

Hino's Strategies and Initiatives and the Sustainable Development Goals (SDGs)

Hino Motors' truck and bus business has a very strong public interest element as social infrastructure that helps people and goods get where they need to go. Recently, a range of issues for customers and society involving the movement of goods and people have become apparent, including the problems of serious traffic accidents and CO₂ and a shortage of drivers. Solving these issues is the target to be achieved by Hino Motors through strategies such as Challenge 2025 and Hino Environmental Challenge 2050 and is also consistent with the thrust of the SDGs.

This section will introduce specifically what is happening in the world today with regard to the challenges posed by the SDGs and the targets and initiatives through which Hino Motors will contribute.

Creating the vision of Hino Motors through contributing to SDGs

1 Realizing a society in which people and goods can get to where they need to go safely, reliably and in an optimum manner with environmental responsibility

Hino Motors aims to realize a sustainable society that is a better place to live through zero fatal traffic accidents, dramatic reductions in CO₂ emissions, and further streamlining in the movement of people and goods.

Please see P.24



2 Minimizing environmental impact in each step of the truck and bus business

Under the Hino Environmental Challenge 2050, an ambitious initiative that will reduce the environmental impact of trucks and buses on the planet to a minimum, Hino Motors will contribute to preventing global warming, promoting the recycling of resources, and preserving biodiversity.

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3 Developing partners that have the same dreams (Providing solutions to societal issues by bringing together others competencies)

Hino Motors will strive to solve social issues in partnership with companies from inside and outside the Hino Group that have the same dreams.

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The Sustainable Development Goals (SDGs) were adopted at the United Nations Sustainable Development Summit in September 2015 and consist of **17 goals comprising 169 targets** to be achieved by the international community before 2030. The SDGs represent a formidable challenge to create a world where no one will be left behind. As common worldwide goals, they require the active involvement of companies as well as countries.

169 targets -----

The 17 goals have specific achievement criteria that consist of 169 targets.

About the Sustainable Development Goals (United Nations)



4 Building a sustainable value chain

Hino Motors will contribute to realizing a sustainable society with low environmental impact by minimizing effects on society and the environment in the broad-based truck and bus value chain.

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5 Diversity & inclusion

At Hino Motors, which operates a global business, diversity and inclusion is the basic approach for the human resources strategy.

Please see P.30



6 Training human resources to help people and goods get to where they need to go

In response to the chronic shortage of mechanics, Hino Motors will strive to train and develop mechanics to ensure that customers' vehicles continue to operate.

Please see P.31



SDGs Targets and Social Issues Addressed by Hino

Here we introduce the SDGs targets we focus on and what we can contribute to society through our business, along with examples of our strategies and initiatives.

1 Realizing a society in which people and goods can get to where they need to go safely, reliably and in an optimum manner with environmental responsibility

3

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages

Targets

3.6

By 2020, halve the number of global deaths and injuries from road traffic accidents.

3.9

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote sustainable industrialization and foster innovation

Targets

9.4

By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities

11

SUSTAINABLE CITIES AND COMMUNITIES

Make cities inclusive, safe, resilient and sustainable

Targets

11.2

By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

Targets

12.4

By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Social Issues Addressed by Hino

Serious traffic accidents

Trucks are large and heavy and therefore dangerous, and so are buses, which should be built to protect the lives of many passengers in case of an accident. Any large vehicle accident is always a serious issue.

Driver shortage Reduction of loading efficiency in the logistics industry

Reduction of loading efficiency due to the spread of e-commerce resulting in driver shortages and smaller and wider variety of cargoes

Further development of emerging countries

Increasing demand for commercial vehicles driven by economic growth and development of transportation infrastructure in and around the ASEAN countries; rapid product supply is required

Global warming

The reduction of CO₂ emissions is a common issue around the world and in all industries.

Deteriorating transportation efficiency

Deteriorating efficiency due to smaller and wider variety of cargoes

Increasing number of people with limited mobility

Due to the aging society, people with limited mobility have increased, especially in depopulated areas.

Problem-solving strategies and initiative goals

Hino seeks to achieve a safe and secure society without traffic accidents, a society with a low environmental impact due to the movement of people and goods, and a society where people and goods can move freely and optimally. In order to provide value to customers and society, we have taken on multifaceted solutions by addressing the three goals (see page 18) together with the targets of, 1) zero fatal traffic accidents with Hino vehicles, 2) significant CO₂ emissions reductions, 3) support for the development of our customers' business, and 4) further streamlining the flow of people and goods.

Specific Initiatives

Hino Blue-Ribbon Hybrid Articulated Bus “Bayside Blue” Service Starts in Yokohama City

In July 2020, Japan's first domestically produced articulated bus began service.

Hino has been collaborating with the Yokohama City Transportation Bureau so that it contributes to the community as a safe, environmentally friendly, and efficient means of transportation that can transport large numbers of passengers at one time in an area with no nearby railway access. We will continue to support the movement of citizens and tourists in comfort under the key concepts of simple, user-friendly, and comfortable so that people enjoy traveling while experiencing Yokohama Bay.

