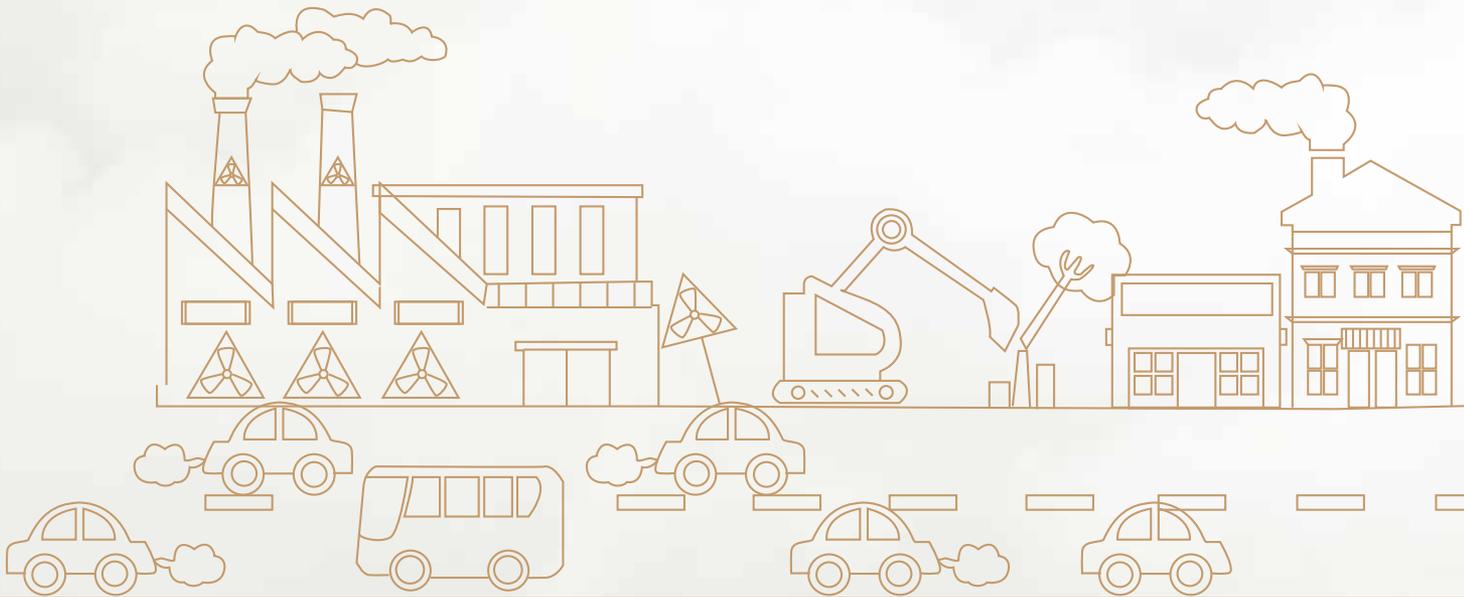
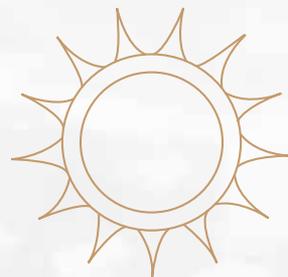




# Corporate Social



# Responsibility



Seeking harmony  
among People Society,  
Global Environment  
and Sustainable  
Development of  
Society through  
responsible behaviour.



# CSR Charter



**The CSR Charter articulates our goals when it comes to serving each of our diverse stakeholders group.**



## Customers

We meet our customers' expectations by providing safe, economical, comfortable and environment friendly products, services and our TOTAL SUPPORT.



## Employees

We respect individual employee and strive to create a stable working environment that fosters motivation and personal growth.



### **Shareholders**

We work hard to protect and provide value to shareholders' investment by revenue enhancing, cost saving and risk reducing.



