HITACHI
Inspire the Next

Company Profile

Human＊IT

Superior services empowered by combining
the strength of our people and information technology.

Hitachi Systems, Ltd.

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www.hitachi-systems.com/eng/

MIX
FSC
Paper | Supporting
responsible forestry
www.fsc.org FSC® C003392

CPE-002-3.1 | 2024.4

Hitachi Systems, Ltd.

Create a place for everyone in an ever-changing world.

Hitachi Systems is creating a place where everyone can live with peace of mind in a changing world, by staying close to people and connecting technologies.

Promoting "Sustainability Management" to improve the quality of life for people and enhance customer value

In recent years, the world is faced with a wide array of social issues including population and urbanization problems, while labor shortage due to declining birthrate and aging population is one of the serious social issues Japan has to tackle. In the business sector, the pace of digital transformation (DX), which aims to transform management and improve the quality of life, is accelerating. We will be required to further adapt to new lifestyles in the future, that is, the new ways people live and work.

The Hitachi Systems Group promotes sustainability management as a member supporting the Hitachi Group's social innovation business, in efforts to meet the expectations and demands of our customers and society in a changing world and contribute to the realization of a truly affluent society, as stated in our corporate philosophy.

The prerequisite for this is corporate governance. We place strong emphasis on building a foundation that prioritizes compliance and health and safety of our employees, as well as on developing human capital capable of contributing to resolving social issues. In addition to creating an environment where diverse human capital can play active roles and produce great results with their diverse values and flexible working styles, it is critical for us to continue being a corporate group that is trusted by customers and society, under the basic principle that "health and safety take precedence over everything else". Each employee has a sense of corporate ethics and engages in business activities based on corporate ethics and legal compliance.

Staying close to our customers, our diverse human capital will continue to deepen the understanding of our customers' business and create value together with them and our partners (Co-creation). We will develop our Lumada business, which is based on Hitachi's advanced digital technology, business know-how, and knowledge, with a focus on our strength in managed services performed by professional human capital. In addition to solving social issues, we will support the enhancement of people's quality of life and the improvement of value for our customers.

Setsuo Shibahara
President and CEO
Hitachi Systems, Ltd.

Hitachi Systems' corporate philosophy (Significance of our existence in society) is to "create new value with respect for humanity and its infinite potential, leveraging detailed understanding of our customers to deliver satisfaction that exceeds expectations" and to "contribute to a truly affluent society by developing and providing information technologies, products and services."
To achieve these goals, we have established the "Hitachi Systems Way," an employee-centric management mechanism through which we are engaged in a variety of activities.
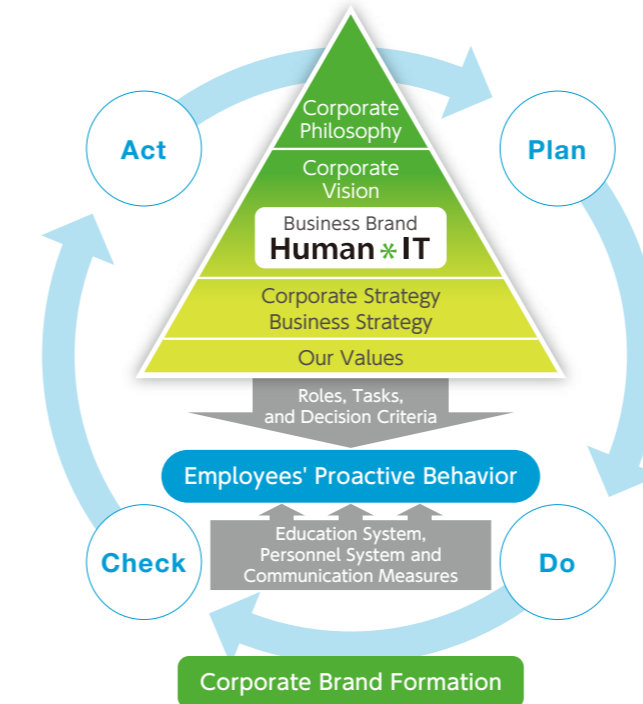
Priority SDGs Issues / Materiality

- Priority SDGs Issues

- Materiality   Environment | Resilience | Safety & Security | Quality of Life | Business with Integrity | Diversity, Equity and Inclusion (DEI)

SUSTAINABLE DEVELOPMENT GOALS
17 Goals to Change the World

Contributing to the Realization of a Truly Affluent Society

Value Creation

Solving social issues based on materiality

Hitachi Systems, Ltd.

E Environmental Value
- Promotion of carbon neutrality
- Green Transformation (GX)

S Social Value
- Resolution of Social Issues through Services
- Promotion of social innovation business across the Hitachi Group - Lumada

LUMADA

G Corporate Governance
- Development of Human Capital
- Promotion of Health & Productivity Management
- Promotion of Diversity, Equity and Inclusion
- Compliance/Quality Improvement

Social contribution activities (Environmental Conservation Activities, Assistance for Disaster Recovery, IT classes for elementary school students, company visitation programs for junior and senior high school students, etc.)

Hitachi Systems Way   Employee-centric management mechanism

Hitachi Systems Way

Act   Plan   Check   Do

Corporate Philosophy
Corporate Vision
Business Brand **Human✳IT**
Corporate Strategy Business Strategy
Our Values
Roles, Tasks, and Decision Criteria
Employees' Proactive Behavior
Education System, Personnel System and Communication Measures
Corporate Brand Formation

Corporate Philosophy ~ Significance of our existence in society ~

Proud of our pioneering spirit and experience in our industry, Hitachi Systems contributes to a truly affluent society by developing and providing information technologies, products and services. Staying close to our customers, we create new value with respect for humanity and its infinite potential, leveraging detailed understanding of our customers to deliver satisfaction that exceeds expectations.

Corporate Vision ~ Future vision and business direction ~

We aim to be a global services company that customers can rely on completely by combining internationally competent people with state-of-the-art information technology to create unique services.

Business Brand

IT systems do not function by themselves.
They need people with knowledge and passion to bring out their full performance potential.
We create new value through unique services that integrate diversely talented people with state-of-the-art information technologies.
Hitachi Systems has created the term Human✳IT to describe what we do and puts it to work meeting a broad array of needs worldwide.

