

# Social Performance

## To Our Stakeholders

### To Our Employees

We respect each individual employee and strive to create a workplace that fosters personal growth.

☑ Developing Human Resources at the Hino Technical Skills Academy, a New Generation of Master Craftsmen

#### Hino Motors' Fundamental Policy toward Employees

The recognition of and desire to “respect each individual employee, and strive to create a workplace that fosters personal growth” is a key component of Hino Motors' CSR Charter and ultimately the HINO Credo. Accordingly, Hino Motors strives to apply this principle in all related endeavors, including employee recruitment, training, and support activities.

#### Approach to Recruiting Employees

In a current environment that is characterized by extreme shifts in economic and social trends, Hino Motors strives to recruit and foster employees who show a well-defined sense of self-purpose, will and motivation, and are capable of independently taking on responsibilities amid diverse environmental changes. When recruiting new college graduates, Hino Motors actively makes sure that the screening process is impartial in accordance with the rules and guidelines of the Japan Business Federation for hiring employees.

#### Hino Motors Fundamental Policy toward the Education and Training of Employees

Hino Motors aims to be a manufacturer of commercial vehicles that wins the trust of people from around the world. To this end, the Company works to nurture the ability of employees to accurately understand changing market conditions and take the initiative so that they can expand the Group's business globally.

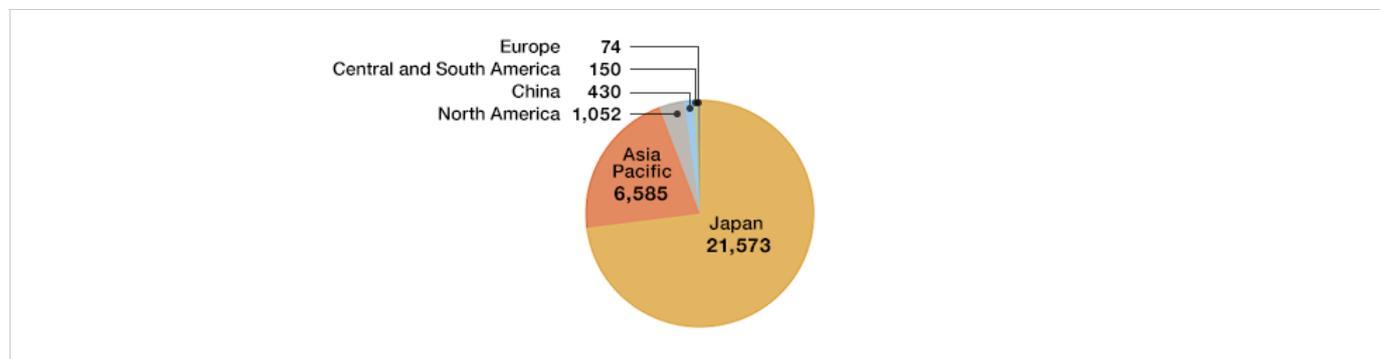
#### Basic Stance toward Personnel Evaluation

Hino Motors has introduced an evaluation system to assess each individual's performance of duties and the results of that performance, based on direct discussions between employees and their supervisors covering work tasks and goals. In addition, the Company conducts training for personnel newly appointed to positions of management, covering personnel evaluation skills. Through these and other means, Hino Motors strives to ensure that employee evaluations are conducted in an appropriate and fair manner.

#### ■ Number of Employees (Non-consolidated)

	March 31, 2013	March 31, 2014	March 31, 2015
Males	10,707	10,888	11,024
Females	769	798	820
Total	11,476	11,686	11,844

#### ■ Number of Employees Total 29,864 (Non-consolidated as of March, 2015)



#### ■ Ratio by Job Type (Non-consolidated, as of March 31, 2015)



## Initiatives for Promoting Diversity

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Hino Motors understands that developing and making the most of the capabilities of its diverse employees is vital if the Company is to continue providing high-value-added products and services that benefit society. For that reason, Hino Motors regards the creation of a dynamic corporate culture that values the diversity of its members as an important task for management, and it pursues initiatives to promote diversity on that basis. The Company has appointed staff in charge of promoting diversity in its human resources departments and makes proactive efforts to ensure that capable employees are promoted irrespective of their gender or nationality.

