

Editorial Policy

The Hitachi Construction Machinery Group publishes an integrated report to provide stakeholders with a deeper understanding of its business model and medium- to long-term strategy for continued value creation, and to create a virtuous cycle of enhancement of corporate value and value co-creation by promoting dialogue with them.

The 2025 report explains the company's management strategies and its initiatives to create sustainable corporate value on a continual basis from both financial and non-financial aspects, placing a focus on "Hitachi Construction Machinery's Vision for the Future."

Summary of Integrated Report 2025

In this integrated report, with a focus on the new "LANDCROS" concept, the CEO and the COO of Hitachi Construction Machinery explain the roles that they are assuming to enhance its corporate value in their respective positions. Then, under the title, "Hitachi Construction Machinery's Vision for the Future," we describe the Hitachi Construction Machinery Group's business strategies and also post special features on the development of DX talent and the remarkable progress of AI in recent years, including reports on a talk between the CDIO and the CHRO and on the roundtable meeting of employees who are making effective use of AI in their jobs.

Under the title, "Strategies to Achieve the Medium-term Management Plan," the CFO explains the company's financial and capital strategies, such as those to be implemented to enhance its capital efficiency, as well as on the changes that have been made to cash allocation. The CFO's explanations include an evaluation of the ROIC tree to provide readers with specific and easy-to-understand details. Further, in the pages on the roundtable meeting of five outside inde-

pendent directors, which was held with Professor Nana Otsuki from the Graduate School of Nagoya University of Commerce & Business serving as facilitator, we share the directors' frank opinions about the results of monitoring the company and the issues faced by it.

Under the title, "Global Business Expansion/Growth Strategy by Region," we provide an overview of our global business strategy, which is followed by the explanations given by our regional general managers on their respective business strategies. In addition, in the report, we show the plan for using digital technologies for the enhancement of our products and solutions in the CTO's message on our technology strategy. Also, with regard to environment, social and governance (ESG) issues, we introduce our initiatives for human capital management and climate change, and include substantial information on our corporate governance in the report.

We have thus worked to disclose a wider range of information in this report to help readers deepen their understanding of the Group's growth story.

Scope of this Report

Target Period

April 1, 2024 to March 31, 2025 (Includes some information about the period starting from Apr. 1, 2025)

Organizations Covered

Hitachi Construction Machinery Group (Hitachi Construction Machinery Co., Ltd. and its consolidated subsidiaries)

Accounting Standards

Unless otherwise specified, financial statements for the fiscal year ending March 31, 2014 or earlier comply with the J-GAAP and financial statements for the fiscal year ending March 31, 2015 or later comply with the International Financial Reporting Standards (IFRS).

Referenced Guidelines

We have prepared the Hitachi Construction Machinery Group Integrated Report 2025 and Sustainability Website in accordance with the GRI Standards and by referring to the International Integrat-

ed Reporting Framework of the International Financial Reporting Standards (IFRS) Foundation and the Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation of the Ministry of Economy, Trade and Industry.

Cautionary Statement Regarding Forward-Looking Statements

The forward-looking statements contained in this integrated report are based on management's assumptions and beliefs in light of information available at the time. Actual business results and performance may differ materially due to future economic conditions, market trends, demand, exchange rate fluctuations, and other factors.

Publication Date

September 2025
Previous Issue: September 2024
Next Issue: September 2026 (tentative)