HITACHI Inspire the Next Corporate Statement

Hitachi Group Code of Ethics and Business Conduct

Hitachi Group Identity
Mission / Hitachi Founding Spirit / Hitachi Group Vision

Hitachi Systems recognizes the impact of its business activities on people, society, and the environment, as well as its social responsibility. We are committed to creating new value that meets people's expectations and demands. This is made possible with our sector- and industry-specific services cultivated through solving problems in various industries, as well as our managed services that provide support in the operation and monitoring of security, cloud, networks, and other services. We contribute to solving social issues with services that combine the power of people and IT.

Contributing to sustainable growth by providing services to a wide range of sectors and industries

Services by Sector / Industry

Public

Social Infrastructures

Finance

Manufacturing, Wholesaling, and Retailing

Managed services

Security

Cloud/Network & Data Centers/IT Operations

Contact Centers & BPO

Service sites
(Maintenance and Installation)

Public

For customers in the public sector, including government offices and local governments, Hitachi Systems provides systems featuring high security and extensive support that are easy to use for residents and government employees.

A wide range of systems for resident records, taxes, and welfare services are offered for e-local governments to improve resident services and reduce TCO through operational optimization.

Supporting the revitalization of local economies, communities, and tourism, as well as the promotion of residents' health through co-creation with the local community using DX.

Social Infrastructures

We offer a variety of solutions that support a wide array of businesses and industries, including support for operation planning of public transportation, maintenance and management of public structures, construction of storage batteries, and quick charger facilities for electric vehicles (EV), as well as support for agricultural businesses.

We support rapid decision-making by mapping information such as images and videos on maps in real time to visualize the on-site status of social infrastructure.

We remotely monitor the water quality, water level, and other conditions of water infrastructure to support safe and secure water and sewage services as well as operational efficiency.

Finance

We provide end-to-end support for business systems tailored to the banking, insurance, securities, and leasing industries. Our services start with consulting customers on their systems needs and continue with planning, designing, developing, operating, and maintaining business systems. We also protect online banking services from cyber attacks.

Systemized solutions for the financial industry covering sectors such as banking, securities, and insurance.

We provide our customers with support for going paperless without significantly changing the current operations.
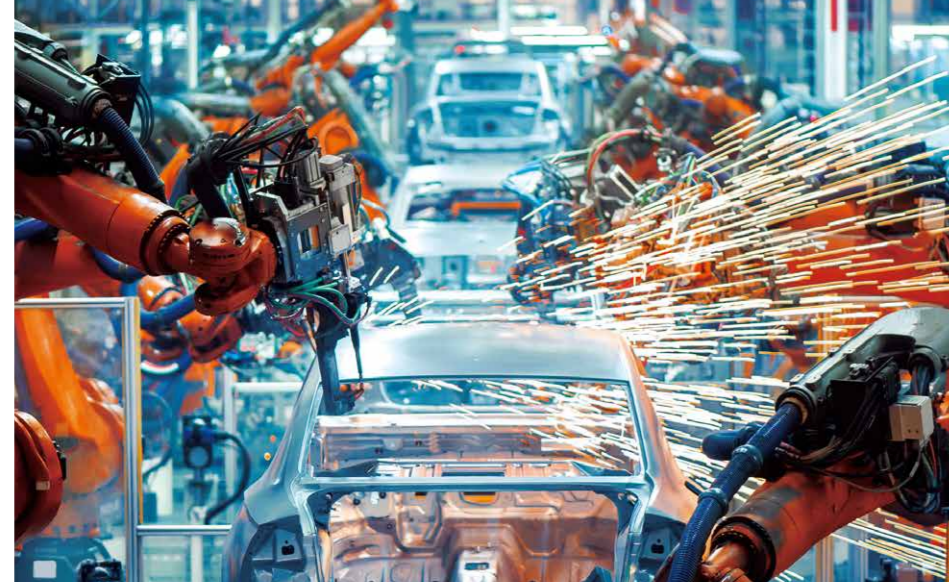
Manufacturing, Wholesaling, and Retailing

Manufacturing
We help reduce customers' workload and enhance productivity by providing ERP systems that enable the integrated management of production and sales management, the management of human capital, and accounting, as well as offering various AI tools and a wide range of data analysis services.

Wholesaling and Retailing
For wholesalers, we offer business systems focused on sales, purchasing, and inventory control. For retailers, we offer business systems that help keep track of all relevant data from headquarters operations to store information, in order to solve management issues.

We provide one-stop services to manage core business operations, from sales management to financial accounting, to solve management issues in the manufacturing, distribution, and retail industries.

We promote comprehensive health management of employees' mental and physical health, and support the promotion of health management and the resolution of management issues in companies.

Hitachi Systems offers a variety of managed services in the three areas of "Security", "Cloud/Network & Data Centers/IT Operations", and "Contact Centers & BPO."

Security

- We opened the first security center (SOC*) in Japan in 1996.
  *SOC：Security Operation Center
- We provide solutions that support our customers' business continuity by protecting their assets from a variety of security threats, such as the diversifying range of cyber attacks.

