

News Release

FOR IMMEDIATE RELEASE

Hitachi to Strengthen Business Structure to Achieve Sustainable Growth

Tokyo, January 31, 2024 - Hitachi, Ltd. (TSE:6501, "Hitachi") today announced that it will strengthen the business structure, effective April 1, 2024, as part of efforts to achieve the goals of the Mid-term Management Plan 2024 and increase corporate value through sustainable growth.

1. Achieving the Goals of the Mid-term Management Plan 2024

Through the Mid-term Management Plan 2024, Hitachi is working to further increase corporate value, by achieving sustainable growth based on reforms of the business portfolio that have been ongoing for more than ten years. In order to achieve these goals, it will maintain the current organizational structures based on the Sectors and Business Units, which is at the core of business operations, and steadily execute the Mid-term Management Plan 2024.

2. Accelerating Growth Through Digital Capabilities, and Strengthening Global Competitiveness

In order to accomplish the goals of the Mid-term Management Plan 2024 and achieve future growth, Hitachi will strengthen the Lumada business which leverages IT x OT x Products, and accelerate growth as One Hitachi through digital capabilities. Jun Abe^{*1}, who has strengthened the platforms of the company-wide digital business, will lead the expansion of the Lumada business as Executive Vice President and Executive Officer, overseeing the Connective Industries business. Executive Vice President and Executive Officer Toshiaki Tokunaga has taken on new responsibility for the company-wide growth strategy, with the Lumada business at its core, and will accelerate the expansion of growth through digital. In addition, Nitesh Banga, President & CEO of GlobalLogic Inc., will also concurrently serve as CEO of Digital Engineering Business Unit as Vice President and Executive Officer, expanding value creation across Hitachi, including in OT domain, through the penetration of advanced design capabilities.

In order to achieve sustainable growth in the future, it will be essential to combine the Group's global comprehensive capabilities as One Hitachi. Brice Koch^{*2} – who has extensive experience in global business management in the ABB Group and experience in business promotion and the creation of regional strategies in the Hitachi Group – will be appointed Executive Vice President and Executive Officer, CSO and CRMO^{*3}, responsible for companywide regional strategies that capture growth opportunities in each region and management strategies that respond to global risks. In the Americas region, which boasts a substantial footprint in terms of both IT and OT, Shashank Samant^{*4} will be appointed Senior Vice President and Executive Officer responsible for strategies in the region, and will accelerate business growth leveraging digital capabilities.

In corporate functions that support sustainable growth, Chief Sustainability Officer and CDEIO^{*5} Lorena Dellagiovanna will hold a new position as CHRO, responsible for cultivating an effective in-house environment, fostering talents who can bring about innovations that transcend the boundaries of countries, regions, and business entities, and strengthening Hitachi's global competitiveness. Tomomi Kato^{*6} will be appointed Senior Vice President and Executive Officer and CFO, to support sustainable growth through financial capital strategies, which will include deepening ROIC management and further increasing the Group's ability to generate cash. Hidenobu Nakahata^{*7} will be appointed the new position of Chief Administrative Officer which supports growth strategies including legal and government & external relations, to build a more robust management base amid an increasingly unpredictable business environment.

^{*1} Currently serves as Senior Vice President and Executive Officer, CEO of Cloud Services Platform Business Unit

^{*2} Currently serves as Chairman of the Board of Hitachi Europe Ltd., served as Representative Director, President & CEO, Hitachi Astemo, Ltd. until June 30, 2023

