

A close-up photograph of a man with a beard and a young child with curly hair. The man is wearing a dark blue shirt and is looking down at the child. The child is wearing a red sweater and is looking up at the man. They are outdoors, with a blurred background of green foliage and sunlight filtering through the leaves, creating a bokeh effect. The overall mood is warm and intimate.

HITACHI
Inspire the Next

**Powering America's
Journey to a
Sustainable Society**

Hitachi believes in collaborative innovation to overcome challenges, drive adoption, ease transition and build a sustainable future.

We live in an era of unprecedented globalization. Hitachi has grown significantly from its Japanese roots, which has expanded its footprint in the U.S. tremendously over the last few decades.

The evolution of American public policy, private investment, and economic and business growth will be necessarily defined by the growing demand for clean power, modernized infrastructure and resilient supply chains.

Though kickstarting this transition is a priority for the current administration, it will remain a central aspect of federal government policy even in post-Biden administrations. Hitachi's leadership in this all-important area, ability to work with Congress and the executive branch, and its already large base of employees will solidify its credibility as an American company committed to innovating in the U.S. and solving America's most pressing challenges.

Contents

In the coming years, Hitachi will be at the forefront of sustainable development, particularly in these six target areas:



Introduction

Since its foundation, Hitachi's Mission has always been to "Contribute to society through the development of superior, original technology and products."

110 years

Hitachi has been a driving force behind much of the technological progress that has helped increase quality of life for people across the globe. Hitachi has been steadily growing its market share in dynamic sectors, including energy, railway systems, social infrastructure and a range of IT systems.

Furthermore, Hitachi has always worked to solve the most pressing challenges facing society through the development of social infrastructure technologies that raise quality of life. In recent years, Hitachi has contributed to achieving a sustainable society. With a history of pioneering new fields for innovation, Hitachi is now applying this legacy as it leads the charge for a more sustainable future.

It is only natural that the public-facing aspects of a business will remain front of mind for the majority of consumers, and there may still be people who perceive Hitachi primarily as an appliance company. Hitachi's journey in the U.S. began in 1926 when Hitachi commenced trade by exporting 30 electric fans to the U.S. In the beginning, it was mainly from the export of infrastructure system

products, and Hitachi America, Ltd. was established in 1959. Since then, Hitachi has expanded its sales and manufacturing operations as well as its partners and customers in the U.S. In the railway system business in the 1980s, Hitachi provided rolling stock trains to the Metropolitan Atlanta Rapid Transit Authority. Since the 1980s its automotive systems business has been providing products to GM and Ford. In 1989, Hitachi established Hitachi Data Systems as a joint venture with EDS (Electric Data Systems) to expand its IT business capabilities. Hitachi's successful heritage and track record of innovation across a wide range of products and solutions helped the company gain a foothold in the U.S. from which it was able to build and gradually expand its business portfolio to include sustainable electrical

grids, railway systems, and the digital transformation of social infrastructure and critical systems.

Hitachi has also focused on corporate citizenship activities in the United States. In 1985, the company established the Hitachi Foundation in Washington, D.C. The foundation was dedicated to solving problems facing American society in education, the arts, community economic activities and science while promoting mutual understanding between Japanese and American cultures.

As our business is part of society, we need to be a part of the ecosystem that supports a sustainable future. That's why Hitachi started the Inspire STEM Education Outreach Program in 2011.

Unlike companies that specialize in one specific area, Hitachi leverages insight and experience from one sector to drive innovation and change across the rest of its operations – creating value for partners, customers and society at large.



carbon neutrality by 2030

Hitachi has a broad business portfolio that covers industrial equipment to social infrastructure systems, including energy and mobility solutions, social infrastructure like electrical grids and railway systems (all essential industries), and even digital IoT solutions. Since its founding over 110 years ago, Hitachi has placed an emphasis on the creative application of the latest technological

breakthroughs to address macro trends for the betterment of society. Social Innovation is at the core of Hitachi's business as the company works to create value for customers and society.

The Biden administration pledged to cut U.S. carbon emissions by at least half by 2030. Hitachi is deeply committed to our role as a climate change innovator

and to decarbonization efforts in the U.S. Hitachi declared its intention to achieve carbon neutrality at its in-house business offices and production bases by fiscal year 2030. Together with its customers, it also aims to achieve carbon neutrality across its entire value chain by fiscal year 2050.

