughout its value chain by 50% by fiscal 2030 and 80% by fiscal 2050 (compared to fiscal 2010 levels). Because a significant share of our value chain CO₂ emissions comes from the use of our products and services by our customers, our efforts to reduce such emissions focus on reducing CO₂ at the time products

and services are used; in other words, we are paying attention to expanding low-carbon businesses.

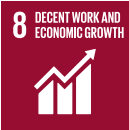
Hitachi is merging the strengths of its business units and Group companies through digital solutions built on the Lumada platform, while expanding low-carbon businesses through co-creation with customers and partners.

Low-Carbon Businesses: A Hitachi Focus



Fostering Contributors to Hitachi Social Innovation Businesses

Goal 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Advancing Global Human Capital

Our Group-wide global human capital management strategy optimizes both human resources and organizational performance in pursuit of our goal of becoming an Innovation Partner for the IoT Era. One example of our initiatives is the Global Human Capital Database covering all Hitachi Group employees, excluding factory workers outside Japan. This database enables us to fully ascertain the status of world-wide Group human capital and to assess macro management data, such as the allocation of human resources. In addition, we introduced a performance management system at Hitachi, Ltd. and at some Group companies worldwide to link the individual and

operational business goals, with the aim of promoting mutual sustained improvement and the growth of both individuals and businesses.

We are also working on talent development initiatives to drive global business growth. From fiscal 2015, we implemented “Hitachi University,” a Hitachi Group and global common platform for learning opportunities, where everyone is encouraged to learn for growth. In raising individual skill levels through the wide range of learning content offered, our aim is to enable Hitachi Group employees worldwide to make social contributions.

Nurturing a New Generation of Human Capital

The Hitachi Group and the Hitachi Global Foundation carry out activities related to science, technology, engineering, and mathematics (STEM) education on a global basis in order to develop a new generation of human capital capable of addressing social challenges. In Japan, we held the Hitachi Science Seminar with the cooperation of our Group companies, dispatch researchers to “Super Science High (SSH) schools” as scientific technological advisors, and support science education through volunteer employee activity in fiscal 2017. The Hitachi High-Tech Group is developing its STEM education support activities globally. In North America, Hitachi High Technologies America, through its STEM Education Outreach Program, contributes to enhancing students’ interest in science by lending tabletop electron microscopes to regional schools, colleges, teacher training conferences, science museums, and other institutions and organizations involved in science education. In fiscal 2017, more than 100 programs were carried out in ten states. Programs using tabletop electron microscopes were also independently planned and put in motion by local Hitachi High-Tech Group employees in China, South Korea, Singapore, and these activities are now expanding to Ukraine and Russia. Meanwhile, as part of the Indian government’s “Atal Tinkering Lab” initiative,

Hitachi India has launched “UJJAWAL MIRAI (Bright Future),” a STEM education program that fosters scientific thinking, problem-solving skills, and an entrepreneurial mindset among secondary school students, in association with NGOs contributing to the promotion of STEM in India. In these and other ways, Hitachi remains committed to nurturing the next generation of human capital who will transform our society.



Russian junior high school students using microscopes provided through our STEM activities.

Diversity and Inclusion

Goal 5 Achieve gender equality and empower all women and girls



D&I as Wellspring of Innovation

Diversity is the wellspring of our innovation and our growth engine. Hitachi regards personal differences—gender, nationality, work history, age, sexual orientation, and philosophy—as facets of people’s individuality. By respecting our employees’ individualities and positioning them as an advantage, Hitachi frames its diversity and inclusion as conducive to both the individual’s and the company’s sustainable growth. Since the 1990s, we have been at the social forefront, supporting women and other members of our multifaceted workforce. This includes setting up systems to help balance work with child and nursing care.

We are embracing diversity as a management strategy under the initiative slogan “Diversity for the Next 100.” This means creating an environment where women and other members of our varied workforce can use their skills in leadership and business management.

