

Carbon Reduction Plan

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

Publication date: **May 6, 2026**

Last modified: **April 30, 2026**

Commitment to achieving Net Zero:

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

Baseline Emissions Footprint:

Hitachi Digital Services, LLC (referred to as Digital Services), an established entity within the Hitachi Group since April 1, 2024, continues to advance its sustainability and decarbonization efforts in fiscal year 2025 (April 2025 – March 2026). Building on the foundation established in the [FY2024 Sustainability Report](#), published on September 24, 2025, the company remains committed to transparent and comprehensive greenhouse gas (GHG) emissions disclosure. The FY2025 reporting cycle maintains coverage of Scope 1, Scope 2, and Scope 3 emissions, aligned with the operational and value chain boundaries relevant to the organization's business model and will be officially released in September 2026 with Digital Services' FY2025 Sustainability Report.

As part of its commitment to continuous improvement and accountability, Digital Services will continue to review and update its Carbon Reduction Plan annually. Additionally, the company is progressing toward maintaining robust data verification practices for the FY2025 calculations, further strengthening the credibility and accuracy of its emissions reporting, under GHG data Limited Assurance, provided by a third-party auditor.

In FY2025, Digital Services continued to work toward its near-term target of achieving carbon neutrality for Scope 1 and Scope 2 emissions by FY2030, in alignment with its long-term ambition of reaching Net Zero emissions across its value chain by FY2050.

As illustrated in Figure 1, Digital Services maintains a comprehensive approach to decarbonization, embedding sustainability across all facets of its operations, from facilities management to digital and software services. During FY2025, the company continued to expand its renewable energy adoption beyond the FY2024 milestone of 39% global usage, achieving 47% renewable energy in FY2025, aiming for further reduction on Scope 1 and Scope 2 emissions and progressing toward its FY2030 carbon neutrality goal.

Additionally, following the establishment of its first comprehensive Scope 3 baseline in FY2024, Digital Services' FY2025 efforts were focused on deepening value chain engagement, improving data granularity, and identifying targeted emissions reduction initiatives across key categories. This includes collaboration with suppliers, optimization of business travel, and enhancements in digital efficiency. These actions mark a critical step forward in driving measurable reductions across the company's broader environmental footprint.

Our six pillars of IT decarbonization

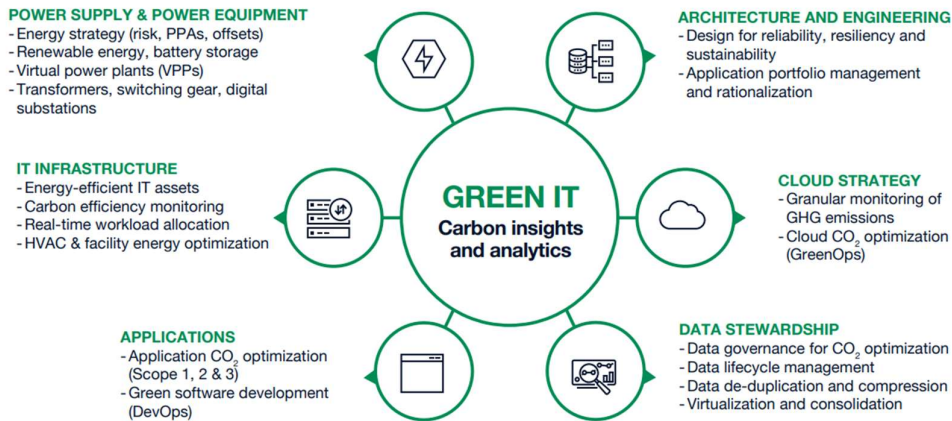


Figure 1: Systemic Approach to IT Footprint Reduction: A comprehensive view of the IT footprint built on six pillars—power, infrastructure, applications, architecture, cloud strategy, and data stewardship - to help reduce carbon emissions across IT systems. Source: [FY2024 Sustainability Report](#) – Page 12

Current FY2025 Emissions Reporting – in the UK

| Reporting Financial Year: FY2025 (01.04.2024 – 31.03.2025) | |
|--|----------------------------|
| EMISSIONS | TOTAL (tCO ₂ e) |
| Scope 1 | 5.54 t-CO ₂ e |
| Scope 2 (Market Base) | 34.34 t-CO ₂ e |
| Scope 2 (Location Base) | 14.42 t-CO ₂ e |
| Scope 3 (Market Base) | 279.64 t-CO ₂ e |
| Total Emissions (Market base) | 319.51 t-CO ₂ e |
| Total Emissions (Location base) | 299.59 t-CO ₂ e |

Table 1: FY2025 GHG Emissions at Hitachi Digital Services in the UK

The data presented in this table will be included in the full GHG inventory disclosed in the FY2025 Sustainability Report released in September 2026 - [Sustainability - Hitachi Digital Services](#).

| Category Number | Category Name | TOTAL (tCO ₂ e) |
|-----------------|--|----------------------------|
| Category 3 | Fuel- and energy related activities (not included in scope 1 or scope 2) | 6.14 |
| Category 4 | Upstream transportation and distribution | 3.14 |
| Category 5 | Waste generated in operations | 1.43 |
| Category 6 | Business travel | 101.49 |
| Category 7 | Employee commuting | 167.42 |

Table 2: FY2025 GHG Emissions at Hitachi Digital Services in the UK.
The data presented in this table will be included in the full GHG inventory disclosed in the FY2025 Sustainability Report released in September 2026 - [Sustainability - Hitachi Digital Services](#).

