

The image shows the logos for Hitachi and ABB. The Hitachi logo is in black, and the ABB logo is in red. They are positioned in the top left corner of the image.

**HITACHI** **ABB**



# Powering Good for Sustainable Energy

July 2, 2020

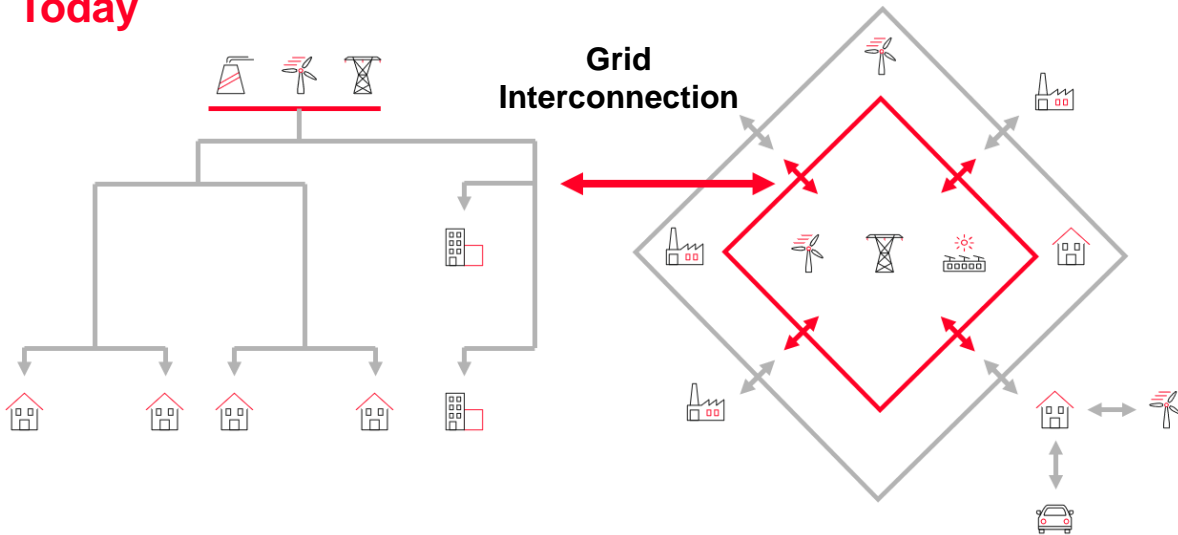
**Claudio Facchin**

CEO, Hitachi ABB Power Grids Ltd

**HITACHI ABB POWER GRIDS**

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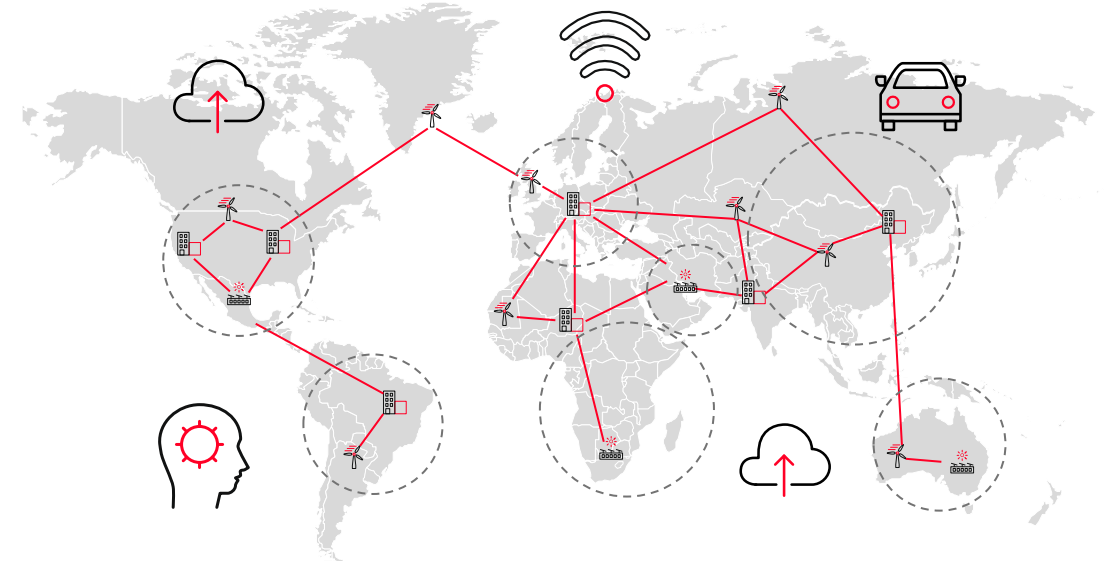
## Today