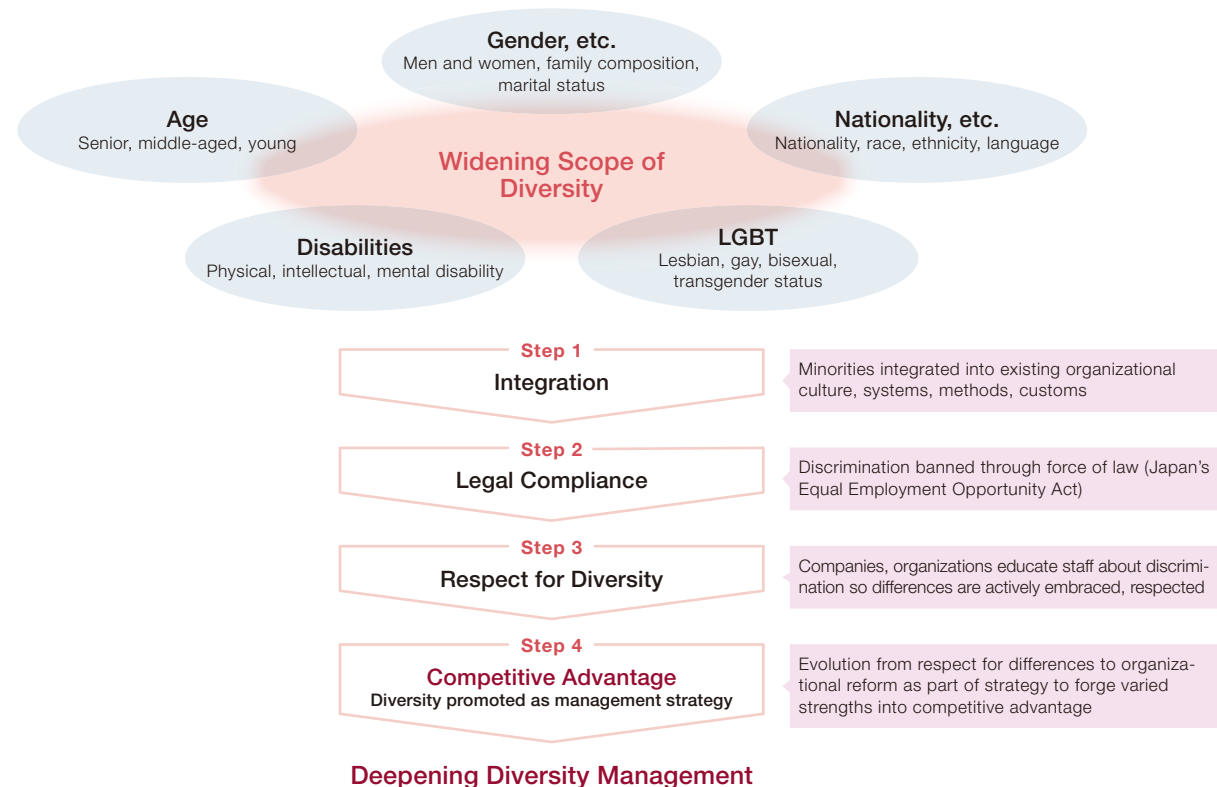
Hitachi, Ltd. has created two key performance indicators (KPIs) to enable as many female employees

as possible to take up leadership positions and to participate in management decision making. In fiscal 2013, Hitachi set a goal of promoting women to executive positions by fiscal 2015. In April 2015, the company appointed its first female corporate officer, a position equivalent to the executive level. We will continue to promote this goal to ensure that diverse views and values will be reflected in our management. In fiscal 2017, we publicly announced our commitment to increasing the rate of female executive and corporate officers*¹ to 10% by fiscal 2020.*² We are also working to promote more female employees to managerial positions, aiming to double the number of female managers to 800 by fiscal 2020 compared with fiscal 2012. These efforts demonstrate our commitment both internally and to the world to further advance women in the workplace and improve our diversity management.

*¹ Positions considered to be at director level within the company.

*² As another goal, Hitachi aims to achieve a 10% ratio of non-Japanese executive and corporate officers by fiscal 2020.

Expanding the Scope of Diversity Management



Responsible Value Chain

Goal 12 Ensure sustainable consumption and production patterns



Promoting CSR Procurement

We base our procurement activities on the *Hitachi Guidelines for Procurement Activities*, while sharing global supply chain issues within the Group. All Group companies follow these guidelines. The guidelines were created in line with the United Nations Global Compact and include the elimination of discrimination in employment and occupation, the rejection of all forms of child and forced labor, and environmental protection activities. Suppliers are selected strictly in accordance with the *Hitachi Guidelines for Procurement Activities*.

In fiscal 2016, we completely revised these guidelines with the release of the *Hitachi Group CSR Procurement Guideline*, which makes references to version 5.1 of the Responsible Business Alliance (RBA, formerly called EICC) Code of Conduct. To ensure that the guidelines’ provisions are strictly followed,

we distribute the *Guidelines* to the approximately 30,000 suppliers of Hitachi business units and Group companies, from whom we request acknowledgment of suppliers’ understanding in writing. Tier 1 suppliers are further asked to confirm that tier 2 suppliers also follow the provisions in the guidelines. We plan to revise these guidelines regularly in the future to ensure that they always reflect the demands of global society regarding corporate supply chain management. We regularly conduct supply chain monitoring (self-checks) and CSR audits to diagnose associated risks and issues and ensure suppliers adhere to standards. In addition, our green procurement system A Gree’Net is used to collect environmental data from suppliers as soon as it becomes available and use it in procurement management.