### **Business Partners**

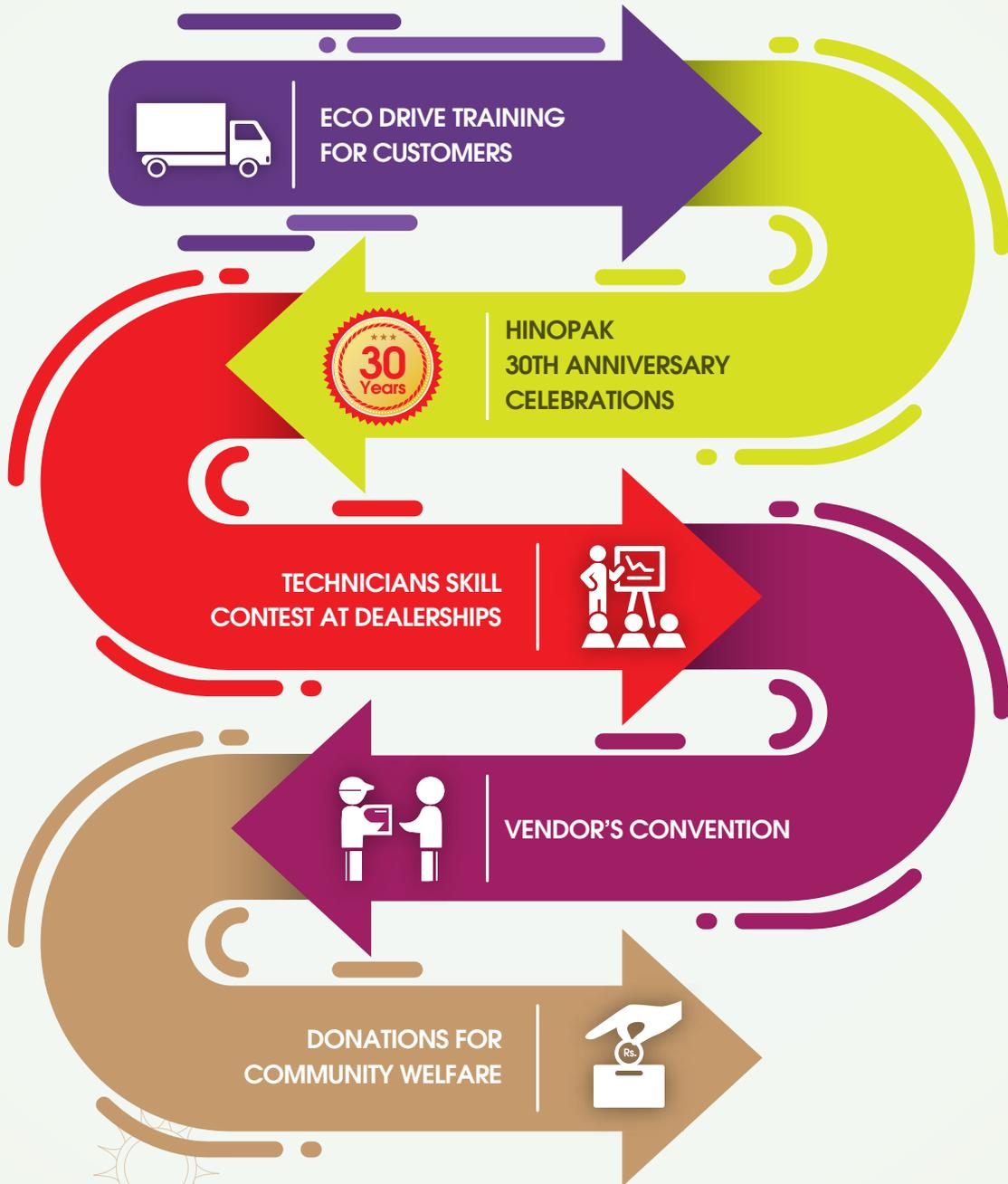
We share a passion for contribution to society through our products and services, and pursue innovation together with our business partners.



### **Communities**

We strive to fulfill our role as a responsible corporate citizen and support community contributions at all levels of organization.

# CSR Highlights 2015-16



# Customers

## Service Camps

Customer satisfaction has been at the core and is one of Hinopak's prime objectives. To achieve this objective, Hinopak regularly conducts Service Camps for the customers.



During the year Customer Service Division conducted 18 service camps countrywide. In these service camps 94 persons were trained and 375 vehicles were attended for free service. At the end of every session, customer feedback was recorded for future development.

### Knocking the door project

Since 2012, this activity has become the permanent project of the company. The project has played its role in providing great satisfaction to our customers. This year, a total of 3,746 joint visits with the dealers were conducted, where the customer support team and dealers' team jointly met the customers at their doorsteps.



### Eco drive training for customers

Hinopak always actively promotes customer training through various programs. In order to accomplish this objective and to demonstrate 'Total Support' to our customers, this year Hinopak conducted Eco driving training activity as part of its customer satisfaction program. During the year, 253 mechanics participated in this program and 15 training seminars were conducted.



