



Chapter

4

Sustainability strategy

Building a foundation for restoring trust and business recovery

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Corporate governance

Basic views

As a company that manufactures and sells trucks and buses needed for transportation and logistics, Hino has set as its Corporate Mission: "We make a better world and future by helping people and goods get where they need to go." The Group has established the HINO Way, its corporate philosophy, which is composed of the HINO Group's Corporate Mission, the HINO Sustainability Policy, and the HINO Code of Conduct, and is working to realize the vision for its Ideal State based on the shared values of integrity, contribution, and empathy.

Based on the HINO Way, the Company has established and operates an effective corporate governance system to ensure the soundness, efficiency, and transparency of management, with the goal of building positive relationships with all stakeholders, deliver sustainable growth, and increase corporate value over the medium to long term as a global company.

In addition, Hino endorses Japan's Corporate Governance Code and has devised various measures based on the objectives and intent of the code's guidelines and principles. As a basic policy, Hino

intends to pursue these measures as a means of strengthening its corporate governance.

Governance system

Hino is a company with an Audit & Supervisory Board, and has established a Board of Directors, an Audit & Supervisory Board, and the position of accounting auditor. In addition to the independent auditing functions of the Audit & Supervisory Board, a majority of the Board of Directors are independent outside directors, reinforcing the supervisory functions of the Board.

Moreover, we have established multiple committees from the perspective of enhancing corporate governance. In light of our status as a listed subsidiary, we have established a Special Committee comprised solely of independent outside directors to confirm the appropriateness of important transactions with the parent company, a Proposal Review Committee for Officers (which corresponds to a nomination committee) and a Proposal Remuneration Committee for Officers (which corresponds to a remuneration committee). We have also established a

Corporate Governance Committee, which engages in discussions and issues recommendations with the involvement of outside officers.

On the business execution side, we have appointed CxOs and Operating Officers who are responsible for individual functions and have formed a Management Committee tasked with deliberating the management policies and initiatives of Hino and the Group and reporting information necessary for management.

Board of Directors

In order to achieve sustainable growth and improvements to corporate value over the medium- to long-term, the Board of Directors makes planned decisions on the setting of agendas based on the needs of both management and executive sides, centered on discussions on management policies and strategies, and makes and supervises important decisions on management. As a general rule, the Board of Directors convenes once monthly, and comprises seven directors (four of whom are outside directors), two full-time corporate auditors, and two outside corporate auditors, for a total of 11 members.

Main issues discussed at meetings of the Board of Directors (FY2025)

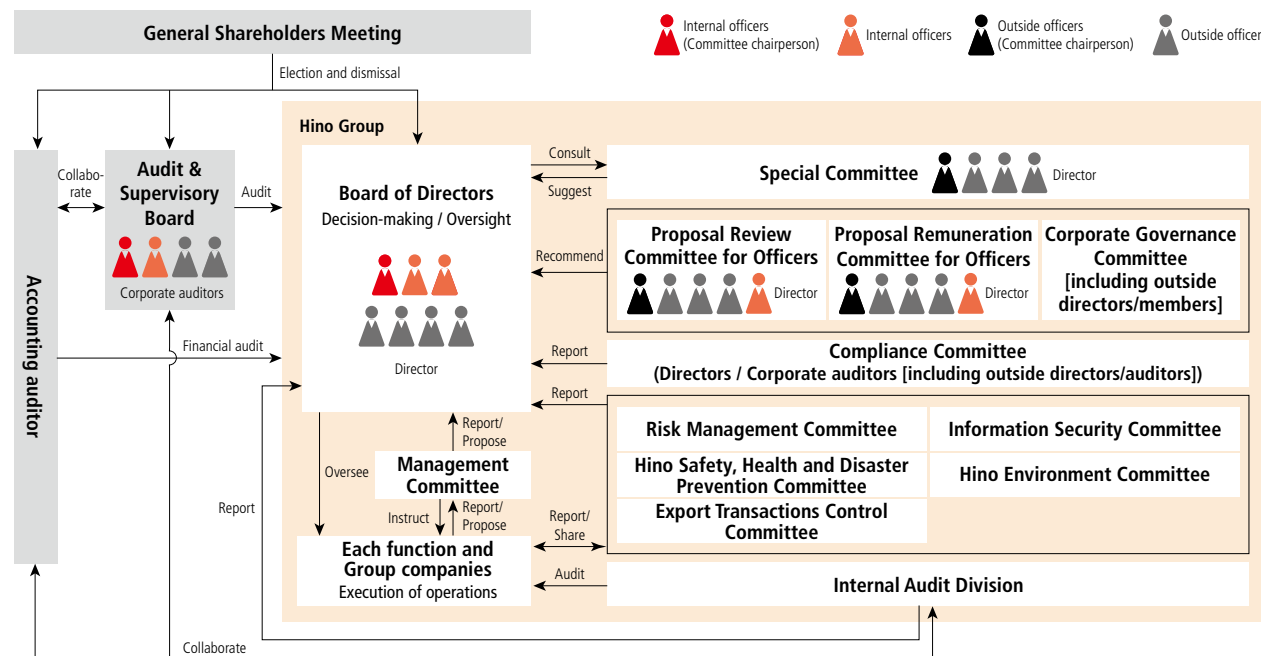
Category	Main contents of discussion/reports
Management strategy Sustainability	Important management strategies, capital investment plans and human resource systems Sustainability and environmental initiatives, etc.
Audit/internal control Risk management Compliance	Basic regulations on internal auditing, internal auditing activity reports Risk management initiatives, etc.
Financial statements/ Finances	Financial results

Special Committee

Toyota Motor Corporation is the parent company of Hino and holds 50.2% of the voting rights in the Company as of March 31, 2025.

Independent outside directors comprise a majority of Hino's Board of Directors. Moreover, from the standpoint of protecting the interests of minority shareholders, we have established a Special Committee that is comprised solely of four independent outside directors and acts as an advisory body to the Board of Directors. Important transactions between Hino and the Toyota Group are assessed for appropriateness by the Board of Directors, which consults with this committee and receives suggestions prior to making decisions.

Corporate governance system





Corporate governance

Proposal Review Committee for Officers / Proposal Remuneration Committee for Officers

Hino has established a Proposal Review Committee for Officers and a Proposal Remuneration Committee for Officers as advisory bodies to the Board of Directors established to enhance fairness, transparency, and objectivity with regard to the nomination and remuneration of officers. Both committees are chaired by an independent outside director and are comprised of five members in total—four independent outside directors and the President & CEO.

The Proposal Review Committee for Officers deliberates on matters such as the composition and skill matrix of the Board of Directors, officer election policies and standards, and personnel matters regarding officers, and it provides suggestions to the Board of Directors. The Proposal Remuneration Committee for Officers deliberates on matters related to the remuneration for officers, such as the remuneration systems, decision-making policies, and the details of the remuneration for each individual, and it provides suggestions to the Board of Directors.

Corporate Governance Committee

With the aim of enhancing the effectiveness of corporate governance and contributing to further sustainable growth and enhancement of corporate value over the medium- to long-term, this committee is comprised of all directors, the corporate auditors and related CxOs and Operating Officers. This committee undertakes ongoing, multilateral discussions concerning Hino's corporate governance policies, evaluations of the effectiveness of the Board of Directors, and important issues and policies for addressing them. It takes into account the opinions of outside officers and provides recommendations to the Board of Directors as necessary.

Management Committee

This committee is chaired by the President & CEO, and is comprised of the full-time corporate auditors, the CxOs/Operating Officers. The purpose of this committee is to decide on the policy regarding matters related to management policies and strategies that are important to Hino and the Hino Group. As a general rule, the Management Committee convenes once a week in order to facilitate rapid decision making.

Auditing system

Hino's Audit & Supervisory Board (which is comprised of four corporate auditors (including two outside corporate auditors, one of whom is an independent officer)) meets regularly to evaluate the audit policy, prepare audit reports, check the status of the development and operation of the internal control system, and deliberate issues such as the reappointment of accounting auditors. In compliance with the audit policy and audit plans, etc., set out by the Audit & Supervisory Board, corporate auditors audit the directors' execution of duties by attending important meetings, receiving reports from directors and other parties on the execution of their duties, reviewing important documents, and performing onsite audits of the Company and subsidiary companies. Hino has established an Audit & Supervisory Board Office as an organization to assist corporate auditors with their duties, and we are striving to improve the audit environment.

Hino promotes mutual cooperation with the accounting auditors while monitoring and verifying that the accounting auditors maintain their independence and conduct appropriate audits.