### Supporting the Success of Female Employees

To help female employees attain greater success in their careers, Hino Motors has set the goal of tripling the number of its female managers by 2020 from the current level of 19 (as of November 2014). To achieve this goal, the Company intends to continue to expand its previous childcare support systems while focusing on the following initiatives.

1. Increase the female hiring rate for new college graduates and year-round recruits
2. Conduct career-track training for female employees and training on diversity for managers
3. Adopt flextime work systems and other measures that make workplaces easier to work in for everyone

### Employing People with Disabilities

Hino Motors proactively hires people with disabilities and provides support so they can thrive. It is actively making the workplace comfortable for people with disabilities to work in through a variety of measures, including setting up a special paid vacation system to allow the employees to take time off for health management and skills development purposes, and providing designated parking spaces at worksites to facilitate easier access.

In December 2007, the Company established a special subsidiary, Hino Harmony, Ltd., for the purpose of promoting the hiring of people with disabilities.

In fiscal 2014, the employment ratio of people with disabilities to total employees at Hino Motors was 2.09%, which exceeds the legally mandated rate in Japan. In the future, Hino Motors intends to continue promoting the employment of people with disabilities by creating new job opportunities.



A Hino Harmony employee received a prize at the Tokyo Abilympics

### Employment Initiatives for the Elderly

Hino Motors has established a re-employment system for retired workers so that it can continue drawing on the expert skills and abilities of employees after they reach retirement age.

The system takes into account the work-life balance while allowing employees to continue working after retirement age, giving them the option of working a three-day week or the same number of days and hours as full-time workers. Of the 137 employees at Hino Motors who reached retirement age in fiscal 2014, 115 (83.9%) expressed a desire to continue working, and all of them were re-employed. As of March 31, 2015, a total of 465 employees were using the re-employment system.

#### ■ Number of Re-employed Staff

	March 31, 2013	March 31, 2014	March 31, 2015
Number of re-employed staff	427	469	465

### Promoting and Facilitating the Success of Foreign Employees

Hino Motors takes active steps to ensure that qualified employees are promoted regardless of their nationality. With the globalization of business, the number of non-Japanese employees playing an active role at Hino Motors' workplaces has been increasing. Meanwhile, the Company has introduced practical training programs that accept employees of affiliated companies outside Japan as trainees.

When hiring and employing personnel outside Japan, Hino Motors makes sure it follows proper procedures in compliance with the laws and regulations of each respective country. Furthermore, promotions are decided after consideration of the qualifications and experience of each candidate.

#### ■ Foreign Nationals Employed at Hino Motors

(Total employees on a non-consolidated basis)

Employment type	Total employees	Foreign nationals	Ratio of foreign nationals
Full-time employment	11,844	11	0.1
Other employment	2,631	56	2.1
Total	14,475	67	0.5