Respect for Human Rights

Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Human Rights Initiatives

The Hitachi Group Human Rights Policy has been formulated to create a value chain where the human rights of all stakeholders are respected. Under the leadership of top management, educational activities targeting all executives and employees are carried out on an ongoing basis to help foster an organization in

which human rights infringements do not occur. Under this policy, we are also building a framework to accurately assess and mitigate human rights risks in the workplace environments of Hitachi’s suppliers and other stakeholders.

Co-creation with Stakeholders

Goal 17 Strengthen the means of implementation and revitalize the global partnership for sustainable development



Promoting Open Innovation

In 2016, Hitachi established “Hitachi The University of Tokyo Laboratory” to spearhead open innovation concepts combining ICT advancements and smart transformations. The Laboratory focuses on co-creation intended to realize the “Super Smart Society” (Society

5.0) idea put forward by the Japanese government. We have also established three other joint laboratories in Japan based upon shared belief in a need for innovations to resolve future societal issues.

Information & Telecommunication Systems

Hitachi provides IT services that address customers’ diverse needs by combining Hitachi’s extensive expertise in a diverse range of business fields, including financial services, with advanced information technology. Our services cover the entire life cycle of systems, ranging from consulting to system integration, operation, maintenance, and other support.



Flash Storage



Cash recycling ATM



Finger-vein authentication system

Initiatives in Digital Solutions

Human flow visualization solution which utilizes CCTV (Closed-Circuit Television) footage to visualize the flow of foot traffic; Hitachi’s image analysis technology automatically detects whether people are moving or stopped. Each human image from CCTV is then individually replaced with human-shaped icons. The result is a service that enables visualization of the congestion level while maintaining privacy.

Main Products and Services

Systems integration, consulting, cloud services, servers, storage, software, telecommunications & networks, ATMs

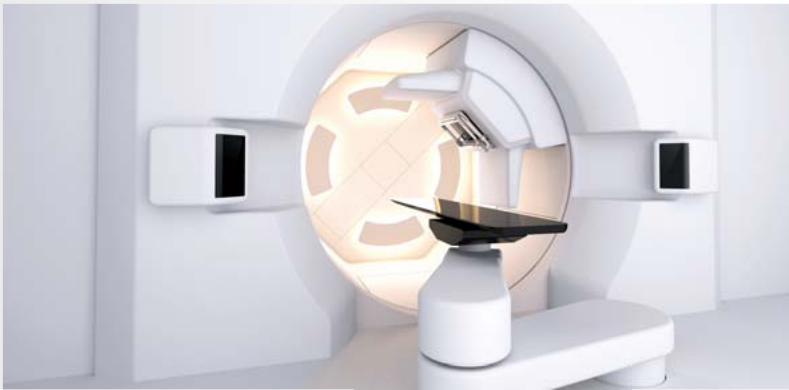
Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi Information & Telecommunication Engineering, Ltd., Hitachi-Omron Terminal Solutions, Corp., Hitachi Computer Products (America), Inc., Hitachi Financial Equipment System (Shenzhen) Co., Ltd., Hitachi Solutions, Ltd., Hitachi Systems, Ltd., Hitachi Consulting Corporation, Hitachi Information & Telecommunication Systems Global Holding Corporation*, Hitachi Payment Services Private Limited, Hitachi Vantara Corporation

*Hitachi Information & Telecommunication Systems Global Holding Corporation changed its company name to Hitachi Global Digital Holdings Corporation on April 1, 2018.

Electronic Systems & Equipment

Drawing on the Hitachi Group’s advanced technologies, Hitachi provides systems supporting the information society, including semiconductor manufacturing equipment, measurement and analysis equipment, broadcasting and video systems, wireless communications and information systems, and healthcare solutions that support healthy lifestyles.



Particle beam therapy



Advanced CD Measurement SEM



Diagnostic ultrasound system

Initiatives in Digital Solutions

Hitachi offers a diagnostic service designed to predict potential malfunctions in superconducting MRI systems. Through “predictive maintenance,” or performing repairs before a malfunction occurs, we are helping improve the efficiency of hospital examination work by reducing equipment downtime, while also providing an environment that allows patients to receive their examinations with peace of mind.