Hino has also established an Internal Audit Division. In addition to

Composition and attendance of all committees and meeting bodies (FY2025)

Name	Years of Service as Director	Independent Director	Board of Directors	Audit & Supervisory Board	Special Committee	Proposal Review Committee for Officers	Proposal Remuneration Committee for Officers	Corporate Governance Committee	Compliance Committee	Management Committee
Satoshi Ogiso President & CEO, Member of the Board of Directors	5		● 13/13 (100%)			●	●	●	●	●
Naoki Sato Director, Member of the Board	3		● 13/13 (100%)					●	●	●
Motokazu Yoshida Outside Director, Member of the Board	11	●	● 13/13 (100%)		●	●	●	●	●	
Koichi Muto Outside Director, Member of the Board	6	●	● 13/13 (100%)		●	●	●	●	●	
Masahiro Nakajima Outside Director, Member of the Board	5	●	● 13/13 (100%)		●	●	●	●	●	
Shoko Kimijima Outside Director, Member of the Board	3	●	● 13/13 (100%)		●	●	●	●	●	
Jun Nagata Director, Member of the Board	2		● 11/11 (100%)					●	●	
Iwao Kimura Full-time Audit & Supervisory Board Member	6		● 13/13 (100%)	● 13/13 (100%)				●	●	●
Tomoko Inoue Full-time Audit & Supervisory Board Member	7		● 13/13 (100%)	● 13/13 (100%)				●	●	●
Naoki Miyazaki Outside Audit & Supervisory Board Member	5		● 13/13 (100%)	● 13/13 (100%)				●	●	
Chika Matsumoto Outside Audit & Supervisory Board Member	3	●	● 13/13 (100%)	● 13/13 (100%)				●	●	

Note: ● indicates a chairperson or committee chairperson

Skill Matrix for Directors

Corporate Management	Legal Compliance Internal Control	Finance Accounting	Global	Sustainability	R&D Production (Monozukuri)	Marketing Sales	IT Digital
●		●	●	●	●		●
●				●	●	●	
●		●	●	●		●	
●		●	●	●			
●	●		●	●			
●	●		●	●		●	



Corporate governance

conducting audits of the development and operation of the internal control systems relating to financial reporting in each division and at subsidiaries based on in-house regulations, the Internal Audit Division seeks to enhance internal controls by continuously conducting audits relating to the legality, appropriateness, and efficiency of operations and by making necessary improvements. Moreover, outside organizations periodically evaluate the effectiveness of internal audits in order to strengthen their functions.

Outside officers

Hino has appointed four outside directors as required by the Companies Act. In addition to participating in important decision making at meetings of the Board of Directors, they play a management oversight role by engaging in active, constructive discussions at each committee meeting, contributing to transparent, fair, prompt, and decisive decision making. Additionally, Hino has also appointed two outside corporate auditors as required by the Companies Act. The outside corporate auditors perform objective audits in partnership with the two full-time corporate auditors thereby functioning to monitor the appropriateness and legality of the operation of the Company.

Based on the independence standards stipulated by the stock exchanges on which Hino is listed, we deem that all outside directors and one outside corporate auditor are independent.

Support systems for outside officers

By establishing forums for the exchange of information among the outside directors, outside corporate auditors and the directors, in addition to providing information on important matters, including prior explanations of proposals to be submitted to the Board of Directors, as well as visits to the plants that are our manufacturing sites and onsite observation at Group companies in Japan and overseas, Hino is working to enhance support systems to enable the supervisory and audit functions to function fully.

The outside corporate auditors work to communicate with the full-time corporate auditors, the directors, and others, and they attend the Audit & Supervisory Board meetings and Board of Directors meetings to gather information about the performance of duties and internal audits from the directors and others. In addition, as a general rule, a meeting of the Audit & Supervisory Board is held before the holding of a meeting of the Board of Directors. Thus, corporate auditors in attendance, including the outside corporate auditors, check the proposals to be submitted to the Board of Directors to conduct a preliminary review.

Reasons for appointment as an outside director

Name	Independent officer	Reasons for appointment	Important concurrent positions (As of June 26, 2025)
Motokazu Yoshida	●	At Mitsui & Co., Mr. Yoshida served in positions such as director and executive vice-president, and president and CEO of Mitsui & Co.(U.S.A.), Inc. As a corporate executive, he has a wealth of experience and broad insight. Since June 2015, he has served as an outside director of Hino and has made beneficial recommendations on the Company's overall management based on his experience and insight. He has been appointed as an outside director since it was determined that as an outside director, he can be expected to continue to provide sufficient advice and function to monitor and supervise corporate management from an independent standpoint in relation to the Company's overall management.	Chairperson of the Board of Councilors of Incorporated Educational Institution Meisei Gakuen
Koichi Muto	●	Mr. Muto has previously served as director and president, and director and chairman of Mitsui O.S.K. Lines, Ltd. As a corporate executive, he has a wealth of experience and broad insight. Since June 2020, he has served as an independent outside director of Hino and has made beneficial recommendations on the Company's overall management based on his experience and insight. He has been appointed as an outside director since it was determined that as an outside director, he can be expected to continue to provide sufficient advice and function to monitor and supervise corporate management from an independent standpoint in relation to the Company's overall management.	Senior Advisor of Mitsui O.S.K. Lines, Ltd.
Masahiro Nakajima	●	At Morita Holdings Corporation, Mr. Nakajima previously served as director and president, and he currently serves as director and chairman. As a corporate executive, he has a wealth of experience and broad insight. At Hino, he had served as an independent outside corporate auditor from June 2017, and he has served as an independent outside director since June 2021. Based on his experience and insight, he has made beneficial recommendations on the Company's overall management. He has been appointed as an outside director since it was determined that as an outside director, he can be expected to continue to provide sufficient advice and function to monitor and supervise corporate management from an independent standpoint in relation to the Company's overall management.	Director, Chairman & CEO of Morita Holdings Corporation Director, Chairman of Morita Corporation Director of Morita Environmental Tech Corporation Director, Chairman of the Board of Bronto Skylift Oy Ab
Shoko Kimijima	●	Having practiced law at Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu) and then held important positions in the legal divisions at GE Japan Corporation and LIXIL Corporation, she has advanced expertise as well as extensive experience and deep insight as a senior corporate manager. She currently serves as Executive Vice President with supervisory responsibility for legal and intellectual property at Chugai Pharmaceutical Co., Ltd. Since June 2023, she has served as an independent outside director of Hino and has made beneficial recommendations on the Company's overall management based on her experience and insight. She has been appointed as an outside director since it was determined that as an outside director, she can be expected to provide sufficient advice and function to monitor and supervise corporate management from an independent standpoint in relation to the Company's overall management, in particular, in the areas of corporate governance and compliance.	Executive Vice President, Supervisory responsibility for Legal and Intellectual Property of CHUGAI PHARMACEUTICAL CO., LTD.

Reasons for appointment as an outside corporate auditor

Name	Independent officer	Reasons for appointment	Important concurrent positions (As of June 26, 2025)
Naoki Miyazaki	—	Mr. Miyazaki has served as managing officer of Toyota Motor Corporation and as president, and then chairman of the board (current position) of Toyoda Gosei Co., Ltd., and vice chairman of Toyota Boshoku Corporation, and has a wealth of experience and deep insight regarding overall corporate management. Based on his wealth of experience and deep insight, he has been appointed as an outside corporate auditor since it was determined that he can be expected to provide advice on strengthening the Company's governance and compliance, and to play an appropriate role in enhancing the audit system.	Chairman of the Board of Directors Toyoda Gosei Co., Ltd.
Chika Matsumoto	●	Having served as a certified public accountant at auditing firms including KPMG AZSA LLC, where she held positions such as Executive Board Member, Ms. Matsumoto has advanced expertise and a wealth of experience in financial and accounting audit services as well as knowledge of overall management. Since June 2023, she has served as an independent outside auditor of Hino and has provided beneficial and important suggestions for auditing our Company's management. Although she has never been involved in corporate management other than by serving as an outside officer, because of the aforementioned reasons, she was appointed as an Outside Audit & Supervisory Board member since it has been determined that she can be anticipated to play an appropriate role from an independent standpoint in strengthening Hino Motors' overall management and audit system.	Outside Statutory Auditor of Brother Industries, Ltd. Director (Outside) and Audit & Supervisory Committee Member of NORITAKE CO., LIMITED



Corporate governance

Evaluation of the effectiveness of the Board of Directors

To further improve the effectiveness of the Board of Directors, Hino conducts an annual evaluation of the effectiveness of the Board of Directors that targets all directors and all auditors.

Any issues identified are reported at a meeting of the Corporate Governance Committee. We then plan and implement activities aimed at improvement to operate a PDCA cycle, leading to more effective Board of Directors' meetings.

Cross-shareholdings

Fundamentally, the Company's policy on cross-shareholdings is to reduce strategic shareholdings. With regard to the evaluation of cross-shareholdings, each year, in addition to quantitatively evaluating matters such as whether the benefits of shareholding are commensurate with the cost of capital with respect to each stock, the Board of Directors conducts a qualitative assessment of the justification of the shareholding to comprehensively determine the propriety of holding the same. Stocks whose ownership is no longer deemed justified will be reduced after discussion with the issuer.

In FY2025, we sold a total of 13 stocks (10 listed stocks and 3 unlisted stocks) (¥21.8 billion). And in FY2026, we continue our efforts to reduce cross-shareholdings.

With regard to the exercise of voting rights related to cross-shareholdings, Hino makes a comprehensive decision on each agenda item using judgment criteria such as whether the agenda item will lead to an increase in corporate value from a medium- to long-term perspective or whether the agenda item will undermine the effectiveness of Company's ownership of the stock.