### Human Resource Education and Training Initiatives

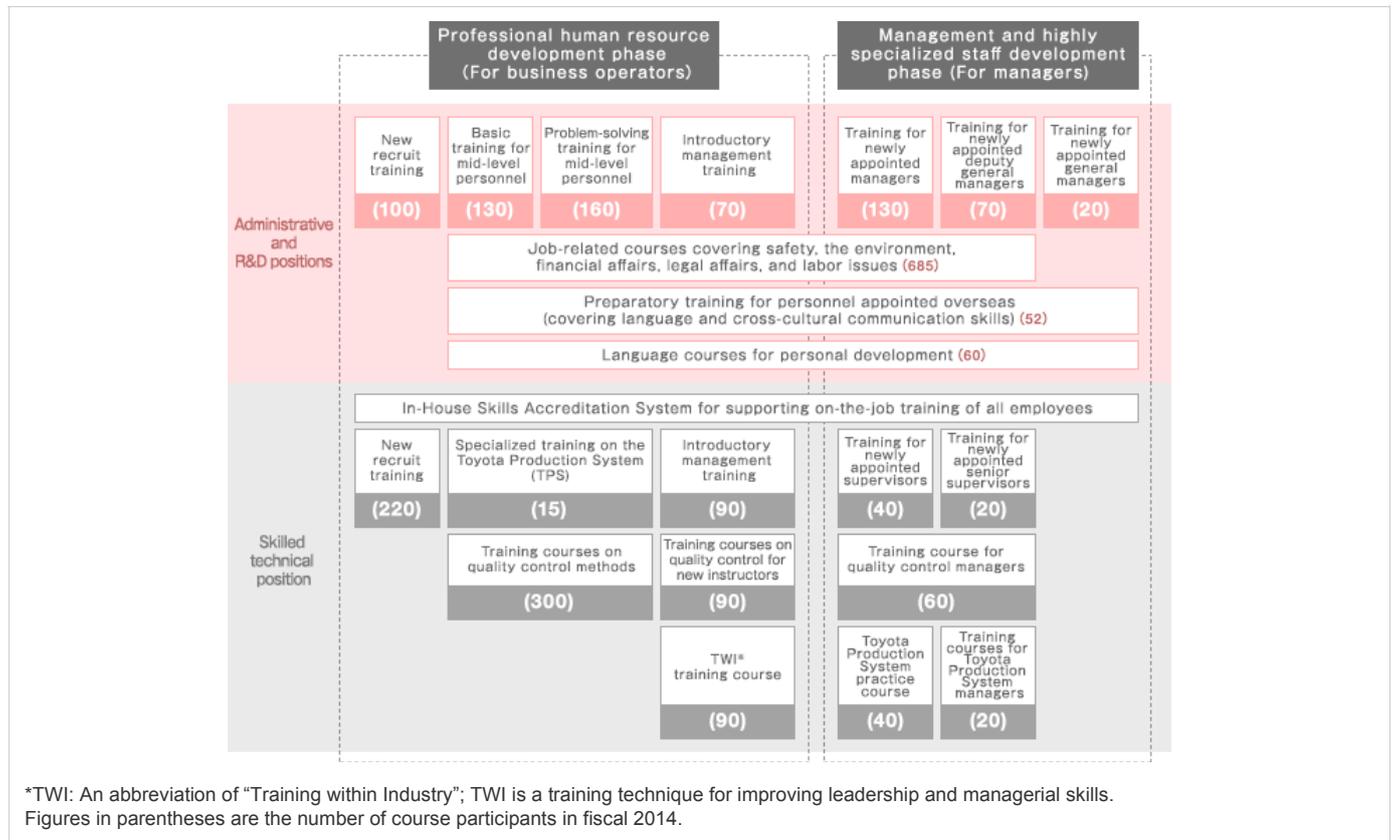
The basic policy for human resources development at Hino Motors is to improve the abilities of employees to perform their work duties through on-the-job training, based on an approach that encourages reciprocal learning. In order to supplement this on-the-job training, Hino Motors also offers various opportunities for off-the-job training, including progressive training courses and training in specialized fields, and it provides support for employees to study

outside of work hours.

Hino Motors is focusing on a number of practical training programs designed to develop human resources capable of excelling on the world stage.

These include courses on language and cross-cultural communication, training for managers covering management strategies and personnel evaluations, courses on specialized knowledge and skills, and training intended to improve the problem-solving abilities of key personnel.

### ■ Key Skills and Human Resource Development Systems



### In-House Skills Accreditation System and Company-wide Capabilities and Competencies Exchange

Hino Motors has established an in-house skills accreditation system for organizing its on-the-job training activities at production plants and other workplaces requiring technical skills.

Through this system, the expertise and skills needed in each workplace are clearly specified and incorporated into the goals of technical skills training programs, general training, and daily operations so that they can be systematically acquired by employees.

As part of the in-house skills accreditation system, Hino Motors holds its Company-wide Capabilities and Competencies Exchange every year. The event provides opportunities for representatives from all workplaces to demonstrate the skills they have refined on a regular basis in order to engage in friendly competition and mutually improve their capabilities through interaction.

