

Social Performance

To Our Stakeholders

To Our Employees

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

- ☒ Special Feature: “Ton-Ton Kids ” Nursery School—Initiative to support employees in their child-rearing years
- ☒ Topics: Designated a “Company with Excellent Health Management (White 500)”

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.

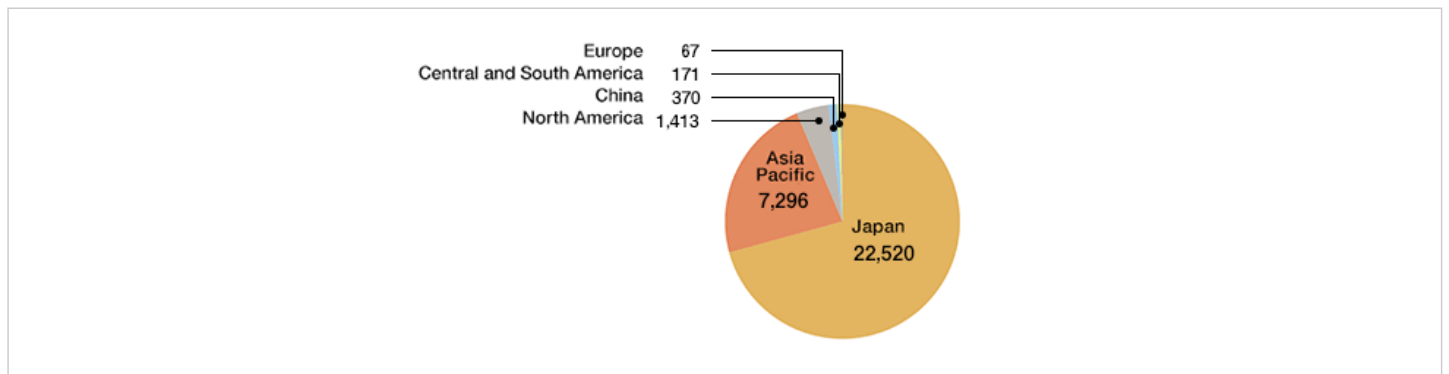
Basic Stance toward Personnel Evaluation

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.

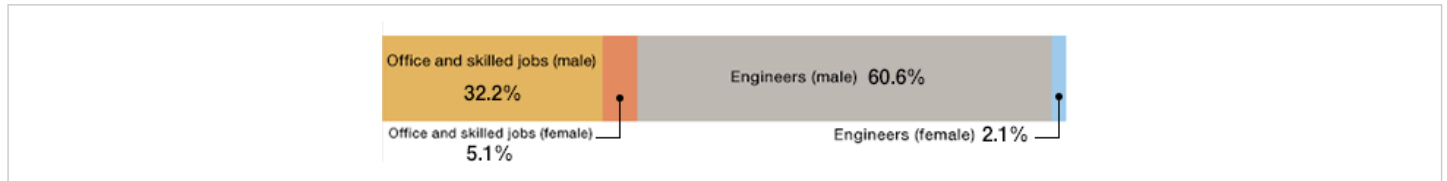
■ Number of Employees (Non-consolidated)

	March 31, 2015	March 31, 2016	March 31, 2017
Males	11,024	11,392	11,720
Females	820	861	902
Total	11,844	12,253	12,622

■ Number of Employees Total 31,837 (Consolidated as of March, 2017)



■ Ratio by Job Type (Non-consolidated, as of March 31, 2017)



Initiatives for Promoting Diversity

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 & General Administration Division 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) Increasing the percentage of women in new graduate and year-round recruitment, and expanding the appointment of female managers based on gender composition by year
- (2) Creating a workplace that is easy for anyone to work in, such as by introducing flexible working systems
- (3) Improving the workplace environment so that employees can work while raising children, such as the establishment of in-house nursery schools

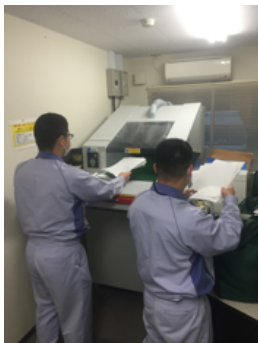
In 2015, opportunities for attaining success were further expanded with the appointment of a female president at an overseas subsidiary.

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. Its business activities continue to grow each year, further increasing new opportunities for people with disabilities.

In fiscal 2016, the employment ratio of people with disabilities to total employees at Hino Motors was 2.12%, 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.



