



A responsible business

HSS Hire Group plc
Corporate Responsibility Report 2014

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Hiring – a sustainable model

Resources are scarce and energy costs high so it makes sense to make more use of what we have, rather than build anew. Cutting down on waste, and minimising emissions, improves efficiency. Extending the life of a piece of equipment, and minimising emissions from the operation and transportation of goods, is commercially and environmentally sound.

Recruiting colleagues from across the community, educating and training them, developing their skills and talents, leads to a motivated and effective workforce, ready and able to satisfy the most exacting customer requirements.

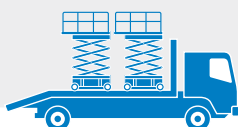


HIRING IS THE SUSTAINABLE CHOICE

The very nature of the market in which we operate is all about **sustainability**. Equipment is bought, hired out, returned and serviced – and hired out again. **One piece of kit will be used by many.** At HSS Hire responsible business practice is integral to the way we work. This Report is about how we exercise that responsibility in our daily business practices and make our contribution to increasing the sustainability of the hiring industry.

Financial pressures and market fluctuations demand commercial flexibility so the option to borrow a piece of equipment and then return it is a more sustainable alternative to purchasing. When that equipment is well serviced, functionally efficient and readily available, the case for hiring is overwhelming. It also makes it a highly affordable option.

Hiring is **cost, service and eco-efficient**



WELCOME TO HSS HIRE GROUP

Chief Executive Officer's Introduction

At HSS, we believe that being a responsible business means being the kind of company that looks out for others: for **colleagues** and **customers**, for **local communities**, and, of course, for the **environment**. We are also always on the look out for what we can learn, what we can do better. But, fundamentally, I'm proud to say that HSS does the right thing in the right way. We're the kind of business you'd want to work with, and work for.



We take a responsible approach to the way we work and behave, both inside and outside our organisation. As a growing business, we know we have an impact on our colleagues, our customers, the environment and our local communities, as well as on wider society and the economy. Following our successful market placement of shares in February 2015, our stakeholders now also include our public shareholders. We welcome them and will continue to build the company according to the values that attracted them to invest in us.

At HSS, our number one operating priority is making sure that HSS is a safe place for colleagues to work, and customers to hire from. We're also focused on ensuring that we operate with transparency and integrity, that we run our business in a way that reduces our impact on the environment, that we support our customers and our local communities, that we deliver sound economic performance, and of course, that we support and develop our colleagues: the people that 'make it happen'.

Since our first Corporate Responsibility Report last year, we have made good progress in reducing accident rates, lowering fuel consumption, and in increasing employee training and development. The programmes behind this improved performance are described in the pages that follow. We are committed to further exploring and developing the sustainability opportunities for our industry and everyone at HSS is open to learning from best practice wherever it is found.

HSS is its people. I thank them all for their contribution to making the company successful, and for their energy and enthusiasm for our sustainability journey.

Chris Davies
Chief Executive Officer



Key areas of focus

Reducing our
accident rates

Reducing our fuel
consumption

Colleague
development



Before anything else, we're **committed** to making sure that HSS is a **safe** place for **colleagues** to work and **customers** to hire from.



Our Business at a Glance

Our business focuses on the **'fit-out', 'maintain' and 'operate'** sectors of the market, with over **90% of our revenues** coming from **B2B clients**. The Group caters to a **long-standing and diversified customer base** ranging from large, blue-chip companies to smaller, local businesses across a range of sectors, serving them **'anytime, anywhere'**.

