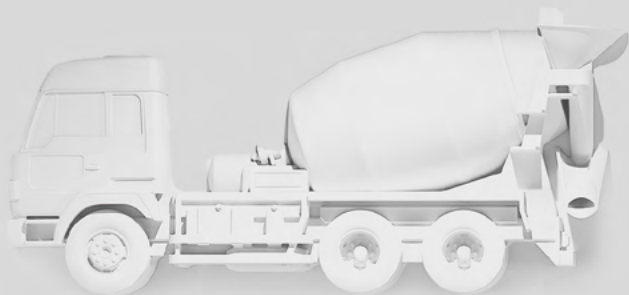


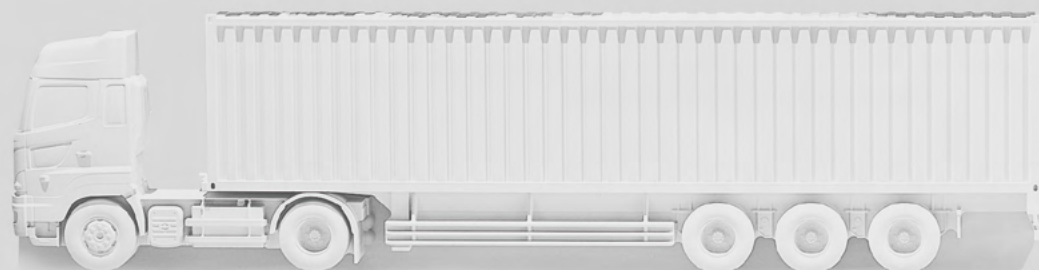
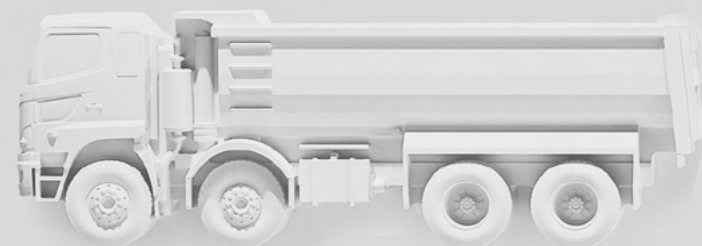


Hino Motors, Ltd.



**INTEGRATED
REPORT**

**20
25**



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Editorial policy

We publish this report with the goal of communicating the policies and strategies of the Hino Group with regard to value creation, and of enhancing communication with stakeholders such as shareholders and investors. In editing this document, we refer to the IFRS Foundation's "International Integrated Report Framework," and "Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0," released by the Ministry of Economy, Trade and Industry.

Scope:

Includes reporting on Group companies with a focus on Hino Motors, Ltd.

Period:

April 1, 2024 to March 31, 2025

Some content outside of the reporting period is also contained in the report.

Date of issue: October 2025

Notes on forecasts:

Forecasts listed in this Report are based on information currently available to Hino and certain assumptions that Hino deems reasonable. They do not constitute an assurance that these forecasts will be met.

Planning and editing:

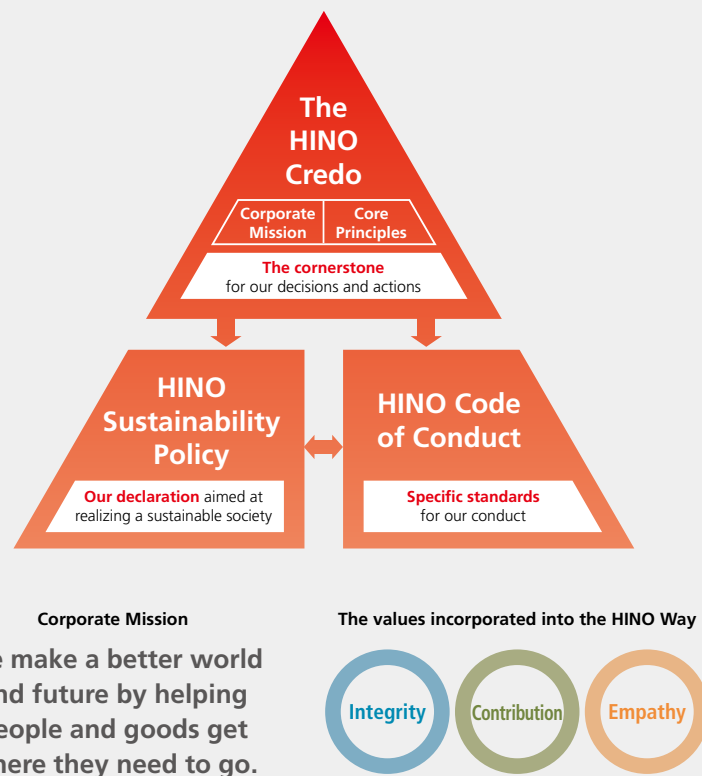
Corporate Planning Division, Hino Motors, Ltd.

e-mail: hml.csr*hino.co.jp (Please replace the asterisk with @.)

Information disclosure systems

	Financial information		Non-financial information	
Dialogues	General Shareholders Meetings			
	Financial results briefings			
Reports	Financial Results	Business reports	Corporate Governance Report	
		Securities reports		
	Integrated Report			
Websites	Shareholders and investors information		Sustainability	

The HINO Way / Preface to publication



The HINO Way

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

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

On the publication of the Hino Group Integrated Report 2025



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

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

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

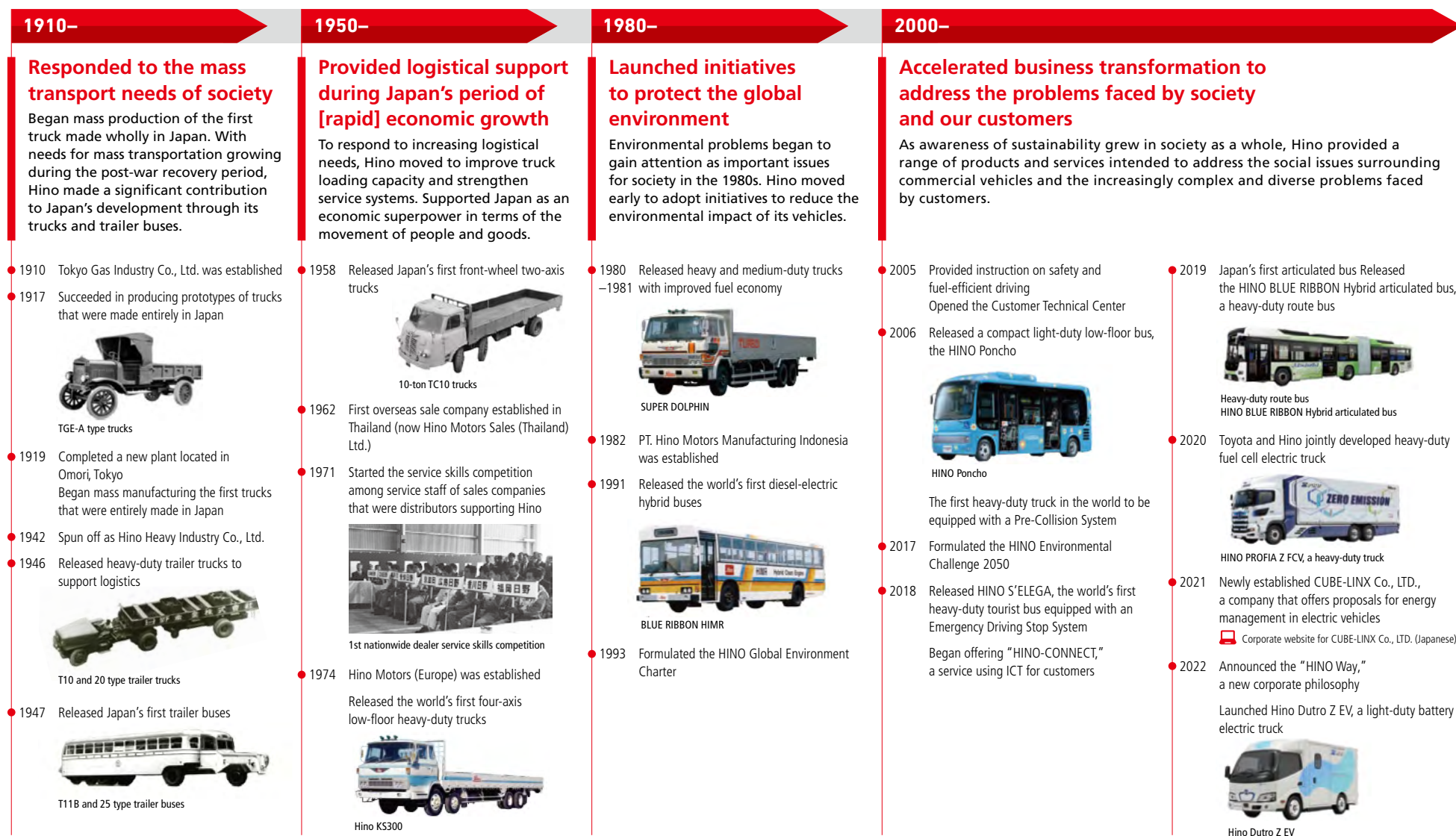
Finally, I would like to state here that the preparation of this report required the deep involvement of the management team from the planning stage and the close cooperation of all divisions, and therefore represents a unified effort of the entire Hino Group.

Satoshi Ogiso

President & CEO, Member of the Board of Directors

The history of the Hino Group

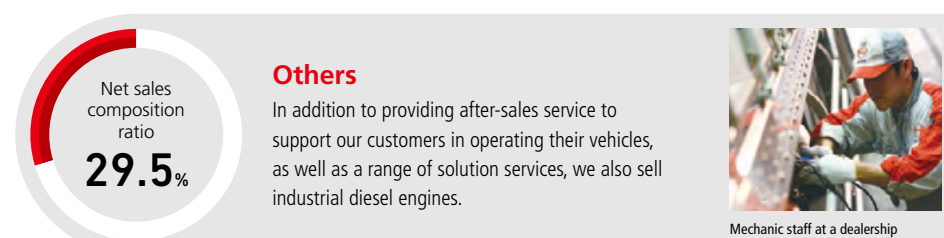
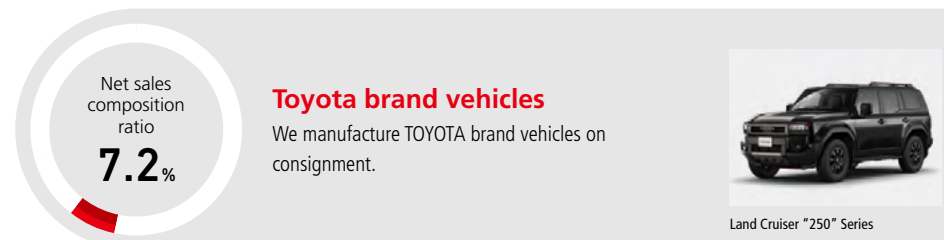
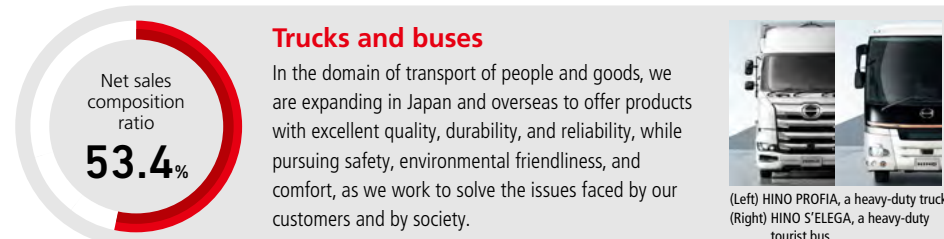
Since successfully test-producing Japan's first 100% domestically designed and manufactured truck in 1917, the Hino Group has responded to society's needs for mass transportation and supported Japan's postwar recovery and rapid economic growth. Beginning in the 1980s, we launched initiatives to protect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



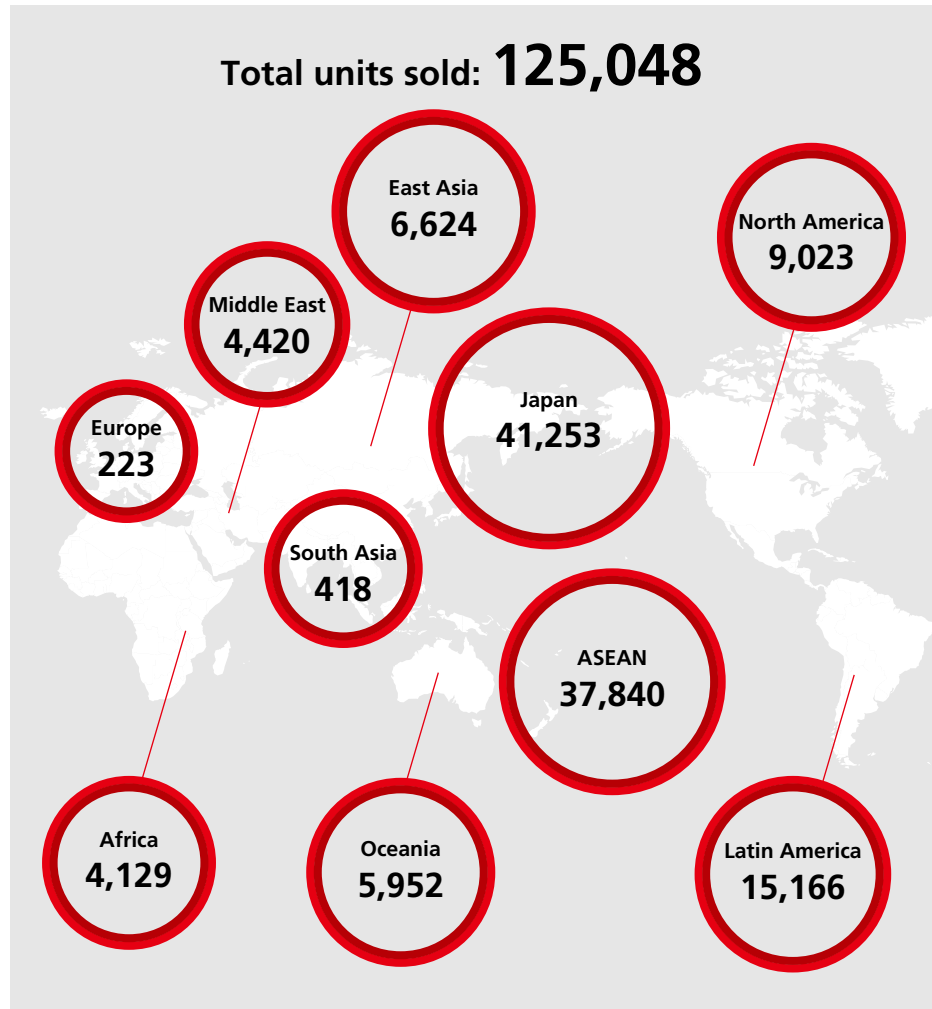
Today's Hino Group at a glance

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

Business



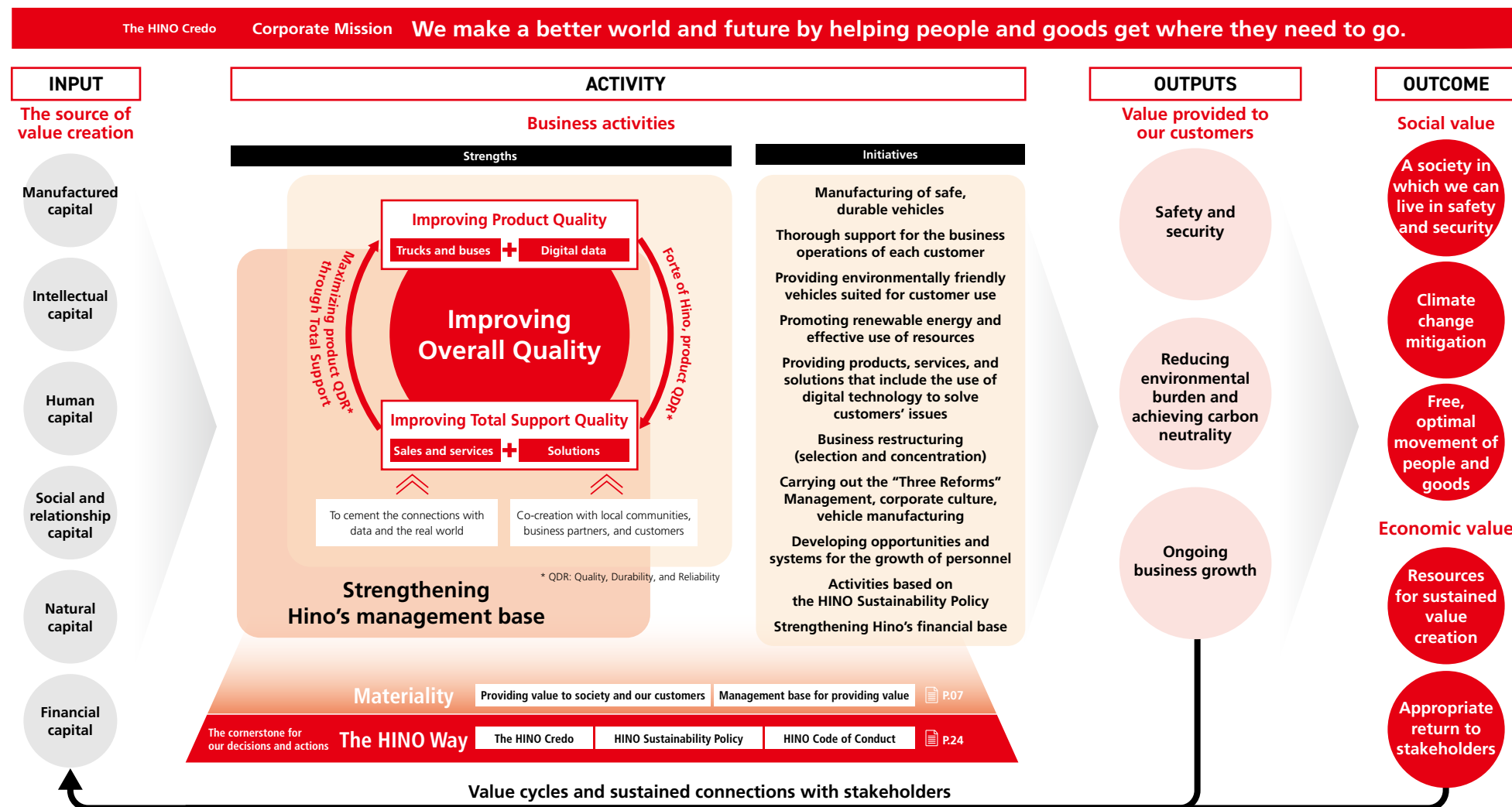
Global Sales Status



Value creation process

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

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



Six types of capital

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



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

Manufacturing that supports product QDR*

* QDR: Quality, Durability, and Reliability

Capital expenditure

71.0 billion yen

Production plants

4 plants in Japan,
12 plants overseas

Units sold in Japan
(Number of trucks and buses)

41,253 units

Units sold overseas

83,795 units



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

Development capabilities that have created innovative products

R&D expenses

55.0 billion yen

Patents

(Acquired between 2004 and the end of March 2025)

2,302



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

Human resources that provide value to our customers

Number of employees

33,608
(Hino only: 11,950)



Strengthening of relations with global networks and local communities.

Strong and sustainable supply chain, expanding on a global scale

Suppliers (tier 1)

Approx. **400** companies

Sales and service networks that support customer businesses

Sales locations

40 locations in Japan,
14 locations overseas

Cumulative total number of users of the Customer Technical Center

114,000 people

Relation with local communities

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

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

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

87 countries



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

Effective use of natural resources

Renewable energy electricity usage

271,925MWh

Non-renewable energy electricity usage

251,603MWh

Fuel consumption

2,014,000 GJ

Water usage

2,741,000 tons



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

Financial base for value creation

Net sales

1,697.2 billion yen

Profit attributable to owners of the parent

-217.8 billion yen

Capital stock

99.6 billion yen

Paid-in capital

57.5 billion yen

Operating profit

72.7 billion yen

Interest-bearing debt

407.5 billion yen

Materiality

Defining material issues to address

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

Background to identifying material issues

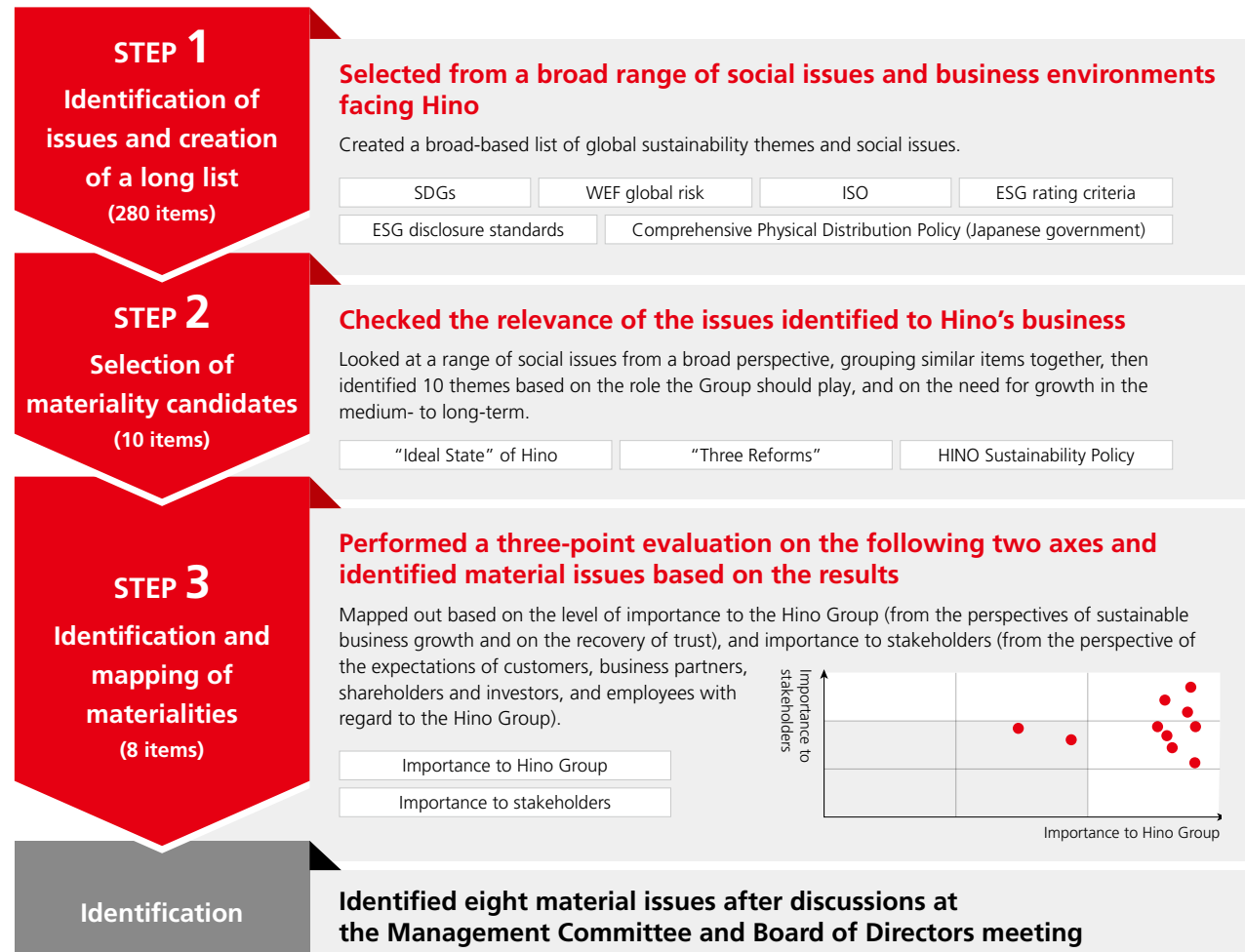
Working from our mission, "We make a better world and future by helping people and goods get where they need to go," the Hino Group has confronted the issues faced by society and customers through the trucks and buses that are the social infrastructure supporting the transportation of people and goods.

