

Safety Health Quality Respect for Human Rights Human Resources "Creation" and Work Styles <u>Supply Chain</u>
Social Responsibility Initiatives

# **Supply Chain**

### **Basic Stance**

Partnerships with suppliers is an essential of Hino Motors' ongoing business activities. The Company works together with suppliers to offer value to the world with the aim of achieving sustainable corporate growth.

The Company not only views fair transactions as important, but mutual communication as well, and builds solid, trusting relationships with clients.

# **Hino Motors Basic Procurement Policy**

Hino Motors comprehensively judges aspects including technologies, quality, price and delivery, and procures the best components from trustworthy suppliers around the world. The following five matters form the basic policy for promoting sound, fair procurement activities that comply with laws.

### 1. Transparent and Fair Transactions

The Hino Motors Group conducts transactions with suppliers fairly and in good faith, regardless of a supplier's national origin, scale of operations, or past performance. Hino Motors decides which suppliers it procures from after due consideration of quality, price, production capacity, and delivery times, as well as their stance on the environment, management stability, and technology development capabilities.

#### 2. Establishment of Relations Built on Trust and Continuous Mutual Prosperity

The Hino Motors Group works closely and communicates directly with suppliers in an effort to attain good working relations and mutual prosperity based on mutual trust.

### 3. Promotion of Global Procurement

With its goal to be a commercial vehicle maker trusted around the world, the Hino Motors Group promotes procurement from suppliers in the areas where the Group conducts business to enable it to contribute to communities as a local enterprise.

#### 4. Complying with Relevant Laws, Regulations and Terms of Contracts

The Hino Motors Group operates in accordance with social norms and in compliance with laws and regulations, in letter and in spirit. The Group also properly and strictly manages classified information it shares with suppliers.

## 5. Promotion of Green Purchasing

Based on Green Purchasing Guidelines, The Hino Motors Group works to procure parts, materials, and equipment that have been produced with a low impact on the environment in order to offer environment-friendly products and services.



	Corporate Information	Top Message	The HINO	Realizing a	Environmental		CSR Management	Topic	ESG Initiatives	
			of Action	Sustainable World	Management				Environment	Social Governance ESG data and other

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# Initiatives to strengthen compliance in the Hino Group and all supply chains

Hino Motors communicates its compliance message to Hino Group suppliers to gain understanding of the approach to CSR. The Company has developed Supplier CSR Guidelines for all supply chains that are utilized in endeavors to improve CSR. The suppliers for each company also use the guidelines to check handling of CSR. In addition, Hino Motors administers questionnaires on compliance to grasp the state of implementation and conducts feedback in an effort to strengthen compliance in all supply chains. In regard to human rights, we also grasp the circumstances involving training for foreign interns who are accepted by many suppliers, and hold regular consultation meetings to discuss issues.



Click here for the Supplier CSR Guidelines.



Click here for the Supplier CSR Guidelines Sheet.

# **General Meeting for Suppliers**

#### Japan

Hino Motors holds a "Supplier General Assembly" every March as a place to deepen direct exchanges with suppliers in Japan. At the general meeting, we explain our company policy and procurement policy. In addition to explaining our thinking on cost and quality improvement, working environment, safety, environment, and compliance, we commend suppliers who have made particular contributions in various fields such as quality control, technological development, and cost improvement.

In fiscal 2020, the Supplier General Assembly was cancelled as in the previous fiscal year due to COVID-19. However, a video was distributed to more than 360 suppliers on the procurement policy for fiscal 2021 that encompasses the operating foundations of safety, quality, compliance, environment, and supply, as well as on strengthening global competitiveness and building a procurement infrastructure with advanced technology. In addition, awards were given to suppliers that have made notable contributions.

#### Overseas

Hino Motors holds a "Supplier General Assembly" with the aim of deepening direct exchanges with suppliers in overseas countries such as Asia and North America. In fiscal 2020, due to the impact of the COVID-19, as in Japan, the scheduled general meetings in the United States, Thailand, Indonesia, China, and Pakistan have been cancelled. But we will make efforts to strengthen ties with our suppliers, such as holding a briefing session on our procurement policy for fiscal 2021 online.