

Company Name Hitachi
Industry ICT (Own operations and Supply Chain)
Overall Score 16.8 out of 100

Theme Score	Out of	For Theme
2.3	10	A. Governance and Policies
7.4	25	B. Embedding Respect and Human Rights Due Diligence
2.5	20	C. Remedies and Grievance Mechanisms
1.1	25	D. Performance: Company Human Rights Practices
3.4	20	E. Performance: Responses to Serious Allegations

Please note that any small differences between the Overall Score and the added total of Measurement Theme scores are due to rounding the numbers at different stages of the score calculation process.

Please note also that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2022 Methodology document for the sector concerned. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

Detailed assessment

A. Governance and Policies (10% of Total)

A.1 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: General HRs commitment: The Company indicates that 'Hitachi is committed to meeting the responsibility to respect human rights through implementing the UN Guiding Principles on Business and Human Rights'. [Hitachi Group Human Rights Policy: hitachi.com] & [Code of Conduct, 2018: hitachi.com] Score 2 <ul style="list-style-type: none"> Met: Commitment to the UNGPs: The Company indicates that 'Hitachi is committed to meeting the responsibility to respect human rights through implementing the UN Guiding Principles on Business and Human Rights'. [Hitachi Group Human Rights Policy: hitachi.com]
A.1.2.a	Commitment to respect the human rights of workers: ILO Declaration on Fundamental Principles and Rights at Work	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Company has a commitment to the ILO Core: The Company indicates that understands for Human Rights those outlined by the International Bill of Rights and the rights signalled by the ILO's Declaration on Fundamental Principles and Rights at Work. However to strive to meet its responsibility to no infringing on human rights is not a considered a full commitment and therefore this score cannot be awarded. [Hitachi Group Human Rights Policy: hitachi.com] Not Met: Company has a explicit commitment to All four ILO Core: In its Code of Conduct, the Company indicates that it 'will not use child labor that employs children below the minimum working age or forced labor that is against the will of employees'. Also, 'We will not engage in any acts that may impair individual dignity or discriminate'. However, no reference to respect the rights of freedom of association and collective bargaining was found in this policy. In its 2019 Sustainability Report, it states that 'In Japan, where labor unions are recognized,

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			<p>for example, we espouse the three fundamental rights of labor unions (to organize, to bargain collectively, and to act collectively). (...) Group companies outside Japan also actively pursue dialogue with individual labor unions and their representatives in accordance with the laws and regulations in each country and region to deepen mutual understanding of employee working conditions and treatment as well as business conditions'. However, this document is no longer considered a suitable source for policy statements according to CHRB's revised approach. In addition, it is not clear whether the Company requires to respect those rights in all contexts, as it indicates 'in accordance with the laws'. In these cases (companies referring to local laws in freedom of association and collective bargaining), companies are expected to require alternative mechanisms or equivalent workers bodies where the right to freedom of association and collective bargaining is restricted under law. [Code of Conduct, 2018: hitachi.com] & [Hitachi Sustainability Report, 11/2019: hitachi.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Company expect suppliers to commit to ILO Core • Not Met: Company explicitly list All four ILO for suppliers: The Supplier code of conduct, included within the Sustainable procurement guidelines contains requirements for suppliers in relation to discrimination, child labour and forced labour. With respect the rights of freedom of association and collective bargaining, the Company indicates: 'Your company must respect the right of all workers to form and join trade unions of their own choosing, bargain collectively, and participate in peaceful assembly as well as the right to refrain from such activities in accordance with local laws'. However, it is not clear whether the Company requires to respect those rights in all contexts, as it indicates 'in accordance with the laws'. In these cases (companies referring to local laws in freedom of association and collective bargaining), companies are expected to require alternative mechanisms or equivalent workers bodies where the right to freedom of association and collective bargaining is restricted under law. [Sustainable procurement guidelines, 07/2021: hitachi.com]
A.1.2.b	Commitment to respect the human rights of workers: Health and safety and working hours	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Commitment to respect H&S of workers: The Company states in its Code of Ethics and Compliance that it 'is committed to provide a healthy, safe and productive work environment' [Code of Ethics and Compliance, 2021: hitachi.com] • Not Met: Respect ILO labour standards on working hours or Commits to 48 hours regular work week <p>Score 2</p> <ul style="list-style-type: none"> • Met: Expect suppliers to commit to H&S of their workers: The Company indicates in its Sustainable Procurement Guidelines: 'Your company must recognize that a safe and healthy work environment enhances the quality of products and services, product consistency, and workforce stability and morale, in addition to minimizing the occurrence of work-related injuries and illnesses. Your company must also recognize that continuously providing information and education to workers is essential to identify and resolve health and safety issues in the workplace'. It also includes specific standards with respect the following topics: Occupational Safety, Emergency Preparedness, Occupational injury and illness, Industrial Hygiene, Accommodation for Physically Demanding Work, Machinery Safeguarding Measures, Sanitation, Food, and Housing and Health and Safety Communication. [Sustainable procurement guidelines, 07/2021: hitachi.com] • Not Met: Expect suppliers to commit to ILO labour standard or to 48 hours regular work week: The Company indicates in its Sustainable Procurement Guidelines (supplier code): 'Your company must therefore ensure that working hours do not exceed the limit set by local laws. Further, the total weekly working hours, including overtime, must not exceed 60 hours or the legal working hour limit, except in the case of emergencies or unusual circumstances. All overtime work must be voluntary. Efforts must also be made to prevent workers from being overworked, and workers will be granted appropriate days off (at least one holiday that complies with local laws or 24 consecutive hours of rest in any seven-day period, whichever is longer)'. However, no formal commitment about respecting the ILO conventions on working hours was found. Alternatively, the Company would achieve this by committing to a 48 hours regular working week, and consensual overtime paid at a premium rate. [Sustainable procurement guidelines, 07/2021: hitachi.com]
A.1.3.a.ICT	Commitment to respect human rights particularly	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Responsible mineral sourcing: The Company states in its Responsible Supply Chain Minerals: 'is committed to responsible procurement activities as its policy to ensure that the procurement of materials containing conflict minerals (tin,