In order to differentiate itself, Hitachi must draw increased attention to its unique culture of entrepreneurship, long and successful track record of innovation, and strong commitment to social impact.



**24,700+
employees
in the U.S.**

Hitachi has more than 24,700 employees among its 72 Group companies in the U.S. and 19 R&D labs operating in 37 states, with revenues of \$10 billion in North America (as of March 31, 2021). Its proven experience in global markets allows Hitachi to inspire the world.

By adding key companies to its solutions portfolio for the U.S. market, Hitachi has strengthened its own R&D and digital capabilities. These companies include Sullair, a leader in compressed air solutions; JR Automation, a robot system integration company; Hitachi Energy, a global technology leader

advancing a sustainable energy future for all; and GlobalLogic, a leading digital engineering company. Today, Hitachi is involved in developing technologies that address some of the world's toughest challenges, including climate change and the development of resilient social infrastructure.



**Accelerating the Journey
to Clean Energy and
Resilient Power Grids**



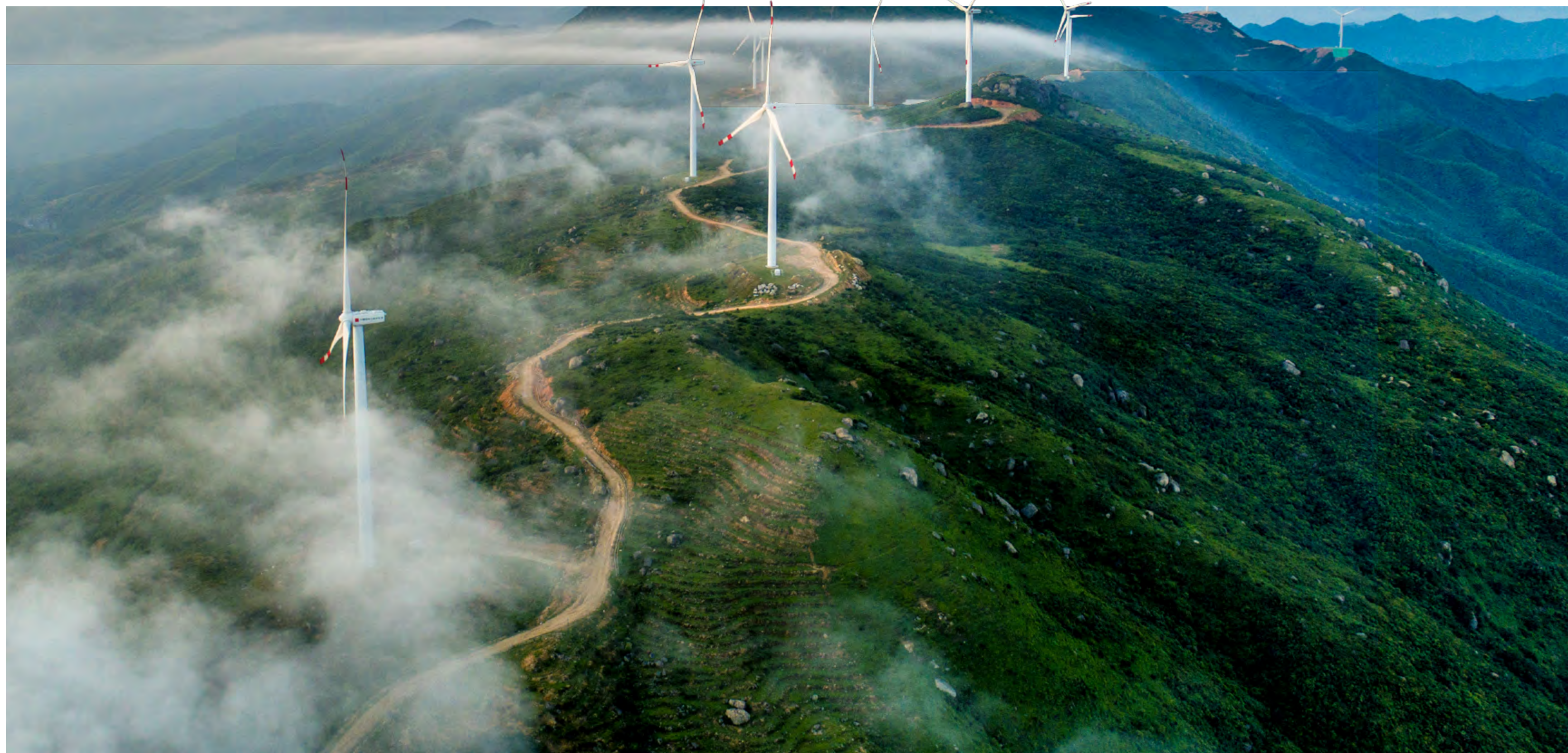
U.S. is currently considering an infrastructure plan that will lay the groundwork for its clean energy transition, a challenge that will shape the global economy and eventually redefine nearly every aspect of life.

