

## Highlight: The 2015 Environmental Initiative Plan



**Hino Motors has commenced its 2015 Environmental Initiative Plan to guide activities aimed at protecting the environment. Covering the period from fiscal 2011 through to fiscal 2015, it is the fifth environment initiative plan in the Company's history.**

### A history of environmental initiatives

Hino Motors has been promoting environmental initiatives since its first environment initiative plan introduced in fiscal 1993. The Company completed its fourth environment initiative plan in fiscal 2010.

## Hino Motors' successive environmental initiative plans

	Fiscal year	Main activities
First plan	1993~1995	Established a framework for carrying out environmental initiatives focusing on four priority items in production that include CO <sub>2</sub> emission reductions and streamlining of distribution. Initiatives on two priority items in the area of environmentally friendly products, including the production of vehicles with fewer parts
Second plan	1996~2000	Progressing from the first plan, extended initiatives to factories both in and outside Japan, and expanded the number of priority items to include six items in the area of environmentally friendly production and seven items in the area of environmentally friendly products
Third plan	2001~2005	Reviewed and expanded the number of priority items, moved forward with acquiring ISO 14001 certification, implemented green purchasing, conducted consolidated environmental management, and developed guidelines on environmental initiatives for distributors and dealers
Fourth plan	2006~2010	Set global targets for reducing CO <sub>2</sub> , responded to reductions in environmentally hazardous substances by suppliers, established global ties with group companies, expanded and developed initiatives for non-manufacturing sites, and introduced a lifecycle assessment system

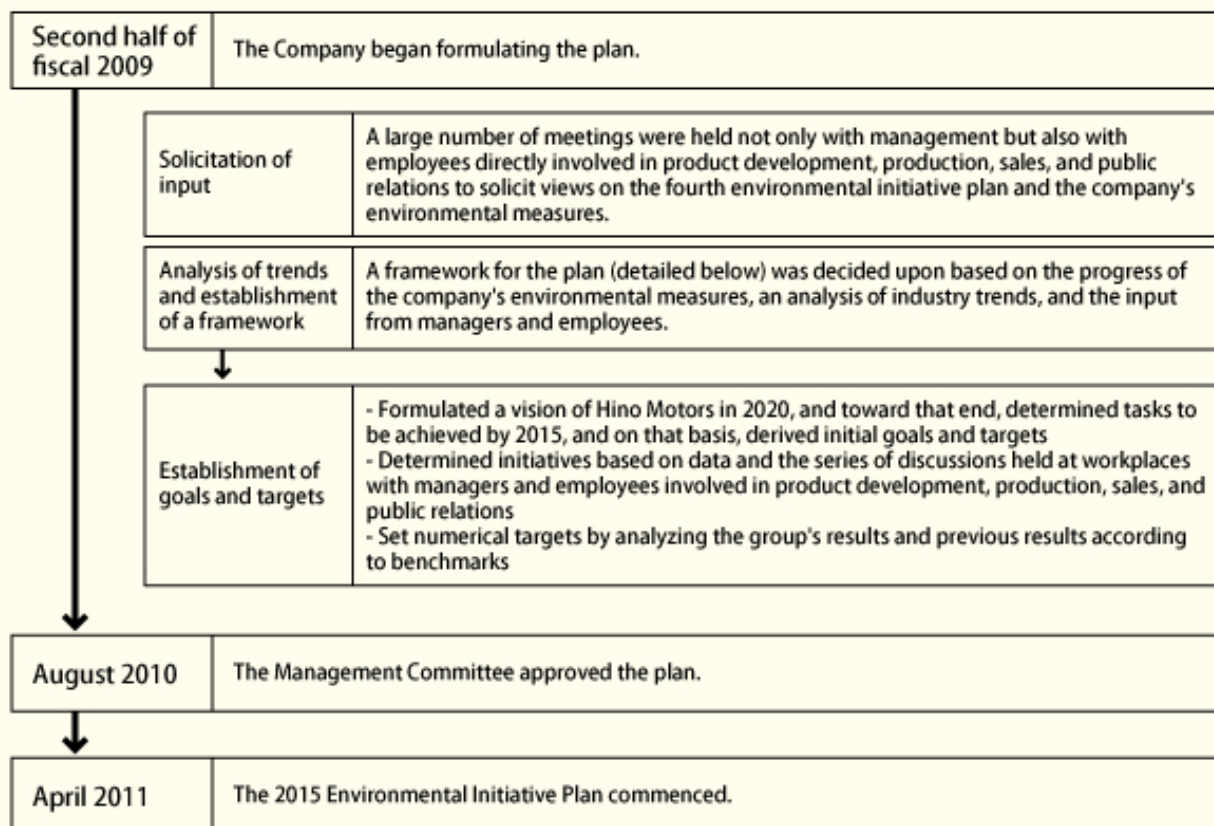
## Basic approach to formulating environment initiative plans

