



HYSTER-YALE

MATERIALS HANDLING

CORPORATE RESPONSIBILITY REPORT

2019



hyster-yale.com



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I. INTRODUCTION



HYSTER-YALE GROUP CEO MESSAGE

Colin Wilson

President and Chief Executive Officer
Hyster-Yale Group, Inc.



Hyster-Yale is a leading, globally integrated, full-line lift truck manufacturer. We offer a broad array of solutions aimed at meeting the specific materials handling needs of our customers. These solutions include attachments and hydrogen fuel cell power products provided by our wholly owned subsidiaries, Bolzoni and Nuvera. In addition, we offer telematics, automation and fleet management services, as well as an array of other power options for our lift trucks.

We run our business with a long-term view, and we have established goals and strategic initiatives to help us achieve our long-term business objectives. Built into our strategic initiatives and underlying our overall strategic planning process is a broad program designed to ensure strong corporate responsibility. Environmental and social matters are an integral part of effective governance, and we believe that incorporating these matters will bring the best long-term value to our stockholders. By embracing social, environmental and economic health in every part of our organization, we are serving the interests of the company and our stockholders while helping contribute to solving challenges that impact our customers and our communities.

We have established specific cost-effective targets through our Hyster-Yale 2026 Vision Program as compared to a 2015 baseline:

- **Carbon Footprint:** Strive to reduce carbon emissions by 30%
- **Pollution Prevention:** Strive to reduce VOC emissions from painting operations by 30%
- **Waste to Landfill:** Strive to achieve zero waste to landfill at all sites
- **Hazardous Waste:** Strive to reduce hazardous waste by 30%
- **Product Responsibility:** Strive to offer alternatives that enable customers to cost-effectively reduce carbon emissions
- **Resource Consumption:** Strive to reduce water consumption by 20%
- **Health and Safety:** Strive to reduce annual injury/illness rates to zero
- **Employees and Communities:** Strive to expand various programs supporting the communities in which we operate

The following report demonstrates our continued commitment to corporate responsibility, showcasing our company's innovation and performance of our 2026 Vision Program to minimize our impact on the environment and conserve natural resources. I am proud of our accomplishments thus far and look forward to reporting our future successes in these areas.

Colin Wilson

REPORT BOUNDARY

Hyster-Yale Materials Handling, Inc. and its subsidiaries, including its operating company, Hyster-Yale Group, Inc. is a leading, globally integrated full-line lift truck manufacturer. Subsidiaries of Hyster-Yale Group, Inc. include Nuvera Fuel Cells, LLC, an alternative power technology company focused on fuel cell stacks and engines; and Bolzoni S.p.A., a leading worldwide producer of attachments, forks and lift tables under the Bolzoni®, Auramo® and Meyer® brand names. For the purposes of this report, we will use “Hyster-Yale” when referring to Hyster-Yale Group, Inc. and Hyster-Yale Materials Handling, Inc.

In 2018, we updated our Corporate Responsibility Priorities Assessment to help clarify our corporate responsibility strategy and improve its alignment with the environmental, social and governance topics that impact our stakeholders. Our internal stakeholders and our leadership team rated topics based on the degree of concern to them, as well as the current or potential impact to Hyster-Yale. We have used the results of this Priorities Assessment to define the content of this report, including three primary focus areas: Our Business, Our World and Our People. Supporting key performance indicators (KPIs) have been included within the appendix of this report.



Our Business

- Market presence
- Corporate profitability
- Supply chain practices
- Indirect economic impacts
- Anti-corruption



Our World

- Environmental compliance
- Emissions
- Effluents and waste
- Energy
- Materials
- Water use and conservation



Our People

- Occupational health and safety
- Customer health and safety
- Employment
- Training and education
- Diversity and equal opportunity
- Engagement with local communities

Hyster-Yale issues a Corporate Responsibility Report on a biennial cycle (our last report, through financial year 2016, was issued in 2017 and is available at www.hyster-yale.com). This report reflects our corporate responsibility performance through financial year 2018.

The environmental, health and safety data presented within this report covers manufacturing and non-manufacturing sites within our Americas, European and Asia-Pacific divisions for Hyster® and Yale® lift trucks; Bolzoni®, Auramo® and Meyer® attachments (U.S. only); Nuvera® fuel cells; and excludes Hyster-Yale joint ventures. The financial data presented within this report covers all entities of Hyster-Yale Materials Handling, Inc.

The majority of the data presented within this report is subject to internal and external audits in accordance with our corporate internal audit protocols and our Environmental Management System ISO 14001 and OHSAS 18001 and 45001 Occupational Safety Management System requirements. Data which supports our goals to reduce greenhouse gas (GHG) emissions was obtained from internal calculations and was verified by an external consultant in 2018.

II. OUR BUSINESS



At Hyster-Yale, we believe that strong leadership, ethical and fiscal responsibility, and customer satisfaction are the building blocks of a responsible and sustainable enterprise. We strive for excellence in everything we do, including our business management.

MARKET PRESENCE

Hyster-Yale is a leading, globally integrated, full-line lift truck manufacturer. We continue to offer a broad array of solutions aimed at meeting the specific materials handling needs of our customers. These solutions include attachments and hydrogen fuel cell power products provided by our wholly owned subsidiaries, Bolzoni S.p.A. and Nuvera Fuel Cells, LLC. In addition, we offer telematics, automation and fleet management services, as well as an array of other power options for our lift trucks.

Our Brands



Hyster® and Yale®

Maintain leading market share positions, both in the Americas and worldwide



Nuvera®

A power option brand for fuel cell stacks and engines for mobility applications



Bolzoni®, Auramo® and Meyer®

Brand leaders of attachments for industrial material handling applications

Our Global Presence

Our **wide global presence**, among the largest of all materials handling manufacturers, enables Hyster-Yale Group to commit the resources necessary to ensure that our products are some of the most innovative in the industry.