Shredding the collected confidential documents



Delivering the in-house mail

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 151 employees at Hino Motors who reached retirement age in fiscal 2016, 139 (92.1%) expressed a desire to continue working, and all of them were re-employed. As of March 31, 2017, a total of 487 employees were using the re-employment system.

■ Number of Re-employed Staff

	March 31, 2015	March 31, 2016	March 31, 2017
Number of re-employed staff	465	471	487

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)

Type of Employment Status	Total employees	Foreign nationals	Ratio of foreign nationals
Full-time employment	12,622	21	0.2
Other employment	2,560	100	3.9
Total	15,182	121	0.8

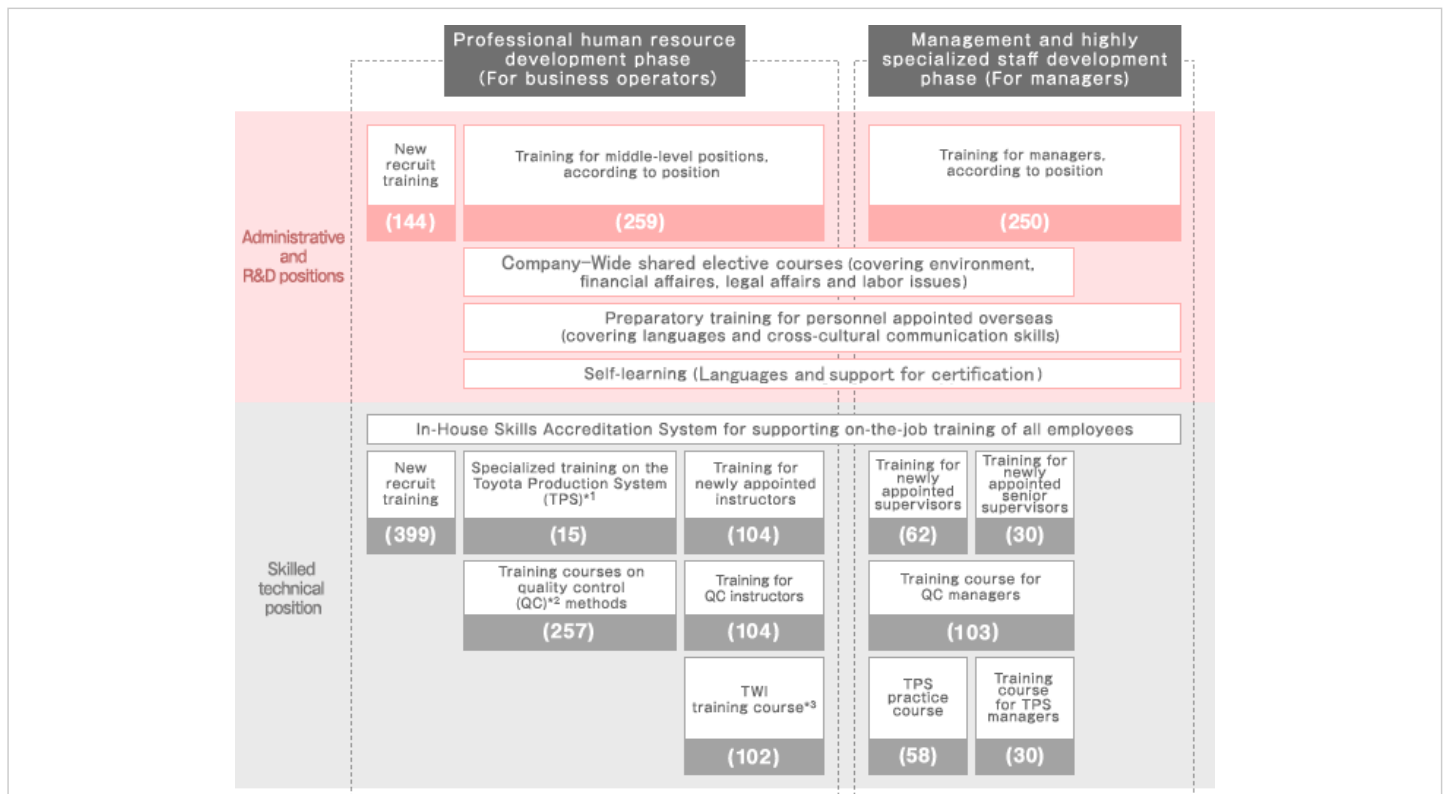
Human Resource Education and Training Initiatives

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 an overseas trainee system (dispatch of young employees on overseas training), training for managers to improve management skills, training for workers to gain specialized knowledge and skills, and improving the problem-solving abilities of employees.