### Factors:

- Full scale deployment of renewables across all regions
- Increased share of energy by wire and distributed energy resources
- Massive introduction of grid connected electrical vehicles
- Decarbonization, decentralization, bi-directional flows

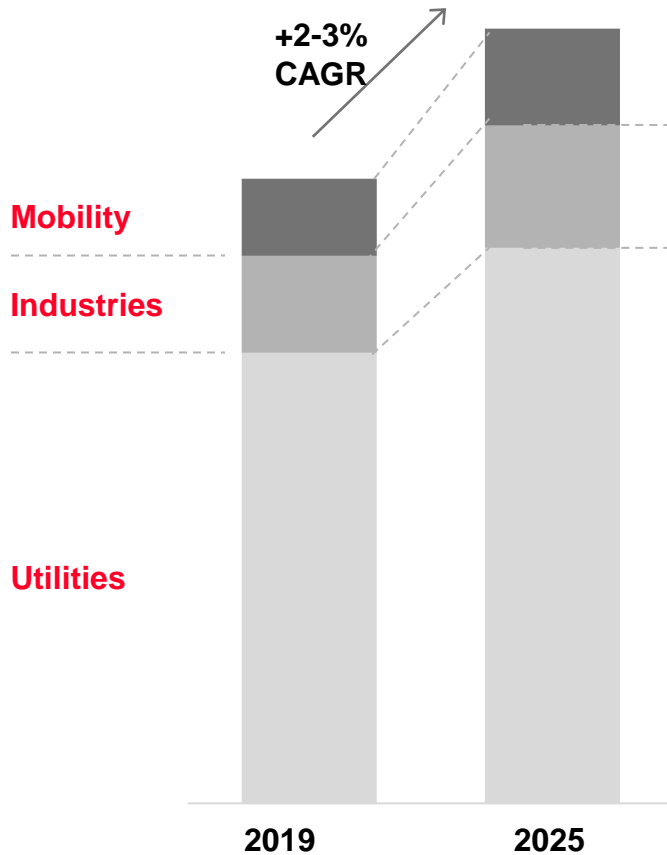
## Tomorrow



- Utilities adjusting to new, additional business model
- Fully flexible power exchange with related data transfer (“Internet of Energy”)
- Real-time control and higher security
- Artificial Intelligence(AI) enabling complex autonomous processes

**Grids of the future demand flexibility, resilience, intelligence and interconnectivity**

## Global market ~approx. \$100B\* USD



## Customer value proposition

Reliable, high-quality power to electrify transport and datacenters

Grid integration and / or self-sufficiency via microgrids

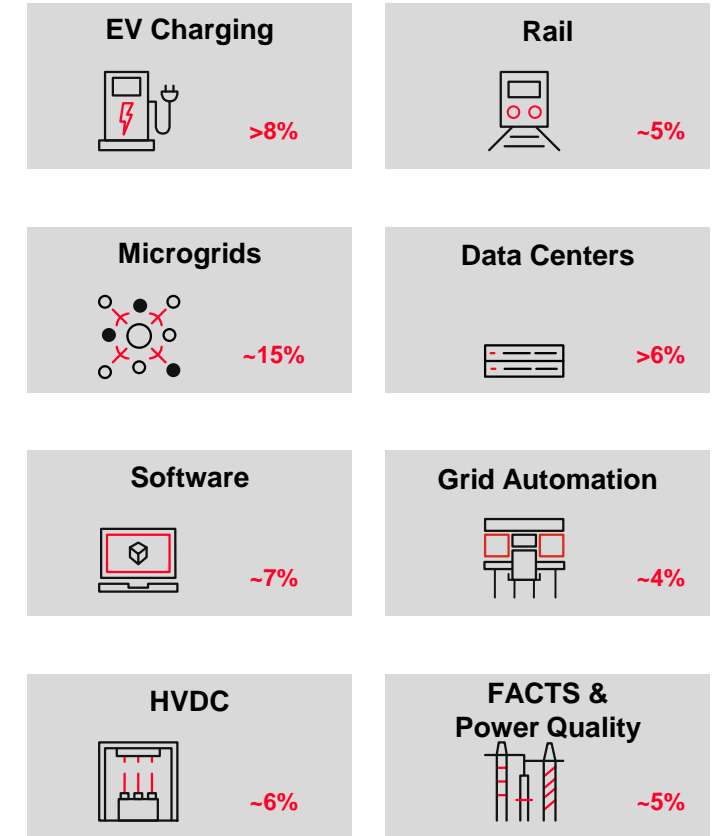
Partner of choice for enabling a stronger, smarter & greener grid