Indicator Code	Indicator name	Score (out of 2)	Explanation
	relevant to the industry – responsible sourcing of minerals (ICT)		<p>tantalum, tungsten, and gold) and cobalt does not encourage the activities of armed groups, human rights violations including child labor, corruption, and environmental destruction in the conflict and high-risk regions.' [Policy for Responsible Supply Chain of Minerals, N/A: hitachi.com] & [Hitachi Group Conflict Minerals Procurement Policy]</p> <ul style="list-style-type: none"> • Met: Based on OECD Guidance: In addition, it indicates that it 'respects the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and conducts more detailed investigations based on the Guidance while understanding social issues and the expected roles of companies in the regions'. [Policy for Responsible Supply Chain of Minerals, N/A: hitachi.com] • Met: Requires suppliers to commit to responsible mineral sourcing: The Company indicates in its Sustainable Procurement Guidelines: 'To reasonably assure the procurement of minerals is consistent with the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or equivalent due diligence frameworks. Your company must adopt policies and conduct due diligence on the sources and chains of custody for minerals such as tin, tantalum, tungsten, and gold contained within its manufactured products'. In addition, in its Responsible Supply Chain of Minerals, it indicates: 'For its suppliers, the Group will continue to inquire into their minerals' country of origin and supply chains using the Conflict Minerals Reporting Template (CMRT) issued by the Responsible Minerals Initiative (RMI), and request its suppliers to procure minerals from smelters certified under RMI's Responsible Minerals Assurance Program (RMAP)'. [Policy for Responsible Supply Chain of Minerals, N/A: hitachi.com] & [Sustainable procurement guidelines, 07/2021: hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Commits to follow OECD Guidance for all minerals: The Company has provided feedback to CHRB regarding this indicator. However evidence was not material to missing subindicator, as policy refers to 3TG and cobalt, but no further details were found covering all minerals. • Not Met: Suppliers expected to make similar requirements of their suppliers: The Company has provided feedback to CHRB regarding this indicator. However evidence was not material to missing subindicator, as policy refers to 3TG and cobalt, but no further details were found covering all minerals.
A.1.3.b.ICT	Commitment to respect human rights particularly relevant to the industry – vulnerable groups (ICT)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Women's rights: Although the Company participates in different programmes aimed to empower women and the Company is making efforts to promote diversity, no evidence was found of a formal commitment to respect Women's Rights in a suitable source for policy statements. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Children's rights: The Company indicated in its Sustainability Report: 'Hitachi respects the rights of children as outlined in the United Nations Convention on the Rights of the Child, adopted by the General Assembly in 1989, and the Children's Rights and Business Principles developed by the United Nations Children's Fund (UNICEF)'. However, this document is no longer considered a suitable source for policy statements according to CHRB's revised approach. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Migrant worker's rights: The Company states that 'In fiscal 2020, the Human Rights Due Diligence (HRDD) Promotion Project Team established at the headquarters of Hitachi, Ltd. created a questionnaire concerning the use of forced labor and immigrant labor. This issue has been defined as a human rights risk that the entire Hitachi Group must address. In fiscal 2021, the Group will require suppliers to take the questionnaire, and will strive to ascertain the actual risk situations at suppliers. We want to help suppliers improve their efforts in this area, including addressing any human rights issues they may have'. This indicator, however, looks for formal policy statement of commitment to respects migrant rights. These commitments are expected to be placed in formal policy documents. Evidence from periodic annual reports do not meet this requirement. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Met: Expects suppliers to respect at least one of these rights: The Company indicates in its Supplier Code, that is part of its Sustainable Procurement Guidelines: 'Your company must uphold the human rights of workers and treat them with dignity and respect as understood by the international community. This applies to all types of workers, including temporary staff, migrant workers, students, and direct employees'. [Sustainable procurement guidelines, 07/2021: hitachi.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: CEDAW/Women's Empowerment Principles • Not Met: Child Rights Convention/Business Principles: As indicated above, the Company indicates in its Sustainability Report: 'Hitachi respects the rights of children as outlined in the United Nations Convention on the Rights of the Child, adopted by the General Assembly in 1989, and the Children's Rights and Business Principles developed by the United Nations Children's Fund (UNICEF)'. However, this document is no longer considered a suitable source for policy statements according to CHRB's revised approach. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Convention on migrant workers • Not Met: Expecting suppliers to respect these rights
A.1.4	Commitment to remedy	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: The Company commits to remedy: The Company, in its Code of Conduct, indicates that 'will assess and prevent potential violations of human rights. In the event of such a violation, we will promptly take internal and external actions to correct and remedy the situation'. The human rights policy also states that 'Where Hitachi identifies that it has caused or contributed to a negative human rights impact, the company will provide for or cooperate in legitimate processes to provide remediation'. [Code of Conduct, 2018: hitachi.com] & [Hitachi Group Human Rights Policy: hitachi.com] • Not Met: Company expect suppliers to make this commitment: The supplier code requires corrective actions: 'Your company must establish a correction process to respond to the deficiencies identified by internal or external assessments, inspections, investigations and reviews'. However, these seem to refer specifically to correction process. No explicit evidence found of a commitment to not only establishing correction processes but to remedy adverse impacts on individuals, workers and communities. [Sustainable procurement guidelines, 07/2021: hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Collaborating with other remedy initiatives: As it is stated above, the Company indicates that 'will provide for or cooperate in legitimate processes to provide remediation' where it identifies that it has caused or contributed to a negative human rights impact. However, no specific details found on collaborating with other initiatives that provide access to remedy. [Hitachi Group Human Rights Policy: hitachi.com] • Not Met: Work with suppliers to remedy impact
A.1.5	Commitment to respect the rights of human rights defenders	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Zero tolerance attacks on HRs Defenders (HRDs) • Not Met: Company expect suppliers to make this commitment <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Work with HRD to create safe and enabling environment

A.2 Policy Commitments (5% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.2.1	Commitment from the top	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Board level responsibility for HRs: The Company state "Hitachi, Ltd. has a Corporate Human Rights Promotion Committee composed of the heads of business units and corporate divisions and chaired by the executive officer in charge of human resources. In fiscal 2021, the scope of the Executive Sustainability Committee's mandate was expanded to cover human rights topics as part of sustainability management." However, this indicator is looking for board level responsibility and not executive committee level responsibility and therefore this score cannot be met. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Describe HR expertise of Board member <p>Score 2</p> <ul style="list-style-type: none"> • Met: Speeches/letters by Board members or CEO: The CEO is signatory to the WBCSD CEO Guide to Human Rights. [Hitachi Sustainability Report, 11/2019: hitachi.com]
A.2.2	Board responsibility	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Board/Committee review HRs strategy: The Company states: 'Executive officers from Hitachi, Ltd. participate in annual officer training sessions on human rights. In July 2018, 32 executive officers participated in a session titled "From CSR

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			<p>as an Ethics to ESG as a Strategy—Based on the Perspective of Human Rights,” led by Mariko Kawaguchi, chief researcher, Research Division, Daiwa Institute of Research Ltd. The session covered a wide range of issues from an investor’s viewpoint, including the importance of human rights in the new framework of international society, the global-level challenges that we face, and the background to the growing ESG investment movement.’ However, there is no evidence which indicates the regular review of the Company’s salient risks neither the description of Human Right process of discussion by a Board of Director’s committee. [Hitachi Sustainability Report, 11/2019: hitachi.com]</p> <ul style="list-style-type: none"> • Not Met: Examples/trends re HR discussion in the last reporting period Score 2 • Not Met: Meets both requirements under score 1 • Not Met: How affected stakeholders/HR experts informed discussions
A.2.3	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Incentives for at least one board member • Not Met: At least one key HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public • Not Met: Review of other board performance criteria
A.2.4	Business model strategy and risks	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Board process to review bussiness model and strategy • Not Met: Describe frequency and triggers for reviewing <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Example of actions decided