Relationship with the parent company

The Company's parent company is Toyota Motor Corporation, which holds 287,897,000 shares of the Company's stock (50.14% of the Company's shares after deduction of treasury shares).

October 1966, we have had a business alliance with Toyota Motor Corporation, and we currently produce their LAND CRUISER "250," a passenger car, and the DYNA light-duty truck as well as other products and services. We are also developing and strengthening our alliance in various areas such as complementary transactions and sales of our products through Toyota's sales network.

The Company decides on sales prices, etc., for product sales to Toyota and other details after negotiating prices each fiscal year, taking into consideration the market price of raw materials and energy, changes in labor costs, and other factors. As for the purchase of parts, etc., the Company sets reasonable prices after consulting with Toyota, giving due consideration to market prices and other factors in the same manner as general transaction terms. Interest rates for borrowed funds are determined in the same manner as for general transactions, taking into consideration market interest rates.

The Board of Directors determines the validity of these important transactions between the Company and the parent company group after consulting with and receiving a report in advance from a Special Committee composed solely of independent outside directors. In FY2025, as well, Hino's Board of Directors determined based on reports that these transactions did not damage the interests of the Company.

In discussions regarding the business integration of the Company and Mitsubishi Fuso Truck and Bus Corporation (MFTBC), to ensure fairness and avoid conflicts of interest, we obtained advice from independent financial advisers and law firms and had deliberations conducted by a Special Committee with no vested interest in the integration.

In addition, certain matters, such as key management measures of the Company, are reported and approved between the Company and Toyota under the regulations concerning authority.

Early April to late May
Conduct a survey

Administered to:

All directors and auditors

The survey was also administered to CxOs with high rates of attendance in Board of Directors meetings, and evaluations and opinions were compared between executive members and Board of Directors members.

Method:

A survey was administered by the Secretariat of the Board of Directors. The opinions of those surveyed were confirmed through quantitative evaluations and free response answers. The results were then analyzed and evaluated.

Survey items

- Composition and operation of the Board of Directors
- Management strategy and business strategy
- Business ethics and risk management
- Evaluation and remuneration of senior management
- Engagement with shareholders
- Personal evaluations

June onward

Report results, formulate and implement action plans (PDCA cycle)

Report and discuss evaluation of the effectiveness of the Board of Directors and action plans in meetings of the Corporate Governance Committee

Overall evaluation

- As with last year, the Board of Directors was confirmed to be effective overall.
- In particular, the quantitative evaluation confirmed improvements in the use of the Board of Directors' annual agenda plan, an item in last year's action plan.
- However, as with last year, evaluations were low for management strategy, business strategy, and succession plans, and the evaluation again found that there were insufficient discussions from medium- or long-term perspectives. Another issue is the need for discussions of Group company issues and improvements to the operation of the Secretariat.

This year's initiative policy: Implement management that is conscious of capital costs and share prices

- **Enhance strategy discussions with an eye toward the future that lies beyond business integration**
(Management oversight that is conscious of management indicators, reinforcement of discussions aimed at increasing corporate value, etc.)
- **Engage in active engagement with shareholders in preparation for business integration**
(Enrich the contents of engagement, reinforce communications based on disclosure, etc.)
- **Make improvements to operations of Secretariat to support active discussions**
(Promptly share materials, improve quality of materials and reports, etc.)



Corporate governance

Officer remuneration

Hino's basic policy regarding remuneration for directors is to employ a system of remuneration that fosters management from the shareholder perspective, working to achieve sustained growth of the Company and enhance its corporate value, and that motivates people to improve their performance by linking company and individual performance. Under this policy, it sets remuneration for each director at an appropriate level based on the duties and responsibilities of each director.

Remuneration for directors

Remuneration for directors is comprised of fixed remuneration as basic remuneration, performance-based bonuses, and restricted stock compensation. However, only basic remuneration is paid to outside directors in view of their function of providing management supervision and oversight from an independent viewpoint and to non-executive directors in view of their function of providing management supervision and oversight.

Remuneration for corporate auditors

Only basic remuneration is paid to corporate auditors in view of their function of providing supervision/oversight of management from an independent viewpoint.

Determination of [individual amounts of] remuneration for officers; total amount of remuneration for officers

With respect to the amounts of basic remuneration, performance-based bonuses, and restricted stock compensation for directors, the Proposal Remuneration Committee for Officers, over half of whose members are independent outside directors, determines the remuneration amounts for each executive position. The Board of Directors then determines the total amount of remuneration and delegates to the representative directors the authority to determine the remuneration amounts for each individual. The ratios of each type of remuneration are determined by comprehensively taking into account the Company's performance, employee bonus levels, medium- and long-term business results, and the levels of remuneration offered by other companies.

Based on the remuneration amounts for each executive position deliberated on by the Proposal Remuneration Committee for Officers, the amount of basic remuneration for each Corporate Auditor is determined through discussion among the corporate auditors.

System of remuneration for officers

Remuneration types and overview		Recipients			
		Executive directors	Outside directors, non-executive directors	Audit & Supervisory Board members	
Fixed	Basic remuneration	<ul style="list-style-type: none"> • Paid every month as fixed monthly remuneration • Determined according to position and duties, comprehensively taking into account the Company's performance, employee salary levels, and the levels of other companies 	●	●	●
Performance-based	Bonuses	<ul style="list-style-type: none"> • Paid every year at a fixed time as an incentive to achieve management targets • Determined comprehensively taking into account factors including, for each period, consolidated operating profit, position, duties, dividends to shareholders, employee bonus levels, medium- to long-term business performance, past salaries, and trends in other companies 	●	—	—
	Remuneration by shares with restriction on transfer	<ul style="list-style-type: none"> • Granted annually during a specified period as an incentive to continuously enhance corporate value and promote further shared value with shareholders • Determined based on factors including position and duties in the Company, and the Company's stock prices, in alignment with the aims of grant shares 	●	—	—

Amount of remuneration, etc., for directors and corporate auditors (FY2025)

Category	Number of eligible officers	Total amount of remuneration, etc. (million yen)	Remuneration		
			Basic remuneration	Bonuses	Remuneration by shares with restriction on transfer
Directors	8	154	154	—	—
Of which, outside directors	4	48	48	—	—
Corporate auditors	4	91	91	—	—
Of which, outside corporate auditors	2	19	19	—	—
Total	12	245	245	—	—

(Note) 1. The numbers of persons above include one director who retired at the close of the 112th Ordinary General Shareholders Meeting held on June 26, 2024, and the total amount of remuneration, etc., includes the amount paid to such person.

2. No remuneration other than the officer remuneration specified above was paid to any director or Audit & Supervisory Board member.

3. The remuneration paid to directors and auditors is decided at the General Shareholders Meeting.



Internal control system / Risk management

Internal control system

Basic policy on the system to ensure the appropriateness of business operations

The HINO Group has defined, “We make a better world and future by helping people and goods get where they need to go.” as its Corporate Mission and will contribute to the realization of a sustainable society by solving issues related to the movement of people and goods. To that end, we have set in place the HINO Way, which consists of the HINO Credo, the HINO Sustainability Policy, and the HINO Code of Conduct, and established “Integrity, “Contribution,” and “Empathy” as the three values we share, fostering a sound corporate culture, including at subsidiary companies. Moreover, we recognize the importance of further strengthening corporate governance if we are to gain the trust of our stakeholders, achieve sustainable growth, and improve corporate value, and to that end we will work tirelessly to improve the operations of the Board of Directors. In actual execution of business, we will integrate systems for improvement and detection of issues into our business processes, including a system of checks and balances, and will work constantly to develop human resources who are able to put this into practice.

Outline of the system to ensure the appropriateness of business operations and of the operational status thereof

Hino strives to establish an internal control system to ensure the appropriateness of business operations as a corporate group and properly operates the system in accordance with the Basic Policy on Establishing a System to Ensure the Appropriateness of Business Operations of the Company.

Since FY2023, we have been working on strengthening our internal control system, one of the “governance to support sound management practices” initiatives of the “Three Reforms.” As part of these efforts, we are promoting the creation of systems for reconfirming, maintaining, and appropriately updating operational rules and standards in all divisions. We are also clarifying the roles and strengthening the functions of the “three-line defense system.”

The Internal Audit Division confirms and evaluates the status of the system based on our basic policy. It reports the results of this evaluation and the status of improvement measures to the Management Committee and the Board of Directors.

Please refer to “IV. Matters Related to the Internal Control System” in the Corporate Governance Report for an outline of Hino’s system for ensuring the appropriateness of business operations and the status of these operations.

Risk management system

Hino has a basic policy of constructing company-wide risk management systems for the entire Group while enhancing each employee’s sensitivity to risk, with the goal of preventing risks from materializing. The managers of each department, Chief Officers (CxOs), and Operating Officers are responsible for executing operations and managing risks of all kinds appropriately. Important risks are managed on a company-wide basis in consultation with the Board of Directors, the Management Committee or the like. The Risk Management Committee coordinates with cross-functional management departments and committees to ensure that company-wide risk management is properly implemented by analyzing, evaluating, and providing a visual representation of all risks managed by each department in order to further improve the effectiveness of such a system.