Stronger to connect new consumers and ensure security of supply

Smarter for more cost-effective operations and maintenance

Greener via the integration of more renewables

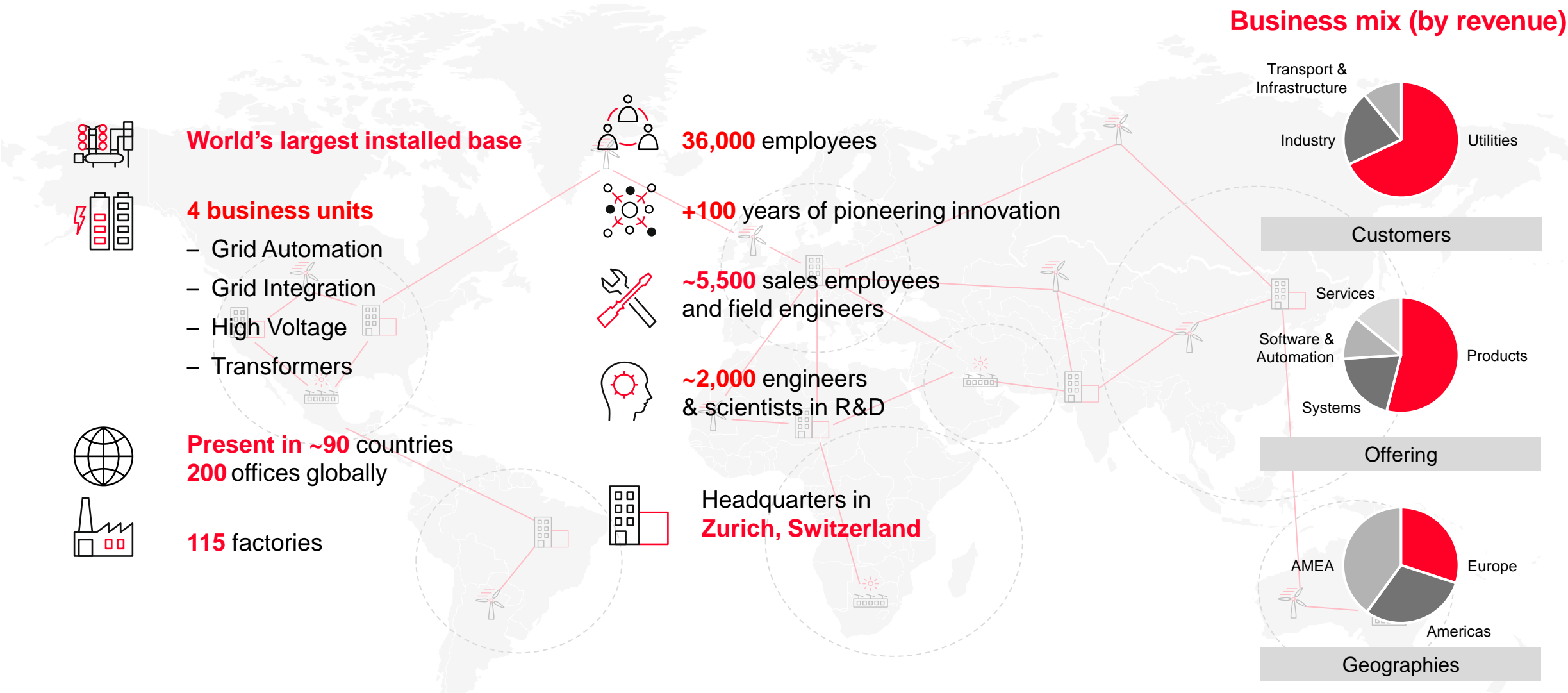
## High-growth segments (ex.)\*



\*Hitachi ABB Power Grids estimates

**CAGR 2017-25**

HVDC: High Voltage Direct Current  
FACTS: Flex AC Transmission system



## Grid Automation



- Supporting **50% of the top 250** global electric utilities with leading portfolio
