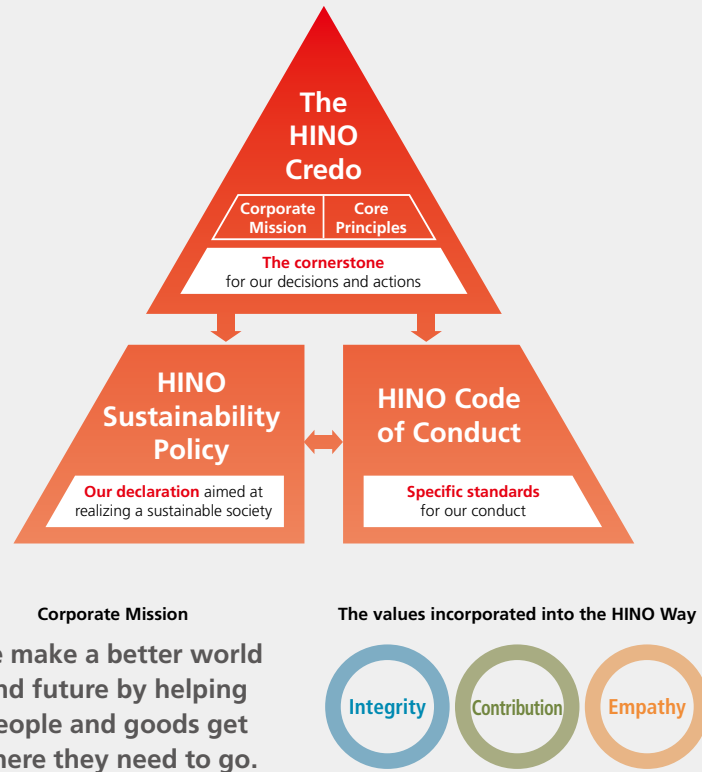




The HINO Way / Preface to publication



The HINO Way

The HINO Way reflects our return to our origins in terms of contributions to customers and society and summarizes the values and vision that each one of us should hold dear.

With this HINO Way in our hearts, we pledge to cultivate a work culture that prizes mutual respect and empathy, as we provide our uniquely Hino value to customers and society.

On the publication of the Hino Group Integrated Report 2025



The Hino Group has identified “Honest dialogue with stakeholders to restore trust” as one of its eight material issues (Materiality). To further deepen the understanding of our investors and all other stakeholders about our efforts to improve the Hino Group’s corporate value, we have been issuing integrated reports since 2023 and have been working to improve their content.

The Hino Group Integrated Report 2025 introduces our efforts to restore trust in the Company and enhance our corporate value. To improve the specificity of the report, we have endeavored to expand the scope of quantitative information and to provide necessary information in an easy-to-understand manner through dialogues among outside directors and between CxO (Chief Officer) and an employee. I hope that this report will contribute to promoting mutual understanding and high-quality dialogue with stakeholders.

Going forward, we will continue to disclose information in a timely and appropriate manner, striving for highly transparent communication. We will also continue to engage in dialogue with stakeholders through various means and opportunities, working to build relationships of trust. I encourage you to read this report and provide your honest opinions. We will incorporate your opinions into our management to further enhance our corporate value.

Finally, I would like to state here that the preparation of this report required the deep involvement of the management team from the planning stage and the close cooperation of all divisions, and therefore represents a unified effort of the entire Hino Group.

Satoshi Ogiso

President & CEO, Member of the Board of Directors



The history of the Hino Group

Since successfully test-producing Japan's first 100% domestically designed and manufactured truck in 1917, the Hino Group has responded to society's needs for mass transportation and supported Japan's postwar recovery and rapid economic growth. Beginning in the 1980s, we launched initiatives to protect the global environment and began offering our customers support for their business on a full-scale basis. In recent years, we are utilizing cutting-edge technologies to address the issues that society and customers face regarding the movement of goods and people.

1910-

Responded to the mass transport needs of society

Began mass production of the first truck made wholly in Japan. With needs for mass transportation growing during the post-war recovery period, Hino made a significant contribution to Japan's development through its trucks and trailer buses.