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

Materiality identification process

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

Identification steps





Materiality

Materiality		Hino's approach	Major initiatives	SDGs to address	ESG	Page	
Value propositions for society and our customers	Minimization of environmental impact and contribution to the achievement of a carbon-neutral society	We are working to address the six themes of "HINO Environmental Challenge 2050" out of a desire to reduce the environmental impact of the entire lifecycle of the trucks and buses that are Hino's main products, from their manufacture, use by our customers, to disposal. We are cooperating with governments and related industries in each country to take all measures possible, taking a society- and customer-centric approach.	- Life Cycle / New Vehicle Zero CO₂ Emissions Challenge - Offering a variety of choices to match customer requirements - Transport efficiency - Conducting fuel-saving lectures for customers - Factory Zero CO₂ Emissions Challenge - Introduction of innovative technologies - Promotion of daily improvements - Introduction of renewable energy (On-site renewable energy generation and external procurement of renewable energy (Hydroelectric power generation, PPA*¹ model businesses, non-fossil certificates*², etc.): implemented at nine consolidated companies worldwide, Factory CO₂ emissions: Reduced 60% compared to FY2014)	- Challenge of Minimizing and Optimizing Water Usage - Reduction in water usage (Water used: 2,741 million tons Year-on-year: -88,000 tons) - Thorough control of wastewater quality - Challenge of Achieving Zero Waste - Promotion of resource recycling - Reduction of factory waste (Factory waste volume: 35,900 tons Year-on-year: -1,600 tons) - Challenge of Minimizing the Impact on Biodiversity - Conservation activities appropriate to the global environment	     	E 	P34, 53
	Achievement of a society in which people and goods can move optimally through our products and services, and the use of digital data	We use digital technology to further enhance the Overall Quality (Product Quality and Total Support Quality) that is the strength of the Hino Group, maximizing the movement of our customers and supporting the movement of people and goods as social infrastructure.	- Improving Product Quality - Improving development efficiency to develop safe, durable vehicles (Reviewing numbers of vehicle models and reducing the number of part types) - Developing products capable of accurately predicting a range of malfunctions that may occur in future - Improving manufacturing quality by compiling and analyzing data during production - Improving Total Support Quality - Strengthen points of contact with customers, focusing on maintenance package - Use HINO-CONNECT to offer proposals for preventative maintenance and shorten maintenance times - Use HINO CYCLE to transition maintenance reservation and vehicle acceptance management to digital technology - Develop and strengthen service personnel (Total number of people acquiring qualification/certification: Mechanic category: approx. 6,600 people / Front category: approx. 5,500 people / Parts category: approx. 4,100 people)	- Emergency service response (Approx. 150,000 incidents) - Enhancing service bases (Relocating and rebuilding service workshops: 15 sites in Japan since 2022) - Solving issues related to the movement of people and goods - Demonstration experiments on automatic operation for labor-saving at a dam construction site - Providing services to support regional public transport - Utilizing hardware- and software-based approaches to promote efficiency in transport - Energy management, promoting the spread of electric commercial vehicles [CUBE-LINX Co., LTD. Initiatives]	 	S 	P41
	Achievement of a safe and accident-free society	To reach a level where we have zero traffic accident casualties, we employ a "Total Safety" policy through which we pursue safety in every part of the vehicle operation process, taking the view that people, vehicles, and the environment are three aspects connected as one, and we seek to instill safety in every facet of our customers' businesses.	- Practical application of advanced driving support systems that prevent accidents, implementation of safety technologies tailored to customer use - Conducting training in safe driving techniques for customers (Total number of people using the Customer Technical Center to date: approx. 114,000 people. Total number of people using Customer Support Centers to date: approx. 23,400 people in Malaysia and 4,600 people in Indonesia)	 	S 	P39	
Management base for value propositions	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.	- Initiatives to promote respect for human rights - Formulation of the HINO Human Rights Policy - Performance of due diligence on human rights (1 dealer subsidiary in Japan, 1 supplier subsidiary in Japan) - Initiative to eliminate workplace harassment	   	S 	P59	
	Corporate governance that supports "working in the right way"	Hino thoroughly enforces compliance, the foundation of our business activities, and promotes risk management based on indices shared throughout the Company. Moreover, senior management is responsible for establishing and operating an effective governance system to ensure the soundness, efficiency, and transparency of the operation of the Company.	- Initiatives to raise compliance awareness that does not tolerate nor forget the misconducts - Implementation of compliance training, including training on laws and regulations for technical personnel - Promotion of awareness and appropriate operation of internal reporting systems (Number of reports received by consulting desks: 332 cases Year-on-year increase: 8 cases) - Strengthening management oversight functions - Evaluation of the effectiveness of the Board of Directors and formulation of action plans - Personnel selection that takes into account the skill set required for the Board of Directors	- Strengthening internal control systems - Re-checking operational regulations and standards and creating maintenance and update systems - Establishing document management rules for appropriate management of documents and data - Improving risk management - Building company-wide risk management systems - Prevention of risk manifestation (Business continuity management, information security management)	G 	P46	
	Respect for employees and active participation of a diverse range of human resources	We will take the safety, health, and diversity of our employees into account as we create workplaces where each person can play an active role. We will develop human resources who can think and act independently to create new value for our customers and society, using the HINO Way as a cornerstone for our decisions and actions.	- Creating environments where people can talk openly - Initiatives aimed at improving psychological safety (Implementation of workplace roundtable meetings) - Focus of the growth of personnel based on a human resources medium-term plan - Human resources development that facilitates employees' development of their own careers - Revision of evaluation and compensation systems to reward the growth and use of capabilities - Initiatives to improve employee satisfaction	- Creation of workplace environments where employees can thrive and be active - Conducting employee awareness surveys and utilizing the results - Introduction of systems aimed at implementation of a range of working styles such as hybrid work - Measures against heat at manufacturing locations - Promotion of workplace safety - Promotion of Health Management®*³	   	S 	P55
	Honest dialogue with stakeholders to restore trust	We disclose corporate information in a timely, appropriate manner, engaging in repeated dialogues with stakeholders using a variety of different methods and opportunities to build a relationship of trust with society and our customers.	- Promotion of dialogues with a variety of stakeholders - General Shareholders' Meetings and meetings of major stockholders - Financial results briefings - Individual consultations with institutional investors, analysts, etc. (approx. 160 times) - Meetings with representatives of dealers nationwide (7 meetings) - Meetings with sales managers at dealers nationwide (3 meetings) - Exhibition of new technologies and construction methods (1 time)	- Labor union-management meetings (4 times) - Dialogues with local community associations (9 times) - Appropriate disclosure of financial and non-financial information - Annual securities, Corporate Governance Report - Enhancement of the official website - Disclosure based on TCFD Recommendations - Publication of Integrated Report	S 	P32	
	Maintenance of a strong and sustainable supply chain	The Hino Group builds partnerships through sound, fair transactions with business partners in Japan and around the world, working to achieve mutual growth and strengthen solidarity.	- Promotion of fair trade based on the Declaration of Partnership - Communication with our business partners to promote mutual improvement - Holding supplier meetings - Holding exhibitions of new technologies and construction methods	- Initiatives to improve competitiveness for mutual development - Improvements to operational efficiency, revisions to quality control standards, design alterations, etc. - Promotion of sustainability in the supply chain - Investigations related to the use of conflict minerals (voluntary inspections at approx. 300 suppliers)	 	S 	P44

*1 PPA: Power Purchase Agreement

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

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

The “Ideal State” of the Hino Group





Chapter

1

Message

Hino Motors' commitment to restoring trust and business recovery

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Message from the President



Our efforts to restore trust have made significant progress. We will now embark on a journey of business revitalization and new advancement.

Satoshi Ogiso

President & CEO, Member of the Board of Directors

Introduction

We deeply regret the considerable inconvenience and concern we caused to our stakeholders by the misconduct related to engine certification announced in 2022. In January 2025, we reached a resolution with the US authorities, bringing closure to this series of certification issues. With this, we are now on a path toward business normalization and have begun advancing toward the next stage of growth based on the planned business integration with Mitsubishi Fuso Truck and Bus Corporation.

Hino's strengths and purpose Our unchanging foundation

We position our core products—high-quality, affordable trucks and buses—as part of society's infrastructure. Our greatest strength lies in what we call "Overall Quality," which combines "Product Quality (QDR*)" that ensures uninterrupted vehicle operation with "Total Support Quality." By continuously refining this strength, we fulfill our Corporate Mission: *We make a better world and future by helping people and goods get where they need to go.* This mission defines the enduring purpose of the Hino Group. In a time of rapid change, I remain committed to revisiting this foundation and ensuring consistent management.

To prevent future misconduct, we will continue to firmly promote the Three Reforms. At the same time, we recognize that our pursuit of excessive volume beyond our true capabilities contributed to various problems, including the recent misconduct. We are therefore accelerating efforts to break away from that approach.

With our corporate philosophy, the HINO Way—built on the values of Integrity, Contribution, and Empathy—as the foundation for all decisions and actions, we will provide value by contributing to our customers and society through Overall Quality, while placing the growth of personnel at the core of our management. Guided by this "Ideal State," we will advance our business activities as Team HINO to address the eight materiality topics

Message from the President

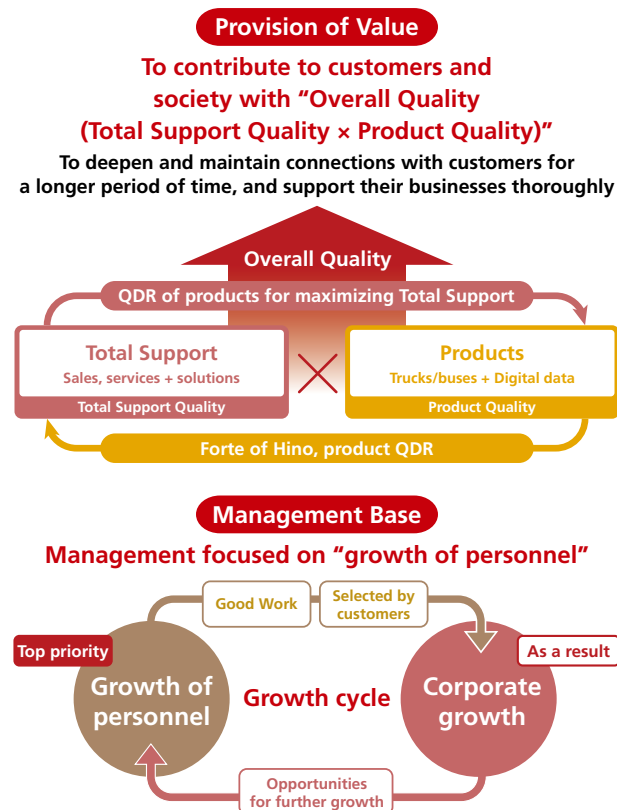
we have identified. Remaining true to our foundation, we will continue working to restore the trust of our customers and society and strive as one to enhance our corporate value.

* QDR: Quality, Durability, Reliability

FY2025 Initiatives and Achievements Returned to operating profitability

In FY2025, domestic sales of heavy-duty trucks remained strong,

Ideal State



with shipments already resumed. Together with higher Toyota branded vehicle deliveries and the positive impact of the weaker yen, operating profit recovered to ¥57.5 billion. However, due to extraordinary losses caused mainly by certification issues in North America, we recorded a net loss of ¥217.8 billion.

Amid these circumstances, we have begun a fundamental review of our business structure to strengthen our financial base and competitiveness. We are proactively pursuing selection and concentration, including withdrawal from our US parts business and downsizing in China, while taking a comprehensive approach to streamlining by optimizing vehicle inventories and reducing vehicle models and part types.

At the same time, we focused on strengthening human capital, the foundation of our corporate value. We launched a medium-term human resources plan centered on the growth of personnel and revised our evaluation and compensation systems. We also improved workplace environments by implementing heat countermeasures at factories and updating workwear based on employee feedback. As a result of these initiatives, all indicators in the FY2025 employee engagement survey showed improvement.

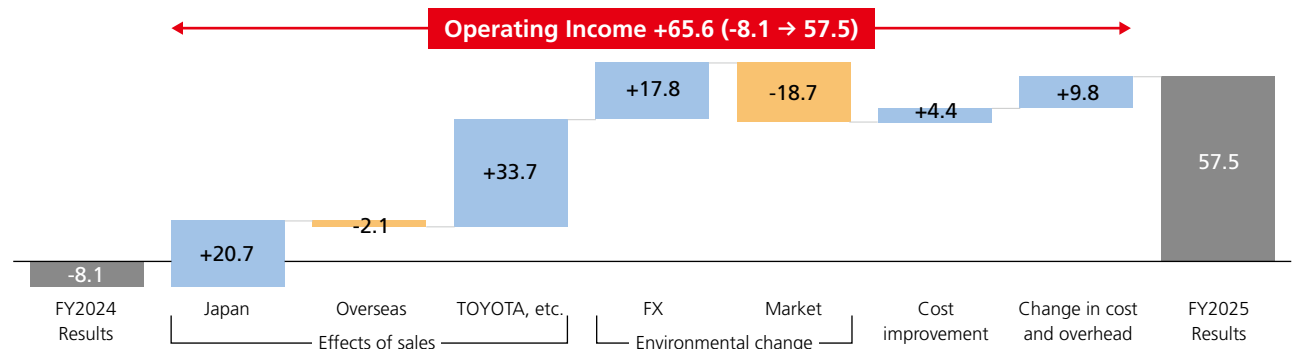
Response to engine certification issues in the US

Reached final agreement with US authorities following their recognition of our exemplary cooperation

Regarding the engine certification issues announced in 2022, investigations by US federal and California state authorities into engine emissions certification testing and performance had been ongoing. Through sincere cooperation with the authorities, we reached a final agreement in January 2025 and were recognized for our exemplary cooperation during the investigation. With this, we consider we reached a global resolution on the engine certification issues in the US. In addition, all class actions in the US, Canada, and Australia have been settled, leaving only the class action filed in New Zealand in March 2025 currently pending.

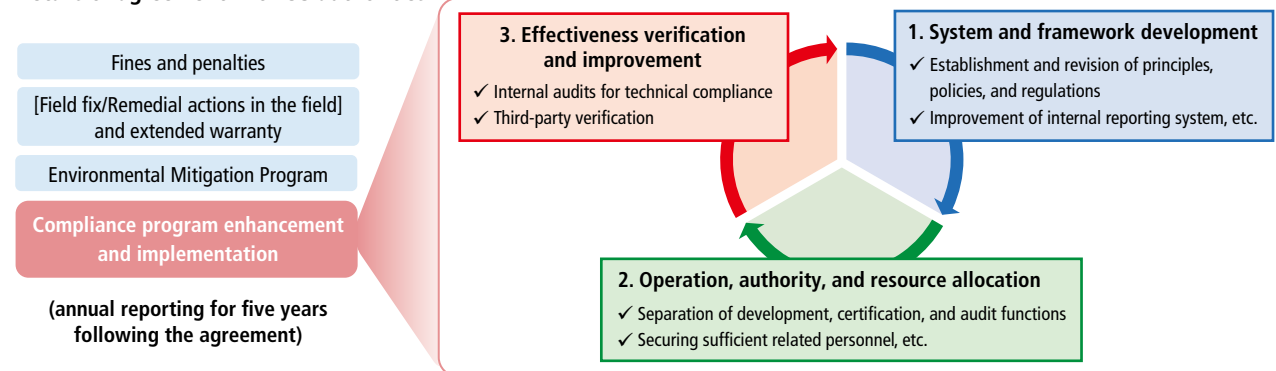
Following the agreement with the US authorities, we will faithfully implement the agreed [field fix/remedial actions in the field] and the Environmental Mitigation Program to offset excess emissions. We have also formulated and began implementing enhancement of our compliance program that focuses even more on US environmental laws and regulations. Through this program,

Factors Affecting Consolidated Operating Profit (YoY comparison)



Message from the President

Details of agreement with US authorities



we will continue to improve and strengthen our compliance framework and build a self-regulating organization. Finally, we will embed these efforts so they become self-reinforcing.

Progress of the Three Reforms Accelerating reform in management, corporate culture, and vehicle manufacturing

Following the announcement of the certification issues, we reexamined the challenges facing the Hino Group from multiple perspectives and are promoting the Three Reforms: (1) management reforms to emphasize “respect for all Hino staff” and “promote working in the right way,” (2) organizational culture reforms with “respect for all Hino staff” as a core value, and (3) structural reforms for a new “Hino vehicle manufacturing.” These three reforms are closely interconnected, and with a strong awareness that neglecting even one could risk a recurrence of misconduct, we are pursuing all of them with unwavering determination.

In response to the correction order issued by Japan’s Ministry of Land, Infrastructure, Transport and Tourism (MLIT), we have been implementing recurrence prevention measures that include the Three Reforms and regularly reporting our progress. We

have now moved all such measures, including rebuilding internal checking systems, strengthening compliance and governance, reviewing development frameworks, and fundamentally reforming organizational culture, all of which are included in the correction order from the MLIT, into the implementation phase.

As part of our specific initiatives in FY2025, we obtained the ISO 9001 certification, an international standard for quality management systems. To enhance proper data management, we introduced a new external system that automates the storage of certification test data and reinforces access control. As a measure to prevent data tampering, we also introduced facial and fingerprint authentication for certification testing equipment, with monitoring by a third party to ensure continuous recording. In addition, to ensure that the misconduct is never forgotten, we designated March 4, the date on which the certification issues was announced, as the “Day of a New Beginning,” on which all employees reflect together each year.

With regard to the organizational culture reform, we place importance on moving forward together as “Team HINO,” united by a shared purpose. Through interactive management information sharing meetings, the management

team actively shares messages with employees and hosts case study events to deepen understanding of and disseminate the HINO Way, while encouraging behavioral change among individuals. As a result of these persistent efforts, a style of following rules and taking initiative, along with a culture of speaking up and expressing one’s opinions clearly, is steadily taking root.

In vehicle manufacturing, we are strengthening mechanisms that ensure traceability to restore trust in our product quality. At the same time, the legacy of business expansion beyond our true capabilities and a volume- and sales-driven mindset has led to excessive inventories of materials, work in progress, and finished vehicles, increasing unnecessary management costs and delaying recovery of our earning power. We also recognize that by drifting from our foundation and prioritizing volume over Overall Quality, we have risked losing competitiveness. In addition, the pursuit of optimization within individual functional divisions has resulted in inefficiencies across the organization. Aiming to return to our foundation, address these issues, advance a “management based on the products” approach that delivers Overall Quality, Hino’s core strength, as our value proposition, we established the Product Business Planning Office. We will continue to engage in ongoing dialogue with employees, review progress in improving our organizational culture and operations, and further deepen the Three Reforms.



HINO Way Case Study Sharing Event: Communicating Reform Initiatives and Paving the Way for Tomorrow

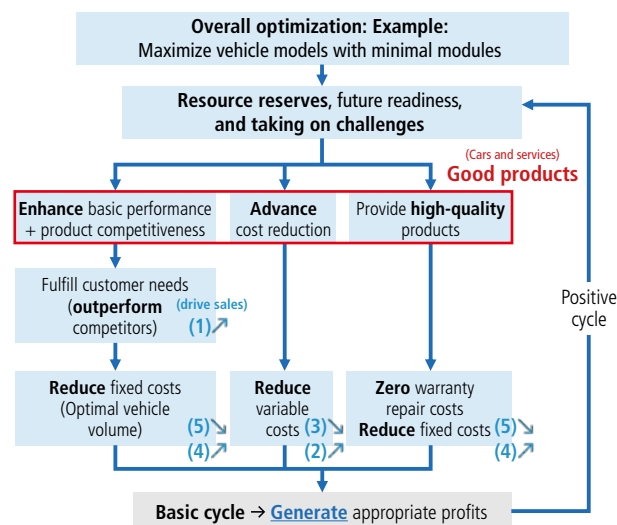
Message from the President

Business strategy based on “management based on the products” Promoting the business strategy to achieve an operating profit margin of 8% or higher

While advancing the Three Reforms, the Hino Group aims to restore its profit levels in stages and achieve an operating profit margin of over 8% by FY2031. To this end, we will focus our management resources on markets where we have competitive advantages and on improving and expanding sales of products that are highly rated by our customers.

In terms of products, although we have not yet resumed shipments for some models, we are boldly streamlining our product lineup. For the time being, we will enhance customer value through improved models of our main products, the heavy-duty truck HINO PROFIA, the medium-duty truck HINO RANGER, the light-duty truck HINO DUTRO, and route buses, while continuing to refine our Total Support Quality.

Moving forward: Management based on the products



(1) Sales (2) Gross profit (3) Cost of sales (4) Operating profit (5) SG&A expenses

In terms of providing Total Support, we are addressing social challenges related to the movement of people and goods while ensuring uninterrupted vehicle operation for our customers. We continue to establish, expand, and upgrade our sales and service locations, focusing on building a system that stays connected anytime and anywhere, detects problems or early warning signs quickly, and provides support faster than anyone else.

At the same time, as a top priority in developing and providing high-quality, affordable trucks and buses, we are accelerating efforts to strengthen product quality and reduce costs based on overall optimization, with the aim of restoring our earning power.

Social role to fulfill as a commercial vehicle manufacturer Strengthening CASE technologies to address social challenges

While promoting business strategies to restore our earning power, we also recognize that social challenges related to the movement of people and goods, such as global warming, serious traffic accidents, and driver shortages, are becoming increasingly severe. For the Hino Group, these are pressing challenges that demand immediate action. We therefore place the highest priority on investing in CASE (Connected, Autonomous, Shared, and Electric) technologies, which are essential to addressing these challenges.

To achieve carbon neutrality, we are promoting initiatives through multiple pathway efforts, recognizing that the optimal solution differs for each customer. This approach advances both internal combustion engine and electric vehicles. The light-duty BEV*1 truck HINO DUTRO Z EV, launched in 2022, has earned strong praise from customers focused on decarbonization in last-mile delivery operations, as the model is easy to use on such occasions. In addition, we will launch the fuel cell truck HINO PROFIA Z FCV, jointly developed with Toyota Motor Corporation, as Japan's first mass-produced heavy-duty fuel cell truck model. Designed for long-haul transportation, it combines load capacity, driving range, and environmental performance at



a high level, contributing to the advancement of a hydrogen-based society. Furthermore, at the Osaka-Kansai Expo 2025 in Japan, we are collaborating with ENEOS Corporation and West Japan JR Bus Company to operate Japan's first station shuttle buses using synthetic fuel. We are also participating in CJPT-Asia, established in Thailand by Commercial Japan Partnership Technologies (CJPT) Corporation*2, to further contribute to carbon neutrality across Asia.

To address social challenges in the movement of people and goods, we are actively advancing demonstration programs that apply CASE technologies in collaboration with partners across industries. Through our participation in the Ministry of Land, Infrastructure, Transport and Tourism's "Public-Private Partnership Platform for Solving Transportation Gaps," municipalities are steadily adopting our public ride-share operation management service, and we are expanding its coverage. In FY2025, we began a joint public-private demonstration on the Shin-Tomei Expressway using heavy-duty trucks equipped with autonomous driving technology. In addition, at the Port of Tomakomai in Hokkaido, we are conducting demonstration tests to advance container trailer operations in collaboration with Tomakomai Kuribayashi Unyu Co., Ltd. and Mitsui E&S Co., Ltd. We have also begun providing services using vehicles with Level 4 autonomous driving capabilities at Taisei Rotec Corporation's next-generation pavement testing facility.

Drawing on the extensive experience and expertise we have built through the manufacturing, sales, and maintenance of trucks and buses, the Hino Group will continue to adopt CASE technologies effectively to advanced solutions that ensure

Message from the President

uninterrupted vehicle operation and to new systems that support the movement of people and goods. Through these efforts, we aim to deliver sustainable next generation commercial mobility and remain an essential presence for our customers and society into the future.

*1 BEV: Battery Electric Vehicle

*2 Commercial Japan Partnership Technologies Corporation (CJPT): Established in April 2021 to promote the social implementation and wider adoption of CASE technologies, focusing on the following two pillars - electrification and logistics efficiency. Investors include Toyota Motor Corporation, Isuzu Motors Limited, Suzuki Motor Corporation, Daihatsu Motor Co., Ltd., and Hino Motors, Ltd.

Toward business integration

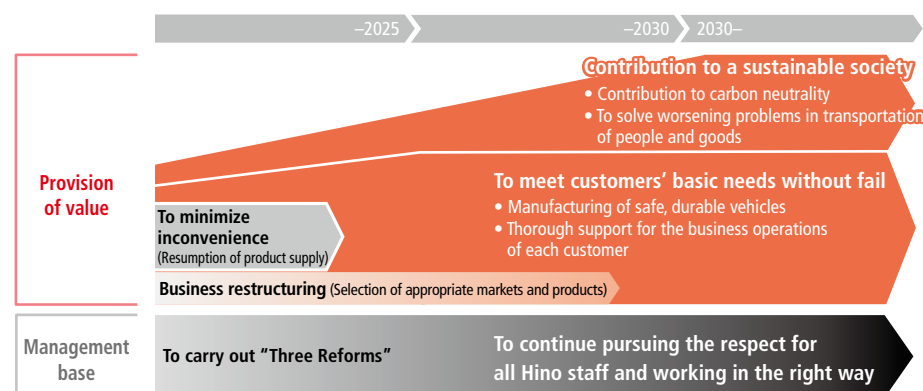
Four-company collaboration and two-company business integration represents a once-in-a-lifetime opportunity

In May 2023, the Company, Mitsubishi Fuso Truck and Bus Corporation, and their respective parent companies, Toyota Motor Corporation and Daimler Truck AG, signed a basic agreement on four-company collaboration and two-company business integration. Since then, the Company and Mitsubishi Fuso Truck and Bus have engaged in constructive discussions toward business integration, deepening mutual understanding of each other's strengths and corporate cultures.

Both Daimler Truck and Toyota share the strength of offering a global full lineup tailored to regional needs and value multiple pathway efforts that provide diverse options suited to local conditions and customer usage as they work toward carbon neutrality. Beyond business synergies, the fusion of different cultures and corporate backgrounds will generate immense synergistic benefits. The Company and Mitsubishi Fuso Truck and Bus, which are integrating business with the aim of 'delivering the future of commercial mobility,' are united in the belief that together we will form a stronger, more resilient team that supports the movement of people and goods in an even more advanced way.

Achieving carbon neutrality through the use of hydrogen and addressing challenges in the movement of people and goods through CASE technologies require significant management

A roadmap to achieving the "Ideal State" of Hino



resources, including substantial investment in technological development. Recognizing that it is no longer feasible for the Company to take on these efforts alone, we view this four-company collaboration and two-company business integration as a once-in-a-lifetime opportunity. Although the schedule for integration has been delayed from the original plan due to the need for approvals under competition-related and other laws, as well as our response to the engine certification issues, the four companies signed a business integration agreement in June 2025 and we are now steadily preparing for the launch of a new structure in April 2026.

Through this integration, the two companies will work to improve efficiency in areas such as development, procurement, and production from the perspective of overall optimization, substantially enhancing our global competitiveness as Japan's leading commercial vehicle manufacturers.

To our stakeholders

Bringing closure to the certification issues and aiming to evolve through business revitalization and business integration

Once again, we sincerely apologize for the significant net loss

Moving forward: based on products

Hino QDR - A Trusted Brand

Never Stops Running + 'Commercial vehicles people want to drive and load'

Products Designed for the Market

Safe and Durable Products

- Built into the Process: Quality Control and Improvement
- Thorough Market Research and Competitor Comparison
- Basic Performance + Safety/Security and No. 1 Reliability

Contribution to Customers and Society

Thorough support for the business operations of each customer

- Anytime, Anywhere, Faster Than Anyone
- Stay Connected, Detect Issues Quickly

"Always dependable, always Hino."

recorded in FY2025, which was due to extraordinary losses related to the engine certification issues. However, by steadily executing the Three Reforms in line with the roadmap toward realizing our "Ideal State," we resumed shipments of vehicles equipped with the A09C heavy-duty engine in February 2023, following the revocation of its type designation by the Ministry of Land, Infrastructure, Transport and Tourism. In addition, we have reached a settlement with the authorities in the US regarding the engine certification issues.