- **~US \$4 trillion** mission critical infrastructure assets managed with our software solutions
- **~480 million** electricity consumers

## Grid Integration



- **~15,000 systems** operating around the world
- **Leader in FACTS** and **power quality**
- **Leader in HVDC systems with 130+ GW** installed

## High Voltage Products



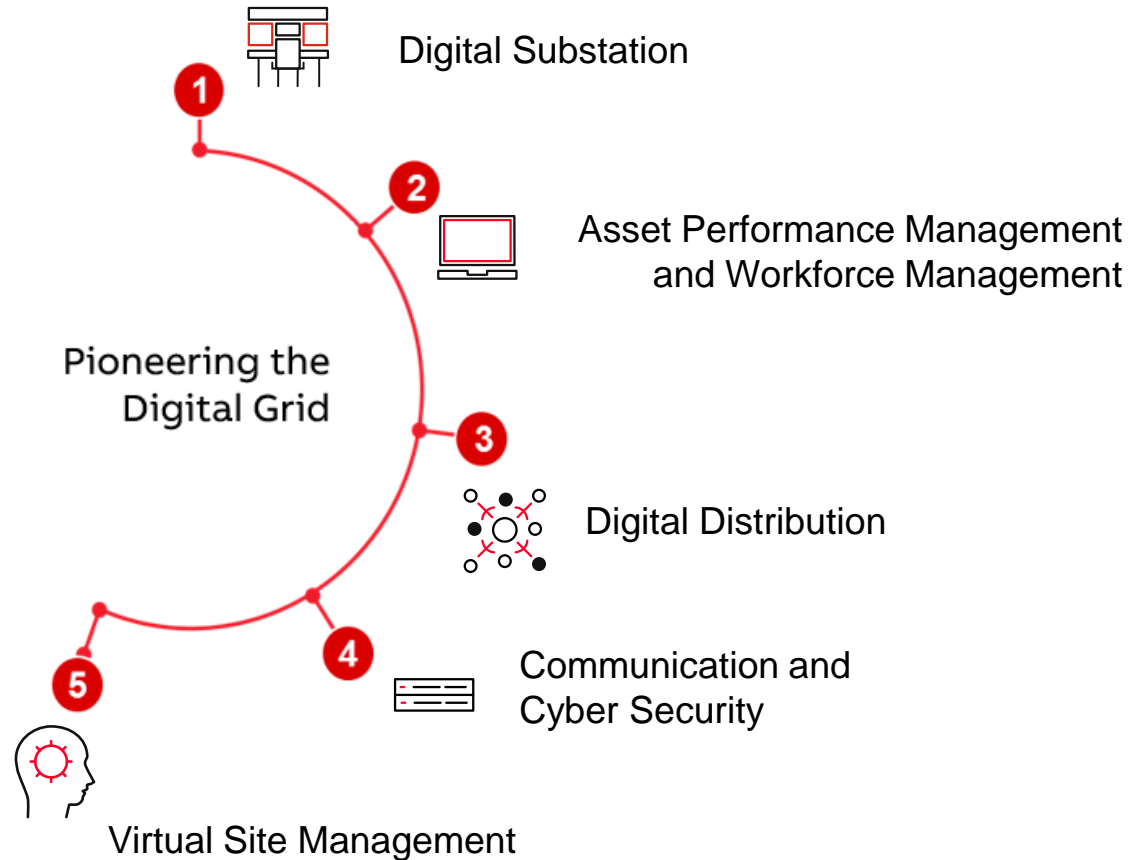
- Up to **1200 kilovolts AC** and 1100 kilovolts DC, leading portfolio
- **1 in every 4** high-voltage switchgear installed in the world
- Over **100 locations** worldwide provide 24/7 service support