Cloud/Network & Data Centers/IT Operations

- We provide integrated operation and management for multiple clouds, network management, and incident response based on our experience in providing cloud services to over 1,000 companies.
- We provide high-quality services in a multi-cloud environment 24 hours a day, 365 days a year by utilizing operation centers with nearly 50 years of accumulated operation and monitoring know-how, and data centers in collaboration with the Hitachi Group and its partners.
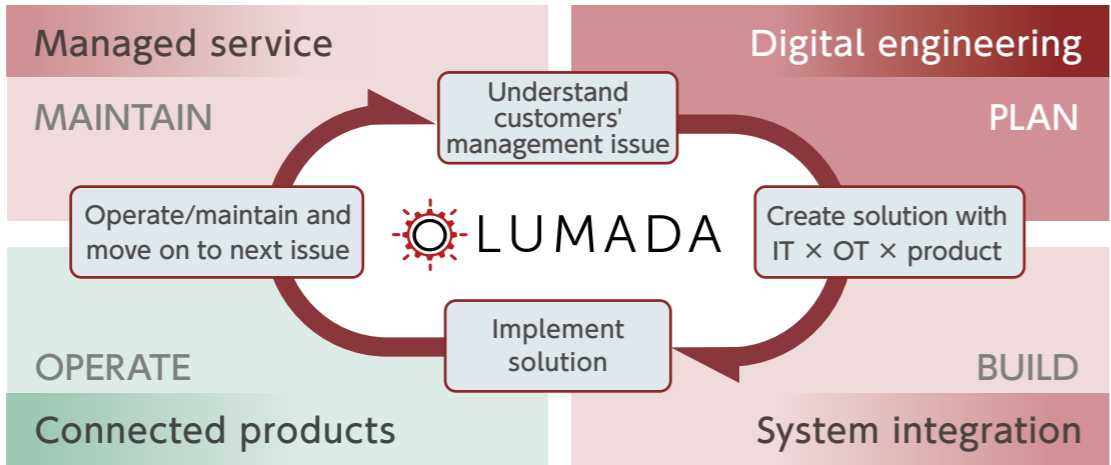
Contact Centers & BPO

- We provide services tailored to customer issues in contact centers with ISMS* certification.
  *ISMS：Information Security Management System
- In response to our customers' needs, we provide not only outsourced operations and agency operations, but also BPO services with a view to increasing business efficiency and improving operations.

Hitachi Systems will collaborate with Hitachi Group companies and business partners to develop the Lumada business as One Hitachi, with a focus on managed services, to achieve DX for our customers on a global scale. We will propose on-site digitalization solutions and create a cycle of collaborative value creation by utilizing our human capital featuring business knowledge and know-how acquired through solving customers' problems across a variety of industries.

Managed service
MAINTAIN

Understand customers' management issue

Operate/maintain and move on to next issue

O-LUMADA

Create solution with IT × OT × product

Implement solution

OPERATE

Connected products

Digital engineering
PLAN

BUILD

System integration

Lumada is Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation.

Example of managed services

Case 01 — Strengthening measures against broader and more sophisticated cyberattacks via monitoring by engineers versed in security

Security analysts monitor customers' systems from a security operation center. An early discovery and response to security incidents helps mitigate and prevent the spread of damage.

Example of connected products

Case 02 — Promotion of digitalization of factories by building remote operation centers

We are building a usable digital infrastructure environment that enables the collection and accumulation of operational data from equipment in the factory. We provide predictive detection of abnormalities and remote, real-time monitoring.

The Hitachi Group has established an Environmental Vision and the Hitachi Environmental Innovation 2050 long-term environmental targets based on grave environmental issues worldwide and management policy. We also announced Hitachi Carbon Neutrality 2030 to more quickly achieve those targets.
Hitachi Systems offers solutions to reduce GHG* emissions through solutions to visualize GHG emissions and adopt and maintain energy-saving and renewable energy equipment as well as provides energy management systems. We are also engaged in verification testing to offer solutions to support the absorption and removal of GHG emissions through reforestation and other measures. These green transformation initiatives further support the carbon neutrality initiatives of our customers and strive to achieve both the higher quality of life and sustainable society that the Hitachi Group aims to realize.

*Greenhouse Gas

Solutions Provided

Visualization and Management Solutions
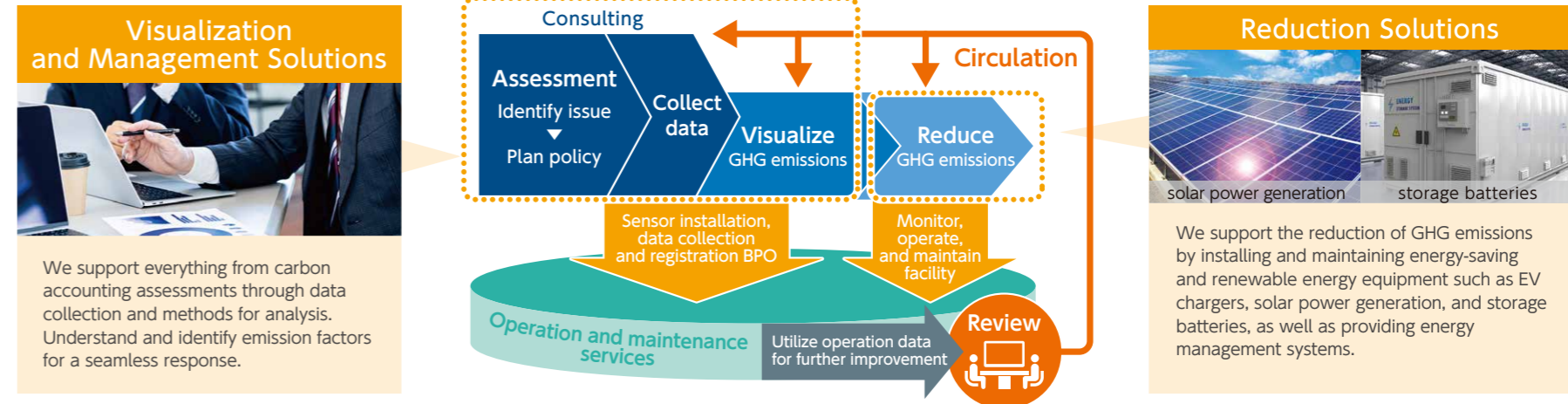
We support everything from carbon accounting assessments through data collection and methods for analysis. Understand and identify emission factors for a seamless response.

Consulting

Assessment — Identify issue ▼ Plan policy

Collect data

Visualize GHG emissions

Circulation

Reduce GHG emissions

Sensor installation, data collection and registration BPO

Monitor, operate, and maintain facility

Operation and maintenance services — Utilize operation data for further improvement

Review

Reduction Solutions

solar power generation   storage batteries

We support the reduction of GHG emissions by installing and maintaining energy-saving and renewable energy equipment such as EV chargers, solar power generation, and storage batteries, as well as providing energy management systems.