Hino’s Group companies carry out risk assessments and the departments responsible for Group companies work with cross-

functional management departments and committees to support risk management at these subsidiaries.

We encourage rapid escalation when dealing with incidents and we are working to enhance initial responses.

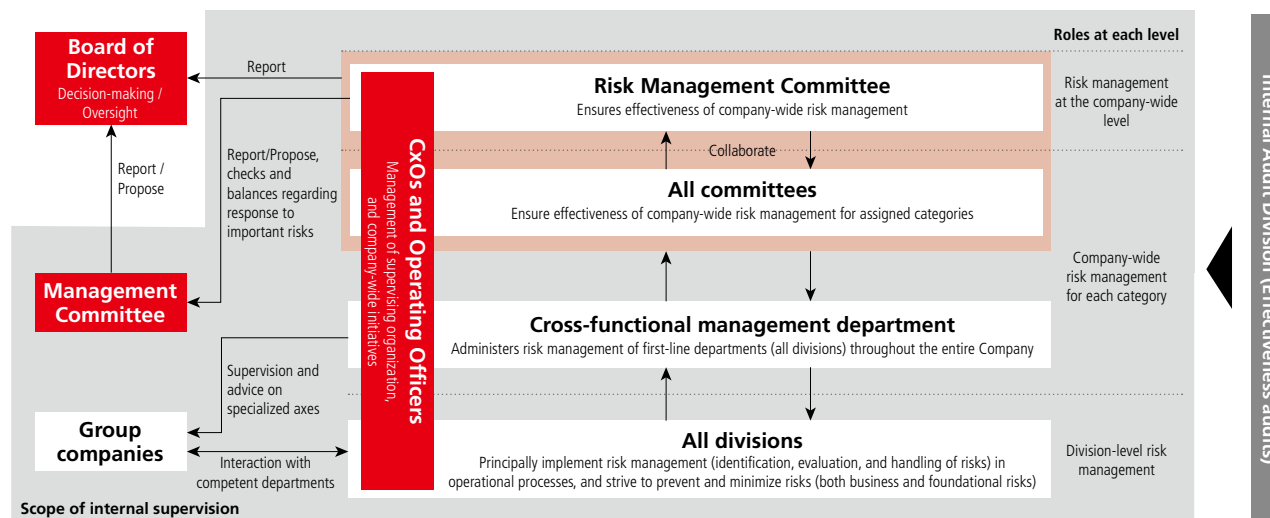
Company-wide initiatives to address major risks

Within the major risks we face, our business continuity management strives to prepare for major disasters, based on a fundamental approach of respect for human life and rapid recovery of affected areas. Led by these principles, we are striving to improve our response capabilities by establishing standards and conducting drills. With respect to information security management, we have established a dedicated organization and we are continually improving our systems and conducting training as we refine our rapid response structures in Japan and overseas.

Practical training regarding business continuity risks (FY2026)

- Initial response / Production Recovery / Comprehensive training
- Building re-entry inspection drills
- Evacuation drills, safety confirmation drills, firefighting drills, first-aid training

Company-wide risk management systems





Compliance

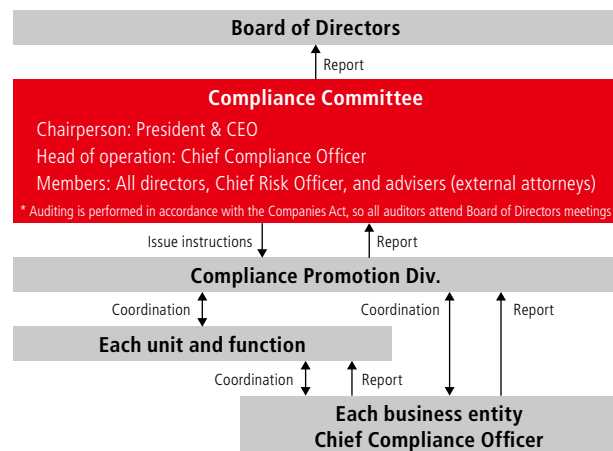
Fundamental approach

The Hino Group regards compliance, which is the basis for its corporate activities, to comprise both acting in an ethical and appropriate manner in conformance with the expectations of society, as well as complying with laws and regulations. We have implemented a range of measures under our compliance promotion system and are working to enforce and strengthen such measures. The core of these efforts includes our “Three Reforms,” which we formulated in response to the engine certification issues, and enhancement of our compliance program we committed based on our resolution with U.S. authorities.

Promotion system

The Compliance Committee, which consists of directors, auditors and advisors (external attorneys), has been established with the President & CEO, as its chairperson to deliberate on policies and issues related to compliance, to thoroughly reinforce our company-wide compliance systems under the direction and supervision of the Chief Compliance Officer (CCO), focusing on the Compliance Promotion Div., and to have each unit/function and business entity implement compliance measures based on the policies.

Compliance promotion system



Hino Group compliance reinforcement measures

The Hino Group believes it is important to establish and properly operate systems and structures that reinforce compliance, in order to build a stable management foundation.

Based on this policy, we have organized our compliance activities in a PDCA cycle consisting of 1. assessing compliance risks, 2. formulating plans, 3. implementing plans, and 4. reviewing and evaluating the results of activities. Furthermore, we

are making further improvements to this system across the entire Group with an eye toward business integration.

Under this approach, we are pursuing three key strategies: “Creating workplaces where it is easy to speak up, ensuring that there are no compliance violations that are occurring, hidden, or left unaddressed,” “Implementing multifaceted compliance human resource development tailored to the operations of individual workplaces,” and “Reinforcing the Hino Group compliance structure to better foster a unified compliance mindset.”

Key strategies	Contents of initiatives	Management indicators and progress (quantitative)
Key strategy 1: Create workplaces where it is easy to speak up, ensuring that there are no violations that are occurring, hidden, or left unaddressed		
Creation of workplaces where it is easy to speak up	<ul style="list-style-type: none"> Led by the slogan of “Creating healthy workplaces, ensuring that there are no compliance violations that are occurring, hidden, or left unaddressed,” issue messages from top management and conduct training to establish a culture of speaking up and of sincerely responding to concerns that are raised Raise awareness through popups when computers are started and through posting in each issue of the Compliance Newsletter 	<ul style="list-style-type: none"> Employee awareness surveys Roughly 90% of respondents to the employee awareness survey indicated that they felt that compliance violations were absolutely unforgivable
Expanding whistleblowing system	<ul style="list-style-type: none"> Use lawyers of an outside law firm as a point of contact in whistleblowing Operate multilingual global hotline available 24 hours a day, 365 days a year In addition to the above two consultation points, operate a dedicated harassment consulting desk through the Human Resources Division 	<ul style="list-style-type: none"> Number of reports in FY2025: 332 Overseas: Consolidated Group companies may also use the global hotline Japan: 61 Hino Group companies with access to the Hino Group outside law firm consultation desk
Key strategy 2: Implement multifaceted compliance human resource development tailored to the operations of individual workplaces		
Compliance delegate system	<ul style="list-style-type: none"> Promote speaking up about operations Appoint one or more compliance delegates per division (for a term of one year) Hold monthly law study sessions for compliance delegates 	<ul style="list-style-type: none"> Number of compliance delegates: 165 Themes: Harassment, Subcontracting Act, export control transactions, stamp tax, labor management, etc.
Compliance checking and training	<ul style="list-style-type: none"> Perform checking (voluntary inspection) of key items (corporate philosophy, bribery, Subcontractor Act, etc.) in each department, conduct training (discussions), attended by all department members, on key items 	<ul style="list-style-type: none"> Number of sites performing checks: 614 (divisions, departments, and groups)
Objectively check the status of compliance at each company	<ul style="list-style-type: none"> Hold two compliance workshops per year, led by an outside instructor 	<ul style="list-style-type: none"> Satisfaction ratings in questionnaires administered after workshops: September 2024 workshop: 96% February 2025 workshop: 94% (Percentage of respondents answering “Very satisfied” or “Satisfied”)
Key strategy 3: Reinforce Hino Group compliance structure to better foster a unified compliance mindset		
HINO Code of Conduct training	<ul style="list-style-type: none"> Mandate annual HINO Code of Conduct training in each Hino Group company Create and share Compliance Handbook to promote greater understanding and thorough dissemination 	<ul style="list-style-type: none"> Number of companies conducting training: Domestic sales companies: 21 Domestic Group companies: 16 Overseas Group companies: 23
Group company compliance meetings	<ul style="list-style-type: none"> Share examples of initiatives to address key Group issues and challenges with presidents and CCOs of companies. Hold once a year or more 	<ul style="list-style-type: none"> Number of participating companies: Domestic sales companies: 40 Domestic Group companies: 14 Overseas Group companies: 23
Hino Group new executive training	<ul style="list-style-type: none"> Conduct annual training for newly appointed executives or equivalent personnel in the Hino Group in Japan with the aim of improving Group governance 	<ul style="list-style-type: none"> Number of participants: 32

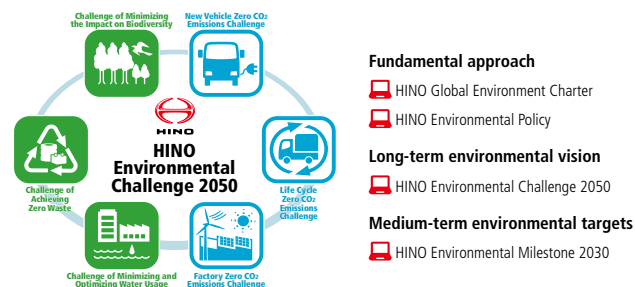


Environment

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 the main products of the Hino Group, 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.