The purpose of this activity was to extend our support to customers for reducing fuel costs and traffic accidents and make contribution to their business.



### Customer get-togethers

Believing in maintaining long term relationship with customers has been a priority at Hino. In line with the company's objective "to win and maintain customers", numerous get-togethers including iftaar dinners were held throughout the country which were attended by a large number of customers. The objective of the gatherings is to attend to customer feedback in order to deliver products and services that meet customers' expectations.



# Employees

## Hinopak 30th Anniversary Celebrations

Hinopak celebrated its 30th anniversary at Dreamworld resort where a family festival was arranged for employees and their families.



The event was held on February 27, 2016 where employees and their families enjoyed fun games, water rides, sporting activities, magic show, comedy show folk dances, food and other entertainments. As an added entertainment, lucky draw was held where employees received various gifts including Umrah ticket, LED TVs, refrigerators, generators, washing machines, microwave ovens, digital cameras, smart phones and more.



### Promoting Health Programs:

It is our corporate responsibility to improve health of our employees, while reducing risk associated with their work. Health Promotion Activities Plan is made on annual basis, including both medical tests of employees working in hazardous areas as well as health awareness sessions to educate employees. Following sessions were organized to educate employees about health issues.

- Adverse Effect on Using Paan, Gutka & Chalia and Healthy Life Style
- Heat Prevention Safety Guidelines
- How to deal with Work Stress and Heart Diseases
- Health Problems associated with Kidney and important of balanced diet



These awareness sessions are held to educate employees regarding those lifestyle factors which bring positive change in their lives. Moreover, education regarding prevention and management of these diseases may reduce loss of life, improve quality of life, and help in better utilization of financial resources.



### Labour - Management Relations

For promoting labour management relationship and to promote computer literacy among workers and their children, laptops were distributed to 9 workers through lucky draw.



### Youth and Mini Summer Camp for Employees' Children

We cannot always build the future for our youth, but we can build our youth for the future. Following this philosophy, Hinopak organized two different types of camps for the employees' children i.e. a Youth Camp and a Mini Summer Camp. The purpose of these camps was to develop leadership skills and self confidence in young generation to help them face the upcoming competitions. Children were exposed to various survival situations, played experimental games, and participated in various exciting activities.



### Merit-based Scholarships to Workers' Children

Hinopak provided merit based scholarships to the total number of 131 workers' children. This initiative was aimed at recognizing academic merit of the workers' children and for their future academic encouragement.

### Training and Development Activities

This year 23,461 training man-hours were achieved by providing various trainings to the employees of the Company. Majority of the trainings were conducted by the in house trainers. The training activities focused on leadership development and creating strong bonds amongst teams. Moreover, professional education / development, institutional, technical, foreign and in-house trainings were also conducted.



### Establishment of Safety Dojo Training Center:

At Hinopak Motors, we understand our responsibility in implementing HSE related activities in the company. It is our utmost duty to ensure safety of our employees, contractors and visitors.

Keeping our pledge for "Zero Sai", we have recently established Safety Dojo Center in Chassis Assembly Plant. Dojo is a Japanese name for a training center. This training center is equipped with 10 Safety Simulators which were

fabricated in-house. Employees can learn about hazards and importance of obeying safe working rules via simulators on 'Usage of Hard Helmet, Safety Shoes, Importance of Earthing, Slip/Trip hazards, Use of Hand Rails, Protection against Rotating Machines, Fall from Height hazards, to name some. These will play a vital role in enhancing Safety culture in the organization.



### Sports and Recreation

During the year intra company hardball cricket tournament was organized which was enthusiastically participated by 8 teams belonging to various divisions. The tournament was won by Al Khalid, Supply Chain Division.



Moreover, a sports event was also organized for female employees where various games such as tug of war, arm wrestling, bowling competition etc, were played. All the female employees participated with great zeal.



# Shareholders

**Hinopak believes that it has a key responsibility to protect and provide value to shareholders' investment by continuously improving the quality of its products and services through differentiation.**



## Shareholders

With the aim of enhancing our corporate value, Hinopak works tirelessly to appropriately assess and quickly respond to domestic and overseas business environments, to ensure continuous and stable growth based on our global perspective and always establish transparency which is underpinned by open and fair disclosure. We work hard to anticipate changes in the business environment in order to improve the Hinopak's corporate value.

Compliance at Hinopak is not just about observing the laws and regulations. It also means respecting social norms and corporate ethics, complying with the expectation of all the stakeholder's and engaging in fair corporate activities.