Financial highlights

£284.6m

Revenue

£71.1m

Adjusted EBITDA

26%

ROA

HSS network

1

national distribution centre

10

regional distribution centres

25

local distribution centres

36

training centres

>230

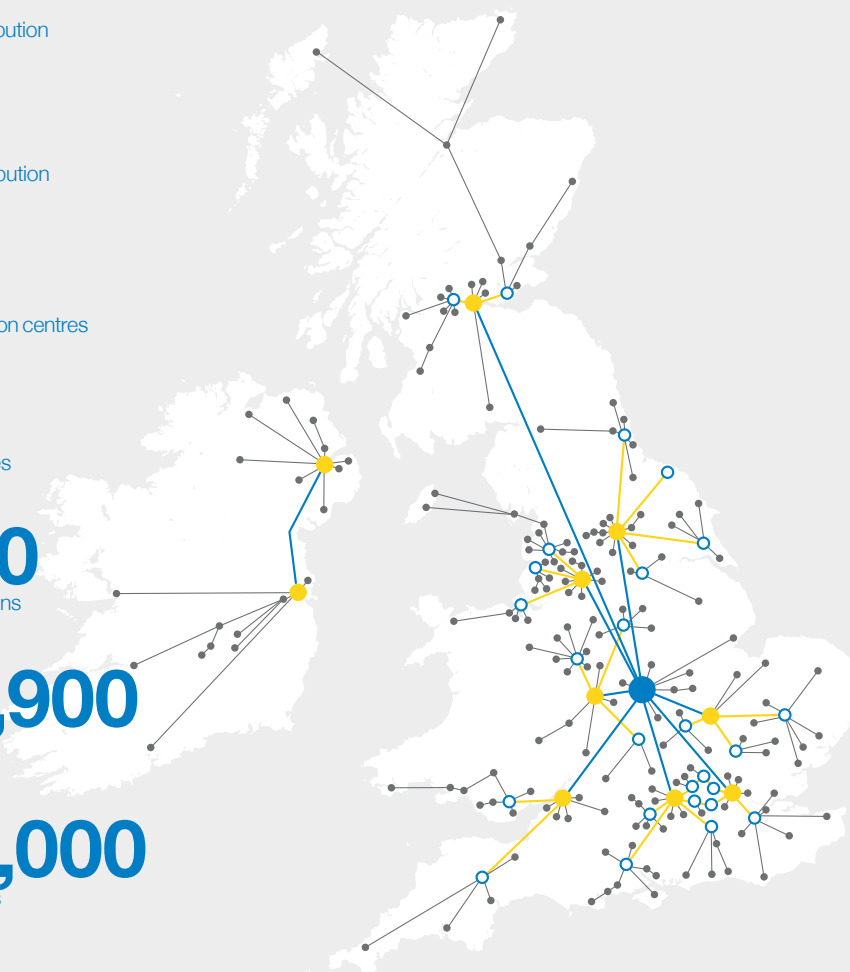
trading locations

c.2,900

colleagues

>35,000

'live' accounts



Economic performance and operational governance

The HSS Hire Group provides tools, equipment and related services across the UK and Ireland. As part of the wider hire industry, which is growing, we help to deliver environmental benefits by promoting the sustainable use of equipment. We also contribute to the economy and society through the benefits associated with commercial success as well as by operating with integrity and in accordance with good governance practice.

Economic performance and sharing wealth

As a responsible company we recognise the role we play in the generation and sharing of wealth. This includes delivering a financial return for shareholders as well as ensuring continuity of supply for customers and well-structured employment for colleagues.

We invest in equipment and services, which we make available to others for a financial recompense – and they in turn use this equipment to help generate wealth of their own.

In 2014 we delivered a strong financial performance to benefit our stakeholders. Revenue grew by 26% to £285m; adjusted EBITDA by 27% to £71m. We also grew our utilisation – a good measure of how efficiently we are using our capital investment without further manufacturing – to 47% (FY13: 45%) in our core equipment and in our specialist businesses to 70% (FY13: 68%).

This economic value was shared amongst the stakeholders in our business, including colleagues and investors, our suppliers and their own supply chains as well as the communities in which we operate (see pie chart). Some was retained to help fund future investment and growth.

In 2014, we made preparations to float the business on the London Stock Exchange. The successful IPO will enable us to further improve our wealth generation, providing the investment and capital structure to continue growing our business.

Our management and its governance

HSS is owned by its investors including our largest shareholder, Exponent, and its management team. Together, this contributes a breadth of capability, experience and commercial acumen gained from both within the hire industry and across a broad range of other sectors. We are confident that we have the necessary leadership in place to deliver a strong business performance. They share a commitment to transparent operations, conducted with integrity and to high standards of environmental and social responsibility.

Risk management is also an important part of operating responsibly. We manage risk by working to best practice standards, supported by extensive internal controls and expert guidance, auditing and monitoring. We have an established agenda to monitor and challenge activities across all parts of the organisation – and our business plans and budgets are regularly audited to ensure prudent financial planning and control. Our financial results are published in line with our financial reporting requirements and available at www.hsshiregroup.com. Our corporate governance is described in detail in our Report of the Year 2014, also available at www.hsshiregroup.com/hssreportoftheyear2014. The Report includes our principal risks and uncertainties.

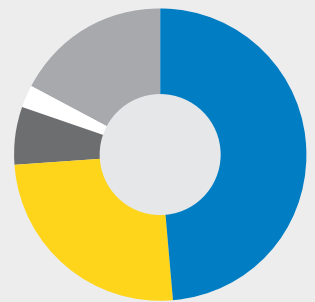
We work to – and are audited against – a number of external accreditations. These underpin our commitment to working responsibly towards key health and safety and environmental considerations, including ISO9001, ISO14001 and OHSAS18001. We are Safe-Hire accredited and members of the Considerate Constructors Scheme. We are also part of the CRC and ESOS energy efficiency schemes and hold Investors in People status. We were recently awarded FORS Gold accreditation for our commercial vehicle fleet.



As a **responsible company** we recognise the role we play in the generation and **sharing** of wealth.