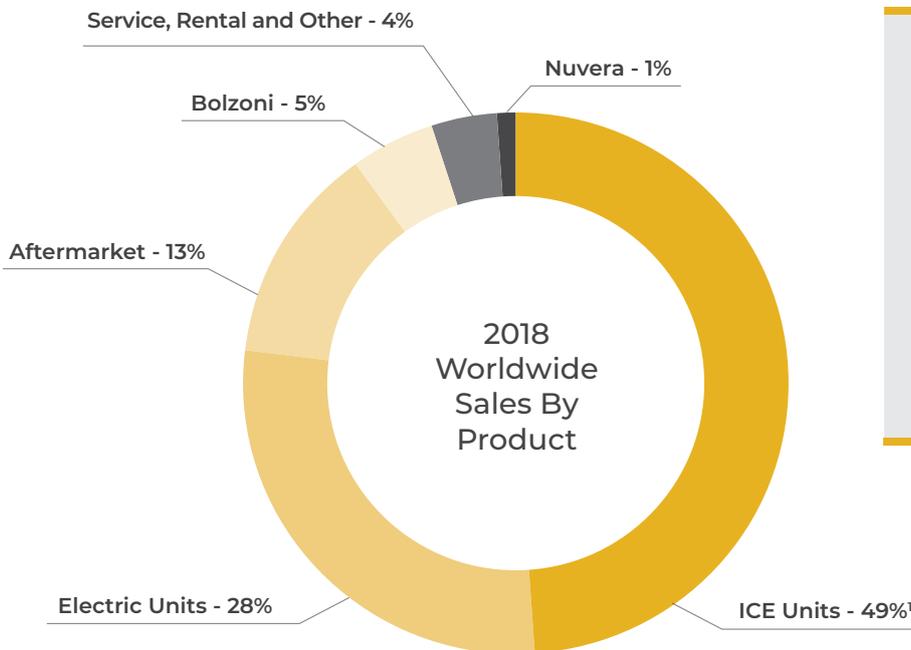


Our Products

Our goal is to create solutions that enable our customers to improve the overall efficiency and effectiveness of their businesses. We collaborate closely with all aspects of our value chain to deliver high-quality, high-performance products that meet or exceed customer expectations.

Product development is informed, ongoing and proactive. Our solutions are customer-focused, including special engineering processes to customize products designed specifically for the purchaser. As such, we have implemented six strategic initiatives to optimize innovation, ensure customer satisfaction and drive our global business.

	Provide the lowest cost of ownership while enhancing productivity for customers
	Be the leader in the delivery of industry- and customer-focused solutions
	Be the leader in independent distribution
	Grow in emerging markets
	Be the leader in the attachments business
	Be a leader in fuel cells and their applications



As of December 31, 2018, Hyster-Yale products were used in a wide variety of end user applications and utilized in more than **780 industries worldwide.**

¹ Includes Big Truck sales that represent 12.9% of total sales

*Information provided as of February 27, 2019 and has not been updated since that date

Awards

The Yale® GP040-060MX pneumatic tire lift truck received Plant Engineering's annual Product of the Year award for the second consecutive year in 2018, recognizing superior innovations that help businesses achieve greater performance.

Independent, third-party testing revealed that the MX outperformed its direct competitor by using 14.4% less fuel, moving 6,000 more loads over 2,000 hours of operation and delivering 20.4% more power. The MX also offers substantial cost savings in periodic maintenance and replacement parts.



The Chicago Athenaeum recognized Hyster-Yale with our fourth-consecutive GOOD DESIGN™ Award, honoring the best talent in global design and manufacturing. This award recognizes the four-wheel counterbalanced lift truck, which provides lithium-ion power available as an OEM option from the factory.

This innovative design enables operations to mitigate the additional costs and maintenance associated with traditional lead-acid batteries and reap performance and charging benefits.



For more information on our Brands, Markets and Products,
please visit [Hyster-Yale Business Highlights](#).

CORPORATE PROFITABILITY

Hyster-Yale's vision is to be a leading, globally-integrated designer, manufacturer and marketer of a complete range of lift truck solutions by leveraging its high-quality, application-tailored lift trucks, attachments and power solutions to offer the lowest cost of ownership and the best overall value to our customers.

We believe that the economic benefits we achieve from executing a strong corporate responsibility approach will lead to increased revenues and improved profitability over the long term.

2018 Financial Results

Revenues:

\$3.2 billion

Operating Profit:

\$38.8 million

Net Income:

\$34.7 million

Cash:

\$83.7 million

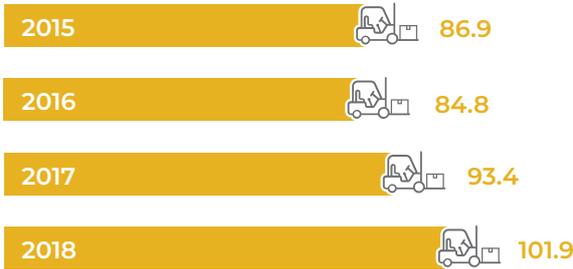
at Dec. 31, 2018

Net Debt:

\$217.8 million

at Dec. 31, 2018

Unit Shipments (thousands)



Revenues (billions)



PERFORMANCE HIGHLIGHT



9% increase in lift truck shipments to 101,900 units



10% increase in revenues to \$3.2 billion

For more information on our Investor Relations and Financial Performance, please visit [Hyster-Yale's Investor Information](#).