Absorption and Removal Support Solutions(Verification testing in progress)

We are engaged in verification testing to calculate the amount of carbon credits generated and to use satellite data and other means to visualize the amount of CO_2 absorbed by forests.

Hitachi Systems' Environmental Initiatives

We have established an environmental management system and are promoting environmentally friendly activities, such as initiatives toward GX.

Reduction of power consumption in data centers and offices

Promotion of a shift to electric alternatives for company vehicles including service cars

Based on the belief that employees are "human capitals," Hitachi Systems aims to utilize them in a way that respects a diverse variety of human qualities, regardless of age, gender, or disability. To this end, we are working to establish a personnel system that maximizes individual strengths and a systematic training system consisting of job-specific, stratified, and global training programs, while promoting the creation of a safe and secure workplace where employees can work vigorously and in good mental and physical health.

Training System

Comprehensive education to teach everything from basic to specialized skills

Acquiring basic skills through group training

Acquiring specialized basic skills through practical training

We have prepared comprehensive education to teach employees the necessary operational knowledge and specialized skills. New employees in particular take part in skill training for up to six months after joining the company and learn proper business etiquette in each occupation before receiving a specific job assignment. Additionally, Hitachi Systems has put in place its own unique onboarding education program for mid-career recruits to quickly develop capable human resources that includes training to develop understanding about the Hitachi Systems Ways, which integrates the Hitachi Group identity, Corporate Philosophy, Management Vision, and Code of Conduct.

Preparing practical training

Training center for security professionals (Strike*)
*Security Threat Response Intelligence and Knowledge Enablement

DX Smart Lounge Osaka*
*Lounge for discussing our vision of transformation with our customers, and identifying issues and deriving solutions in order to realize that vision.

We have equipped our human resource training center and other training facilities with working environments and machines similar to actual service sites as spaces to share specialized knowledge on security. The practical training aims to not only improve knowledge and skill but also teach critical thinking and decision making to develop human capital who can take charge of the first steps toward a digital transformation(DX).

Promotion of Health & Productivity Management

Health promotion through the use of smart devices

Provide next-generation diagnostics for eligible employees to take online

We actively promote measures to maintain and improve our employees' health and support their voluntary actions toward health, so that our employees and their families can lead healthy lives and work with smiles and sense of fulfillment.

Promotion of Diversity, Equity and Inclusion

Guide dog enlightenment activity

Adoption of a free dress code policy

"Respect for humanity" is a guideline in our code of conduct. We strive to create value by making the most of each employee's diverse values, experiences, and technical skills. We aim to enhance our workplace and personnel system so that a diverse range of employees can maximize their individual strengths regardless of age, gender, disability, family structure, etc.

Compliance

Under the Hitachi Group Code of Ethics and Business Conduct, which is shared throughout the Hitachi Group, we promote the development of business activities rooted in corporate ethics and legal compliance in accordance with Basics and Ethics. By encouraging each and every employee to practice these values, we will respond sincerely to the trust that is placed in us by society.

Quality Improvement

We are working to maintain and ensure the quality of service operations, including cybersecurity protection, through ongoing efforts to prevent system accidents and improve the quality of our work.

As a corporate citizen, we build relationships of trust with local communities and engage in a variety of activities that contribute to the realization of a sustainable society, including "environmental conservation activities," "assistance for disaster recovery," "IT classes for elementary school students," and "company visitation programs for junior and senior high school students."

Environmental Conservation Activities

Conservation activities to preserve the environment toward our abundant forests

To contribute to the reduction of CO_2 emissions from IT systems, we promote the preservation of our forests as part of our environmental conservation activities.

Assistance for Disaster Recovery

Development of the "Kibo no Hibiki" charity concert series

In addition to using IT services to provide support for restoration and recovery efforts and utilizing volunteers to provide support for daily life and the environment, we are also working to provide support for recovery from a cultural perspective. In particular, we are continuing our efforts to support the young people who will be responsible for the recovery efforts in the future.

IT class for elementary school students, Company visitation programs for junior and senior high school students

Under its "Human∗IT" business brand, Hitachi Systems focuses on "the development of human resources." We will continue to work seriously with the "adults of tomorrow" so that the future of this world will be even more wonderful.

IT is wonderful! It is interesting and makes our dreams come true!
IT class for elementary school students

