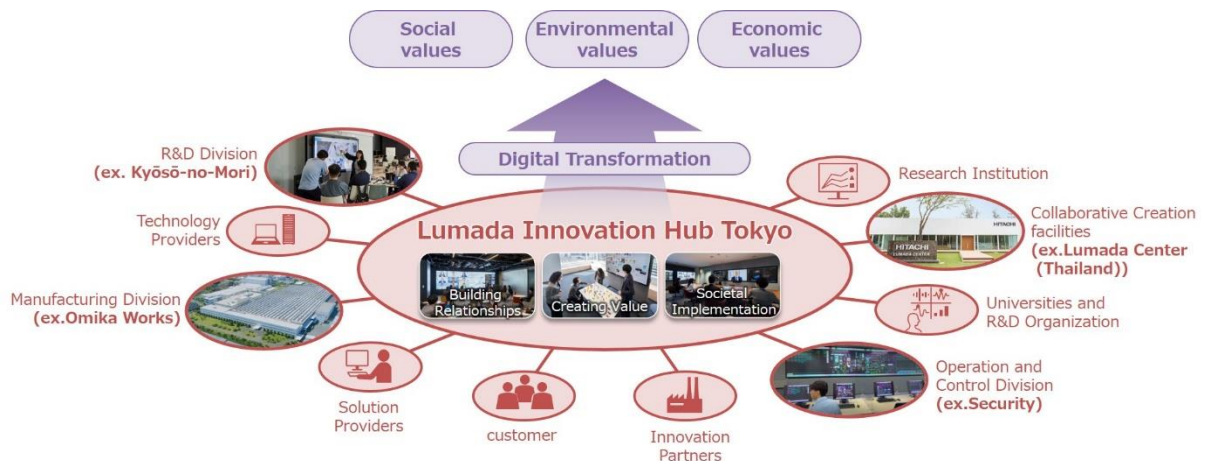


News Release

FOR IMMEDIATE RELEASE

Hitachi Establishes Lumada Innovation Hub Tokyo to Accelerate the Lumada Movement Through New Collaborative Creation With a View to the Post-COVID-19 World

Energizing innovation by connecting diverse stakeholders through virtual and real approaches, with a primary focus on ecosystems



Lumada Innovation Hub Tokyo (Conceptual Image)

Tokyo, March 22, 2021 – Hitachi, Ltd. (TSE: 6501, "Hitachi") has redefined the creation of innovation in the post-COVID-19 "New Normal" society as "connecting knowledge and ideas that transcend industries, space and time," and will systemize services and collaborative creation in the form of Lumada Innovation Hub. Lumada Innovation Hub Tokyo will open on April 15 as the flagship hub location. Lumada Innovation Hub Tokyo will become a hub for Collaborative Creation facilities on the front line of digital transformation (DX)—such as the Hitachi's Kyōsō-no-Mori⁽¹⁾ and Omika Works, which was recognized as a Lighthouse advanced factory—and diverse human resources, transcending the boundaries between individual industries and energizing value creation by connecting and combining customers, partners, startup companies and other stakeholders through both virtual and real approaches.

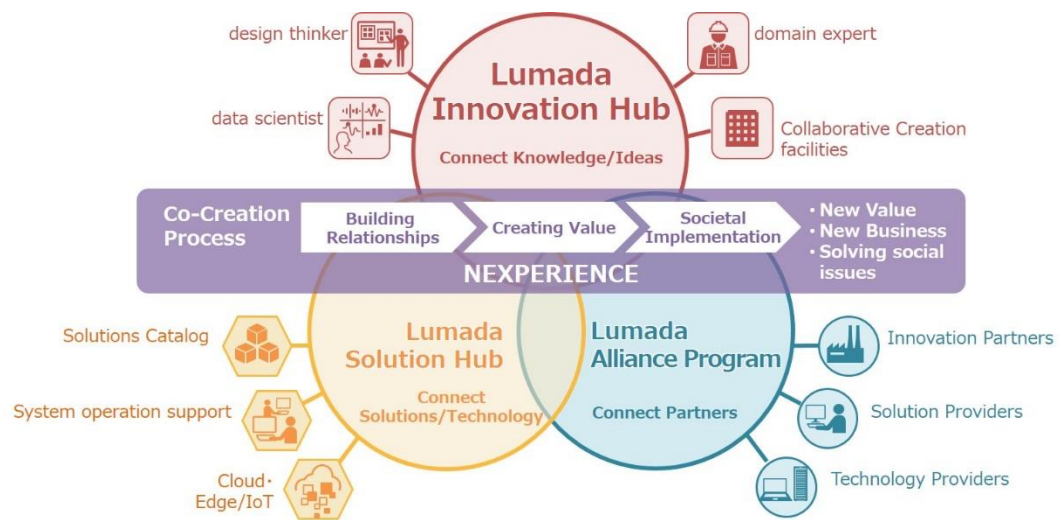
In order to powerfully drive these kinds of initiatives, Hitachi will also be inviting two key opinion leaders from outside the company with extensive track records of achievements in global DX promotion and ecosystem-related collaborations.