Hitachi Energy (formerly Hitachi ABB Power Grids) is pioneering technologies and enabling the digital transformation required to accelerate the energy transition toward a carbon-neutral future. We are advancing the world's energy system to become more sustainable, flexible and secure. Driving the clean energy transition and spearheading social innovation, Hitachi is poised to help its customers shift toward a carbon-neutral future.

The energy transition will be challenging, but it is necessary for America to rapidly shift toward renewable, clean energy sources in order to increase sustainability and strengthen the resiliency of its energy supply.

Hitachi will be well-suited to streamline the creation of a stable power distribution network that is equipped to face the next generation of challenges. High-quality renewable energy resources are often located far from demand centers in remote, rural areas or offshore locations.





To bring renewable energy from where it's developed to where it's needed, Hitachi is poised to support the expansion of reliable and efficient long-distance power transmission and distribution lines and regional interconnections by leveraging reliable high-voltage direct current (HVDC) and flexible alternating current transmission system (FACTS) technologies. In addition, Hitachi provides digital solutions to manage and analyze asset performance across multiple asset-intensive industries.

Hitachi's record on renewable energy development includes highly efficient generation and transmission technologies, as well as control systems that ensure reliable, resilient power. As the world embraces clean energy, Hitachi is committed to helping resolve global social issues and achieving a sustainable society.



Upgrading Infrastructure



President Biden is prioritizing legislation that ensures the U.S. will be heavily investing in public transportation, railway networks, clean energy, distributed energy resources, electric grid infrastructure and microgrids – all of which build resiliency and are crucial to reducing carbon emissions.

An ambitious project of this size and scope will require private sector partners capable of driving the modernization of America's infrastructure. Hitachi's experience in creating reliable railway networks, resilient and sustainable power grids, efficient electric vehicles and charging infrastructure, and reliable public transportation will prove instrumental in equipping America with the modern infrastructure it needs.

With its lower carbon footprint, railway travel is increasingly viewed as a potential answer to America's transportation needs. Hitachi has been active in the railway sector for 100 years. Only by combining the power of AI and digital integration with traditional engineering expertise, can we transform whole mobility systems for passengers.

Hitachi has designed and is building the first ever fully-automated, driverless urban transit system in the U.S. in Honolulu, Hawaii. For San Francisco Bay Areas Rapid Transit District (BART), it's installing the latest generation of technology that allows trains to safely operate on tighter schedules, increasing capacity and improving services. For the Washington Metropolitan Area

Transit Authority (WMATA), Hitachi is installing high-definition cameras, digital screens and real-time information to help increase capacity and improve services. Hitachi takes a holistic view of mobility. By connecting engineering and digital solutions throughout the entire transportation system, our Mobility as a Service (MaaS) offering aims to create seamless passenger travel.