## Transformers



- **Complete range** of power, distribution, traction transformers, components, services
- Up to 1200 kV AC and 1100 kV DC, leading portfolio
- **~60 factories** around the world and ~30 service centers

- Substation Automation, Digital Substation
- Distribution Automation
- Mission-critical Communications
- Service & Digital Solutions
- Grid Edge Solutions
- Network Control
- Energy Portfolio Management



Create new values for customers with AI based cutting-edge data analytics and optimizing technology

Powering good for a sustainable energy future, with pioneering and digital technologies, as the partner of choice for enabling a stronger, smarter and greener grid.

## Utilities

## Industry

## Infrastructure

### Products and components

Broadest portfolio and footprint



### Software and automation

Deepest application know-how



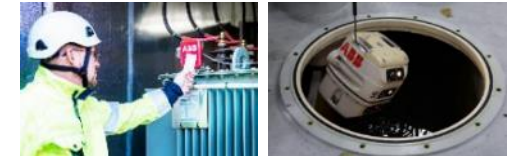
### Systems

Technology and innovation leader



### Service

Largest installed base



### Planning and building solutions



**Global Technology and Market Leader**

**Digital grid pioneer**

### Operations and maintenance solutions

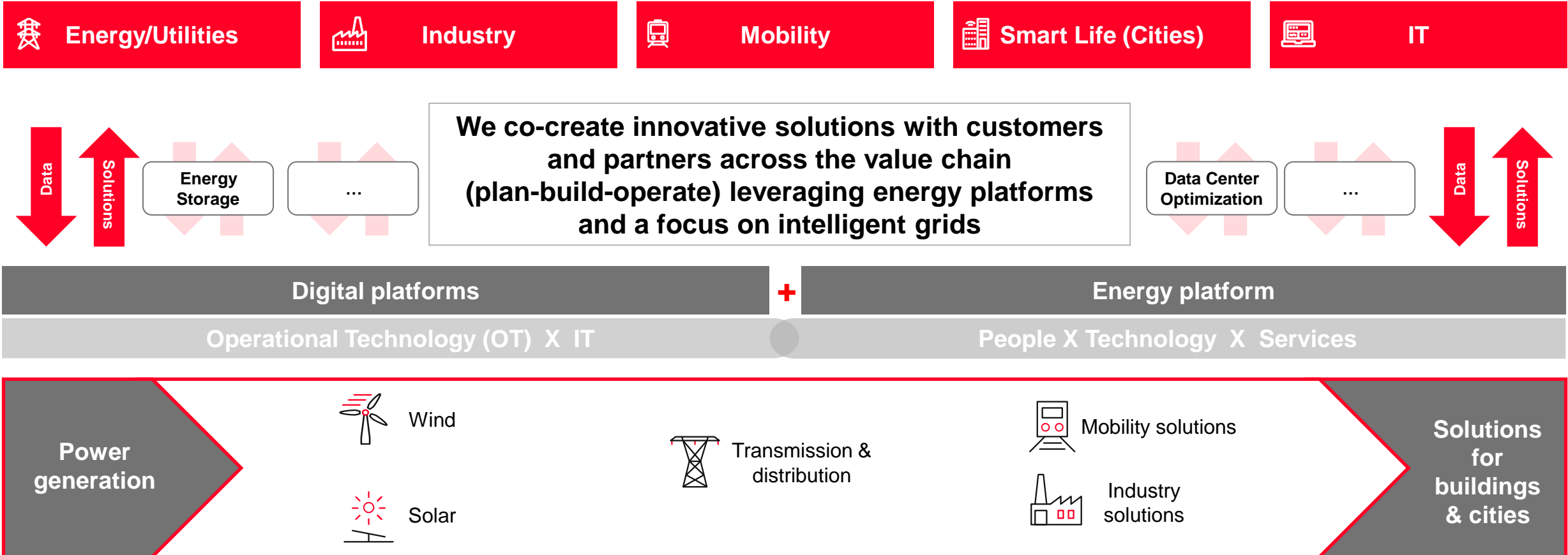


OT



IT

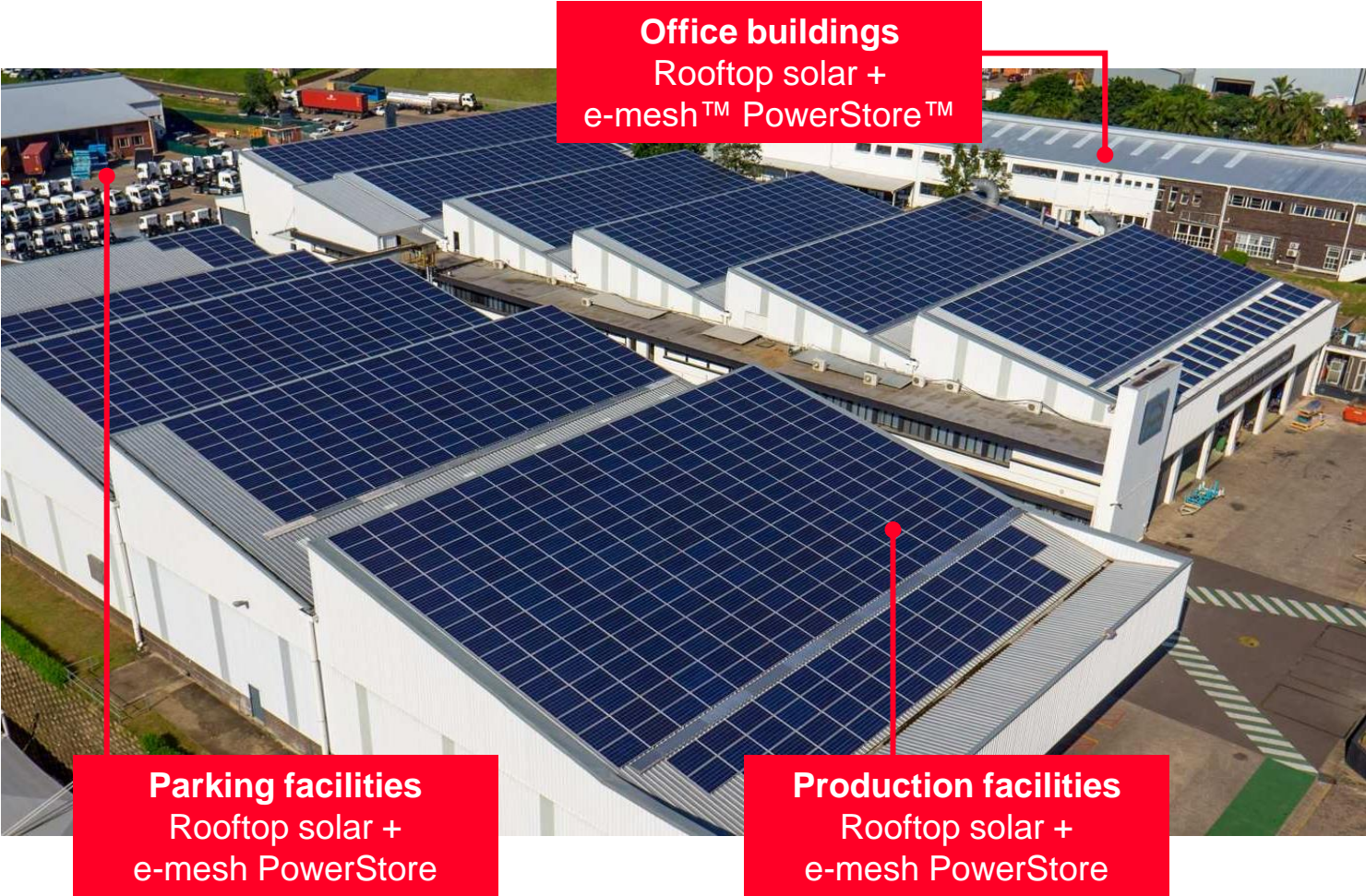
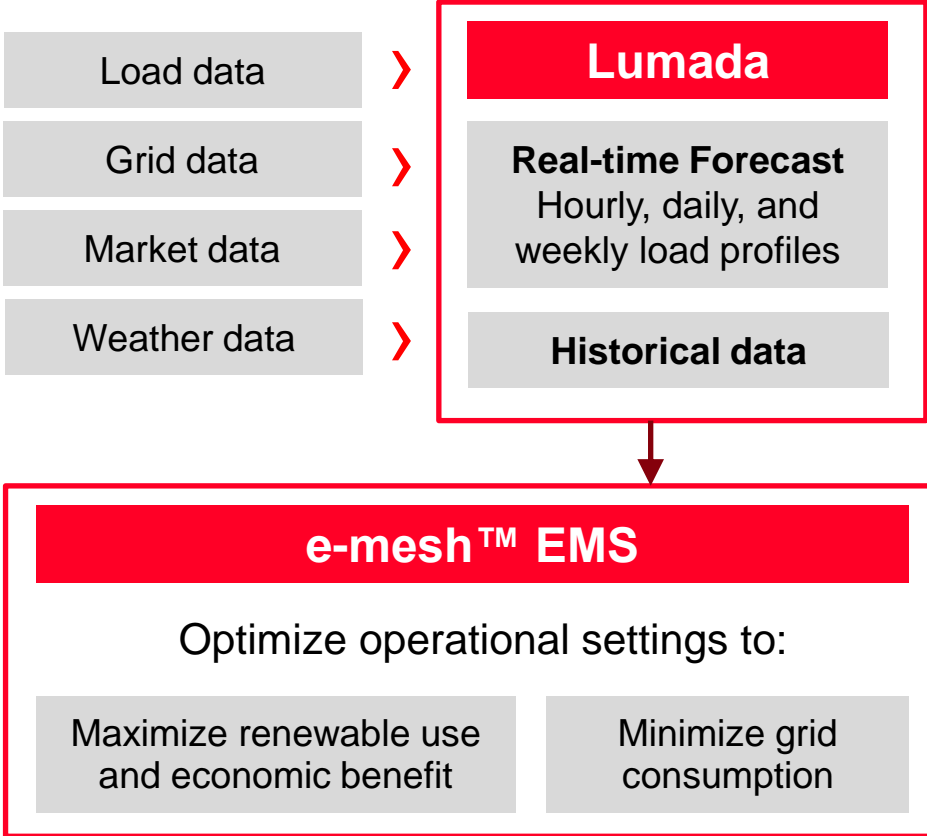
Technology and business model innovation leveraging collaboration on Digital & Energy Platforms