As Team HINO, we will strengthen unity and collaboration across the Company by linking our development, procurement, production, and sales functions, replacing function-based operations with overall optimization through management based on the products. With a strong sense of urgency, we will dedicate ourselves to revitalizing our business and evolving through the business integration. We sincerely ask our stakeholders for your continued warm support of the Hino Group.

小木曾 聡

President & CEO, Member of the Board of Directors

Four-company collaboration and two-company business integration

Delivering the future of commercial mobility

Daimler Truck AG (hereafter Daimler Truck), Mitsubishi Fuso Truck and Bus Corporation (hereafter “Mitsubishi Fuso”), Toyota Motor Corporation (hereafter Toyota), and the Company have reached a final agreement on the integration of Mitsubishi Fuso and the Company. A new holding company, ARCHION Corporation (ARCHION), has been established to oversee both Mitsubishi Fuso and the Company. The name “ARCHION” represents the connection between the companies and their stakeholders, as well as Mitsubishi Fuso and Hino, and the aspiration to create the future of transportation, connecting to a better life for the next generation.

ARCHION embodies the shared aspiration of the four companies to contribute to a prosperous society through mobility. We aim to enhance business efficiency and sharpen competitiveness through integration, while promoting safe, reliable and environmentally friendly vehicles that elevate the value of mobility in society.

Integrated platform strategy by combining strengths

ARCHION will pursue an integrated platform strategy as the main initiative to enhance competitiveness. By leveraging the strengths of both companies, we will enhance product competitiveness, improve cost efficiency for faster higher-quality products launches.

Enhancing efficiency and competitiveness through scale

ARCHION will actively pursue the streamlining of development, procurement, production, and logistics functions to significantly boost operational efficiency. Consolidating development functions allows the reduction of duplicate investments to substantially boost operational efficiency as well. By integrating purchasing functions and bundling purchase volumes, substantial cost reductions can be achieved across a wide range of direct and

indirect procurement categories. Furthermore, by optimizing production sites and logistics networks, by the end of 2028, the five domestic truck production sites will be consolidated into three locations: Kawasaki Plant (Kawasaki City, Kanagawa Prefecture), Koga Plant (Koga City, Ibaraki Prefecture), and Nitta Plant (Ota City, Gunma Prefecture). In addition, we aim to advance the consolidation of indirect functions over time to optimize overlaps, achieving both cost efficiency and operational excellence.

Contribution to the realization of a sustainable society through CASE technologies

Resources generated through integration and efficiency improvements will be partially reallocated to investments in advancing existing technologies and the CASE domain. By leveraging the technological capital and scale advantages of Daimler Truck and Toyota, we will develop market-leading products across all ZEV segments. In the area of hydrogen, in particular, the ARCHION Group will draw on the combined expertise and cooperation of Toyota and Daimler Truck for world-class fuel cell technology to develop and promote the system. We will also accelerate development in the autonomous driving domain. In the area of connected mobility, we will improve

solution offerings while effectively utilizing fleet data for better customer value.

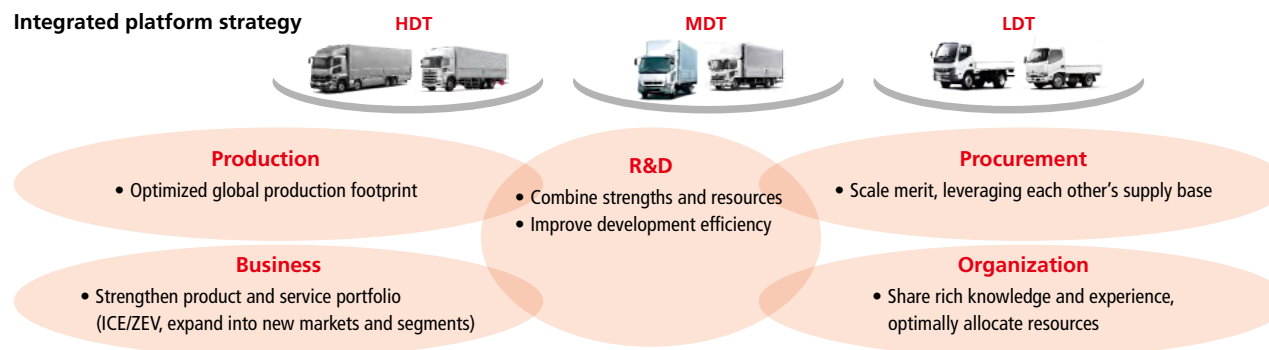
Building on the synergies, the two distinct ‘FUSO’ and ‘HINO’ brands will enhance each other’s value through healthy competition in the market. This will enable the ARCHION Group to provide customers with higher-quality products and continue making sustainable contributions to a wide range of stakeholders.

■ New company overview

- Trade Name: ARCHION Corporation (Holding Company of Mitsubishi Fuso and Hino)
- Address: Shinagawa Ward, Tokyo
- Representatives (Scheduled appointments as of October 9):
Representative Director & CEO: Karl Deppen
Representative Director & CFO: Hetal Laligi
Executive Director & CTO: Satoshi Ogiso
Non-Executive Director: Christian Herrmann
Non-Executive Director: Kiyotaka Ise
- * The appointment of four independent outside directors and key management positions will be announced once finalized.
- Date of Establishment: June, 2, 2025
- Planned Business Commencement: April 1, 2026
- Target Shareholder Structure: Daimler Truck and Toyota aim to each hold 25%
- Listing Exchange: Aiming for listing on the Tokyo Stock Exchange Prime Market
- ARCHION Corporation is expected to hold 100% of Mitsubishi Fuso and Hino shares

Updates on the Integration of Mitsubishi Fuso and Hino Motors

Integrated platform strategy



Message from the COO



Stringing together organizational functions to drive business reforms and enhance overall quality

Naoki Sato

Senior Managing Officer, Member of the Board of Directors, and Chief Operating Officer (COO) of the Japan Business

Leading by example to fulfill my promises

I made the following four promises to myself when our new organizational structure was established in 2023. (1) Break down sectionalism, (2) adhere closely to a process of on-site, on-hand, and on-the-spot verification, (3) think together and make decisions as COO, and (4) build open and transparent relationships. I have made it a point to lead by example in order

to fulfill these promises.

In recognizing that breaking down sectionalism is an urgent issue, I have positioned myself as a hub to connect various functions such as development, procurement, production, and sales to achieve overall business optimization. For example, I realized that as a result of sales and production pursuing stand-alone optimization, inventory had become more bloated than expected. Therefore, I have personally stepped in at our work

sites to verify actual production and sales conditions with my own eyes in an effort to significantly reduce inventory. In addition, through a process of discussions with everyone, I am pressing ahead with the consolidation and standardization of the many parts and vehicle variations that came about from excessive expansionism in the past, and I am in the process of developing a policy to reduce the types of specific units by half. Moreover, some adjustments are being made to ensure that everyone is on the same page when it comes to cost cutting because each department has had different ideas on how to go about it.

On the other hand, there have been cases where our excessive focus on the customer has led to the development of low-margin vehicle models or the inability to set appropriate prices for products and services. The relationship between Hino and our customers will not last unless it is a win-win situation, so I am also working to make some course corrections regarding these issues. Furthermore, I am closely collaborating with the COO of the Overseas Business, with whom I share many management resources, including development resources, to work on optimization from a Company-wide perspective.

As to building open and transparent relationships, I have been holding management information sharing meetings since FY2023, during which I like to share information about the Company's management with employees and have the management team directly answer questions. In the midst of this, I actively visit customers and dealers, and I continue to share my insights gained from them through our internal messaging app. As such, I think the distance between management and our work sites is gradually narrowing.

Transitioning to management based on the products

Going forward, we will shift to a style of Management based

Message from the COO

on the products rather than a functional axis, adopting the slogan “Building better trucks and buses.” We will aim to further enhance overall quality by combining safe and durable products with total support, striving to build long-lasting and deep relationships with our customers.

Initiatives for regaining trust

Regarding the engine certification issues, since the issue was made public in March 2022, we have been fulfilling our accountability to stakeholders, including employees, while compensating the customers we inconvenienced and working to restore trust. We have also dispatched support members to our dealers to assist with various issues faced by our customers. To ensure that such certification issues do not occur again, we are advancing reforms in management, culture, and vehicle manufacturing. Also, among the engines for which the type designation was retracted, the 13-liter large engine E13C has completed its durability degradation testing, and we have submitted an application for type designation. The Company has been making a concerted effort to make preparations to swiftly transition to production as soon as we receive the type designation. We are also preparing to roll out the 5-liter medium-duty engine A05C (HC-SCR) as the A05C (Urea SCR) which is being developed as the 2026 model.

Actively promoting CASE initiatives

We are focusing on CASE to achieve a carbon-neutral society and address challenges in the movement of people and goods. We consider autonomous driving technology in particular to be a viable solution to the worsening driver shortage in Japan and have conducted various demonstration tests in

collaboration with the public and private sectors. We have now put unmanned autonomous heavy vehicles into practical use and have commenced full-scale road surface durability testing at the next-generation road surface testing track of Taisei Rotec Corporation. This project marks our first service offering utilizing autonomous driving technology. We are steadily making progress toward the realization of autonomous driving in fields where access for general pedestrians is restricted, such as highways and construction sites.

On the connected technology front, we are continuing to develop our HINO-CONNECT service, which connects drivers and fleet managers through a communications system and provides a wide range of information such as vehicle location and fuel consumption. With this system, we can utilize big data to predict vehicle issues in advance and conduct preventive maintenance, thereby preventing unexpected operational stoppages. In the future, we will not only improve the accuracy of preventive maintenance, but also expand the application of connected technology to include proposals for the optimal operation of vehicles.

As for electric vehicles, in addition to providing the Hino Dutro Z EV, our light-duty battery electric truck that primarily supports last-mile deliveries, we will also launch a mass-produced model of a large FCEV (fuel cell vehicle) powered by hydrogen. However, while electrification is one means to achieve carbon neutrality, various solutions exist depending on regional energy circumstances, infrastructure environments, and the businesses of our customers. That is why we are also focusing on the development of internal combustion engines powered by carbon-neutral fuels such as hydrogen, synthetic fuels, and biofuels. In this way, we are adopting a basic policy of utilizing multiple pathways and are taking steps to improve fuel efficiency and diversify our fuel sources.

Becoming a leader in the Japanese commercial vehicle industry

We are a Japanese company, and Japan is our home market. We seek to further hone our overall quality in the Japanese market, which has stringent quality requirements, and turn the value created there into success on the global stage. The Japanese commercial vehicle industry is facing multiple challenges, not only in responding to carbon neutrality, but also in the shortage of drivers and mechanics. Japan is indeed a country at the forefront of challenges, and we believe that the technologies developed to solve these issues will be utilized in other countries in the future, so to that end, we will thoroughly rebuild our operations in Japan.

We see the business integration as an enormous opportunity to realize new challenges that have hitherto been difficult on a stand-alone basis, so in this sense, it is very exciting. Currently, we are discussing the cooperative framework for the integration, and it has turned into a great opportunity to reaffirm each other's strengths and advantages. I am confident that by driving forward our business reforms and engaging in collaboration among four companies and integration of two entities, we can bring together our respective technological strengths and know-how to accelerate the development of next-generation technologies mainly in the areas of carbon neutrality and autonomous driving, thereby positioning the Group as a driving force in the Japanese commercial vehicle industry. We will steadily do whatever it takes to make this business integration happen.

Message from the CCO

Strengthening compliance and improving culture with front-line input to make a stronger Hino's foundation and contribute to sustained growth

Norio Yoshida

Chief Compliance Officer and Operating Officer, Internal Audit



of trust. Together with the other two values of the HINO Way—"Contribution" and "Empathy"—I believe this philosophy should be put into practice through self-driven actions as a guideline for the conduct of each and every employee. Since the misconduct was made public, we have examined how each workplace and each employee should specifically practice the HINO Way, and various initiatives have already started, yielding positive results.

Objectives of our "Three Reforms" and current progress

In response to the public announcement of engine certification issues in Japan in March 2022, we formulated "Three Reforms"—management reforms, organizational culture reforms, and reforms for new vehicle manufacturing—and we embarked on a radical review of our corporate structure. We are promoting Company-wide measures to prevent recurrence based on recommendations from external experts, including a management overhaul, stronger cross-organizational communication, and the introduction of a

Settlement with authorities concerning US engine certification issues

In January 2025, after years of investigation and negotiation, we reached a comprehensive settlement on criminal and civil procedures with US authorities regarding engine certification issues. In March, I appeared in US federal district court to receive a judgment in relation to the criminal settlement, and after more than two hours of testimony, the terms of the settlement were legally confirmed. In response to the judge's question of "guilty or not guilty," when I answered "guilty," I once again reflected deeply on the sheer number of people who were affected by the Company's wrongdoing. In court, I stated that we fully recognize and reflect on the seriousness of the past engine certification issues, and I pledged that we will uphold our post-settlement obligations, including the strengthening of compliance, and to continue internal reforms to prevent such issues from happening again.

Legal and regulatory compliance is the starting point for corporate survival and the restoration of trust

When we think of compliance, it often tends to be perceived as

a passive notion of simply following rules. However, I believe that compliance and adherence to laws are, by nature, indispensable as a core foundation of corporate management, as expressed in the "Integrity" value of our management philosophy, the HINO Way, that we established in 2022. For us, especially after causing a serious engine certification issues compliance serves as the starting point for corporate survival and the restoration

Main acts of certification issues in the US

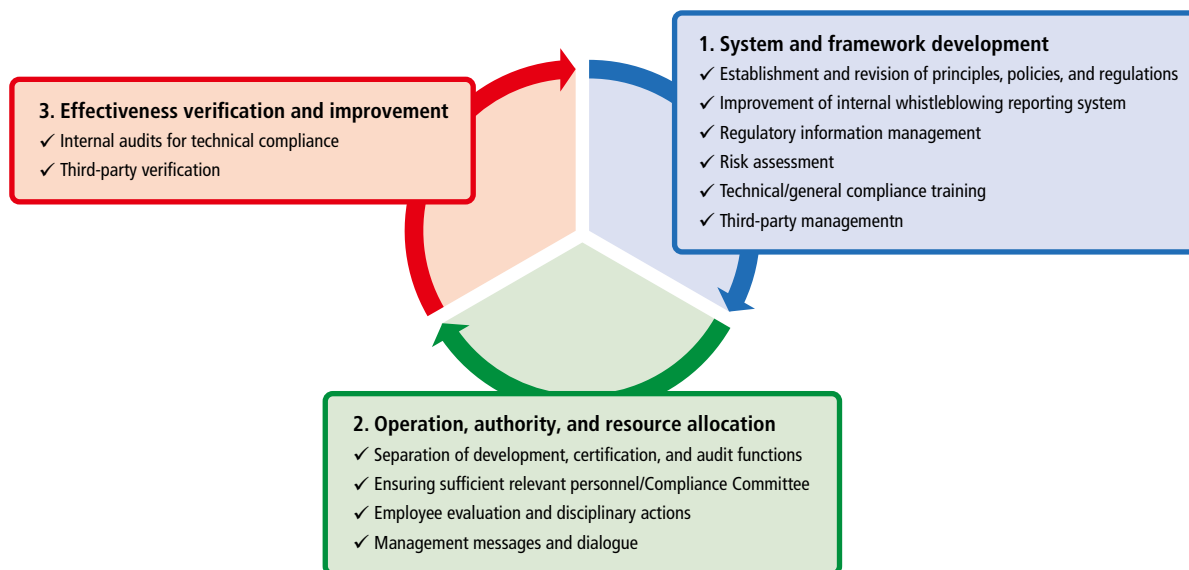
Falsification of test data	• Altered and falsified emissions test data and durability tests • Failing to use test cells that does not comply with the applicable regulations; used insulation and did not disclose in application • Repeatedly relied on falsified carryover data in applications, knowing such data was invalid, to secure the certificates • Submitted, or used, false and fraudulent carbon dioxide (CO₂) emissions test data
OBD* ¹	Listed certain OBD monitors as being operational, knowing that they were "paper monitors," that is, not functioning and knowing that OBD demonstration tests were not done in compliance with regulations and data was altered/fabricated
AECD* ²	Failed to disclose AECDs, which altered the functioning of an engine's emissions control system, as required by regulation
Importing of products	Imported non-conforming engines into the United States and subsequently sell those same engines in interstate commerce and through the use of interstate wires
Fraudulent receipt of subsidies	Submitting false data for the hybrid vehicle incentive program in California to receive subsidies

*1 On-Board Diagnostics

*2 Auxiliary Emission Control Device

Message from the CCO

Enhanced Compliance Program (12 items)



system to reflect the opinions of frontline workers in management. The progress of reforms has been confirmed through both quantitative and qualitative results, such as internal awareness surveys and an increase in the number of internal whistleblowing reports, and we have also completed six quarterly progress reports to the Ministry of Land, Infrastructure, Transport and Tourism. In addition, in the settlement with authorities in the US, we provided a detailed explanation of our initiatives, which I believe became one of the key considerations in reaching the settlement.

However, the entrenchment of compliance practices cannot be achieved overnight. We will continue with autonomous improvement activities, bridge the gap between the frontline and management, and aim to realize an open organizational culture. Certification operations are the very basis of an automotive manufacturer, and preventing recurrence requires not only the

establishment of systems but also a fundamental transformation of structure and corporate culture. Starting with the approach of senior management (which we refer to as the “tone at the top”), we are strengthening compliance as an internal control initiative that encompasses the establishment of rules, training, risk assessment, internal reporting, and third-party audits, thereby continuously making improvements through the PDCA cycle. We are working to create an environment where employees can voice their concerns and share issues, aiming to foster a consistent compliance culture on a global basis.

These initiatives are being rolled out in the context of our relationship with US authorities through the formulation and implementation of an enhanced compliance program that takes into account US environmental laws and regulations. Its implementation will be evaluated by external organizations, and

we will provide annual reports to the authorities for the next five years, reflecting the findings in the following year’s plans through the PDCA cycle.

My role as CCO and contributions to corporate value

I have over 30 years of experience in management roles related to legal/compliance, risk management, and internal auditing at other companies, focusing on system development and case resolution from a global perspective. Leveraging that experience, as CCO, I have taken on a leadership role to strengthen the Company’s compliance system and activities, with a focus on resolving the engine certification issues and enhancing internal controls.

The engine certification issues resulted in severe consequences that significantly impacted corporate management, including the revocation of certifications and suspension of shipments in Japan, substantial fines and criminal convictions in the US, and settlements of class action lawsuits. However, together with management and other team members, we faced these challenges head-on, and with external support, we were able to engage in persistent negotiations that led to a definitive resolution, allowing us to move into the preparation phase for a future business integration.

Going forward, we plan to ensure that we uphold our post-settlement obligations, including the enhanced compliance program that we are committed to implementing for the US authorities, while also looking ahead to the business integration. We will be restructuring the enhanced compliance program to make it globally applicable. In doing so, we aim not only to establish systems but also to reflect the opinions of the frontline in management in an effort to foster a corporate culture where employees can think for themselves and practice “working in the right way.” We are committed to strengthening our management base and continuously enhancing corporate value.

Message from the CFO



Taking the first step toward restoring trust and achieving growth, and targeting longer-term enhancement of corporate value

Yasushi Nakano
Chief Financial Officer

FY2025 results

FY2025 was a crucial period for Hino, serving as a stepping stone for our resurgence. Net sales increased to ¥1,697.2 billion from the previous year, and operating profit was ¥57.5 billion, a swing to the black from an operating loss last year. This driven by the resumption of heavy-duty truck shipments in Japan, stronger sales of SUVs to Toyota, and depreciation of the yen.

On the other hand, extraordinary losses stemming from the engine certification issues have weighed heavily on our earnings, resulting in a net loss of ¥217.8 billion for the period. Certification-related losses in North America amounted to approximately ¥258.4 billion, and the settlement amount for the class action lawsuit in Australia was ¥8.7 billion. As a result,

the impact was greater than expected. We had substantially completed the recognition and processing of these losses in FY2025, and I believe that we have passed a major milestone in addressing the losses related to the engine certification issues.

Even in such difficult circumstances, we are steadily improving profitability through internal initiatives. We are working to streamline our business through cost reductions and a focus on selection and concentration. FY2025 was the first step toward regaining trust and achieving financial soundness, and I believe we have laid the foundation for sustainable growth beyond FY2026. Moving forward, we will continue to ensure transparency in management and demonstrate our accountability while striving to enhance corporate value.

Regional conditions

Looking at the conditions in each region, in the domestic market, the resumption of heavy-duty truck shipments and the normalization of parts supply meant both sales volumes and net sales were solid. In overseas markets, there was a sharp decline due to the sluggishness of the mainstay Asian market.

In Indonesia, general transportation demand stagnated, leading to a slowdown in the overall economy.

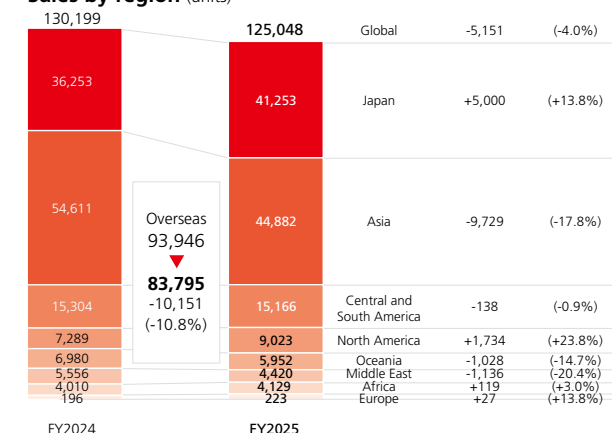
In Thailand, the market is contracting due to stricter loan screening and other factors.

In other regions, there was an increase in sales volume in North America due to the end of the parts supply issues seen in the previous year.

As to the outlook for international markets, there are some uncertain factors at play in the external environment, such as the issue of US tariffs and forex volatility.

We will keep a close eye on these developments as we go about strengthening our competitiveness.

Sales by region (units)



Message from the CFO

Earnings improvement measures and outlook for FY2026

To improve profitability, we have steadily pressed ahead with cost cutting and a “selection and concentration” strategy, while harnessing the knowledge and ingenuity of the work sites. For example, we are making steady improvements through such measures as reducing inventory vehicles, cost cutting measures aimed at designing parts more economically, establishing more suitable production systems, and making work operations more efficient in administrative and technical office workplaces using the Toyota Production System. At our domestic and overseas production sites, we have spearheaded process improvements and supply chain restructuring to greatly reduce both fixed and variable costs. We are also reviewing our business portfolio, making bold decisions to withdraw from, or scale down, unprofitable businesses and products, and accelerating the reallocation of resources to growth areas.

In FY2026, we expect to record lower sales and profits due to a decrease in global sales volume. Even still, we will focus on strengthening our global competitiveness and stabilizing our profit base and set our sights on an operating profit margin of 8% by FY2031. While challenges still remain, such as the speed of recovery in the ASEAN market and the risk of fluctuations

in exchange rates and raw material prices, we will stick closely to a work site-oriented approach to reflect the feedback of frontline workers in management, and flexibly respond to the rapidly changing business environment. We will continue to pursue a balance between getting profit levels back on track and sustainable growth, and the entire organization will work together as one to make this happen.

Capital allocation

Capital allocation is one of the most important management themes that supports the Company’s sustainable growth. Until now, we have prioritized stabilizing our financial base in response to the engine certification issues and changes in the global operating environment. For example, for the purpose of improving asset efficiency, we have sold some land around the Hino Plant, as well as some shareholdings, and redirected the proceeds toward improving our financial structure and making growth investments.

Meanwhile, we are also steadily making investments for the future. In particular, research and development related to hydrogen and carbon neutrality are key areas that will determine our competitiveness. In FY2025, our R&D expenses amounted to approximately ¥55 billion, as we worked on the development

of fuel cell electric trucks and EV technology. We are also allocating approximately ¥71 billion to capital expenditure in Japan and overseas to optimize our production system and adopt new technologies. In particular, in Japan, we are focusing on renovating our development centers and dealership locations, while also bolstering local production facilities in Asia and North America. These investments are directly linked to the building a system capable of flexibly responding to demand fluctuations and changes in the market environment.

On the capital policy front, our emphasis is on improving our equity ratio and maintaining financial soundness while also taking shareholder returns into account. We were unable to pay a dividend in FY2025, but going forward, we aim to deliver stable and continuous dividends alongside a recovery in earnings.

We will continue to double down on the “selection and concentration” of operations, prioritize the allocation of limited capital to growth fields and areas with high social value, and aim to achieve sustained growth and the maximization of corporate value.

In conclusion

We are now at a major turning point with the upcoming business integration. The purpose of this integration is to safeguard the foundation of the commercial vehicle industry in Japan and Asia, while continuously providing sustained value to society and our stakeholders. Commercial vehicles are essentially pieces of social infrastructure, and addressing societal challenges such as carbon neutrality and efficiency in logistics requires cross-industry collaboration rather than stand-alone efforts. I am confident that through the integration, we can enhance business efficiency in areas such as development, production, and procurement, and refine our competitiveness to create greater synergies. As CFO, I will continue to prioritize the balance between financial soundness and growth investments while also considering shareholder returns.

Through this integration, we will make every effort to meet the expectations of society and investors under the shared aspiration to contribute to a prosperous society through mobility, and aim to maximize corporate value.

Key points in FY2025 and FY2026 results

	Results in FY2025		Forecasts for FY2026	
Unit sales	Global unit sales 125.0 thousand units Decrease 4.0% year on year	- Japan 41.2 thousand units <Y/y increase 13.8%> Sales growth thanks to the resumption of shipment of A09C - Overseas 83.8 thousand units <Y/y decrease 10.8%> Slowdown in the ASEAN market, mainly Thailand	Global unit sales 115.0 thousand units Decrease 1.0 thousand units or 8.0% year on year	- Japan 37.0 thousand units <Y/y decrease 10.2%> Resumption of shipment of vehicles in FY2026 Sluggish sales of light-duty trucks - Overseas 78.0 thousand units <Y/y decrease 6.9%> Slowdown in the Indonesian and Thai markets
Operating income	57.5 billion yen Increase 65.6 billion yen year on year	Grew due to the resumption of shipment of heavy-duty trucks in Japan, the increase in unit sales for Toyota, and the weakening of the yen despite the downturn in the ASEAN market.	40.0 billion yen Decrease 17.5 billion yen year on year	- Decline in profit due to external factors, such as the yen appreciation and the augmentation of procurement costs - Steady improvement in profitability thanks to in-company efforts
Net loss/ income	-217.8 billion yen Decrease 234.9 billion yen year on year	- Related to certification in North America (-258.4 billion yen) - Settlement money for a class action lawsuit in Australia (-8.7 billion yen) - Sale of the land of the former Hino factory (+33.7 billion yen) - Gain on sale of shares held (+18 billion yen)	20.0 billion yen Increase 237.8 billion yen year on year	Certification-related loss had been dealt with as a whole by FY2025, and we will no longer incur this loss.