Sharing £285m economic value

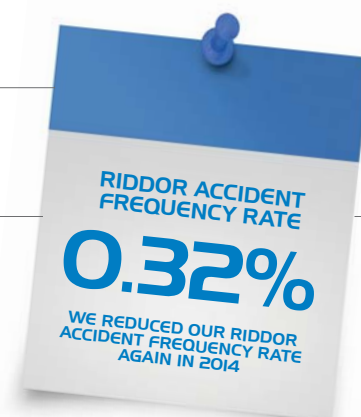


- Operating costs
- Employee remuneration
- Payments to providers of capital
- Payments to tax authorities
- Economic value retained

Learn more about HSS at
www.hsshiregroup.com/hssreportoftheyear2014

CORPORATE RESPONSIBILITY

Our Commitments



Commitment	What we said we'd do	What we did
Health and safety	Continue to reduce our accident rates through the roll-out of a behavioural safety programme.	We reduced our RIDDOR frequency rate from 0.36 in 2013 to 0.32 in 2014.
Sustainable equipment	Increase the amount of equipment we process through our refurbishment centre to extend its useful life.	We increased the equipment processed through our refurbishment centre by more than 10% in value.
	Introduce a robust product lifecycle plan for quality assurance of equipment at the point of disposal.	We formalised our disposal processes across the Group and automated the process for recording write-off and disposal routes.
Energy efficiency	Fit smart energy efficient technology in all new branches as well as LED lighting in all new openings and relocations.	All new branches have been fitted with LED lighting and energy-efficient technology including motion-activated heating and lighting.
	Join the Carbon Disclosure Project so that we can account publicly for our energy management.	We became part of ESOS and implemented monthly reporting by sq. ft. and business unit alongside our energy reduction programmes to drive continual improvement.
Logistics	Continue to reduce fuel consumption – and as a result our CO ₂ emissions – to make our logistics operation even more environmentally friendly.	We reduced miles driven by 300,000 and reduced our fuel consumption by a combination of proactive management and driver training.
Colleagues	Reflect the communities in which we operate with colleagues working in our local branches.	We continue to recruit from our local communities, always selecting the best candidate for the job.
	Increase the scope of our training by introducing an operational training academy.	We implemented 'The HSS Way' – our Continual Improvement programme across all our distribution centres and workshops.
	Introduce a formal measure of colleague engagement.	We developed and conducted a colleague engagement survey in our Engineering and Logistics divisions.
	Continue to support career development and internal promotions.	We delivered over 4.5 days of classroom training per colleague and filled more than half our management positions with internal candidates.
Community involvement	Continue to respond to local community requests through our 'Heroes of Hire' programme.	We supported various community projects throughout the country.

Everyday heroes

As part of our 'Heroes of Hire' programme colleagues are encouraged to give one paid working day a year to their local communities.

**New commitment****What we will do****Health and safety**

Continue the reduction in RIDDOR Accident Frequency Rate

Sustainable equipment

Deliver a new refurbishment centre to continue to increase the throughput of equipment that we process

Energy efficiency

Reduce our consumption of gas and electricity in our built environments

Environment

Increase the amount of waste we recycle, particularly in our specialist brands

Customers

Continue to improve our NPS scores as measured by TNS versus their benchmark of comparable industrial companies

Colleagues

Increase the scope of our colleague engagement measures to encompass the whole business.

Continue to invest in and support career development and internal promotions

Shareholders

Deliver a robust financial return for our shareholders

Community involvement

Work with the London Benchmarking Group to drive our community activity

A safe pair of hands

40% reduction in hand injuries following introduction of new safety gloves.

Smart working

In 2014 we delivered over 4.5 classroom days per colleague, more than twice the national average.

Extending life

10% more equipment by value refurbished in 2014; capacity to refurbish 50% more equipment being established in 2015.

2015



2013



2014

**Control at your fingertips**

Remote Fleet Management App enables less travel, lower fuel consumption & greater equipment efficiency (see p08).

OUR CUSTOMERS

Putting our customers at the heart of our business

Focusing on what matters most to our clients: **safety, value, availability and support**

We serve a broad range of clients from large **blue-chip** organisations to **local tradespeople** and **individual DIY customers**. Our corporate responsibility includes the way we work with clients and the service we deliver. We are committed to a customer experience that focuses on the things they tell us matter most.

Safety

HSS puts safety first. We work hard to ensure that throughout our operations, the safety and welfare of our colleagues, customers and community comes first. All our kit is maintained and tested through strictly controlled processes to ensure it's always well-maintained and safe to use. We also offer a wide range of HSS Training courses that cover equipment operation and safe working practices. Just one example – in 2014, we introduced Activ' Shield Bar across our UK Platforms diesel-powered access machines, offering the latest smart anti-entrapment technology to operators – a first amongst hire companies in the UK. This contribution was recognised by the International Association for Powered Access awarding us their 'Contribution to Safe Working at Height' award.



Value

We work with our customers to drive down the 'true cost of hire', ensuring we provide excellent service, transparent, competitive pricing and systems to manage hire duration and volume. Our online systems also support paperless working. We interface with many of our larger customers' systems to reduce paper further and speed up working. Our Remote Fleet Management Smart Equipment on all ABird generators ensures that customers can monitor and manage their power solutions from a phone or desktop. The result is that travel to and from site is minimised, equipment fuel use optimised, and equipment running time managed efficiently.