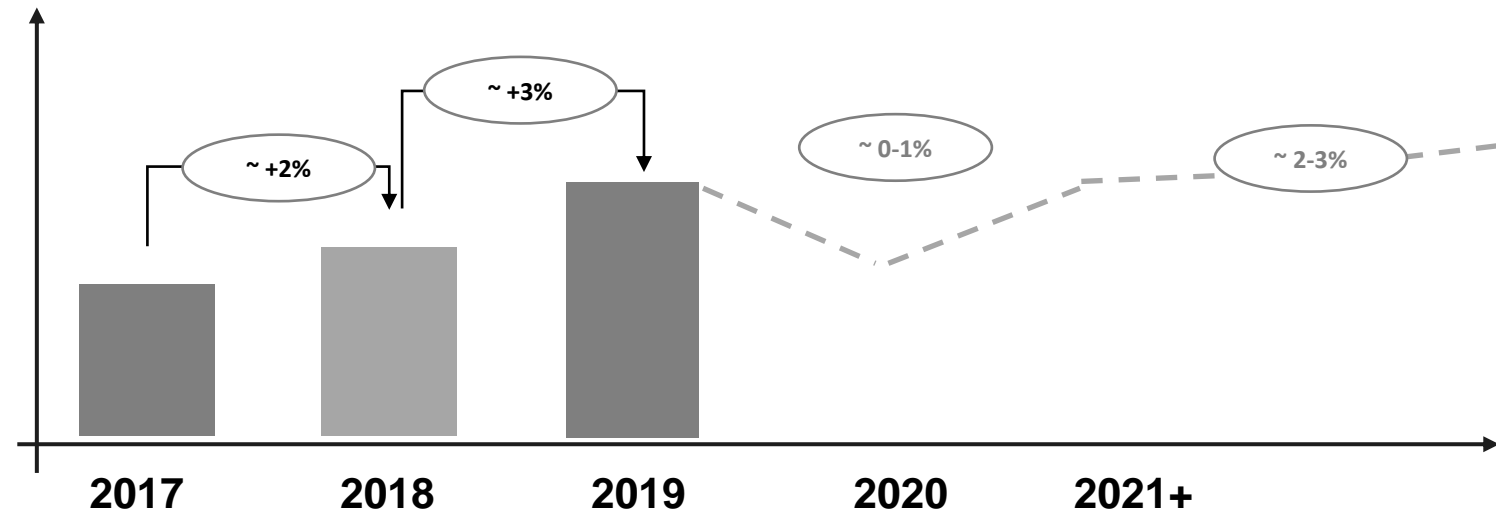
## Uniting real-time forecasting and historical data to deliver operational efficiencies