Chapter

2

Feature

Dialogue with stakeholders aimed at restoring trust and the business recovery of Hino Motors

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Efforts to disseminate the HINO Way

Hino is working to restore trust and achieve business recovery by returning to its origins. We have defined the HINO Way as a set of values and vision that each one of us should hold dear, and we are working to disseminate this throughout the Company. This section provides an overview of the multifaceted reform project centered on disseminating the HINO Way among employees, and explains the current status that our stakeholders are beginning to gain a sound understanding of the HINO Way.

 The HINO Way: P02

Positioning of the HINO Way

The engine certification issues made public in 2022 prompted us to fundamentally reexamine our reason for existence and social responsibility as a company. This incident, which greatly damaged the trust of society and our customers, provided us with an opportunity to take a fresh look at why we do what we do and what kind of value we provide to society. In response, we have decided to position the HINO Way at the center of our corporate philosophy and make it the core of our management.

The HINO Way is more than just a slogan or a code of conduct. It clearly defines the “Ideal State” that the Hino Group should aim for and serves as a guiding principle for all employees when making decisions and choosing actions in their daily tasks. Our Corporate Mission is “We make a better world and future by helping people and goods get where they need to go.” This Mission has remained the same since our founding, and it is also our responsibility as a commercial vehicle manufacturer responsible for social infrastructure.

The HINO Way calls for a return to our origins of “contributing to our customers and society,” and clarifies the values that serve as the basis for all decisions and actions. We want all employees to embrace these values as their own and put them into practice in the workplace. This philosophy should be shared by all employees, from management to frontline workers, and embodied in their daily work and decision-making.

In addition, the HINO Way is positioned at the center of our “Three Reforms” (management reforms, organizational culture reforms, and vehicle manufacturing reforms). Management leads

by example and employees at the front line think and act on their own initiative. The HINO Way’s concept is that this two-pronged approach creates a virtuous cycle of restoring trust and improving corporate value. In addition, the HINO Way symbolizes a shift from “directive-oriented management,” in which people on the front lines work under the instructions and orders of their superiors, to “direction-oriented management,” in which teams with a shared broad direction think and work together autonomously. Rather than simply following the rules and procedures as in the past, employees must think on their own and cooperate as a team to make the most appropriate decisions and actions based on our philosophy. This “direction-oriented management” is the foundation and essence of achieving sustainable growth in an era of rapid change.

The values incorporated into the HINO Way are Integrity, Contribution, and Empathy. Integrity does not just mean following laws and rules, but also always striving to work in the right way and facing the situation honestly. Contribution means continuing to provide value by proactively working to solve issues for our customers and society. Empathy refers to an attitude of respecting diverse values and co-creating new values through dialogue and collaboration.

In this way, the HINO Way clearly defines the Company’s reason for existence and ideal state and functions as a compass for all employees to think and act autonomously. We believe that the Company-wide dissemination of the HINO Way is the starting point for restoring trust and reviving earnings power.

Company-wide dissemination is not just a matter of sharing a common philosophy. It means that each employee finds overlap

between the HINO Way and their own values and things that are important to them, and engages in their daily work with empathy. By aligning the entire Company in the same direction and practicing our corporate philosophy, we aim to restore trust from society and transform into a company that achieves sustainable growth.

Measures for the dissemination of the HINO Way

To ensure that the HINO Way takes root in the workplace, we have created numerous opportunities for learning and interaction. Through dialogue, employees internalize the philosophy and put it into practice in the workplace. We have incorporated the HINO Way into everything from company policies to departmental policies and individual goals, and are working to ensure that it is put into practice.

Efforts to prevent the misconduct from fading into obscurity and restore trust

The HINO Way is positioned at the center of our “Three Reforms” (management reforms, organizational culture reforms, and vehicle manufacturing reforms). In keeping with our pledge to prevent the misconduct from fading into obscurity and restore trust, starting from 2024, we designated March 4 as “Day of a New Beginning.” The day is used as an opportunity to reflect on the engine certification issues through Company-wide dialogue and to confirm the practice of “working in the right way in accordance with the HINO Way.” In addition, the Right Way to Work Learning Center, which reopened in March 2023, offers permanent exhibitions aimed at learning about the causes and impact of misconduct, preventing recurrence, and reforming the corporate culture. It serves as a place for each employee to think about the “working in the right way.”

Efforts to disseminate the HINO Way

Initiatives to put the HINO Way into practice through dialogue

All executives and employees participate in “Meet your HINO Way,” an interactive workshop that transcends hierarchy and job type. At these workshops, participants not only deepen their understanding of our philosophy, but also find overlap between the HINO Way and their own values and things that are important to them, and hone their understanding of their own mission as a Hino Group employee. We aim to foster a culture of vehicle manufacturing based on overall optimization through mutual understanding achieved by discussions that transcend divisions and positions. In addition, division managers participate in offsite meetings twice a year to exchange ideas on putting the philosophy into practice and formulating policies. These meetings play a role in raising awareness among leaders and accelerating the dissemination of the philosophy into workplaces. We have also established management information sharing meetings as a forum for direct dialogue between management and employees to openly share information on business integration and financial results.

TPS Viewpoint / Way of Thinking Training

The Toyota Production System (TPS) is a way of seeing and



Meet your HINO Way



Management information sharing meeting

thinking that upholds the value of doing things for the sake of someone other than yourself. It is also highly compatible with the HINO Way. In order to fundamentally rethink how we work based on TPS and incorporate TPS into our daily behavior patterns, we launched a new TPS Viewpoint / Way of Thinking Training in FY2026. Employees are being encouraged to take the course, starting with management. This training will lead to Company-wide business reforms.

Initiatives for human resources development

As a foundation for human resources development, we are fostering a culture of teaching and learning through Division Managers' talk, which are intended to elicit the tacit knowledge held by experienced senior employees and express it as explicit knowledge. From March to the end of September 2025, we held eight Division Manager Talks, contributing to the passing on of on-site knowledge and values. We are also promoting a cross-departmental initiative called the Lovable Company Project, which is led primarily by young employees. This project promotes bottom-up organizational culture reform by communicating the appeal of Hino from the perspective of young employees and by creating “lateral connections” through networking events for young employees who have been with the Company for less than five years.

Monitoring of philosophy dissemination and reform progress

To monitor the dissemination of our philosophy and the progress of reforms, we conduct a workplace culture pulse survey three times a year. By quickly incorporating feedback from the front lines in management and repeating the improvement cycle, we are accelerating reforms throughout the organization.

Achievements and future prospects of the HINO Way

In July 2025, the first HINO Way Good Practice Award was held, where 63 case studies were collected, including from our Group companies. Participants shared specific examples of social contributions and business improvements, such as supporting reconstruction efforts following the Noto Peninsula earthquake and amending or abolishing company rules, demonstrating that the spontaneous actions of our employees are beginning to spread throughout the Group.

There is also quantitative evidence that the philosophy is beginning to take root in the workplace as a result of our dissemination measures—in the workplace culture pulse survey, the rate of positive responses to the question of putting the corporate philosophy into practice increased significantly from 44% to 64%.

Going forward, we will continue to work to disseminate our philosophy from both top-down and bottom-up perspectives, centered on the HINO Way. The synergistic effect of leadership by management and proactive practice by the operational front lines will create a virtuous cycle of restoring trust and improving corporate value. At the same time, by engaging in dialogue with internal and external stakeholders, we hope to ensure transparency and accountability in management and strengthen the foundation for sustainable growth.

Employee roundtable discussion

The future of Hino brought by the HINO Way

Hino is driving the transformation of the Company by instilling in our employees the HINO Way, which summarizes the values and vision that each and every employee should hold dear. For this roundtable discussion, we asked employees from a range of departments to talk about the current challenges of the Company and their hopes for the future, in addition to their efforts to put the HINO Way into practice.



Issues that we feel are important while working at Hino

Imori I originally worked in the Production Engineering Department, but after the engine certification issues were announced, I was transferred to a department that conducts engine bench tests, where I am working on activities aimed at continuous improvement. From the perspective coming from a completely different department, I realized that there were many issues that needed to be improved, such as aging facilities and closed-off areas. We should encourage collaboration between departments and strive to create an open and transparent environment.

Fujii Under our Company policy of providing value to our

customers and society, the Solution Business Division has launched GOMIRUTO, an IT service for the waste collection industry. For this project, we have a small team that handles everything from planning to sales, and we visit customers directly to hear about their problems. Many of the inquiries we receive are about car delivery dates, and we feel a strong sense of responsibility to ensure that products are delivered to customers reliably.

Shigefuji I work at a subsidiary called Hino Computer System, which provides services that utilize connected data for transportation companies. Given the declining population and labor shortage, the use of digital technology is an important topic for both society and business. I feel that there is great potential in providing value through the utilization of digital data, which has

been identified by the Company as a material issues (Materiality).

Shinada I work in the General Affairs Division, where I am involved in activities related to the Company's social contribution initiatives. I feel that it is important for us as a company to engage in these social contribution activities with an attitude of "let's build together" and to adopt the perspective that the benefits will be cycled back into our business. To achieve this, I believe it is essential to have a perspective of co-creating value with local communities and others, and to foster relationships in which we share the same goals and move forward together.

 GOMIRUTO (Japanese)

 Materiality: P07

How we feel about the HINO Way

Shigefuji When I first saw the HINO Way, I was surprised to see that compliance, which any company should naturally abide by, came first. At the time, we were in the midst of the engine certification issues, and given this situation, I felt that the Company's decision to prioritize compliance before anything else in the HINO Way demonstrated its strong determination to ensure it is implemented thoroughly. Now I believe it is important for each individual to understand, empathize with, and implement what the Company stands for.

Shinada I was also honestly confused because the concepts of "integrity, contribution, and empathy" can be interpreted too broadly by individuals, and it is difficult to see how they connect to the realization of the Corporate Mission. However, as I tried to understand it in my own way, I realized that it overlapped with the important foundation of my own area of interest and work, and now I have come to understand the message of the HINO Way.

Fujii Personally, it was only after I started regularly visiting customers in my current work that I realized the true nature of the HINO Way. To gain the trust of our customers, it is essential that we deal with them with integrity, empathize with their challenges, and

Employee roundtable discussion

show a willingness to contribute. In order for our Company to be more trusted by society, each and every one of us, including myself, must strengthen our commitment.

Imori To be honest, my first impression was also “how obvious.” Of course, that’s why it’s important, but I feel that it’s difficult for a company to grow based only on what’s obvious. In addition to the HINO Way, I believe that we must continue to be aware of the need for challenges and innovation going forward.

What we keep in mind in our daily work

Imori After the engine certification issues were announced, I was transferred to a related department, where we set up a team named the “Co-creation Promotion Team.” Since I was the team leader, the customary name would have been the “Imori Team.” However, the name I chose conveys the ideas that team members should keep in mind what the team needs to do and that the development and production engineering members should collaborate to tackle challenges. We value a style of taking action ourselves first, and then getting those around us involved in the process of making improvements. I keep in mind the importance of the HINO Way when getting those around us involved.

Fujii In my sales activities for GOMIRUTO in particular, what I keep in mind is supporting customers in solving their issues rather than selling products or services. It would be ideal if the current GOMIRUTO services met our customers’ needs, but if necessary, we will for example introduce services from other companies, as we believe it is important to adopt a customer-centric approach.

Shigefuji As a division manager at Hino Computer System, I am called upon to make decisions on a daily basis, and the HINO Way is an important basis for my decisions. I feel that having a perspective focused on compliance and social contribution helps me make sounder decisions.

Shinada I believe that one of the cornerstones of our social contribution activities is to have integrity in our heart, to think about what we can contribute, and to convey empathy with our gathered colleagues. In recognition for putting this philosophy into practice, our support for recovery from the 2024 Noto Peninsula Earthquake was awarded the HINO Way Award at the HINO Way Good Practice Award.

 HINO Way Good Practice Award: P25

Difficulties in practicing the HINO Way

Shinada The concept of “contribution” seems straightforward at first glance, but it is actually very complex. Sometimes what you think is best doesn’t match the needs of the other person. We tend to forget that we should follow the path toward the goal together. That’s why I feel it’s important to keep asking ourselves, “What can we do to contribute?” and approach the issue carefully.

Fujii As someone in charge of new businesses, I feel the difficulty of continuously contributing to our customers every day. We are working together as a team, discussing ways to ensure earnings so that we can continue to operate our business sustainably while also making more customers happy.

Shigefuji The HINO Way is the corporate philosophy of the Hino Group. Naturally, Hino Computer System provides thorough education on the HINO Way and works to instill the philosophy in its employees as in those of Hino, the parent company. Believing that shared values are the source of organizational strength, we continue to spread the HINO Way.

Imori In practicing the HINO Way, there are times when we have to devote too much time to respecting the opinions of all parties involved, making it difficult to make decisions. For this reason, we consider the HINO Way to be a set of principles for the planning stage, when we strive to find a better direction through thorough dialogue.

Future challenges to take on and hopes for the Company

Shigefuji It is only because companies have profits that they can improve their products and contribute more to their customers. In particular, data handled in the digital domain can be perceived as having different value depending on the customer, even if the content is the same. Through our various initiatives to date, Hino has great potential in this field as well. I want to continue to take on challenges so that employees can realize this potential and provide new value to the logistics industry.

Fujii As a person in charge of new businesses, I would like to take on more unimagined challenges that will surprise the world and make them say, “Hino can do that too?” On the other hand, the only reason we can take on new business ventures is because our main business firmly supports the Company. If I were to return to the main business in the future, I would like to use my current experience to become one of the pillars of the Company.

Shinada I would like to see the power of corporations be more fully utilized in solving social issues. The same applies to our Company as well. For example, through our social contribution activities, which are boundary-crossing opportunities to engage with various communities and move forward together, each employee connects with the community and perceives its challenges as his or her own. In this way, a virtuous cycle that feeds back into the business will be generated. I would like to contribute to value creation that builds a prosperous world and future together.

Imori Logistics is the lifeblood of society, and much of it is carried out by trucks, so I feel a sense of responsibility and fulfillment in my daily work. I believe that by working together across departments and fulfilling Hino’s full potential, we can achieve great strides. Listening to the stories from other members today, I am convinced that the Company has great potential. I hope to contribute to the future of the Company, first by doing my best to improve the engine in front of us.

Discussion with outside directors

Becoming a company that can see the future —Taking on the challenge of restoring trust and improving corporate value

In response to the engine certification issues, Hino has also been reviewing governance, which is what caused the problem. We asked Director Nakajima and Director Kimijima, both outside directors, to discuss the status of the governance review, the progress of the Three Reforms, their views as outside directors, and their recommendations for improving the Company's corporate value in the future.



Masahiro Nakajima
Outside Director

Shoko Kimijima
Outside Director

Status of governance review following the engine certification issues

Nakajima The recent engine certification issues were not merely a technical problem but one that concerns the core of the Company's culture and governance. It completely undermined the

trust we had built with our customers. I take this very seriously.

In response to this problem, a third-party committee was established to thoroughly investigate the cause. I think this was the first step toward restoring trust. Looking back, it was also an opportunity to reflect with regret on my own inadequate involvement at the time. After that, President Ogiso took the

lead in facing the problem head-on and sincerely, and worked to create a system that eliminated the motives and opportunities for misconduct. The newly established "HINO Way" clearly indicates the direction of the Company and is a message that is easy for employees to understand. I feel that direct dialogue between management and the workplace is creating a more open and transparent environment.

Kimijima We are finally seeing signs of progress after the engine certification issues. With the settlement reached with the US authorities and the criminal and civil procedures coming to an end, I feel that we have entered the phase of full-fledged rebirth. Based on the compliance work plan agreed with the authorities, we are steadily implementing 12 improvement measures. We have also put in place a system for the Board of Directors and the Compliance Committee to share progress and issues, making supervision much easier.

Having said that, I am particularly concerned about the governance of our overseas subsidiaries. I think we need to further strengthen our monitoring of overseas sites. Now that we are finally overcoming a major hurdle, it is time to prepare for the next stage.

Nakajima In terms of reviewing governance, the introduction of the CXO system has made responsibilities and authority clearer. Initially, I was cautiously observing the implementation of the system. Now, however, I judge that the operation of the system has progressed to clarify responsibilities and authority and has contributed to strengthening governance. Furthermore, since you are an expert in corporate law, your appointment as an outside director has further strengthened the supervisory and advisory functions of the Company. Your incisive questions have also helped bridge the information gap between internal and external stakeholders.

Discussion with outside directors

Progress in the Three Reforms

Kimijima As an outside director, I have been paying close attention to the Three Reforms. Among the Three Reforms, the management reforms and organizational culture reforms in particular have produced positive changes, as reflected in periodic surveys of employee opinions. However, if reforms are not implemented while the iron is hot, their effectiveness will diminish. Given how busy our employees are and how many priorities they have, it's important to act quickly.

Nakajima The Board of Directors and the Compliance Committee monitor the progress of the Three Reforms. I feel that the reforms are progressing steadily, but reforming organizational culture is not something that can be accomplished overnight. The important thing is that each employee approaches work with a strong desire to restore trust, rather than feeling forced to do so. I believe it is also important for executives and supervisors to work together and demonstrate their commitment.

Kimijima We regularly receive reports through the whistleblowing system and reports on investigation cases, and recently we have also been seeing cases other than harassment. The increase in the number of reports is itself a sign of openness, but we also need a system that can respond quickly and appropriately when serious cases arise. I am also concerned about the difference in the number of reports received between the head office and subsidiaries, and I am paying close attention to this as an indicator of the extent to which reforms have taken hold.

My role as an outside director

Nakajima As an outside director, I am increasingly required to build a relationship of trust with management, create an environment in which we can have open discussions, and act as a “partner in management” by fully utilizing my expertise, working toward the common goal of improving corporate value, and having discussions with the management team. Expanding access to information and promoting diversity of expertise will be key to enhancing the effectiveness of outside directors.

The biggest governance challenge is again the restoration of lost trust. Maximizing profitability is essential to achieving sustainable growth and enhancing corporate value. We have also begun to liquidate unprofitable businesses. Amid major changes such as business integration, it is important to be a company where employees can envision their own future. The business integration is not a goal, but an important milestone that will significantly influence the future of the Company. I expect that the new Hino will acquire new knowledge and technology, expand its business, and have more options to maximize its profits.

Kimijima I believe that my role as an outside director is to bridge the information gap with the executive side and to enhance discussions and strengthen the effectiveness of the Board of Directors. I also intend to utilize my legal background to bring lessons learned from the successes and failures of other companies back to Hino. Some of my suggestions may be painful to hear, but I believe they will improve the Company's governance and help restore trust.

To maintain independence and the effectiveness of supervisory functions, it is important to strike a balance between not encroaching too much on the executive side and thoroughly verifying necessary information. Since there are aspects that cannot be seen by the Board of Directors

alone, we are also considering increasing opportunities to visit the workplace. Of course, we can't just show up without an appointment. Still, we need to come up with ways to allow outside directors to experience the atmosphere on the front lines in a more natural way.

Improving Hino's corporate value in the future

Nakajima I have personally experienced mergers and acquisitions in the past, and it takes at least 10 years for a new culture to take root after a business integration. From a governance perspective, it is important to ensure smooth and transparent decision-making processes after integration. I would like to encourage both companies to overcome their differences in corporate culture and implement governance that offers hope.

I will fulfill my role to help Hino become “a company that can see the future” for its employees.

Kimijima In order to improve corporate value, it is essential to rebuild relationships of trust with stakeholders. In particular, if employees are not healthy, they cannot take on new challenges. I am very much in agreement with the attitude of President Ogiso and other leaders who understand the significance of communication and are engaged in careful dialogue with people on the ground. If the culture of the organization changes in a positive way, there will be less concern about misconduct.

Amidst the significant change accompanying the business integration, I believe that the key to shaping the Company's future is for each employee to think about how they can contribute and to have the mindset that they are working for “their” company. As outside directors, we cannot sit down and work alongside employees every day, but we want to provide solid support from a governance perspective so that employees can work with peace of mind and work to maximize corporate value.

Dialogue between the Chief Operating Officer of the Japan Business and the General Manager of the Product Business Planning Office

**Toward a style of management that solves social issues with products
—Our core value is to ensure we don't halt operations, and based on that, we will achieve both profitability and growth.**

The COO of the Japan Business and the General Manager of the Product Business Planning Office met to discuss the transition from “functional optimization” to “product optimization” and the implementation roadmap for this change. Centered around the Product Business Planning Office that was established in February 2025, we will step up the pace of sweeping reductions in the number of parts, the adoption of a common platform, the enhancement of customer value, and the integration of data-driven planning, supply, and support. Our aim is to ensure overall quality to prevent breakdowns and allow for rapid recovery in the event of any occurrence, thereby not halting the operations of our customers. By balancing profitability and customer value, we will make sure of our trajectory for renewed growth.



Naoki Sato
Chief Operating Officer,
Japan Business

Yuma Usui
General Manager,
Product Business Planning Office

Background and objectives of establishing the Product Business Planning Office

Sato As a result of Hino pursuing specialization by function over a long period of time, organizational barriers have begun to slow down the speed of value creation. The starting point of our operations is to create good products and contribute to society. In going back to that standpoint, we established the Product Business Planning Office in February 2025 to drive the entire Company based on products rather than functions. This is where we will define what a good product is, draw up medium-to-long-term product business plans, and see them through to implementation. As a compass for management, we will turn the bigger picture of renewed growth into actual strategic moves.

Organization and personnel: Winning with speed led by young professionals

Sato We gathered seven elite members primarily in their 30s from each function and appointed Mr. Usui, who has a background in development, as the General Manager. The objective of establishing the Product Business Planning Office is “transformation.” Based on the action and speed of these young employees, we will simultaneously advance the development of the next generation of leaders. And the management team will offer its full support.

Implementation approach: Diving deep into overall quality

Usui Our strength lies in overall quality, integrating vehicles with total support. Good quality at a reasonable price is a given. On top of that, we will exhaustively delve into the value we provide to customers and society by repeatedly asking “why,” thereby taking overall quality to a higher level. We will connect planning, development, production, sales, and after-sales support to establish a system that never halts the operations of our customers.

Sato When in doubt, all we have to do is revisit our Corporate Mission: We make a better world and future by helping people and goods get where they need to go. This Corporate Mission is

Dialogue between the Chief Operating Officer of the Japan Business and the General Manager of the Product Business Planning Office



The production of the first post-war heavy-duty trailer trucks (T10 and T20 model trailer trucks) was completed in 1946. The efforts of everyone working together to make good products are obvious in this photograph.

the foundation for a fresh start. All future decision-making will be based on a product-centric approach.

Identification of bottlenecks:

Taking a scalpel to data and complexity

Usui One of our tasks is to create stronger data links between organizations. By horizontally deploying data from each department, we will gain better hints for good products and be more responsive to supply. We will eliminate the inefficiency of operating under Japanese specifications and overseas specifications as if they were separate companies, and build a common platform centered around regional data. The Product Business Planning Office will spearhead the implementation of products and total support in line with regional characteristics, based on data from the perspective of overall optimization.

Sato As a result of excessively pursuing sales volume, the variety of Hino's parts and units has ballooned. Maintaining equipment with which we make only a few vehicles per year is not sustainable. That is why we have declared our intention to reduce the number of specific unit types by half. To that end, we are standardizing and reducing parts. By reducing complexity, we will set off a chain reaction that reduces inventory, equipment, and changeover costs, helping to transform our earnings structure.

Usui While customer-centricity and overall optimization may seem like a trade-off, they are actually compatible. By

looking around the production floor, we can identify areas for eliminating duplicate operations and opportunities for standardization that does not impact quality, as well as the potential for standardization across Japanese and overseas specifications. As we engage in more dialogue with production site workers, the number of collaborators is increasing, data is being gathered, and the roadmap we are developing is becoming

clearer. Positive feedback has returned within the organization as well, with employees saying that we need better products and commenting about what the Hino brand ought to look like.

Electrification strategy:

Providing optimal solutions with multiple pathways

Sato The transition to electric vehicles is a major gamechanger, but the optimum solution will differ for each customer and region. We will continue to utilize multiple pathways with a variety of options, including not only BEVs (battery electric vehicles) but also FCEVs (fuel cell electric vehicles), hydrogen engines, synthetic fuels, and biofuels. Also, we will not rely solely on in-house capabilities; in addition to our existing partnership with Toyota Motor Corporation, we will leverage the strengths of Daimler Truck AG after the business integration to refine our optimal solutions.

Usui In 1991, we launched the world's first heavy-duty route hybrid bus, and in 2022, we rolled out a light-duty EV called Hino Dutro Z EV. We also plan to launch a heavy-duty fuel cell electric truck. After the business integration, we will tap into the strengths of Mitsubishi Fuso Truck and Bus Corporation to dramatically enhance our product capabilities through history and rejuvenation.

Definition of good products:

Never halting the operations of our customers

Usui When it comes to trucks, drivers want to be in Hino

vehicles, and business operators and fleet managers want drivers in Hino fleets. They also want Hino vehicles to carry their cargo. When it comes to buses, both drivers and passengers want to be in Hino vehicles. The keywords common to all these phenomena are safety and security to ensure that we never halt the operations of our customers. We will optimize everything from design philosophy to after-sales service for that purpose.

Sato To ensure we don't halt operations, we need to provide both durable product quality and total support that allows for the immediate resumption of business even if a breakdown occurs. This is the core value of the Company and the decisive reason why customers choose us.

Governance and production site capabilities:

The answers can be found on the production floor

Usui With the COO at the production sites, there are now opportunities for direct discussions with the President and C-suite executives. Communication within the Company has visibly improved, decision-making has become faster, and lead times have shortened.