- 1910 Tokyo Gas Industry Co., Ltd. was established
- 1917 Succeeded in producing prototypes of trucks that were made entirely in Japan



TGE-A type trucks

- 1919 Completed a new plant located in Omori, Tokyo
Began mass manufacturing the first trucks that were entirely made in Japan
- 1942 Spun off as Hino Heavy Industry Co., Ltd.
- 1946 Released heavy-duty trailer trucks to support logistics



T10 and 20 type trailer trucks

- 1947 Released Japan's first trailer buses



T11B and 25 type trailer buses

1950-

Provided logistical support during Japan's period of [rapid] economic growth

To respond to increasing logistical needs, Hino moved to improve truck loading capacity and strengthen service systems. Supported Japan as an economic superpower in terms of the movement of people and goods.

- 1958 Released Japan's first front-wheel two-axis trucks



10-ton TC10 trucks

- 1962 First overseas sale company established in Thailand (now Hino Motors Sales (Thailand) Ltd.)
- 1971 Started the service skills competition among service staff of sales companies that were distributors supporting Hino



1st nationwide dealer service skills competition

- 1974 Hino Motors (Europe) was established
Released the world's first four-axis low-floor heavy-duty trucks



Hino KS300

1980-

Launched initiatives to protect the global environment

Environmental problems began to gain attention as important issues for society in the 1980s. Hino moved early to adopt initiatives to reduce the environmental impact of its vehicles.

- 1980 Released heavy and medium-duty trucks with improved fuel economy



SUPER DOLPHIN

- 1982 PT. Hino Motors Manufacturing Indonesia was established

- 1991 Released the world's first diesel-electric hybrid buses



BLUE RIBBON HIMR

- 1993 Formulated the HINO Global Environment Charter

2000-

Accelerated business transformation to address the problems faced by society and our customers

As awareness of sustainability grew in society as a whole, Hino provided a range of products and services intended to address the social issues surrounding commercial vehicles and the increasingly complex and diverse problems faced by customers.

- 2005 Provided instruction on safety and fuel-efficient driving
Opened the Customer Technical Center
- 2006 Released a compact light-duty low-floor bus, the HINO Poncho



HINO Poncho

- The first heavy-duty truck in the world to be equipped with a Pre-Collision System
- 2017 Formulated the HINO Environmental Challenge 2050

- 2018 Released HINO S'ELEGA, the world's first heavy-duty tourist bus equipped with an Emergency Driving Stop System

- Began offering "HINO-CONNECT," a service using ICT for customers

- 2019 Japan's first articulated bus Released the HINO BLUE RIBBON Hybrid articulated bus, a heavy-duty route bus



Heavy-duty route bus
HINO BLUE RIBBON Hybrid articulated bus

- 2020 Toyota and Hino jointly developed heavy-duty fuel cell electric truck



HINO PROFIA Z FCV, a heavy-duty truck

- 2021 Newly established CUBE-LINX Co., LTD., a company that offers proposals for energy management in electric vehicles

Corporate website for CUBE-LINX Co., LTD. (Japanese)

- 2022 Announced the "HINO Way," a new corporate philosophy
Launched Hino Dutro Z EV, a light-duty battery electric truck



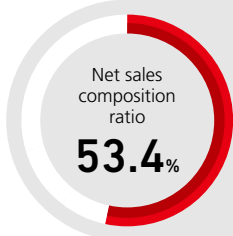
Hino Dutro Z EV



Today's Hino Group at a glance

The Hino Group focuses on providing trucks and buses pursuing safety, environmental friendliness, and comfort, and is developing its businesses in light of the Corporate Mission: We make a better world and future by helping people and goods get where they need to go. We have built a system that integrates everything from research and development to production, sales, service, and support, in a globally expanding network.

Business

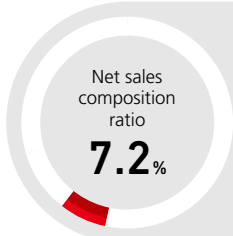


Trucks and buses

In the domain of transport of people and goods, we are expanding in Japan and overseas to offer products with excellent quality, durability, and reliability, while pursuing safety, environmental friendliness, and comfort, as we work to solve the issues faced by our customers and by society.



(Left) HINO PROFIA, a heavy-duty truck
(Right) HINO S'ELEGA, a heavy-duty tourist bus

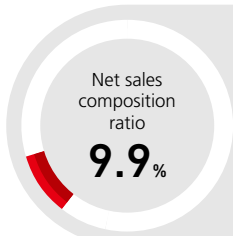


Toyota brand vehicles

We manufacture TOYOTA brand vehicles on consignment.



