

# News Release

FOR IMMEDIATE RELEASE

## **Hitachi Establishes a New Corporate Venture Capital Fund to Expand Strategic Investments in the Environment and Healthcare**

**Tokyo, October 4, 2021** –Hitachi, Ltd. (TSE: 6501, “Hitachi”) today announced that it established a second fund for Hitachi Ventures (HV), the corporate venture capital (CVC) arm of Hitachi. The second fund will make strategic investments in innovative startups, particularly in the growth fields of environment and healthcare, which are part of Hitachi's key business focus areas.

Hitachi established HV in 2019 and launched the first fund<sup>(1)</sup>, which has been investing in innovative startups with digital technologies and new business models in Hitachi's business sectors. To date, HV has initiated investments in 11 startups in the areas of industrial AI/IoT, data management / computing, digital healthcare, and life sciences. Through these investments, Hitachi is promoting innovation by leveraging its assets and capabilities to develop new markets and propose new solutions. In recognition of these activities, Stefan Gabriel, CEO of HV, was selected as the Top 25 in the GCV Powerlist 2021<sup>(2)</sup>, which identifies outstanding CVC entrepreneurs.

With the aim of accelerating innovation in the environmental and healthcare fields, where Hitachi is focusing its efforts, Hitachi now established a second fund to strengthen its investment in startups that create environmental value by addressing climate change and promoting resource efficiency, as well as social value through healthcare, including medicine and pharmaceuticals. HV's second fund begins with a size of \$ 150 million. Leveraging HV's global network, Hitachi will accelerate growth by discovering startups that take on the challenge of advanced technologies and advanced business models, and by strengthening collaboration in both investment and co-creation.

HV is investing in open innovation to strengthen innovation capabilities towards continued growth. Hitachi will achieve growth through innovation by developing advanced technologies through research and development, and by collaborating and partnering with startups.

Keiji Kojima, President and COO, Hitachi, Ltd., said: “Hitachi is originally a venture company that was born in the mine. Through the second fund, we will support and collaborate with startups which have innovative technologies predominantly for environmental and healthcare businesses. We will work together to develop technologies and create businesses to solve the social issues of 2050, and to develop markets globally. As a principal partner of COP26, we would like to work together towards the realization of a decarbonized society and become a Climate Change Innovator.

Through open innovation with startups that share the same aspiration to contribute to society, we will create new values that leverage cutting-edge technologies, and further accelerate business growth in the areas of the environment, resilience, and security & safety, which are Hitachi's key areas of focus, as well as the global expansion of our Social Innovation Business."

- (1) News Release dated April 26, 2019 titled "Hitachi Establishes the Corporate Venture Capital Fund to Support Startups as an Innovation Partner"

<https://www.hitachi.com/New/cnews/month/2019/04/190426c.html>

In the above release, the name of the CVC fund was described as "Hitachi Ventures Fund", but the official name is now "HV Fund".

- (2) Selected annually from more than 3,000 CVCs worldwide by Global Corporate Venturing, a data provider for the CVC industry.

<https://globalcorporateventuring.com/gcv-powerlist-2021-25-stefan-gabriel/>

### Outline of New Fund

Name	HV Fund II
Establishment date	October 1 <sup>st</sup> , 2021
Advisory company	Hitachi Ventures GmbH
Investor	Hitachi, Ltd.
Fund Size	\$ 150 million
Investment Object	Startups that are taking on the challenge of advanced technologies and business models that match Hitachi's growth strategy, mainly in the environmental and healthcare fields

### About Hitachi Ventures GmbH

Establishment date	June 1 <sup>st</sup> , 2019
Location of head office	Munich, Germany
Representative	CEO: Stefan Gabriel

### **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.

Hitachi is a Principal Partner of COP26, playing a leading role in the efforts to achieve a Net Zero society and become a climate change innovator. Hitachi strives to achieve carbon neutrality at all its business sites by fiscal year 2030 and across the company's entire value chain by fiscal year 2050.



For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

### **About Hitachi Ventures**

Hitachi Ventures is the Strategic Corporate Venture Capital arm of Hitachi, Ltd. We invest in innovative startups with strategic relevance to Hitachi, Ltd. that address society's key technological challenges in target areas such as mobility, health care and smart life, industry, energy and IT. With offices in Munich and Boston we cover Europe, Israel and North America. We look for leading startups with exciting technologies and business models which we support as investor as well as through strategic collaborations with Hitachi business units.

For more information on Hitachi Ventures, please visit the company's website at <https://www.hitachi-ventures.com>.

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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.

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