

Hitachi updates its environmental vision and long-term environmental targets “Hitachi Environmental Innovation 2050”

Obtained SBTi validation for net-zero target

Tokyo, May 27, 2025 - Hitachi, Ltd. (TSE:6501, "Hitachi"), has announced updates to its environmental vision and its long-term environmental targets “Hitachi Environmental Innovation 2050” which defines Hitachi group’s direction and ambitions in addressing global environmental challenges toward FY2050. Reflecting the growing urgency of climate and nature-related issues, shifting societal awareness, and evolving business models, the updated vision and long-term environmental targets is built on three strategic pillars, “Decarbonization,” “Circular Economy”, and “Nature Positive”.

In addition, Hitachi’s greenhouse gas (“GHG”) emissions reduction targets for FY2050 have been validated by the Science Based Targets initiative (“SBTi”) ^{*1} as a net-zero science-based target as aligned with the Paris Agreement 1.5 degree goal^{*2}.

^{*1} SBTi is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis

^{*2} Paris Agreement’s goal to limit global warming to 1.5°C above pre-industrial levels

Update of its environmental vision and “Hitachi Environmental Innovation 2050”

Originally established in 2016, its environmental vision and “Hitachi Environmental Innovation 2050” have guided Hitachi Group’s actions on environmental risks around the world. Since then, Hitachi has implemented three year environmental action plans to translate its long-term targets into tangible targets such as achieving carbon neutrality across its sites and value chain, improving resource and water efficiency, and protecting ecosystems.

In recent years, environmental risks have intensified. These include soaring electricity demand driven by generative AI, growing geopolitical risks on mineral resources for manufacturing products like batteries and increasing severity of natural disasters. As society seeks innovative solutions such as the expansion of non-fossil energy, shifting to circular business models, and restoration of natural capital, Hitachi has responded with an update to its environmental vision. Under the new environmental vision and three strategic pillars, “Decarbonization”, “Circular Economy”, and “Nature Positive”, Hitachi aims to become a global leader in green transformation (“GX”) through its Social Innovation Business to help protect our Planet and achieve well-being for People. In line with this vision, we have updated “Hitachi Environmental Innovation 2050”.

Key Updates to “Hitachi Environmental Innovation 2050”

- ✓ **Decarbonization:** Hitachi previously aimed to achieve carbon neutrality across its entire value chain by FY2050. In the latest update, Hitachi has set a new target of achieving net-zero GHG emission^{*3} across the value chain by FY2050, aiming to reduce not only CO₂ but all greenhouse gas emissions. Hitachi will contribute to decarbonization by offering high efficiency products, innovative services, and future technologies.

- ✓ **Circular Economy:** The former target to improve the efficiency of water and resources use by 50% by FY2050 compared to FY2010 is now replaced with a broader aim of achieving circular transformation. Hitachi aims to minimize energy and resource use while maximizing value across the entire lifecycle of products and services. This includes enhancing usage value through sharing and recurring, extending product life, and promoting resource recovery through remanufacturing and recycling. Hitachi continues to promote improvements in water use efficiency by reconsidering water as part of natural capital and through initiatives aimed at achieving nature positivity.
- ✓ **Nature Positive:** In addition to the previous target of minimizing the environmental impact of operations, Hitachi also targets nature resilience by FY2050, supporting both the mitigation of natural disasters and contributing to faster recovery through business operations and solutions.

For each of the three pillars, Hitachi has set targets for FY2030 and will continue to implement a detailed environmental action plan every three years across the Hitachi Group.

*3 Refers to a state where a company has deeply reduced its GHG emissions across its entire value chain in eligible 1.5°C -aligned pathways, and any remaining residual emissions are permanently removed from the atmosphere such as through high-quality removals resulting in no net increase in atmospheric GHGs.

Environmental Vision

Hitachi aims to become a global leader in green transformation through its Social Innovation Business to help protect our Planet and achieve well-being for People



Decarbonization



Circular Economy



Nature Positive

Long-term Environmental Targets

Hitachi Environmental Innovation 2050

Pursue dual missions of “GX for CORE” and “GX for GROWTH” to achieve our environmental targets using data and innovative technology



Net Zero
by FY2050

Decarbonize the value chain by highly efficient products, innovative services, and future technologies



Circular Transformation
by FY2050

Maximize the value throughout the entire lifecycle of products and services by building evolving business ecosystems



Nature Resilience
by FY2050

As a responsible partner for infrastructure, minimize the impact on and from nature, ensuring swift recovery

Carbon neutrality
by FY2030 ^{*1}

Zero landfill waste
by FY2030 ^{*3,4}

10% water usage reduction
by FY2030 ^{*6}

52% GHG emission reduction
in the value chain by FY2030 ^{*2}

Eco-design ^{*5}
for all relevant product groups
by FY2030

Impact assessment
on and from nature
in the value chain by FY2030 ^{*7}

Environmental Action Plan

Set environmental action items and targets every three years in order to achieve the long-term targets

*1: at factories and offices through reducing emissions and offsetting residual emissions compared to FY2019, *2: gross profit-based intensity value compared to FY2022, *3: defined as a final disposal rate (landfill disposal/waste and valuables) of less than 0.5% in any given fiscal year in the Hitachi Group. Pursued in assumed conformance with regulations, conditions, etc., *4: at manufacturing sites, *5: application of environmentally conscious design in the design of products, or implementation of environmental impact assessments for product groups, *6: intensity value compared to FY2019, *7: for major products and projects; in addition to compliance with necessary regulations

Science-based Net-Zero Target Validated by SBTi

Hitachi's GHG emissions reduction targets have been validated by SBTi as science-based net-zero target, aligned with the Paris Agreement's 1.5 degree goal.

- ✓ Overall Net-Zero Target: Hitachi commits to reach net-zero greenhouse gas emissions across the value chain by FY2050.
- ✓ Near-Term Targets: Hitachi commits to reduce absolute scope 1 and 2 GHG emissions 83% by FY2030 from a FY2019 base year. Hitachi also commits to reduce scope 3 GHG emissions from purchased goods and services, and use of sold products 52% per billion JPY value added*4 by FY2030 from a FY2022 base year.
- ✓ Long-Term Targets: Hitachi commits to reduce absolute scope 1 and 2 GHG emissions 90% by FY2050 from a FY2019 base year. Hitachi also commits to reduce scope 3 GHG emissions from purchased goods and services, and use of sold products 97% per billion JPY value added by FY2050 from a FY2022 base year.

*4 Gross Profit

About Hitachi, Ltd.

Through its Social Innovation Business (SIB) that brings together IT, OT(Operational Technology) and products, Hitachi contributes to a harmonized society where the environment, wellbeing, and economic growth are in balance. Hitachi operates globally in four sectors – Digital Systems & Services, Energy, Mobility, and Connective Industries – and the Strategic SIB Business Unit for new growth businesses. With Lumada at its core, Hitachi generates value from integrating data, technology and domain knowledge to solve customer and social challenges. Revenues for FY2024 (ended March 31, 2025) totaled 9,783.3 billion yen, with 618 consolidated subsidiaries and approximately 280,000 employees worldwide. Visit us at www.hitachi.com.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
