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Daikin Invests in Breakthrough Energy Ventures' New Fund to Accelerate Realization of Net-Zero Society

Venture capital fund invests in climate tech startups to solve climate change

BOSTON, Mass., United States and OSAKA, Japan, April 25, 2024 - Daikin Industries, Ltd., a leading global Heating, Ventilation, Air Conditioning & Refrigeration (HVAC&R) manufacturer, announces its recent investment in Breakthrough Energy Ventures Select Fund I (BEV Select Fund I), a new venture capital fund managed by Breakthrough Energy Ventures (BEV).

Under its current strategic management plan, "FUSION25", Daikin has actively promoted the widespread adoption of high-efficiency inverter air conditioners and heat pumps, alongside utilizing low-GWP (Global Warming Potential) refrigerant, R32. Additionally, Daikin is bolstering efforts in new business areas related to negative emissions and electricity, intending to achieve net-zero by 2050.

To achieve net-zero, Daikin is taking on the challenges of developing technologies such as Direct Air Capture (DAC), Carbon Capture and Utilization (CCU), energy management, and power generation. In order to accelerate these developments further, Daikin will expand its climate tech research and collaborate more with startups at the forefront of these fields, through such strategic partnerships with BEV.

"The key issue for us is how to integrate technologies such as DAC and CCU into our business to achieve net-zero by 2050. In these areas, there are advanced technological and business initiatives mainly in the U.S. and Europe, and challenges, information, and knowledge for social implementation of these technologies are gathered among startups in these regions and Breakthrough Energy," said Yuji Yoneda, Senior Executive Officer and General Manager of Daikin's global Technology and Innovation Center. "We believe that our strength in heat pumps can contribute to achieving net-zero through collaboration with startups and technologies in these areas."

BEV Select Fund I, which Daikin decided to invest in, is a later-stage investment vehicle created to support climate tech companies that have overcome core technical hurdles and are either on the verge of commercial deployment or are already in the marketplace generating revenue.

"The world's entrepreneurs and innovators have made incredible progress unlocking solutions to some of our toughest climate challenges over the past few years. We're honored to help them build great companies and are thrilled that their groundbreaking technologies are ready to make an impact," said Carmichael Roberts, Managing Partner of BEV. "Daikin's investment is validation that by investing in innovation with entrepreneurial know-how and technical expertise, we can build a clean energy future."

Daikin is committed to formulating initiatives that not only preserve but also improve the environment. This commitment is extended to advancing the development of innovative products and technologies aimed at fostering a more environmentally healthy world, collaborating with external partners.

About Daikin

A leading global HVAC&R manufacturer, which now has more than 100 production sites worldwide, operating in more than 170 countries and regions. The company endeavors to make people and spaces healthy and comfortable through the power of "air", while providing products and services that meet the needs of diverse cultures and values around the world.

URL: <https://www.daikin.com/>

About Breakthrough Energy Ventures

BEV is a purpose-built investment firm that invests in, launches, and scales global companies that are building an emissions-free global economy. BEV seeks true breakthroughs and is committed to supporting these entrepreneurs and companies by bringing to bear a unique combination of technical, operational, market, and policy expertise. Backed by many of the world's top business leaders, companies, and investors, BEV has raised more than \$2.5 billion in committed capital and invested in more than 100 groundbreaking companies.

URL: <https://breakthroughenergy.org/our-work/breakthrough-energy-ventures/>