B. Embedding Respect and Human Rights Due Diligence (25% of Total)

B.1 Embedding Respect for Human Rights in Company Culture and Management Systems (10% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Score of 1 on A.1.2.a • Met: Senior responsibility for HR implementation and decision making: The Company indicates that 'Hitachi, Ltd. has a Corporate Human Rights Promotion Committee composed of the heads of business units and corporate divisions and chaired by the executive officer in charge of human resources. In fiscal 2021, the scope of the Executive Sustainability Committee's mandate was expanded to cover human rights topics as part of sustainability management. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: How it assigns Day-to-day responsibility: ‘Hitachi is improving its Group-wide human rights awareness based on the guidelines discussed and written by the Corporate Human Rights Promotion Committee. Policies decided through these deliberations are shared with business unit and business site committees, led by business unit presidents and division heads. Each business site provides consultation services through which employees can seek consultation on issues such as sexual harassment and works to ensure that those who come forward are treated with respect and dignity’. However, not clear how the company assigns responsibility for human rights. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Met: Day-to-day resources and expertise allocation in own ops: The company states: "Additionally, starting in fiscal 2021, in order to further accelerate human rights and diversity initiatives, newly established Human Rights Due Diligence (HRDD) Manager Meetings are held twice yearly to promote human rights due diligence. Also, the Diversity Development Council meets once or twice a year, along with periodic reporting and deliberations by the Executive Sustainability Committee on progress being made toward these efforts. We have worked with business units and key Group companies to strengthen our structure to promote human rights and diversity initiatives." [Sustainability Report 2021, 07/2021: sustainability.hitachi.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: Resources and expertise allocation in the supply chain: The company says: "The Hitachi Group prepared a priority risk questionnaire (about 30 questions in total) to evaluate the situation within the Group and at its suppliers regarding forced labor and migrant labor which have been defined as Group-wide priority risks. In preparation for this survey, Hitachi obtained a review from a non-governmental organization, The Global Alliance for Sustainable Supply Chain (ASSC). The ASSC also provided advice concerning the questionnaire content and consistency with global industries and international standards such as those of the ILO. The purpose of this questionnaire is not only to ascertain the level of human rights compliance efforts, but also to promote continuous improvement by investigating and implementing corrections and measures based on the evaluation results from each BU or Group company." However, it is not clear how the company allocates human rights resources and expertise in the supply chain. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com]
B.1.2	Incentives and performance management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Senior manager incentives for human rights: The Company indicates that the 'compensation for Executive Officers consists of basic remuneration as fixed pay, and short-term incentives compensation and medium- and long-term incentive compensation as variable pay', it is not clear that it has an incentive or performance management scheme linked to aspects of its human rights policy commitment(s) for at least one senior manager. The Company has a executive officer in charge of human rights and an executive officer in charge of human capital. [Hitachi Sustainability Report, 11/2019: hitachi.com] & [2019 Integrated Report, 31/03/2019: hitachi.com] • Not Met: At least one key HR risk, beyond employee H&S <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Performance criteria made public • Not Met: Review of other senior management performance
B.1.3	Integration with enterprise risk management	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: HR risks is integrated as part of enterprise risk system: According to the Company, 'The Executive Sustainability Committee deliberates the social and environmental impact of our business activities to clarify any negative impact our business has on society and the environment and to identify countermeasures'. Also, 'The Executive Sustainability Committee, the Sustainability Promotion Meeting, and the Eco-Management Meeting focus on understanding and responding to risks impacting society and the environment, including climate change and issues related to human rights'. However, it is not clear if human rights related risks identified are included within the Company's enterprise risk management system together with other general risks. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Provides an example <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Audit Ctte or independent risk assessment
B.1.4.a	Communication /dissemination of policy commitment(s) to workers and external stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Score of 1 on A.1.2.a • Met: Communicates its policy to all workers in own operations: The Company indicates: 'The Hitachi Group Codes of Conduct are available in Japanese and 13 other languages— including English and Chinese—and shared with Hitachi Group employees around the world. The Codes of Conduct are based on global standards in a range of areas, including the SDGs, and an e-learning tool has been made available in Japanese and 13 other languages to encourage a deeper understanding of them.' The Company also states: 'Additionally, Hitachi conducts regular group training and seminars and uses videos to educate employees at each business site and Group company.' [Hitachi Sustainability Report, 11/2019: hitachi.com] & [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Communication of policy commitments to stakeholder • Not Met: How policy commitments are made accessible to audience
B.1.4.b	Communication /dissemination of policy commitment(s)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Meets ILO requirement for suppliers on A.1.2.a • Met: Requires suppliers to communicate policy requirements: The Company indicates: 'To ensure that the Hitachi Group CSR Procurement Guidelines' provisions are strictly followed, we distribute the fully revised fiscal 2016 edition to

Indicator Code	Indicator name	Score (out of 2)	Explanation
	to business relationships		<p>the approximately 30,000 suppliers of Hitachi business units and Group companies, from whom we request acknowledgment of suppliers' understanding in writing. Tier 1 suppliers are further asked to confirm that tier 2 suppliers also follow the provisions in the guidelines. Additionally, recognizing the global nature of our suppliers, we make the guidelines available not only in Japanese but also in English, Chinese, and Thai, the latter language added in fiscal 2018 in response to increasing labor and human rights risks in southeast Asia'. The CSR Procurement Guidelines contain the Company's human rights expectations. [Hitachi Sustainability Report, 11/2019: hitachi.com]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: How HR commitments made binding/contractual: The Company indicates 'Not only do we require that all suppliers strictly follow our CSR procurement policies, we also carry out CSR monitoring (self-checks) and audits to minimize procurement risks'. However, it is not clear how its human rights policy commitments are reflected within contractual or other binding arrangements with its business relationships. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Company requires suppliers to cascade down to their suppliers
B.1.5	Training on Human Rights	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Scores at least 1 on A.1.2.a • Met: How workers are trained on HR policy commitments: According to its 2019 Sustainability Report: 'Hitachi conducts regular group training and seminars and uses videos to educate employees in each business site and Group company. The target is for each employee to attend these sessions at least once every three years (equivalent to a yearly participation rate of 33.3%)'. Also, it states: 'addition to these group sessions, we launched an e-learning program on business and human rights in October 2016, in which a total of more than 200,000 Group executives and employees globally had participated by March 2019. Using educational materials developed in line with the Hitachi Group Human Rights Policy, adopted in May 2013, the program aims to ensure that employees understand Hitachi's human rights policy and act accordingly'. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Trains relevant managers including procurement: The Company indicates, in its 2019 Sustainability Report: 'Executive officers from Hitachi, Ltd. participate in annual officer training sessions on human rights. In July 2018, 32 executive officers participated in a session titled "From CSR as an Ethics to ESG as a Strategy—Based on the Perspective of Human Rights"'. Also, 'In fiscal 2018, procurement officers from European Group companies formed the Responsible Supply Chain Working Group, sharing perspectives and issues on human rights relevant to procurement divisions along with Hitachi's CSR procurement policies, and discussing plans for future activity'. Moreover, in its CSR Procurement Guidelines it states: 'Hitachi will provide appropriate training and capacity building in order to embed this policy commitment throughout the company and to ensure that its consolidated subsidiaries understand and implement human rights due diligence effectively'. However, no actual evidence found on how the Company provides specific HR training to relevant managers including those who work on procurement. [Hitachi Sustainability Report, 11/2019: hitachi.com] & [Sustainable procurement guidelines, 07/2021: hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Score of 2 on A.1.2.a • Not Met: Meets both requirements under score 1 • Not Met: Trains suppliers to meet company's HR commitment • Not Met: Disclose % trained
B.1.6	Monitoring and corrective actions	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Scores at least 1 on A.1.2.a • Not Met: Monitoring implementation of HR policy commitments across global ops and supply chain • Not Met: Proportion of supply chain monitored: The company indicates: 'Since fiscal 2011, we have expanded the scope to include suppliers in China and the rest of Asia, and from fiscal 2017 all checklists were fully updated in accordance with the revisions made to the Hitachi Group CSR Procurement Guidelines. In fiscal 2018 we asked 345 suppliers inside and outside Japan to conduct CSR monitoring (self-check, although simplified in some cases) and received survey replies from them.' However, no evidence has been found of the percentage of the supply chain that this represents. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Describe how workers are involved in monitoring