By bringing members of all workplaces together for interactive activities, the event serves to motivate employees and foster a corporate culture that values reciprocal learning, which is essential for passing down technical skills to the next generation.



### Hino Motors' Employees Recognized for Outstanding Skills by the Governments of the Tokyo Metropolitan Area and Gunma Prefecture

Japan has established a system for awarding outstanding technical skills wherein the governor of each prefecture and administrative division of the country publically recognize people who possess superior capabilities—workers who pass on their skills to young people, raise the standard of technical skills, and contribute to improving work efficiency. In fiscal 2014, the Tokyo Metropolitan area and Gunma Prefecture each selected a Hino Motors employee for an outstanding skills award.

In addition, a Hino Motors employee received the Contemporary Master Craftsman Award, an award given by the Minister of Health, Labour and Welfare to leading artisans in Japan in recognition of their outstanding technical skills.

## Hino Technical Skills Academy

With the hope of developing authentic artisans who are passionate about creating excellent products, Hino Motors originally established the Hino Technical Skills Academy in 1951 as its own vocational school for training engineers. With this same desire, the academy now serves as a training center for developing and preparing human resources with the character and skills they need to take leading positions in the Company's production plants. After studying for three years at the academy, graduates are assigned to work at the plants as key personnel in Hino Motors' advanced production processes. In March 2015, 34 graduates were posted to the Company's factories, while 40 new students entered the Academy in April.

## Initiatives That Help Create an Ideal Working Environment

### Welfare Benefits

Hino Motors has developed extensive welfare benefit services that include both child support and nursing care support. In this manner, the Company is working to help each employee to lead a balanced work and personal life. In addition to creating opportunities that allow employees to easily use these benefits, the Company is also reviewing workplace environments as well as individual work styles.

In order to create a workplace environment in which employees can continue working with peace of mind, Hino Motors has adopted a pension plan by which it contributes a portion of funds based on a defined-benefit company pension plan.

### ■ Employees Participating in Efforts to Support the Next Generation

System Name	Details	Number of participants for 2014
Childcare leave	Leave until the date the employee's child reaches his or her second birthday through to March 31	47
Shorter working hours to accommodate for childcare needs	Shorter working hours for employees with children through to March 31 of the child's third year of elementary school	105
Flextime with no core hours	Core time deregulation for employees with children through to March 31 of the child's third year of elementary school	14
Child nursing care leave	Five additional vacation days each year for employees with children through to March 31 of the child's third year of elementary school	64

### Compassion and Respect for Workplace Colleagues

The Hino Code of Conduct promotes mutual respect and compassion among both directors and employees to create an active, lively and dynamic workplace in which everyone can work together. Hino Motors does not tolerate any behavior that violates human rights, including discrimination based on race, religion, gender, age, nationality or disability, and likewise, it does not tolerate child labor, enforced labor, or any form of harassment.

The Company conducts harassment prevention and compliance training in an effort to ensure that behavioral guidelines are increasingly adopted and practiced.