Land Cruiser "250" Series

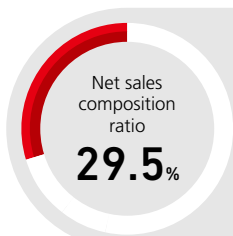


Vehicle parts

In order to provide a comprehensive level of after-sales service, we supply the vehicle parts needed for proper servicing and maintenance. We leverage our nationwide network of sales locations to provide rapid delivery of reliable, high-quality parts.



Hino Global Logistics



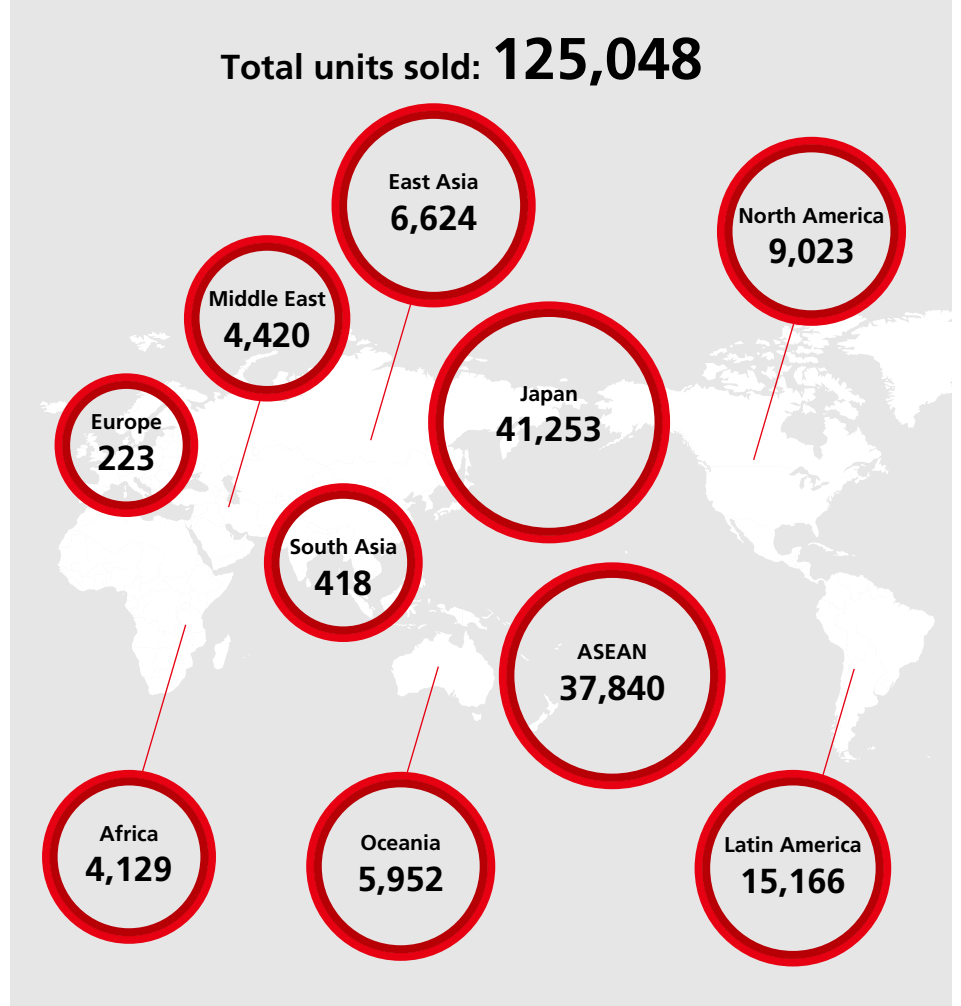
Others

In addition to providing after-sales service to support our customers in operating their vehicles, as well as a range of solution services, we also sell industrial diesel engines.