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			<p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Score of 2 on A.1.2.a • Not Met: Describes corrective action process: The Company indicates, in its 2019 Sustainability Report, that 'After collecting and analysing the results, we provide feedback for the business operations related to the suppliers, and then work with those involved in the operations to resolve issues related to the suppliers'. Moreover, according to its CSR Procurement Guidelines: 'your company shall construct a process for timely correction of deficiencies identified by internal or external third-party assessments, inspections, investigations, and reviews'. However, no evidence has been found of a description of how corrective action plans are implemented, nor number of non-compliances. [Hitachi Sustainability Report, 11/2019: hitachi.com] & [Sustainable procurement guidelines, 07/2021: hitachi.com] • Not Met: Disclose findings and number of corrective action
B.1.7	Engaging and terminating business relationships	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: HR affects selection of suppliers: The company states: "The Hitachi Group is committed to responsible procurement activities as its policy to ensure that the procurement of materials containing conflict minerals (tin, tantalum, tungsten, and gold) and cobalt does not encourage the activities of armed groups, human rights violations including child labor, corruption, and environmental destruction in the conflict and high-risk regions." However, no further information on how Human Rights affects suppliers selection. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: HR affects on-going supplier relationships <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe positive incentives offered to respect human rights • Met: Working with suppliers to meet HR requirements: The Company indicates: 'In order to share the philosophy of Hitachi among our suppliers, in fiscal 2015 we introduced a new initiative to provide suppliers directly with information in a face-to-face format. (...) The most recent of these face-to-face events was held in March 2019 at our CSR and Green Procurement Seminar held for Hitachi Group partners in East and South China. The event was attended by 176 people from 126 companies. At the seminar, Hitachi explained topics including its fundamental CSR philosophy, the CSR audit situation, regulatory trends under Chinese environmental laws, and Hitachi's related policies. (...) In cooperation with outside experts, we will continue to enhance suppliers' understanding of the expectations of Hitachi Group procurement departments and, at the same time, promote capacity building at suppliers and take other necessary measures'. [Hitachi Sustainability Report, 11/2019: hitachi.com]
B.1.8	Approach to engagement with affected stakeholders	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Stakeholder process or systems to identify and engage with workers/communities in the last two years: The Company discloses its various stakeholders, including suppliers, employees, local communities, NGOs and NPOs. For each stakeholder it indicates the mean of communication. The Company engages with suppliers through 'Procurement activities; Supplier meetings; CSR monitoring and CSR audits. Dialogue with employees takes place through Intranet, in-house newsletters; Training; Town hall meetings between senior management and employees (20 times/year) and Employee surveys (annual)'. As for local communities, there is 'Contribution to local communities through business' and 'Participation in volunteer activities'. Finally, regarding NGOs and NPOs, there is 'Stakeholder dialogue (5 times/year)' and 'Dialogue through collaboration'. [Hitachi Group Human Rights Policy: hitachi.com] • Not Met: Discloses stakeholders that HRs may be affected • Not Met: Provides two examples of engagement with stakeholders: The company states: "The outcomes of communication with stakeholders are shared with the respective divisions and actively utilized as valuable insights into our business. Public interest is growing in how corporations are taking in stakeholders' voices to improve their businesses, and we will continue to globally develop and promote ways of capitalizing on the opinions of the members of society with whom we engage with in our business activities." However, no further information found on how the company has engaged with stakeholders in the past. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Analysis of stakeholder views on company's HR issues • Not Met: Describe how views influenced company's HR approach

B.2 Human Rights Due Diligence (15% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.1	Identifying human rights risks and impacts	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Identifying risks in own operations: The Company indicates that 'We analyzed and reassessed a wide variety of information including the results of our HRDD to date; human rights issues specified in Hitachi's codes and guidelines; information, advice, and inquiries from non-governmental organizations, the media, and experts; assessments of corporate efforts concerning international initiatives; and the results of self-checks by suppliers and Group companies. Taking these results into account, we have identified forced labor and migrant labor as a priority risk for the Hitachi Group and this is now being addressed Groupwide. Forced labor and migrant labor are issues of high concern that are increasingly the subject of legislation around the world'. It also states that it has 'set up a project team at the Hitachi, Ltd. headquarters to promote HRDD [...] the project team holds regular meetings to investigate HRDD measures for the Hitachi Group and its suppliers'. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Met: Identifying risks through relevant business relationships: As above. The Human Rights due diligence processes covers both own operations and supply chain. <p>Score 2</p> <ul style="list-style-type: none"> • Met: Describe ongoing global risk identification in consultation with stakeholder/HR experts: See above. The indicates that in FY 20219 analyzed and reassessed results of HRDD to date to determine human rights risks that the Hitachi Group must address as a whole'. The Company already conducted assessment in 2018 and 2018. It also consulted with Shift at different moments in time for different processes (developing a document with guidelines for implementing HRDD in 2014, and in 2020 for preparing a human rights risk management implementation manual. The Company also created a specific team to promote HRDD internally with people from human resources, procurement and CSR divisions. It also counts with inputs from self-checks by suppliers and Grupo Companies to incorporate in the due diligence process (the Company indicates that it analyzed a 'wide variety of information', including these. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Triggered by new circumstances • Not Met: Describes risks identified
B.2.2	Assessing human rights risks and impacts	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Describe process for assessment of HR risks and discloses salient HR issues: The Company created 'a project team at the Hitachi, Ltd. Headquarters to promote HRDD [Human Rights Due Diligence]'. It also states that in order to 'carry out HRDD specific to each business area of the Hitachi Group, HRDD promotion committees were set up and persons responsible for promoting and implementing HRDD were appointed in each business unit and major Group company [factor taken into account]. We are developing a system to enhance human rights risk management while taking into account the characteristics of each business and value chain'. The process 'analyzed and reassessed a wide variety of information including the results of our HRDD to date, human rights issues specified in Hitachi's codes and guidelines, information, advice, and inquiries from non-governmental organizations, the media, and experts; assessments of corporate efforts concerning international initiatives; and the results of self-checks by suppliers and Group companies'. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Met: How process applies to supply chain: As above. The process includes both own operations and supply chain. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Public disclosure of the results of HR assessment: The Company indicates that 'Taking these results into account, we have identified forced labor and migrant labor as a priority risk for the Hitachi Group and this is now being addressed Groupwide. Forced labor and migrant labor are issues of high concern that are increasingly the subject of legislation around the world'. It is not clear, however, if these are the 'only' human rights issues considered to be salient for the Company, as they were qualified as 'priority risk'. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: How it involved affected stakeholders in the assessment: Although the Company indicates that it includes self-checks from suppliers and Group companies, it is not clear if these include inputs from suppliers workers and own

Indicator Code	Indicator name	Score (out of 2)	Explanation
			company workers. The Company also refers collaboration with shift in different stages of the process. However, this subindicator looks for specific consultation conducted with affected stakeholders as part of the saliency assessment.
B.2.3	Integrating and acting on human rights risks and impact assessments	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Action Plans to mitigate risks: The sustainability report indicates that 'Hitachi has also created a Human Rights Risk Management Implementation Manual. It complements the guidelines for implementing HRDD prepared in 2014 and enables the guidelines to be applied more effectively in the operations of our business units and Group companies'. However, although the Company has a management implementation manual and a team for Human Rights due diligence, no further details found on whether, and how, these addresses all salient risks. It is not clear whether forced and migrant labour are the Company's only issues, as they were classified as 'Group-wide priority risks', and therefore is not clear if there are other salient issues, even if not classified with the same degree of priority. [Hitachi Group Human Rights Policy: hitachi.com] • Not Met: Description of how global system applies to supply chain: As above. • Met: Example of actions decided on at least 1 salient HR issues: The Company states that it 'prepared a priority risk questionnaire (about 30 questions in total) to evaluate the situation within the Group and at its suppliers regarding forced labor and migrant labor which have been defined as Group-wide priority risk'. In addition to the questionnaire, it indicates that 'Recognizing the growing risks of forced labor amid the ongoing globalization of business, Hitachi also developed an e-learning program for all Group executives and employees on the subject of human rights. The program draws on specific case studies to convey the importance of preventing forced labor and human trafficking problems before they occur. Hitachi's CSR procurement guidelines for suppliers also clearly forbid the use of child labor or forced labor. As part of our efforts to raise awareness in our supply chain, we distributed these guidelines to tier 1 suppliers and conducted CSR procurement seminars in China and Thailand'. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Involve stakeholders in decisions about actions: Although the Company engages with shift in preparation of the manuals for risk management, it is not clear if it engages with affected stakeholders in agreeing the action plans to be undertaken. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com]
B.2.4	Tracking the effectiveness of actions to respond to human rights risks and impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: System for tracking or monitor if actions taken are effective: The Company states: 'Hitachi will develop and implement on going human rights due diligence. (...) The processes will also entail tracking to ensure the effectiveness of Hitachi's actions to address impacts and risks'. However, no further evidence found of its system(s) for tracking the actions taken in response to human rights risks and impacts assessed and for evaluating whether the actions have been effective or have missed key issues or not produced the desired results. [Hitachi Group Human Rights Policy: hitachi.com] • Not Met: Lessons learnt from checking system effectiveness <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: Involve stakeholders in evaluation of actions taken
B.2.5	Communicating on human rights impacts	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provides two examples of comms with stakeholders <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe challenges to effective comms and how it is working to address them