■ Key Skills and Human Resource Development Systems



Figures in parentheses are the number of course participants in fiscal 2016.

*1 TPS: "Toyota Production System," the Toyota method of production.

*2 QC: Quality control

*3 TWI: "Training within Industry"; TWI is a training technique for improving leadership and managerial skills.

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 and group companies, including overseas businesses, 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

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 2016, the Tokyo Metropolitan area selected a Hino Motors employee for an outstanding skills award.

In addition, a Hino Motors employee received the Contemporary Master Craftsman Award, an award presented to Hino Motors for the third consecutive year. The Minister of Health, Labour and Welfare gives this award 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 2017, 38 graduates were posted to the Company's factories, while 60 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 2016
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	109
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 1,455 employees participated in the training sessions in fiscal 2016. Hino Motors intends to enhance the content and expand the scope of the training while providing it on a continuous basis in the future.

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.

In fiscal 2015, the Company revised the questionnaire to make questions more pertinent and better gauge employee work and life satisfaction. Further efforts were also made to enhance feedback to workplaces.

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

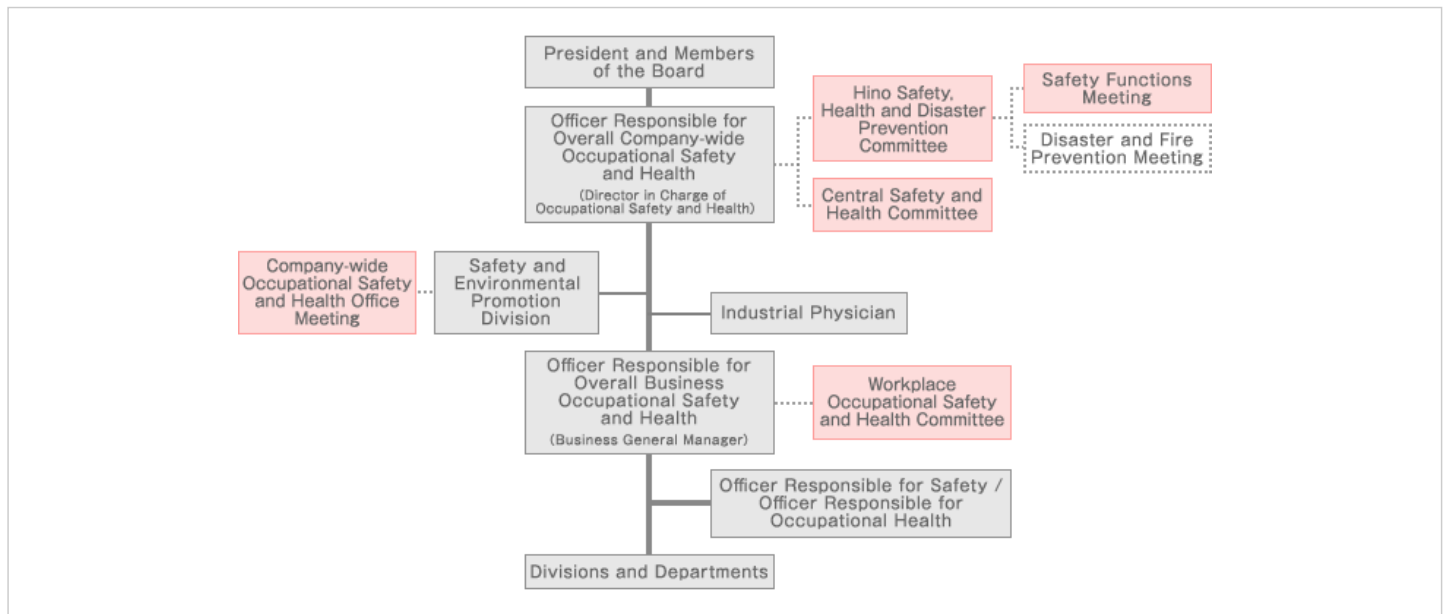
Basic Stance toward Occupational Safety and Health