^{*3} Chief Risk Management Officer

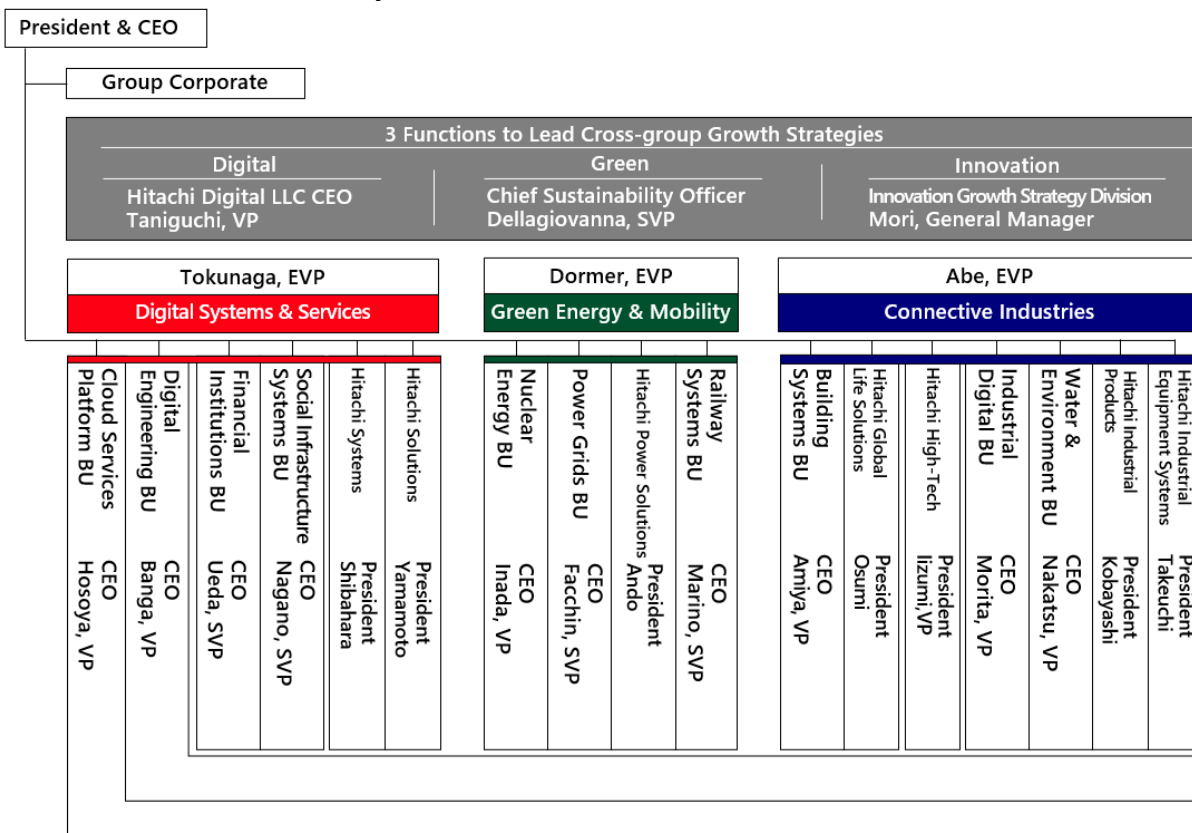
- *4 Currently serves as Executive Advisor of Digital Systems & Services Division, Executive Chairman of the Board of Hitachi Digital LLC, and Chairman of GlobalLogic Inc. Board
- *5 Chief Diversity, Equity & Inclusion Officer
- *6 Currently serves as Vice President and Executive Officer, Deputy CFO, and General Manager of Finance Division, Finance Group
- *7 Currently serves as Representative Executive Officer, Senior Vice President and Executive Officer, CHRO, General Manager of Human Capital Group, and Head of Corporate Communications

3. Participation by Diverse Talents

Hitachi believes that the source of future growth is having diverse talents throughout the world demonstrate and combine their unique capabilities. As part of this structural strengthening, three new Executive Officers, Brice Koch, Shashank Samant and Nitesh Banga, have been added, making 22.9% of the Executive Officers non-Japanese. To strengthen procurement functions on a global scale, Alice Po^{*8} will be appointed CPO, and Yoshiaki Kagata, currently serving as CPO, will be appointed Vice President and Executive Officer, CTro^{*9} and CISO^{*10}. In order to support business growth by building a management foundation based on their specialized knowledge and experience outside the company, Hirohide Hirai^{*11} will be appointed Vice President and Executive Officer, General Manager of Government & External Relations Group and Yuto Matsumura^{*12} will be appointed Vice President and Executive Officer, CLO, and General Counsel. With leaders having diverse backgrounds, Hitachi will achieve global growth as One Hitachi.

- *8 Currently serves as General Manager of Procurement Intelligence Office, Value Integration Division
- *9 Chief Transformation Officer
- *10 Chief Information Security Officer
- *11 Currently serves as Assistant to President, former Vice Minister for International Affairs at the Ministry of Economy, Trade and Industry
- *12 Currently serves as Managing Partner, Mori Hamada & Matsumoto

Business Structure as of April 1, 2024



BU: Business Unit
SVP: Senior Vice President
EVP: Executive Vice President
VP: Vice President

- End -

About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society through the use of data and technology. We solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products. Hitachi operates under the business structure of "Digital Systems & Services" - supporting our customers' digital transformation; "Green Energy & Mobility" - contributing to a decarbonized society through energy and railway systems, and "Connective Industries" - connecting products through digital technology to provide solutions in various industries. Driven by Digital, Green, and Innovation, we aim for growth through co-creation with our customers. The company's consolidated revenues for fiscal year 2022 (ended March 31, 2023) totaled 10,881.1 billion yen, with 696 consolidated subsidiaries and approximately 320,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