At a newly developed industrial campus...



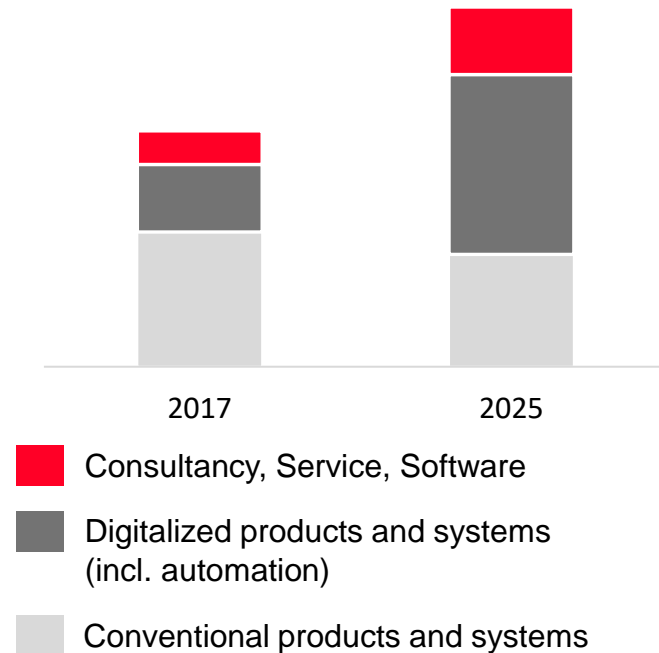


Pandemic causing temporary dip, but market recovery expected 2021+



Team up, collaborate and prioritize to manage and overcome the crisis

## Growth and portfolio shift



## Ambition

- Double % of revenues from service
- Fully digitalized portfolio
- #1**
  - Grid planning
  - Grid automation and software
  - Renewables integration and storage
- Best-in-class, quality, delivery and operations

Grow faster than the market

Strengthen #1 market position

Key SDGs\* embedded - Focus on 7 SDGs



**Powering good for a sustainable energy future, with pioneering and digital technologies, as the partner of choice for enabling a stronger, smarter and greener grid.**

\*Sustainable Development Goals

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## Sustainable Energy in Focus

Hitachi ABB Power Grids, a new leader committed to a sustainable energy transition.



## Profitable and Sustainable Growth

Attractive markets combined with the transformation initiatives strengthens our competitive position, enabling profitable and sustainable growth.



## Focus on Customers and People

Power Grids continue to focus on customers and people, preserve business performance in times of unprecedented crisis while preparing for the “new norm” and for the new growth opportunities with Hitachi.

An aerial view of a city skyline at sunset, with a prominent rainbow lens flare effect. The sun is low on the horizon, casting a warm glow over the buildings and a body of water in the foreground. The sky is filled with soft, golden light and scattered clouds. The city features a mix of modern high-rise buildings and older structures. The water in the foreground is dark, with several boats visible. The overall atmosphere is serene and vibrant.

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**POWERING GOOD FOR  
SUSTAINABLE ENERGY.**

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