Smart Equipment

Availability

Availability is our customers' number one priority. Our distribution network, branch footprint, engineering processes and product investment combine to ensure we provide the equipment our customers need when they need it. Our nationwide network ensures easy access to equipment, whilst consolidating and reducing transport activity through our strategically located distribution centres. In 2014, we opened 23 new Local Branches and are on track to deliver a further 50 in 2015 reducing drive time and emissions for our customers. These Local Branches provide instant access to our most popular items as well as an ordering point for our entire range. In addition, because they encourage customer collection, this reduces deliveries from our distribution network.

23

the number of new branches we opened in 2014



Support

As well as a range of hire-related services and a commitment to working with customers in the way that suits them best, we also make sure we recruit the best people. These include customer service colleagues, mobile engineers and field sales teams with specialist expertise. We train them at our dedicated HSS Training Academy, so that our customers always receive friendly, knowledgeable advice and support. In 2014 over 378 new sales colleagues benefited from our five-week residential training programme with a further 137 colleagues participating in our other schemes including our 'Stretch' programme designed to identify and develop potential branch managers.

We also support our customers in meeting their own commitments within their communities and to the environment – from partnering with them on volunteering programmes to consolidating deliveries or supporting paperless working. We are proud to be the first hire company to register six of our major depots in the South East with the Considerate Constructors Scheme under its newly introduced 'Supplier Registration' Initiative.

Our dedicated 'Customer Delight' programme trains colleagues in the highest levels of customer service and they are empowered to respond immediately and proactively to any issues. We measure

customer satisfaction against external benchmarks. We consistently recorded a market-leading Net Promoter Score as measured by TNS. More importantly, we collected and acted upon more customer feedback than ever before, which has driven a number of service, process and system improvements that are benefiting all our customers.

We were very proud to be finalists in the Institute of Customer Service awards.

>378

new sales colleagues benefited
from our five-week residential
training programme

OUR ENVIRONMENT

Reducing our environmental impact

Through the product life cycle

There are environmental impacts at every stage of the product life cycle. We therefore take a responsible and thorough approach to the way we purchase, maintain and dispose of equipment.

As part of our procurement process, all suppliers are validated against robust health, safety and environmental criteria – and new products are thoroughly tested for safety and efficiency. We also work with our suppliers to introduce new products with improved health and safety benefits or reduced environmental impact. These include fuel-efficient generators and lighting towers, and power tools with lower Hand-Arm Vibration and dust emissions, which help to reduce our carbon footprint, and reduce noise and risk of harm to operators.

In 2014, we introduced EcoPack, an environmentally-friendly fuel container that uses the latest packaging technology to reduce carbon footprint in both disposal and transport. We are also trialling LED lighting products and hybrid energy technology to ensure maximum efficiency and minimum noise/emissions pollution.

Fuel efficiency and emissions

Our new ABird generators have Tier 3a engines with filters to reduce carbon emissions and our RFM app helps customers ensure they have the correct load requirement for their needs and schedule proactive servicing; both of which help to ensure the machines run with optimum fuel efficiency and reduced carbon build-up. UK Platforms has invested in a new range of hybrid machines as well as T4 compliant diesel engines, which run with much lower emissions.

Once it has been returned from hire, every piece of equipment is serviced before it is made available again. Our new central spare parts process and consolidated workshop activities continue to deliver reduced distribution miles throughout the supply chain.

Refurbishment

Recognising that every piece of equipment has an appropriate 'end of life', we manage this process carefully, working through a governance and accountability framework.



UK Platforms continues to work with manufacturer Haulotte to **refurbish their powered access machines**, with more than 70 machines having their useful life extended in 2014.



Wherever possible, we aim to reduce waste by repairing or refurbishing items. Our dedicated refurbishment centre has a team of expert technical engineers and mechanics who extend the useful life of a range of larger equipment including powered access, lighting towers and generators. Our HSS Training team prides itself on using only equipment that has been through the refurbishment centre to conduct its powered access training.

In 2014, we enhanced our capability to broaden the scope of equipment that could be refurbished. As a result, we processed almost 10% more equipment (by value) than 2013 and are investing in a new refurbishment centre that will enable us to process up to 50% more equipment. The acquisition of TecServ in 2014 and the establishment of our engineering services division mean we have even greater capability to repair and/or refurbish both our own equipment and that of our customers. UK Platforms continues to work with manufacturer Haulotte to refurbish its powered access machines, with more than 70 machines having their useful life extended in 2014.

Where refurbishment is not practicable, we ensure our equipment is reused by selling it through accredited auction houses for parts. Where this is not viable, we recycle the equipment and dispose of any waste appropriately. For example, the plastic tanks from our Reintec cleaning equipment are now being recycled as raw materials to be used in the production of new products, rather than going to landfill. A new automated process is ensuring we more accurately record write-offs – including the route of disposal, and our group brands have now all been brought into line with the HSS disposal process.

Product life cycle



Purchase

As part of our procurement process, all suppliers are validated against robust health, safety and environmental criteria – and new products are thoroughly tested for safety and efficiency.



Maintain

Once it has been returned from hire, every piece of equipment is serviced before it is made available for hire again.



Refurbish

Our dedicated refurbishment centre has a team of expert technical engineers and mechanics who extend the useful life of a range of larger equipment.