C. Remedies and Grievance Mechanisms (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Channel accessible to all workers: The Company state ' we consolidated the Hitachi Group's internal reporting systems into the Hitachi Global Compliance Hotline. The hotline is provided through a third-party platform that supports dozens of languages. Consultations are available 24 hours a day through calling or online messaging. We merged the general consultation and reporting systems (contact points) for harassment and human rights issues at the business sites of each business unit and Group company into this hotline in fiscal 2020.' [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Channel is available in all appropriate languages and workers aware: The Company indicates that 'The hotline phone and web contacts are operated by professional third parties, are offered in multiple languages and are always available'. No details found, however, on whether it covers all necessary languages, the approximate number of languages (or access to the link where language can be chosen). [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Met: Describe how workers in the supply chain have access to grievance mechanism: The company states: "Your company must establish ongoing processes, including an effective grievance mechanism, to assess workers' understanding of the practices and conditions covered by these Guidelines and promote continuous improvements after obtaining feedback and identifying violations. A safe environment must be provided for workers to voice grievances and offer feedback without fear of reprisal or retaliation." [Sustainable procurement guidelines, 07/2021: hitachi.com] • Met: Expect Suppliers to convey expectation to their own suppliers: The supplier code requires that 'your company must establish a process to communicate these Guidelines to suppliers and monitor their compliance'. [Sustainable procurement guidelines, 07/2021: hitachi.com]
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Grievance mechanism for community <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describes accessibility and local languages and stakeholder awareness • Not Met: Communities access mechanism direct or through suppliers • Not Met: Expect supplier to convey expectation to their own suppliers
C.3	Users are involved in the design and performance of the channel(s)/mechanism(s)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Engages users to create or assess system • Not Met: Examples (at least two) of how they do this <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Engages with potential or actual users on the improvement of the mechanism • Not Met: Provides user engagement example (at least two) on improvement
C.4	Procedures related to the mechanism(s)/channel(s) are equitable, publicly available and explained	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Response timescales and how complainants will be informed • Not Met: Describe support (technical, financial, etc) available for equal access by complainants <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Describe types of outcome to complainant through use of mechanism • Not Met: Escalation to senior/independent level: The Company indicates: 'In addition, we have implemented the Channel to the Board of Directors system to allow all Hitachi, Ltd. employees to directly report problems anonymously or under their real names to Hitachi directors in cases where they see any illegality or extreme inappropriateness in business conduct by division heads, executive officers, or other management personnel.' However, no evidence was found of this system being able to be used to escalate prior complaints to senior leadership if unsuccessful, not only for workers but also for all external individuals and communities. [Hitachi Sustainability Report, 11/2019: hitachi.com]
C.5	Prohibition of retaliation for raising	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Public statement prohibiting retaliation

Indicator Code	Indicator name	Score (out of 2)	Explanation
	complaints or concerns		<ul style="list-style-type: none"> • Met: Practical measures to prevent retaliation: In the Group-wide whistleblowing system you can choose to make an anonymous complain. [Hitachi Sustainability Report, 11/2019: hitachi.com] Score 2 <ul style="list-style-type: none"> • Not Met: Company indicate it will not retaliate against workers/stakeholders • Not Met: Expects suppliers to prohibit retaliation against workers/stakeholders: The company states: "Your company must maintain a program to ensure the protection of supplier and employee whistleblowers, unless prohibited by law, and disseminate and support a process to enable its personnel to raise concerns without fear of retaliation. A system that allows allegations of wrongdoing to be reported must be guaranteed." However, the Company does not explicitly prohibit retaliation in its supply chain reporting mechanism, including both employees and other stakeholders. The Grievance mechanisms included in the supplier guidelines refers to workers, no explicit mention was found making it extensive to suppliers' external stakeholders. [Sustainable procurement guidelines, 07/2021: hitachi.com]
C.6	Company involvement with state-based judicial and non-judicial grievance mechanisms	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Complainants not asked to waive rights • Not Met: Company does not require confidentiality provisions Score 2 <ul style="list-style-type: none"> • Not Met: Will work with state based non judicial mechanisms • Not Met: Example of issue resolved (if applicable)
C.7	Remedying adverse impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes how remedy has been provided: The Company indicates that 'Where Hitachi identifies that it has caused or contributed to a negative human rights impact, the company will provide for or cooperate in legitimate processes to provide remediation'. However, no evidence was found of a description of the approach the Company takes to provide remedy. [Hitachi Group Human Rights Policy: hitachi.com] • Not Met: Says how it would provide remedy for victims if no adverse impact identified Score 2 <ul style="list-style-type: none"> • Not Met: Changes to systems, processes and practices to stop similar impact • Not Met: Describe approach to monitoring implementation of agreed remedy: Despite the company stating in several documents: "We will assess and prevent potential violations of human rights. In the event of such a violation, we will promptly take internal and external actions to correct and remedy the situation." However, no further information on the approach to monitoring agreed remedy. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Approach to learning from incident to prevent future impacts
C.8	Communication on the effectiveness of grievance mechanism(s) and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Number grievances filed, addressed or resolved and outcome achieved: The Company indicates: 'In fiscal 2018, we received 462 reports from all Group companies in Japan and around the world.' However no evidence has been found of statement indicating how many of them were related to human rights and have been filed, addressed or resolved. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: How lessons from mechanism improve management system Score 2 <ul style="list-style-type: none"> • Not Met: Evaluation of the channel/mechanism and changes made as result • Not Met: Describes procedures to address delays of outcomes agreed with stakeholders

D. Performance: Company Human Rights Practices (25% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.1.a	Living wage (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Pays living wage or sets target date: The Company indicates that 'We ensure compliance with the laws and regulations of each country and region in which we operate when determining compensation. Starting pay for new graduates in Japan—who represent about half of all new employees hired each year across the Group's global operations—is roughly 20% higher than the weighted average of Japan's regional minimum wage'. However, no further evidence found that it pays all workers a living wage or has set a target timeframe for paying all workers a living wage. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Describes how living wage determined <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Paying living wage • Not Met: Definition of living wage reviewed with unions
D.4.1.b	Living wage (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Discloses living wage requirements in supplier code or contracts: The Company indicates in the Procurement Guidelines that 'Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits'. However, no evidence was found of living wage requirements in Supplier Codes. [Sustainable procurement guidelines, 07/2021: hitachi.com] • Not Met: Improving living wage practices of suppliers <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of number affected by payment below living wage • Not Met: Provides analysis of trends demonstrating progress
D.4.2	Aligning purchasing decisions with human rights	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Avoids business model pressure on HRs (purchasing practices) • Not Met: Practices adopted to pay suppliers in line with agreed timeframes • Not Met: Review own operations to mitigate negative impact <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Examples of how it assessed, addressed and change purchasing practices
D.4.3	Mapping and disclosing the supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Identifies direct and indirect suppliers back to manufacturing sites (factories or fields) <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses names and locations of significant parts of SP and why • Not Met: Discloses which direct or indirect suppliers is involved in higher-risk activities: The company states: "Suppliers in Malaysia - Conducted on-site visits and interviews regarding the working and living conditions of migrant laborers, who are considered at high risk of bonded labor and other issues." However, not clear if these suppliers are considered at high risk. [Sustainability Report 2021, 07/2021: sustainability.hitachi.com]
D.4.4.a	Prohibition of child labour: Age verification and corrective actions (in own production or manufacturing operations)	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Does not use child labour: The Company indicates that 'The Hitachi Group Codes of Conduct clearly express Hitachi's firm stance against the use of child labor or forced labor either in Group companies or along our supply chain'. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Age verification of workers recruited: Although the Company indicates that 'We will not use child labor that employs children below the minimum working age', no further evidence found that it verifies the age of job applicants and workers in its own operations to ensure that they are not engaged in child labour. [Code of Ethics and Compliance, 2021: hitachi.com] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remediation if children identified