Yoshimitsu Kaji, who will be appointed as Senior principal of Lumada Innovation Hub, said the following. "The Lumada movement has already produced major achievements by connecting across borders. With the opening of Lumada Innovation Hub Tokyo, you

could say that we will be breaking through to the next level. Enabling the realization of work at multiple locations—transcending both physical and temporal constraints—will surely increase the power of the Lumada ecosystem at an accelerated pace, and create innovations of the kind never imagined before. The very fact that Hitachi chose to appoint me—as someone who is involved in the management of startup companies in real time—is proof that Hitachi is serious about connecting across borders. I hope to contribute by effectively utilizing my experience in collaboration between government, private-sector industry and academia.”

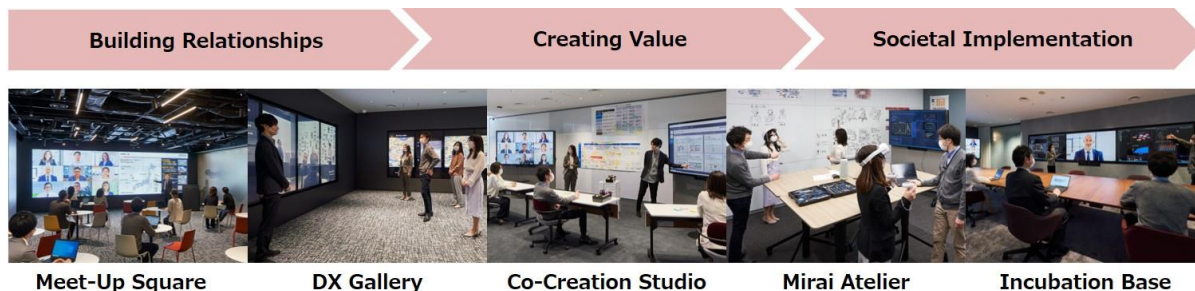
Madoka Sawa, who will be appointed as Lumada Innovation Evangelist, commented as follows. "I am very excited to have been given the important role of spreading Hitachi's broad-ranging technologies and the possibilities of Lumada throughout society. I have built a career for myself in the technology industry based on my belief that technology makes the world a better place. I am very much looking forward to leveraging my accumulated experiences at Hitachi. Moving forward, I hope to work towards the realization of DX together with Lumada Alliance Program⁽²⁾ partners and stakeholders who gather at Lumada Innovation Hub Tokyo."

Until now, Hitachi has advanced its Social Innovation Business—for which Lumada is the driving engine—with a view to improving Social Value, Environmental Value, Economic Value and Quality of Life for people. Meanwhile, in March 2019, Hitachi announced the Lumada Solution Hub⁽³⁾, which connects digital solutions and technologies of Hitachi and its partners, as a mechanism for creating innovation faster and more easily. In November 2020, Hitachi launched the Lumada Alliance Program, which connects a diverse range of partners across the boundaries of various industries. This time, by linking three other mechanisms in addition to Lumada Innovation Hub, which connects people's knowledge and ideas, Hitachi will complete an ecosystem in which value is created and circulated together with customers and partners, while various collaborative creation workplaces connect interactively at all times. Hitachi will work to achieve the realization of DX through dynamic collaborative creation with customers and partners, while keeping an eye on rapidly changing social and environmental conditions.



