

Hitachi Construction Machinery (UK) Sustainability Policy Statement

Since its founding, Hitachi's heritage has been rooted in delivering products and services that answer society's challenges. Sustainability is not only at the heart of the Hitachi Group Identity, but also inherent in the way we do business and in the products and services we provide.

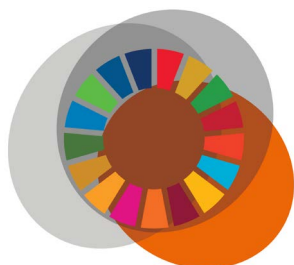
For over 100 years Hitachi has been engaged in helping resolve a wide range of social issues through our social innovation business. In 2015 the United Nations announced 17 sustainable development goals to be achieved by 2030, including goals for ending poverty, fighting inequality and tackling climate change. Hitachi is committed to responding to these challenges and has identified 10 SDG's that pose the most important social challenges for the Hitachi group.

Of these, there are four goals where Hitachi can make significant impact through its business strategy and deliver integrated solutions including;

- recognising the value of water - one in nine people lack access to safely managed water. Hitachi is leading the next generation of integrated water infrastructure by using real time data to efficiently manage water controls and treatment;
- powering change - Hitachi can create clean energy from a variety of sources including renewable energies and offer smart grid solutions to provide a stable and sustainable power supply;
- partnering for innovation - we facilitate open innovation with our partners to create solutions related to smart manufacturing and fintech, turning big data into intelligent action;
- building communities – Hitachi is committed to making cities inclusive, resilient and sustainable. By providing safe and reliable railway solutions.

Hitachi has also identified 6 other SDGs which are linked to our corporate commitment to society:

- investment in people - we aim to use our knowledge and technology to nurture the next generation by carrying out a variety of social contribution activities and promoting career development;
- achieving gender equality – we will provide women with equal access to education and decent work. We emphasise women's participation in decision making and career development for women;
- human rights - as our value chain expands on a global scale Hitachi has encountered diverse working environments business norms and trade practises. The Hitachi group human rights policy highlights our commitment to respecting human rights in our operations and business relationships;



- sustainable consumption and production – Hitachi regularly conducts supply chain monitoring and audits to diagnose associated risks and issues ensuring suppliers adhere to standards. We continue to establish a common understanding of ethical sourcing (in line with the Ethical Trading Initiative (ETI))
- combating climate change - we are committed to creating a low carbon and resource efficient society with minimised impact on natural capital;
- collaborative creation - we will work with government public and private sectors to address shared issues, exchange ideas and create new value for society. Ensuring that procurement activities do not result or aid in areas of conflict or benefit armed groups.

We recognise that as an organisation we can contribute towards the conservation and protection of the natural environment. We are committed to improve our environmental practices and to promote awareness of ethical sourcing and sustainability among our employees, business partners and our customers.

Responsibility

The board of directors, senior management and heads of department shall take overall responsibility for implementing this policy and its objectives, complying with all legal and client requirements and shall provide adequate resources. However, it remains the responsibility of all employees and business partners to ensure that they are vigilant and diligent in monitoring all business activities to ensure compliance with this policy.

This statement applies to all employees, agents and consultants working for Hitachi Construction Machinery UK Ltd. Employees who are engaged in procurement activities are required to familiarise themselves with the content of the statement and other related documents (including Hitachi Construction Machinery UK Ltd Business Partner Due Diligence Policy and associated procurement procedures and instructions) and comply with them.

Summary

Hitachi will continue to strive for sustainable growth with a management structure that is forward-looking and responsive in communicating and engaging with global stakeholders. Working to understand future challenges and addressing social issues head-on, we will advance progress toward the Sustainable Development Goals substantially by 2030. We believe that our own sustainability depends on achieving sustainability in society through our management

There is no doubt that the road to sustainability in 2030 is not an end goal. It is a deep learning and adoption process toward building a more sustainable future and ensuring that basic human needs are met: water, energy, quality of life, and—most importantly—equal opportunity for all to grow and prosper together.

Andrew Shield
Chief Finance Officer



David Roberts
Chief Executive Officer