SUPPLY CHAIN PRACTICES

At Hyster-Yale, our supply chain is a key component in ensuring that our facilities are provided with the parts and services needed to meet our high-quality expectations. Our carefully constructed network includes large international suppliers as well as smaller specialized providers, all of which are required to meet the stringent requirements outlined in our [Supplier Quality Manual](#) and [Code of Conduct for Business Partners](#).

All suppliers are verified by our global Supplier Quality Engineering (SQE) team who audit and assure every aspect of our supplier relationships.

Hyster-Yale is committed to collaborating with our suppliers to help improve their product readiness, distribution processes and environmental responsibility. These productive relationships allow Hyster-Yale to deliver finished products that are high quality, high performance and high value, while also being environmentally conscious.

Green Supply Chain Award

In recognition of our continued leadership in supplier sustainability initiatives, Yale Materials Handling Corporation was listed as one of Inbound Logistics' top 75 Green Supply Chain Partners (G75) for the seventh consecutive year thanks to its lithium-ion and hydrogen fuel cell power systems and telemetry solutions.



Supplier Screening Process

As part of our Supplier Screening Process, we require all direct material suppliers to ensure that they and their suppliers are 100% compliant with the following:

- [Modern Slavery Statement](#)
- [Conflict Minerals Policy](#)
- [Supplier Expectations Manual](#)
- All applicable data privacy laws
- All applicable environmental laws



For more information on our Supplier Network and Documentation, please visit [Hyster-Yale Supplier Network](#).

INDIRECT ECONOMIC IMPACTS

We recognize the importance of innovation within our business and are committed to the responsible investment in initiatives that support the longevity of our business and the continued satisfaction of our customers.

We Reinvest in Every Aspect of Our Business

Capital expenditures are focused on a set of transformational product, manufacturing, IT, sales and marketing programs providing lower cost of ownership and enhanced productivity for Hyster-Yale's customers.



Our Business

- Product innovation
- Facility infrastructure and retrofits



Our World

- Environmental compliance
- Efficiency upgrades



Our People

- Employee development
- Community outreach and corporate donations

ANTI-CORRUPTION

At Hyster-Yale, we believe that accountability is vital across every level of our value chain, from our suppliers to our management team. We take pride in our proactive measures to go beyond compliance and ensure that we are operating ethically, responsibly and safely at every level of our business.

We recognize our responsibilities to our customers, employees, dealers and the environment and the communities in which we work and live.

To support these pillars of corporate governance, we require that all directors, officers and employees adhere to our highest standards of legal and ethical conduct, as outlined in our [Code of Corporate Conduct](#) and [Corporate Governance Guidelines](#).

FOUR KEY ELEMENTS OF OUR CORPORATE GOVERNANCE PROGRAM

- Effective oversight
- A strong, independent board
- Responsible compensation
- Auditing and accounting integrity

For more information on our Anti-Corruption and Corporate Governance policies, please visit [Hyster-Yale Corporate Governance](#).

A photograph of a dense forest with tall trees and vibrant green foliage. Sunlight filters through the canopy, creating a bright, dappled light effect. The ground is covered in fallen leaves and grass.

III. OUR WORLD

Hyster-Yale consistently strives to produce high-quality products while mitigating our environmental footprint and closely monitoring our performance and progress against our environmental targets.

ENVIRONMENTAL COMPLIANCE

Protection of the environment is a highly regulated area, with increasingly complex requirements and penalties for violations. We are committed to accomplishing our business objectives in a manner that ensures our compliance obligations are met and require all company personnel to ensure environmental safety as outlined in our [Code of Corporate Conduct](#).

At a minimum, all company personnel, contactors and suppliers are required to adhere to the following guidelines:

Comply with all applicable environmental, health and safety requirements	Advise supervisors of any potential environmental or safety hazards
Keep all work areas free from environmental, health and safety hazards	Fulfill all compliance obligations of the company and government agencies

EMISSIONS

Hyster-Yale consistently strives to reduce our operational energy use and mitigate our carbon footprint throughout all of our global operations. Our operational energy management strategy is founded on three key goals:



Efficiency

- Reduce energy consumption within our operations
- Pursue renewable energy and other low-carbon sources, as applicable



Engagement

- Collaborate with suppliers to understand their energy challenges and develop solutions



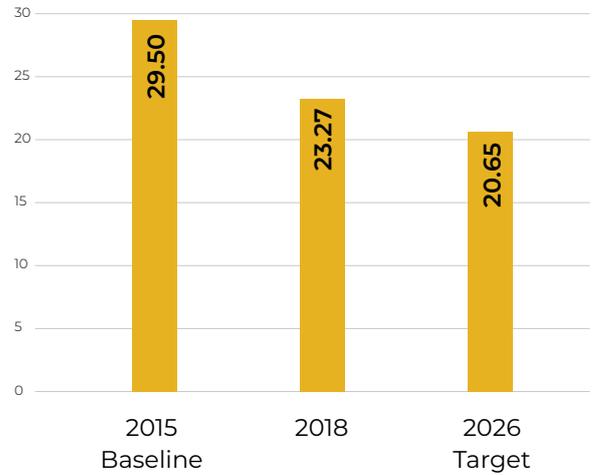
Innovation

- Design and deliver products that improve energy efficiency and decrease operating costs

Carbon Emissions

Our goal is to reduce our global carbon emissions by 30% by 2026 as compared to our 2015 baseline. In 2018, global operations reported a 21% emissions reduction compared with our 2015 baseline – a noteworthy achievement representing 70% progress toward our 2026 target. Progress was achieved through several initiatives, including the natural decarbonization in grid emission rates and fuel mixes, and innovative energy efficiency projects across our locations.