Our approach to environmental impact reduction

The Hino Group has set out its fundamental approach to global environmental conservation in the HINO Global Environment Charter and the HINO Environmental Policy. We are also promoting initiatives in line with our HINO Environmental Challenge 2050 long-term vision, HINO Environmental Milestone 2030 medium-term targets, and Environmental Initiative Plan five-year targets.



Initiatives for tackling individual issues

Carbon-neutral

Most of the CO₂ emissions from commercial vehicles over their “manufacturing, transport, use, and disposal” lifecycle is emitted while they are driving, which accounts for approximately 90% of the total. The Hino Group is implementing measures for achieving carbon neutrality, primarily by reducing CO₂ emissions from vehicle operation through our “multiple pathway” approach that provides diverse solutions tailored to customer needs.

We have adopted this “multiple pathway” approach because the energy situation is different in every country and region; for example, more CO₂ is emitted in regions that use coal to generate electricity than in those that use other fossil fuels. Further, there are regions where it is not possible to invest sufficiently in the construction of infrastructure and filling facilities required for hydrogen fuel. Electric vehicles (BEVs*¹ and FCEVs*²) alone do not represent a complete solution to reducing CO₂ emissions, and thus

internal combustion engine vehicles remain an important option.

Accordingly, the Hino Group is also focusing on improving engine fuel efficiency and researching and developing internal combustion engines that can use carbon-neutral fuels, as well as hydrogen engines. Meanwhile, in the electric vehicle domain, we are working to provide vehicles that comply with laws and regulations around the world and meet the needs of our customers, including not only BEVs powered mainly by batteries but also FCEVs that use hydrogen as an energy source.

*1 BEV: Battery Electric Vehicle *2 FCEV: Fuel Cell Electric Vehicle

Details regarding our multiple pathway initiatives: P34

Minimizing and optimizing water usage

The Hino Group conducts water risk assessments of water quantity and quality every year. The Group focuses on activities to reduce water intake at locations that have a high impact on our businesses, while taking the local water environment into consideration. We manage water quality to our own standards, which are even stricter than the legal emissions standards.

Achieving zero waste

The Hino Group is making progress in the Challenge of Achieving Zero Waste through measures such as reducing material usage, using resources from discarded vehicles in newly manufactured vehicles (car-to-car), and reducing packaging materials. Our goal is to reduce waste volume by 30% by 2030 in comparison to FY2019 levels.

We are endeavoring to reduce waste by reducing volume used by implementing improvement activities and applying the three Rs.*³ We strive to promote eco-friendly manufacturing as early as the development stage by considering easy-to-disassemble vehicle designs and by adopting recyclable materials. Through these initiatives, we continue to create a recycling-oriented society and utilize resources effectively.

*3 Three Rs: Reduce, Reuse, Recycle

Minimizing the Impact on Biodiversity

As part of our initiatives to create plants that coexist in harmony with nature, we are moving forward with initiatives centered on conserving biodiversity and providing learning opportunities appropriate to the characteristics of each region. We are cooperating with local experts and university specialists in surveying and protecting ecosystems.

Five-year targets - Progress on the six challenges of the Environmental Initiative Plan

Item	2025 targets and plans	FY2025 initiatives
Life Cycle Zero CO₂ Emissions Challenge	Target: Reduce 12% (per unit transportation volume) compared to FY2014 <ul style="list-style-type: none"> Reduce CO₂ emissions in all processes: manufacturing, transport, use, and disposal (collaborate with each country and industry) 	<ul style="list-style-type: none"> Examined the calculation methods and scope for lifecycle CO₂ with member companies of the Japan Automobile Manufacturers Association, Inc. Assisted business partners with CO₂ emissions visualization and shared reduction case studies Managed CO₂ emissions from logistics and promoted emissions reduction activities
New Vehicle Zero CO₂ Emissions Challenge	Target: Reduce 15% (per unit transportation volume) compared to FY2014 <ul style="list-style-type: none"> Develop and deploy electric vehicles Improve diesel consumption Implement initiatives for improved transportation efficiency 	<ul style="list-style-type: none"> Carried out minor model change and relaunch of the Hino Dutro Z EV light-duty battery electric truck Released the HINO BLUE RIBBON Z EV full-flat BEV route bus Helped to conduct driving demonstration for fuel cell heavy-duty trucks
Factory Zero CO₂ Emissions Challenge	Target: Reduce 30% (total global emissions) compared to FY2014 <ul style="list-style-type: none"> Introduce innovative technologies Daily improvements Introduce renewable energy 	Factory CO₂ emissions: Reduced by 60% (total global emissions) compared to FY2014 <ul style="list-style-type: none"> Utilized waste heat from equipment and made other daily improvements Used renewable energy in nine consolidated subsidiaries, both in Japan and overseas, through installation of solar panels, purchasing of electricity generated using renewable energy, etc.
Challenge of Minimizing and Optimizing Water Usage	<ul style="list-style-type: none"> Use small amounts of water Return purified water to nature 	<ul style="list-style-type: none"> Evaluated water quantity and quality risks Managed water quality to our own standards, which are even stricter than the legal emissions standards
Challenge of Achieving Zero Waste	Target: Reduce 12% (total global emissions) compared to FY2019 <ul style="list-style-type: none"> Reduce to reach zero waste Use resources from discarded vehicles in newly manufactured vehicles (car to car) Reduce packaging materials and plastic wrapping materials 	Waste material emissions: Reduced by 41% (total global emissions) compared to FY2019 <ul style="list-style-type: none"> Extended life of cutting fluid and made other daily improvements Revised packaging methods for vehicle parts to reduce material usage
Challenge of Minimizing the Impact on Biodiversity	<ul style="list-style-type: none"> Create plants that conserve greenery and water, and coexist in harmony with nature 	<ul style="list-style-type: none"> Developed biotope and forest, provided learning opportunities to the community (Koga Plant, HMMT*¹) Introduced certification system for plants/sites that coexist in harmony with nature

*1 Hino Motors Manufacturing (Thailand) Ltd.



Environment – TCFD initiatives

The Hino Group endorses the Task Force on Climate-Related Financial Disclosures (TCFD). In accordance with TCFD guidelines, we perform scenario analysis, identify the risks and opportunities that are presented to business activities, and deal with the risks and opportunities of climate change.

Governance

The Hino Group prioritizes resolving environmental issues, including those relating to climate-change, as one of its most important management goals. Accordingly, the Hino Environment Committee, an overarching company-wide organization chaired by the President, discusses and reports on medium-and long-term environmental policies and short-term action plans, and incorporates these plans into corporate management.

Strategy

The Hino Group has carried out impact analysis that examined two scenarios with temperature increases of 4°C (the “4°C scenario”^{*1}) and below 2°C (the “below 2°C scenario”^{*2}), taking account of the external scenarios published by organizations such as the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