Sato On-site, on-hand, and on-the-spot—this is the fastest and most reliable approach. By listening to the opinions of production site workers, we can see issues of sectionalism with greater clarity and reach consensus on solutions. If we transform into an organization where everyone, regardless of position, can discuss matters and reach agreements based on a product-centric approach, growth will be inevitable.

Usui It all comes down to this motto from the Company's inception: Building better trucks and buses. We will set our sights on good trucks, buses, and services, with everyone thinking and acting based on a product-centric approach. Looking back at our history, we have responded to the needs of the people and the times to create good products. We are now rebooting that DNA as the driving force behind our capacity to implement product-centric management.

Dialogue with stakeholders

We believe that timely and appropriate disclosure of corporate information and honest dialogue with stakeholders are essential for regaining the trust of society, and we actively engage in dialogue with stakeholders through various means and opportunities.

Information disclosure

Hino utilizes a variety of different methods to disclose corporate information, recognizing that timely and appropriate disclosure is essential to gaining the trust of society at large. We also engage in dialogue with our stakeholders to further the understanding of our Company and promote a relationship of trust.

These perspectives form a platform from which we use websites and social media to communicate a range of financial and non-financial information to those outside the Company. Additionally, within the Company, news releases and timely disclosure of information are made through media such as the corporate intranet. We also hold dialogue sessions that provide opportunities to share and explain management information.

Dialogue with stakeholders

The Hino Group provides timely and appropriate disclosure of corporate information and offers various opportunities for dialogue with stakeholders to deepen their understanding of the Company.

We regard the shareholders' meeting as a valuable forum for engagement with all shareholders, where we deepen their understanding of the Company through reports on business progress and results, reports on issues to be addressed, and question-and-answer sessions. Additionally, we hold financial results briefings for analysts and the media each quarter, with the company president & CEO participating every six months. We also hold a range of press conferences and briefings to facilitate a better understanding of Hino's management strategies and the nature of our businesses. Furthermore, the CFO and the Operating Officer, General & Government & Public Affairs

regularly participate in individual interviews and investor relations (IR) conferences held by securities companies, as well as carry out engagement with investors. The feedback we receive is regularly reported to the management team by the Operating Officer, General & Government & Public Affairs, which we use as a reference in management, ultimately contributing to the enhancement of corporate value in the medium and long term. In addition, while we continue to address the engine certification issues, we are also publicly disclosing information about the progress of our three reforms.

Moreover, we provide a variety of opportunities for dialogue with employees as part of the "Three Reforms" we have formulated in response to the engine certification issues. One example is the series of dialogue meetings held when the President & CEO visits each of our locations together with the relevant CxO and Operating Officers. Employees are able to speak directly about their concerns and the issues that confront them in the workplace. Also, since 2022 we have been holding management information sharing meetings during which management shares information with employees and responds to questions. A total of 16 sessions has been held up to August 2025.

Moreover, as part of our initiatives for coexistence and co-creation with local communities, we provide reports on our operations to local community associations at our sites in Japan and engage in discussions with them.

Major dialogues in FY2025

Stakeholders	Dialogue meetings / Achievements
Analysts and institutional investors	Financial results briefings for each quarter, individual consultations with institutional investors and analysts (approx. 160 times*), participation in IR conferences by executives (1 time)
Shareholders	Annual Shareholders' Meeting, meetings between management and major shareholders (1 time)
Customers	Workshops on fuel economy (59 workshops), safe driving (145 workshops), test drive events (43 events), and others: drivers' contests, tours of facilities, etc. (27 events)
Dealers	Meetings with representatives (7 times), meetings with sales managers (3 times)
Business partners	Meetings with suppliers (1 time), exhibitions of new technologies and construction methods (1 time)
Employees	Management information sharing meetings (6 times), labor union-management meetings (4 times)
Local communities	Dialogue with local community associations (9 times)

* Around 110 in Japan and 50 overseas. Approximately 170 when including SR meetings.



Chapter

3

Business strategy

Business initiatives towards restoring trust and business recovery

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Contribution to carbon neutrality

At the Hino Group, we regard addressing environmental issues as a key driver of corporate value.

Our carbon neutrality strategy centers on reducing CO₂ emissions during vehicle operation through three pillars: electrification, fuel diversification, and efficiency improvement.

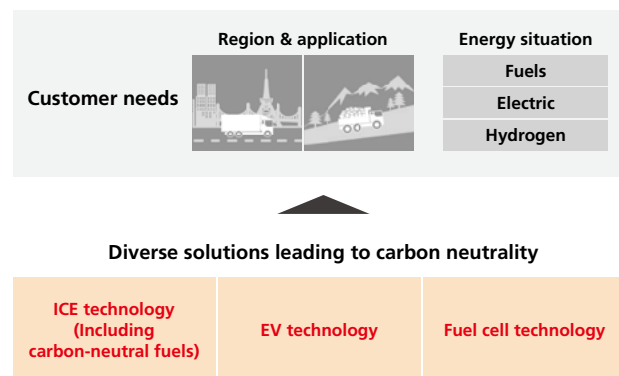
Our approach to achieving carbon neutrality through business

— Advancing with multiple pathway approach

At Hino, we view addressing environmental challenges as a key driver of corporate value. Guided by the Hino Environmental Challenge 2050, we are working toward carbon neutrality (net zero greenhouse gas emissions) across all business activities. In particular, we focus on reducing CO₂ emissions throughout the entire life cycle of commercial vehicles, promoting a carbon neutrality strategy built on three pillars: electrification, fuel diversification, and efficiency improvement.

For electrification and fuel diversification, we adopt multiple pathway approach, rather than relying on a single technology. We select the optimal decarbonization solution in a flexible

Multiple pathway approach to achieving carbon neutrality in driving



manner based on regional characteristics and vehicle use. In urban areas, for instance, battery electric vehicles (BEVs) are highly effective. We have introduced models such as the Hino Dutro Z EV, a light-duty battery electric truck, and the Hino Blue Ribbon Z EV, a full-flat BEV routebus. For long-haul transport and cold regions, hybrid technologies and carbon-neutral fuels are promising alternatives, and we are continuing to explore these options.

Combining multiple technologies in this way is essential to adapt to differing national energy conditions and infrastructure readiness. In Europe, where renewable energy is widely available, BEVs are becoming the standard. However, in regions with less stable electricity supply, improving the efficiency of internal combustion engines and expanding the use of alternative fuels remain crucial.

In addition, through collaboration with Commercial Japan

Partnership Technologies (CJPT), we are working across industries to address logistics challenges while reducing environmental impact. These initiatives contribute to building a sustainable society while strengthening Hino's competitiveness and credibility as a company.

Electric vehicle (EV) initiatives

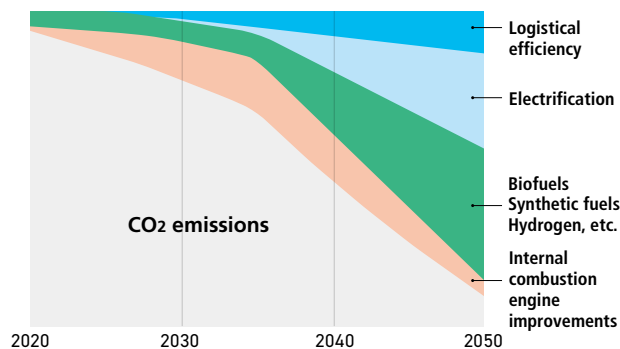
— Expanding new products to meet urban needs

Hino continues to make steady progress in introducing electric vehicles (EVs) across its commercial lineup. In FY2025, we launched several new EV models, accelerating the shift toward electrification in the commercial vehicle sector.

In September 2024, we released an updated version of the Hino Dutro Z EV, a light-duty battery electric truck designed for urban delivery. With its quiet operation, zero emissions, and compact size ideal for navigating narrow streets and residential neighborhoods, the model offers both environmental benefits and improved driver comfort. Sales are primarily focused on the Japanese market, and we are also exploring additional applications that leverage the vehicle's strengths, such as mobile offices and bus conversions.

The following month, in October 2024, we introduced the Hino Blue Ribbon Z EV, a full-flat BEV route-bus. Featuring a completely flat floor for easy boarding and alighting, it provides greater accessibility for seniors and wheelchair users. As a key piece of public infrastructure supporting the electrification of urban transportation, the model has drawn strong interest from municipalities and transport operators alike.

Image of initiatives for CO₂ carbon neutrality in new vehicles



Proportions in reduction measures are expected to change depending on the circumstances and social trends in each country and region.

Contribution to carbon neutrality

Fuel cell electric vehicle (FCEV) initiatives

As part of our efforts to achieve zero CO₂ emissions during vehicle operation, Hino is advancing the research, development, and commercialization of fuel cell electric vehicles powered by hydrogen. Hydrogen is a clean energy source that produces no CO₂ while driving and is globally recognized as a promising option, particularly for long-haul and heavy-duty commercial vehicles.

In collaboration with Toyota Motor Corporation, we are conducting real-world trials of heavy-duty fuel cell electric trucks. This demonstration project began in 2023 with four vehicles operating in the Kanto region and Aichi Prefecture and has since expanded to routes reaching Fukushima Prefecture.

By gathering operational data from actual logistics environments, we are verifying the practicality of these vehicles as a commercial vehicle from multiple perspectives, including cruising range, load capacity, and coordination with hydrogen refueling infrastructure. With a target range of approximately 600 kilometers, the project aims to reduce environmental impact and enhance operational efficiency in long-distance transport.

Building on these efforts, Hino will introduce Japan's first mass-produced heavy-duty fuel cell electric truck, the Hino PROFIA Z FCV, delivering both environmental sustainability and real-world practicality.

 Hino PROFIA Z FCV (Japanese)

Internal combustion engine (ICE) initiatives

As part of our efforts to achieve carbon neutrality (net zero greenhouse gas emissions), Hino is working to reduce environmental impact not only through electric and fuel cell vehicles, but also through internal combustion engine (ICE) vehicles. Internal combustion engines remain a vital part of

existing vehicle infrastructure and operational systems.

To this end, we are advancing fuel efficiency technologies and expanding the use of carbon-neutral fuels to reduce CO₂ emissions during vehicle operation. In 2024, we introduced an updated version of the Hino PROFIA heavy-duty truck, designed to deliver both improved fuel economy and stronger environmental performance.

Driving demonstration data for heavy-duty fuel cell (FC: Fuel Cell) electric trucks jointly developed with Toyota Motor Corporation

Operations have been running smoothly, confirming the suitability of the system for long-haul transportation with heavy-duty trucks



Driving data from May 2023 to the end of August 2025

Total operating days	1,492 days	Four vehicles, each with different demonstration start times
Total driving distance	Approximately 430,000 km	Average daily driving distance Approximately 290 km
Total CO ₂ reduction during operation (Diesel equivalent)	Approximately 232,000 kg (Approximately 90,000 L)	Calculated by Hino Based on the fuel efficiency of equivalent diesel models
Total hydrogen consumption	Approximately 27 tons	

Feedback from customers (drivers)

Quietness	"Extremely quiet." "No vibration while idling." "Much quieter than diesel engines, so I feel less fatigued." "It's almost too quiet."
Acceleration performance	"Very fast." "Excellent acceleration." "Acceleration performance that diesel vehicles simply can't match."

Contribution to carbon neutrality

In 2025, during the Osaka-Kansai Expo, we operated Japan's first Expo shuttle bus powered by synthetic fuel. By leveraging existing ICE technologies while incorporating low-CO₂ synthetic fuels, this initiative highlights the potential of internal combustion engines to contribute to carbon neutrality.

We have also obtained ISO 9001 certification (the international standard for quality management) for our engine design and certification processes, ensuring both environmental performance and product reliability. By combining these ICE initiatives with our advancements in electric and fuel cell vehicles, Hino seeks to strengthen the impact from its overall carbon neutrality strategy and contribute to building a decarbonized society.



Expo shuttle bus running on synthetic fuel

Promoting the adoption of electric vehicles

Participation in overseas exhibitions (Sustainability Expo 2024)

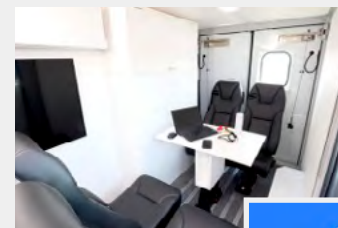
To showcase our electrification initiatives on a global stage, Hino is actively participating in international exhibitions. As part of these efforts, we exhibited at the Sustainability Expo 2024, held in Bangkok, Thailand, from September 27 to October 6, 2024. Our booth received strong interest and positive feedback from visitors focused on environmental, social, and economic sustainability. In addition to logistics applications, attendees also expressed keen interest in potential uses for camper vans and school buses. Looking ahead, we plan to expand our international presence, including participation in an exhibition in Australia in the spring of 2025.



Exhibiting electric vehicles at Sustainability Expo 2024 in Bangkok, Thailand

Body applications of the Hino DUTRO Z EV light-duty battery electric truck

Hino's light-duty battery electric truck, the Hino DUTRO Z EV, is being adapted into a range of body configurations that harness the unique advantages of electric vehicles to help address customer needs. One such application is the mobile office, which leverages the vehicle's low bed height to create a compact yet comfortable workspace or relaxation area. In addition, the bus body developed by Nishitetsu Auto Body Tech Co., Ltd. leverages the truck's compact design to operate on narrow streets and in underserved areas, supporting municipalities and bus operators facing local mobility challenges. By tailoring vehicle configurations to customer requirements and maximizing the benefits of electrification, Hino is working to create new forms of value.



Mobile office interior



Hino DUTRO Z EV mobile office

Initiatives for quality improvement

The Hino Group is working to enhance Overall Quality through a dual focus on two key areas: Product Quality—ensuring the excellence of our vehicles themselves—and Total Support Quality, which encompasses the services that keep vehicles operating smoothly and the solutions that address our customers' business challenges.

Hino's approach to Overall Quality

Trucks and buses are the tools with which our customers conduct their business, and we, at Hino, recognize that our customers' most basic requirement is that we provide the products and services that help them to do so.

To contribute to our customers' businesses, we will leverage Total Support Quality, which comprises services that support vehicle operation and solutions that address customers' business problems, in order to maximize the Product Quality—Quality, Durability, and Reliability (QDR)—which is the forte of Hino. By combining the mutual support of these two qualities to enhance the Overall Quality, we hope to continue to be the choice of our customers as a business partner.

“Ideal State”: P12

Improving Product Quality

Trucks and buses are part of the social infrastructure. They are indispensable tools that support our customers' businesses and serve as trusted partners in their daily operations. That is why ensuring “uninterrupted operation” is of utmost importance. Beyond guaranteeing safety and reliability, we continue to refine our products and services to prevent breakdowns and to ensure rapid recovery when they occur. To provide high-quality trucks, buses, and services, Hino is strengthening basic performance and product capability, promoting intelligent standardization of parts and components through modularization, and pursuing cost reductions. From the earliest stages of product planning, we are consistently rebuilding our QDR (Quality, Durability, Reliability) process, one of Hino's core strengths, to deliver “better trucks, buses, and services.” We are also working companywide to improve product quality by establishing a product-focused organizational structure and a dedicated body that oversees modular systems for overall optimization, enabling the timely introduction of products suited to regional needs.

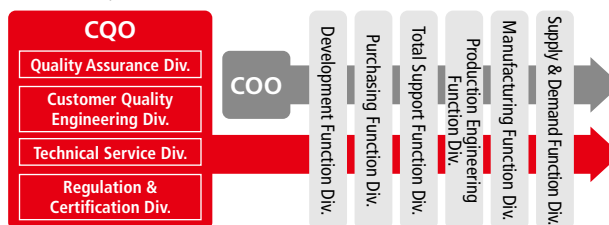
Furthermore, Hino is fundamentally advancing product quality through SDV (Software Defined Vehicle) and connected technologies, focusing on three priority areas: remote detection and repair, enhanced driver user experience, and stronger data integration. These efforts aim

to further build on our product strengths of QDR and safety, user-centered design, and open data utilization.

Through these initiatives, we will continue to deliver value that exceeds customer and societal expectations by further elevating product quality and ensuring vehicles remain in operation, always on the move, never at a standstill.

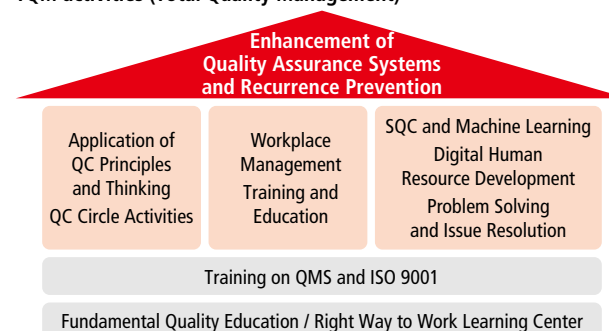
Strengthening quality assurance systems

Led by the Chief Quality Officer (CQO), we have strengthened the structure where quality-related divisions and internal relevant functions can work closer, ensuring companywide commitment to vehicle development from the design stage through to customer support in the marketplace.



In the area of truck and bus engine design, development, and certification processes, we continue to enhance our internal Quality Management System (QMS), by making improvements based on the foundation of our ISO 9001 certification, which was obtained in 2024.

TQM activities (Total Quality Management)



For a workforce deeply committed to quality, we are advancing Total Quality Management (TQM) activities and fostering awareness through the “the Right Way to Work Learning Center.” These efforts are helping strengthen our quality assurance.

Improving Total Support Quality

To contribute to our customers' businesses, their vehicles must remain operational whenever needed. Hino provides comprehensive support through its Total Support, ensuring customers can rely on their vehicles with confidence.

Leveraging digital data, we help ease our customers' workload related to vehicle management, offering optimal vehicle proposals, timely delivery updates, and maintenance notifications. By enabling customers to focus on their core business while we handle the vehicle-side operations, we continue to enhance our Total Support Quality.

Developing service personnel

In order to leverage the Overall Quality that is a strength of Hino to offer customer businesses thorough support, we believe that it is essential that we provide attractive products and high quality maintenance and repairs. For that reason, we are focusing on developing human resources who are able to work in close contact with customers, and who can leverage our sales and after-sales service networks in Japan and internationally to gain an understanding of our customers' opinions and provide feedback within the Company.

1. Qualification/certification systems

Hino has established qualification systems for personnel working as mechanics, front advisors, and parts staff, and are working to improve the technical skills of our service staff. Our goal is to develop service staff who are in step with the needs of the times by encouraging them to strive to obtain a high level of qualification in the skills, knowledge, and customer service required in their various occupations. Since launching this system in FY1991, as of FY2025 approximately 6,600 mechanics, 5,500 front advisors, and 4,100 parts



Training

Initiatives for quality improvement

staff had acquired qualifications.

Since FY2021, we have operated a certification system for truck sales staff. Through these certifications, we are striving to improve the level of knowledge our staff possesses regarding Total Support, to develop staff who are the choice of our customers, to establish a reputation of trustworthiness and reliability for the Hino brand, and to increase customer satisfaction. A cumulative total of approximately 1,900 people had passed this certification by FY2025.

2. Training of staff members at dealers

At dealers in Japan and overseas, where there are many opportunities to interact directly with customers, we are in the process of the establishment of systems for rapid delivery of components, and the development of environments that allow our personnel to acquire advanced maintenance skills and other skills. We have established service support facilities in Hachioji City (21st Century Center) and Kobe City (Kobe Training Center) in Japan, as well as in the Middle East and Latin America.

3. The service skills competition

Hino's dealers across Japan regularly hold a service skills competition. After-sales service engineers compete in maintenance skills and store front advisors compete in skills related to customer service, respectively, in order to improve their skills by encouraging them to learn independently, and to incentivize staff members to provide high quality service to customers. 147 people participated in FY2025. We are also holding similar competitions in other countries. Competitions were held in 44 countries in FY2025, with approximately 2,300 people participating.

4. Training core human resources who will lead the future of dealerships

We offer the Service Master Course as a program to train the next generation of core human resources, who will play leading roles at our Japanese dealers in the future. In addition to acquiring the advanced maintenance techniques and diagnostic techniques that are required of service engineers, participants learn a broad range of skills, such as knowledge on products, the relevant laws and regulations, customer service, and the management of maintenance facilities.

After completing the course, the participants take on roles in divisions in charge of after-sales services at each dealer. We launched the course in FY2004, and as of FY2025, a total of 292 people had graduated.

Emergency service response

The Hino Emergency Call Center provides round-the-clock support for the operations of our customers 365 days a year. We cooperate with Hino dealers, road services, and affiliated businesses, accepting emergency phone calls from drivers in the event of a breakdown while on the road, and received around 150,000 calls in FY2025. We endeavor to provide rapid responses from locations in Tokyo and Fukuoka and have achieved a 99% response rate to calls.

Supply of vehicle parts

To ensure that customers can obtain the parts they need when they need them, we ship vehicle parts from the Hino Global Parts Center in Ome City, Tokyo to approximately 80 locations around the world. We offer reliable, rapid delivery of vehicle parts for Hino vehicles in use worldwide.

Expanding and enhancing service bases

Since 2022, we have been moving forward with relocating and rebuilding 15 dealer service workshops in Japan. While improving our facilities to make them more immediately convenient for our

Relocated or rebuilt service bases in Japan (from 2022 onwards)



customers, we are also taking the environments in which our employees work into consideration. We hope that this will help to retain employees, and in turn, lead to improvements in the quality of the services we offer our customers.

1. Improving convenience from a customer standpoint

- Improvements in the quality and capacity of our maintenance help us to avoid making customers wait and obviate the need to halt operations.
- We have renovated our waiting rooms to offer comfortable spaces for customers to wait. In some locations we have also installed shower rooms and offer separate waiting rooms for men and women.

2. Improved working environments from an employee standpoint

- Installation of the latest equipment such as lifts to improve safety, productivity, and efficiency.
- Promoted the installation of air-conditioning systems in maintenance facilities to mitigate heat stress and improve comfort and health in the workplace.
- Moved all departments to the same floor to create an environment in which it is easy to communicate.



Example of Air-Conditioning System Installation



Safety initiatives

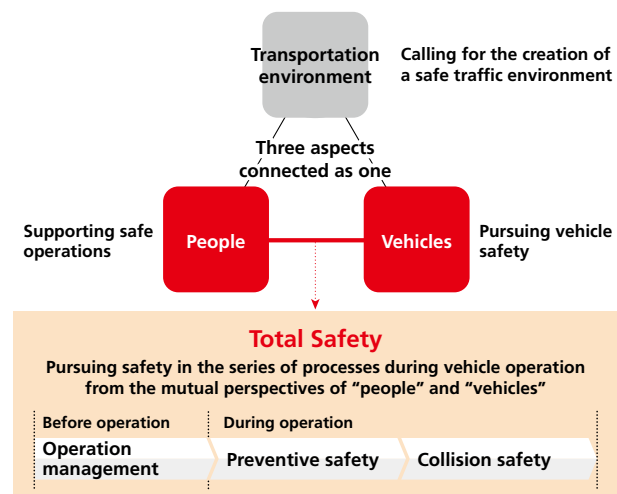
Aiming to achieve zero traffic accident casualties, the Hino Group takes the view that people, vehicles, and the traffic environment are three aspects connected as one.

We employ the Total Safety concept through which we pursue safety in every part of the vehicle operation process, seeking to instill safety in every facet of our customers' businesses.

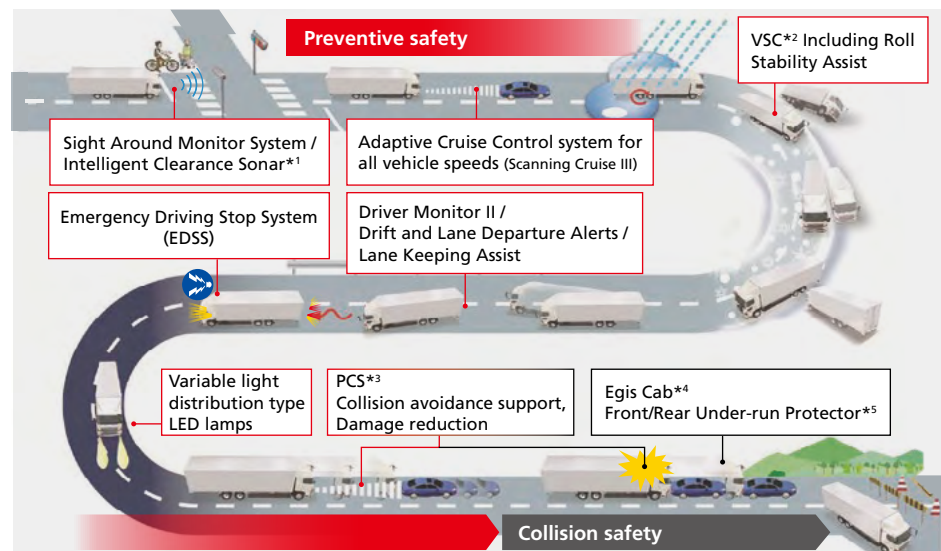
Total Safety: Aiming for safe traffic environments

The Hino Group is advancing initiatives to increase safety in each stage of vehicle operation, including vehicle operation control for safe driving, safety preventive measures to avoid accidents, and safety measures even in the case of a collision. In this way, the Total Safety concept involves pursuing safety across the entire series of processes related to vehicle operation. Going forward, based on its Total Safety concept, Hino will continue to develop and promote the practical application of new safety technologies, not only for the safety of its customers who directly operate trucks and buses, but also for the safety of all road users.