The Three Strategies Connected by Lumada (Conceptual Image)

The design concept for Lumada Innovation Hub Tokyo is "rakuchu-rakugai-zu" byobu(folding screen) style paintings depicting people's diverse activities, transcending time and space. (Rakuchu-rakugai-zu is a medieval style of Japanese painting in which city and landscape scenes are depicted in map-like compositions on pairs of folding screens.) The various talented people who gather at the hub will create diverse value through DX. The suyorigasumi design motif—the stylized mist that covers portions of the city—symbolizes the connection of these various kinds of value toward the creation of an enriched society. The hub offers a physical space and information environment to support the creation of innovation by promoting ideas and inspiration through interaction and conversation. Specifically, the hub provides five collaborative creation spaces—Meet-Up Square, DX Gallery, Co-Creation Studio, Mirai Atelier and Incubation Base—which can also be used online, to support the collaborative creation process from vision building to transformation into actual business. By making effective use of the digitalization expertise for collaborative creation processes such as vision building and idea creation developed by Hitachi through trial and error during the COVID-19 pandemic, these collaborative creation spaces will support resilient communication by providing an optimal hybrid environment combining both real approaches (including face-to-face) for deepening the level of discussions and virtual approaches for expediting the creation of innovation.



For example, by enabling remote participation in activities such as virtual factory tours and demonstrative testing by connecting DX workplaces including Hitachi Group locations such as Omika Works and Lumada Center Southeast Asia with Lumada Alliance Program participant partners, the hub will enable speedier advancement of collaborative creation by facilitating more specific discussions. At workshops held in the hub's collaborative creation space, the 25 Future Signs⁽⁴⁾ framework for vision design identifying future changes in society is utilized to gain insights into aspects of the future that are difficult to predict from past data alone, consider what kinds of problems people are facing and the kinds of needs they have from PEST (P: political, E: economical, S: social and T: technological) perspectives. This enables participants to arrive at the choices they should take toward the future. Visions and ideas derived in this way will materialize rapidly through the utilization of Lumada Solution Hub.

Moving forward, by establishing collaborative creation spaces in line with the Lumada Innovation Hub concept both in Japan and overseas and connecting with global partners, Hitachi will energize the creation of innovation and contribute to improving people's quality of life and driving the sustainable development of society and the economy.

- (1) April 11, 2019 news release: A New Research Initiative to Accelerate Innovation through Open Collaborative Creation with Partners
<http://www.hitachi.com/New/cnews/month/2019/04/190411.html>
- (2) November 4, 2020 news release: Hitachi Announces Lumada Alliance Program to Drive Economic, Social, Environmental and Quality of Life Innovation
<https://www.hitachi.com/New/cnews/month/2020/11/201104.html>
- (3) March 18, 2019 news release: Hitachi Launches "Lumada Solution Hub" to Advance and Facilitate Introduction of Lumada Solutions
<https://www.hitachi.co.jp/New/cnews/month/2019/03/0318.html>
- (4) An initiative to re-identify social system requirements from consumer perspectives to create hypothetical visions for how they should be.
https://www.hitachi.com/rd/research/design/vision_design/kizashi/25future/index.html

Outline of Lumada Innovation Hub Tokyo

Name	Lumada Innovation Hub Tokyo
Director	Lumada Innovation Hub Senior Principal Yoshimitsu Kaji
Place	17F Sapia Tower, 1-7-12 Marunouchi, Chiyoda-ku, Tokyo

Lumada Innovation Hub Tokyo's Five Collaborative Creation Spaces and Advantages of Utilizing Them

1. From Recognition and Consultation to Hands-On Experience

: Meet-Up Square and DX Gallery

Data scientists, design thinkers and other digital human resources active on the front lines of DX, can engage in real and virtual discussions with experts who have a deep knowledge of a variety of business processes including manufacturing production line control and advancement of workstyle reforms, and other external experts. By holding discussions while incorporating this kind of diverse knowledge and expertise, it is possible to identify themes and construct frameworks for activities in which to engage in the future.

2. Issue Analysis and Idea Creation to Hypothesis Formation

: Co-Creation Studio

Hitachi's design thinkers visualize industry trends and actual conditions in the field / workplace while making effective use of accumulated methods such as workshops and ethnography studies, through the use of numerous case studies. In this way, they use the NEXPERIENCE customer collaborative creation methodology to drive the building of visions and creation of ideas summarizing the opinions of stakeholders.