Mechanic staff at a dealership

Global Sales Status

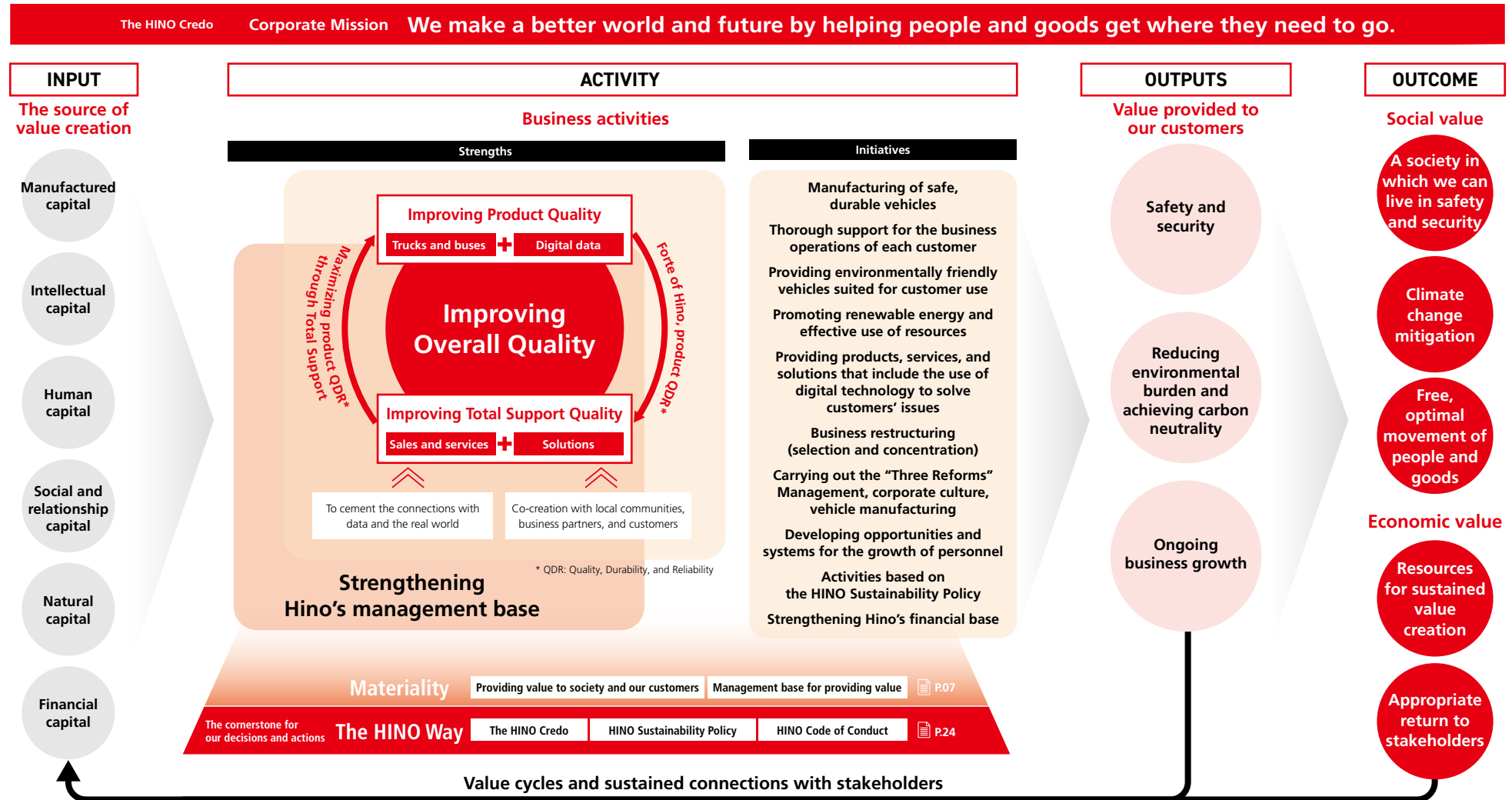




Value creation process

We improve corporate value and achieve a sustainable society by providing solutions to the issues faced by society and our customers through our business

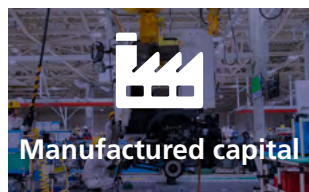
The Hino Group will work to further enhance the Overall Quality that is one of its strengths, and to improve our management base, while continuing to provide value to society and our customers, thus enhancing sustainable corporate value.





Six types of capital

Value creation at the Hino Group is driven by six capitals that support our business activities. Here are the elements for achieving sustainable connections with stakeholders and value cycles.