Power grids across North America are aging, and modernizing this infrastructure is a critical priority. The widespread power outage in Texas in February 2021 reminded us once again of the importance of a resilient power grid that can deliver power reliably and efficiently from suppliers to consumers, while effectively sharing power between regions, often across long distances. Hitachi is poised to support the construction of reliable and efficient long-distance intraregional power transmission

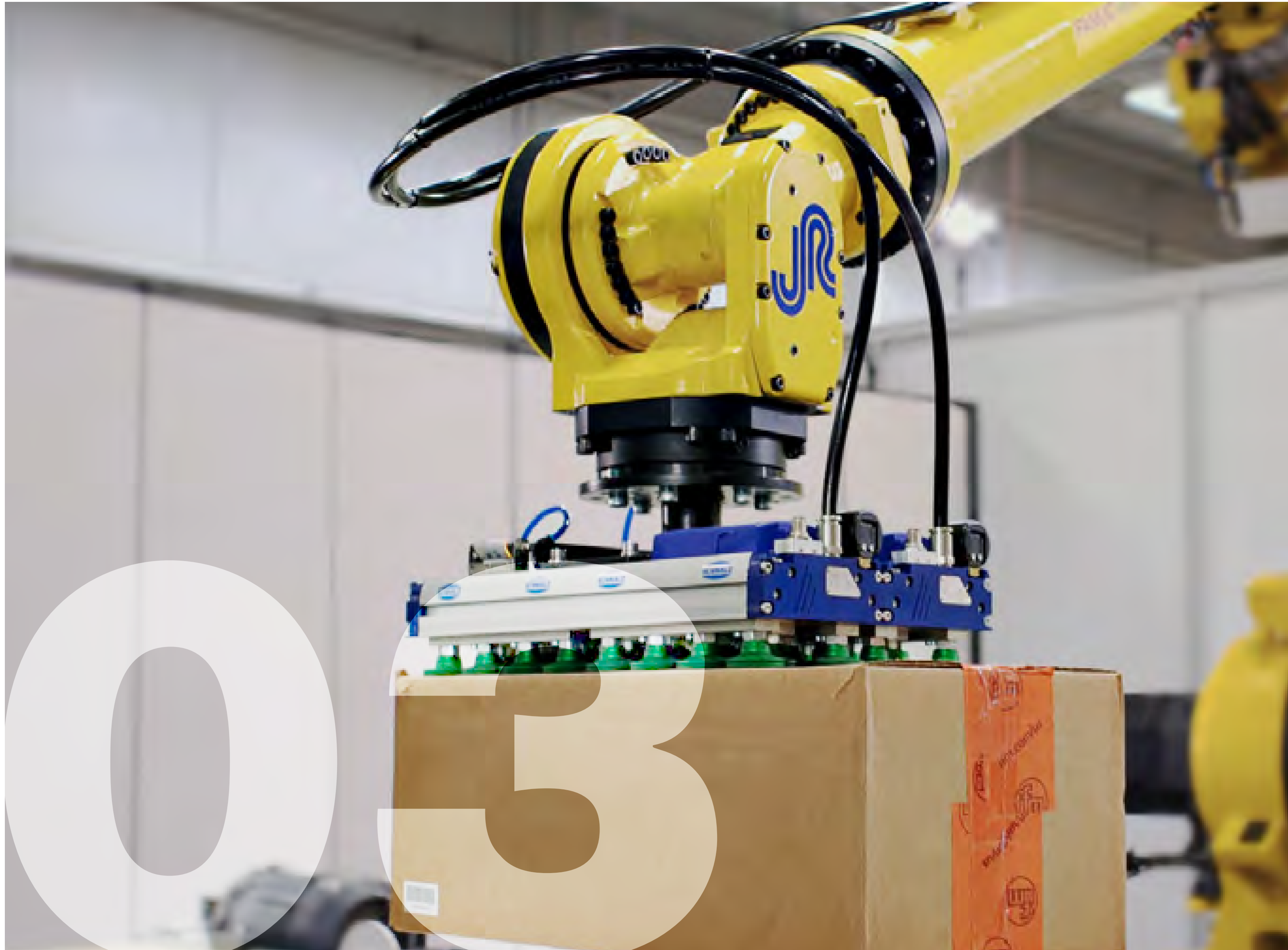
and distribution lines to cover large areas of territory by leveraging reliable high-voltage direct current (HVDC) and flexible alternating current transmission systems (FACT) technologies, better energy storage and microgrid systems, and digital technologies for management and control of these systems.