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.4.b	Prohibition of child labour: Age verification and corrective actions (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Child Labour rules in codes or contracts: The Company indicates that 'The Hitachi Group Codes of Conduct clearly express Hitachi's firm stance against the use of child labor or forced labor either in Group companies or along our supply chain'. Furthermore the Company indicates in the procurement guidelines that 'Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest'. However, no evidence has been found that the Company requires its suppliers verifying the age of job applicants and remediation programmes for the child labour situations. [Hitachi Sustainability Report, 11/2019: hitachi.com] & [Sustainable procurement guidelines, 07/2021: hitachi.com] Not Met: How working with suppliers on child labour Score 2 <ul style="list-style-type: none"> Not Met: Assessment of number affected by child labour in supply chain Not Met: Analysis of trends in progress made
D.4.5.a	Prohibition of forced labour: Recruitment fees and costs (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Job seekers and workers do not pay recruitment fee Not Met: Commits to fully reimbursing if they have paid Score 2 <ul style="list-style-type: none"> Not Met: How practices are implemented and monitored for agencies, labour brokers or recruiters
D.4.5.b	Prohibition of forced labour: Recruitment fees and costs (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Met: Debt and fees rules in codes or contracts: The Company indicates in the procurement guidelines that 'Workers shall not be required to pay employers' or agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker'. [Sustainable procurement guidelines, 07/2021: hitachi.com] Not Met: How working with suppliers on debt & fees: The Company indicates that 'As part of our efforts to eliminate the use of forced labor, we visited one of our suppliers in Malaysia with members of non-profit organization BSR (Business for Social Responsibility) to conduct an assessment on immigrant workers, who are often subject to forced labor. The results of the assessment were shared with the supplier and related businesses, and we are urging the supplier to improve working conditions where such improvement is deemed necessary'. However, this indicator looks for evidence of how it proactively works with suppliers to improve performance and eliminating imposition of any financial burdens on workers. [Hitachi Sustainability Report, 11/2019: hitachi.com] Score 2 <ul style="list-style-type: none"> Not Met: Assessment of the number affected by payment of recruitment fees Not Met: Analysis of trends in progress made
D.4.5.c	Prohibition of forced labour: Wage practices (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Pays workers in full and on time: Although the Company indicates that 'We ensure compliance with the laws and regulations of each country and region in which we operate when determining compensation', no further evidence found that it pays workers regularly, in full and on time and does not require workers to pay work related fees or costs. [Code of Ethics and Compliance, 2021: hitachi.com] Not Met: Payslips show any legitimate deductions: Although the Company indicates that 'We ensure compliance with the laws and regulations of each country and region in which we operate when determining compensation', no further evidence found that it pays workers regularly, in full and on time and does not require workers to pay work related fees or costs. [Code of Ethics and Compliance, 2021: hitachi.com] Score 2 <ul style="list-style-type: none"> Not Met: How these practices are monitored for agencies, labour brokers or recruiters
D.4.5.d	Prohibition of forced labour: Wage practices (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> Not Met: Requirement for suppliers to pay workers in full and on time in codes or contracts Not Met: How working with supply chain to pay workers regularly and on time

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2 <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by failure to pay directly • Not Met: Provides analysis of trends demonstrating progress
D.4.5.e	Prohibition of forced labour: Restrictions on workers (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Does not retain documents or restrict movement Score 2 <ul style="list-style-type: none"> • Not Met: How these practices are monitored for agencies, labour brokers or recruiters
D.4.5.f	Prohibition of forced labour: Restrictions on workers (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Free movement rules in codes or contracts: The Company indicates in the procurement guidelines that 'All work must be voluntary and workers shall be free to leave work at any time or terminate their employment. Employers and agents may not hold or otherwise destroy, conceal, confiscate or deny access by employees to their identity or immigration documents, such as government-issued identification, passports or work permits, unless such holdings are required by law'. [Sustainable procurement guidelines, 07/2021: hitachi.com] • Not Met: How working with suppliers on free movement: The Company states in its 2019 Sustainability Report: 'In fiscal 2017, we visited one of our suppliers in Malaysia with members of the US non-profit organization BSR (Business for Social Responsibility) to conduct an assessment on migrant workers, who are socially vulnerable and often said to be exploited by forced labor. The assessment was based on interviews with managers of human resources and production divisions, recruitment agencies, and migrant workers, along with inspection of the factory and dormitories.' This is an example of one supplier only. There is no evidence of a description how the Company works with suppliers in general to eliminate detention of worker's documents or other actions to physically restrict movement. [Hitachi Sustainability Report, 11/2019: hitachi.com] Score 2 <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by retaining docs or restricting movement • Not Met: Provides analysis of trends demonstrating progress
D.4.6.a	Freedom of association and collective bargaining (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Commits not to interfere with union rights / Steps to avoid intimidation or retaliation: The Company indicates: 'In Japan, where labor unions are recognized, for example, we espouse the three fundamental rights of labor unions (to organize, to bargain collectively, and to act collectively)'. However, no evidence found of a formal commitment to respect the right to collective bargaining company wide (outside Japan) and to not interfere with employees seeking to exercise these rights. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Discloses % total direct operations covered by collective CB agreements: The Company indicates: 'the Hitachi Workers Union [...] has 25,646 members out of a total of 40,430 employees as of October 31, 2018'. Employee figures for the Company are 33,490 on an unconsolidated basis and 295,941 consolidated. The figures quoted previously relate to one worker union working only in Japan, where the Company has 162,000 consolidated employees. It is not clear the total percentage of employees of the Company are covered by collective bargaining agreements. [Hitachi Sustainability Report, 11/2019: hitachi.com] Score 2 <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1
D.4.6.b	Freedom of association and collective bargaining (in the supply chain)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: FoA & CB rules in codes or contracts: The Company indicates in the procurement guidelines that 'In conformance with local law, your company shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation or harassment'. However, it is not clear whether the Company is requiring to respecting those rights in all contexts, as it indicates 'in conformance with local law'. [Sustainable procurement guidelines, 07/2021: hitachi.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<ul style="list-style-type: none"> • Not Met: How working with suppliers on FoA and CB Score 2 <ul style="list-style-type: none"> • Not Met: Assessment of the number affected by restrictions to FoA and CB in the SP • Not Met: Provides analysis of trends demonstrating progress
D.4.7.a	Health and safety: Fatalities, lost days, injury, occupational disease rates (in own production of manufacturing operations)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Describes process to identify H&S risks and impacts • Not Met: Injury Rate or Lost days or Near Miss disclosures for last reporting period • Met: Discloses Fatalities for last reporting period: The Company indicates hat achieved 'zero fatal work-related accidents worldwide in 2018'. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Occupational disease rate for last reporting period Score 2 <ul style="list-style-type: none"> • Not Met: Set targets for H&S performance • Not Met: Met targets or explain why not or what is doing to improve management systems
D.4.7.b	Health and safety: Fatalities, lost days, injury, occupational disease rates (in the supply chain)	0.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Met: Sets out clear Health and Safety requirements: The company indicates in the procurement guidelines that: "Your company must recognize that a safe and healthy work environment enhances the quality of products and services, product consistency, and workforce stability and morale, in addition to minimizing the occurrence of work-related injuries and illnesses. Your company must also recognize that continuously providing information and education to workers is essential to identify and resolve health and safety issues in the workplace. Widely recognized management systems, such as ISO 45001 and the ILO Guideline on Occupational Safety and Health Management Systems, may provide useful information to formulate corporate codes." [Sustainable procurement guidelines, 07/2021: hitachi.com] • Met: Injury rate disclosures and lost days (or near miss disclosures) for the last reporting period: The company discloses a total of 314 of near miss [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Met: Fatalities disclosures for lasting reporting period: The company says: "In fiscal 2020, the total number of accidents fell due to the suspension of operations during the COVID-19 pandemic. Unfortunately however, three fatal accidents occurred within the Hitachi Group worldwide." [Sustainability Report 2021, 07/2021: sustainability.hitachi.com] • Not Met: Occupational disease rates for the last reporting period Score 2 <ul style="list-style-type: none"> • Not Met: How working with suppliers on H&S • Not Met: Assessment of the number affected by H&S issues in the SP • Not Met: Provide analysis of trends in progress made
D.4.8.a	Women's rights (in own production or manufacturing operations)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> • Not Met: Process to stop harassment and violence against women: The Company indicates in its Code of Ethics and Compliance: 'Hitachi is committed to provide a healthy, safe and productive work environment, so you are expected at all times to act respectfully towards your co-workers, avoiding in particular any form of Harassment or Discrimination based on the following protected categories: (...) sex, gender, gender identity, sexual orientation, marital or family status, social status, pregnancy, (...)'. Moreover, in its 2019 Sustainability Report, it states 'Each business site provides consultation services through which employees can seek consultation on issues such as sexual harassment and works to ensure that those who come forward are treated with respect and dignity'. However, no further evidence found of its processes to prohibit harassment, intimidation and violence against women. [Code of Ethics and Compliance, 2021: hitachi.com] & [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Working conditions take account of gender • Not Met: Measures and steps to address gender pay gap at all levels of employment Score 2 <ul style="list-style-type: none"> • Not Met: Meets all requirements under score 1 • Not Met: Provides analysis of trends demonstrating closing gender pay gap