Main Products and Services

Semiconductor manufacturing equipment, measurement and analysis equipment, advanced industrial products, medical equipment

Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi High-Technologies Corporation, Hitachi Kokusai Electric Inc.*

*The Company transferred all shares of Hitachi Kokusai Electric Inc. stock owned by the Company on May 31, 2018, and then, the Company partially re-acquired shares of Hitachi Kokusai Electric Inc. stock on June 4, 2018. As a result, Hitachi Kokusai Electric Inc. turned into an equity-method associate of the Company.

Social Infrastructure & Industrial Systems

Hitachi has a long and proven track record of high reliability in supporting people’s daily lives through such products and services as rolling stock and train management systems, power generation systems and transmission & distribution systems, elevators and escalators, and water solutions. It also offers industrial solutions and equipment to enhance the sophistication of manufacturing workplaces. Hitachi utilizes digital technologies to provide optimum solutions in addressing the issues and diversifying needs of customers worldwide.



Class 800 train for the Intercity Express Programme (IEP)



5.2MW wind turbine with downwind rotor



Standard elevator

Initiatives in Digital Solutions

For customers in the manufacturing sector, Hitachi offers solutions that make smart manufacturing possible. Through IoT-enabled manufacturing workplace and workflow visualization, adoption of a production plan optimization simulator and other innovations, Hitachi is helping to boost production site productivity.

Main Products and Services

Manufacturing and logistics systems, water treatment systems, industrial machinery, elevators, escalators, railway systems, nuclear and renewable energy power generation systems, transmission & distribution systems

Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi-GE Nuclear Energy, Ltd., Hitachi Industrial Equipment Systems Co., Ltd., Hitachi Elevator (China) Co., Ltd., Hitachi Building Systems Co., Ltd., Hitachi Industry & Control Solutions, Ltd., Hitachi Plant Construction, Ltd., Hitachi Plant Services Co., Ltd., Hitachi Power Solutions Co., Ltd., Hitachi Rail Europe, Ltd., Horizon Nuclear Power, Ltd., Sullair US Purchaser, Inc.

Construction Machinery

Leveraging decades of technological expertise and know-how, Hitachi offers solutions that address the needs of a broad range of industries, including civil engineering and construction, building and structural demolition, and mining and excavation. Hitachi also handles the sale, servicing, and maintenance of hydraulic excavators and other construction machinery to provide integrated solutions globally.



Ultralarge hydraulic excavator and mining dump truck



Wheel loader



Hybrid hydraulic excavator

Initiatives in Digital Solutions

EMilia, Hitachi’s integrated management service for the centralized management of energy and facilities data, is currently in use at five plants across Japan. This innovative system makes energy conservation, improved operational efficiency, business continuity planning (BCP) and other benefits possible.

Main Products and Services

Hydraulic excavators, wheel loaders, mining machinery

Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi Construction Machinery Co., Ltd.

High Functional Materials & Components

Hitachi draws on its wealth of technological expertise and know-how to provide a variety of materials and components—such as semiconductor- and display-related materials, synthetic resin products, specialty steels, magnetic materials, casting components, and wires and cables—that enable advanced functions in products for such sectors as autos, IT and consumer electronics, and industrial and social infrastructure. Business operations are focused in Asia, North America, and Europe.



Nd-Fe-B "NEOMAX®" magnets



Amorphous metals



Tuflong G3 for vehicles equipped with ISS

Initiatives in Digital Solutions

Hitachi Chemical has developed a data-visualization solution designed to prevent inventory shortfalls in a business environment characterized by quick delivery schedules and seasonal demand volatility. This is resulting in more appropriate production plans and inventory management, as well as zero out-of-stock products.

Main Products and Services

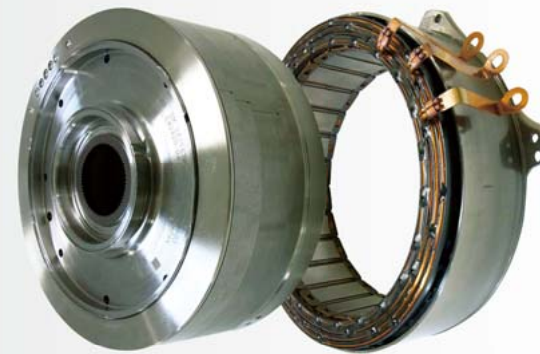
Semiconductor- and display-related materials, circuit boards and materials, automotive parts, energy storage devices, specialty steel products, magnetic materials and applications, functional components and equipment, wires and cables, and related products

Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi Chemical Co., Ltd., Hitachi Metals, Ltd.