Towards achieving zero traffic accident casualties



Developing safety technologies for every situation with consideration of all road users



- *1 Intelligent Clearance Sonar: Accidental acceleration control equipment
- *2 VSC: Vehicle Stability Control system [registered trademark of Toyota Motor Corporation]
- *3 PCS: Pre-Collision Safety systems (collision damage reduction brake) [registered trademark of Toyota Motor Corporation]
- *4 Egis Cab: A generic term for a cabin equipped with mechanisms to enhance safety in the event of a collision
- *5 Front/Rear Under-run Protector: Help to prevent passenger vehicles from passing beneath the body of a truck in the event of a collision
- *6 BSIS (Blind Spot Information System): Left-turn collision warning system that detects moving objects on the left side during a left turn
- *7 BSD (Blind Spot Detection): Lane change warning that detects moving objects on the left and right sides that are difficult to see with a mirror when changing lanes

Major initiatives to date

2000-	2010-	2020-
• 2003 Commercialization of heavy-duty tractors installed with Roll Stability Assist • 2005 Commercialization of heavy-duty tractors installed with VSC*2 • 2006 PCS*3 commercialization • 2009 Drive monitor commercialization	• 2010 PCS standard equipment on heavy-duty trucks / tourist buses • 2011 Commercialization of light-duty trucks installed with VSC • 2017 Commercialization of heavy-duty trucks installed with Adaptive Cruise Control system for all vehicle speeds (Scanning Cruise III)	• 2018 Commercialization of heavy-duty tourist buses installed with EDSS • 2019 • Commercialization of heavy-duty trucks installed with auto-detection EDSS • Sight Around Monitor System standard equipment on heavy-duty trucks • Intelligent Clearance Sonar*1 standard equipment on light-duty trucks • 2020 Commercialization of light-duty trucks installed with PCS that detects daytime and night-time pedestrians • 2021 • Improved performance of PCS • Commercialization of medium-duty trucks installed with EDSS • 2023 • Lane Keeping Assist standard equipment on heavy-duty trucks • EDSS for stopping within vehicle lane standard equipment on heavy-duty trucks • 2024 Sight Around Monitor System BSIS*6 and BSD*7 added to heavy- and medium-duty trucks

Safety initiatives

Safety technology

Sight Around Monitor System (SAMS)

Front Cross Traffic Alert (FCTA)

Wide-angle millimeter wave radar at the front left and right of the vehicle automatically detects vehicles and pedestrians in forward blind spots, alerting drivers when there is a risk of collision. This reduces collision accidents in forward blind spots when turning left or right, as well as head-on collisions at intersections where there is poor visibility.

(Standard on Hino Dutro light-duty truck for Japan released in July 2025)

Blind Spot Information System (BSIS)

When the millimeter wave radar on the left side detects bicycles or pedestrians the indicator lamp on the pillar section lights yellow to alert the driver. Additionally, when a left turn is made and the likelihood of a collision increases, an alarm sounds and the indicator lamp on the pillar flashes red to alert the driver and help prevent accidents.

Blind Spot Detection (BSD)

When the millimeter wave radar on the left or right side detects moving objects such as vehicles or motorcycles that are difficult to check in the vehicle mirrors, the display lamp in the pillar section lights yellow to alert the driver. Additionally, when the driver attempts to change lanes and the likelihood of a collision increases, an alarm sounds and the indicator lamp on the pillar flashes red to alert the driver and help make lane changes safe.

Lane Keeping Assist function (LKA)

LKA helps to reduce accidents due to drifting or lane departure. It features a support function (lane departure prevention, or LDP) that uses steering control to return the vehicle to the lane when traveling at speeds of 60 km/h or more on expressways or other vehicle-only roads, as well as a lane tracing assist (LTA) function to keep the vehicle within the lane.

Emergency Driving Stop System (EDSS)

EDSS is a support function that provides assistance when illness or other factors make it difficult for the driver to continue operating the vehicle. The vehicle begins braking when the driver, a crew member, or a passenger presses the switch. This helps to decelerate or stop the vehicle, assisting in the prevention of rear-end collisions. Even if the switch is not pressed, the drive monitor function will detect abnormalities and alert the driver with an alarm and on-screen display. If there is no response the brakes will activate, stopping the vehicle.

Pre-Collision System with pedestrian and cyclist detection (effective day and night)

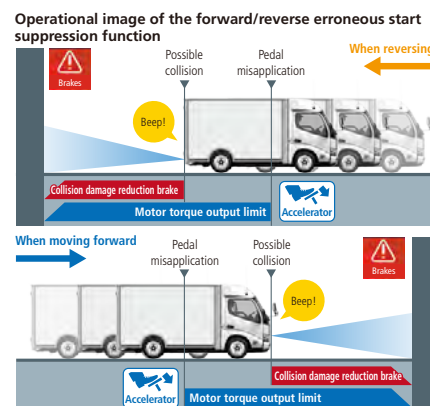
The Hino Group is working to improve its Pre-Collision Safety (PCS)* systems to better prevent accidents involving pedestrians. In addition to technology that lowers vehicle speed at the time of collision to help reduce collision damage, PCS technology uses millimeter wave radar and image sensors to improve detection, making it possible to detect daytime and night-time pedestrians and cyclists as well as stopped vehicles.

(Standard on Hino Dutro light-duty truck for Japan released in July 2025)

* Pre-Collision Safety (PCS) is a registered trademark of Toyota Motor Corporation

Forward/reverse erroneous start suppression function

To prevent collisions caused by drivers accidentally stepping on the accelerator, we are moving forward with the installation of a forward/reverse erroneous start suppression function, which is equipped with sonar sensors in the front and rear of the vehicle.



If the driver accidentally steps on the accelerator, the system will warn the driver and simultaneously limit the engine or motor torque output and apply brake control, helping to avoid a collision.

(The Hino Dutro flatbed light-duty truck for Japan, released in July 2025, is also equipped with the reverse erroneous start suppression function as standard.)

Hino Dutro (Japanese)

Safe driving support

The Customer Technical Center

Established in 2005, the Customer Technical Center was the first training facility opened in Japan for customers to be operated directly by an automobile manufacturer. This facility is operated by Hino as part of our Total Support initiative, offering classroom-based and hands-on training using comprehensive facilities of the kind only available at the Technical Center, and is intended to improve the safety and efficiency of our customers' operations.

In addition to readily comprehensible programs focusing on safety and fuel economy, the Center offers experiences with cutting-edge technologies to further the understanding of safety and environmental issues through test-drives and demonstrations of new vehicles. Since its establishment, the Center has been used by many customers. Total visitor numbers to FY2025 now number in excess of 114,000 people.

The Hino Total Support Customer Center

Hino established a Hino Total Support Customer Center in Malaysia in 2015, the Company's first permanent training facility outside Japan for customer training. In 2017, the facility was renovated in order to respond to a variety of needs, and by the end of FY2025 had welcomed a total of 23,391 customers for training. In January 2022, we also opened a Hino Total Support Customer Center in Indonesia. This 24,000 m² site hosts a comprehensive range of facilities, including a course for practical training, inspection sites, and driving simulators. By the end of 2024, the center had been used by 4,617 customers.

Utilizing digital data and providing solutions to solve issues related to the transportation of people and goods

The Hino Group provides solutions focused on solving challenges related to the flow of people and goods and maximizing customer value, centered on open data utilization and external collaboration.

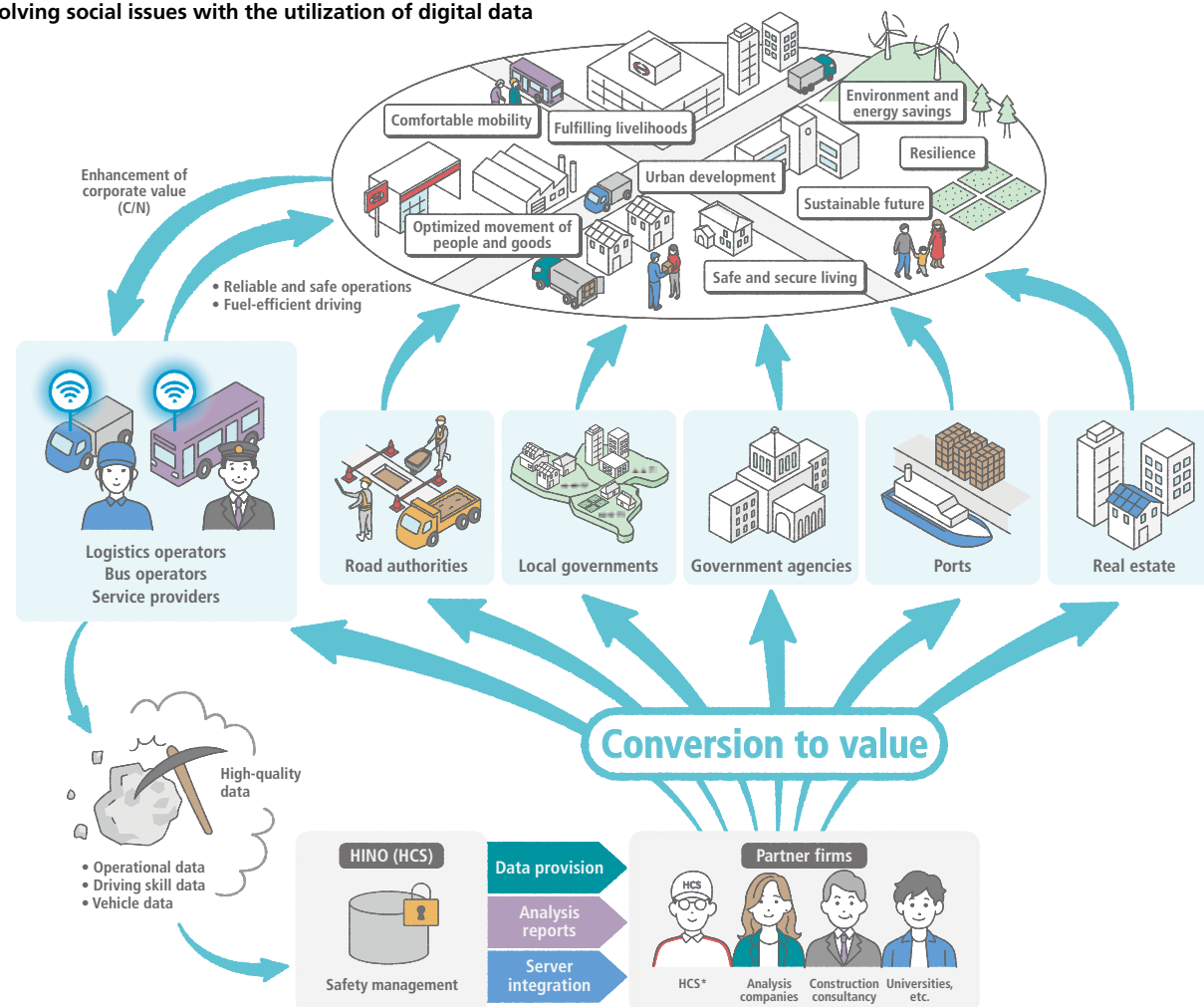
The ideal state the Hino Group aspires to achieve by leveraging digital data

Our group aim to realize “products from the user’s perspective and solve social issues” through the utilization of digital data.

When it comes to creating products from the user’s point of view, we will focus on the safety, comfort, and efficiency demanded by drivers and transportation operators, place importance on QDR (quality, durability, reliability) and safety, leverage connected technology, thereby providing user experiences with HINO’s products that are durable, easy to repair, and easy to use. We also demonstrate a proactive stance on openly utilizing data and actively collaborating with external partners.

As for the solving of social issues, we intend to find solutions to societal challenges by analyzing and digital data, transforming it into value that helps address the issues of various stakeholders. At the same time, we want to enhance the value of logistics operators and bus operators by encouraging transportation operators to collaborate with one another and realizing logistics reforms within the supply chain.

Solving social issues with the utilization of digital data



Utilizing digital data and providing solutions to solve issues related to the transportation of people and goods

Strategies for achieving our ideal state

Hino has clearly defined its approach to the utilization of digital data in achieving our ideal state. At the core of this is our basic stance that data should be open. We continue to set our sights on the broader creation of value by actively promoting collaboration with external partners, rather than being solely focused on our own initiatives. For example, in 2021, in order to accelerate our initiatives, we hosted the HINO ACCELERATOR 2021 — HINO DE SAFARI program in collaboration with companies that share our aspiration to solve social issues. We also formed a capital and business alliance with LocationMind, a technology venture that won the award for excellence in this open innovation program.

We believe that accumulating actual vehicle driving data is probably the most important thing in utilizing digital data. To this end, we are utilizing data obtained from over approximately 250,000 connected vehicles in Japan to enhance preventive maintenance and improve operation management. This allows us to monitor the condition of vehicles in real time, and contributes to the optimization of maintenance and the enhancement of safety. At the same time, we are rolling out operation management services led by local agents overseas, and pressing ahead with flexible measures to meet the demands of each region.

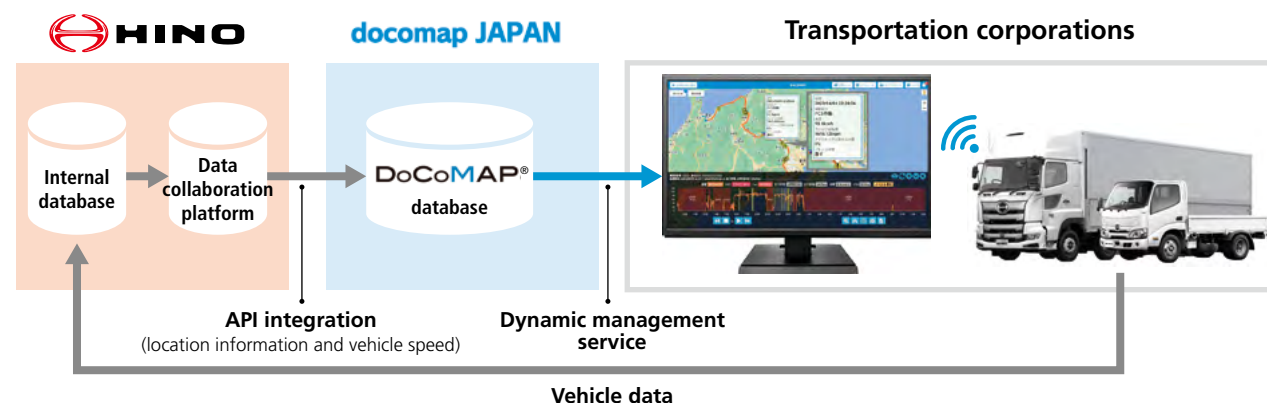
To further accelerate these initiatives, we have established three key themes, as mentioned above, as the centerpiece of our connected strategy: (1) strengthening data collaboration; (2) remote diagnosis and repair; and (3) improving driver UX. In strengthening data collaboration, we are enabling multi-brand operation management through partnerships with external service providers such as DoCoMAP® and Hacobu. Furthermore, we are steadily advancing the utilization of vehicle data in our data provider business conducted through Hino Computer System, a group company. Specifically, we analyze big data

according to our customers' needs and provide the results to local governments, public agencies, and construction consultants, thereby utilizing this information for hydrogen station location analysis, traffic volume surveys, and infrastructure management. In addition, Hino Computer System plays a leading role not only to share data with DoCoMAP® as mentioned earlier but also to

provide data to logistics operators and bus operators as an agent. We are contributing to improving driver UX by providing solutions tailored to the specific challenges of our customers, such as an automatic call system and a screening service for sleep apnea using ring-type sensors.

* DoCoMAP is a registered trademark of docomap Japan.

Dynamic management utilizing DoCoMAP®



Case examples of big data utilization



Industry	Case examples
Data analysis companies	Traffic flow analysis
Local governments	Optimal location analysis for hydrogen stations
Road authorities	Traffic flow visualization
Research institutes	Smart disaster prevention
Construction consultants	Snowfall stack analysis
Universities	Detour analysis for torrential rain
Energy management service providers	Energy management

Utilizing digital data and providing solutions to solve issues related to the transportation of people and goods

Providing solutions to solve challenges in society

The Hino Group provides solutions through co-creation with customers, partners, and local communities while utilizing CASE technologies to address challenges in the movement of people and goods and to bring about a sustainable society. We will leverage the insights gained from these initiatives to develop further solutions and propose new mobility options.

Waste collection support service: GOMIRUTO

The waste collection services that support our daily lives face various challenges, including labor shortages due to population decline and aging, inefficiencies in the communication of information between collection sites and offices, collection omissions, and violations of waste disposal rules. Moreover, the operational structures and management systems are independently run by waste collection operators, primarily local governments and small- to medium-sized enterprises, making it difficult for the industry as a whole to achieve efficient and radical business improvements.

With GOMIRUTO, we help solve challenges and improve operations for our customers by providing two services: (1) a dynamic management service that visualizes collection status in real time; and (2) a task management service that supports the recording and communication of collection volumes by customer and item.

Helping to eliminate transportation gaps in regional areas with our total support service for private paid transportation

To help alleviate the shortage of transportation providers in regional areas, we offer a total support service for private paid transportation, which includes a launch support service that assists in the establishment of transportation utilizing local

privately owned paid transportation systems, and an operational management outsourcing service for remotely managing operations after the commencement of the above launch support service.

As part of the operational management outsourcing service, we efficiently support operational management tasks remotely, such as driver roll calls, safety guidance, and accident reporting, in collaboration with the local community, thereby reducing the burden on the region and achieving a unified management standard.

Meanwhile, the launch support service is a service that smoothly facilitates the establishment of transportation by providing necessary assistance as needed in regions where there is insufficient knowledge and manpower to launch a transportation service, based on the know-how of local transportation gained through operational management, in collaboration with partner companies.

As of June 2025, the operational management outsourcing service is being utilized by 15 organizations in eight regions nationwide. This service has attracted attention as the first initiative of its kind in Japan, and our initiatives were also presented at the first general meeting on the Public-Private Partnership Platform for Eliminating Transportation Gaps, a project spearheaded by the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) that we have participated in since its inception. In September 2024, we held a webinar for municipalities nationwide, providing explanations and case studies on how the private paid passenger transportation system can be adopted, thereby supporting municipalities in their transportation policy considerations. So far, more than 200 municipalities nationwide have participated in this initiative.

We will continue to contribute to ensuring mobility in regional areas with the expansion of our total support service for private paid transportation and through our participation in the Public-Private Partnership Platform for Eliminating Transportation Gaps.

Supporting the development of next-generation road technology with unmanned autonomous driving

We are collaborating with Taisei Rotec Corporation to implement next-generation road technology utilizing autonomous driving technology for unmanned driving. At Japan's first private road surface durability test track in Tamura City, Fukushima Prefecture, durability testing on paved roads with the use of five unmanned self-driving trucks under load have commenced in earnest. The objectives of the tests are to evaluate road infrastructure and save labor.

Development of advanced driving assistance technology (Tomakomai Port)

The development of advanced driving assistance technology for drayage trailer trucks is underway at the Tomakomai East Port container yard. In collaboration with Tomakomai Kuribayashi Unyu and Mitsui E&S, we aim to improve safety through the use of driving assistance vehicles, broaden opportunities for diverse pools of human resources, and address social issues such as the shortage of drivers.

Holding workshops in collaboration with schools

We are also focusing on collaboration with local communities. In collaboration with Ozora Gakuen, a school in Obihiro City, Hokkaido, we are conducting workshops to share issues related to local transportation and community planning with residents and students, and to explore solutions to those issues. These activities lead to the creation of more effective solutions by directly reflecting the opinions of the local community.

Through these initiatives, we are squarely addressing social issues through digital transformation (DX) and endeavoring to contribute to the sustainability and convenience of local communities.

Supply chain initiatives

The Hino Group builds partnerships through sound, fair transactions with business partners, working to achieve mutual growth and strengthen solidarity.

Fair trade

The Hino Group procures the best components from trustworthy business partners around the world, working based on a general evaluation of quality, cost price, delivery times, and technology. We have in place the “Hino Group Basic Procurement Policy” as a basic policy for sound, fair procurement practices. In line with the Voluntary Action Plan for Promoting Fair Transactions and Improving Productivity and Added Value, as well as the Thoroughness Plan (specific action plans and improvement measures), both revised by the Japan Automobile Manufacturers Association, Inc. (JAMA) in January 2025, Hino is continuing its efforts to maintain and strengthen a sustainable supply chain. Specifically, we are conducting clear and ongoing price negotiations with approximately 400 suppliers with whom we maintain continuous business relationships to ensure the appropriate pass-through of unavoidable cost increases, such as labor, raw material, and energy expenses. As for legal compliance, we continue to conduct voluntary self-assessments, as we did last year, to ensure full adherence to fair transaction practices.

Hino Group Basic Procurement Policy

Communication with our business partners

We hold regular supplier meetings as venues to further deepen exchange with our business partners and explain both our company policy and our procurement policy. We also recognize and honor partners who have made exceptional contributions in areas such as quality, development, and cost improvement. These meetings are also held at our overseas entities, which helps reinforce partnerships with suppliers worldwide. In addition, we host the New Technology and New Production Method Exhibition, which provides a forum for suppliers to present their latest technologies and innovations to the Hino Group and allows us to exchange opinions. In 2024, 34

companies presented their proposals centered on themes such as decarbonization and cost reduction.



Supplier meeting



Exhibition of new technologies and construction methods

Initiatives to improve competitiveness

Aiming to strengthen competitiveness, Hino’s cross-functional teams spanning development, production, and procurement are advancing collaborative efforts with our business partners. In the current fiscal year, we are focusing on two key initiatives: participation in the Supplier Satisfaction Activity (SSA)* program and our own Hino-i initiative, both of which aim to optimize quality standards and drive cost reductions. Under the SSA program, a “Quick Decision Meeting” was held for the first time at the Koga Plant, where 79 revisions to exterior quality standards and other criteria were approved on the spot, further reinforcing relationships of trust with our suppliers. Meanwhile, the Hino-i initiative received more than 2,000 cost-reduction proposals from roughly 100 suppliers, enhancing competitiveness from a companywide viewpoint and through a broad, cross-functional

perspective. Together, these activities go beyond cost reduction, fostering human resources development and laying a solid foundation for Hino’s sustainable growth.

* Smart Standard Activity (Quality and Performance Standard Optimization Initiative)
The Smart Standard Activity, advocated by the Japan Automobile Manufacturers Association (JAMA) and the Japan Auto Parts Industries Association (JAPIA), was launched to address challenges created by the traditional, automaker-driven approach to production. That system often resulted in unclear or overly stringent quality standards, placing additional inspection and rework burdens on parts suppliers and generating unnecessary waste. Through SSA, automakers and auto parts suppliers meet directly at production sites to clarify ambiguous standards and optimize excessive quality requirements. This initiative not only helps reduce environmental impact and address the shrinking manufacturing workforce but also promotes the creation of a sustainable supply chain and enhances industry competitiveness. Hino is proactively advancing SSA as a key step toward these goals.

Sustainability in the supply chain

Notification and confirmation of consent to the Hino Supplier Sustainability Guidelines

To promote respect for human rights across the entire supply chain, Hino has issued the Hino Supplier Sustainability Guidelines to clearly communicate our approach to sustainability. The majority of our business partners have already endorsed these guidelines.

We will continue to increase the number of participating suppliers and work collaboratively with them to deepen their understanding of our principles and advance ongoing improvements.

In parallel, we engage directly with suppliers to understand their current circumstances and address any challenges they may face.

Hino Supplier Sustainability Guidelines

Conflict Minerals

We are also engaged in investigations concerning conflict minerals. We recognize that improper mining practices in or near conflict regions can lead to severe human rights violations. In response, we are conducting voluntary investigations into whether products from our business partners contain conflict minerals. Currently, approximately 300 parts suppliers are subject to our voluntary investigation. By implementing more detailed and rigorous investigations, we detect potential issues early and take prompt corrective action.