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.8.b	Women's rights (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Women's rights in codes or contracts: In its CSR Procurement Guidelines, the Company indicates that 'Companies shall not engage in discrimination based on (...) gender, sexual orientation, gender identity and expression, (...), pregnancy, (...) in hiring and employment practices such as wages, promotions, rewards, and access to training'. However, no further evidence found of the Company requiring the supplier to have measures to ensure equal opportunities throughout all levels of employment and to eliminate health and safety concerns that are particularly prevalent among women workers. [Sustainable procurement guidelines, 07/2021: hitachi.com] • Not Met: How working with suppliers on women's rights <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment on the number affected by discrimination or unsafe working conditions • Not Met: Provide analysis of trends in progress made
D.4.9.a	Working hours (in own production or manufacturing operations)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Respects max hours, min breaks and rest periods in its own operations: Although the Company has taken working hours into consideration in its human rights due diligence for human resources divisions at Hitachi, no further evidence found that the Company respects applicable international standards and national laws and regulations concerning maximum hours and minimum breaks and rest periods in its own operations. [Hitachi Sustainability Report, 11/2019: hitachi.com] • Not Met: Assesses ability to comply with its commitments when allocating work/targets <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Meets both requirements under score 1 • Not Met: How it implements and checks this in its operations
D.4.9.b	Working hours (in the supply chain)	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Working hours in codes or contracts: The Company indicates in the procurement guidelines that 'Workweeks are not to exceed the lesser of either the maximum hours as set by local law or 60 hours per week. Workers shall be allowed at least one day off every seven days'. However, no evidence found of references to international standards, standard weekly hours. [Sustainable procurement guidelines, 07/2021: hitachi.com] • Not Met: How working with suppliers on working hours <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Assessment of number affected by excessive working hours • Not Met: Provide analysis of trends in progress made
D.4.10.a	Responsible mineral sourcing: Arrangements with suppliers and smelters/refiners in the mineral resource supply chains	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Due diligence in accordance with OECD Guidance in supplier contracts: The Company indicates that "The policy for procurement departments in all Hitachi Group companies have always been and will continue to be to ensure that procurement activities do not result or aid in conflicts within the same region and that the armed groups [...] do not benefit from those activities, while continuing responsible procurement activities of minerals that are not related to the conflicts in the region based on local laws. Additionally, we will continue to support the practice of due diligence based on the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas" among companies." However, no evidence was found of a requirement in the contracts with suppliers to practice the appropriate due diligence according with the OECD Guidance. Procurement guidelines state that "our company shall make further improvements to the transparency of the supply chain and shall engage in responsible procurement of materials and parts.[...] In order to ensure procurement of conflict free minerals, you company shall participate in activities for constructing a responsible supply chain." [Hitachi Group Conflict Minerals Procurement Policy] • Not Met: Works with smelters/refiners and suppliers to build capacity <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Contractual requirement to disclosure smelter/refiner information • Not Met: Contractual requirement covers all minerals

Indicator Code	Indicator name	Score (out of 2)	Explanation
D.4.10.b	Responsible mineral sourcing: Risk identification and responses in mineral supply chain	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Risk identification and disclosure in line with OECD Guidance • Not Met: Identification of smelter/refiners and OECD Guidance: The Company indicates that "Hitachi Group would like to request all our suppliers to utilise the Conflict Minerals Reporting Template developed by RBA/GeSI to continue checking the country of origin and supply chain of minerals, and also to procure from the CFS (Conflict Free Smelter) listed within." However, no evidence has been found of the Company assessing whether smelters/refiners have carried out the due diligence processes covered by the OECD Guidance. [Hitachi Group Conflict Minerals Procurement Policy] <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Discloses smelters/refiners judged in line with OECD Guidance • Not Met: Risk identification and disclosure covers all minerals
D.4.10.c	Reporting on responsible sourcing of minerals	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Describes mineral risk management plan for supply chain • Not Met: Monitoring, tracking and whether better risk prevention/mitigation over time • Not Met: Disclose better risk prevention/mitigation over time <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Suppliers and stakeholders engaged in risk management strategy • Not Met: Risk management and response processes cover all minerals

E. Performance: Responses to Serious Allegations (20% of Total)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> • Area: Forced labour • Headline: Cal-Comp Electronics accused of sourcing from recruitment agencies linked to systematic exploitation of migrant labourers in Thailand • Story: October 2018, Electronics Watch released a report which found that many migrant workers at Cal-Comp Electronics' manufacturing operations in Thailand remain at a heightened risk of exposure to conditions of forced labour. The report notes that despite changes undertaken by the company in 2016, migrant workers from Myanmar continue to report excessive recruitment fees, in excess of the 79 Euro limit they should have to pay under Myanmar regulations, which are being required by recruitment agencies in Thailand. The report notes that "In some cases workers have reported nearly €700 in recruitment related service fees or costs, equivalent to more than two months salary". Hitachi is among the prominent brands alleged to source from Cal-Comp Electronics. In response to the allegations, Hitachi Group stated "According to our investigation, although we have no direct transaction with them [Cal-Comp Electronics], we purchase electronic devices from companies listed in the report. The request is made for corrective action and received the reply that the requirement is made to Cal-Comp. Hitachi acknowledges that the human rights are threatened by the forced labor in Thailand and other South East Asia and has recently translated Hitachi Group CSR Procurement Guideline in Thai in an effort to further minimize the human rights risk... Hitachi is committed to consider human rights as a priority in our business activity, and will continue calling our suppliers for more engagement and compliance of the Guideline to ensure that human rights abuse including forced labor does not happen in our supply chain. Cal-Comp Electronics has not responded publicly to the allegations. [Electronics Watch, 10/2018, "Thailand: NGOs allege ongoing recruitment fees & migrant worker abuses at supplier to global electronics brands; Incl. co. Responses": business-humanrights.org] [Electronics Watch, 02/2020, "Cal-Comp: A Lesson in the Importance of Worker-Driven Monitoring to End Forced Labour in Global Supply Chains": electronicswatch.org] [Business and Human Rights Resource Centre, 10/2018, "Thailand: NGOs allege ongoing recruitment fees & migrant worker abuses at supplier to global electronics brands; Incl. co. Responses": business-humanrights.org
E(1).1	The company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response: The company provides a response to the allegations, stating "According to our investigation, although we have no direct transaction with them [Cal-Comp Electronics], we purchase electronic devices from companies listed in the report. The request is made for corrective action and received the reply that the requirement is made to Cal-Comp. Hitachi acknowledges that the