Autonomous driving demonstration experiment of heavy dump trucks at a dam construction site

Seeking for solutions of the problems such as aging of field workers, labor shortage, and productivity improvement at night and during monotonous tasks in the construction industry, a demonstration experiment of autonomous driving (equivalent to level 4*) using heavy dump trucks will be conducted at Kawakami Dam construction site from November 2020.

Based on the results of this demonstration, we aim to establish a new operation in the field using autonomous vehicles.

HINO SUSTAINABILITY REPORT 2020

HINO SUSTAINABILITY REPORT 2020

2 Minimizing environmental impact in each step of the truck and bus business

13

CLIMATE ACTION



Take urgent action to combat climate change and its impacts

Targets

13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

13.2 Integrate climate change measures into national policies, strategies and planning



7

AFFORDABLE AND CLEAN ENERGY



Ensure access to affordable, reliable, sustainable and modern energy

Targets

7.2 By 2030, increase substantially the share of renewable energy in the global energy mix

7.3 By 2030, double the global rate of improvement in energy efficiency



6

CLEAN WATER AND SANITATION



Ensure access to water and sanitation for all

Targets

6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally



14

LIFE BELOW WATER



Conserve and sustainably use the oceans, seas and marine resources

Targets

14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution



15

LIFE ON LAND



Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

Targets

15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally



Social Issues Addressed by Hino

Global warming

Increased global warming as exemplified by frequent abnormal weather has a wide range of effects throughout the world, and the reduction of CO₂ is a common issue worldwide and in all industries.

Biodiversity crisis

- Shrinking ecosystem (e.g., desertification, drainage of lakes and marshes).
- Accelerating extinction of animals and plants (Animals and plants are going extinct at the rate of one every seven minutes.)



Worsening water environment problems

- **Quantity: Water shortage**
Chronic water shortage arises mainly in emerging and resource-rich countries (further expansion of shortages is expected due to future population growth)
- **Quality: Safe and secure water use**
About 1.2 billion people, or 20% of the world population, have no access to a safe and secure water environment.

Problem-solving strategies and initiative goals

As a global commercial vehicle manufacturer, under Hino Environmental Challenge 2050, we seek to minimize our environmental impact not only in production and product operations, but also in each step of the product lifecycle, from the logistics to recycling stages through various environmental initiatives covering CO₂ reduction, water environment conservation, and biodiversity conservation. Hino will contribute to achieving a sustainable, a prosperous world and future through these initiatives.

Specific Initiatives

Building environmentally friendly plants using natural energy

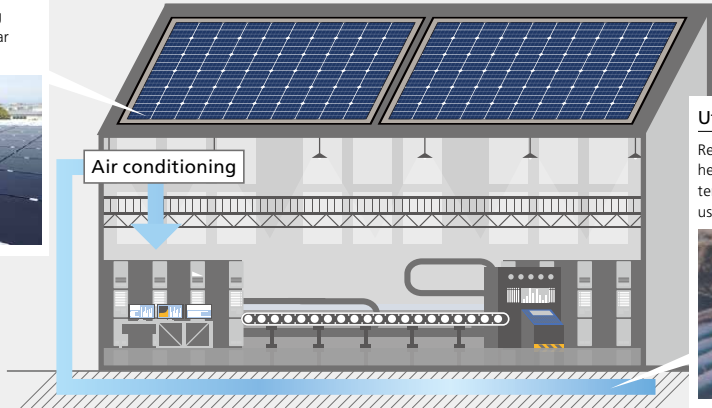
Hino is reducing CO₂ emissions in truck and bus manufacturing with the aim of achieving zero factory CO₂. Recently, domestic and overseas factories have been actively using natural energy, and we are building factories that dramatically reduce CO₂ emissions.

Utilization of sunlight

Reduction of CO₂ by utilizing electricity obtained from solar panels at our offices



Air conditioning



Utilization of geothermal heat

Reduction of CO₂ by using geothermal heat that maintains a nearly constant temperature throughout the year and using air conditioning



3 Developing partners that have the same dreams
(Providing solutions to societal issues by bringing together all the competencies)



17 PARTNERSHIPS FOR THE GOALS



Revitalize the global partnership for sustainable development



Targets

17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

Social Issues Addressed by Hino

Global environmental issues

Many issues such as global warming are occurring.

Manifestation of social issues

In the flow of people and goods, we face many challenges such as serious accidents, CO₂ issues, and labor shortages.

Problem-solving strategies and initiative goals

To solve the issues of Challenge 2025, including those shown on the left, we must not only mobilize our own capabilities, but all capabilities made available by creating partnerships. Although Hino has been collaborating with the Toyota Group, it aggressively pursues the creation of partnerships with like-minded organizations and maximizes the synergistic effects of that collaboration with the aim of achieving a rich and sustainable society.

