

Corporate Information	Top Message	The HINO Credo & Course of Action	Realizing a Sustainable World	Environmental Management	Hino's Strategies and Initiatives and the Sustainable Development Goals (SDGs)	CSR Management	Topic	ESG Initiatives			
								Environment	Social	Governance	ESG data and others

Corporate Governance Interview with Outside Director Compliance and Risk Management

Compliance and Risk Management

Basic Stance

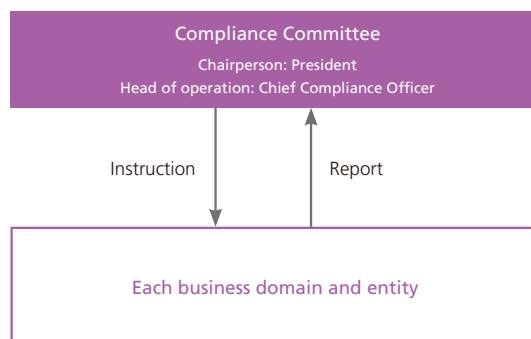
Hino Motors recognizes that earning the trust and cooperation of stakeholders is essential for promoting its CSR activities. Based on this perspective, the Company pursues stringent compliance as a priority management issue, and it is committed to the observance of all laws and regulations along with ethical and appropriate business conduct that meets social expectations.

In addition, based on Hino Motors' basic policy for risk management which seeks to avoid or reduce risks and minimize any resulting damage or loss, the Company identifies major risks in corporate management and takes the necessary steps to address them.

Based on this stance and policy, Hino Motors strives to with laws and regulations, maintains and improves its ethical character, and to be a company that continues to be trusted by customers and society.

Compliance Promotion System

The "Compliance Committee" consisting of officers and advisors(external attorneys) has been established with the President & CEO at the top to deliberate on policies and issues related to compliance, and implement compliance measures in each business domain and entity.



Educating Employees in the Complexities of Compliance

To foster awareness of compliance among each and every employee, Hino Motors has introduced compliance training into the employee education curriculum. There are several policy and guidance tools available for carrying out thorough in-house education. They include the CSR Charter, which is the Company's CSR commitment to all stakeholders, the Hino Code of Conduct, which sets out the standards expected from all employees, and the Compliance Guidebook, which illustrates a variety of challenging situations that could arise in everyday work and explains specific appropriate responses from a compliance perspective. These training tools are distributed by pamphlet and other means to all employees and can be viewed anytime via the company intranet.

The Company will continue endeavors to further enhance its training content to ensure its workforce has a high awareness of compliance.



[Click here for the CSR Charter.](#)



[Click here for the Hino Code of Conduct.](#)

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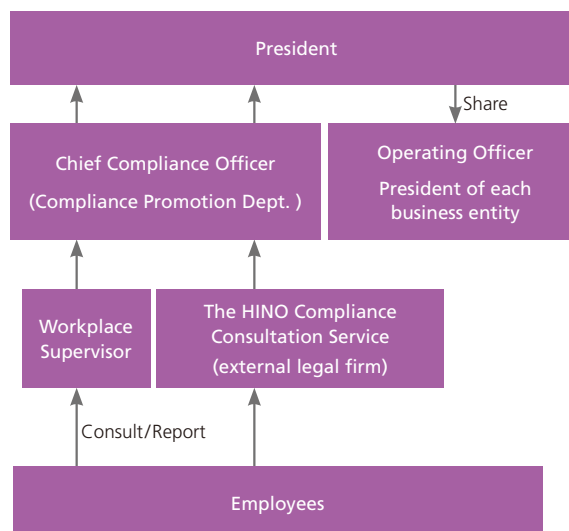
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Preventing and Swiftly Resolving Compliance Issues Using an Internal Reporting System

Hino Motors utilizes an internal reporting system to provide consultation on employee compliance and swiftly resolve issues from an objective viewpoint. Hino Motors has established the HINO Compliance Consultation Service operated by an external legal firm and a specialized company. It endeavors to maintain a system that facilitates consultation through efforts such as providing employees with access to advice on problems that are difficult to discuss in the workplace.

In fiscal year 2020, 123 reports and consultations were received from Hino Motors and its group companies. Hino Motors aims to prevent and swiftly resolve compliance issues by properly implementing this system and improving it on an ongoing basis.