As a result, in the 4°C scenario, the Hino Group assumes that

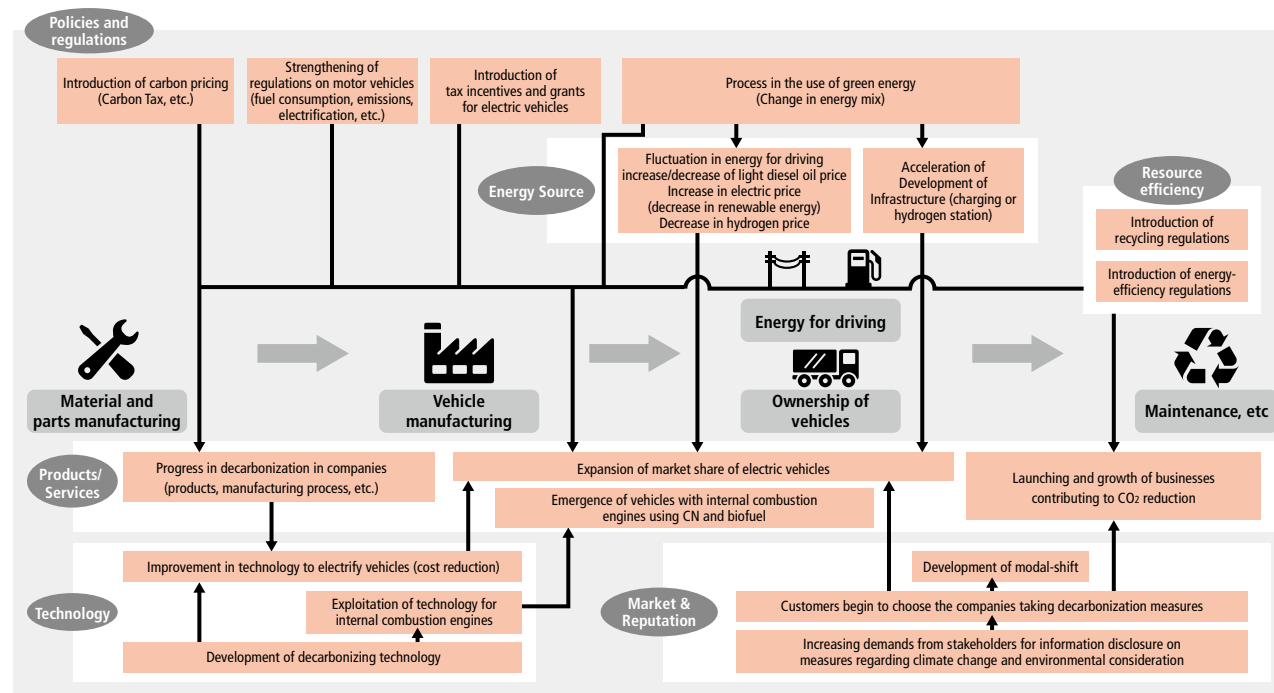
extreme weather events will become more common, and physical risks such as droughts and floods, that could affect its business activities will increase as well. On the other hand, in the 2°C scenario, we assume that decarbonization of society will proceed as a result of active measures led by developed countries (e.g., strengthening of regulations on fuel consumption and emissions, and regulations on electrification of vehicles, etc.) and the number of eco-friendly vehicles will increase by electrification, etc. In the 2°C scenario, we believe that we need primarily to address transition risks and opportunities.

The results of scenario analysis and the identification of risks and opportunities will be reflected in the Hino Group’s management strategy. We will continue to flexibly adjust our response to changing risks and opportunities, while working to further enhance the content of information disclosure.

^{*1} 4°C scenario: A scenario in which the temperature increase reaches approximately 4°C above pre-industrial levels

^{*2} Below 2°C scenario: A scenario in which the increase in average global temperatures is kept below 2°C above pre-industrial levels by the end of the 21st century

Image of external environmental changes based on the below 2°C scenario



Risk management

With respect to climate change-related risks, each working group within the Hino Environment Committee analyzes, evaluates, and prioritizes these risks on the basis of the climate change scenario analysis. They determine long-term and short-term measures to be taken and manage the progress of these measures. Major risks are regularly reported to the Hino Environment Committee.



Human resources

The Hino Group believes that human capital is extremely important, as it serves as the foundation from which we will regenerate our Group and take new leaps forward. Based on this belief, we formulate human resource strategies for developing this human capital, linked to our medium-term business plan, and implement human resource initiatives.

Governance

Our key policies and strategies related to human capital are discussed and decided on by appropriate meeting bodies, such as the Management Committee and the Board of Directors. In promoting our human resource strategies, our human resource functions are responsible for implementing measures and managing Group companies. The Chief Human Resources Officer (CHRO) formulates human capital management plans from a management perspective and is responsible for the execution of these plans. Furthermore, we clarify the roles of our human resource functions and the human resource departments of our other functions, we delegate authority, and we actively carry out personnel rotations to reinforce and optimize our human resource functions.

Human resource decisions related to our management team are deliberated on by the Proposal Review Committee for Officers (the equivalent of a voluntary nomination committee), which is headed by an independent outside director. Over half of the members of the Committee are independent outside directors.

For details, please see page 47.

Directionality of measures and target state for our human resources



Main human resource measures

Quality	<p>Seek to create new value, think and act on their own initiative to achieve growth and improve their abilities</p> <ul style="list-style-type: none"> Update evaluation and compensation systems so that demonstrating one's abilities is a greater criterion of evaluation Eliminate the mindset of focusing on seniority and operate the evaluation and compensation systems in a more rigorous fashion Further utilize the rotation system, which is primarily focused on human resource development Implement a training system that continuously produces future candidates for management positions
Morale	<p>Strive to offer higher value to customers and work together to improve engagement</p> <ul style="list-style-type: none"> Reinforce measures to promote the adoption of and implement the HINO Way Review and revise Hino's benefit programs, introduce state-of-the-art facilities in the group's shared facilities, and accelerate the deployment of heat countermeasures in factory buildings Maintain and raise compensation levels that are competitive within the labor market Perform periodic measurements of employee satisfaction (ES), etc., through regular employee awareness surveys and apply the PDCA model
Numbers	<p>Work to realize Hino's vision and allocate human resources to match the circumstances</p> <ul style="list-style-type: none"> Clarify the employee numbers and employee skills required to realize Hino's vision Introduce course-specific hiring for new graduates Expand mid-career hiring and reinforce the acquisition of specialist human resources Expand hiring channels, such as alumni hiring and hiring based on employee recommendations

Fundamental approach to human resource strategies

In order to continue providing value to customers through its products (trucks and buses), Hino believes it is important to develop "human resources who can think and act independently to create new value." Furthermore, the Company considers human resources to be an important asset and makes it a management issue to make appropriate capital investment with a focus on the growth of employees (human capital management).

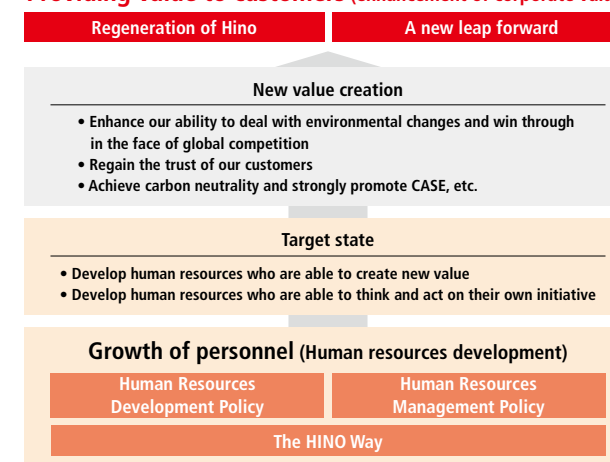
To implement our human resource strategies, we have established the following Human Resources Development Policy and Human Resources Management Policy. We see human resources in terms of a combination of "quality," "morale (engagement)," and "numbers," so we formulate and implement human resource measures appropriate for each. Through this, we strive to support the growth of each and every employee and maximize the performance of all employees.

Human Resources Development Policy

We are developing human resources who are able to think and act independently for our customers and society, who can create new value, and who are sympathetic to the HINO Way and our corporate vision. To realize our Corporate Mission, "We make a better world and future by helping people and goods get where they need to go," we provide solid support for the growth of all of our employees. By achieving and accelerating the growth of our personnel based on this policy, we aim to maintain a virtuous cycle that contributes to the improvement of our corporate value and the sustainable growth of our company.

Approach to the growth of personnel in value provision

Providing value to customers (enhancement of corporate value)



Human Resources Management Policy

Our Human Resources Management Policy consists of the following three policy items.

- Hino will fairly and rigorously determine the evaluation, promotion, and appointment of human resources based on the performance and potential for the expected role.
- Employees will have more independence in their own career development, and the Company will provide suitable opportunities for growth, working together to systematically achieve personal growth and human resources development from a long-term perspective.

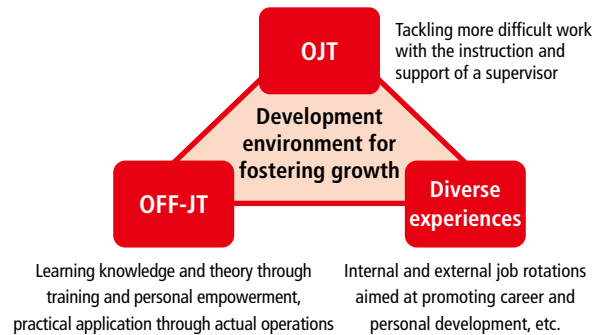


Human resources

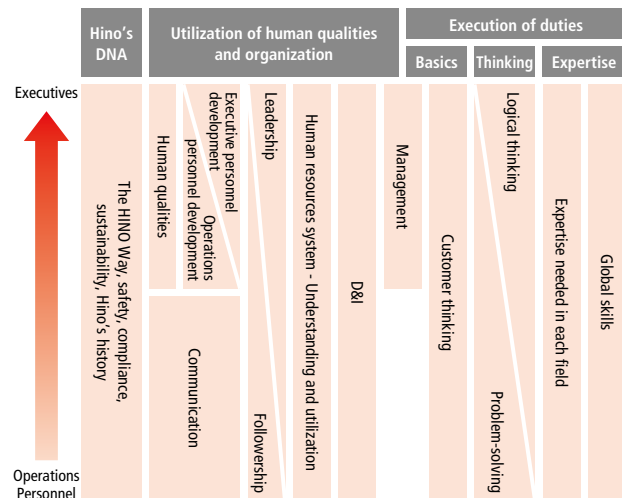
- When it is difficult to form a consensus in each workplace, the head office human resources function will make the final decision on human resources from the standpoint of ensuring company-wide optimization, a long-term perspective, and fairness.