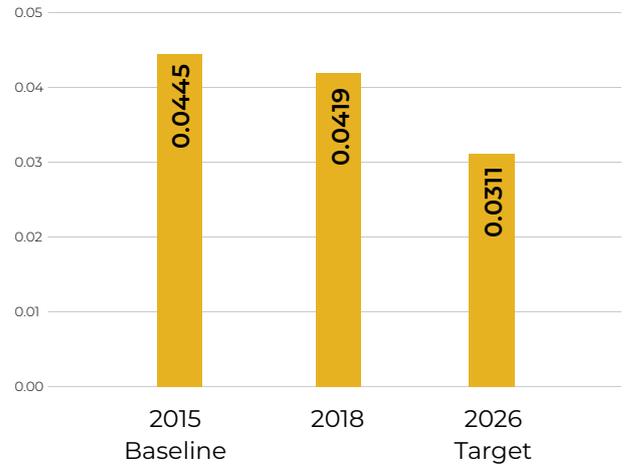
Carbon Emissions Performance
(MT/1000 SOE)



VOC Emissions

Our goal is to reduce VOC emissions from painting operations by 30% by 2026, as compared to our 2015 baseline. In 2018, global operations reported a 6% decrease compared with 2015. Please note that we have completed a recalculation of our VOC emissions baseline since our previous report due to changes within our reporting boundary in accordance with The Climate Registry (TCR) General Reporting Protocol.

VOC Emissions Performance
(MT/1000 SOE)*



*Note: Efficiency is evaluated based on sequence of event (SOE) hours, which normalizes our KPIs to account for changes in business volume.
VOC emissions are now monitored in metric tons compared to Kilograms in the previous report.



PERFORMANCE HIGHLIGHT

2018 emissions resulted in a 21% reduction compared to our 2015 baseline, equivalent to a 70% achievement of our 2026 target.

EFFLUENTS AND WASTE

As a global manufacturer of industrial products, we recognize the importance of responsible material use and strive to mitigate our waste footprint across all aspects of our value chain.



Our approach incorporates the three elements of responsible waste management:



Reduce

- Minimize and reduce landfilled waste at all global facilities
- Encourage non-pollution technologies in product research and development



Reuse

- Remanufacturing Program to return used parts and replace them with remanufactured items
- Ensure multiple lifecycles of our reusable parts, mitigating the need for raw materials for new parts



Recycle

- Targeted use of returnable packaging across our product lines
- Emphasized use of material reduction and recyclability for expendable packaging
- Supplier Packaging Guidelines to promote the use of recyclable materials

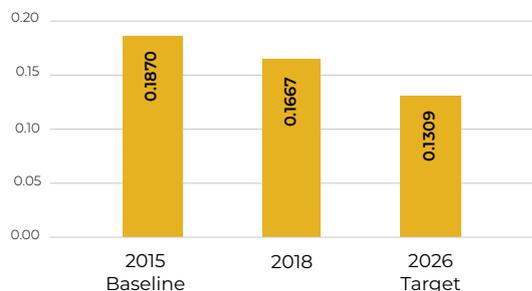
Hyster Company was the proud recipient of a **2018 California Climate Investments (CCI) Grant** to support the development of a zero-emissions container handling truck powered in part by a Nuvera® fuel cell. Funding will support the development and manufacturing of this product for an end-user in the Port of Los Angeles.

2018 Waste Performance & Progress

Hazardous Waste

- **2026 Goal:** Reduce hazardous waste by 30%, as compared to our 2015 baseline.
- **Progress:** In 2018, global facilities reported an 11% reduction in hazardous waste compared to our 2015 baseline, equivalent to an achievement of 37% of our 2026 target in just three years.

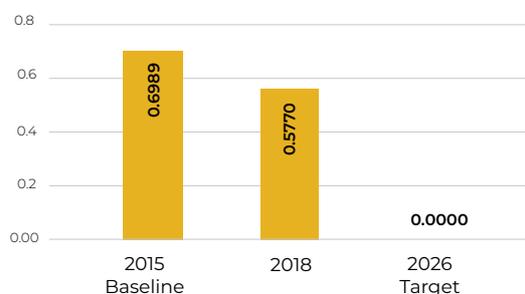
Hazardous Waste Comparison
(MT/1000 SOE)



Waste to Landfill

- **2026 Goal:** Achieve zero waste to landfill with all global facilities.
- **Progress:** In 2018, global facilities continued their dedication to waste reduction, reporting a 17% reduction in landfilled waste compared to our 2015 baseline.

Waste to Landfill Performance
(MT/1000 SOE)*



Note: Efficiency is evaluated based on sequence of event (SOE) hours, which normalizes our KPIs to account for changes in business volume.
*Waste to Landfill is now monitored in metric tons compared to kilograms in the previous report.

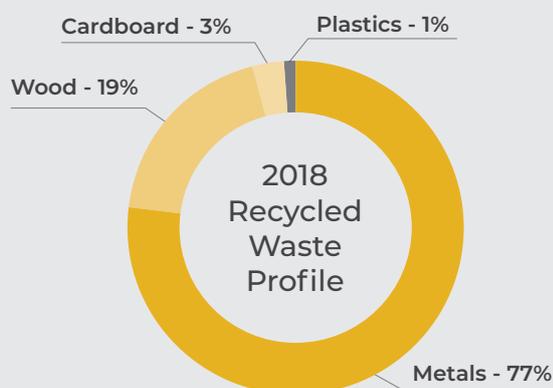
Waste Reduction Initiatives

In 2018, the Hyster-Yale headquarters for Europe, Africa and the Middle East located in Frimley, U.K. implemented several waste reduction initiatives:

- Removal of 130 desk trash bins to encourage increased recycling
- A 67% reduction in magazine subscriptions to reduce paper waste
- Increased placement of recycling receptacles resulting in a 20% reduction of total waste
- Printing Reduction Initiative resulting in over 41,000 fewer pages printed
- Introduction of refillable water stations resulting in a reduction of over 4,800 single-use plastic water bottles

PERFORMANCE HIGHLIGHT

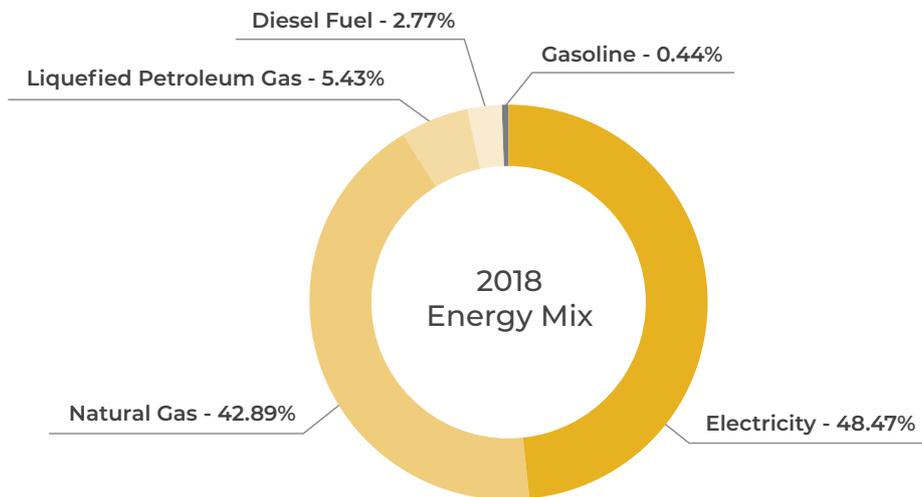
Global facilities recycled over 24,000 metric tons of waste in 2018, including a variety of plastics, cardboard, wood and metals that would have otherwise been landfilled or incinerated.



ENERGY

At Hyster-Yale, we use energy to create powerful products – and we recognize the importance of managing our energy consumption as efficiently as possible. In addition to reducing our energy footprint within our direct operations, we continue to innovate and develop clean energy alternatives as part of our product portfolio. Our fuel cell applications and lithium-ion battery powered products enable our customers to achieve significant carbon reduction goals, further helping us to drive change toward a cleaner, more sustainable environment.

Normalized energy consumption within our global operations decreased 8% for 2018 as compared with the 2015 baseline. Reductions are attributed to our transition toward a less carbon-intensive energy mix as well as our overall reduction of energy use through energy conservation initiatives within our global operations.



TOP GREEN PROVIDER

In 2018, Yale Materials Handling Corporation was listed as a Food Logistics Top Green Provider for the sixth consecutive year in the alternative energy, materials handling and lift trucks categories. This award recognized our lithium-ion and hydrogen fuel cell advanced power solutions that improve both customer sustainability and lift truck performance.



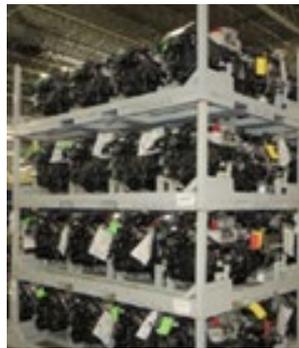
MATERIALS

As a company focused on meeting the materials handling needs of our customers, we recognize that our sourcing, selection and management of materials within our products has a direct impact on product efficiency and customer performance. We strive to mitigate our use of raw materials and responsibly manage our products and packaging well beyond our manufacturing facilities.

- **Raw materials:** Our Remanufacturing Program covers 12 key components and enables our customers to exchange used parts for remanufactured items. As such, we have optimized our use of raw materials and enabled valuable resources to remain in circulation for multiple lifecycles.
- **Returnable packaging:** Our Returnable Packaging Program continues to be a focus of our own materials handling initiatives resulting in increased packaging lifespan, diverted waste from landfills and reduced operating costs.
- **Load efficiency:** Our logistics team relies on innovative technologies to ensure that transportation loads are optimized, thus reducing the number of trips our carriers must complete and minimizing the environmental impact of our shipments.

In 2018, our packaging engineers focused on various freight density improvements in direct support of our 2026 emissions and waste performance targets.

- Transition from wood crates to returnable racks for engine packaging
- Transition from wood crates to returnable stillage for door packaging



As a result, we were able to achieve the following annual reductions:



Land Miles:
Semi-truck
753,778



Nautical Miles:
Cargo Ship
293,006



Landfill Tonnage:
20.2

WATER USE AND CONSERVATION

Our commitment to ensuring responsible water use is global in scale. All Hyster-Yale facilities are encouraged to reduce their water consumption and are monitored and metered wherever possible.

We recognize water as a vital resource and are continuously seeking opportunities to optimize our manufacturing processes to reduce waste water through capital investments, process and facility upgrades and employee awareness campaigns. Our primary water uses within our operations include cooling and process water, employee consumption and sanitation facilities.

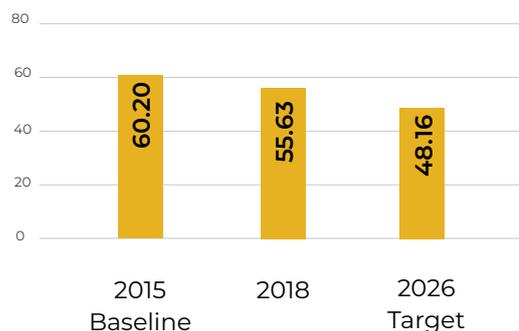
Our goal is to reduce total water consumption by 20% in 2026 as compared to a 2015 baseline. Normalized water consumption decreased nearly 8% in 2018 compared with 2015, equivalent to nearly 38% progress toward our target thus far.