Dispose

Where refurbishment is not practicable, we ensure our equipment is reused by selling it through accredited auction houses for parts. Where this is not viable, we recycle the equipment and dispose of any waste appropriately.

Reducing our environmental impact

Managing our business

To ensure we limit any negative environmental impact arising from our day-to-day business operations, we commit people and resources to help reduce polluting emissions and regulate our use of natural resources. We also work to – and are accredited against – recognised environmental standards including ISO14001.

We recognise that the CO₂ emitted by our transport activity is the largest single impact we have on the environment. We are committed to reducing this through becoming increasingly vehicle and fuel efficient.

Transport management

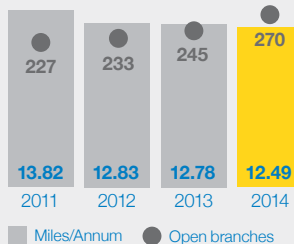
With a nationwide network of branches stocked with the most popular equipment, our business is organised to ensure our customers have the equipment they need, exactly when they need it, whilst reducing transport movements. When we do need to move kit, for servicing or to meet demand, our PRISM stock management system ensures we move it in a controlled manner. Our Hire Insight transport management system ensures the most efficient routing – and as a result, we are achieving more jobs per journey and fewer journeys in total than in 2013. Wherever practical, we also embrace local supply chains. In 2014, we reduced our distances travelled by almost 300,000 miles.

Our service fleet conforms to EU4 and EU5 regulations and uses the cleanest diesel technology. Our commercial fleet has lightweight aluminium frames that help to reduce fuel consumption whilst optimising payloads.

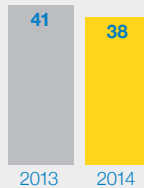
All our drivers have received advanced driving skills training and in 2014 we introduced Lightfoot technology to our HSS van fleet, alerting drivers to over-acceleration. As a result, we saw a 12% reduction in fuel consumption.

Across the Group, we invested in new vehicles to ensure a more modern, fuel-efficient fleet. We also introduced shared deliveries, route scheduling and driver analysis into our ABird and UK Platforms businesses to reduce miles travelled and encourage smarter driving.

Total miles driven (million)



Carbon emissions (kg CO₂ per m²)



300,000

we reduced our distances travelled by almost 300,000 miles

12%

we introduced Lightfoot technology to our HSS van fleet resulting in a 12% reduction in fuel consumption

Energy efficiency

We drive energy efficiency within our built environment too, monitoring and reducing energy consumption wherever possible. All new buildings and large distribution centres are fitted with energy efficient technology including motion detectors for heating and lighting and we have smart meters to help us target areas of high usage across the estate. Where possible, we are consolidating site locations within the Group, which is helping us to further reduce our carbon footprint and demand on natural resources. These shared sites also encourage further reduction in transport mileage through shared logistics.

We are part of the CRC Energy Efficiency Scheme and all of our energy is certified as renewable by Opus – except where we take over a building with an existing energy contract, which we then transition as soon as is feasible. In 2014, we became part of the Energy Saving Operating Scheme, which will help us better record usage and take proactive measures for all our building, transport and process energy. We also worked with a third-party specialist to conduct an energy audit across the estate, identifying and actioning improvements to our lighting, heating, air-conditioning and metering systems. Our rapid growth in the year increased our CO₂ emissions overall, but as the chart shows, when measured by square metre of business unit per site, it actually fell from 41 to 38 kg CO₂/sq metre. We will report further on our drive to reduce emissions in our next CR Report for 2015.

Waste minimisation

Wherever possible, we minimise the generation of waste with a robust approach in our procurement policies, as well as reusing and recycling. Where waste does occur, we ensure we dispose of it responsibly. Our acquisition of more intensive plant businesses and our growth in sites meant that we have seen a reduction in recycled waste during 2014 but we measure all sites monthly and are working hard with our specialist brands to bring them into line with HSS Group policy. As a consequence of this growth, recycling for the Group as a whole was at 63% for 2014 with a clear target to grow this percentage in 2015.



OUR COLLEAGUES

Supporting our people

It is our people that really make HSS. We therefore want to ensure they are happy at work and have the **support** they need to flourish. We put their **safety first**, provide for their wellbeing and invest in their training and development.

Safety at work

Our biggest commitment is to safety – of our customers and the equipment we hire to them, as well as our colleagues. We feel morally as well as legally responsible to provide a workplace that is safe and to provide colleagues with the knowledge and equipment they need to protect themselves at work.

We have a team of HSEQ experts who are supported by local Safety Champions in every location. We work to – and are audited against – recognised safety standards including OHSAS18001 and our Group businesses are now being integrated into these accreditations. We have developed a culture of ownership that drives compliance, control, cooperation and communication to ensure our safety standards are understood, met and measured.

In 2014 we reduced our RIDDOR frequency rate – that is the reportable injuries under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations. The frequency measure was 0.32 in 2014 compared to 0.36 in 2013 showing continued progress against our objective (see chart opposite).

