

News Release

FOR IMMEDIATE RELEASE

Hitachi Energy announces EconiQ™ transformers for advancing a sustainable energy future for all

Eco-efficient EconiQ transformers are co-created with customers based on proven scientific methodologies for transparency reducing carbon emissions across the life-cycle

Zurich, October 20, 2021 – Hitachi Energy today announced the introduction of EconiQ™ transformers reinforcing its Purpose: ‘Advancing a sustainable energy future for all’.

Eco-efficient by design and based on scientific methodologies for transparency, the EconiQ transformers are further evidence of the global technology and market leader’s commitment towards carbon-neutrality – a target set out in the business’ Sustainability 2030 strategic plan. In its recent ‘go live’ press release, Hitachi Energy announced that it is championing the urgency of the energy transition by pioneering technologies to help accelerate a carbon-neutral future.

Transformers are critical for enabling an efficient and safe flow of electricity by adapting voltage levels. From generation to final consumption, electricity passes through an average of four to five transformers; in this process, transformers are estimated to consume almost five percent of the electricity generated worldwide as heat losses.

EconiQ transformers contribute additional environmental value in the areas of decarbonization, enhanced safety for people, protection of ecosystems and responsible use of resources across the transformer’s life-cycle. Hitachi Energy’s EconiQ transformers have co-creation at their heart. The transformers will be tailored based on specific customer sustainability requirements and using proven scientific methodologies, such as environmental Life Cycle Analysis⁽¹⁾.

For example, one of the EconiQ transformers – a 115/21 kilovolts (KV), 40 mega volt-ampere (MVA) – is expected to reduce carbon emissions by about 23 percent⁽¹⁾ over the life-cycle, while reducing eutrophication and water toxicity impacts by about 15 percent. It would also eliminate the related environmental impacts in the rare event of mineral oil leakages.

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“Solving the urgency of the global energy transition requires both collaboration and innovation,” said Bruno Melles, Head of the Transformers business at Hitachi Energy. He continued, “I am excited about co-creating sustainability solutions together with our customers – and our EconiQ™ transformers are directly helping to accelerate the journey towards a sustainable energy future for all.”

The EconiQ transformers have been developed using eco-design principles in order to maximize sustainability over the life-cycle. Within the designs, key aspects are further optimized such as enhanced energy efficiency and the responsible use of materials through processes such as recycling and waste disposal. The use of biodegradable insulation fluids with higher flash and fire points, helps to safeguard surrounding ecosystems from the risk of pollution and increase safety for people. In the first phase, the EconiQ transformers will be available for liquid-filled applications.

The transformers are manufactured using fossil-free electricity in Hitachi Energy’s factories. The business has set targets in its Sustainability 2030 plan to become carbon-neutral in its own operations and it expects to hit the first-step target achieving 100 percent fossil-free electricity in its own operations by 2022.

Hitachi Energy’s EconiQ™ eco-efficient portfolio

Hitachi Energy announced its EconiQ™ eco-efficient portfolio earlier in the year, which brings together products, services and solutions, which are proven to deliver an exceptional environmental performance compared to conventional solutions.

Note:

- (1) The example of the EconiQ transformer mentioned considers the electricity mix in the European Union and is based on a Life Cycle Analysis Study that assumes 35 years’ operation and 75 percent transformer loading.

About Hitachi Energy

Hitachi Energy is a global technology leader that is advancing a sustainable energy future for all. We serve customers in the utility, industry and infrastructure sectors with innovative solutions and services across the value chain. Together with customers and partners, we pioneer technologies and enable the digital transformation required to accelerate the energy transition towards a carbon-neutral future. We are advancing the world’s energy system to become more sustainable, flexible and secure whilst

balancing social, environmental and economic value. Hitachi Energy has a proven track record and unparalleled installed base in more than 140 countries. Headquartered in Switzerland, we employ around 38,000 people in 90 countries and generate business volumes of approximately \$10 billion USD.

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About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is contributing to a sustainable society with a higher quality of life by driving innovation through data and technology as the Social Innovation Business. Hitachi is focused on strengthening its contribution to the Environment, the Resilience of business and social infrastructure as well as comprehensive programs to enhance Security & Safety. Hitachi resolves the issues faced by customers and society across six domains: IT, Energy, Mobility, Industry, Smart Life and Automotive Systems through its proprietary Lumada solutions. 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. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

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