This is what job satisfaction is all about!
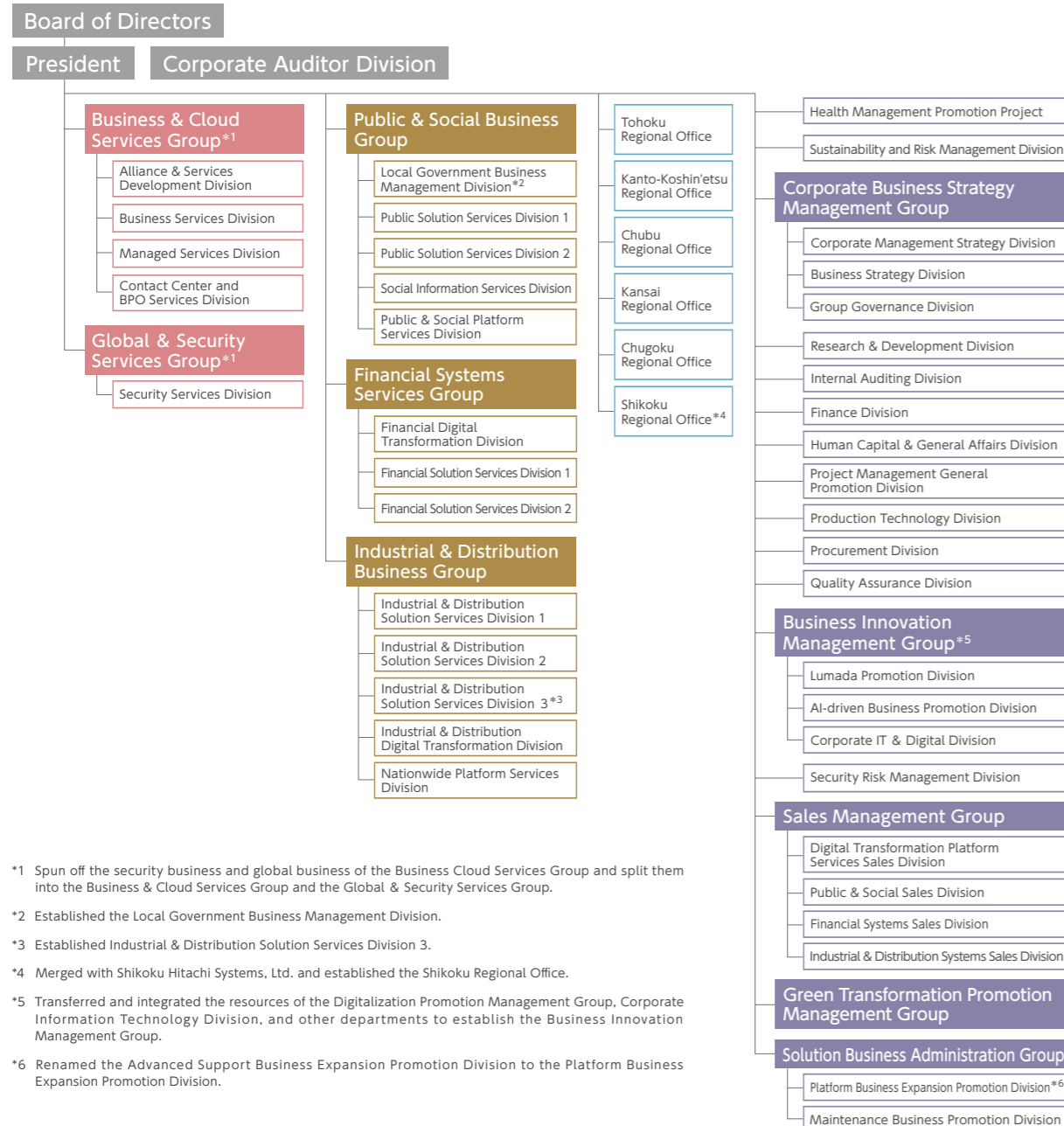### Company visitation programs for junior and senior high school students

The world is filled with numbers!
AI classes for high school students

Organization

*As of April 1, 2024

- Board of Directors
- President
- Corporate Auditor Division

Business & Cloud Services Group*1
- Alliance & Services Development Division
- Business Services Division
- Managed Services Division
- Contact Center and BPO Services Division

Global & Security Services Group*1
- Security Services Division

Public & Social Business Group
- Local Government Business Management Division*2
- Public Solution Services Division 1
- Public Solution Services Division 2
- Social Information Services Division
- Public & Social Platform Services Division

Financial Systems Services Group
- Financial Digital Transformation Division
- Financial Solution Services Division 1
- Financial Solution Services Division 2

Industrial & Distribution Business Group
- Industrial & Distribution Solution Services Division 1
- Industrial & Distribution Solution Services Division 2
- Industrial & Distribution Solution Services Division 3*3
- Industrial & Distribution Digital Transformation Division
- Nationwide Platform Services Division

- Tohoku Regional Office
- Kanto-Koshin'etsu Regional Office
- Chubu Regional Office
- Kansai Regional Office
- Chugoku Regional Office
- Shikoku Regional Office*4

- Health Management Promotion Project
- Sustainability and Risk Management Division

Corporate Business Strategy Management Group
- Corporate Management Strategy Division
- Business Strategy Division
- Group Governance Division
- Research & Development Division
- Internal Auditing Division
- Finance Division
- Human Capital & General Affairs Division
- Project Management General Promotion Division
- Production Technology Division
- Procurement Division
- Quality Assurance Division

Business Innovation Management Group*5
- Lumada Promotion Division
- AI-driven Business Promotion Division
- Corporate IT & Digital Division
- Security Risk Management Division

Sales Management Group
- Digital Transformation Platform Services Sales Division
- Public & Social Sales Division
- Financial Systems Sales Division
- Industrial & Distribution Systems Sales Division

Green Transformation Promotion Management Group

Solution Business Administration Group
- Platform Business Expansion Promotion Division*6
- Maintenance Business Promotion Division

*1 Spun off the security business and global business of the Business Cloud Services Group and split them into the Business & Cloud Services Group and the Global & Security Services Group.

*2 Established the Local Government Business Management Division.

*3 Established Industrial & Distribution Solution Services Division 3.

*4 Merged with Shikoku Hitachi Systems, Ltd. and established the Shikoku Regional Office.

*5 Transferred and integrated the resources of the Digitalization Promotion Management Group, Corporate Information Technology Division, and other departments to establish the Business Innovation Management Group.

*6 Renamed the Advanced Support Business Expansion Promotion Division to the Platform Business Expansion Promotion Division.

Directors and Executive Officers

*As of April 1, 2024

President and Chief Executive Officer	Setsuo Shibahara	Vice President and Executive Officer	Masayoshi Ogawa
Senior Vice President and Executive Officer Director	Masashi Asamaki	Vice President and Executive Officer	Hiroshi Saito
Senior Vice President and Executive Officer Director	Naoki Ono	Vice President and Executive Officer	Tatsuya Mizoguchi
Senior Vice President and Executive Officer Director	Shinichi Hiraoka	Executive Officer	Makoto Aoki
Senior Vice President and Executive Officer Director	Takehiko Watanabe	Executive Officer	Masaharu Akatsu
		Executive Officer	Noriaki Iwaoka
Vice President and Executive Officer Director	Takashi Maeda	Executive Officer	Tsutomu Oomura
		Executive Officer	Masato Kakehashi
Vice President and Executive Officer Director	Yasunori Matsubara	Executive Officer	Hitoshi Kojima
		Executive Officer	Masatsugu Hase
Vice President and Executive Officer Director	Hideki Matsuyama	Executive Officer	Kiyoshi Yamaguchi
		Executive Officer	Hiromi Yoshida
Director (part time)	Masakazu Abe		
Director (part time)	Hirotake Ichikawa	Operations Officer	Izumi Anayama
Director (part time)	Yasuki Imai	Operations Officer	Nobuto Ohe
Director (part time)	Makoto Hagiwara	Operations Officer	Hiroaki Koiwa
Director (part time)	Jinichi Hirano	Operations Officer	Norihiro Shimomura
Director (part time)	Chie Mashima	Operations Officer	Shinichiro Takamura
Auditor	Naohiko Tamiya	Operations Officer	Takashi Tashiro
Auditor	Susumu Tamura	Operations Officer	Kenzo Chiba
Auditor (part time)	Hideaki Kamada	Operations Officer	Makoto Horita
		Operations Officer	Nobuhiko Yamawaki

