

## Comment from a partner company

Building Local Circular Ecological Spheres is a true contribution through the Group's main business. I look forward to value creation aimed at the development of local communities and businesses.

### Keiichi Suzuki

Manager, ESG Promotion Sec. CSR & Environment Promotion Dept. Sustainability Promotion Group,  
Hitachi Construction Machinery Co., Ltd.



I think "building the foundation for Local Circular Ecological Spheres" is a good theme characteristic of the Daiei Kankyo Group, which places importance on harmony with the local community in pursuing its business. While it is often said that a company is the public instrument of society, Local Circular Ecological Spheres that create multifaceted value in local communities through waste management and resource recycling are truly a contribution through the Group's main business, demonstrating its strengths. To understand the nature of that contribution is to understand the Daiei Kankyo Group itself. There are still areas where the Group has not expanded its business, and the future potential is also expanding. I look forward to the creation of new value that will lead to the development of local communities and growth of the Daiei Kankyo Group.

I understood that "strengthening the business foundation to become a company with the power to create better environments" is a theme for such stable, sustained contributions. Integrated treatment of general waste and industrial waste is a deeply significant initiative, and I believe transmitting information on this will further increase corporate credibility and social significance. "Contributing to a decarbonized society and reducing our impact on the environment" is a theme that shows the strong awareness of social and environmental issues, and I look forward to initiatives aimed at achieving carbon neutrality by 2050. "Promoting human capital management" is the source of all business, and I therefore think it is important to clearly delineate it as a material issue. The theme of "improving management transparency and Group capabilities" seems to

show the Group's intent to not neglect the fundamental importance of the Company foundation. In particular, "ensuring occupational safety and health" is an indispensable issue. Once the Group sets key performance indicators (KPI) and succeeds in delivering numerical results, its external persuasiveness is likely to increase. While I recognize that the domestic business is currently the Group's main business, I think people will gain a more in-depth understanding of the Daiei Kankyo Group if the perspective of global social issues is also expressed.

### About Hitachi Construction Machinery Co., Ltd.

Hitachi Construction Machinery is a construction machinery manufacturer that is globally expanding its business primarily in the development, manufacturing, sale, and service of hydraulic excavators, wheel loaders, road compaction equipment, and mining machinery.

In addition to the new machinery sales business, Hitachi Construction Machinery is expanding value chain businesses that cover parts and services, remanufacturing (parts & machines), and rental and used equipment, and aims to grow along with its customers as a true solution provider that offers customers innovative solutions.

The company has roughly 26,000 employees globally. In the fiscal year ended March 31, 2024, it recorded consolidated revenue of ¥1,405.9 billion, 84% of which came from overseas sales.

Please see the corporate website for more information.  
<https://www.hitachicm.com/global/en/>

## Comment from our employee

I aim to create a corporate culture where cross-departmental activities bring about ambitious projects.

### Koji Satani

Assistant Manager, Kansai Sales Department,  
Sales Division, Daiei Kankyo Co., Ltd.



While some employees probably feel that "building the foundation for Local Circular Ecological Spheres" does not relate much to their work, it is a theme that pertains to all businesses of the Group. I think we can design more abundant Local Circular Ecological Spheres if everyone thinks a little more deeply about their own work. I want to create a culture that will enable the future generations of employees who join the Company to talk to one another about development of local communities and towns from the perspective of a "vein" (waste management) industry. At the same time, to build Local Circular Ecological Spheres, we will take on investing in intangible assets, such as building resource recycling systems for waste generators to use, and expanding the network linked to those aspects, in addition to the expansion and upgrading of processing facilities. I think this will lead to "strengthening the business foundation to become a company with the power to create better environments."

A system for the development and promotion of young employees who can take on such challenges is also needed. When talking to young employees, I feel that, while they are passionate and ambitious, their perspective does not extend beyond their own department. I look forward to cross-departmental activities such as Next-Generation Business Leader Training by "promoting human capital management" in order to enable young employees to gain new knowledge and learn new skills. I also want to create an atmosphere where ambitious plans are generated within the Company.