Specific Initiatives

Alliances with other companies to more quickly solve social issues

To more quickly pursue increasingly serious and diversifying customer and social issues, we will create partners in each of the fields of the three goals, especially in advanced technological areas such as CASE, and we will speed up technological development.



4 Building a sustainable value chain



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Ensure sustainable consumption and production patterns



Targets

12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Social Issues Addressed by Hino

Problem-solving strategies and initiative goals

Resource depletion risk is increasing globally, and waste as a by-product of a mass consumer society is increasing year by year.

Human rights and labor problems in the value chain

Human rights violations of workers such as forced labor and low-wage labor in the value chain are sporadic.

Problem-solving strategies and initiative goals

Through the product life cycle, from the parts production stage to vehicle manufacturing, customer use, and final disposal, we not only reduce our environmental impact, but also eliminate labor that violates human rights in the supply chain and endeavor to pass on a world that is a richer, nicer place to live and that provides a better future for the next generation.

Specific Initiatives

Environmental initiatives that lead to sustainable production and sales

In order for us to continue to produce and sell trucks and buses in the future, suppliers and other business partners involved in the Hino value chain must understand and cooperate with Hino's efforts and continue to provide value together. Notably, suppliers are pursuing various environmental initiatives based on the Supplier CSR Guidelines and Green Procurement Guidelines.



Hino's strategies: Challenge 2025; "Hino Environmental Challenge 2025"

Various guidelines: Supplier CSR Guidelines; Green Procurement Guidelines

CO₂ reduction, water saving, resource saving, legal compliance activities by suppliers and other business partners



Activity reports at suppliers' general meetings in each country

[Click here for the Supplier CSR Guidelines](#)

[Click here for HINO's Green Purchasing Guidelines](#)

5 Diversity & inclusion



5 GENDER EQUALITY

Achieve gender equality and empower all women and girls

Targets

5.5 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decisionmaking in political, economic and public life

8 DECENT WORK AND ECONOMIC GROWTH

Promote inclusive and sustainable economic growth, employment and decent work for all

Targets

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

10 REDUCED INEQUALITIES

Reduce inequality within and among countries

Targets

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status

Social Issues Addressed by Hino

Human rights issue

Discrimination results from various differences such as race, religion, and belief, and this evolves into conflicts between regions and countries.

Work-style issues

- Recruitment of foreigners and people with disabilities leaping every year, and creating an environment and an education system for them is required.
- The number of dual-income household is increasing, and creating an environment for employee both men and women to participate in parenting is required.

Problem-solving strategies and initiative goals

In order for Hino to maintain growth in the global market, it is essential to create an organization in which diverse human resources can play an active role. To provide products and services that meet diverse customer and societal needs, we will create a corporate culture where all employees can fully maximize their potential regardless of their differences.

Specific Initiatives

Initiatives to support diverse human resources and each employee’s active participation

Global human resource education

Overseas⇒Training to take a new post in Japan (Internal company transfer system)

Japan⇒Training to take a new post overseas (Overseas training system)

Supporting the active participation of people with disabilities

Office support work that utilizes individual ability (Hino Harmony)

Parenting support

In-house nursery school (Ton-Ton Kids)

6 Training human resources to help people and goods get to where they need to go



4 QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Targets

4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

Social Issues Addressed by Hino

Developing human resources to support social infrastructure

- Various social and environmental issues pertaining to the flow of people and goods are occurring around the world.
- About 50% of maintenance sites in Japan have a mechanic shortage (Japan Automobile Service Promotion Association, Automobile Service White Paper, 2017 Edition)
- Significantly decreasing number of people in the young generation want to become vehicle mechanics. Aging mechanics is also an issue.

Problem-solving strategies and initiative goals

Trucks and buses serve as an infrastructure that supports the social foundation, and there is a need to constantly provide prompt and high-quality maintenance so that vehicle operation is not interrupted. We provide prompt and high-quality maintenance to customers, and at the Hino Technical Skills Academy, our in-house training school, we focus on developing human resources that can deal with the technologies required in the future.

Specific Initiatives

Human resource development focused on the flow of people and goods in the future

As a commercial vehicle manufacturer, Hino not only develops its own products but will also continue to contribute to creating a sustainable flow of people and goods throughout society. Therefore, we have focused on training people in Japan, Guatemala, and other countries around the world with the aim of developing human resources that can tackle the issue of the future flow of people and goods. In September 2019, we opened the “Technical Support and Training Center” in the Philippines to further strengthen support.

Japan

Human resource development at Hino Technical Skills Academy

Philippines

Training mechanics to strengthen support as new vehicles and the number of vehicles increases (Technical Support and Training Center)

Guatemala

In-house training school to contribute to improving service technology not only in local business entities, but the entire region (Institute Tecnico HINO)

Hino Technical Skills Academy (Japanese only)