Manufactured capital

Realization of high-quality manufacturing through domestic and overseas production plants and capital expenditure.

Manufacturing that supports product QDR*

* QDR: Quality, Durability, and Reliability

Capital expenditure

71.0 billion yen

Production plants

4 plants in Japan,
12 plants overseas

Units sold in Japan
(Number of trucks and buses)

41,253 units

Units sold overseas

83,795 units



Intellectual capital

Creation of innovative products and technologies through R&D and patent acquisition.

Development capabilities that have created innovative products

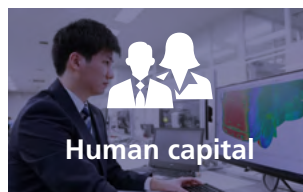
R&D expenses

55.0 billion yen

Patents

(Acquired between 2004 and the end of March 2025)

2,302



Human capital

Diverse human resources that drive value provision to support corporate growth.

Human resources that provide value to our customers

Number of employees

33,608

(Hino only: 11,950)



Social and relationship capital

Strengthening of relations with global networks and local communities.

Strong and sustainable supply chain, expanding on a global scale

Suppliers (tier 1)

Approx. **400** companies

Sales and service networks that support customer businesses

Sales locations

40 locations in Japan,
14 locations overseas

Cumulative total number of users of the Customer Technical Center

114,000 people

Relation with local communities

Number of municipalities hosting a Hino Plant in Japan (Hino only)

1 metropolis, **1** province,
4 prefectures, **11** municipalities

Number of countries and regions where Hino products are sold outside Japan

87 countries



Natural capital

Promotion of the effective use of resources such as energy and water, and advancement of environmental initiatives.

Effective use of natural resources

Renewable energy electricity usage

271,925MWh

Non-renewable energy electricity usage

251,603MWh

Fuel consumption

2,014,000 GJ

Water usage

2,741,000 tons



Financial capital

Further reinforcement of financial health and efforts toward continuous improvements in corporate value.

Financial base for value creation

Net sales

1,697.2 billion yen

Profit attributable to owners of the parent

-217.8 billion yen

Capital stock

99.6 billion yen

Paid-in capital

57.5 billion yen

Operating profit

72.7 billion yen

Interest-bearing debt

407.5 billion yen



Materiality

Defining material issues to address

The Hino Group has identified eight material issues (Materiality) required to achieve the Group's mission, "We make a better world and future by helping people and goods get where they need to go." We will accelerate initiatives aimed at addressing these issues, and hope to contribute to the realization of a sustainable society while propelling the Group to sustainable growth and improving our corporate value.