President Biden has an ambitious vision of a greener future, and the U.S. is working to set ambitious targets to make half of all new vehicles sold in 2030

and beyond zero-emission vehicles. As sustainability plays a key role in America's strategy to combat climate change, the need to prioritize the development of EV-related infrastructure will increase. Hitachi is poised for growth and expansion because it has the ability to offer a turnkey solution to fleet operators providing services across the value chain, including an innovative grid-to-plug EV fleet charging system and asset management services.



Developing Resilient Manufacturing and Supply Chains



Over the past year, the COVID-19 pandemic has disrupted every aspect of life — including the supply chains that power the global economy.

The manufacturing industry is facing a range of new challenges, and Hitachi has solutions in place that will help them weather the storm.

With COVID-19 as the top concern for many employees, manufacturers are working to build environments where employees can work safely and securely.

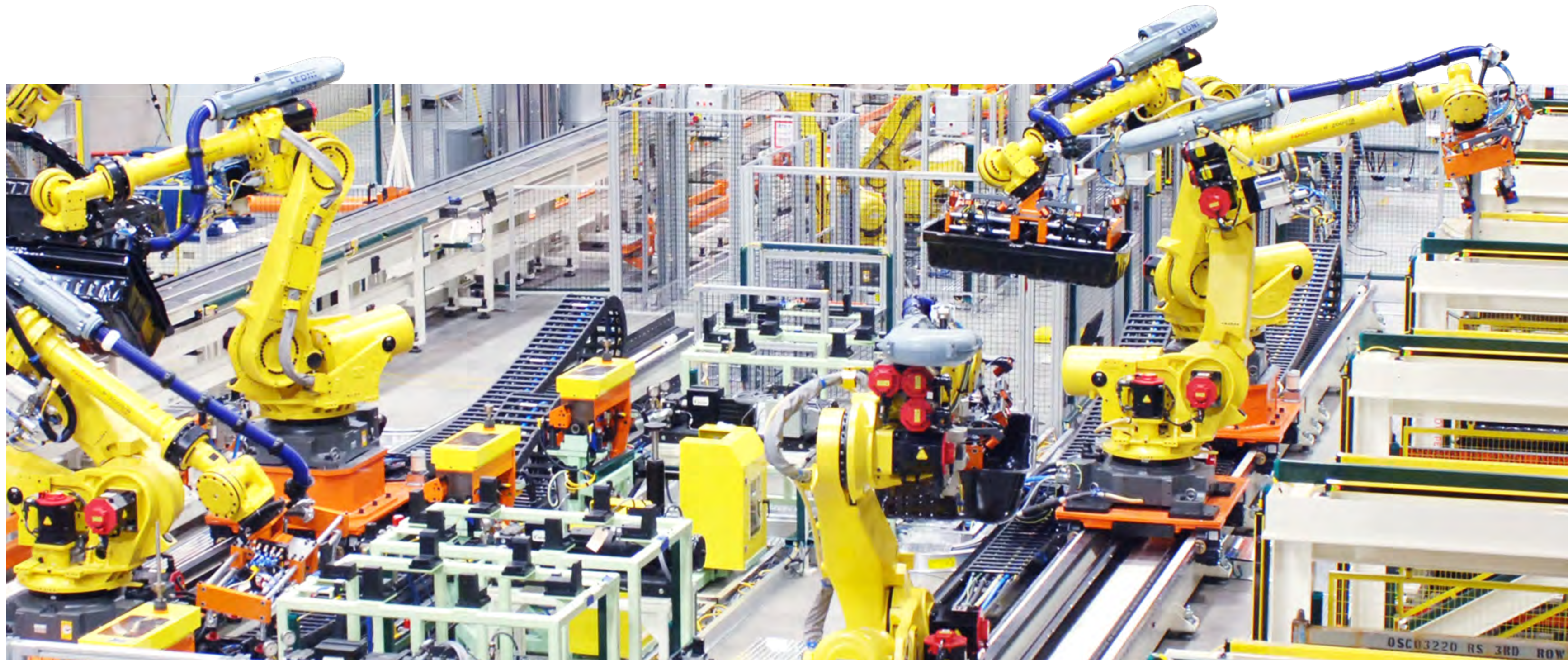
In addition to increasing employee confidence, these moves will raise productivity and workplace satisfaction. To ensure resilient production lines, manufacturers must implement predictive diagnosis and troubleshooting processes.