Digital Services recognizes that a significant portion of its climate impact occurs beyond its direct operations. In FY2024, the company conducted a comprehensive Scope 3 emissions screening to identify and calculate emissions across categories relevant to its business, in alignment with the GHG Protocol. This assessment provided valuable insights into the company's value chain footprint and helped prioritize the most material emission sources for reduction.

As part of this process, in FY2025 Digital Services established a value chain engagement strategy to drive greenhouse gas (GHG) reductions across both its operations and supply chain. This approach underpins the company's Scope 3 strategy and broader emissions reduction roadmap, reflecting the significant contribution of Scope 3, Category 1: Purchased Goods and Services, which represents the largest share of its Scope 3 emissions.

Through this original screening exercise, eight of the fifteen GHG Protocol Scope 3 categories were identified as relevant to the company's activities. Targeted initiatives are now being developed to address emissions within these priority areas. Table 2 outlines all applicable categories and their associated emissions for the UK, providing a clear view of the company's regional Scope 1, 2 and 3 footprints.

Categories 8, 9, 10, 11, 12, 14, and 15 of the GHG Protocol are considered not applicable or not relevant to Digital Services because they do not reflect material emission sources within the company's business model or value chain. Digital Services operates primarily as a digital solutions and IT services provider, with no physical products or capital-intensive infrastructure. The company does not invest in other entities, or manufacture and distribute physical goods, making categories related to upstream leased assets (8), downstream transportation and distribution (9), processing of sold products (10), use of sold products (11), end-of-life treatment of sold products (12), franchises (14), and investments (15) immaterial to its operations. Therefore, these categories are excluded from the Scope 3 inventory, as they do not significantly contribute to the company's overall GHG emissions profile.

Emissions Reduction Targets:

Digital Services is committed to leading climate action by aligning with science-based targets and embedding decarbonization across all business operations.

As part of our Carbon Reduction Plan, we have established the following key targets:

- Achieve carbon neutrality for Scope 1 and 2 emissions by FY2030
- Achieve Net Zero emissions across our entire value chain (Scope 1, 2, and applicable Scope 3) by FY2050

To support progress toward these goals, we have taken the following actions:

- In FY2025, we achieved 47% renewable energy use across our operations
- By FY2026, we aim to achieve 60% renewable energy use across our operations
- In FY2025, setting a near-term goal aligned with the Science Based Targets initiative (SBTi), reinforcing our commitment to a credible, transparent decarbonization pathway

These actions reflect our integrated approach to carbon management and sustainability, helping to drive measurable impact in line with global climate goals.

Environmental

| Topic | Goal | Progress |
|---|--|---|
| Energy Management and Greenhouse Gas (GHG) Management | Commit to becoming net zero by FY2050. | DS has calculated a solid FY2024 baseline in Scope 1, 2 and 3 for future reductions |
| | Commit to setting a near-term goal aligned with the Science Based Targets initiative (SBTi) by FY2025. | Commitment Letter submitted in July 2024 |
| | Achieve 100% of electricity used from renewable sources by FY2030. | FY2024: 39% of electricity used from renewable sources |
| | Develop a Reduction Roadmap in FY2025 and align goals aiming for SBTi submission focusing on the main emissions sources under Scope 3. | In FY2024, Scope 3 (market-based) was measured at 25,347.85 MtCO ₂ e |
| | Achieve carbon neutrality in Scope 1 and 2 by FY2030. | 39% of electricity used from renewable sources |
| Water Management | Increase recycled water usage at the Hyderabad campus water recycling plant to 80% by FY2030. | 72% recycled water registered at the Hyderabad campus during FY2024 |
| Value Chain Waste Management | Expand e-waste programs to 50% of offices by FY2030. | 38% of offices have e-waste programs; 4,477 assets disposed globally |
| Conservation and Restoration | Foster environmental awareness and action through at least 20 in-person and virtual events during Earth Month. | 20 in-person and virtual events hosted during Earth Month |
| Environmental Management | Publish an Environmental Policy in FY2025. | Reviewing the proposed policy with the Policy Steering Committee in FY2025 |

Figure 2. Hitachi Digital Services Carbon Reduction Goals

This chart illustrates Hitachi Digital Services' roadmap towards carbon reduction progress, outlining both short- and long-term targets.

