

August 30, 2022

## **Launch of the “Zero Workplace Bullying” Initiative**

Hino Motors, Ltd. (“Hino”) regrets that the announced engine certification misconduct has caused great disruption to its customers and all other stakeholders and damaged their trust in Hino. On August 30, 2022, we launched the “Zero Workplace Bullying” initiative as part of our comprehensive efforts to reform our corporate culture to ensure that such a situation will never happen again.

Hino expresses its strong determination and commitment to stand against bullying of any kind in the workplace. We strive to be a company free from bullying by acting in a manner that respects the character and dignity of all Hino employees and all people associated with the company.

We will vigorously promote our “Zero Workplace Bullying” initiative through concrete measures such as the immediate investigation of bullying claims to establish the facts and stricter penalties against the harasser. In addition to reforming our system of investigating bullying, we will verify and improve the effectiveness of our remedial actions and will ensure that the measures implemented to address workplace bullying are effective.

Reforming our corporate culture is an urgent priority for Hino, and management and front-line employees will work together to move this effort forward as vigorously as possible.

### ■ Examples of the “Zero Workplace Bullying” initiative

#### **(1) Investigation to Establish the Facts when Workplace Bullying is Reported**

- Implement an immediate investigation to establish the facts through the consulting desk
- Implement a review of bullying procedures by management

#### **(2) Stricter Sanctions against Harassers and Transparency of Penalties**

- Based on the findings of an investigation, take strict personnel measures, such as disciplinary action or the demotion or reassignment of relevant employees.
- Publicize the principles and standards expected within the company and the consequences of violating those principles and standards, as well as appropriately disclosing and disseminating information about specific incidents of bullying and the details of the consequences on a case-by-case basis.

#### **(3) Review of Personnel Measures**

- Promote a variety of personnel measures that contribute to raising awareness and creating systems for prevention of recurrence.
- Expand the scope of employees required to undergo “360-degree evaluations,” review methods for selecting evaluators, provide thorough training for prevention of bullying and recurrence, strictly operate the personnel rotation system, and encourage open and non-hierarchical internal communications, among other measures.

<Reference (1): Internal Document>

## **Reformation of Corporate Culture Centered on Respect for All Staff**

August 29, 2022

Tokuichi Shiga

Operating Officer of General Administration & Human Resources Development

As the Special Investigation Committee recently highlighted, Hino's closed and conservative corporate culture, including a "strong command hierarchy," "sectionalism" and "play-it-safe policy" was an environment for bullying and regulatory non-compliance.

We take this problem related to our corporate culture seriously. Hino, as a whole company, must make every effort to "create a workplace environment where all employees can maintain their physical and mental health and work energetically," and "create a culture where communication is part of the corporate culture and all employees respect each other, and train and develop accordingly."

In order to improve Hino's corporate culture, I have discussed our tasks at hand with the members of the Trust Restoration Project team. First, we will thoroughly implement individual measures, such as the immediate investigation of bullying claims to establish the facts, stricter punishment against workplace bullying, and the establishment of a system to eradicate workplace bullying. However, bullying will not disappear simply by establishing a system. I believe that the cause of bullying lies in "not respecting others, and imposing one's own views on others." Communication among working colleagues, including supervisors, subordinates, other departments, and business partners, is the key factor. We must take steps to improve communication channels.

Even if your colleagues have different job titles and are of different ages, everyone is on an equal footing as a human being. In particular, management, including officers, should not make the mistake of believing that they are superior because of their position. This is "arrogance, and overconfidence," and from this moment on they must correct their thinking and behavior. We hope that each person working at Hino will encourage "communication that respects and cares for colleagues who work together."

If you see someone who needs help or has some concerns, do not ignore them, but listen to them and help them. If there is a problem that you and your team cannot handle, please tell me. I will take action to resolve the problem.

We would like to once again share our basic principles regarding communication and human resource development. Let's all share these principles and related matters, and implement them, being mindful of them even in the smallest interactions.

<<Basic Principles of Communication and Employee Development>>

**“Respect for Employees”**

- ◆ Value relationships with people.
- ◆ Face each other on an equal footing as human beings.
- ◆ Thoroughly communicate one’s opinions and thoughts while respecting the other person’s position and feelings.
- ◆ Listen to each other’s problems and concerns, and cooperate with and help each other.

## **Efforts to Eradicate Workplace Bullying (Zero Workplace Bullying Initiative)**

August 29, 2022

Global Human Resources Development Department, Trust Restoration Project

Hino expresses its strong determination and commitment to stand against bullying of any kind in the workplace. We strive to be a company free from bullying by acting in a manner that respects the character and dignity of all Hino employees and all people associated with the company.

We will vigorously promote our “Zero Workplace Bullying” initiative through concrete measures such as the immediate investigation of bullying claims to establish the facts and stricter penalties against the harasser. In addition to reforming our system of investigating bullying, we will verify and improve the effectiveness of our remedial actions and will ensure that the measures to address workplace bullying are effective.

Examples of “Zero Workplace Bullying” Initiatives

### **(1) Company-wide Investigation to Establish the Facts regarding Workplace Bullying**

(i) Implementation of Immediate Investigations to Establish the Facts through the Consulting Desk

～ Please speak up ～

- We will re-disseminate throughout the company information regarding the consulting desk, which is responsible for receiving bullying reports, including anonymous reports and reports from third parties, conduct an investigation to establish the facts, and promptly proceed to take any necessary corrective action.

If you have any issues or concerns, please speak up without hesitation.

The company is committed to listening to each employee, providing support, and taking corrective action.

(ii) Management Review of Reported Bullying

- Many acts of bullying result from a lack of awareness of the harassers. Management will analyze the results of this review, reflect on its own conduct and consider ways to improve.

### **(2) Stricter Sanctions against Harassers and Transparency of Penalties**

- Based on the findings of an investigation, we will take strict personnel measures, such as disciplinary action or the demotion or reassignment of relevant employees.
- We will publicize the principles and standards expected with the company and the consequences of violating those principles and standards, as well as appropriately disclosing and disseminating information about specific incidents of bullying and the details of the consequences on a case-by-case basis.

### **(3) Review of Personnel Measures**

- We will promote a variety of personnel measures that contribute to raising awareness and creating systems for prevention of recurrence.
  - We will expand the scope of employees required to undergo “360-degree evaluations.”
    - Previous scope: those with positions at the General Manager level or lower.
    - New scope: All directors [and auditors], officers and managers.
    - Review of methods for selecting evaluators: Previously, employees selected their evaluators themselves
    - Going forward, evaluators will be selected independently.
  - We will provide thorough training for the prevention of bullying and recurrence.
  - We will strictly operate the personnel rotation system.
  - We will encourage open and non-hierarchical internal communications (i.e., dialogue between management and employees, Q&A sessions, and sharing of information by management).