Hino Motors determines concrete measures for its environment initiative plans in line with the HINO Credo and CSR Guidelines. The 2015 Environment Initiative Plan was formulated with the objective to be a manufacturer that is trusted by each and every one of its stakeholders around the world. Offering environmentally friendly products while considering harmony with nature in all business operations is at the heart of the objective. By implementing and achieving the plan's goals, Hino Motors intends to demonstrate progressive results and raise its profile as an environmentally conscious manufacturer to win the trust of more stakeholders.

## The process of formulating the fifth environmental initiative plan

The Company began formulating the 2015 Environment Initiative Plan from the second half of fiscal 2009, and it was formally announced in December 2010. The plan became effective from April 1, 2011.

## Timeline and activities



## Establishing a framework to address environmental trends

As climate change continues to draw attention around the world, Hino Motors plans to move forward with its ongoing initiatives to reduce CO<sub>2</sub> emissions. The Company is also focused on addressing resource depletion, which is accelerating in line with the economic growth of emerging countries, and the challenge of coexisting with nature, which encompasses the further protection of biodiversity. Accordingly, the 2015 Environment Initiative Plan has been established as a framework for addressing these three issues. Moreover, the Company is conducting environmental administration and management to provide a basis for carrying out all of its activities.

## Framework of the 2015 Environmental Initiative Plan

Context: climate change  
Climate change is drawing global attention, and international countermeasures are being put in place

**1**

Promotion of a low-carbon society

Context: Depletion of resources  
High demand from newly emerging countries is accelerating the depletion of natural resources, driving efforts to use resources efficiently and study alternative materials

**2**

Promotion of a recycling-oriented society

**Three pillars**

**3**

Environmental conservation and creation of a society co-existing in harmony with nature

Context: Co-existence with nature  
Activities aimed at co-existing with nature are gathering momentum, including agreements reached at the COP 10 conference on biological diversity held in Nagoya