We actively encourage the reporting of 'near-miss' accidents and continued to target action as a result of this information. Following the introduction of a new range of personal protective equipment, including bump caps, we saw a reduction of 50% in head injuries over the year, with new safety gloves contributing to a reduction in hand injuries of almost 40%. In 2015, we will have a particular focus on manual handling.

Employment and wellbeing

As well as being safe at work, we want our colleagues to feel respected, valued and involved. We want them to enjoy being part of the team.

To ensure Dignity at Work, we have a culture and processes in place that encourage a positive code of conduct and we do not tolerate bullying or harassment in any form. If colleagues have any concerns, they are encouraged to report them through a well-publicised whistleblowing policy that guarantees their anonymity and ensures action.

Our terms and conditions of employment are fair and transparent. We work with employment experts Towers Watson to benchmark our remuneration packages – monetary and otherwise – against the market. We also operate a fair and equal approach to recruitment in a commitment to equality and diversity that runs throughout the business; we want to ensure the best person gets the job in the first place – and that people have the opportunities and recognition they deserve, based on a job well done.

We targeted an increase in the number of females in operational roles in 2014 recognising that these were under-represented and achieved a 60% increase over the year through active recruitment and training policies. We also saw a 19% increase in the number of colleagues in under-represented ethnic groups through similar recruitment and retention policies.

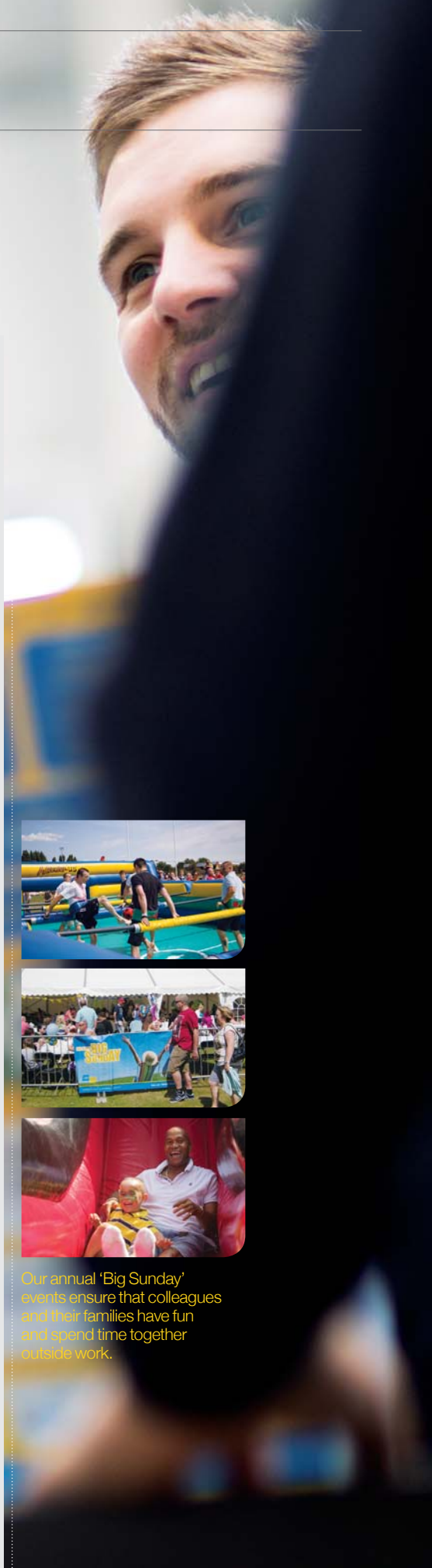
We believe it's important to care for and support our colleagues and their families with more than just a salary. We therefore provide all colleagues with life assurance, offer a contributory pension and are part of the Childcare Voucher programme. Our Healthshield scheme offers reimbursement for a range of everyday healthcare costs, from opticians, dentists and prescriptions to physiotherapy, massages and alternative therapies. We also provide a confidential welfare line hosted by trained nurses and counsellors.

Our annual 'Big Sunday' events ensure that colleagues and their families have fun and spend time together outside work. Various internal communications channels provide important sources of information and ensure that everyone knows what's going on. We also celebrate long service and – through our 'Heroes of Hire' programme – recognise and reward colleagues for exceptional achievement in line with our values.

We pride ourselves on being a listening company, with a supportive and approachable management team. To formalise this, in 2014 we introduced an engagement survey for colleagues in our engineering and logistics divisions.

We found that, overall, colleagues believe their job is important to the success of HSS and that they feel they have the opportunity to be the best they can be at work. The survey also identified some areas for improvement, which we have actioned. We intend to roll out a programme of colleague engagement and measurement across our business units in 2015.





We **reduced** our RIDDOR – reportable accident frequency rate from 0.36 in 2013 to 0.32 in 2014.

We pride ourselves on being a **listening company**, with a supportive and approachable management team.



Accident rate (frequency)

2011	1.06
2012	0.69
2013	0.36
2014	0.32

Training days (per colleague)

2012	1.9
2013	2.9
2014	4.65



Our annual 'Big Sunday' events ensure that colleagues and their families have fun and spend time together outside work.