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



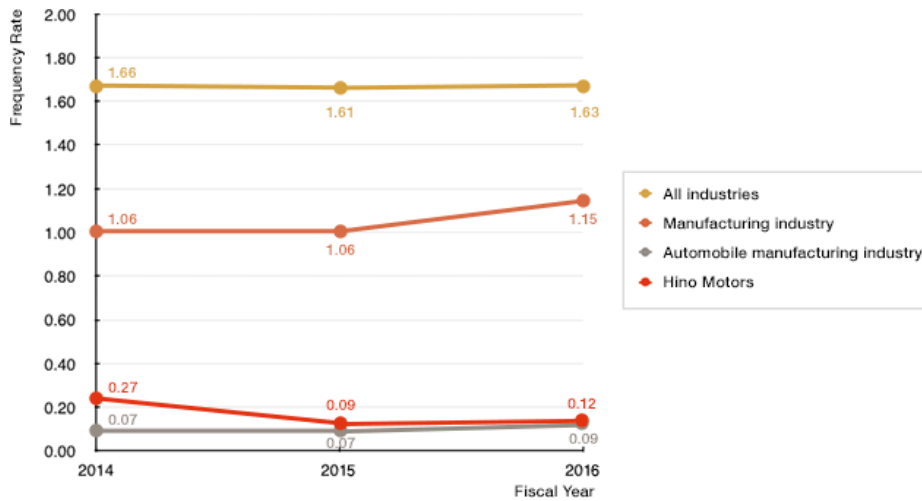
Initiatives Aimed at Securing and Improving Occupational Safety and Health

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. These activities include the implementation of "point and call," compliance with pedestrian manners (prohibition on walking with hands in pockets, walking while using a smartphone, etc.), and exhibitions of past disasters. 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 2016, a total of more than 10,000 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

Designated a “Company with Excellent Health Management (White 500)”

The Ministry of Economy, Trade and Industry and Nippon Kenko Kaigi (Japan Health Conference) are promoting Health and Productivity Management which certifies the companies that are implementing health and productivity management and are strategically working on the health management of their employees from the viewpoint of corporate management. Hino Motors was recognized for its daily efforts for supporting the employees' health in this certification and was designated a “Company with Excellent Health Management (White 500).”



Health Support System

Based on the Company policy of placing safety and health as the top priority for business activities, Hino Motors promotes the maintenance of good health, both in mind and body, which obviously plays an essential role in an employee's ability to fulfil his or her potential.

As specific measures, the Company operates a health office staffed by industrial physicians from the Health Promotion Center, provides consultations with counselors and also provides access to a contracted mental health organization through a toll-free telephone number. From fiscal 2017, the Company has registered consultants in house who try to discover employees who may be in a bad condition early on and provide help to them.

Employee Mental Health Management

■ Stress Checks

Hino Motors had all of its employees checked for stress levels in fiscal 2016 and offered counseling by healthcare staff and support from outside experts to highly stressed employees interested in learning more about personal mental health management. This data is being fed back to the workplace and utilized in workplace management.

■ Mental Health Training

With the goal of making workplace management improvements, from fiscal 2014, all of the Company's section heads, group managers, and factory foremen received a total of six hours of training comprised of lectures on the relationship between management and mental health, along with listening skill exercises. In fiscal 2016, a total of 274 persons newly appointed to management positions participated in training.



Mental Health Training

■ Participants in Mental Health Care Study Sessions Held for Managers

Business site	2014	2015	2016
Head Office/Hino Plant	475	369	183
Hamura Plant	188	21	47
Nitta Plant	91	22	44
Company-wide total	754	412	274

Employee Health Management

■ 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. The Company also provides training for the employees' family members by educating and raising awareness of infectious diseases and conducting preliminary health checks and vaccinations. In addition to providing employees with 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.

■ 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 a virus as a way to prevent it from spreading further.

In addition, the health insurance association helps cover the cost for influenza vaccination.

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.

■ Measures to Prevent Heatstroke

In addition to measures introduced into facilities to prevent heatstroke, Hino Motors continues various initiatives through preventative activities. Specifically, it holds seminars explaining how to prevent heatstroke and partially subsidizes the price of cold beverages (from June 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.

■ Promotion of Data-based Health Plans

In cooperation with Hino Motors Health Insurance Society, data-based health plans are being promoted. The information from health examination results and medical billing statements is analyzed so that appropriate health promotion measures can be compiled.

As specific measures, Hino Motors enhanced its system of health guidance by occupational physicians for employees whose health data was beyond normal parameters. From fiscal 2016, a regular examination for cancer (prostate and colon cancer) has been added. In fiscal 2017, the Company also sets up a system of gynecological cancer screening (breast and uterine cancer) by the health insurance association.

In addition, to reduce the smoking rate among employees, the Company has made it possible to visualize the smoking rate in each division, implemented no-smoking days, conducted smoking cessation lectures, and provided expense subsidies for the use of outside smoking cessation clinics.