

FOR IMMEDIATE RELEASE

**Hitachi partners with Bao Viet Insurance to drive innovation
in insurance business using AI and medical big data**

*Providing a new insurance service that helps to improve health
by predicting the risk of developing disease in the future*

Hanoi, October 1, 2021 – Bao Viet Insurance, the largest Non-life insurance company of the Socialist Republic of Vietnam (hereinafter, "Bao Viet Insurance"), Hitachi, Ltd. (hereinafter, "Hitachi"), and Hitachi Asia (Vietnam) Co, Ltd., Hitachi's local subsidiary in Vietnam, have signed an agreement to collaborate and drive innovation in the insurance business. The collaboration will integrate digital technologies like AI and big data analysis into the business to raise health awareness, prevent development and aggravation of diseases in Vietnam.

Under this agreement, Bao Viet Insurance will introduce Hitachi's leading technologies for analyzing medical big data to Bao Viet Direct, an app provided to Bao Viet Insurance policyholders, and will begin providing a new insurance service for improving health, which permits users to easily measure the risk of developing lifestyle-related diseases and receive health guidance. The new service will commence on October 1.

In recent years, the growing prevalence of lifestyle-related diseases has been a problem in Vietnam. This growth reflects changes in people's lifestyles, including diet and exercise, which have resulted from the rapid economic growth and expansion of the middle-income group in the country.

While there is rising demand for high-quality medical services due to increase in income and improvement in living standards, the ideas of prevention and early treatments are not instilled in most Vietnamese. It is said that many people do not start their treatment until they become severely ill. For example, only around 30% of diabetes patients, said to exceed 3.5 million in number, are receiving treatment. Furthermore, the medical insurance market in the country has been expanding rapidly, with concern over spiraling medical costs reflecting a rise in personnel expenses at medical institutions.

Bao Viet Insurance is an operating company of Bao Viet Holdings, the largest financial group in Vietnam, in which the Ministry of Finance holds more than 65% of outstanding shares. With more than one million medical insurance policyholders, Bao Viet Insurance is a leading non-life insurance company in the country. In recent years, the

company has been proactive in working on the development of high-value added insurance services that apply new technologies. The partnership with Hitachi is a part of these initiatives.

Continuing its tradition of providing high-value insurance services, Bao Viet Insurance has adopted Hitachi's Risk Simulator for Insurance – a Lumada^{*1} solution that analyzes medical big data using Hitachi's proprietary AI. The solution can predict the future risk of hospitalization caused by eight major lifestyle-related diseases using medical big data, that includes users' health checkup results and health insurance claims. The Risk Simulator for Insurance has been expanded in Japan since its launch in 2018. For example, it is used for health guidance from local governments in addition to life insurance companies.

The new service enables Bao Viet Insurance policyholders to easily check their future risks of the eight major lifestyle-related diseases simply by entering their health checkup results and past medical history into the mobile app. The app also displays factors for risks and offers advice for improvement. This information can enable specific behavioral changes and lifestyle habits to support health improvement.

The solution will enable further channel expansion and create opportunities at the time of insurance application. For example, the risk prediction service will be linked to the remote medical care services provided by Bao Viet Insurance. In addition, these services will be combined with various health data management functions of Bao Viet Direct app for a customized, centralized and integrated administration of health information that supports wellbeing and productivity management of companies. Bao Viet Insurance and Hitachi will continue to discuss the creation of new health promotion services that utilize various technologies.

Bao Viet Insurance will continue to apply advanced technologies, to contribute to promoting good health among people in Vietnam and offer insurance services which will help policyholders to lead a healthy life.

Hitachi will enhance its services further based on achievements from joint initiatives with Bao Viet Insurance and expand them to Southeast Asian countries and other countries where demand is expected. Hitachi will continue to drive innovation and convenience in the expanding insurance services.

^{*1} Lumada is the name of Hitachi's advanced digital solutions and services for turning data into insights that drive digital transformation of social infrastructure.

About Bao Viet Insurance

With more than 50 years of development and being the leader in the insurance market – in terms of both revenue, market share and growth rate, BaoViet Insurance is proudly the industry pioneer in applying the latest technology, and achievements resulted from the Industrial Revolution 4.0 in not only sales technique, operation management, indemnity management, customer data management, but also customer interaction process and customer relationship management, in order to bring the highest efficiency level to the business systems.

The company has a strong and extensive network branch and office network, including 79 branches, more than 3,000 employees, over 85,000 agents and nearly 700 regional insurance offices across Vietnam. As an industry pioneer, Bao Viet Insurance is always proactive in developing insurance services that apply state-of-art technologies to provide better services to customers.

About Hitachi's Risk Simulator for Insurance

Risk Simulator for Insurance is a simulation service that predicts the future risk of lifestyle-related diseases. The predictions are made using a model developed based on expertise in the analysis of medical big data, which was gained through support for Hitachi Health Insurance Society in its health activities and joint research with a major life insurance company, among other means. Specifically, it predicts the probability of future hospitalization and the amount of medical costs with respect to eight major lifestyle-related diseases, namely diabetes, cerebrovascular diseases, renal diseases, cardiovascular diseases, hypertensive diseases, pancreatic diseases, hepatic diseases, and malignant neoplasm.

It can be provided in two ways, that is, in the form of SaaS that permits online use or in the provision of the risk prediction model via API. Thus, it can be used flexibly in accordance with the operation, system constraints, and purpose of use.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focused on its Social Innovation Business that combines information technology (IT), operational technology (OT) and products. The company's consolidated revenues for fiscal year 2020 (ended March 31, 2021) totaled 8,729.1 billion yen (\$78.6 billion), with 871 consolidated subsidiaries and approximately 350,000 employees worldwide. Hitachi is working to increase social, environmental and economic value for its customers across six domains; IT, Energy, Industry, Mobility, Smart Life and Automotive Systems through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

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