

## Environmental Performance

### Environmental Accounting

Hino Motors tabulates the costs and results of environmental conservation activities based on the Environmental Accounting Guidelines of Japan's Ministry of the Environment. This enables the Company to contribute to environmental conservation through effective environmental investment and sustained reductions in its environmental load.

In fiscal 2014, the sum total of environmental conservation costs increased by 3% year-on-year to ¥28.6 billion, equivalent to 2.3% of sales. The economic effect of environmental conservation on the Group's financial performance was ¥2.4 billion, up 104% compared to the previous fiscal year, due to increased revenue from recycling projects and the effects of active investment in energy savings, reflecting the economic recovery during fiscal 2013.

### Environmental Conservation Costs

#### ■ Environmental Conservation Costs

Unit: millions of yen

Environmental Conservation Costs		FY2013 Results		FY2014 Results		Cause of discrepancy
Item	Description of major initiatives	Investments	Costs	Investments	Costs	
(1) Costs in operational areas		606	771	1,093	893	
① Pollution prevention costs	Expenses for environmental risk countermeasures, drainage water treatment, and other activities	99	361	331	482	Increased investment for installing activated charcoal deodorizing equipment, deemed a priority project for implementation
② Global environmental conservation costs	Installation of energy-saving equipment	423	21	727	47	Increased investment for action plans for reducing CO <sub>2</sub> emissions, including a switchover to LED factory lighting
③ Resource recycling costs	3R promotional activities, waste disposal, and other activities	83	389	35	364	Year-on-year decrease in the investment amount for projects implemented in the fiscal year under review, including the installation of equipment for reducing the waste-liquid volume, an important task in the previous fiscal year
(2) Upstream and downstream costs	Additional costs for reducing environmental load	0	82	0	78	
(3) Management activity costs	Ongoing implementation of environmental management systems, and information disclosure	0	424	0	410	
(4) Research & development costs	R&D expenses for reducing environmental load	0	25,974	0	26,120	
(5) Social activity costs	Costs for environmental improvements, including off-site environmental conservation, tree planting, and beautification projects.	0	5	0	4	
(6) Environmental remediation costs		0	0	0	0	
<b>Total</b>		<b>606</b>	<b>27,256</b>	<b>1,093</b>	<b>27,506</b>	—

Note: Because certain investment items are difficult to determine as solely environmental, only those items for which a clear and exclusive environmental objective can be unquestionably ascertained are posted.

## Results of Environmental Conservation

### ■ (1) Economic results

Unit: millions of yen

	Details of results	FY2013	FY2014	Cause of discrepancy
Profits	Operational income from recycling	2,076	1,939	
	Others			
Reduced costs	Reduction in energy costs due to energy conservation	148	403	Increased expenses for improvements made through action plans for reducing CO <sub>2</sub> emissions
	Reduction in waste treatment costs due to resource conservation and recycling	28	11	Year-on-year decrease in the investment amount for projects implemented in the fiscal year under review, including the installation of equipment for reducing the waste-liquid volume, an important task in the previous fiscal year
	Others			
Total		2,253	2,352	—

### ■ (2) Quantitative results

Item	FY2012	FY2013
CO <sub>2</sub> reduction (tons-CO <sub>2</sub> )	1,821	4,835
Waste reduction (tons)	170	573

Note: The results of environmental conservation are calculated only for those items that can be definitely identified as having an effect over a single year.