Background to identifying material issues

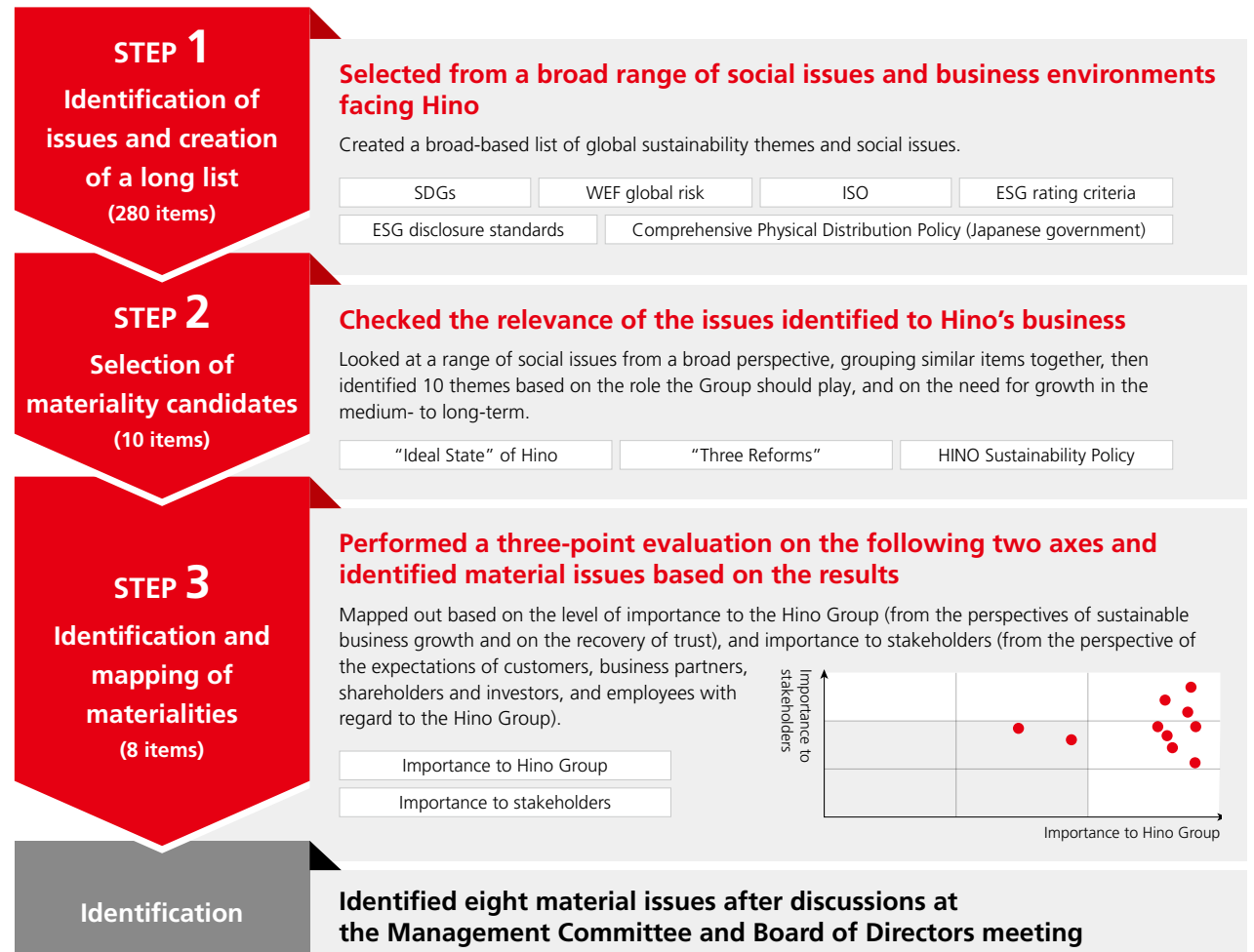
Working from our mission, "We make a better world and future by helping people and goods get where they need to go," the Hino Group has confronted the issues faced by society and customers through the trucks and buses that are the social infrastructure supporting the transportation of people and goods.

The eight material issues identified in December 2023 are important issues that we must address if the Hino Group is to continue fulfilling the Corporate Mission laid out in the HINO Way and achieve the "Ideal State" of Hino. We must realign the efforts we have made to date with these material issues and allocate our management assets appropriately to contribute to the realization of a sustainable society.

Materiality identification process

To identify material issues, we first listed more than 200 issues from a global perspective, then narrowed these down to 10 based on their affinity to the businesses of the Hino Group. The importance of each was then evaluated from the perspectives of the Hino Group and of our stakeholders, and after discussions at the management level, we identified eight material issues.