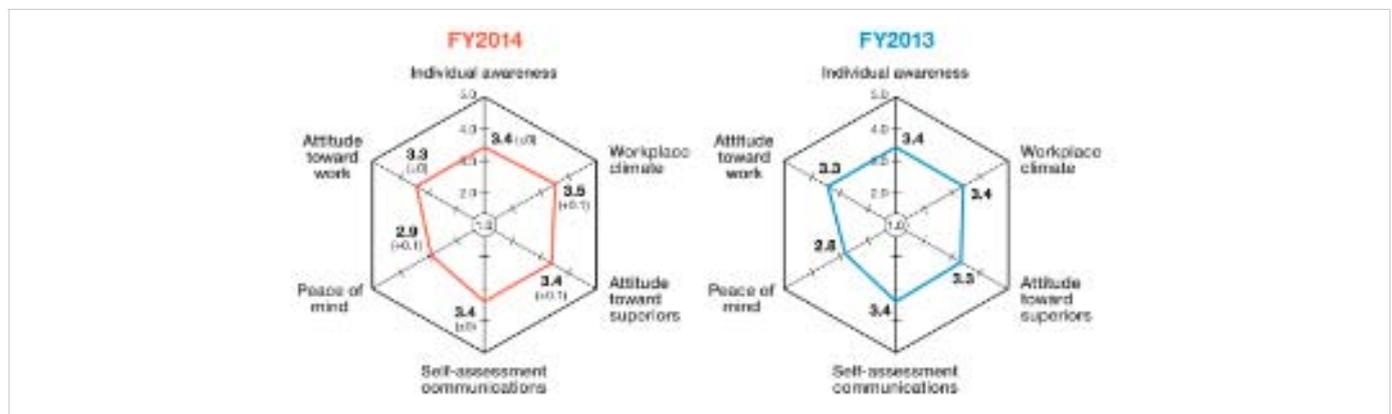
A total of 733 employees participated in the training sessions in fiscal 2014. Hino Motors intends to enhance the content and expand the scope of the training while providing it on a continuous basis in the future.

 Hino Code of Conduct

### Employee Attitude Surveys

Hino Motors has been conducting annual surveys on employee morale since fiscal 2005 to hear directly about the employees' level of enthusiasm and satisfaction toward work and their attitude toward the workplace environment. The results of the surveys provide feedback for each workplace and are utilized to improve workplace management and to make workplaces easier to work in.

### ■ Results of Surveys on Employee Morale



### Promoting Stable Labor Relations

A collective labor agreement between the Company and the Hino Motors Workers' Union states that management closely monitors labor conditions and is striving for improvements toward maintaining stable labor relations. Similarly, the labor union respects the rights of company management and cooperates with management's efforts to enhance production. In 2002, to mark the 60th year of its founding, Hino Motors reaffirmed its basic stance toward development and

continuance of sound management and labor relations with a renewed labor and management declaration of mutual trust and respect. Accordingly, Hino Motors and the workers' union are jointly monitoring the labor market while dealing with various issues concerning human resources.

### Opportunities for Labor and Management Collaboration

At Hino Motors, labor and management strive to reach a consensus on issues of common interest through monthly labor-management conferences, and labor-management meetings are also held on a factory and divisional basis. Both parties aim to create a positive and productive workplace environment for employees.

### Occupational Safety and Health

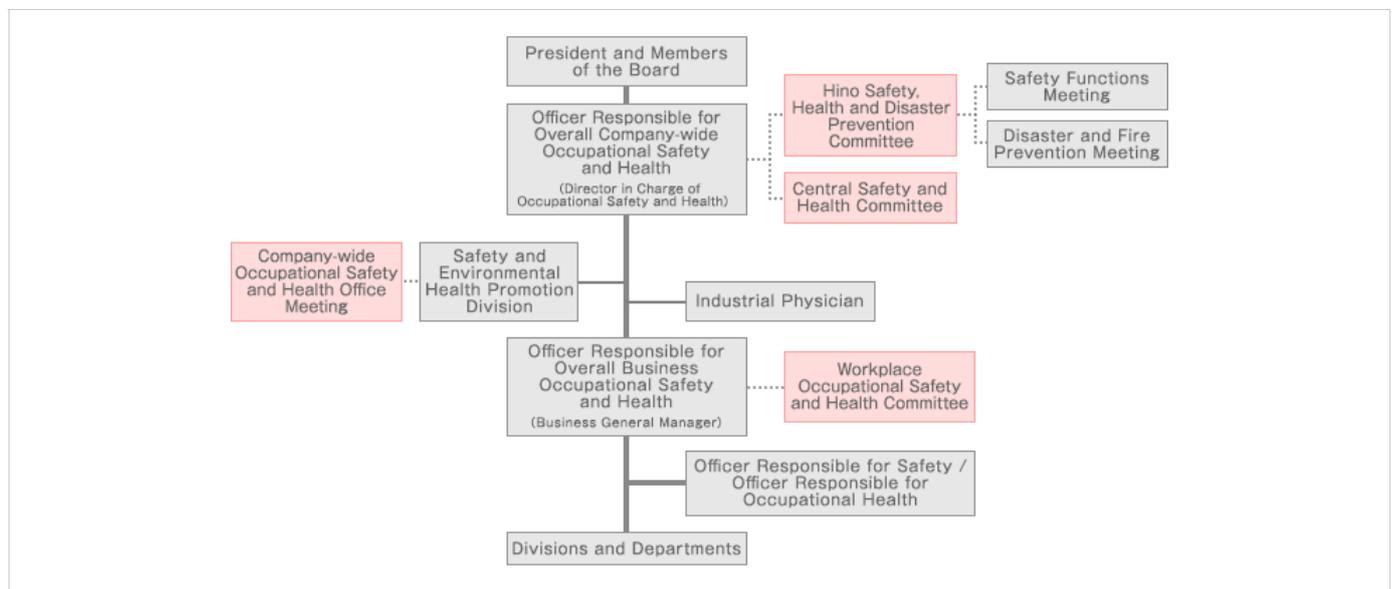
#### Basic Stance toward Occupational Safety and Health