Carbon Reduction Projects:

Digital Services is committed to advancing its decarbonization journey by setting ambitious, science-aligned climate targets. Our primary objectives are to:

- Achieve carbon neutrality in Scope 1 and 2 emissions at business sites by FY2030
- Reach Net Zero emissions across our full value chain (Scope 1, 2, and applicable Scope 3) by FY2050

As part of our short-term strategy, we reached 47% renewable energy usage across operations in FY2025, supporting progress toward our FY2030 carbon neutrality goal.

In FY2025, Digital Services took a significant step forward by establishing a comprehensive Scope 3 baseline, independently verified through Limited Assurance which will be disclosed in Digital Services' FY2025 Sustainability Report published in September 2026. This marks our first fully assured Scope 3 inventory and provides a clearer understanding of emissions across our value chain, helping to identify key mitigation priorities.

To ensure alignment with global climate goals, Digital Services has built this Carbon Reduction Plan to connect current progress with future targets.

To support this plan, we are implementing the following strategies:

- Utilizing renewable energy certificates (RECs) which are approved and accepted by the SBTi as an appropriate mitigation approach
- Improving operational efficiency by introducing and upgrading to high-efficiency IT infrastructure
- Enforcing Sustainable Procurement Guidelines and Green Procurement Guidelines, requiring suppliers to set greenhouse gas reduction targets
- Promoting energy-saving best practices across our facilities globally
- Installing energy-efficient equipment and optimize operations in collaboration with building owners

These actions are critical to achieving our carbon reduction targets and reflect Digital Services' commitment to sustainability, innovation, and responsible growth.

GHG Management Progress:

One of Digital Services' most significant milestones in FY2024 was the completion of its first comprehensive Scope 3 emissions assessment, enabling the company to begin setting credible long-term targets aligned with its Net Zero ambition for FY2050. And in FY2025, Digital Services finally calculated a financial intensity reduction roadmap with 2 years of reduction progress and future KPIs.

As an independently established entity since April 2023, FY2024 represents the first full financial year capturing emissions solely attributable to Digital Services. This marks an important step in strengthening transparency and accountability, while supporting the company's near-term target of achieving carbon neutrality for Scope 1 and Scope 2 emissions by FY2030.

During FY2025, Digital Services exceeded expectations by achieving 47% renewable electricity usage globally, marking a significant improvement from 39% in FY2024 and representing an 8% increase year over year.

In FY2025, data collection processes were also significantly enhanced in terms of quality and granularity. This improvement enables a more precise understanding of emissions sources and supports the identification of targeted reduction opportunities across the value chain. Please see table 3, comparing FY2024 and FY2025 reduction progress in the UK. These global figures are currently undergoing Limited Assurance by an independent third-party auditor, reinforcing the accuracy and credibility of the company's disclosures.

All achievements and progress against climate targets will be publicly reported in the FY2025 Sustainability Report showing global mitigation progress, which will be published in September 2026.

| UK FY2024 and FY2025 Emissions | | |
|---------------------------------------|--------------------------------|--------------------------------|
| Scope and Category | FY24 (tCO₂e) | FY25 (tCO₂e) |
| Scope 1 | 7.74 | 5.54 |
| Scope 2 MB | 81.69 | 14.42 |
| Scope 2 LB | 40.61 | 34.34 |
| Scope 3 - cat 3 | 13.37 | 6.14 |
| Scope 3 - Cat 4 | 0.58 | 3.14 |
| Scope 3 - Cat 5 | 4.22 | 1.43 |
| Scope 3 - Cat 6 | 189.20 | 101.49 |
| Scope 3 - Cat 7 | 120.64 | 167.42 |
| Total | 458.05 | 333.93 |

Table 3: FY2024 and FY2025 GHG Emissions at Hitachi Digital Services in the UK reduction progress.

The data presented in this table will be included in the full GHG inventory disclosed in the FY2025 Sustainability Report released in September 2026 - [Sustainability - Hitachi Digital Services](#).

Declaration and Sign Off

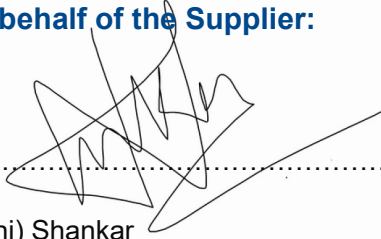
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

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) Standard³.

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:



Srinivas (Srini) Shankar

CEO, Hitachi Digital Services

Date: ...05/05/2026.....

Revision History

| Date | Description | Changed by |
|------------|--|--|
| 14/10/2025 | Updated Carbon Reduction Plan to include all 8 Hitachi Digital Services LLC applicable Scope 3 categories. Added justifications for any categories reported as not applicable | Luis Eyzaguirre, Sustainability Data project Manager |
| 30/04/2026 | FY25 Carbon Reduction Plan update to include all 8 Hitachi Digital Services LLC applicable Scope 3 categories. Added justifications for any categories reported as not applicable. | Luis Eyzaguirre, Sustainability Data project Manager |

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

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

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