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)

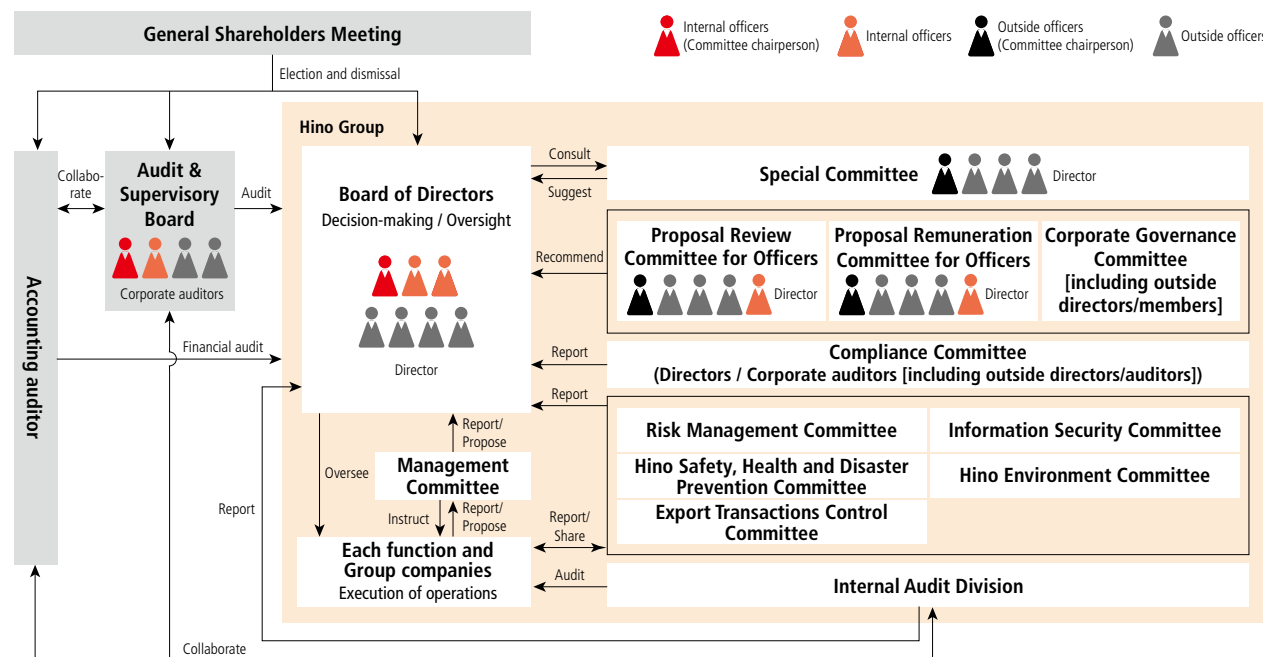
Category	Main contents of discussion/reports
Management strategy Sustainability	Important management strategies, capital investment plans and human resource systems Sustainability and environmental initiatives, etc.
Audit/internal control Risk management Compliance	Basic regulations on internal auditing,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

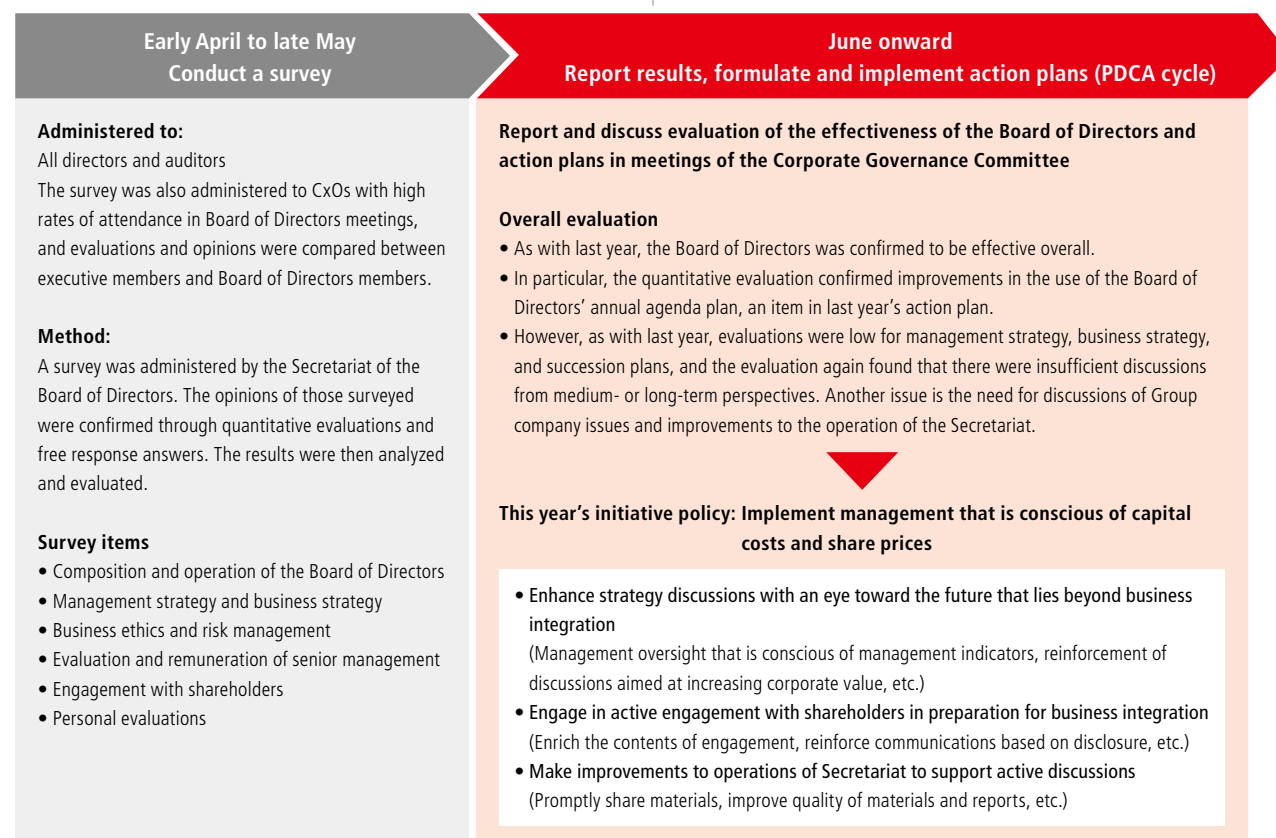
October 1966, we have had a business alliance with Toyota Motor Corporation, and we currently produce their LAND CRUISER "250," a passenger car, and the DYNA light-duty truck as well as other products and services. We are also developing and strengthening our alliance in various areas such as complementary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



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	• 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	• 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	• 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)	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.

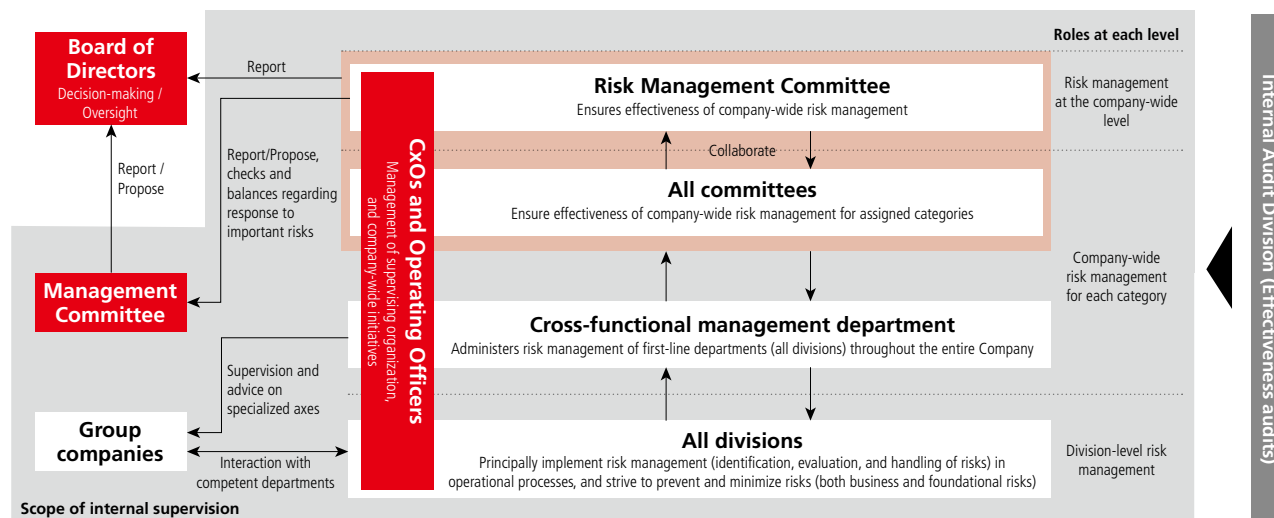
Company-wide initiatives to address major risks

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

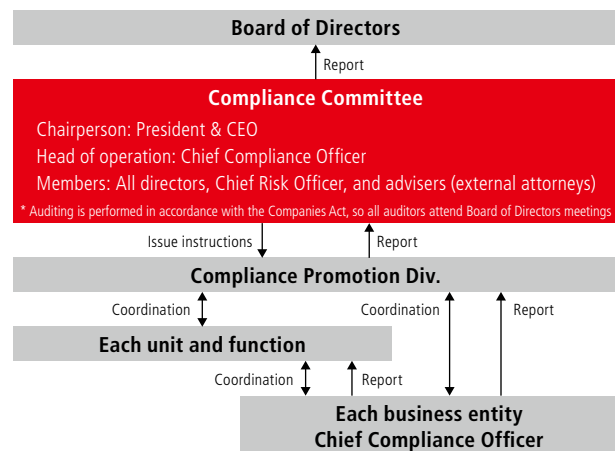
Fundamental approach

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	- 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	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	- 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	- 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	- 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	- Number of compliance delegates: 165 - Themes: Harassment, Subcontracting Act, export control transactions, stamp tax, labor management, etc.
Compliance checking and training	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	Number of sites performing checks: 614 (divisions, departments, and groups)
Objectively check the status of compliance at each company	Hold two compliance workshops per year, led by an outside instructor	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

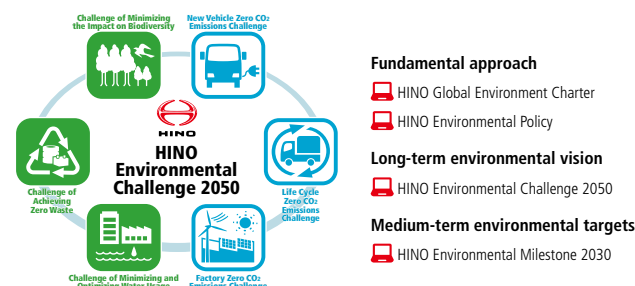
HINO Code of Conduct training	- Mandate annual HINO Code of Conduct training in each Hino Group company - Create and share Compliance Handbook to promote greater understanding and thorough dissemination	Number of companies conducting training: Domestic sales companies: 21 Domestic Group companies: 16 Overseas Group companies: 23
Group company compliance meetings	Share examples of initiatives to address key Group issues and challenges with presidents and CCOs of companies. Hold once a year or more	Number of participating companies: Domestic sales companies: 40 Domestic Group companies: 14 Overseas Group companies: 23
Hino Group new executive training	Conduct annual training for newly appointed executives or equivalent personnel in the Hino Group in Japan with the aim of improving Group governance	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 Reduce CO₂ emissions in all processes: manufacturing, transport, use, and disposal (collaborate with each country and industry)	- 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 - Develop and deploy electric vehicles - Improve diesel consumption - Implement initiatives for improved transportation efficiency	- 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 - Introduce innovative technologies - Daily improvements - Introduce renewable energy	Factory CO₂ emissions: Reduced by 60% (total global emissions) compared to FY2014 - 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	- Use small amounts of water - Return purified water to nature	- 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 - 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 - 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	Create plants that conserve greenery and water, and coexist in harmony with nature	- 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

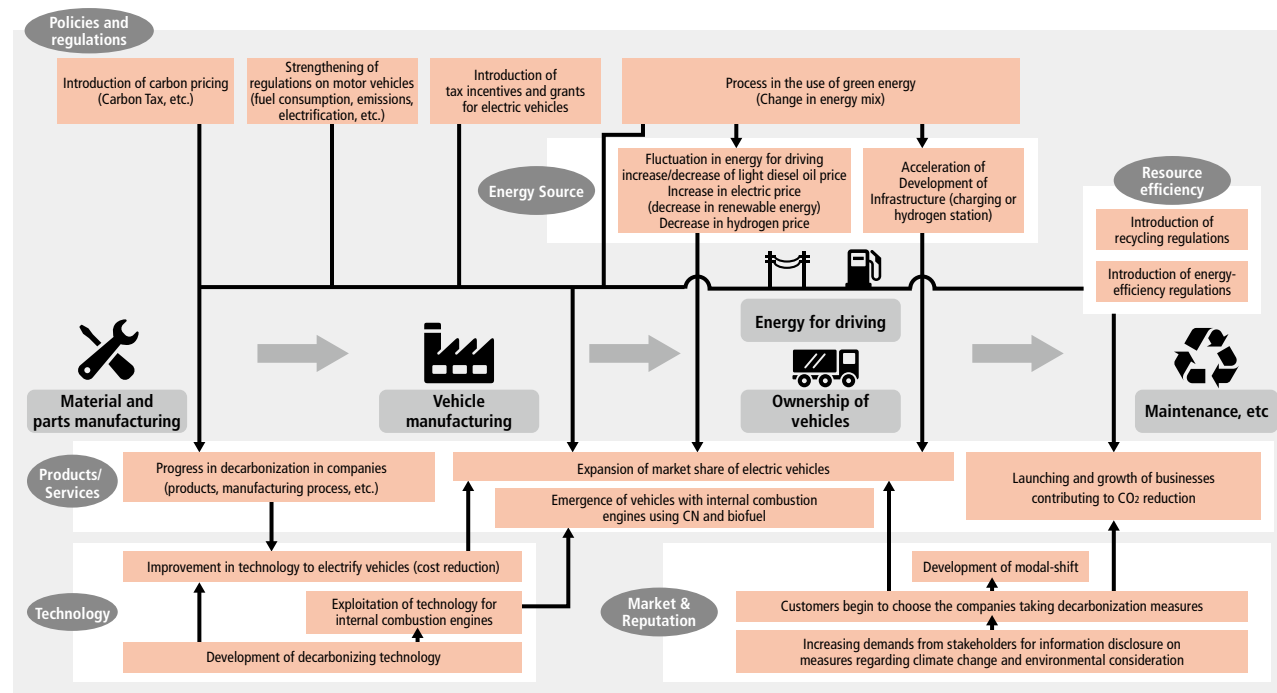
extreme weather events will become more common, and physical risks such as droughts and floods, that could affect its business activities will increase as well. On the other hand, in the 2°C scenario, we assume that decarbonization of society will proceed as a result of active measures led by developed 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	Seek to create new value, think and act on their own initiative to achieve growth and improve their abilities - 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	Strive to offer higher value to customers and work together to improve engagement - 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	Work to realize Hino's vision and allocate human resources to match the circumstances - 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).

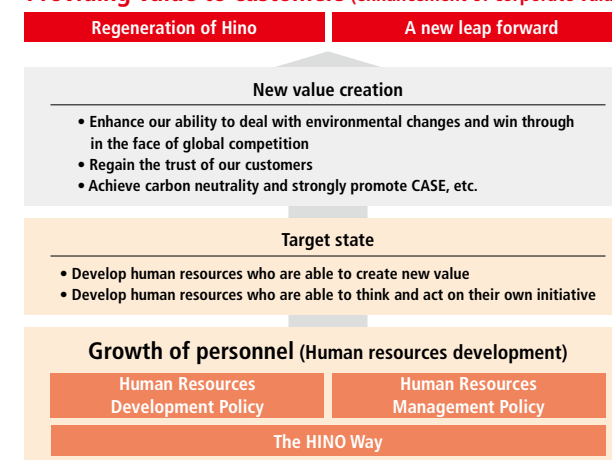
To implement our human resource strategies, we have established the following Human Resources Development Policy and Human Resources Management Policy. We see human resources in terms of a combination of "quality," "morale (engagement)," and "numbers," so we formulate and implement human resource measures 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.

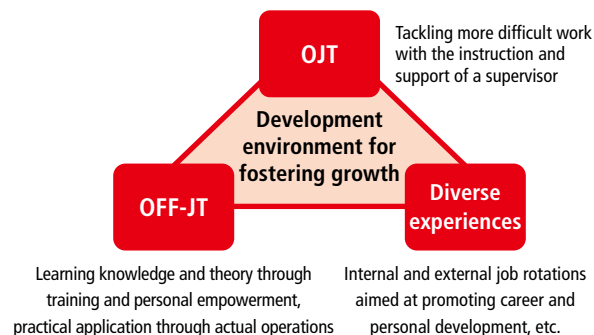


Human resources

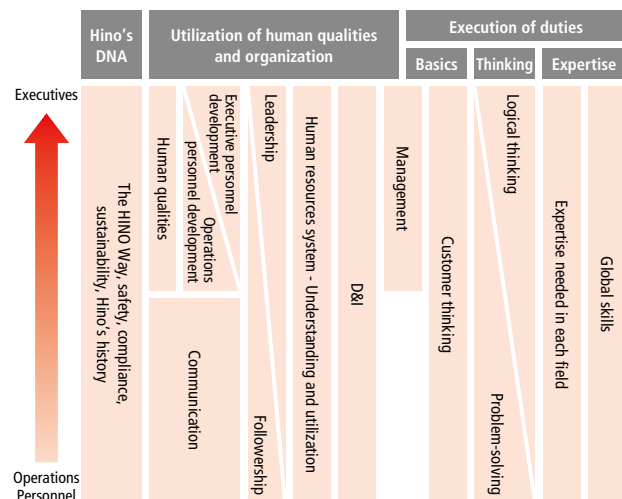
- When it is difficult to form a consensus in each workplace, the head office human resources function will make the final decision on human resources from the standpoint of ensuring company-wide optimization, a long-term perspective, and fairness.

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
	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
	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
	Gender wage ratio	76.4%	77.7%	77.8%	—

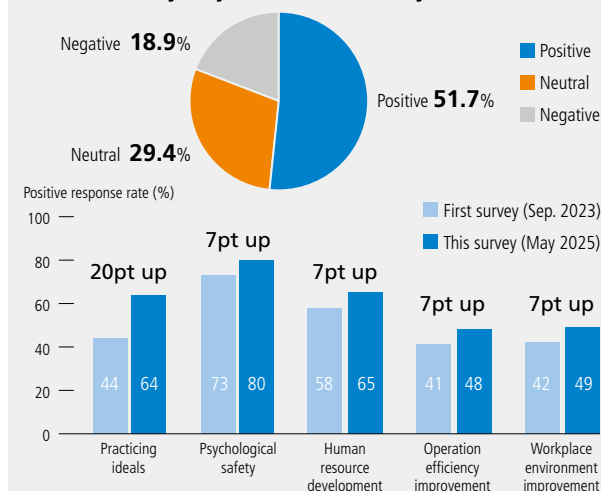
Initiatives to improve work culture

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

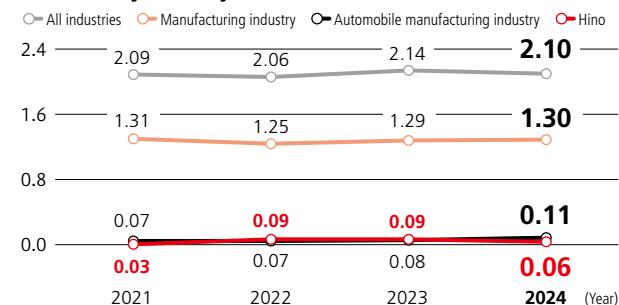
Workplace safety promotion system

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

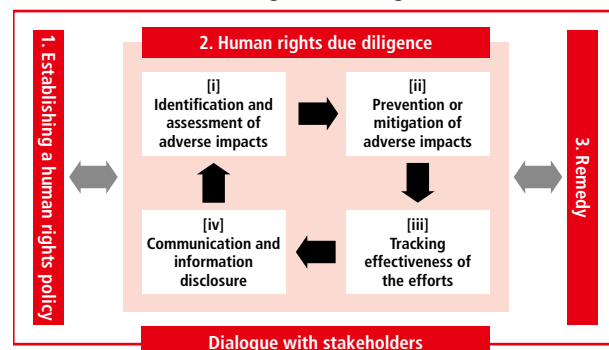
In FY2024, our Board of Directors decided on the HINO Human Rights Policy. This Policy is our most important policy in relation to human rights and a key aspect of the HINO Way. We are committed to fulfilling our responsibility to respect human rights in all of the corporate activities of the Hino Group.

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.



Chapter

5

Data

- 61 10-year financial summary
- 62 Financial highlights
- 63 Non-financial highlights
- 66 Company information / Stock information
- 67 Subsidiaries and affiliates

10-year financial summary

	2016.3	2017.3	2018.3	2019.3	2020.3	2021.3	2022.3	2023.3	2024.3	2025.3
Profit and loss (millions of yen)										
Net sales	1,745,540	1,683,720	1,837,982	1,981,331	1,815,597	1,498,442	1,459,706	1,507,336	1,516,255	1,697,229
Cost of sales	1,450,984	1,411,090	1,542,439	1,674,392	1,542,431	1,285,609	1,209,200	1,267,676	1,282,679	1,401,522
Gross profit	294,555	272,630	295,543	306,938	273,165	212,832	250,505	239,659	233,575	295,707
Selling, general and administrative expenses	196,268	201,451	215,211	220,220	218,306	200,582	216,694	222,253	241,679	238,216
Operating profit	98,287	71,178	80,331	86,717	54,859	12,250	33,810	17,406	(8,103)	57,490
Ordinary profit	95,892	72,042	80,422	83,903	49,596	12,261	37,986	15,787	(9,233)	39,310
Profit (loss) before income taxes	96,882	72,075	81,725	82,523	50,973	(1,883)	(31,484)	(89,524)	43,088	(190,563)
Profit (loss) attributable to owners of parent	65,130	49,408	51,361	54,908	31,467	(7,489)	(84,732)	(117,664)	17,087	(217,753)
Cash flows (millions of yen)										
Cash flows from operating activities	111,366	75,758	86,473	48,653	95,176	108,429	106,711	(40,799)	(110,410)	1,128
Cash flows from investing activities	(87,685)	(92,583)	(62,781)	(72,284)	(67,006)	(56,211)	(62,181)	(60,257)	39,244	(4,600)
Cash flows from financing activities	(22,120)	17,461	(9,448)	20,902	(28,243)	(38,408)	(39,147)	114,208	55,638	29,738
Free cash flows	23,681	(16,825)	23,692	(23,631)	28,170	52,218	44,530	(101,056)	(71,166)	(3,472)
Financial position (millions of yen)										
Current assets	576,895	618,056	681,985	732,201	660,752	608,632	634,755	733,181	808,307	836,177
Property, plant and equipment	398,397	425,076	428,751	433,589	435,217	435,087	444,293	440,187	444,513	442,836
Intangible assets / Investments and other assets	144,594	149,252	175,344	180,029	179,109	187,775	179,300	188,366	211,553	199,166
Total assets	1,119,888	1,192,385	1,286,081	1,345,821	1,275,080	1,231,495	1,258,350	1,361,735	1,464,375	1,478,180
Current liabilities	517,361	561,136	629,978	642,766	569,211	526,210	614,204	776,089	853,141	1,021,370
Non-current liabilities	128,635	118,335	103,254	106,595	113,188	100,412	128,137	152,237	147,813	205,789
Net assets	473,891	512,913	552,848	596,459	592,680	604,872	516,007	433,409	463,420	251,020
Interest-bearing debt	139,322	173,735	182,387	222,095	212,127	179,543	161,247	290,451	373,789	407,529
Others (millions of yen)										
R&D expenses	60,997	63,061	62,605	61,489	60,573	51,358	56,703	52,546	55,285	54,955
Capital expenditure	88,074	74,481	57,899	58,843	59,707	44,495	47,861	68,989	73,747	71,019
Depreciation	49,314	51,097	58,559	58,539	58,011	54,754	54,956	57,293	56,479	59,484
Per share information (yen)										
Profit (loss) per share	113.62	86.15	89.52	95.66	54.82	(13.05)	(147.61)	(204.98)	29.77	(379.34)
Dividend per share	38.00	26.00	28.00	29.00	20.00	12.00	10.00	—	—	—
Financial indicators (%)										
Operating profit to net sales	5.6	4.2	4.4	4.4	3.0	0.8	2.3	1.2	(0.5)	3.4
Return on equity	15.4	11.0	10.6	10.5	5.8	(1.4)	(16.7)	(28.5)	4.5	(76.3)
Equity ratio	38.3	39.0	38.8	40.3	42.5	45.0	36.4	27.0	26.8	12.1
Dividends payout ratio	48.6	58.1	45.6	42.9	41.2	243.4	—	—	—	—

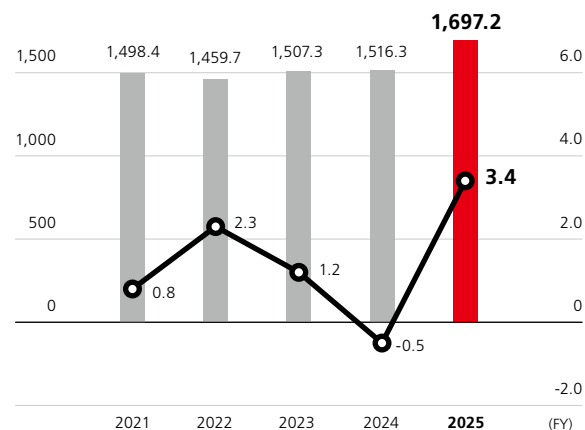


Financial/non-financial highlights

Consolidated financial highlights

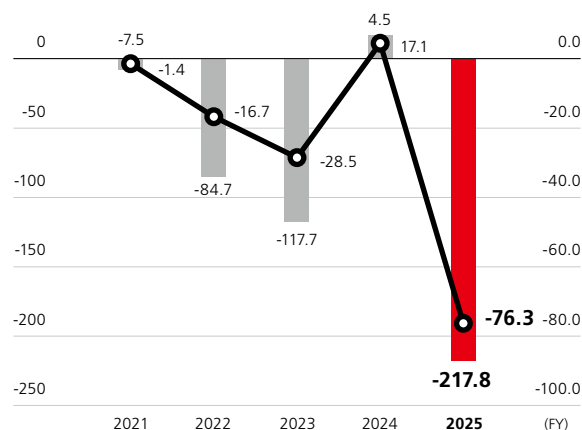
Net sales / Operating profit to net sales

(Billions of yen) ■ Net sales (left) ● Operating profit to net sales (right) (%)



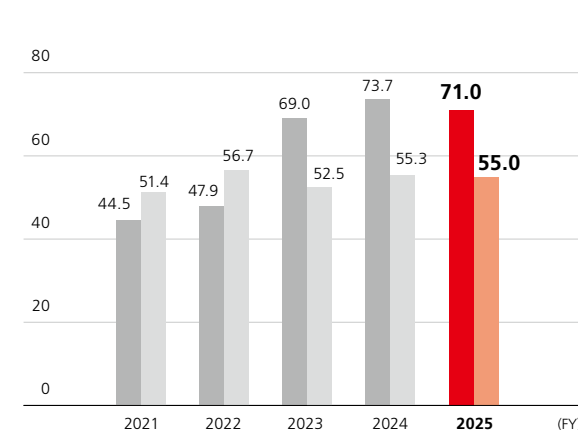
Profit (loss) / ROE

(Billions of yen) ■ Profit (loss) (left) ● ROE (right) (%)



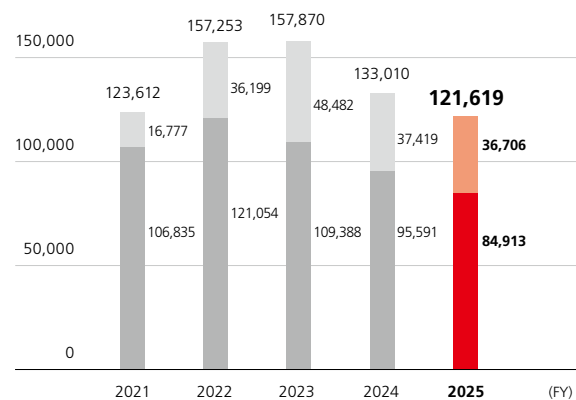
Capital expenditure / R&D expenses

(Billions of yen) ■ Capital expenditure ■ R&D



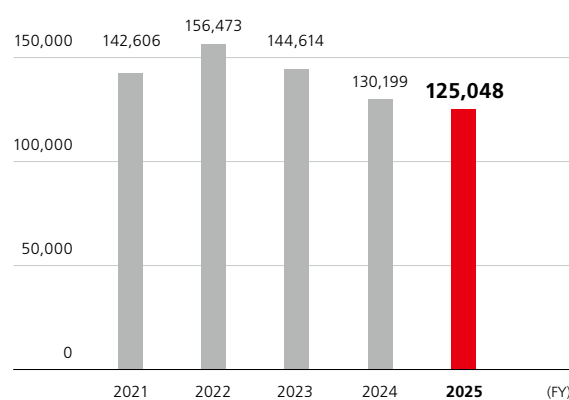
Units of vehicle production

(Units) ■ Japan ■ Overseas



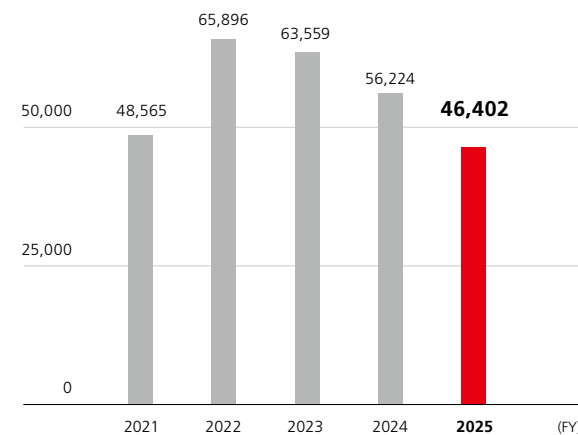
Global unit sales

(Units)



Units of export from Japan

(Units)





Financial/non-financial highlights

Non-financial highlights

Greenhouse gases/CO ₂ emissions (Ten thousand tons)			
	FY2023	FY2024	FY2025
Scope1 (direct emissions)	13.8	12.1	12.4
Scope2 (indirect emissions from energy consumption)	11.8	8.9	8.4
Scope3 (other indirect emissions)	4,928	4,827	4,835

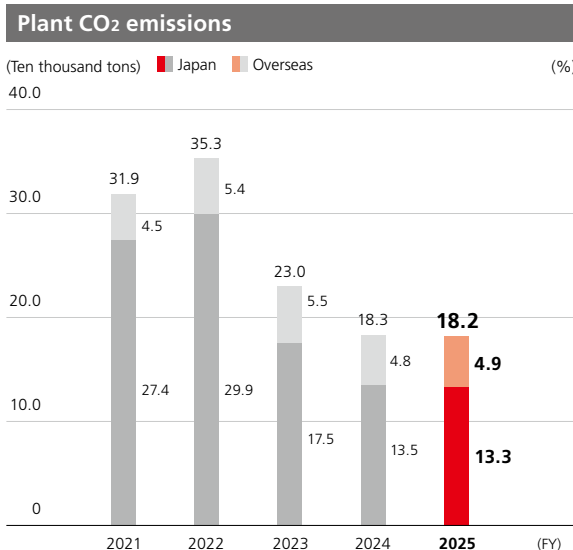
Scope: Hino Motors, Ltd. and consolidated subsidiaries

Scope 3 (other indirect emissions) results for FY2022 are currently being prepared for disclosure.