Acknowledging that safety takes priority over all business activities, as stated in the Hino Motors Fundamental Policy for Safety and Health, the Company strives to create a safe and healthy workplace and to promote safety and health awareness among all employees.

#### Occupational Safety and Health Management System

Hino Motors has established the Hino Safety, Health and Disaster Prevention Committee as its primary occupational safety and health decision-making body. Complementing this structure, a network of occupational safety and health committees consisting of company members, industrial doctors and union members has been set up at the Company's offices and facilities. Under the guidance of this overarching organizational structure, workplace safety initiatives and measures are implemented at each department and division.

#### Occupational Safety and Health Management System Organization Chart



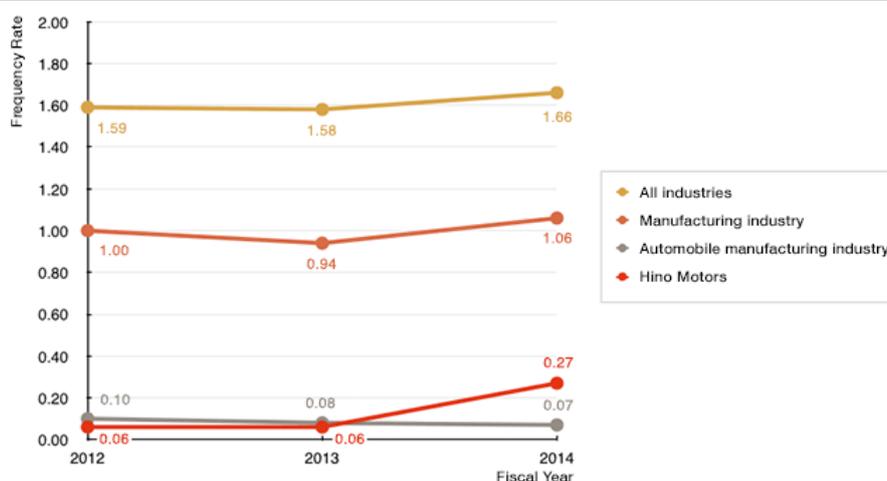
#### Initiatives Aimed at Securing and Improving Occupational Safety and Health

Hino Motors is working to make sure its employees are highly conscious of safety by carrying out Company-wide activities intended to raise awareness of safety and basic safety habits. The Company conducts training on occupational health and safety tailored to job types and responsibility levels in order to help employees become more aware of safety and gain a better understanding of related issues. In fiscal 2014, a total of 8,158 employees participated in the training.

Meanwhile, efforts were made at each production plant to prevent workplace accidents by having small groups carry out risk assessments and improvements in danger-prone areas based on risk management techniques.

