

News Release

FOR IMMEDIATE RELEASE

Hitachi to Strengthen its Management Structure to Facilitate Growth in Building Systems Business

Tokyo, March 15, 2021 --- Hitachi, Ltd. (TSE: 6501, “Hitachi”) and Hitachi Building Systems Co., Ltd. (“Hitachi Building Systems”) will strengthen the structure of the Building Systems Business, which involves elevators, escalators, on April 1, 2021 to grow the business globally.

Specifically, Hitachi and Hitachi Building Systems will revamp the global management structure to enhance its agility in business operations in each region, strengthen governance globally and optimize common functions. They will actively appoint foreign national, female and non-Hitachi Group human resources as executives. To maximize the value proposition in the entire value chain in the Japan business, Hitachi and Hitachi Building Systems will revamp the business promotion structure, focusing on the abolition of the business division system and the strengthening of the authority of the Branches.

1. Strengthening Global Management Structure

Hitachi and Hitachi Building Systems will appoint a Head for each of four regions, Japan, China, Asia (Southeast Asia) and SFM (Strategic Focus Markets, including India and the United Kingdom) to accelerate agile business operations driven by each region (“front-driven” business operations). Building Systems Business Unit CEO Shinya Mitsudomi will concurrently serve as Japan Head. Current General Manager of Field Service Division Takashi Fukao will be appointed as the newly established COO and Deputy Japan Head. President of Hitachi Elevator (China) Co., Ltd. Jia Yuhui will concurrently serve as China Head. Current General Manager of Asia and Middle East Representative Office LEE Lee Thiam will be appointed as Asia Head, and current General Manager of Elevator & Escalator Division Koji Ide will be appointed as SFM Head.

To strengthen governance globally and optimize common functions, Hitachi and Hitachi Building Systems will review the existing structure of the Management Meeting and the duties of the executives in the existing Building Systems Business, and will establish a Global Executive Committee. For each common global function, an executive in charge of it will be appointed.

Hitachi and Hitachi Building Systems will actively appoint foreign national, female and non-Hitachi Group human resources as executives to accelerate diversity and inclusion in management. Managing Director of Hitachi Elevator Asia Pte. Ltd. Sia Tuck Seng Victor will concurrently serve as CMO. To enhance environmental value and strengthen efforts to promote health and safety, CEHSO will be established and Ms. Mari Nakamura will be appointed from outside the Hitachi Group. Of the 23 executives in the global management structure, nine executives will be foreign nationals, and two executives will be women (the 17 existing executives include one foreign national and no women).

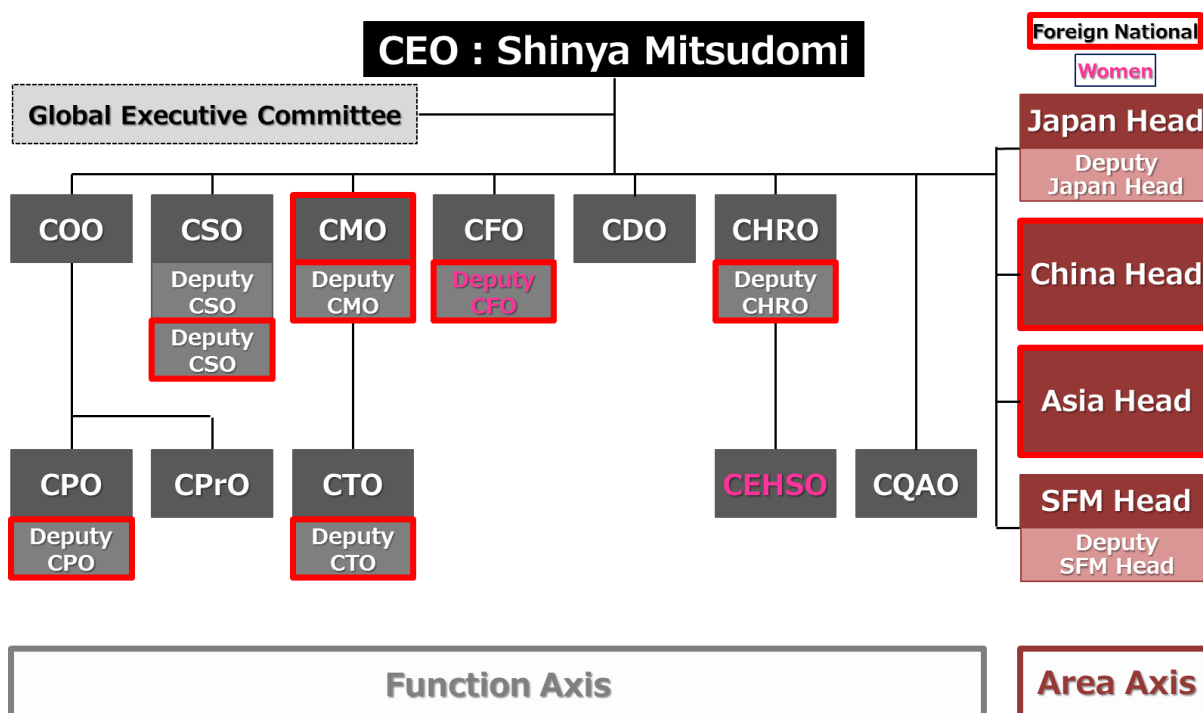
2. Revamping the Japan Business Promotion Structure

To maximize value proposition in the entire value chain, from the installation of elevators, escalators and other building facilities to the maintenance and modernization of them, Hitachi and Hitachi Building Systems will abolish the business division system and establish a Domestic Business Management Division.