3. Proof of Concept to Practical Implementation, and on to Further Innovation


: Mirai Atelier and Incubation Base

Users can utilize Lumada Solution Hub as a platform for demonstrative testing and practical implementation of digital solutions to lead their ideas to swift realization. Lumada Solution Hub is steadily registering DX user cases and digital solutions developed by Hitachi and Lumada Alliance Program partners and developing an environment to enable access to them. Utilizing these kinds of proven technologies and digital solutions and conducting demonstrative testing by connecting them to the operational workplace via the cloud leads to swift realization of DX. Agile development in collaboration with developer communities utilizing advanced AI and OSS, etc. leads to the creation of new ideas and technologies, the latest information regarding which

is accumulated in the Lumada Solution Hub, leading to the creation of a cycle of continuous value creation within the ecosystem.

New Personnel Profile

•Lumada Innovation Hub Senior Principal

 Yoshimitsu Kaji	■ Mission Operation of Lumada Innovation Hub, provision of consulting services, and leading of human resources development.
	■ Profile •Chairman, CSDO (Chief Sustainable Development Officer), Cinnamon AI (Cinnamon, Inc.); Kamakura Smart City Architect •Former Chief Marketing Innovator, Accenture Worked at Fuji Bank, Limited, and an advertising company before obtaining an MBA from The Kellogg School of Management at Northwestern University. Worked at Coca-Cola (Japan) Company, Ltd., Time Warner Inc., Sony Pictures Entertainment Inc., Nissan Motor Company, Ltd., and the Olympic and Paralympic Games bidding committee, etc., before joining the Office of Global Communications, Prime Minister's Office (Japan). Then joined current post after engaging in a range of activities at Accenture including branding, innovation, workstyle reform, SDGs and regional expansions. Also worked as Slush Asia Co-CMO in 2016, and boosted the startup movement in Japan.

•Lumada Innovation Evangelist

 Madoka Sawa	■ Mission Lead external communication of Lumada-related initiatives including the Lumada Alliance Program and Lumada Innovation Hub as a Lumada Innovation Evangelist.
	■ Profile •Representative Director, Ensow •Former Executive Officer, Microsoft Japan Appointed representative director of Ensow as of October 10, 2019. Acts as an advisor for numerous companies, municipalities and startup ventures, and is an active role model for parallel work. Tags in his career include technology, security, management and

	presentation.
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Lumada Innovation Hub Tokyo Concept

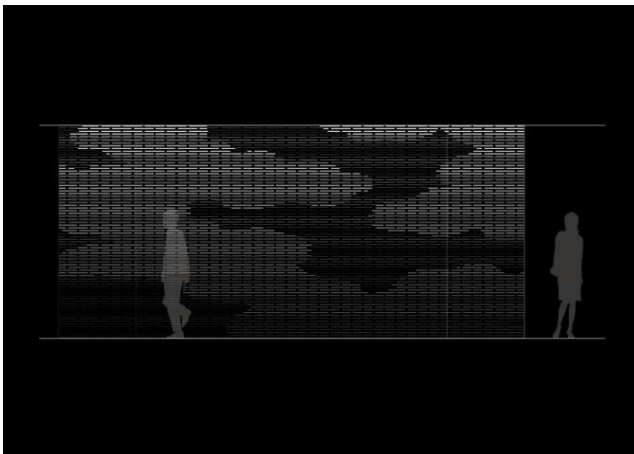
Spatial design concept: rakuchu-rakugai-zu



The design concept was inspired by byobu (folding screen) style paintings that vividly depicts people enjoying their lives amid the blossoming of urban culture, which resonates with Hitachi's activities continuously supporting the enrichment of people's lifestyles in a variety of places around the world.

At the same time, Lumada Innovation Hub Tokyo serves as a declaration of Hitachi's will to lay out and create this kind of enriched society.

Arrangement based on a modern-day interpretation of suyari-gasumi



The traditional suyari-gasumi ("spear mist") technique used in many Yamato-e (classical Japanese paintings) was used as a visual device to connect the diverse activities of people here and there across the city—transcending time and space—into a single unified image. This suyari-gasumi was interpreted from a modern perspective, and used to create a design layout incorporating various facilities.

This design symbolizes how the numerous professionals and talented human resources who will gather at the hub will combine diverse types of value created through DX together with customers to create a more enriched society.

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>.

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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.