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>human rights are threatened by the forced labor in Thailand and other South East Asia and has recently translated Hitachi Group CSR Procurement Guideline in Thai in an effort to further minimize the human rights risk... Hitachi is committed to consider human rights as a priority in our business activity, and will continue calling our suppliers for more engagement and compliance of the Guideline to ensure that human rights abuse including forced labor does not happen in our supply chain." [Business and Human Rights Resource Centre, 15/03/2019, "Hitachi Group's response to the report "Compliance Report Update" of October, 2018 by Electronic Watch": media.business-humanrights.org]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Detailed response: The response refers to the allegations only by mentioning the Electronics Watch report. The company does not address the various rights violations named in the report and the response remains very general. [Business and Human Rights Resource Centre, 15/03/2019: media.business-humanrights.org]
E(1).2	The company has investigated and taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Engaged with stakeholders • Not Met: Identified cause <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Identified and implemented improvements • Not Met: Stakeholder input to steps taken
E(1).3	The company has engaged with affected stakeholders to provide for or cooperate in remedy(ies)	1.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Provided remedy: Cal-Comp Electronics has agreed to compensate the affected stakeholders. According to a company spokesperson "the company ... has developed appropriate remediation plans for workers which has yielded substantial successes by including but not limited to the ongoing repayment of recruitment fees and costs to workers". The company did not provide details of the amount the workers would receive. [Reuters, 11/12/2019, "Thai electronics firm compensates exploited workers in rare award": reuters.com] • Not Met: Evidence for lack of Impact or link <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remedy satisfactory to stakeholders: Although remedy has been provided to 10,570 workers, Electronics Watch notes that the remedy is not complete, stating that "Ongoing monitoring by Electronics Watch and MWRN suggests that more than 1,000 workers employed in one legally separate division were bypassed and have not received compensation for the recruitment fees they paid as of the time of this writing. Tracking down former workers who are owed reimbursement is also an ongoing process in which MWRN and others who can communicate with former workers have a vital role." [Electronic Watch, 02/2020: electronicswatch.org] • Met: Remedy delivered: The Thomson Reuters Foundation has seen two paylips showing that Cal-Comp has started the payments. [Reuters, 11/12/2019: reuters.com] • Not Met: Independent remedy process used
E(2).0	Serious allegation No 2		<ul style="list-style-type: none"> • Area: Forced labour; discrimination • Headline: Hitachi among companies accused of using suppliers linked to forced labour in China • Story: On March 1st, 2020, the Australian Strategic Policy Institute (ASPI) released a report called "Uyghurs for sale" that named Hitachi among 83 other companies benefiting from the use of potentially abuse labour transfer programmes. According to the report, more than 80,000 Uighur residents and former detainees from the north-western region of Xinjiang, China, have been transferred to factories, implicating global supply chains. It is alleged that Muslim minorities are thought to be working in forced labour conditions across the country. The ASPI report alleged that workers live in segregated dormitories, are required to study Mandarin and undergo ideological training. The workers were transferred out of Xinjiang between 2017 and 2019, claiming that people are being effectively "bought" and "sold" by local governments and commercial brokers. <p>The ASPI used open-source public documents, satellite imagery, and media reports, the institute identified 27 factories in nine Chinese provinces that have used labourers. The research found were transferred to work several factories including KTK Group. KTK Group's website states that Hitachi is a strategic partner.</p>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>ASPI researchers stated: "This report exposes a new phase in China's social re-engineering campaign targeting minority citizens, revealing new evidence that some factories across China are using forced Uighur labour under a state-sponsored labour transfer scheme that is tainting the global supply chain". The report calls on companies mentioned to "conduct immediate and thorough human rights due diligence on its factory labour in China, including robust and independent social audits and inspections."</p> <p>[ABC, 01/03/2020, "Apple, Nike and other major companies implicated in Muslim forced labour in China": abc.net.au] [Australian Strategic Policy Institute, 01/03/2020, "Uyghurs for sale": aspi.org.au] [The Guardian, 01/03/2020, "China transferred detained Uighurs to factories used by global brands – report": theguardian.com] [Financial Times, 01/03/2020, "Xinjiang forced labour reported in multinational supply chains": ft.com]</p>
E(2).1	The Company has responded publicly to the allegation	2	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Met: Public response: The Australian Strategic Policy Institute (ASPI) suggests that the company did not respond publicly to the allegations when contacted by ASPI. However, the company made a publicly available response following a joint communication by UN Special Rapporteurs. [Hitachi response to joint communication by UN Special Rapporteurs dated 12/03/21 (OTH 105/2021), 21/05/2021: spcommreports.ohchr.org] <p>Score 2</p> <ul style="list-style-type: none"> • Met: Detailed response: The company's response to the UN Special Rapporteurs addressed the allegations that the company potentially benefitted from the use of abusive labour transfer programmes and sourced from KTK Group and forced labour in the Xinjiang Uyghur Autonomous Region. [Hitachi response to joint communication by UN Special Rapporteurs dated 12/03/21 (OTH 105/2021), 21/05/2021: spcommreports.ohchr.org]
E(2).2	The Company has appropriate policies in place	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Engaged with stakeholders: The company's response states, "After ASPI (the Australian Strategic Policy Institute) report was published we conducted a social compliance review based on an international standard via a third party, to review the supplier's management system, specifically looking at how employees were managed, given the allegations stated in the report. Since the supplier does not have production facilities in the Xinjian Uyghur Autonomous Region, the review was conducted on the factories outside of the Region where the components for us were made. As a result, there were no findings to support the forced labor." However, there is no evidence that this included engagement with the affected stakeholders or that the affected stakeholders authorised the third-party auditors as their legitimate representatives. [Hitachi response to joint communication by UN Special Rapporteurs dated 12/03/21 (OTH 105/2021), 21/05/2021: spcommreports.ohchr.org] • Not Met: Identified cause: There is no evidence available that the company has taken steps to identify the cause of the allegation. <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Identified and implemented improvements: The company's response states, "We made commitment to conduct HRDD in our Code of Conduct and Human Rights Policy and accordingly, we have been promoting the process and trying to improve our human resources and supply chain management ... We are also strengthening the systems and frameworks and provided a practical guide for our business units and group companies to enable them to identify, prevent or mitigate their salient human rights risk." However, the detail is general and there is no evidence available on any improvements relevant to the allegations. [Hitachi response to joint communication by UN Special Rapporteurs dated 12/03/21 (OTH 105/2021), 21/05/2021: spcommreports.ohchr.org] • Not Met: Stakeholder input to steps taken
E(2).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> • Not Met: Provided remedy • Not Met: Evidence for lack of Impact or link: The company's response states, "After ASPI (the Australian Strategic Policy Institute) report was published we conducted a social compliance review based on an international standard via a third party, to review the supplier's management system, specifically looking at how employees were managed, given the allegations stated in the report. Since the supplier does not have production facilities in the Xinjian Uyghur Autonomous Region, the review was conducted on the factories outside of the Region where the components for us were made. As a result, there were no findings to support

Indicator Code	Indicator name	Score (out of 2)	Explanation
			<p>the forced labor.” However, the company does not disclose detailed evidence to support its conclusion that it is not linked to the implicated supplier or forced labour. [Hitachi response to joint communication by UN Special Rapporteurs dated 12/03/21 (OTH 105/2021), 21/05/2021: spcommreports.ohchr.org]</p> <p>Score 2</p> <ul style="list-style-type: none"> • Not Met: Remedy satisfactory to stakeholders • Not Met: Remedy delivered • Not Met: Independent remedy process used: The company’s response states that it “we conducted a social compliance review based on an international standard via a third party, to conclude that the company was not directly implicated business. However, there is no information available to evidence that the process was independent. [Hitachi response to joint communication by UN Special Rapporteurs dated 12/03/21 (OTH 105/2021), 21/05/2021: spcommreports.ohchr.org]

Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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