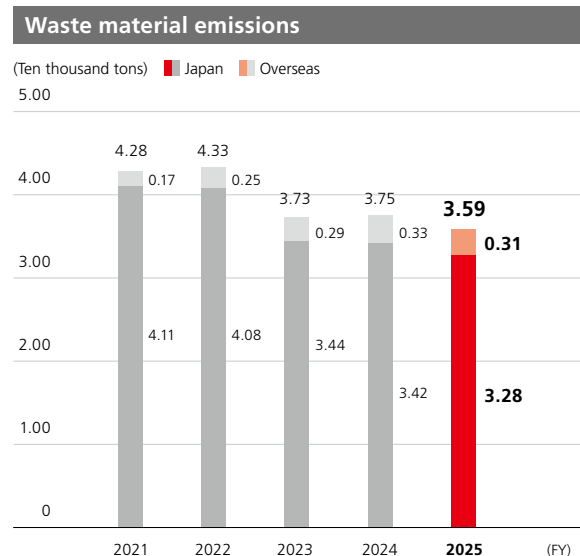
Scope 3 emissions (Ten thousand tons)		
	FY2024	FY2025
1 Purchased goods and services	446.9	390.4
2 Capital goods	27.1	26.1
3 Fuels not included in Scope 1 or 2	2.7	3.4
4 Upstream transportation and distribution	10.6	19.2
5 Waste generated in operations	0.8	0.5
6 Business travel	0.4	0.3
7 Employee commuting	1.7	1.7
8 Upstream leased assets	—	—
9 Downstream transportation and distribution	—	—
10 Processing of sold production	0.3	1.2
11 Use of sold products	4,319	4,374
12 End-of-life treatment of sold products	14.7	14.2
13 Downstream leased assets	—	—
14 Franchises	—	—
15 Investments	3.0	4.2

Scope: Hino Motors, Ltd. and consolidated subsidiaries

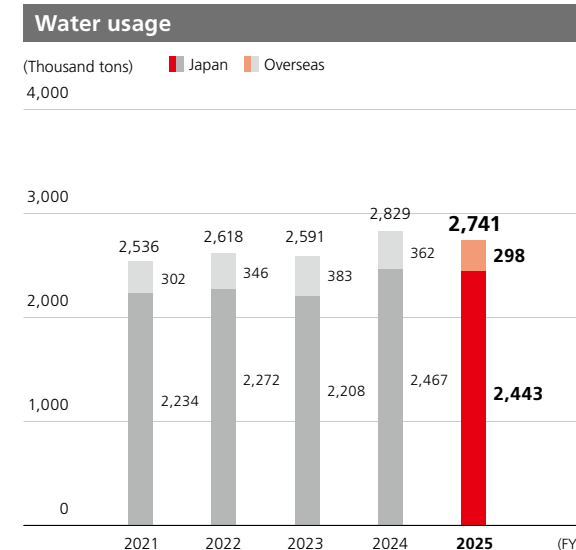
For category 9, we have revised calculation methods and booked these as category 4. Category 11 is calculated using fuel consumption and lifetime mileage.



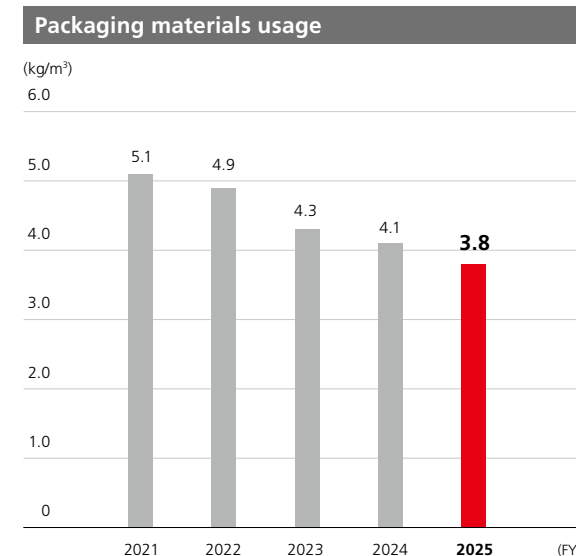
Scope: Production facilities of Hino Motors, Ltd. and consolidated subsidiaries



Scope: Production facilities of Hino Motors, Ltd. and consolidated subsidiaries



Scope: Production facilities of Hino Motors, Ltd. and consolidated subsidiaries

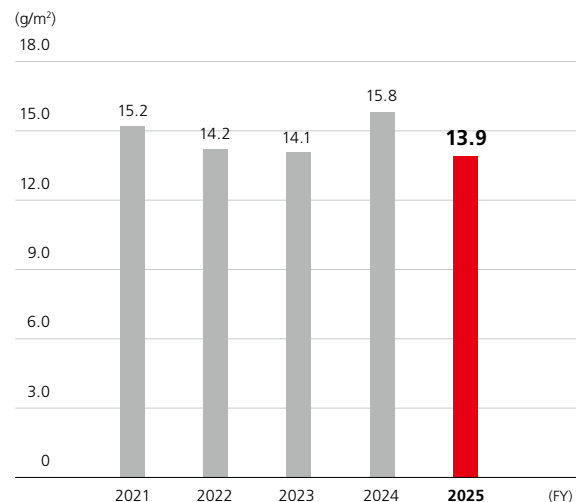


Scope: Production facilities of Hino and six consolidated companies
Calculated in units per volume shipped

Financial/non-financial highlights

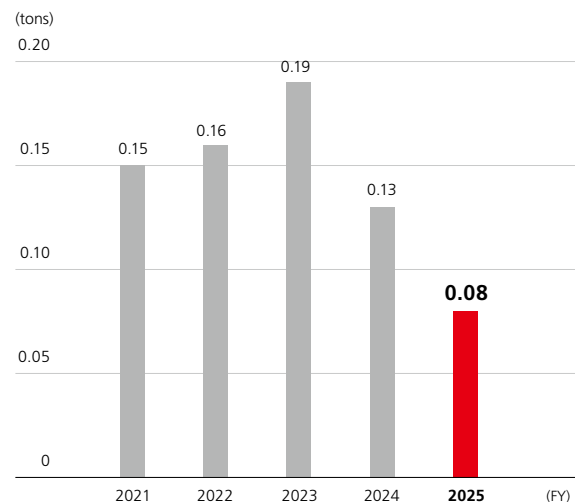
Non-financial highlights

VOC emissions



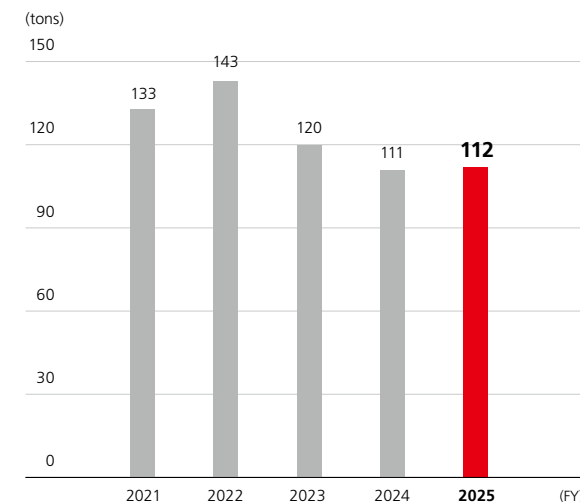
Scope: Two Hino production facilities
Calculated in units per area painted

Air pollutant emissions / SOx emissions



Scope: Two Hino production facilities

NOx emissions



Scope: Four Hino production facilities

Environmental conservation costs		(Millions of yen)	
Item	Description of major initiatives	FY2025	
		Investments	Costs
Costs in operational areas		227	3,101
Pollution prevention costs	Prevention of pollution such as soil pollution	21	2,753
Global environmental conservation costs	Prevention of global warming and ozone layer depletion, etc.	167	5
Resource recycling costs	Expenses for waste collection, transport, disposal, and recycling, etc.	39	343
Upstream and downstream costs	Expenses for recycling operations of products sold and annual memberships for industry organizations, etc.	0	38
Management activity costs	Expenses for environmental management operations, environmental education, and monitoring and measurement of environmental impact, etc.	0	359
Research & development costs	R&D expenses for reducing environmental load	2,143	51,500
Social activity costs	Costs for environmental improvements, including off-site environmental conservation, tree planting, and beautification projects	0	0
Environmental remediation costs		0	0
Total		2,370	54,999

Scope: Hino Motors, Ltd.

The environmental conservation cost table was created while referring to the Environmental Accounting Guidelines of Japan's Ministry of the Environment. Only initiatives that can be clearly identified as being intended to address environmental issues have been included.

Economic results of environmental conservation measures			(Millions of yen)
	Details of results		FY2025
Revenue	Operational income from recycling		1,684
Reduced costs	Reduction in energy costs due to energy conservation		49.9
	Reduction in waste treatment costs due to resource conservation and recycling		8.5
Total			1,742

Scope: Hino Motors, Ltd. and consolidated subsidiaries

Reduction effects associated with environmental conservation measures		
		FY2025
CO ₂ reduction (tons-CO ₂)		976
Waste reduction (tons)		577

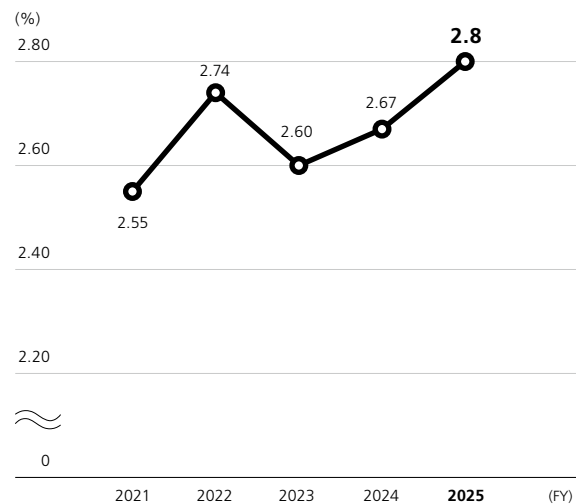
Scope: Hino Motors, Ltd. and consolidated subsidiaries



Financial/non-financial highlights

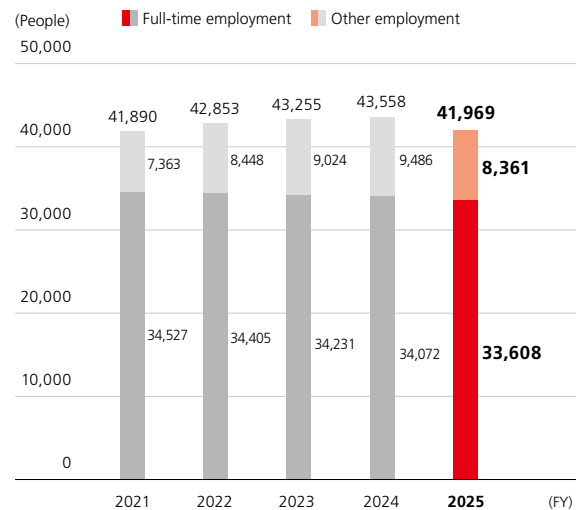
Non-financial highlights

Ratio of female managers



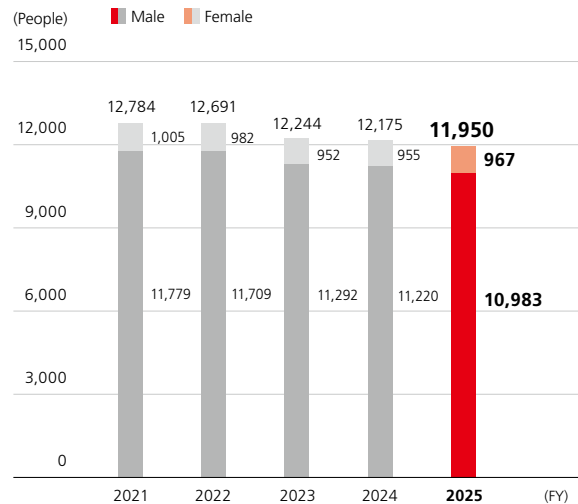
Scope: Hino Motors, Ltd.

Number of employees by type of employment



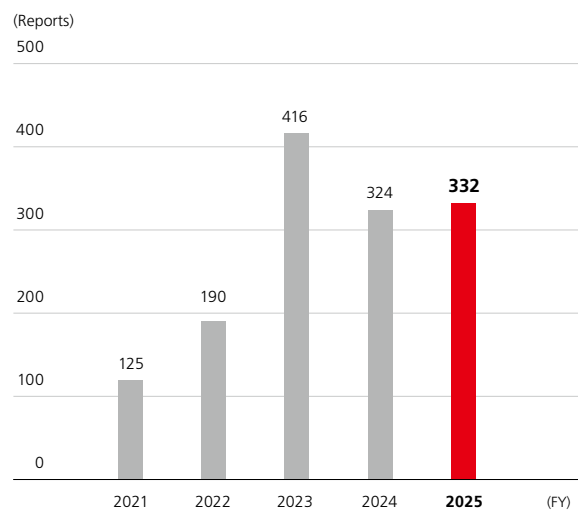
Scope: Hino Motors, Ltd. and consolidated subsidiaries

Number of full-time employees by gender



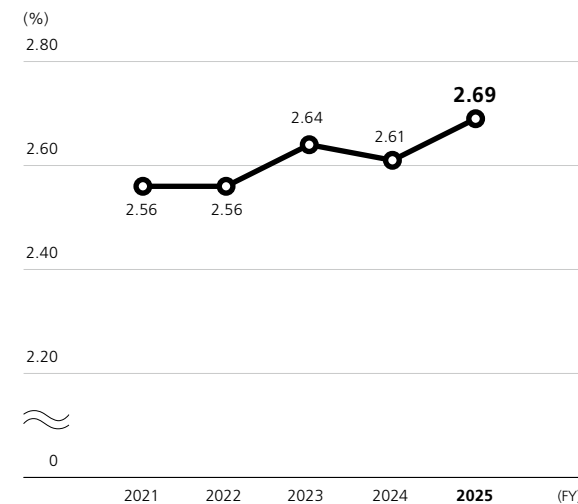
Scope: Hino Motors, Ltd.

Number of reports received by consulting desks



Scope: Refer to the list of consulting desk on page 59.

Employment ratio of people with disabilities



Scope: Hino Motors, Ltd.

Number of full-time employees by region

	FY2021	FY2022	FY2023	FY2024	FY2025
Japan	23,808	23,750	23,331	23,238	23,036
Asia Pacific	8,175	8,266	8,425	8,430	8,051
North America	1,727	1,574	1,664	1,683	2,112
China	364	371	347	329	79
Central and South America	362	359	401	344	293
Europe	91	85	63	48	37
Total	34,527	34,405	34,231	34,072	33,608

Scope: Hino Motors, Ltd. and consolidated subsidiaries

Ratio by job type

	FY2021	FY2022	FY2023	FY2024	FY2025
Administrative and technical positions (male)	32.9	33.5	33.7	33.8	33.9
Administrative and technical positions (female)	5.7	5.7	5.7	5.7	6.0
Skilled positions (male)	59.2	58.6	58.4	58.3	57.9
Skilled positions (female)	2.3	2.1	2.2	2.2	2.2

Scope: Hino Motors, Ltd.

Company information / Stock information

Company information (as of March 31, 2025)

Company overview

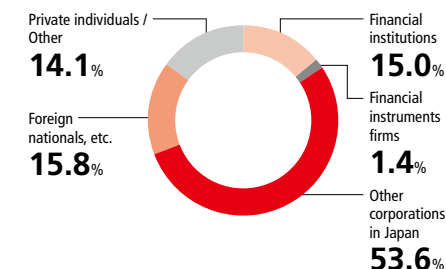
Company name	Hino Motors, Ltd.
Products	Trucks and buses, commercial vehicles and passenger cars produced for Toyota Motor Corporation, automotive and industrial diesel engines, vehicle parts, others
Founded	August 1, 1910
Established	May 1, 1942
President & CEO, Member of the Board of Directors	Satoshi Ogiso
Paid-in capital	72,717 million yen
Number of employees	33,608
Net sales	1,697,229 million yen
Operating income	57,490 million yen

Stock information (as of March 31, 2025)

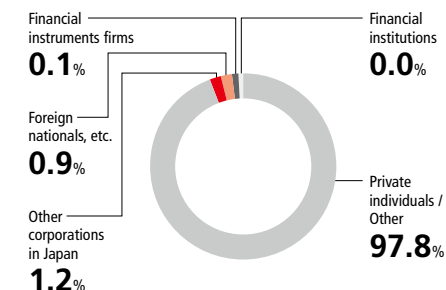
Stock overview

Securities Code	7205
Stock exchange list	Tokyo Stock Exchange, Prime Market Nagoya Stock Exchange, Premier Market
Fiscal year	April 1 to March 31
Record dates	March 31
General Shareholders Meeting	In June every year
Date of right allotment for dividends of surplus	(1) Year-end dividend: March 31 (2) Interim dividend: September 30
Total number of authorized shares	1,400,000,000
Number of shares issued	574,580,850
Number of shares constituting one trading unit	100 shares
Method of public notices	To be given electronically via the corporate website. Provided, however, that if the Company is prevented from giving public notice electronically due to an accident or other cause outside of its control, public notices shall be given by publication in the Nihon Keizai Shimbun. Electronic public notice (Japanese)
Administrator of shareholder registry	Mitsubishi UFJ Trust and Banking Corporation

Share distribution



Shareholder distribution



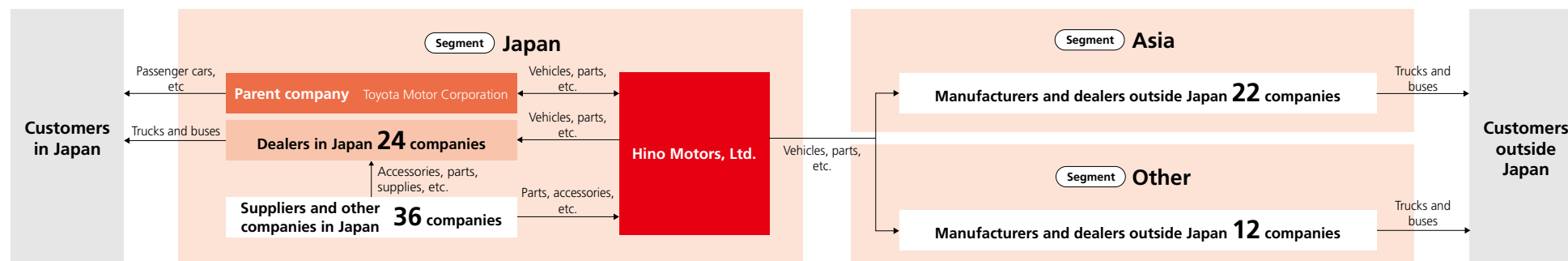
Major shareholders

Name of shareholder	Shares held (thousand shares)	Shareholding ratio
Toyota Motor Corporation	287,897	50.14
The Master Trust Bank of Japan, Ltd. (Trust Account)	59,121	10.30
Custody Bank of Japan, Ltd. (Trust Account)	18,746	3.27
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Settlement & Clearing Services Department Mizuho Bank)	9,717	1.69
HSBC BANK PLC A/C M AND G (ACS) VALUE PARTERS CHINA EQUITY FUND (Standing proxy: Custody Business Department of The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch)	7,852	1.37
STATE STREET BANK AND TRUST COMPANY 505223 (Standing proxy: Settlement & Clearing Services Department Mizuho Bank)	4,410	0.77
JP MORGAN CHASE BANK 385781 (Standing proxy: Settlement & Clearing Services Department Mizuho Bank)	3,839	0.67
STATE STREET BANK WEST CLIENT TREATY 505234 (Standing proxy: Settlement & Clearing Services Department Mizuho Bank)	3,582	0.62
Hino Motors Employees' Stock Ownership Association	3,227	0.56
Tokio Marine & Nichido Fire Insurance Co., Ltd.	3,000	0.52

Note: The Company's treasury shares were excluded in the calculation of the shareholding ratio.

Subsidiaries and affiliates

Hino, 74 subsidiaries, and 20 affiliates (as of March 2025)



Major affiliated companies in Japan

• Subsidiaries • Affiliates

	Company name	Location	Percentage of voting rights owned (%) ^{*1}	Main business activities
Segment Japan				
Dealers in Japan	• Hokkaido Hino Motors Ltd.	Sapporo City, Hokkaido	100.0	Sales of automobiles
	• Minami Kanto Hino Motors Ltd.	Minato-ku, Tokyo	100.0 (100.0)	Sales of automobiles
	• Shizuoka Hino Motors Ltd.	Shizuoka City, Shizuoka	100.0 (0.5)	Sales of automobiles
	• Osaka Hino Motors Ltd.	Osaka City, Osaka	100.0 (100.0)	Sales of automobiles
	• Kobe Hino Motors Ltd.	Kobe City, Hyogo	100.0 (100.0)	Sales of automobiles
	• Kyushu Hino Motors Ltd.	Fukuoka City, Fukuoka	100.0 (100.0)	Sales of automobiles
	• Hino Sales Support, Ltd.	Hino City, Tokyo	80.0	Asset management of dealers
Suppliers and other companies in Japan	• Minami Kyushu Hino Motors Ltd.	Kagoshima City, Kagoshima	33.0	Sales of automobiles
	• Fukushima Steel Work Co., Ltd.	Fukushima City, Fukushima	91.7 (7.2)	Manufacturing of cast parts
	• Riken Forge Co., Ltd.	Maebashi City, Gunma	92.6 (0.7)	Manufacturing of forged parts and molds
	• Sohshin Co., Ltd.	Iruma City, Saitama	100.0	Manufacturing of machined parts
	• Takebe Tekkosho Co., Ltd.	Atsugi City, Kanagawa	55.0	Sheet-metal working
	• Trantechs, Ltd.	Hakusan City, Ishikawa	100.0	Truck accessories
	• Sawafuji Electric Co., Ltd. ^{*2}	Ota City, Gunma	30.4	Manufacturing of electrical parts
	• J-Bus Ltd.	Komatsu City, Ishikawa	50.0	Bus body accessories

Major manufacturers and dealers outside Japan

• Subsidiaries

	Company name	Location	Percentage of voting rights owned (%) ^{*1}	Main business activities
Segment Asia				
Subsidiaries	• Hino Motors Manufacturing (Thailand) Ltd.	Samut Prakan, Thailand	80.0	Assembly of automobiles and unit parts
	• Hino Motors Sales (Thailand) Ltd.	Bangkok, Thailand	55.3	Sales of automobiles
	• Hino Motors Asia Ltd. ^{*3}	Samut Prakan, Thailand	100.0	Planning, development, and sales of automobiles
	• PT. Hino Motors Manufacturing Indonesia ^{*3}	Purwakarta, Indonesia	90.0	Assembly of automobiles
	• PT. Hino Motors Sales Indonesia ^{*4, 5}	Jakarta, Indonesia	40.0	Sales of automobiles
Segment Other				
Subsidiaries	• Hino Motors Manufacturing U.S.A. Inc.	Michigan, U.S.A.	100.0	Assembly of automobiles and unit parts
	• Hino Motors Sales U.S.A. Inc. ^{*4}	Michigan, U.S.A.	50.0	Sales of automobiles
	• Hino Motor Sales Australia Pty, Ltd.	New South Wales, Australia	100.0	Sales of automobiles

^{*1} The figures in parentheses in the "Percentage of voting rights owned" column indicate the percentage held indirectly

^{*2} Company that submits securities reports

^{*3} Specified subsidiaries

^{*4} Although Hino holds less than 50% of voting rights, it has substantive control over the company making it a subsidiary

^{*5} PT. Hino Motors Sales Indonesia accounts for more than 10% of consolidated sales (excluding inter-company sales between consolidated companies)



Hino Motors, Ltd.

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