Identification steps





Materiality

Materiality	Hino's approach	Major initiatives	SDGs to address	ESG	Page	
Value propositions for society and our customers	<p>Minimization of environmental impact and contribution to the achievement of a carbon-neutral society</p> <p>We are working to address the six themes of "HINO Environmental Challenge 2050" out of a desire to reduce the environmental impact of the entire lifecycle of the trucks and buses that are Hino's main products, from their manufacture, use by our customers, to disposal. We are cooperating with governments and related industries in each country to take all measures possible, taking a society- and customer-centric approach.</p>	<ul style="list-style-type: none"> Life Cycle / New Vehicle Zero CO₂ Emissions Challenge <ul style="list-style-type: none"> Offering a variety of choices to match customer requirements Transport efficiency Conducting fuel-saving lectures for customers Factory Zero CO₂ Emissions Challenge <ul style="list-style-type: none"> Introduction of innovative technologies Promotion of daily improvements Introduction of renewable energy (On-site renewable energy generation and external procurement of renewable energy (Hydroelectric power generation, PPA*1 model businesses, non-fossil certificates*2, etc.): implemented at nine consolidated companies worldwide, Factory CO₂ emissions: Reduced 60% compared to FY2014) 	<ul style="list-style-type: none"> Challenge of Minimizing and Optimizing Water Usage <ul style="list-style-type: none"> Reduction in water usage (Water used: 2.741 million tons Year-on-year: -88,000 tons) Thorough control of wastewater quality Challenge of Achieving Zero Waste <ul style="list-style-type: none"> Promotion of resource recycling Reduction of factory waste (Factory waste volume: 35,900 tons Year-on-year: -1,600 tons) Challenge of Minimizing the Impact on Biodiversity <ul style="list-style-type: none"> Conservation activities appropriate to the global environment 	 	E	P34, 53
	<p>Achievement of a society in which people and goods can move optimally through our products and services, and the use of digital data</p> <p>We use digital technology to further enhance the Overall Quality (Product Quality and Total Support Quality) that is the strength of the Hino Group, maximizing the movement of our customers and supporting the movement of people and goods as social infrastructure.</p>	<ul style="list-style-type: none"> Improving Product Quality <ul style="list-style-type: none"> Improving development efficiency to develop safe, durable vehicles (Reviewing numbers of vehicle models and reducing the number of part types) Developing products capable of accurately predicting a range of malfunctions that may occur in future Improving manufacturing quality by compiling and analyzing data during production Improving Total Support Quality <ul style="list-style-type: none"> Strengthen points of contact with customers, focusing on maintenance package Use HINO-CONNECT to offer preventative maintenance and shorten maintenance times Use HINO CYCLE to transition maintenance reservation and vehicle acceptance management to digital technology Develop and strengthen service personnel (Total number of people acquiring qualification/certification: Mechanic category: approx. 6,600 people / Front category: approx. 5,500 people / Parts category: approx. 4,100 people) 	<ul style="list-style-type: none"> Emergency service response (Approx. 150,000 incidents) Enhancing service bases (Relocating and rebuilding service workshops: 15 sites in Japan since 2022) Solving issues related to the movement of people and goods <ul style="list-style-type: none"> Demonstration experiments on automatic operation for labor-saving at a dam construction site Providing services to support regional public transport Utilizing hardware- and software-based approaches to promote efficiency in transport Energy management, promoting the spread of electric commercial vehicles [CUBE-LINX Co., LTD. Initiatives] 	 	S	P41
	<p>Achievement of a safe and accident-free society</p> <p>To reach a level where we have zero traffic accident casualties, we employ a "Total Safety" policy through which we pursue safety in every part of the vehicle operation process, taking the view that people, vehicles, and the environment are three aspects connected as one, and we seek to instill safety in every facet of our customers' businesses.</p>	<ul style="list-style-type: none"> Practical application of advanced driving support systems that prevent accidents, implementation of safety technologies tailored to customer use Conducting training in safe driving techniques for customers (Total number of people using the Customer Technical Center to date: approx. 114,000 people. Total number of people using Customer Support Centers to date: approx. 23,400 people in Malaysia and 4,600 people in Indonesia) 		 	S	P39
Management base for value propositions	<p>Respect for human rights in business activities</p> <p>Hino recognizes the importance of initiatives supporting respect for human rights in business and is working to instill respect for human rights in close cooperation with all people associated with the business activities of the Hino Group, based on the United Nations Guiding Principles on Business and Human Rights.</p>	<ul style="list-style-type: none"> Initiatives to promote respect for human rights <ul style="list-style-type: none"> Formulation of the HINO Human Rights Policy Performance of due diligence on human rights (1 dealer subsidiary in Japan, 1 supplier subsidiary in Japan) Initiative to eliminate workplace harassment 		 	S	P59