Based on the above policy items, as part of our human resource development measures, we review, revise, and implement our evaluation and compensation systems and our educational activities, such as training. We have defined human resource development as one of the most important areas of our human resource strategies. We promote initiatives that provide solid support for the growth of each and every employee and of the Company.

Overview of human resource development measures



Development system



Risk management

In risk management related to human resources strategy and human capital, Hino implements initiatives based on an awareness of both negative risks and positive opportunities. In our measures for addressing negative risks, we have defined the HINO Code of Conduct, one of the components of the HINO Way. This is broadly divided into compliance with laws and standards, contributing to customers and society, and creating healthy workplaces. It clearly indicates specific model activities that should be performed by Hino's employees. Through deep and widespread implementation and compliance with this Code of Conduct, we are striving to manage and minimize risk throughout the Company. Examples of positive opportunities include actively hiring exceptional employees, both inside Japan and overseas, irrespective of age, gender, nationality, etc., assigning them roles and presenting them with opportunities, and placing them within the Group in a way that contributes to their growth. We do this with the aims of promoting the sustainable growth of the Group and increasing its value.

Metrics and targets

We have set targets for the following human resource-related metrics and continuously carry out and monitor measures for achieving these targets.

	Item	FY2024	FY2025	FY2026	Target	Note
Diversity of core personnel	No. of female managers	54	56	59	65 by 2026	FY2015: 19
	Ratio of female managers	2.6%	2.6%	2.8%	—	
	Ratio of non-Japanese managers	4.8%	6.3%	7.3%	5.0% by 2026	Target achieved
	Ratio of mid-career hire managers	40.3%	39.8%	40.5%	—	
Other	Utilization of childcare leave by male employees	41.4%	64.0%	68.0%	80.0% by 2027	FY2021: 11.0%
	Gender wage ratio	76.4%	77.7%	77.8%	—	

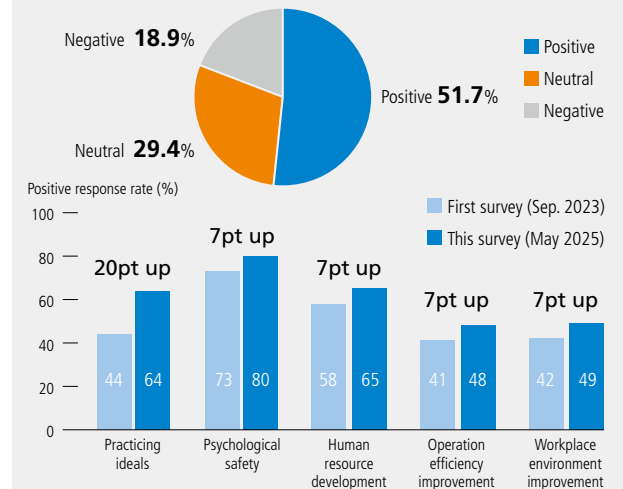
Initiatives to improve work culture

Since FY2025, we have conducted three workplace culture pulse surveys every year to rapidly visualize the progress of our reforms and to apply the PDCA cycle to them. The May 2025 survey was administered to 15,517 people, and responses were received from 13,718 of them (88% of the total pool).

The percentage of positive responses to questions concerning the implementation of our ideals has improved significantly, from 44% in 2023 to 64% in the latest survey. However, the percentage of respondents stating that they felt that workplace environments and operation efficiency had improved has remained in the 40% range, and job satisfaction has remained in the 50% range. There are still clear issues that must be resolved. We are therefore currently making improvements to the heat conditions, IT, and health environments of all workplaces. At the same time, we are fundamentally overhauling how work is done by conducting training and self-directed research on the development of proper perspectives and approaches based on the Toyota Production System.

The results of these surveys are shared with the management team and each work site. Issues are addressed and our organizational culture is being reformed through management team-led efforts, workplace-led efforts, and systematic support.

Attitude survey on job satisfaction (May 2025)





Creating workplaces where it is easy to work / Diversity

The Hino Group is taking the safety, health, and diversity of employees into account as we create comfortable workplaces, promote diversity, and create a foundation that enables each person to play an active role.

Creating workplaces where it is easy to work

Welfare Hino is working to enhance its welfare systems, introducing a cafeteria plan, supporting employee asset creation, and seeking to create an environment that will encourage employees to continue to choose to work for us. Going forward, we will enhance the unique Hino menu and endeavor to do more to meet the needs of individuals.

Employment provisions to facilitate diverse work-styles

Hino is revising employee provisions to facilitate flexible workstyles among employees while instituting new systems. In FY2024, we introduced a hybrid work system that allows people to combine office work with remote work, and we are leveraging this system in conjunction with flextime systems that do not require a core working time in order to cater to a diverse range of working styles.

Introducing systems to allow side jobs In 2021, a system was introduced to allow side jobs. This system is intended to promote the use of employees' experience outside of Hino to advance their careers and improve their skills, with a view to creating human resources who are able to find problems on their own initiative and work with a diverse range of people to gain results, and then to apply these skills in company business.

Use of systems to support work-life balance and the development of the next generation

System name	Number of participants (FY2025)
Childcare leave	277
Shorter working hours to accommodate for childcare needs	138
Ratio of men taking childcare leave	73.6%
Flextime with no core hours*	3,858
Child nursing care leave	201
Family care leave (Short-term Leave)	104
Family care leave (Long-term Leave)	7

* Applies to full-time personnel employed indirectly

Implementation of work-life balance support leave With people leaving employment to engage in family care or infertility treatment, Hino implemented a system of work-life balance support leave in December 2021. We have made this system available to even those family members outside the scope of legally mandated family care leave, and employees can also use it to obtain leave for infertility treatment.

Measures to address heat at manufacturing locations

We used the four metrics of wet-bulb globe temperature (WBGT, which reflects temperature and humidity), the number of people working, workload (use of protective gear, etc.), and the number of cases of heatstroke (using actual figures from FY2025) as heat severity metrics for manufacturing sites. Using these metrics, together with feedback from manufacturing locations, we assigned priorities to heat countermeasures and implemented measures such as roof insulation and the installation of additional air conditioning units.

We also switched to the use of materials with advanced functionality (ventilation, sweat absorption and drying) for workwear.

Going forward, we will continue to work to ensure that there are zero incidents of heatstroke and that work environments have pleasant temperatures for workers all year round (target work site temperature: 28°C or below).

Labor-management dialogues Hino and Hino Motors Labor Union have entered into a labor agreement stating, "The Company aims to always monitor employee labor conditions and work to maintain and improve them, while the Labor Union respects the management rights of the Company and strives to cooperate with it to achieve sustainable growth and development." In addition to regular consultations, we hold dialogues between labor and management, in which top members of labor and management meet on the basis of equality and mutual trust. The labor union-management meetings address important management issues as well as improvements to working environments, with the labor union publicizing the content of these dialogues to all of its members.

Diversity, Equity & Inclusion

Supporting the success of women To allow female employees

to be even more active, Hino has made ongoing efforts to actively promote women to management positions. As of April 2025, there are 59 female managers working in a variety of important positions. We aim to raise the number of female managers to 65 by FY2027 and to continue providing support to help employees balance work, childcare, and home life.

Eliminating the gender pay gap In FY2025, the gender pay differential at Hino was 77.8% (based on all workers). We will continue to work to reduce this differential by promoting measures such as supporting the success of female employees.

Appointment of local staff as top management at business entities outside Japan Hino recognizes that it is critical to draw on global resources in order to keep pace with the rapid changes occurring in society. In April 2018, the Company appointed its first non-Japanese director. We are actively promoting the appointment of local staff to top management at overseas entities. Hino will continue to deploy diverse human resources, always aiming to put the right person in the right position. In so doing, Team Hino will continue to support the business of its customers across the globe and remain a positive force in society.

Supporting employees of foreign nationality Hino actively promotes talented personnel to management positions, regardless of their nationality. It also accepts employees of overseas business entities as trainees and has introduced a program that conducts practical skills education to promote endeavors that support work activities. Along with the globalization of business, work opportunities for employees of foreign nationalities are increasing more and more, and we intend to proactively utilize these employees going forward.

Employing people with disabilities Hino proactively hires people with disabilities and provides support so they can thrive. In December 2007, we 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. The Company is continuing endeavors to promote the employment of persons with disabilities through actions such as developing new occupational fields, and it is striving to create a workplace environment comfortable for people with disabilities to work in through a variety of measures.




Workplace safety and healthy / Health management

Led by our policy that safety takes priority over all business activities, we are promoting initiatives to prevent workplace accidents and creating an environment in which all employees can enjoy working with a sound mind and body.

Workplace safety and healthy

Acknowledging that safety takes priority over all business activities, as stated in its Fundamental Policy for Safety and Health, Hino is promoting initiatives to prevent workplace accidents.