Group Companies

*As of April 1, 2024

Head office, branch offices and regional offices of Hitachi Systems
Head Office (Shinagawa, Tokyo)
Tohoku Regional Office (Sendai, Miyagi)
Kanto-Koshin'etsu Regional Office (Taito, Tokyo)
Chubu Regional Office (Nagoya, Aichi)
Kansai Regional Office (Osaka, Osaka)
Chugoku Regional Office (Hiroshima, Hiroshima)
Shikoku Regional Office (Takamatsu, Kagawa)

Group Companies (Overseas)
Hitachi Systems Trusted Cyber Management Inc.
Cumulus Systems Private Ltd.
Hitachi Systems Security Inc.
Hitachi Systems Security Europe SA
Hitachi Sunway Information Systems Sdn. Bhd.
Hitachi Sunway Information Systems (Singapore), Pte. Ltd.
Hitachi Sunway Information Systems (Thailand), Ltd.
PT. Hitachi Sunway Information Systems Indonesia
Hitachi Sunway Data Centre Services Sdn. Bhd.
Hitachi Systems India Pvt. Ltd.
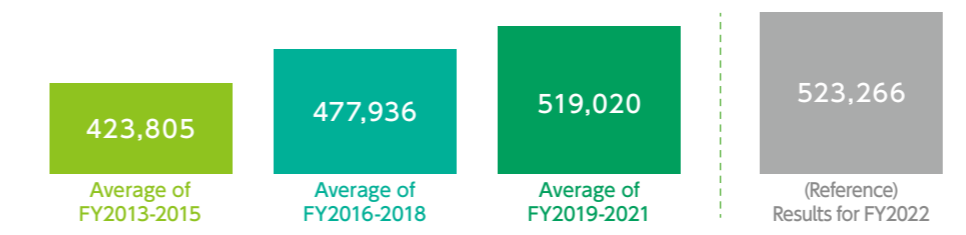Hitachi Systems Network Technologies, Pte. Ltd.

Group Companies (Domestic)
Hokkaido Hitachi Systems, Ltd.
Kyushu Hitachi Systems, Ltd.
Hitachi Systems Engineering Services, Ltd.
Hitachi Systems Field Services, Ltd.
Hitachi Systems Power Services, Ltd.

CPEI-002-3.1   2024.4

Company Overview

Corporate Name	Hitachi Systems, Ltd.
Established	October 1, 1962
Capital	19,162 million yen
Head Office	1-2-1 Osaki, Shinagawa-ku, Tokyo
Representative	Setsuo Shibahara, President and CEO
Business Description	●System integration business●System operation, monitoring, and maintenance business●Network service business●Sale and development of information-related equipment and software
Number of Employees	9,998 (as of April 1, 2023, non-consolidated) 19,307 (as of April 1, 2023, consolidated)
Sales	424,597 million yen (fiscal year 2022, non-consolidated) 523,266 million yen (fiscal year 2022, consolidated)
Approved Licenses and Certifications	ISO9001, ISO14001, ISO/IEC20000*, ISO/IEC27001*, ISO/IEC27017*, Privacy Mark, COPC CSP standard, Construction industry license, Electrical installation notification (general-purpose electric equipment), Electrical installation notification (household electric equipment), First-category goods shipping registration, Warehousing business registration, Electro-communications business notification, Worker-Dispatching Business License, Advanced medical control equipment sales license, Antique business permission, National industrial waste permit

For details on the scope of certification, please visit the company's website at https://www.hitachi-systems.com/eng/
Note: The names of the licenses and certifications have been translated in-house, and are not official.

## Average sales per mid-term management plan (consolidated)   in millions of yen

423,805	477,936	519,020	523,266
Average of FY2013-2015	Average of FY2016-2018	Average of FY2019-2021	(Reference) Results for FY2022

Certification and awards

DX Certification
Contributing to the Promotion of DX

Digital Transformation Certification

Certified under the Health & Productivity Management Outstanding Organizations Recognition program
Conducting excellent health and productivity management

2024 健康経営優良法人 Health and productivity ホワイト500

Kurumin
Certified under the company supporting childcare

2023年認定

Eruboshi
Certified under the Promotion of Women's Participation and Advancement in the Workplace

女性が活躍しています!

* Our fiscal year runs from April 1 though March 31. * Consolidated sales are based on the U.S. SEC standards for FY2013-2014 and IFRS standards from FY2015 onward, and have not been audited by a certified public accountant.
* Sales, Number of Employees and Major Qualification holders are updated annually in June.

History

1962	●Establishes Hitachi Electronics Services Co., Ltd.
2011	●Merges with Hitachi Information Systems, Ltd. and changes the company name to Hitachi Systems, Ltd.
2012	●Acquires Cumulus Systems Incorporated, a software company in the United States
2013	●Establishes Hitachi Sunway Information Systems Sdn. Bhd., an IT service joint venture, with a Malaysian IT solution provider
2014	●Establishes Hitachi Systems Power Services, Ltd. ●Acquires Hitachi Systems Micro Clinic Pvt. Ltd. in India ●Acquires Hitachi Systems Networks, Ltd. ●Acquires Hitachi Sunway Data Centre Services Sdn. Bhd. in Malaysia ●Acquires SecureBrain Corporation
2015	●Acquires Above Security Inc. in Canada
2017	●Transfers all businesses from Hitachi Systems Facility Services, Ltd. to Hitachi Systems Techno Services, Ltd., and changes company name to Hitachi Systems Field Services, Ltd. ●Above Security Inc. has changed its name to Hitachi Systems Security Inc.
2021	●Hitachi Systems Field Services, Ltd. (surviving company) merges with Hitachi Systems Networks, Ltd.
2022	●Hitachi Systems Micro Clinic Pvt. Ltd. has changed its name to Hitachi Systems India Pvt. Ltd. ●Cumulus Systems Inc. has changed its name to Hitachi Systems Trusted Cyber Management Inc. and made Hitachi Systems Security Inc. of Canada its subsidiary.
2024	●Merges with Shikoku Hitachi Systems, Ltd. Shikoku Hitachi Systems' businesses related to maintenance and construction work are transferred to Hitachi Systems Field Service, Ltd. ●Merges with SecureBrain Corporation

