
Climate Change Innovators within the Hitachi Value-chain

November 2021

Yoshiaki Kagata

**Chief Procurement Officer
Hitachi, Ltd.**

1. Why we aim for net zero?

To contribute our society

2. What we aim for?

To become a climate change innovator

3. How we aim for our targets?

To share, learn, grow together

1. **Why** we aim for net zero?

Growth

Growing with digital technology

ESG

Deepening ESG management

Returns

Returning of benefits

Hitachi's Vision for 2025

Environment

Support the decarbonization of social infrastructure through environmental product x digital technologies

Business fields

Electrification/digital grid/railway

Security & Safety

Resilience

Expand R&D investment to accelerate innovation - approx. **14 billion US\$** (over 3 years)

Hitachi **always** strives to improve people's **Quality of Life** and contribute to **society**



Sustainable Society
2050
and more..

Climate Change

Speed of Internet

Globalization

A rise population

Postwar reconstruction

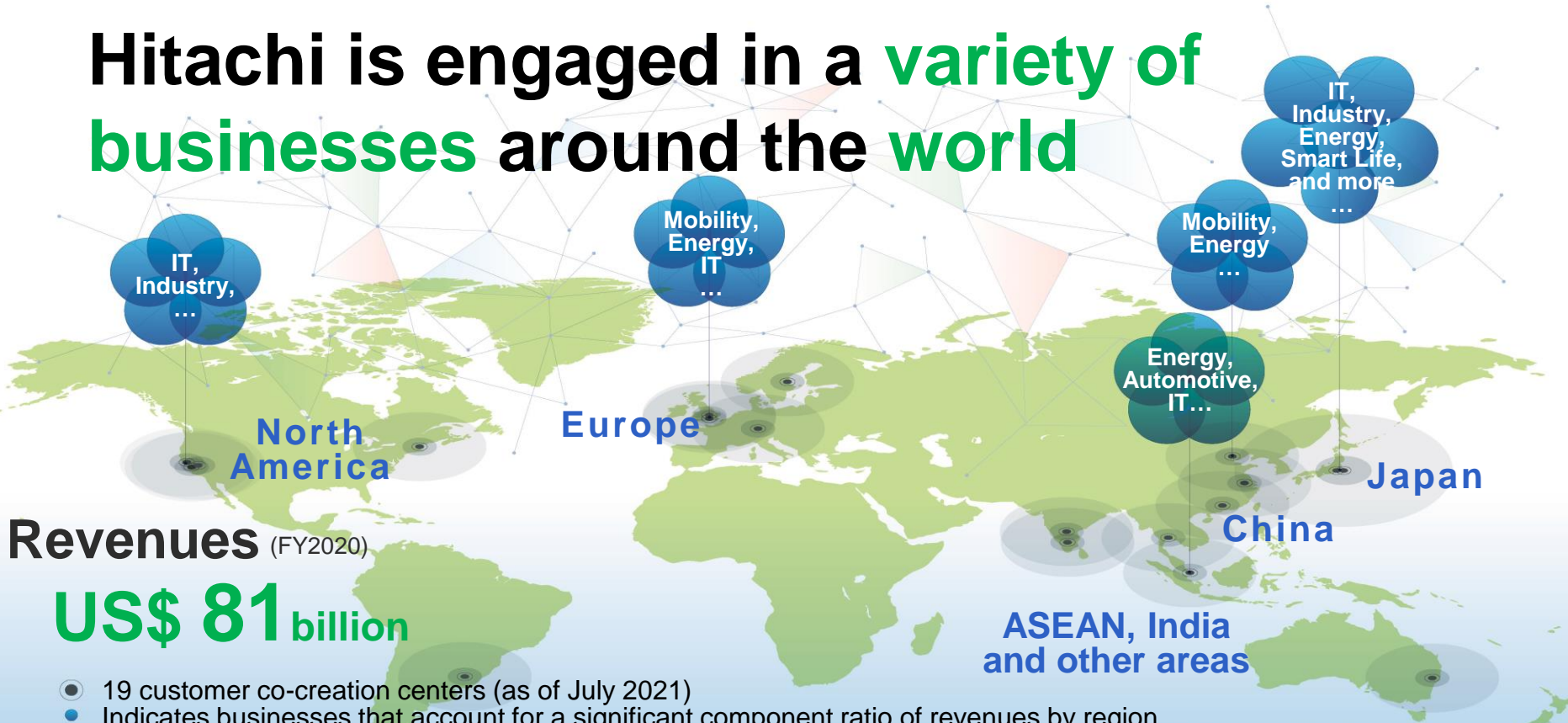


HITACHI
Inspire the Next

Established
1910



Hitachi is engaged in a **variety of businesses** around the **world**



2. **What** we aim for ?

Hitachi will become a Climate Change Innovator

Realization of a Decarbonized Society



Together with partners in each segment worldwide:
Driving innovations to become global leader in climate change technology