 The Fundamental Policy for Workplace Safety and Health and the promotion system

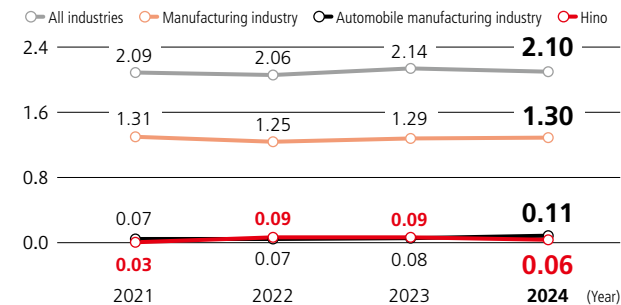
Workplace safety promotion system

Each business site has an occupational safety and health committee which promotes safe workplaces as part of their day-to-day operations. Furthermore, the Hino Safety, Health and Disaster Management Committee has been established to deliberate and decide upon important issues related to occupational safety, including company-wide policies.

Status of workplace safety and health initiatives

Risk assessment is conducted mainly at production sites to regularly identify risks that can lead to occupational accidents. Immediate measures are taken wherever risks are identified, as part of efforts to thoroughly prevent workplace mishaps. Further, we have implemented safety patrols at each business site, acting promptly to address any factors that could lead to an industrial accident.

Main indices (Frequency of temporary absences due to accidents, by industry)



Source: All industries and manufacturing industry (Survey on Industrial Accidents by the Ministry of Health, Labour and Welfare)
The automobile manufacturing industry is the average of 14 companies which belong to the Japan Automobile Manufacturers Association, Inc. (JAMA)


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

At the same time, Hino also implements initiatives to improve occupational safety awareness. Hino carries out various types of activities, such as promoting safe walking etiquette, with the goal of ensuring that all employees, including those at our businesses overseas, understand the importance of safety awareness and basic safety behavior. In order to further improve employee safety awareness and knowledge on occupational safety, Hino provides safety education according to job type and position.

Health management®*

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

Under our Health Declaration as well as our Basic Policy on Health Management, we seek to improve corporate value by creating an environment in which all employees can enjoy working with a sound body and mind, Hino is promoting a variety of initiatives for health management.

 Health Declaration / Basic Policy on Health Management

Promotion system on health management

In addition to the occupational safety and health committees of individual business sites, we have built a system for health management that is led by the President & CEO, who chairs the Hino Safety, Health and Disaster Management Committee. With the Safety Health & Environment Division acting as the secretariat, we are proposing and enacting a variety of measures centering on the Operating Officer of the Safety Health & Environment Division, in collaboration with plant managers at each business site, occupational health professionals, and health insurance associations.


Management issues we want to address through health management and the status of related initiatives

We have organized the issues we want to solve into a strategy map. The status of the initiatives we are implementing based on this strategy map is as shown in the table at right.

Major indices

	FY2023	FY2024	FY2025
Health checkup participation ratio	100%	100%	100%
Stress check participation ratio	91.4%	91.1%	88.2%
Ratio of people with high levels of stress (From results of stress checks)	18.5%	18.1%	17.4%
Ratio of people with a BMI less than 25	63.2%	63.2%	61.7%
Smoking ratio	33.3%	32.4%	32.9%
Average score in Health Challenge 8*	5.06	5.11	5.09

* Number of affirmative answers to eight health-related questions (appropriate body weight, breakfast, drinking, snacking, quitting smoking, exercise, sleep, and stress)

 Strategy map

Establishment of educational opportunities (Mental health care study sessions)

Since FY2014, a training course on mental health initiatives in Management ("line care") has been provided for newly appointed managers. Additionally, since FY2023, Hino has offered such training to personnel at a range of levels, including division managers, as well as those who wish to participate on their own initiative.

Educational activities (Women's health, cancer screening)

With the aim of providing motivation to employees to improve their health and acquire the knowledge they need, we hold lectures and health seminars taught by instructors from both inside and outside the Company. In FY2025, we held online seminars regarding issues specific to women's health that were attended by approximately 40 participants. Videos were also distributed for a limited period. We are also directing efforts toward early detection of cancer. Medical exams for prostate cancer and colon cancer are performed for employees above certain ages through internal health checkups. We have also introduced a system that subsidizes medical examinations for gynecologic cancers and stomach cancers through outside medical institutions, making them effectively free.

Dealing with people with mental health issues

In FY2018, we introduced a workplace consultation system for the early detection and treatment of employees facing mental health challenges. We are working together with medical professionals, offering support such as interviews and talking with people.



Respect for human rights in business activities

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.

Human Rights Policy

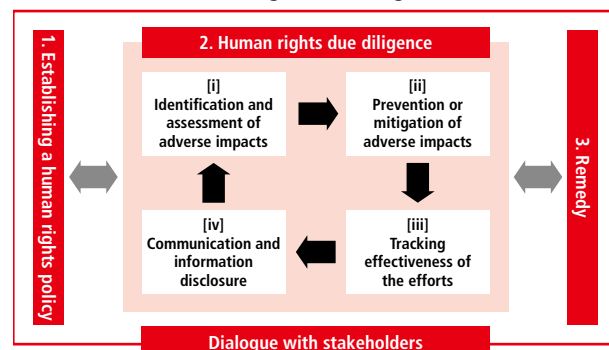
In FY2024, our Board of Directors decided on the HINO Human Rights Policy. This Policy is our most important policy in relation to human rights and a key aspect of the HINO Way. We are committed to fulfilling our responsibility to respect human rights in all of the corporate activities of the Hino Group.

 HINO Human Rights Policy

Human rights due diligence

To ensure objectivity and neutrality, we are proceeding with due diligence activities related to human rights, such as assessments and information disclosure, with the cooperation of outside experts (in FY2026, Owls Consulting Group, Inc.).

Mechanisms for human rights due diligence



Created by Hino based on the "Reference Material on Practical Approaches for Business Enterprises to Respect Human Rights in Responsible Supply Chains" released by the Ministry of Economy, Trade and Industry.

Human rights assessment

In FY2024, we conducted an assessment of human rights risks to identify potential themes relating to human rights in the business activities of the Hino Group. We then identified themes concerning human rights that should be addressed with priority in the future (below, "priority themes"), based on both

our own perspectives and the perspectives of outside experts, including the concerns of stakeholders. In FY2025, based on the priority themes, we conducted surveys and interviews with foreign technical interns at two of our Group companies in Japan. Although no severe human rights impacts were found, we used what we learned from the respondents to make further improvements. In FY2026, we plan to conduct surveys and interviews with foreign employees in one Group company in Japan to identify and evaluate human rights issues and to make improvements as necessary. Looking to the future, we will move forward together with Group companies to engage in efforts aimed at improvement while maintaining and expanding our activities in this area.

Establishment of consulting desks

The Hino Group has established a number of consulting desks for different employees (including temporary and part-time staff), to offer consultations related to human rights.

List of consulting desks Applicable employees shown in brackets

- Hino Compliance Hotline (Hino employees)
- Stop Harassment Consulting Desk (Hino employees)
- Hino Dealer Compliance Hotline (Employees of Hino domestic dealers)
- Hino Group Compliance Hotline (Employees of Hino subsidiaries in Japan)
- HINO Global Compliance Hotline (Employees of Hino overseas subsidiaries)
- Hino Business Partner Compliance Hotline (Executives and employees of business partners in Japan)

Initiative to eliminate workplace harassment

Based on our strong determination to reject all acts of harassment, we strive to be a company where psychological safety is assured and where our employees and all those who have contact with Hino are free from harassment by ensuring that all of our employees and stakeholders act in a manner that respects the personalities and human rights of others.

In particular, with regard to power harassment, we are

dedicating a great deal of effort to eliminating such behavior as part of our "No Workplace Bullying Initiatives." We are engaged in efforts to review various personnel measures, including fact-finding investigations based on the speak-up cases brought to the consulting desk.

For example, one of our initiatives for preventing harassment is further improving the workplace culture by stimulating greater communication, creating workplaces in which harassment is less likely to occur. To prevent re-occurrences of harassment, support is provided for the future activities of the offending individual through the joint efforts of the offending individual, workplaces, and human resource staff. We are also carrying out initiatives to improve the effectiveness of these efforts, such as making compliance with laws and regulations, including those concerning harassment, a part of Job Qualification Standards and taking them into consideration in evaluations.

No Workplace Bullying Initiatives

- Company-wide fact-finding investigations on power harassment
- Implementation of fact-finding investigations through the Stop Harassment Consulting Desk
- Implementation of self-diagnosis for management
- Stricter punishments for those who commit power harassment, and dissemination of anti-harassment policy to employees
- Review of various personnel policies
- Implementation of 360-degree feedback and harassment self-diagnoses for personnel between assistant manager level and management team level
- Preventing harassment and implementing thorough recurrence prevention education
- Strengthening operation of the personnel rotation system
- Revitalization of open and flat internal communication

Education for employees

The Hino Group provides harassment prevention training and compliance training for all employees, including temporary and part-time employees. As part of this, we provide education on respecting human rights as set out in the HINO Code of Conduct.

Going forward, we will inform all executives and employees of the HINO Human Rights Policy, and provide continuing education and training. Additionally, we will reflect this Policy in our activity policies and procedures, and ensure that each of us puts such behavior into practice.