## Board of Directors

The Board of Directors comprises of executive and non-executive directors. The Board convened four times in 2015-16. The Board reviewed and approved company's future strategy and operating results of the company.

## Audit Committee

An Independent audit committee has been established by the Board for monitoring of compliance activities in the company. All members of the Audit Committee are non-executive directors. An Internal Audit department supports the committee. The committee held four meetings in 2015-16. Two meetings were also attended by the external auditors of the company.

## Internal Control System and Financial Reporting

The company maintains a system of internal control

and procedures designed to ensure reliable and transparent financial reporting and disclosures. Hinopak is a group company of Toyota Motors Corporation (TMC) and was selected for TMC's project to strengthen internal controls and compliance with the requirement of US Sarbanes-Oxley Act. The company is working on the project under the guidelines from TMC.

## Code of Conduct

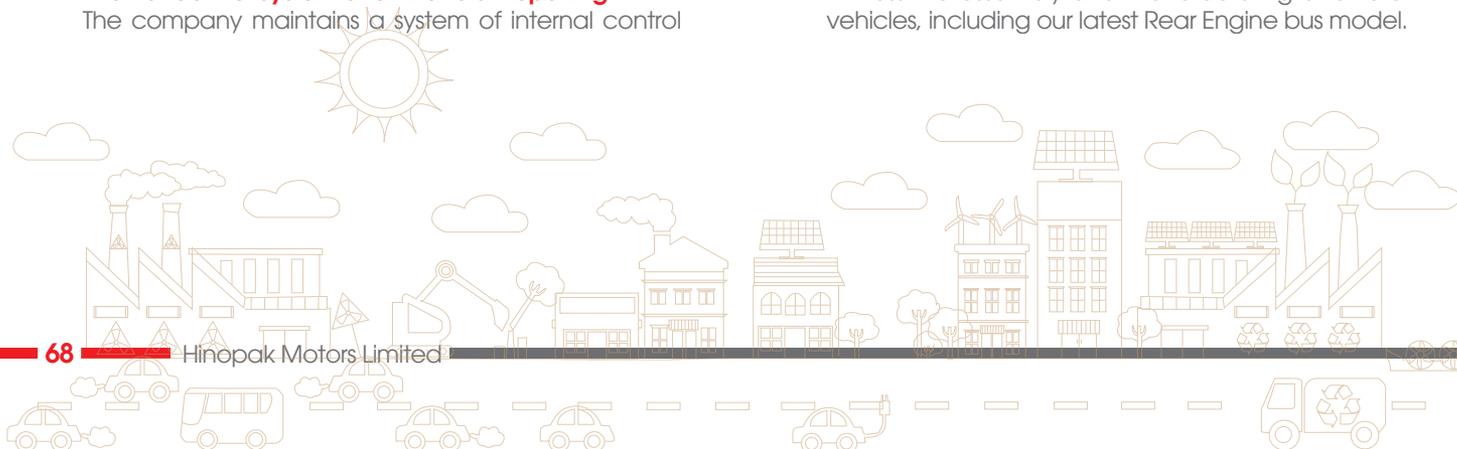
Using the Hinopak Code of Conduct as a guideline for day-to-day work ensures that we comply with applicable laws and regulations. Further, it encourages all our employees to act fairly and openly and to strive to meet stakeholders' expectations.

## Whistle Blowing Mechanism

We recognize whistle blowing as one of the important way to ensure good governance. For the interaction of the shareholder with the management the company has provided online facility to the shareholders where they can lodge their complain and provide valuable suggestions to the company. Hinopak has a viable whistle blowing protection mechanism that is designed to balance the interest of the company and the subject of the complaint of misconduct, without jeopardizing the protection owed to those employees who "blow the whistle".

## Shareholders' Visit to Hinopak

Recently Hinopak arranged shareholders' visit to its premises. During the visit, shareholders took a walkthrough of manufacturing and assembly divisions of the company, where, they got the opportunity to witness the assembly and manufacturing of different vehicles, including our latest Rear Engine bus model.



# Business Partners



## Skill Contest

Vendor development has always been our one of the prime focus. With this mission, during the year, Hinopak organized two days Skill Contest for its dealers held on October 9 and 10, 2015.

The contest had two phases, a written test and a practical test and all the 12 technicians participated in this contest. Moreover, before a contest, rehearsal training was also conducted by Hinopak. The objective of this session was to, constantly strive for enhancement of skills of its dealers mechanics.