Hitachi Environmental Innovation 2050

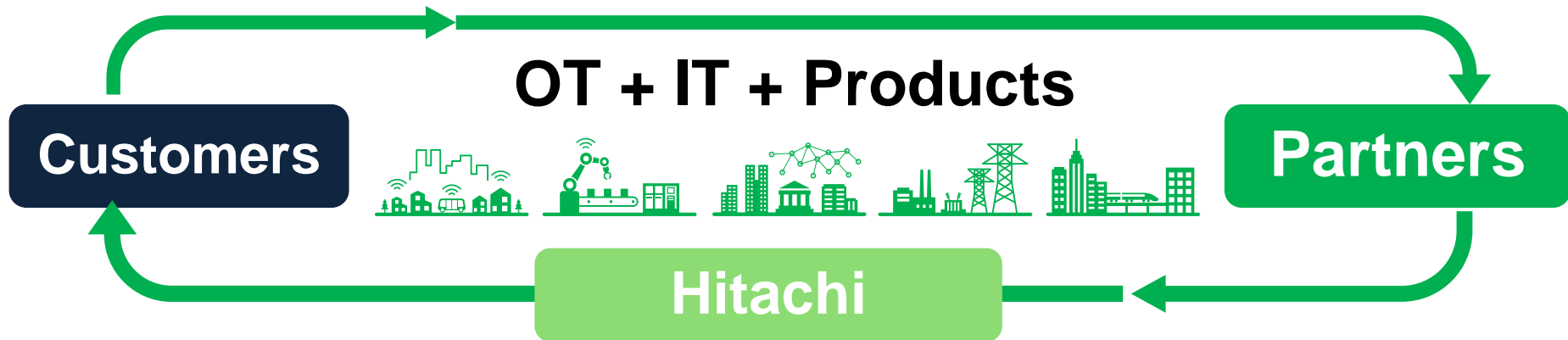


For a Decarbonized Society

Achieve carbon neutrality by FY2050 throughout the value chain, reduce CO2 emissions by 50% by FY2030 (compared with FY2010)

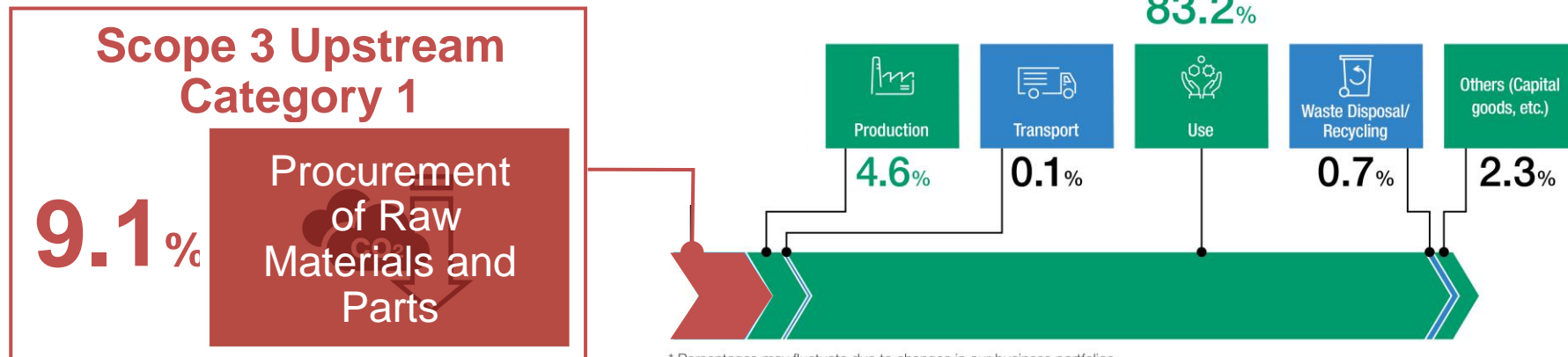
Achieve carbon neutrality by FY2030 at business sites (factories and offices)

Hitachi leads the **collaboration** with **Partners** in the **Value chain**



Hitachi's new target is Carbon Neutrality through its entire value chain by FY 2050

Ratio of CO₂ Emissions at Each Stage of Hitachi Value Chain in Fiscal 2020



* Percentages may fluctuate due to changes in our business portfolios

3. **How** we aim for net zero?

Procurement Partners are crucial for Hitachi Group

Hitachi Group
Revenues

81

Billion US\$ (FY20)

Hitachi Group Procurement Partners

66

Countries & Regions

30,000

Partners



Share together

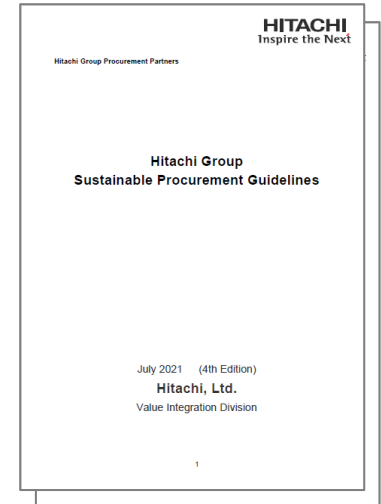
Shared with Hitachi Group Partners worldwide, **July 2021**

1. Hitachi Group **Sustainable Procurement Guidelines**
2. Group **CPO** letter



Download available:

<https://www.hitachi.co.jp/procurement/csr/sustainable-procurement-guidelines/index.html>



Learn together



Launched to work with major partners

Exchange of sustainability solutions and measuring progress

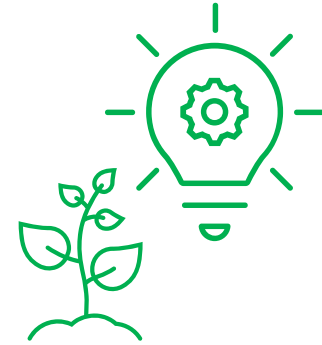
2. “Towards net zero” - **Hold the Todays’ event**

Inviting **30,000 partner** to COP26 to learn and share going forward



Grow together

Understand your thoughts, initiatives, and challenges



*Carbon free
Materials*

RE-made Parts

*Recycled-
materials-made
Devices*



*"Lumada-ready"
Products*



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END



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Hitachi, Ltd.
CPO (Chief Procurement Officer)



Hitachi Social Innovation is
POWERING GOOD