OUR COLLEAGUES

Developing our people

At HSS, we want to help our colleagues reach their **potential**. We believe that by providing them with the skills and support they need, they will **flourish and develop in their roles**, which in turn helps us provide a better service to our customers. We invest in learning and development for our colleagues throughout their career with us, from their very first day onwards.

The HSS Training Academy

In 2013 we opened the HSS Training Academy, a purpose-built training facility that is our national Centre of Excellence for training. All new colleagues receive five weeks' residential training over the first six months of their employment covering all aspects of customer service, selling and process skills as well as safety and product knowledge. This state-of-the-art facility also delivers customer service, product training and behavioural skills for existing colleagues.

In 2014, we delivered induction courses to almost 400 new starters and offered a broader range of programmes as well as improved course content. We are proud to have a first year retention rate of 86% for these colleagues. A further 137 colleagues participated in development programmes including our 'Stretch' programme designed to identify and develop potential branch managers. Typically a new colleague spends up to a year as a branch sales consultant before undergoing specialist training to develop them for their first branch manager role.

Apprenticeships

We believe apprenticeships are an important career option for young people, enabling them to work and earn whilst also continuing to learn and gain recognised qualifications. We offer a successful and growing three-year Plant Maintenance City & Guilds qualification. This offers supported training for young engineers as well as a multidisciplinary NVQ apprenticeship, which flexes to identify and develop individual strengths. We are delighted that many of our young apprentices have gone on to achieve full time employment within our business.

In 2014 we broadened the scope of our apprenticeship programme to include more opportunities for engineers, service technicians, drivers' mates, sales and call centre operatives. We also offered apprenticeships in our TecServ and UK Platforms businesses for the first time. As part of our commitment to our apprentices, we increased the rate of pay we offer. We were also delighted to be Highly Commended in the National Apprenticeship awards.

Ongoing development

To ensure our people have the skills and support they need to flourish and grow in their roles, we have a dedicated Learning and Development team. This group works across the Company to harness colleagues' potential and help them grow. We offer a comprehensive curriculum of courses, workshops, e-learning and mentoring to deliver safety, technical and behavioural skill development to colleagues at all levels throughout their career. In 2014, we delivered over 4.5 classroom training days per colleague; more than double the national average.

The introduction of our specialist Engineering Services Division in partnership with Unipart saw the development of a specialised training matrix for our engineering colleagues. Our entire driver population received CPC training and attended an enhanced customer service course.



If you are hardworking and want to progress, there are **plenty of career opportunities** for you.



I think the teams of people here are great, and all are really, really **passionate** about how they deliver to our customers.