Sales by line of business (non-consolidated)   in millions of yen

- Facility services, etc. — 2%
- Maintenance — 14%
- System operation — 46.6%
- System Integration — 37.4%
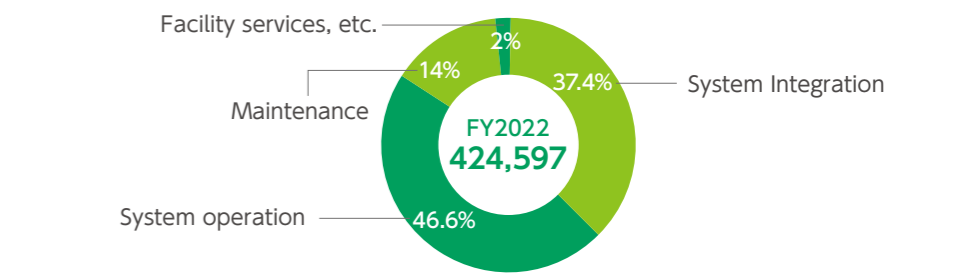
FY2022
424,597

Sub-materialities and Goals that Comprise Materiality

Materiality	Sub-Materiality	ESG	Targets	Actual Results for FY2022	SDGs
Environment Contributing to decarbonization and resource circulation	Decarbonization	E	**Carbon neutrality through the value chain** ●FY2030: Carbon neutrality at business sites (data centers and offices) ●FY2050: Carbon neutrality throughout the value chain ●FY2030: 100% conversion to EVs for company cars	●CO₂ reduction rate at business sites (offices and data centers): 48% (compared to FY2010) ●1% conversion to EVs for company cars	
		E	**Contributing to CO₂ reduction through business** ●Contribute to achieving carbon neutrality by promoting EVs in company vehicles through the provision of EV fleet support services Annual reduction in CO₂: FY2024: 3,000 tons	●Annual reduction in CO₂: 307t	
	Resource circulation	E	**Transition to a circular economy** ●Select contractors with at least 5 out of 6 levels of excellence to promote risk reduction and improvements in resource recycling	●100% selection of excellent contractors with superior compliance and a high recycling rate under the system of certification of excellence for industrial waste disposal companies.	
	Harmonize with nature	E	**Minimize impact on natural capital**	●Active participation in environmental preservation activities in order to contribute to reducing CO₂ emissions generated by IT systems	
Resilience Contributing to the maintenance and rapid recovery of social infrastructure	Strengthening supply chains	S	**Build flexible supply chains capable of responding to disasters and risks**	●Formulating a business continuity plan, compiling specific action plans and responses in the event of an earthquake disaster or an outbreak of infectious diseases such as the new coronavirus (based on the basic policies of "putting human life first," "preventing the spread of damage," "helping customers continue their important businesses," and "contributing to local restoration and recovery"), and promoting business continuity management properly in order to enhance the effectiveness of BCP.	
	Maintaining social infrastructure	S	**Resilience and sophistication of maintenance through DX of social infrastructure** ●Cumulative number of organizations using life cycle support for public works projects in FY2024: 470	●Cumulative number of organizations using life cycle support for public works: 438	
Safety & Security Contributing to safe and secure society-building	Safe and secure urban environments	S	**Safe and comfortable transportation**	●Cloud-based timetable creation system: Our experience in developing rail and bus systems and our state-of-the-art graphics technology enable us to go beyond conventional train/bus operation planning, vehicle operation planning, and crew operation planning services.	
	Ensuring cyber security	S	**Secure cybersecurity for social infrastructure and business systems**	●Establish a training center for human capital in security: 1,680 security professionals	
Quality of Life Contributing to physical and mental wellness and a prosperous life	Connected and prosperous society	S	**Increase healthy life expectancy and wellbeing** ●Digital life science service users in FY2024: 300,000/year	●Digital life science service users: 235,000/year	
		S	**Build a trustful relationship with others** ●Effect of creating regional DX services: 10% increase in exchange/related population in FY2024	●Effect of regional DX services: 1.3% increase in exchange/related population* *Exchange/related population: People who visit the region for work, tourism, etc., and people who have diverse relationships with the region	
	Employee happiness	G	**More flexible working styles to increase engagement** ●Positive employee engagement response rate in FY2024: 70%	An "Attractiveness Improvement Committee" was established to support employees in realizing a vibrant and fulfilling corporate life and personal growth, as well as to create a virtuous cycle of business growth and social contribution for Hitachi Systems. ●Positive employee engagement response rate: 64.7%	
Business with Integrity Adhering to ethical standards as well as respect human rights	Business ethics and compliance	G	**Encourage employees to apply ethical standards in day-to-day work.**	●Positive response rate to respect for compliance and ethics: 86.8%	
	Respect for human rights	G	**Promote human rights due diligence and strengthen monitoring of procurement partners for responsible procurement, including human rights**	●"Human Rights Committee" meets annually to promote respect for human rights. ●Established a support desk for persons with disabilities and a consultation desk for human rights issues to ensure prompt resolution of human rights issues when they arise.	
	Occupational safety	G	**Creating a safe working environment without accidents** ●Zero fatal accidents	●Fatal accidents: 0	
	Safe and secure products and services	G	**Ensure products and services safety while putting customers first**	●Quality initiatives: Quality assurance priorities include "elimination of critical accidents involving products and services," "enhancement of security robustness and incident response capabilities," and "reaping the quality risks of business expansion and strengthening all-round quality assurance activities."	
Diversity, Equity and Inclusion (DEI) Contributing to a society where everyone can shine	Diverse organization that fosters innovation	G	**Strengthen diversity in management** ●Percentage of female managers in FY2024: 7.9%	Promoting various initiatives to support the activities of each female employee, such as providing opportunities to think about their careers and to expand networks among female employees, and holding regular seminars to help employees achieve balance between work and childcare. ●Percentage of female managers: 6.3% ●First female executive officer appointed (1 executive)	
		G	**Acquiring and developing digital talent** ●Digital human capital in FY2024: 13,000	●Digital human resources: 12,120	
	Contribution to a diverse and equitable society	S	**Empower DEI of society through community relationship programs** ●Cultivation of next-generation human capital	●Number of participants in company visitation programs/IT classes/data science classes/AI classes: 3,295	