	<p>Corporate governance that supports "working in the right way"</p> <p>Hino thoroughly enforces compliance, the foundation of our business activities, and promotes risk management based on indices shared throughout the Company. Moreover, senior management is responsible for establishing and operating an effective governance system to ensure the soundness, efficiency, and transparency of the operation of the Company.</p>	<ul style="list-style-type: none"> Initiatives to raise compliance awareness that does not tolerate nor forget the misconducts <ul style="list-style-type: none"> Implementation of compliance training, including training on laws and regulations for technical personnel Promotion of awareness and appropriate operation of internal reporting systems (Number of reports received by consulting desks: 332 cases Year-on-year increase: 8 cases) Strengthening management oversight functions <ul style="list-style-type: none"> Evaluation of the effectiveness of the Board of Directors and formulation of action plans Personnel selection that takes into account the skill set required for the Board of Directors 	<ul style="list-style-type: none"> Strengthening internal control systems <ul style="list-style-type: none"> Re-checking operational regulations and standards and creating maintenance and update systems Establishing document management rules for appropriate management of documents and data Improving risk management <ul style="list-style-type: none"> Building company-wide risk management systems Prevention of risk manifestation (Business continuity management, information security management) 		G	P46
	<p>Respect for employees and active participation of a diverse range of human resources</p> <p>We will take the safety, health, and diversity of our employees into account as we create workplaces where each person can play an active role. We will develop human resources who can think and act independently to create new value for our customers and society, using the HINO Way as a cornerstone for our decisions and actions.</p>	<ul style="list-style-type: none"> Creating environments where people can talk openly <ul style="list-style-type: none"> Initiatives aimed at improving psychological safety (Implementation of workplace roundtable meetings) Focus of the growth of personnel based on a human resources medium-term plan <ul style="list-style-type: none"> Human resources development that facilitates employees' development of their own careers Revision of evaluation and compensation systems to reward the growth and use of capabilities Initiatives to improve employee satisfaction 	<ul style="list-style-type: none"> Creation of workplace environments where employees can thrive and be active <ul style="list-style-type: none"> Conducting employee awareness surveys and utilizing the results Introduction of systems aimed at implementation of a range of working styles such as hybrid work Measures against heat at manufacturing locations Promotion of workplace safety Promotion of Health Management®*3 	 	S	P55
	<p>Honest dialogue with stakeholders to restore trust</p> <p>We disclose corporate information in a timely, appropriate manner, engaging in repeated dialogues with stakeholders using a variety of different methods and opportunities to build a relationship of trust with society and our customers.</p>	<ul style="list-style-type: none"> Promotion of dialogues with a variety of stakeholders <ul style="list-style-type: none"> General Shareholders' Meetings and meetings of major stockholders Financial results briefings Individual consultations with institutional investors, analysts, etc. (approx. 160 times) Meetings with representatives of dealers nationwide (7 meetings) Meetings with sales managers at dealers nationwide (3 meetings) Exhibition of new technologies and construction methods (1 time) 	<ul style="list-style-type: none"> Labor union-management meetings (4 times) Dialogues with local community associations (9 times) Appropriate disclosure of financial and non-financial information <ul style="list-style-type: none"> Annual securities, Corporate Governance Report Enhancement of the official website Disclosure based on TCFD Recommendations Publication of Integrated Report 		S	P32
	<p>Maintenance of a strong and sustainable supply chain</p> <p>The Hino Group builds partnerships through sound, fair transactions with business partners in Japan and around the world, working to achieve mutual growth and strengthen solidarity.</p>	<ul style="list-style-type: none"> Promotion of fair trade based on the Declaration of Partnership Communication with our business partners to promote mutual improvement <ul style="list-style-type: none"> Holding supplier meetings Holding exhibitions of new technologies and construction methods 	<ul style="list-style-type: none"> Initiatives to improve competitiveness for mutual development <ul style="list-style-type: none"> Improvements to operational efficiency, revisions to quality control standards, design alterations, etc. Promotion of sustainability in the supply chain <ul style="list-style-type: none"> Investigations related to the use of conflict minerals (voluntary inspections at approx. 300 suppliers) 	 	S	P44

*1 PPA: Power Purchase Agreement

*2 Non-fossil certificates: Certificates representing the environmental value of electricity generated from non-fossil fuels such as renewable energy sources that do not emit CO₂

*3 Health management® is a registered trademark of the Non-Profit Organization Kenkoikei



The "Ideal State" of the Hino Group

Corporate Mission
We make a better world and future by helping people and goods get where they need to go.
 —Hino's efforts to restore trust and rejuvenate the Company—

Contribution to the realization of a sustainable society

- Contribution to carbon neutrality
- To solve issues associated with the transportation of people and goods

Thorough support for the business operations of each customer

Manufacturing of safe, durable vehicles

Corresponding Quality
Skill Quality

Total Support Quality × **Product Quality** = Overall Quality

Planning Quality
Design Quality
Manufacturing Quality

"Thoroughgoing support for each customer's business"

Co-creation with local communities, business partners, and customers

"Three Reforms"

To cement the connections with data and the real world

[Respect for all Hino staff and work in the right way]

Growth of personnel
HINO Way

Provision of value

Management base