To bolster their ability to respond to customer needs in each region, Branches nationwide will be placed under the Domestic Business Management Division. Hitachi and Hitachi Building Systems will create a business promotion structure where the authority and structure of Branches will be strengthened and each Branch will develop area strategies. Under the new structure, business operations will be driven autonomously by Branches (“front-driven”).

To promote the development of products and services in response to opinions from the market, a Marketing Division will be established under the Domestic Business Management Division. The Marketing Division will gather requests that Branches and other front offices receive from customers and will handle everything from market research, product planning to promotion.

Global Management Structure as of April 1, 2021



[Abbreviations]

CDO : Chief Digitalization Officer

CEO : Chief Executive Officer

CEHSO: Chief Environment, Health and Safety Officer

CFO : Chief Financial Officer

CHRO : Chief Human Resources Officer

CMO : Chief Marketing Officer

COO : Chief Operating Officer

CPO : Chief Procurement Officer

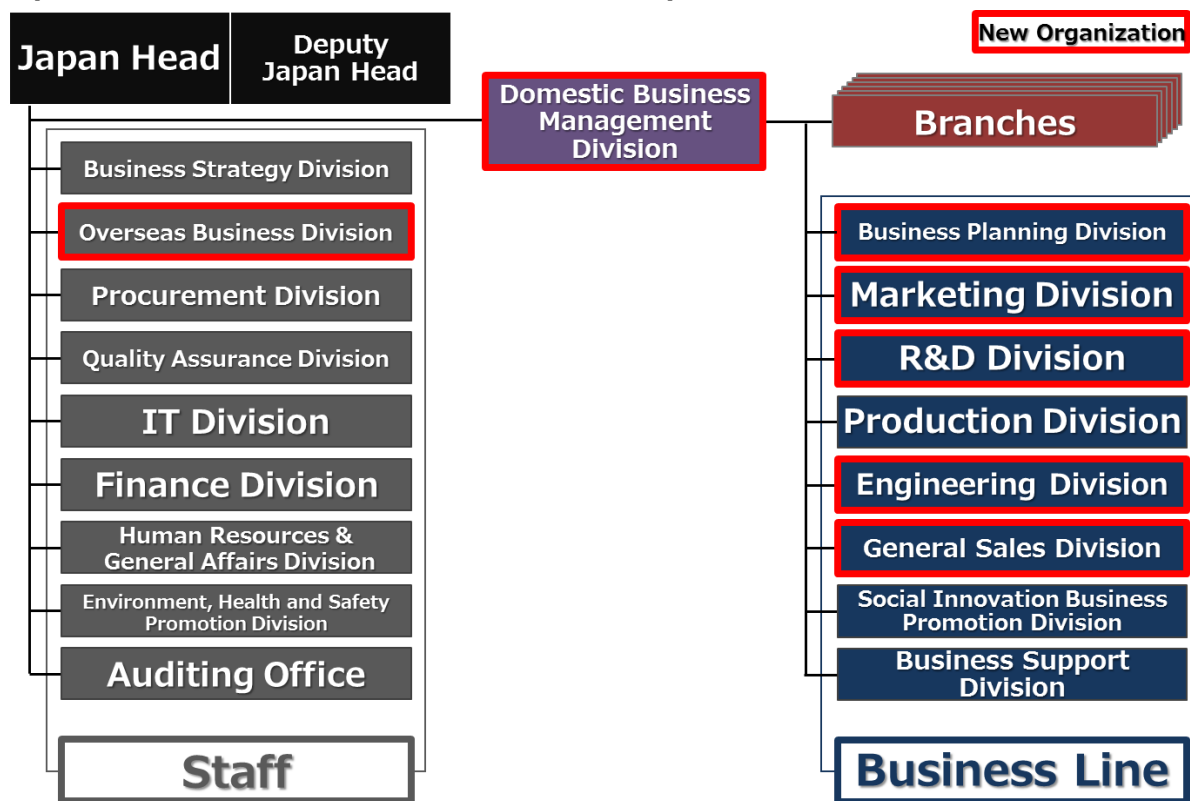
CPro : Chief Production Officer

CQAO : Chief Quality Assurance Officer

CSO : Chief Strategy Officer

CTO : Chief Technology Officer

Japan Business Promotion Structure as of April 1, 2021



About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focused on its Social Innovation Business that combines information technology (IT), operational technology (OT) and products. The company's consolidated revenues for fiscal year 2019 (ended March 31, 2020) totaled 8,767.2 billion yen (\$80.4 billion), and it employed approximately 301,000 people worldwide. Hitachi drives digital innovation across five sectors – Mobility, Smart Life, Industry, Energy and IT – through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. Its purpose is to deliver solutions that increase social, environmental and economic value for its customers. 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.