While these steps will be critical to meeting today's challenges, Hitachi solutions can also help customers face the challenges of tomorrow. This includes the development of sophisticated manufacturing lines that utilize robots to eliminate labor shortages and improve efficiency as well as building stronger supply chains that are able to fully utilize the latest data.



Hitachi has over 100 years of technological know-how in manufacturing and over 60 years of experience at the forefront of IT and production. Hitachi is committed to leveraging its experience and expertise across a wide range of business domains and digital technologies to connect cyber and physical spaces. Hitachi will help build resilient manufacturing operations and a strong supply chain.

Hitachi is accelerating the merging of its robotic System Integration business with digital technologies. For example, JR Automation automates both smaller operation-assisted systems and larger fully-automated robotic lines for distribution and manufacturing facilities using digital technologies tied to enterprise resource planning (ERP: integrated backbone operating systems) and manufacturing execution systems (MESs).



Hitachi High-Tech America demonstrates the strengths of plasma etching systems – enabling the ultrafine processing of semiconductors while providing a foundation of electron microscopes and other high-precision measurement and analysis technologies. Hitachi supports shortening development turnaround time and improving productivity and yield during each semiconductor manufacturing phase.



Redefining EV



America is on the verge of its transition to green energy, and the increased adoption of EVs (including in the commercial sector) is central to this push toward carbon neutrality.

To accelerate the spread of EVs in the commercial, public services and mass transit sectors, it's necessary to lay a robust foundation of charging infrastructure and solutions while building an ecosystem with many partners.



Hitachi is leveraging its full spectrum of digital and power grid solutions to ease the transition to EV. It has partnered with a number of market leaders in the U.K. to pilot a program that monitors the charging and usage patterns of EV fleets. This information will be used to accelerate

the development of robust charging infrastructure. In addition, Hitachi offers a grid-to-plug EV charging system for public transport and commercial fleet operators, ensuring it will play an important role in the development of a nationwide EV infrastructure ecosystem.



**Supporting Healthy
Lives in the U.S.**




We're entering an era in which many people will live for 100 years.

We will strive for a society in which everyone can enjoy active and healthy lives both mentally and physically.

Hitachi has provided particle therapy systems to facilities in the U.S. including Mayo Clinic and St. Jude Children's Research Hospital.

In addition, Hitachi will expand the development of healthcare solutions that support healthy lifestyles for everyone throughout their entire lives. Hospital pharmaceutical companies and insurance companies will share data on diagnosis and treatments, as well as lifestyle data, in order to provide optimal prevention and care in sustainable ways. Hitachi aims to improve people's quality of life by providing new healthcare services using data obtained from these systems and devices.





**Data-Driven Digital
Transformation Is
Critical for the Next
Challenges in the U.S.**



Many U.S. businesses are facing a major turning point that's shedding light on a variety of hidden social issues.

In response, there is a growing demand for digital transformation. That's why Hitachi launched Lumada.



To identify signs of change, Hitachi will use data and create new value for customers and partners, while improving quality of life for people everywhere.

This is the essence of Lumada: solutions that take full advantage of digital technologies such as AI and IoT. To power Lumada, Hitachi leverages operational technology (OT) and information technology (IT) along with products it has cultivated over many years. Through Lumada, Hitachi will provide critical answers to the new challenges facing the U.S.

To better leverage its data resources, Hitachi is investing in strengthening its R&D capabilities along with the capabilities of Hitachi Vantara and recently acquired GlobalLogic.



Hitachi's strengths in digitally transforming social infrastructures lie in its ability to provide mission-critical IoT that can help resolve both social and corporate management issues for its customers. Hitachi also uses its diverse product lineup to gather data and analyze it using GlobalLogic's digital engineering capabilities.

Furthermore, controlling physical space in real time based on data analyses requires mission-critical system integration skills and expertise. In the U.S., Hitachi will harness these skills to develop solutions for climate change, build resilient social infrastructure and supply chains, and improve people's quality of life. Data-driven transformation is not a one-time event, which is why a long-term partner like Hitachi is critical.

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For more information, visit: [Hitachi Social Innovation](#)