Human capital data (excerpt)

Number of training courses
About **820** courses
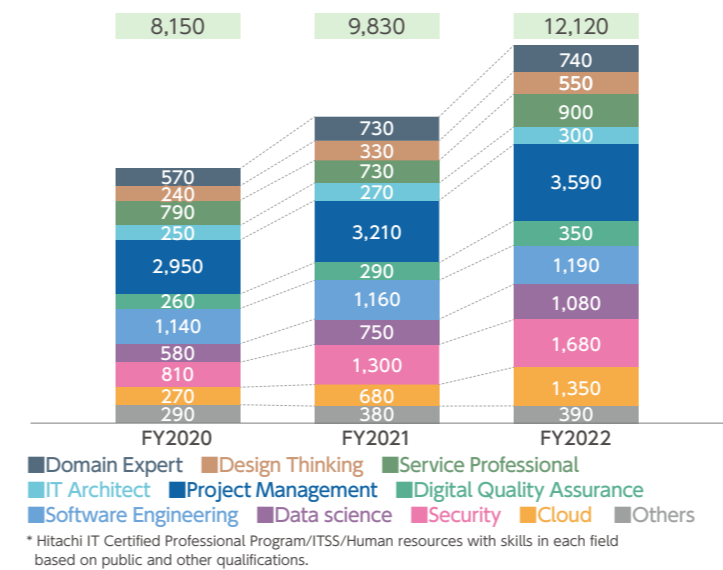
Hours of training per person per year
55.5 hours
* Hours of training refers to the total hours of training registered on the "Hitachi University" learning platform plus the group training for newcomers.

Investment in training per person
211,300 yen
* The investment in training is the total cost incurred for holding and attending training courses. It does not include the personnel costs for attendees.

Number of digital human capital
12,120

Digital Human Resource Trends

	FY2020	FY2021	FY2022
Total	8,150	9,830	12,120
Service Professional	570	730	740
Digital Quality Assurance	240	330	550
	790	730	900
	250	270	300
Domain Expert	2,950	3,210	3,590
Design Thinking	260	290	350
IT Architect	1,140	1,160	1,190
Project Management	580	750	1,080
Security	810	1,300	1,680
Cloud	270	680	1,350
Others	290	380	390

■Domain Expert ■Design Thinking ■Service Professional
■IT Architect ■Project Management ■Digital Quality Assurance
■Software Engineering ■Data science ■Security ■Cloud ■Others

* Hitachi IT Certified Professional Program/ITSS/Human resources with skills in each field based on public and other qualifications.

Major Qualification holders (non-consolidated)
*As of March 31, 2023

Common
●Professional engineer (including assistant): 41 ●IT coordinator: 30 ●IT strategist: 36 ●Systems Auditor Examination: 37
●System architect: 130 ●Project manager: 153 ●Network specialist: 445
●Registered Information Security Specialist/Information security specialist: 631 ●Information Technology Service Manager: 99
●Database Specialist: 156 ●Embedded Systems Specialist: 10 ●Applied information technology engineer: 1,801
●Fundamental information technology engineer: 4,750 ●Project Management Professional: 1,960
●Certified Information System Auditors: 4

Virtualization, Security, Networking
●Microsoft Certified Professional: 3,135 ●Oracle certification: 4,423 ●Oracle Java certification: 1,897
●Python3 engineer certification: 22 ●AWS Certification (Professional／Specialty): 107 ●AWS Certification (Associate): 259
●AWS Certification (Practitioner): 507 ●Microsoft Certified Azure (Expert／Specialty): 47
●Microsoft Certified Azure (Associate): 113 ●Microsoft Certified Azure (Fundamentals): 524
●VMware Certified Advanced Professional／VMware Certified Implementation Expert: 4 ●VMware Certified Professional: 279
●VMware Technical Sales Professional: 877 ●VMware Sales Professional: 1,194
●Certified Information Systems Security Professional: 47 ●GIAC Certified／Network Forensic Analyst: 2
●Cisco certification: 794 ●SAP consultant certification: 557

Facilities
●First-class architects: 5 ●First-class electrical work engineers: 30
●First-class electrical work operation and management engineers: 112
●First-class plumbing work operation and management engineers: 41
●First-class building operation and management engineers: 28

Managed services: Data centers, Network and security operations centers, Contact centers
●Red Hat Certification: 146 ●ITIL® Expert: 86 ●ITIL® Foundation: 3,529 ●COPC Registered Coordinators: 125
●Certified Contact Center Professionals: 29

AI, RPA, IoT
●JDLA (Japan Deep Learning Association) Deep Learning for ENGINEER: 14
●JDLA (Japan Deep Learning Association) Deep Learning for GENERAL: 366
●UiPath Certified Advanced RPA Developer (UiARD): 6 ●UiPath Certified RPA Associate (UiRPA): 10
●UiPath training (levels1-3): 76 ●Certification of WinActor (CWA): 2 ●Blue Prism RPA Certified Engineer: 15
●Certified BizRobo! DS: 3 ●Certified BizRobo! DA: 2 ●Certified IoT System Engineer (expert level): 8
●Certified IoT System Engineer (intermediate level): 167

* Figures for all information other than major qualification holders are for FY2022.
* Major Qualification holders are updated annually in June