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Management

Management

CEO's Message

Message from the Chief Environmental Officer

Environmental Strategy for Achieving a Decarbonized Society

Corporate Credo

➤ Sustainability Management

Engagement and Initiatives

External Assessments and Awards

Hitachi Sustainability Report 2021

Contribution to the SDGs

The SDGs and Hitachi's Social Innovation Business

Approach

GRI 102-11

We consider the Sustainable Development Goals (SDGs) an important initiative for realizing a sustainable society and improving people's Quality of Life (QoL) through solving global social and environmental issues. We have significantly contributed to achieving the SDGs through our Social Innovation Business which also serves as a source of sustainable growth for us.

Accordingly, through the provision of innovative solutions and products in our Social Innovation Business, we will strive to create social, environmental, and economic value as part of our management strategy. We will also endeavor to 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 resilience against negative impacts.

Hitachi's Priority SDG Issues

Policy

At the Executive Sustainability Committee chaired by Executive Chairman & CEO Toshiaki Higashihara, the committee members considered the 17 SDGs and the opportunities and risks they presented. After this, they identified five goals where we can make a particularly significant impact through our key businesses and six goals that we can contribute to through our entire corporate

activities. We view the latter six goals as relevant to our entire business and management strategies and that make an impact on corporate sustainability.

Because we are active in a broad range of business fields, we believe we can contribute extensively to the

achievement of SDGs in addition to the 11 goals identified. Understanding that all SDGs are mutually related, we will endeavor to contribute to the achievement of all 17 SDGs both directly and indirectly.

By proactively responding to social issues, Hitachi contributes to the achievement of all SDGs through its responsible corporate conduct and its Social Innovation Business.



SUSTAINABLE DEVELOPMENT GOALS

Hitachi contributes to the achievement of all SDGs both directly and indirectly through its business activities.

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Road Map to Achieve Hitachi's Priority SDG Issues

Goals | **Activities**

Developing a sustainable society as defined by the SDGs will also lead to sustainable growth for Hitachi. We believe that we are providing value not only to the companies and consumers that are our direct customers but also to society more broadly. This is the essence of our Social Innovation Business. The products and services that we provide are all closely linked to social sustainability. We aim to be a global leader in sustainability through our efforts to help achieve the SDGs.

Specifying the Social Impacts of the Goals of the SDGs Will Contribute to Hitachi's Business Strategy

Activities

GRI 102-47/103-1

Since fiscal 2019, Hitachi has urged business units and Group companies to promote visualization of social and environmental impacts in order to create the social, environmental, and economic value called for in the 2021 Mid-term Management Plan.

Specifically, after selecting their key businesses, each business unit and Group company chose the relevant items from the list of social and environmental impacts and sorted them by positive and negative impacts. They then identified the stakeholders involved in each impact and summarized

them in a logic model.

This helped not only to visualize what kind of impacts Hitachi and its customers have on society but also enabled them to maximize positive impacts while minimizing negative ones.



- Increase understanding through sustainability messages from the CEO, symposiums, workshops, newsletters, etc.
- Work with planning divisions and other relevant departments at business units and key Group companies to clarify how their businesses are linked to the SDGs in terms of business opportunities and risks.

- Incorporate the vision of Hitachi's future business and growth originating from achieving the SDGs and sustainability (solving social issues) in the 2021 Mid-term Management Plan business strategy, based on the knowledge that realizing a sustainable society will make sustainable growth possible for Hitachi.

- Promote management focusing on social, environmental, and economic value.
- Explore building a framework for assessing the impact of non-financial value created by the five focus sectors set out in the 2021 Mid-term Management Plan.

- Expand application to consideration of new businesses and impact evaluation for existing businesses.
- Promote establishment of a collaborative system with sales divisions to enhance sustainability.

The measures will be taken in collaboration with business units, major Group companies, corporate-related departments, and global sites (regional strategies).