

# Carbon Reduction Plan

Supplier name: **Hitachi Digital Services, LLC**

Publication date: **May 6, 2024**

## Commitment to achieving Net Zero:

Hitachi Digital Services, LLC is committed to achieving Net Zero emissions by FY2050.


## Baseline Emissions Footprint:

Hitachi Digital Services is a newly established entity who became operational as of April 1, 2024, and is integrated into Hitachi Group.

Hitachi Group's Sustainability Report 2023 can be found here, with evidence:  
[en\\_sustainability2023\\_print.pdf \(hitachi.com\)](https://www.hitachi.com/sustainability/download/pdf/en_sustainability2023_print.pdf)

The GHG data provided below is from Hitachi and encompasses the entire Hitachi Group. Hitachi Digital Services, LLC will update the Carbon Reduction Plan by May 6, 2025 to reflect our business' specific carbon data, which we are in the process of collecting.

To uphold this vision and work toward achieving a decarbonized society, a resource-efficient society, and a harmonized society with nature, Hitachi Group has established a set of long-term environmental targets looking toward 2050 and 2030 called Hitachi Environmental Innovation 2050 and have been promoting Group-wide environmental activities in line with our Environmental Action Plan, which is updated every three years.

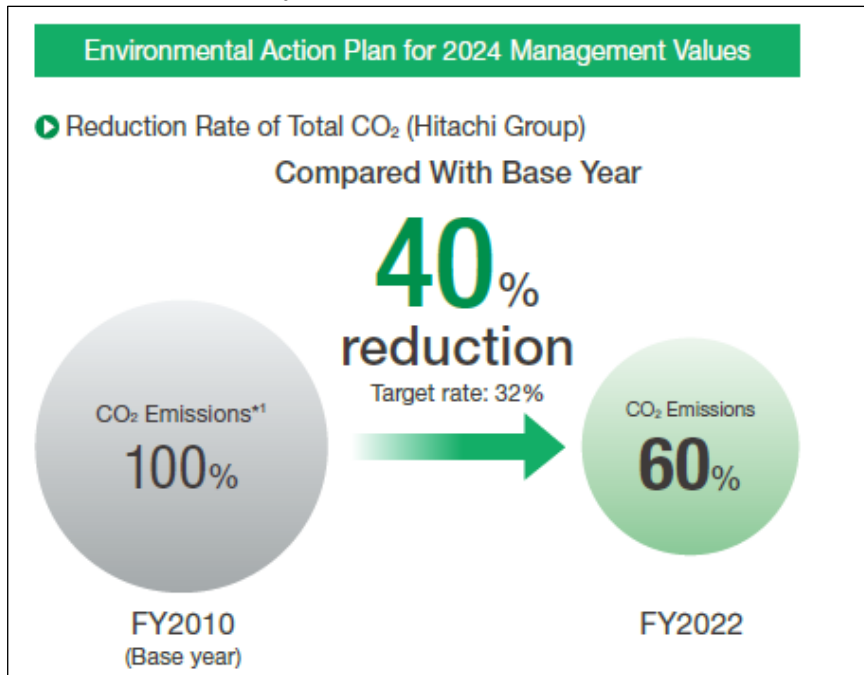
Topic	Overview	Targets, KPIs, and Results
 Achieving a Decarbonized Society	We engage in decarbonization businesses through co-creation with customers to contribute to realize a decarbonized society. We also pursue initiatives to reduce CO <sub>2</sub> emissions from the use of our products and services. In addition, we strive to achieve carbon neutrality by fiscal 2030 in our factories and offices, and by fiscal 2050 throughout our value chain.	<b>CO<sub>2</sub> avoided emissions through products and services</b> FY2024 Target: 100 million metric tons/year <b>Forecast: 126.1 million metric tons/year<sup>1)</sup></b> <b>Reduction rate of total CO<sub>2</sub> at business sites (factories and offices) (compared to FY2010)</b> FY2022 Target: 32% FY2022 Result: 40%

[https://www.hitachi.com/sustainability/download/pdf/en\\_sustainability2023.pdf](https://www.hitachi.com/sustainability/download/pdf/en_sustainability2023.pdf)

Hitachi Group's objective is to achieve carbon neutrality for Scope 1 & 2 by fiscal 2030, adopting a holistic strategy to reduce emissions in facility management. This strategy encompasses various initiatives, such as implementing smarter infrastructure to decrease electricity consumption across facilities and sourcing renewable energy sources.

The Hitachi Environmental Action Plan for 2024 describes a target of the total CO<sub>2</sub> education rate at business sites (factories and offices). In fiscal 2022, which was the first year of the Environmental Action Plan for 2024 (fiscal 2022–2024), Hitachi Group achieved a 40% reduction in total CO<sub>2</sub> emissions compared to a target of 32% reduction (compared to a base year of fiscal 2010). To reduce emissions, Hitachi Group improved facility efficiency

through new and upgraded high-efficiency equipment, installed renewable energy equipment, and procured electricity from renewable sources.



