

Hitachi Upgraded to “AA” in MSCI ESG Rating

MSCI
ESG RATINGS



Tokyo, March 8, 2023 – Hitachi, Ltd. (TSE: 6501, “Hitachi”) today announced that as of February 2023, Hitachi received an MSCI ESG Rating of AA. MSCI ESG Research provides MSCI ESG Ratings on global public and a few private companies on a scale of AAA (leader) to CCC (laggard), according to exposure to industry-specific ESG risks and the ability to manage those risks relative to peers. In this assessment, Hitachi has been highly evaluated for its sustainability initiatives, such as promotion of compliance training and disclosure of R&D investments to create green value.

Hitachi has been selected to be a constituent of the FTSE Blossom Japan Index, the FTSE Blossom Japan Sector Relative Index, the MSCI Japan ESG Select Leaders Index and the S&P/JPX Carbon Efficient Index, which are other ESG indices adopted by the GPIF^{*1}. Also, Hitachi has been recognized with double “A List” on Climate Change and Water Security for the second consecutive year^{*2}.

^{*1} Information dated March 3, 2022: Hitachi included in leading ESG investment index

<https://www.hitachi.com/information/info/20220303.html>

News release dated April 11, 2022: Hitachi Selected as a constituent of FTSE Blossom Japan Sector Relative Index, an ESG Index <https://www.hitachi.com/New/cnews/month/2022/04/220411.html>

News release dated August 30, 2022: Hitachi Selected as a Constituent of FTSE4Good Index Series and FTSE Blossom Japan Index, ESG Investment Indices <https://www.hitachi.com/New/cnews/month/2022/08/220830.html>

^{*2} News release dated December 13, 2022: Hitachi Recognized with Double 'A List' on Climate Change and Water Security for the Second Consecutive Year <https://www.hitachi.com/New/cnews/month/2022/12/221213a.html>

Hitachi has been promoting sustainable management and working specifically to achieve the carbon neutrality of its business sites (factories and offices) by FY2030 and its entire value chain by FY2050 under Hitachi Environmental Innovation 2050, its long-term environmental targets. Also, Hitachi has set a target of increasing the ratio of female and non-Japanese executive and corporate officers (the executive position next to executive officer) to 30% by FY2030. In addition, Hitachi introduced evaluation system that considers environmental value into short-term incentive compensation for executive officers.

Hitachi will solve various challenges faced by our customers and society and contribute to the realization of a sustainable society where people live happily in prosperity through the Social Innovation Business leveraging data and technology.

Hitachi's Sustainability Initiatives

<https://www.hitachi.com/sustainability/>

Hitachi's Environmental Activities

<https://www.hitachi.com/environment/>

Hitachi Sustainability Report 2022

<https://www.hitachi.com/sustainability/download/index.html>

Hitachi Integrated Report 2022

<https://www.hitachi.com/IR-e/library/integrated/index.html>

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<https://www.msci.com/our-solutions/esg-investing/esg-ratings>

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About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society with data and technology. We will solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products, under the business structure of Digital Systems & Services, Green Energy & Mobility, Connective Industries and Automotive Systems. Driven by green, digital, and innovation, we aim for growth through collaboration with our customers. The company's consolidated revenues for fiscal year 2021 (ended March 31, 2022) totaled 10,264.6 billion yen (\$84,136 million USD), with 853 consolidated subsidiaries and approximately 370,000 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.