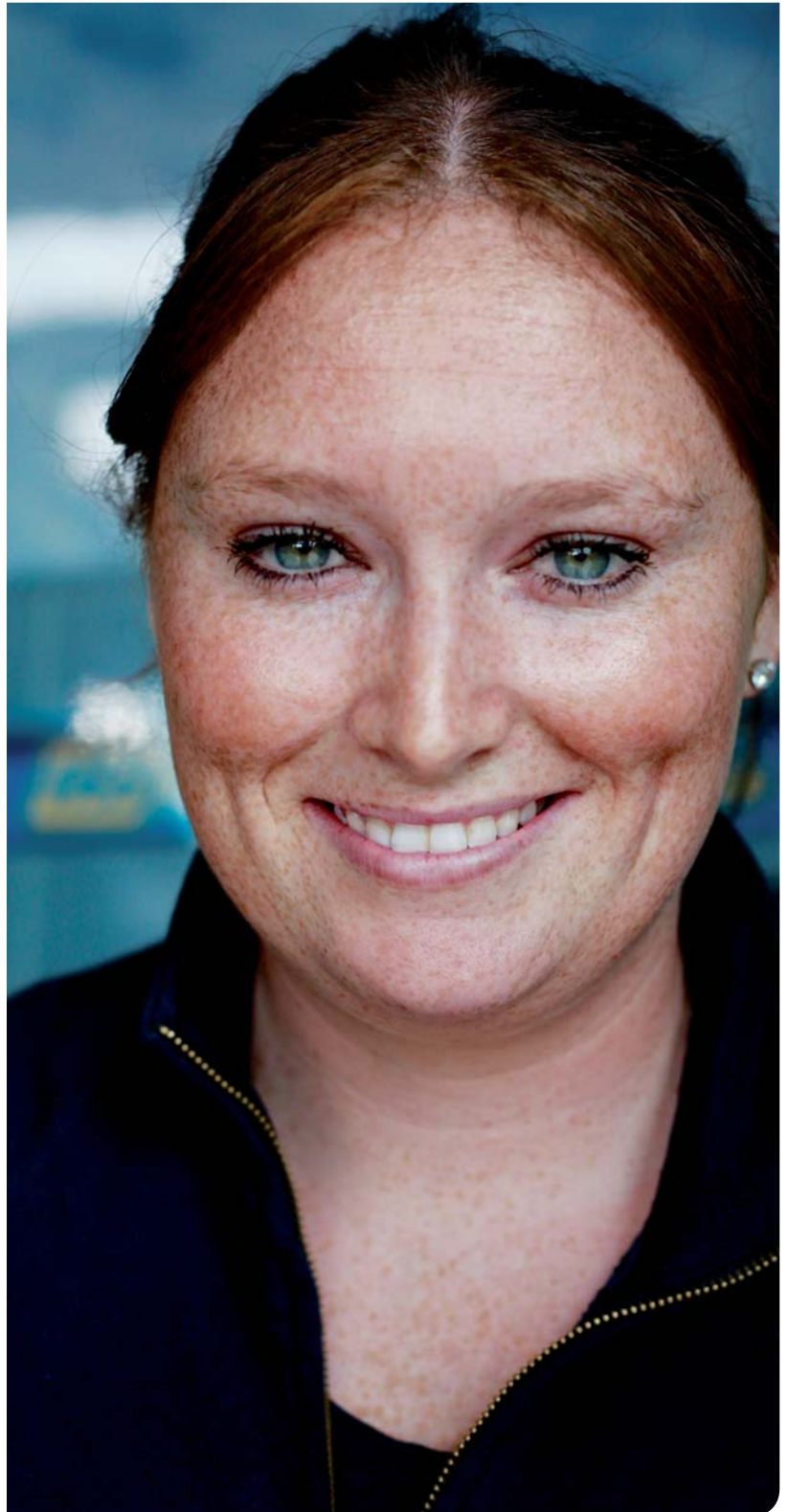


I feel there is a lot of room for **everyone in this company to grow**. It all depends on the individual.



We have also implemented The HSS Way – a Group-wide company-specific version of Unipart's well-known Continuous Improvement programme across our Engineering and Logistics Divisions throughout the year. This programme is led by Unipart's 'practitioners' who work with our colleagues to develop processes for continual improvement of the working environment and processes, using our colleague's knowledge to develop better practices which are then rolled out across the Group. This programme is now active in all our distribution centres and workshops with consequent uplift in all our engineering and logistics metrics.

We are committed to internal promotion for management positions and actively train colleagues in preparation for taking the next step. In 2014, we introduced a Branch Manager development programme as well as new NVQ courses including Team Leadership. We work with Cranfield School of Management to support the development of future leaders. In 2015 we are introducing several accredited management development programmes aligned to recognised qualifications including ILM and CMI. We were once again pleased to fill more than half of our management opportunities with internal candidates.



OUR COLLEAGUES

Serving our communities

At HSS, we consider ourselves to be **part of the communities** in which we operate. We therefore encourage our colleagues to actively engage with their local communities to help **make a tangible difference**.

Our values and the ways we work help ensure we are good neighbours. We are conscious of our noise and activity levels – and make every effort to ensure that we cause as little disruption as possible to those living or working near one of our locations.

HSS Heroes of Hire programme celebrates the company's very best people and offers teams of HSSers to help local community projects. Whether its going the extra mile for a customer, demonstrating excellence in HSS values or lending a helping hand in the local community, HSSers are recognised for making a difference. This year, we were proud to be associated with Macmillan Cancer Care's 'World's Biggest Coffee Morning', decorating a church and painting a library in East London, several community

clean-ups in the Midlands and the South East, refurbishing a scout hut in the South West as well as helping on TV programmes, *DIY SOS* and *Cowboy Builders* with home refurbishments in the North East.

We also worked with several of our customers to support their own volunteering efforts and have a well-established programme that offers registered charities a discount on equipment hire. In 2014, we joined the London Benchmarking Group to help us better monitor and report the work we do in the community and for charity.

We were also proud to be an active part of National Apprenticeship Week.

We work closely with Learn Direct for our sales apprentices and CITB Construction Skills for our fitter apprenticeships and other employment and labour partnerships to promote skills development and career opportunities.

We help to support and promote healthy living through sport, sponsoring of a number of youth football, rugby and gymnastics teams as well as long-term relationships with Bristol and Cardiff Blues rugby. In 2014, in light of the colleagues' interest in cycling, and our work on diversity, we became sponsors of the HSS Hire Women's Cycle Race team in partnership with Aprire Bicycles.



Colleagues assist with finishing off renovation work after a lady and her young son were left in a mess by their 'Bad Builder'.



Our Heroes of Hire programmes celebrates the Company's very best people and offers team of **HSSers to help local community projects**. Whether it is going the extra mile for a customer, demonstrating excellence in HSS values or lending a hand in the local community, HSSers are recognised for making a difference.



We are **proud** to be associated with the World's Biggest Coffee Morning in support of Macmillan.





We are very proud of our
long term relationship
with the Cardiff Blues.



Top

Colleagues support the Canary Wharf Contractors & Partners Give & Gain day 2014, refurbishing a church in London's Docklands.

Bottom

In late 2014, HSS committed to supporting the Aprire women's elite road racing cycling team through 2015.





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This report is produced on Claro Bulk – an FSC Certified material, which is manufactured using totally chlorine free process, and from a sustainable supply FSC chain. The inks used are vegetable oil based.

Designed and produced by Friend. www.friendstudio.com
Feature photography George Brooks.