Water Performance

The Biodiversity Program at our Craigavon facility in Northern Ireland implemented a mixture of wildflower beds and conservation areas across the site to promote biodiversity and environmental resiliency. To date, monitored results include increased pollinator presence, return of wildlife and the propagation of groundcover for improved runoff management and watershed health.

Water Performance (1000 L/1000 SOE)



Note: Efficiency is evaluated based on sequence of event (SOE) hours, which normalizes our KPIs to account for changes in business volume.

IV. OUR PEOPLE



At Hyster-Yale, we believe that our people are the foundation of our success. We maintain an unwavering commitment to our employees and the communities in which we work and live, fostering a culture of respect, safety and empowerment, and ensuring that all team members are valued and engaged at every level of our organization.

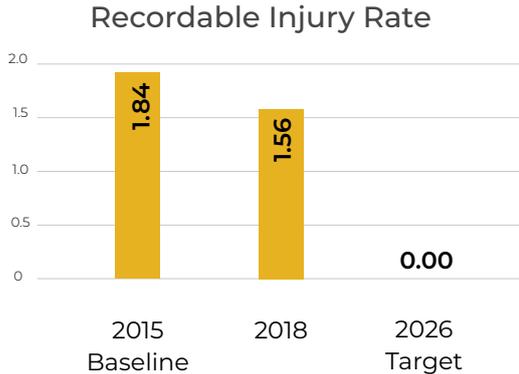
Outside of work, we celebrate our embedded role within our communities and champion a variety of outreach activities across the globe. We are proud of the impact we continue to make with our engagement activities including charitable donations, volunteerism and educational outreach.

OCCUPATIONAL HEALTH & SAFETY

Strong health and safety performance is essential for the success of our company. Our “Safety First” framework includes the monitoring and measurement of key performance indicators as we strive to ensure the health and safety of our employees.

We believe that any occupational injury or illness should be avoided, and require that all of our employees be effectively trained and responsible for the assurance of safety on a daily basis. Employees are encouraged to initiate safety improvements, participate in safety committees and reinforce safety behaviors at all times.

Our continued goal is to reduce the global recordable injury rate to zero. In 2018, we achieved a 15% reduction compared with a 2015 baseline and will continue to drive health and safety practices throughout all of our global operations.



In 2018, our Greenville, North Carolina operations were awarded the Carolina Star Recognition (OSHA VPP) from the State of North Carolina for the eighth consecutive year. This designation recognizes employers and facilities that go beyond meeting the minimum requirements of the OSHA safety standards and maintain a rigorous set of safety practices within their operations. The Greenville campus was also recognized by the State of North Carolina Department of Labor for having worked two million man-hours without a lost time incident.

CUSTOMER HEALTH & SAFETY

We closely manage our compliance with government and industry product safety regulations. The majority of new products we provide to our customers follow a carefully structured and rigorous six-stage development process, with truck production taking place within ISO- and OHSAS-certified manufacturing facilities located in North America, South America, Europe and Asia. Each Hyster-Yale manufacturing site uses state-of-the-art processes and rigorous testing to ensure that all products meet or exceed application requirements well before they reach our customers.

EMPLOYMENT

Hyster-Yale recognizes that the sustainability of our culture and success is strengthened when our employees are respected, motivated and engaged. We work to match our employees with the most stimulating and rewarding assignments to capitalize on the skills, talent and potential of all individuals.

We continually invest in recruiting and employment initiatives that attract a diverse pool of skilled individuals. As demonstrated at right, our workforce continues to grow, including a 43% increase in total global employee count since 2015.



Please note: Global employee count represents all employees of Hyster-Yale Materials Handling, Inc.

PERFORMANCE HIGHLIGHT

In 2018, Hyster-Yale was a sought-after panelist at the North Carolina East Alliance State of the Union, presenting on the importance of STEM activities as they relate to workforce development and strategic recruitment.

Our Craigavon, Irvine, Frimley and Nijmegen facilities were awarded varying levels of accreditation for Investors in People. This accreditation recognizes our commitment to employing, developing and retaining our people as well as our dedication to sustainability, performance and growth.



7 Core Competencies

Our employment is based on seven core competencies for all employees:

- 

Be innovative
- 

Be strategic
- 

Engage others
- 

Demonstrate presence
- 

Drive for results
- 

Develop and empower
- 

Demonstrate business acumen

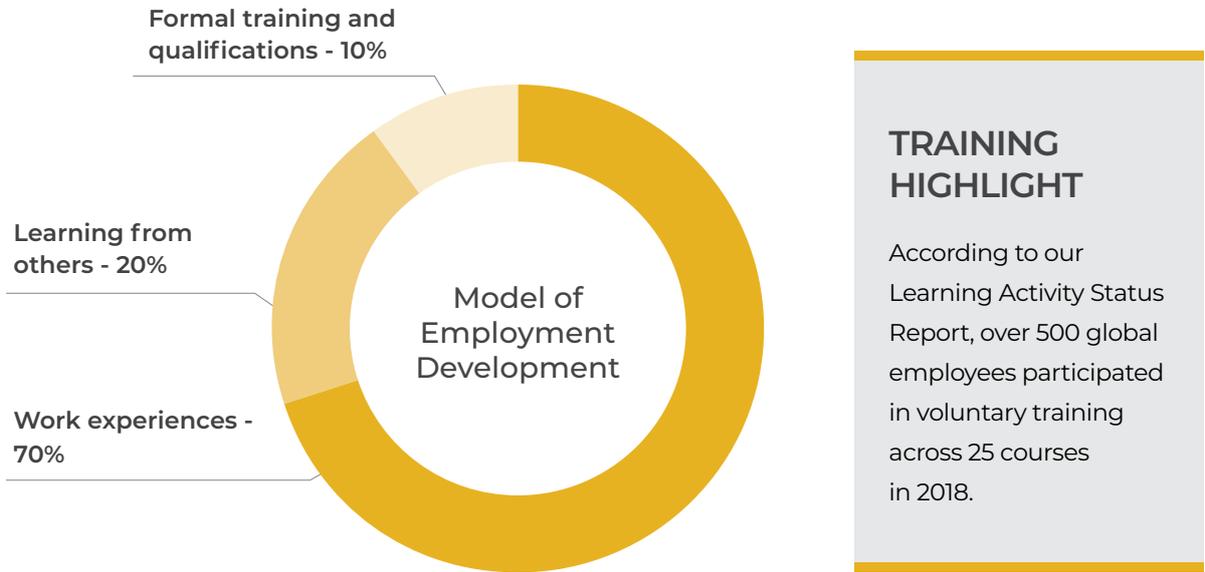
TRAINING AND EDUCATION

We encourage our employees to pursue professional and personal development through training and educational opportunities such as our Learning and Development Guide and our Hyster-Yale Learning Center. Each employee is provided access to this guide and the digital learning platform, providing a comprehensive outline of the wide variety of development opportunities available to all employees at little or no cost. Courses are organized into four main stages:



Courses

Once the employee has identified which of the development stages are most appropriate for their career, they are encouraged to explore the individual course offerings within each stage, identify learning and development goals, and facilitate a discussion with their manager.



DIVERSITY AND EQUAL OPPORTUNITY

At Hyster-Yale, we believe in hiring, engaging, developing and promoting people who are fully able to meet the demands of each position, regardless of race, color, religion, gender, sexual orientation, gender identity, national origin, age, veteran status or disability.

We are the proud employer of a diverse and growing workforce and work hard to ensure that all employees are treated fairly with dignity and respect.

We strive to be an employer that empowers and includes all employees, and we proactively monitor our performance in these areas. For many years, we have conducted a comprehensive Employee Engagement Survey for all global operations, receiving representation from over 75% of our workforce in 2018. A snapshot of our most recent results is provided below.

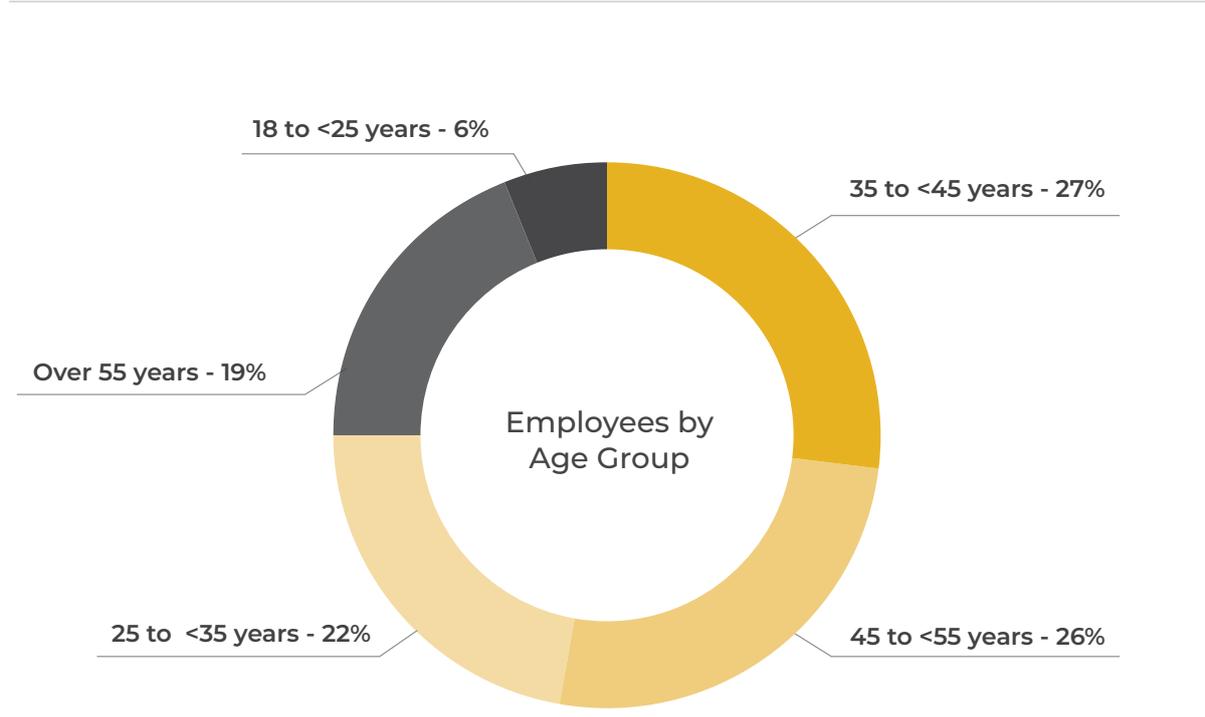
Of the employees participating in our 2018 Employment Engagement Survey:



- Believe that the company is a responsible corporate citizen as it relates to environmental and social sustainability.
- Reported that they would recommend Hyster-Yale as an employer to a close friend or family member.



- Reported that they are “extremely satisfied” with the company, feel respected by their coworkers, and are proud to work at Hyster-Yale.
- Reported that they are treated with dignity and respect.