● Flow of Consultations/Reports in the Internal Reporting System



Risk Management Promotion System

Hino Motors regularly identifies major risks, based on changes in laws, regulations, and the business environment. Identified risks are managed by the Risk Management Committee. In addition, the Company carries out specific activities for controlling risk and bolsters risk management through the many activities conducted by the Information Security Committee, Hino Safety, Health and Disaster Prevention Committee, Hino Environment Committee, and Export Transactions Control Committee.

Refer to the following for cases of major risk management.

◆ Responding to natural disasters and infectious diseases

Hino Motors implements drills and measures that prioritize human lives above all else should a major earthquake or other natural disaster or infectious disease such as COVID-19 occur.

The Company has particularly endeavored to increase its capability to cope with disasters through more pragmatic actions since the 2011 Great East Japan Earthquake. These include various exercises such as evacuation drills (twice yearly), fire drills, first-aid training, communications training, and emergency headquarters training.

For infectious diseases including COVID-19, we have established internal regulations, and various activities such as company-wide preventive measures and countermeasures are being implemented by the countermeasures headquarters.



Fire drills



Evacuation drills with practicing social distancing

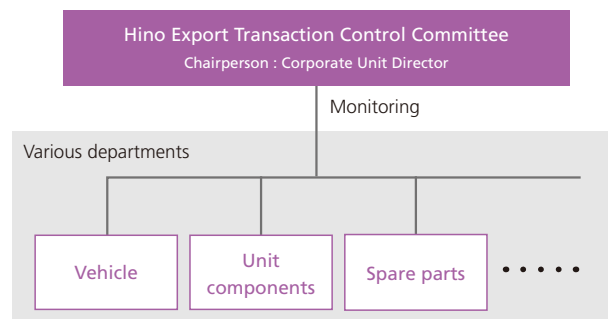
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◆ Managing Export Transactions

Hino Motors fulfills its duties related to maintaining international peace and security, practicing comprehensive management of export transactions to prevent the risk of exported vehicles, units and other products being diverted to weapon use.

Confirmation of strict legal compliance is conducted in every department, and management conditions are monitored by the Hino Export Transaction Control Committee to ensure company-wide implementation of export transactions that comply with various laws and regulations.



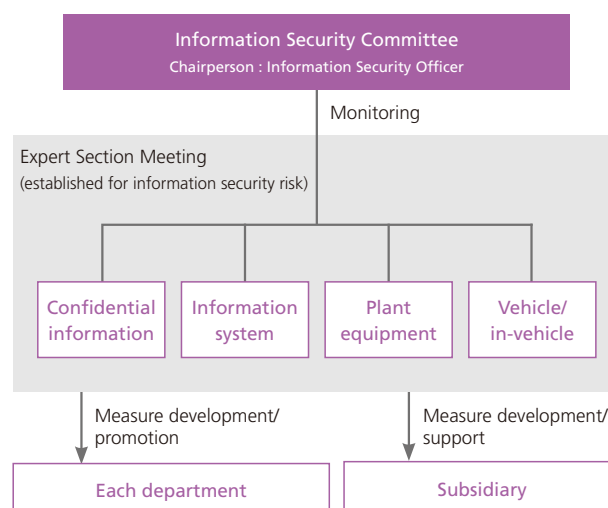
◆ Information Security Management

Hino Motors understands the social responsibility of protecting customers' personal information and employees' assets from threats such as cyber-attacks, and is working to strengthen information security initiatives.

A Basic Stance Toward Information Security was established that summarizes the approach to information security, and at each section meeting risk management is carried out that adheres to that policy. Furthermore, the risk management state in each section meeting is monitored by the Information Security Committee to manage thoroughly information security risks throughout the company.

In keeping with information security regulations, we are implementing system maintenance, risk identification and countermeasures, education for all employees including management, audits, and standardization of incident response to prevent internal information leaks and cyber attacks, which have been increasing in recent years. We are continually enhancing measures to improve workstyles and protect personal data to further decrease risk.

Hino Motors inspects the response status at each company once a year in ongoing efforts to maintain and improve information security. Hino Motors has also established an internal Group contact network for responding to incidents, putting in place systems for proactive defense and rapid emergency response.



[Click here for the Basic Stance Toward Information Security.](#)

Future Initiatives

Hino Motors must be a company that maintains the trust of our customers and society, in order to contribute to them through its business in the future.

The Company continually strives to develop the awareness of each member of Team Hino of compliance and risk management to strictly comply with laws and regulations, and thoroughly maintain and improves its ethical character.