**4**

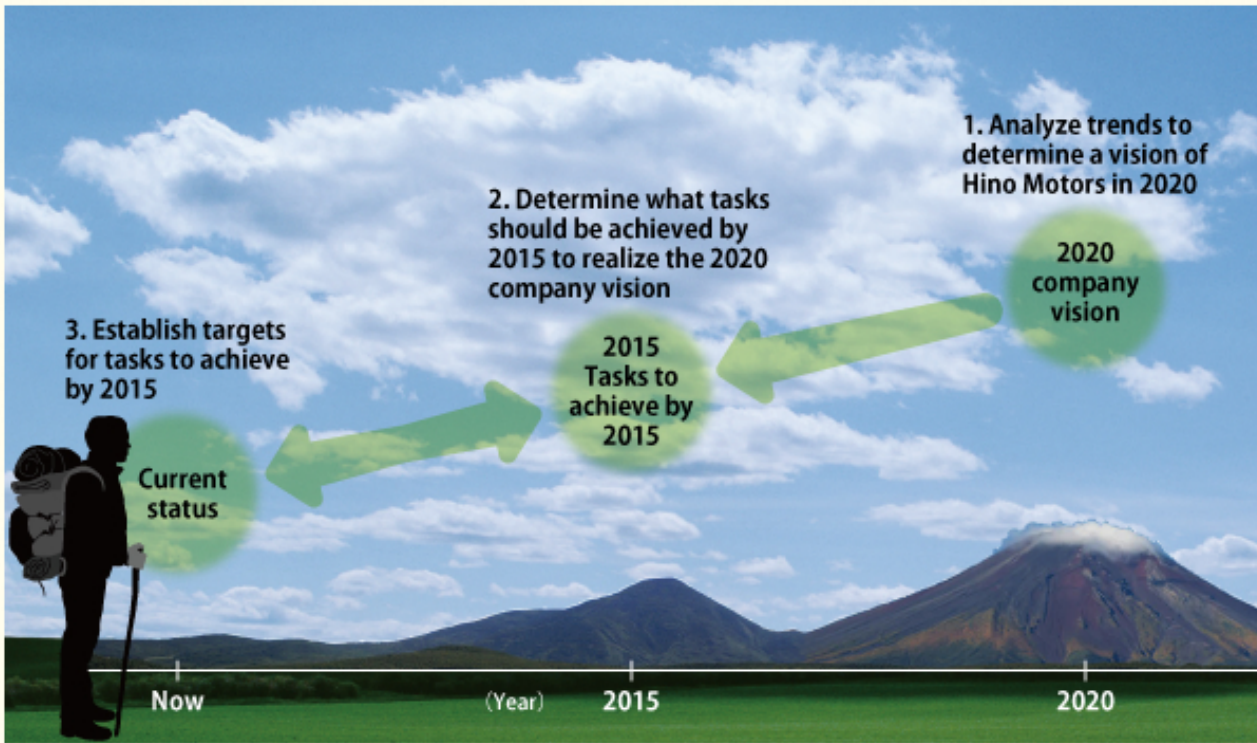
Environmental operations and management

**Foundation**

## Setting in-house goals

Hino Motors has adopted the backcasting method for setting goals, by which it has assessed the necessary measures required to reduce its greenhouse gas emissions in Japan by 25% of the 1990 level in 2020. Employing this approach, the Company formulated ambitious tasks to be pursued through to 2015 under the 2015 Environment Initiative Plan.





In order to achieve them, opportunities were organized for various sections of the Company to exchange opinions regarding feasibility in each business area and initiative planning. As consensus was being formed internally, the Company moved forward with setting goals and specific numerical targets.

The benchmark year for targets, for instance, was moved to the more recent year of 2008, and general waste reduction initiatives were made stricter. They included requirements to cut down on externally disposed waste by promoting in-house recycling, and to reduce residue left over from incineration disposal. Through examining the initiatives in detail, employees were able to consider the unique aspects of Hino Motors' approach to protecting the environment.

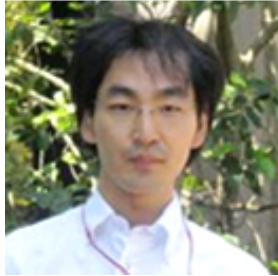
As numerical targets are largely dependent upon manufacturing conditions, Hino Motors is steadily managing the progress of target achievement over the short term. From a mid- to long-term perspective, the Company determines results in two-year intervals, and will next assess its progress in achieving targets in fiscal 2012.



## Aiming to be a manufacturer trusted by all stakeholders

With the goal to be a manufacturer of commercial vehicles trusted by each and every one of its stakeholders worldwide, Hino Motors will implement the 2015 Environment Initiative Plan to offer products that are environmentally friendly and to realize coexistence with the environment in all of its business activities.

### 01 Project leader for the plan's overall coordination



I would like to see preliminary meetings expanded so that even more ideas can be incorporated in the plan

Environmental Planning Department, Environmental Affairs Division  
Kensuke Kashiwa

I was responsible for coordinating the entire environment initiative plan. Our new process for setting goals differed from the past in that ideas were exchanged with more energy and enthusiasm in meetings with the various related departments and divisions. We were able to incorporate a wider range of concepts as more people were involved. As a result, we created a plan that reflects the mindset of Hino Motors, as well as the consensus reached inside the Company at every stage of deciding on goals and measures. Thus, I think this plan will go smoothly from fiscal 2011.

Top-down directives are sometimes needed, of course, but this particular environment initiative plan is special because everyone took part in creating it.

If I am involved in the next plan, I would like to see preliminary meetings expanded to include suppliers and Group companies from in and outside Japan so that even more ideas can be incorporated.

### 02 Project leader for setting numerical targets



I would to incorporate environmental management indices to develop the Company's initiatives for the environment

Manufacturing Environment Department, Environmental Affairs Division  
Jun Katsuragawa

I was put in charge of determining specific numerical targets, including the target for reducing CO<sub>2</sub> emissions. To set targets, we obtained an array of information on the environment and benchmarks in order to gain an understanding of Hino Motors' strengths and weaknesses. We examined and analyzed the Company's position relative to global and Japanese standards, as well as to our existing in-house standards. From there, we determined management issues and target levels.

Now that we are at the stage of implementing the plan, we intend to draw upon Hino's strength of dependability, and actively disclose information on the plan to the public as we fulfill our corporate social responsibilities. In this way, we hope to ensure that the public places its trust in Hino Motors as an environmentally conscious manufacturer. In the future, I would like the method for setting goals that we employed for this plan to incorporate environmental management indices so that we can make further improvements and develop the Company's environmental initiatives.