ENGAGEMENT WITH LOCAL COMMUNITIES

We are proud to support our local communities and celebrate the impact our engagements have made within these areas. As a major employer within our operating locations, we are committed to helping our communities remain safe, healthy and resilient for generations to come. Our historical engagement covers a wide range of activities, including:



Corporate Donations

- Our Charitable Pay Deduction Program enables employees to donate part of their salary to charitable causes.
- Our Corporate Donations Committee meets regularly to review charitable giving opportunities and ensure that we are reinvesting into the communities in which we work and live.



Volunteerism

- We actively encourage all employees to volunteer within our communities and support employee group volunteering initiatives across the globe.



Education

- We are an active partner of local school initiatives and several local universities and colleges, regularly attending educational seminars, career fairs and trade technology seminars.

In 2018, we continued to monitor and consolidate global community engagement initiatives as part of our annual corporate responsibility review. We were pleased to receive close to 50 examples of engagement initiatives completed by our global locations and are proud of our employees' commitment to supporting our local communities. For the purposes of this report, a small sample of global community engagement initiatives has been provided below:

Berea, Kentucky

In addition to providing monetary support, our Berea facility regularly donates scrap metal to local technology schools for use in welding practice. Engines and transmissions that would otherwise be scrapped are donated for use in their automotive programs, affording students the opportunity to practice and become more adept in their chosen trade.



Craigavon, Northern Ireland

We seek to establish a workplace culture that enables anyone with mental health issues to be assured that they will be treated with dignity and respect by all. In April 2018, our Craigavon facility was one of the first signatories to the Mental Health Charter, a joint project between the Equality Commission, Action Mental Health, Change Your Mind, Disability Action, Mental Health Foundation, MindWise and Niamh.



Greenville, North Carolina

The Relay For Life movement is the American Cancer Society's signature fundraiser dedicated to helping communities fight cancer. Our facility in Greenville, North Carolina has continued to support the Pitt County Relay for Life for several years, including awareness initiatives and volunteer hours, while donated funds amounted to \$28,000 in 2018.



Brazil

In 2018, employees at our Brazil location participated in a donation campaign to collect and donate gifts and clothing for 60 children at the Casa do Menor Institution. This institution cares for children who were abandoned by their relatives or who are at imminent risk. Gifts were donated, wrapped and presented to the institution for delivery to the children on Christmas Eve.



Nijmegen, Netherlands

Our Nijmegen facility maintains a strong partnership with local schools and universities, providing training, refugee learning programs, tours and approximately 60 internships each year. Historically, almost 10% of the students who participate in the internship program have returned to Hyster-Yale for a full-time employment position.



Masate, Italy

Our Masate facility donated to the Ali per Volare organization, a local non-profit dedicated to providing aid to children located in developing countries.



Greenville, North Carolina

In 2018, Greenville Green Team members volunteered for an Earth Day event to remove trash and debris near a retention pond and adjacent property between the Greenville Plant and Americas Headquarters. Approximately 400 pounds of trash were collected and disposed of responsibly.



Portland, Oregon

Employees from our Portland facility volunteered at the Oregon Food Bank to package approximately 17,500 pounds of food items, equivalent to 14,493 meals. Donated food was then delivered to families within the local community to alleviate hunger and support equal access to nutritious meals.



CLOSING

Hyster-Yale remains committed to ensuring corporate responsibility throughout all aspects of our organization, and we're proud of the strong progress we've made since our 2017 Corporate Responsibility Report. We believe that our innovation and performance in these areas continues to demonstrate our support of a more sustainable world and will continue to drive efficiency, safety and improvement on a global scale. In support of our 2026 Vision, in the coming year we plan to:

- Pursue comprehensive reporting and improved performance for recent acquisitions
- Promote internal education and awareness for corporate responsibility performance for recent acquisitions
- Strengthen our corporate responsibility governance mechanisms
- Continue to strive toward achievement of our 2026 goals

We're excited for the future and look forward to sharing our progress in our next Corporate Responsibility Report in 2021.

Contact Us

If you have comments or questions about this report, send us an [email](#).

APPENDIX

Key Performance Metrics

Our 2018 key performance metrics are provided below in alignment with our 2026 corporate responsibility targets:

CATEGORY	2026 TARGET	2015 BASELINE	2018 PERFORMANCE	UNIT OF MEASUREMENT
CARBON FOOTPRINT	Strive to reduce carbon emissions by 30%	29.50	23.27	MT CO2/1000 SOE
POLLUTION PREVENTION	Strive to reduce VOC emissions from painting operations by 30%	0.0445	0.0419	MT/1000 SOE*
WASTE TO LANDFILL	Strive to achieve zero waste to landfill at all sites	0.6989	0.5770	MT/1000 SOE*
HAZARDOUS WASTE	Strive to reduce hazardous waste by 30%	0.1870	0.1667	MT/1000 SOE
PRODUCT RESPONSIBILITY	Strive to offer alternatives that enable customers to cost-effectively reduce carbon emissions	Fuel cell engine development, lithium-ion battery powered products		
WATER CONSUMPTION	Strive to reduce water consumption by 20%	60.20	55.63	1000 L/1000 SOE
HEALTH AND SAFETY	Strive to reduce annual injury/illness rates to zero	1.84	1.56	Total recordable injuries * 200,000 / hours worked
EMPLOYEES AND COMMUNITITES	Strive to expand various programs supporting the communities we operate in	Ongoing philanthropic, volunteering, and educational programs		

Note: Efficiency is evaluated based on sequence of event (SOE) hours, which normalizes our KPIs to account for changes in business volume.

**VOC Emissions and Waste to Landfill are now monitored in metric tons compared to kilograms in the 2017 Report.*