Hino Motors' initiatives for eliminating workplace accidents were also extended to its affiliated companies in Japan and the rest of the world. Various initiatives designed to improve the level of safety were carried out, including accident prevention measures, sharing of related information, and interactive seminars on safety education and activities led by expert personnel sent from the Company.

## ■ Frequency of Temporary Absences Due to Accidents, by Industry



\*Frequency of temporary absences due to accidents = (number of employees injured during operations / total number of working hours) x 1,000,000

## Initiatives for Employee Healthcare

### Employee Mental Health Management

Hino Motors recognizes that good health, both in mind and body, plays an important role in an employee's ability to fulfill his or her potential. Accordingly, the Company places considerable weight on efforts that contribute to employee health. Focusing particularly on mental well-being, Hino Motors operates a health office staffed by industrial physicians and conducts regular workshops for all new employees as well as managers and supervisors.

In addition, Hino Motors offers employees consultations with qualified counselors from outside the Company and provides access to a contracted mental health organization through various means, including a toll-free telephone number. Every effort is being made by Hino Motors to provide comprehensive mental health care.

Hino Motors had all of its employees checked for stress levels in fiscal 2014 and offered counseling by healthcare staff and support from outside experts to employees interested in learning more about personal mental health management. The Company is also utilizing the results of the stress checks in order to promote better workplace management. With the goal of making workplace management improvements in fiscal 2014, all of the Company's section heads, group managers, and factory foremen—numbering 754 in total—received a total of six hours of training comprised of lectures on the relationship between management and mental health along with listening skill exercises.



A mental health workshop

### ■ Participants in Mental Health Care Study Sessions Held for Managers

Business site	2012	2013	2014
Head Office/Hino Plant	105	407	475
Hamura Plant	65	182	188
Nitta Plant	30	54	91
Company-wide total	200	643	754

### Supporting Healthcare for Employees Stationed Overseas

Hino Motors has set up a healthcare assistance service to provide healthcare lectures based on the living conditions of each destination country to all employees who will be stationed outside Japan. In addition to providing employees and their families with access to an occupational physician by telephone or email, the Company supports the healthcare of mind and body through the same kind of service as it does in Japan by providing counseling through a toll-free telephone number.

## Healthcare Guidance for Young Employees

Hino Motors has public health nurses and registered nurses administer a six-month diet program for obese employees under the age of 40 who are not provided with any specific healthcare guidance. While taking up the challenge of a healthy diet, the employees consider ways to improve their lifestyle habits and set personal goals for their weight while trying to improve their eating and exercise habits.



Young employees receiving healthcare advice

## Countermeasures for Highly Virulent Infectious Diseases

Hino Motors provided information to all of its employees and took daily steps to ensure that all necessary measures were taken to avoid influenza. At the same time, the Company established concrete guidelines for employees and their family members who had contracted the virus as a way to prevent it from spreading further.

The outbreak of new types of viruses more virulent than before is a matter of serious concern. Therefore, Hino Motors has established rules for responding to an outbreak of a highly virulent influenza virus, with the goals of protecting the health of employees, maintaining essential business operations, and resuming full operations as quickly as possible. It has also prepared procedures to take at each stage of an outbreak in accordance with laws and regulations as well as internal action plans and guidelines. The Company conducts simulated drills to ensure that it can respond effectively in the future, and it maintains a supply of items to prevent infections.

In addition, Hino Motors is implementing training for employees and their family members, particularly in countries outside of Japan, to provide education and information on preventing infectious diseases. The Company is providing preliminary health checks and vaccinations.

## Measures to Prevent Heatstroke

In addition to measures introduced into facilities to prevent heatstroke, Hino Motors continues its initiatives through preventative activities. Specifically, it holds seminars explaining how to prevent heatstroke and partially subsidizes the price of cold beverages (from July through September). For employees working in the plants of Hino Motors, the Company provides functional drinks as well as saline solution, and it establishes specified times for employees to drink water.

All of Hino Motors' workplaces take steps to prevent heatstroke, including meeting with employees each morning to check on their health condition and monitoring the workplace environment using devices that measure the wet-bulb globe temperature index of heat.