[https://www.hitachi.com/sustainability/download/pdf/en\\_sustainability2023.pdf](https://www.hitachi.com/sustainability/download/pdf/en_sustainability2023.pdf)

### Current Emissions Reporting

Reporting Year: 2022 (01.04.2022-31.03.2023)	
EMISSIONS	TOTAL (MtCO <sub>2</sub> e)
Scope 1	0.49 Mt-CO <sub>2</sub> e
Scope 2	27.45 Mt-CO <sub>2</sub> e
Scope 3	240.22 Mt-CO <sub>2</sub> e
<b>Total Emissions</b>	<b>269.24 Mt-CO<sub>2</sub>e</b>

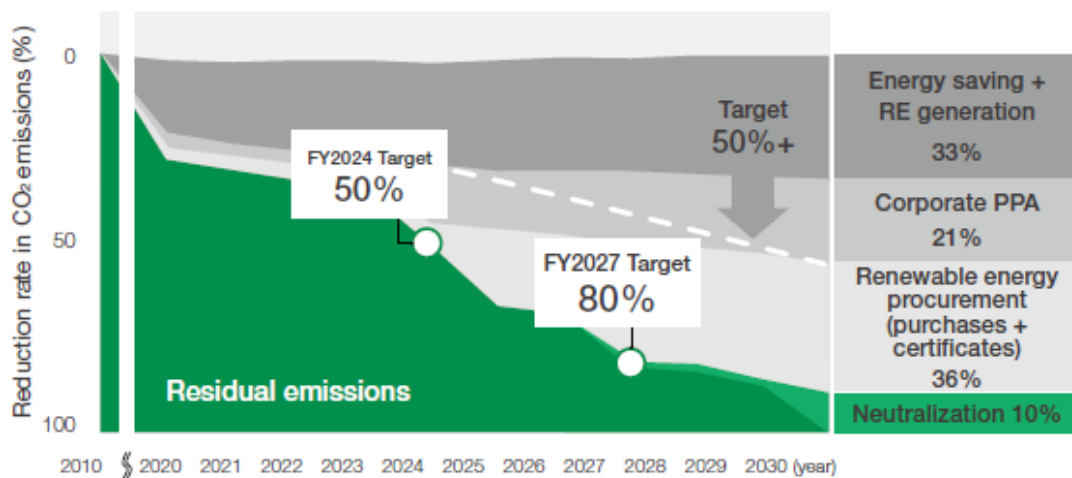
[https://www.hitachi.com/sustainability/download/pdf/en\\_sustainability2023.pdf](https://www.hitachi.com/sustainability/download/pdf/en_sustainability2023.pdf)

## Emissions Reduction Targets:

Achieve carbon neutrality in Scope 1 & 2 by FY2030 at business sites. Achieve carbon neutrality in Scope 3 by FY2050 within the value chain.

- FY 2050 50% reduction rate in waste and valuables generation per unit (compared to FY2010 Hitachi Group)
- FY 2050 50% reduction rate in water use per unit (compared to FY2010 Hitachi Group)
- FY2050: Achieve carbon neutrality through the value chain

### CO<sub>2</sub> reduction roadmap (as of Mar. 2023)



[https://www.hitachi.com/sustainability/download/pdf/en\\_sustainability2023.pdf](https://www.hitachi.com/sustainability/download/pdf/en_sustainability2023.pdf)

## Carbon Reduction Projects:

Hitachi Group's decarbonization efforts are aiming to achieve carbon neutrality in Scope 1 & 2 within business sites by fiscal 2030 and in Scope 3 within the value chain by fiscal 2050. The target for the current Mid-term Management Plan is to reduce Scope 1 & 2 by 50% against the base year of 2010 by fiscal 2024, and Hitachi Group's current projection shows that Hitachi Group is expecting to reach 64% of CO<sub>2</sub> emission reduction.

In order to continue our progress to achieving Net Zero, Hitachi Group has adopted the following carbon reduction targets:

- Utilize renewable energy certificates
- Improve equipment efficiency by introducing and upgrading to high-efficiency equipment
- Distributed Sustainable Procurement Guidelines and Green Procurement Guidelines, requesting all procurement partners to set greenhouse gas reduction targets

- Combine and integrate existing facilities
- Build/move to new facilities with high energy efficiency
- Install energy-saving equipment and optimize equipment operations in collaboration with building owners
- Procure electricity from renewable sources
- Utilize renewable energy through corporate PPA

## Achievements in Fiscal 2022:

Renewable electricity generation across the Hitachi Group in fiscal 2022 amounted to 706 GWh, an increase of 3.7 times compared to fiscal 2021. The amount of renewable electricity used by the Hitachi Group in fiscal 2022 increased significantly from 4% in the previous fiscal year to 24%. At 57 sites the United States, Europe, China, Japan and some other countries in Asia, all electricity used came from renewable sources. Eleven of these sites achieved carbon neutrality through enhanced energy-savings and purchases of credits for neutralization. In addition, Hitachi Energy is working actively to decarbonize operations through the use of non-fossil fuel electricity for all of its in-house electricity usage.

## Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard<sup>1</sup> and uses the appropriate Government emission conversion factors for greenhouse gas company reporting<sup>2</sup>.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard<sup>3</sup>.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

## Signed on behalf of the Supplier:

*Roger Lwin*, CEO.....

Date: ...May 6. 2024.....

<sup>1</sup><https://ghgprotocol.org/corporate-standard>

<sup>2</sup><https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

<sup>3</sup><https://ghgprotocol.org/standards/scope-3-standard>