### Comment from our employee

I will promote compliance from the ground up to enhance Group capabilities.



Yuki Kawakami

Section Manager, General Affairs Section 2,  
General Affairs Department, Business  
Administration Division, Daiei Kankyo Co., Ltd.

Because the Group's many businesses cannot exist without understanding from local communities, I felt that the selection of "building the foundation for Local Circular Ecological Spheres" as a material issue was highly significant. As the government administrative organizations shrink due to personnel reductions and other factors, the Group will build more cooperative relationships with government institutions and contribute to local community development while earning operating profit. I think this will make local communities and, by extension, Japan a more comfortable place to live.

"Strengthening the business foundation to become a company with the power to create better environments" does not end with maintaining current conditions and resolving problems, and I think it will also need more "creative" measures. I believe that transforming the environment to the extent that ideas and rules on it changes is "creating" an environment. On the other hand, I think "contributing to a decarbonized society and reducing our impact on the environment" needs more detailed measures, such as reducing greenhouse gas emissions and thorough facility management. To implement such measures, "promoting human capital management" is indispensable, and in this theme, I discerned the Company's intent to develop human resources.

Finally, I am in charge of legal matters, so "improving management transparency and Group capabilities" is a theme that is deeply intertwined with the work I do. I want to strengthen information security and promote compliance from the ground up.

### Comment from our employee

I want to prioritize trust and contribute to strengthening internal controls from a broad perspective.



Haruna Takagawa

Audit Office, Daiei Kankyo Co., Ltd.

One reason I joined the Company was because the founders' belief that "The Future Comes from Trust." resonated with me. For "promoting human capital management," I think developing human resources who will pass down this founders' spirit will strengthen the Group's capability. I also look forward to an increase in the percentage of female managers. Regarding "improving management transparency and Group capabilities," as we are required to respond to many changes day after day in the pursuit of M&A and digital transformation (DX), it is important to develop trust with each location involved and proceed with operations in a steady, prudent manner. I want to incorporate information from a broad range of perspectives in evaluating internal controls, which I am responsible for, to make sure that it leads to ensuring the trust and growth of the Group.

I think "strengthening the business foundation to become a company with the power to create better environments" is important for making sure the business is sustainable over the long term. Securing the remaining portion of the required capacity of final disposal sites is especially an important issue. The subject of the environmental impact from landfill comes up in conversation frequently when I visit the various business locations, and increasing processing capacity and progress on recycling technology is essential. "Contributing to a decarbonized society and reducing our impact on the environment" requires community-wide initiatives, so I want to continuously contribute to initiatives aimed at decarbonization that the Group is pursuing through its business.

### Comment from our employee

I will work to foster a sense of personal responsibility to think about issues and develop key actors.



Norihisa Shirotani

Assistant Manager, Enterprise Department,  
Enterprise Division, Daiei Kankyo Co., Ltd.

As many differences between local areas such as population decline emerge in Japan, the role of our Group is to engage in close dialogue with local communities and contribute to building the foundation for local residents' lives through its business. I think "building the foundation for Local Circular Ecological Spheres" is a theme that expresses the reason why our Group exists. "Contributing to a decarbonized society and reducing our impact on the environment" is also absolutely essential for a company that is responsible for social infrastructure. I also strive to pursue measures to reduce CO<sub>2</sub> emissions and foster awareness through environmental management, which I am in charge of. I believe if employees think of this issue as their own, it will help reduce business risk and realize decarbonization of society. In addition, we need to continue our efforts to develop more advanced resource recycling systems and develop new technology. That is because the ability to transform waste into resources and return them to nature will lead to the provision of services that enable us to differentiate our services from others.

"Promoting human capital management" is an urgent issue, and we need to develop leaders who possess the founders' spirit of pursuing local community-based business as we expand our business areas. I also want to pursue environmental initiatives that embody the founders' spirit and provide sound environmental education that will help develop key actors.