Automotive Systems

To contribute to the realization of an affluent society by creating new value-added systems, products, and services through the harmonization of people, vehicles, and society, Hitachi is accelerating its technological development in the fields of environment and safety. We will further develop our Advanced Vehicle Control System, integrating our safety and information technologies with the Hitachi Group's social infrastructure services to meet society's needs for environmental conservation, accident elimination, and traffic congestion reduction.



Motor for a hybrid vehicle

Initiatives in Digital Solutions

As the percentage of software in automobiles grows in step with increased electrification, timely software updates, even post automobile production, are fast becoming a necessity. For this need, Hitachi deploys wireless technology to offer an automotive software update solution based on an Over The Air (OTA) approach.

Main Products and Services

Engine management systems, electric powertrain systems, drive control systems, car information systems

Principal Consolidated Subsidiaries (as of March 31, 2018)

Clarion Co., Ltd., Hitachi Automotive Systems, Ltd., Hitachi Automotive Systems Americas, Inc.



Stereo camera

ADAS*1 ECU*2

*1 ADAS: Advanced Driver Assistance Systems

*2 ECU: Electronic Control Unit

Smart Life & Ecofriendly Systems

Hitachi provides solutions and services aimed at resolving lifestyle issues through its home appliances, lighting and housing equipment, refrigeration and air-conditioning products. Hitachi also contributes to the resolution of societal issues by helping reduce environmental impact and making an ongoing effort to improve products' energy efficiency.



Washer/dryer machine

Initiatives in Digital Solutions

Leveraging the combination of an array of air-conditioning, heating and cooling system data and expertise, Hitachi is developing Exiida, a remote surveillance service for preventive maintenance designed to accurately detect signs indicative of a pending system malfunction.

Main Products and Services

Refrigerator, washing machine, vacuum cleaner, residential air conditioner, air-conditioning equipment

Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi Appliances, Inc., Hitachi Consumer Products (Thailand), Ltd., Hitachi Consumer Marketing, Inc.



Robot cleaner



Large-capacity refrigerator

Others

In addition to the manufacture and sale of products including optical disk drives, the company is involved in real estate sales and leasing and management services for office and other commercial structures.



Optical disk drive

Main Products and Services

Optical disk drives, property management

Principal Consolidated Subsidiaries (as of March 31, 2018)

Hitachi-LG Data Storage, Inc., Hitachi Life, Ltd., Hitachi Urban Investment, Ltd., Hitachi America, Ltd., Hitachi Asia Ltd., Hitachi (China), Ltd., Hitachi Europe Ltd., Hitachi India Pvt. Ltd.

Note: Hitachi America, Ltd., Hitachi Asia Ltd., Hitachi (China), Ltd., Hitachi Europe Ltd., and Hitachi India Pvt. Ltd. are the Hitachi Group's regional headquarters for the Americas, Asia, China, Europe, and India, respectively, and they sell the Hitachi Group's products.

Revenue and Share by Segment**2 (fiscal year ended March 31, 2018)



9,368.6 billion yen

Subtotal of Revenue by Segment
10,186.1 billion yen

■ Information & Telecommunication Systems 2,008.9 billion yen ■ Social Infrastructure & Industrial Systems 2,375.0 billion yen
■ Electronic Systems & Equipment 1,086.5 billion yen ■ Construction Machinery 959.1 billion yen
■ High Functional Materials & Components 1,657.5 billion yen ■ Automotive Systems 1,001.0 billion yen
■ Smart Life & Ecofriendly Systems 540.1 billion yen ■ Others 557.7 billion yen

*1 Hitachi's consolidated financial statement is prepared based on the International Financial Reporting Standards (IFRS).

*2 Revenues by segment include intersegment transactions.

THE FUTURE IS OPEN TO SUGGESTIONS

Hitachi Social Innovation

Hitachi's Global Brand Campaign

To illustrate Hitachi's commitment to lead innovations in society and industry in the IoT era through its Social Innovation Business, the company has created the "Hitachi Social Innovation" campaign logo. Accompanying this is the campaign copy "THE FUTURE IS OPEN TO SUGGESTIONS," which embodies Hitachi's determination to achieve the goals of its 2018 Mid-term Management Plan.

Hitachi Websites

Hitachi Global Website

www.hitachi.com

The range of information available on our website includes IR- and sustainability-related corporate information, as well as information about Hitachi Group products and services.

Hitachi Brand Channel

www.youtube.com/user/HitachiBrandChannel

Hitachi has its own official YouTube channel. The videos carried here profile Hitachi's Social Innovation Business and other activities, including CSR, corporate history and culture, and PR work.

Social Innovation Website

social-innovation.hitachi/en

This website presents information on the Social Innovation Business activities the Hitachi Group engages in around the world. Find information in 11 languages on our projects, events, campaigns, and more.