### New Model Training for Dealers

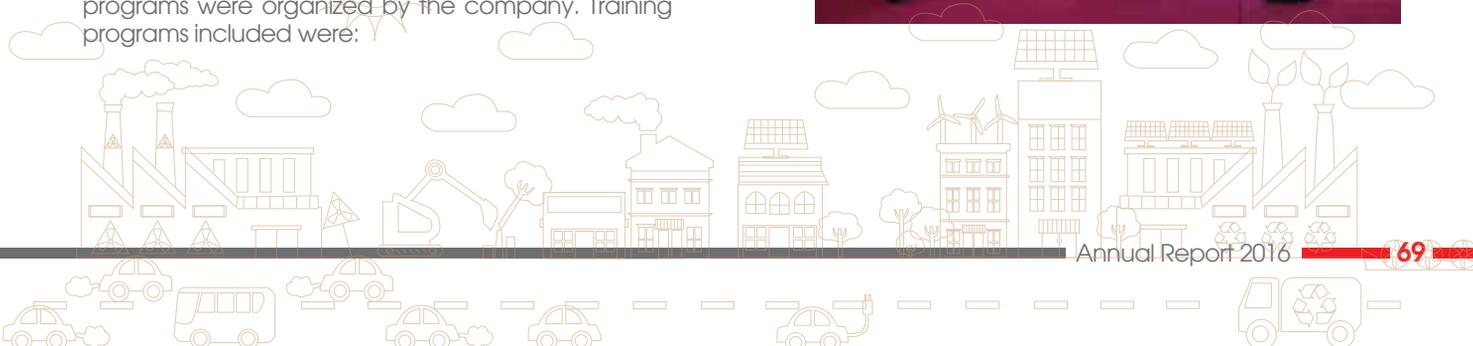
In order to strengthen the local manufacturing industry and the level of vendors to a height where they can compete not only locally but also globally in terms of technology, quality, and cost, various training programs were organized by the company. Training programs included were:

- Elementary training where 6 trainings were conducted and 64 mechanics participated;
- Intermediate training where 2 trainings were conducted and 25 mechanics participated;
- New model training was conducted and 13 mechanics participated.



### Vendors' Convention 2015-16

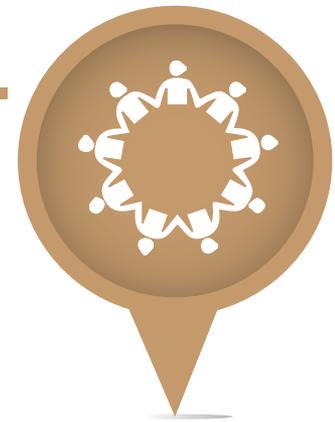
The vendors' convention 2015-16 was held on November 11, 2015, which was actively participated by 90 vendors from all over Pakistan along with Hinopak's Top Management. The theme of the convention was "Quality Cost Delivery (QCD) Competitiveness", where we acknowledged the efforts of our business partners in form of Award Distribution.



# Communities

## Enhancing Environmental Conservation Activities

Every year, we celebrate the month of June as Environment month. We believe it is our corporate responsibility to reduce adverse environmental impact from our operations and processes. In order to educate our employees and business partners, different programs were held on company wide basis.



These include tree plantation activity by top management, environmental awareness sessions for SITE Model School Children, and cleaning activity at 'Dar-ul-Sakoon'. Moreover, banners and posters depicting importance of environmental preservations were displayed during the whole month.

### Awards & Achievements

The Company was selected for the "EFP Award for Excellence in Industrial Relations Practices" in a competition organized jointly by the Employers' Federation of Pakistan (EFP) and International Labor Organization (ILO).



### HINO AAGAHI" Road Safety Awareness Program

Recognizing its commitment towards safety culture, Hinopak organized a road safety awareness program at various government schools during the year, covering over 1200 students. The purpose of this program was to spread knowledge and awareness amongst school children related to road safety issues. The session also included presentations, safety talks and quizzes. In the end of program road safety oath was taken and prizes were distributed amongst winners.



### Students' Industrial Visits

This year 1066 students and teachers belonging to various academic institutions of Pakistan visited Hinopak's assembly and manufacturing facilities. This initiative aimed at giving the students an opportunity to observe and learn about the internal working environment of Hinopak and aides in helping them learn outside the classroom environment.

### Winter and Summer Internship Program 2015-16

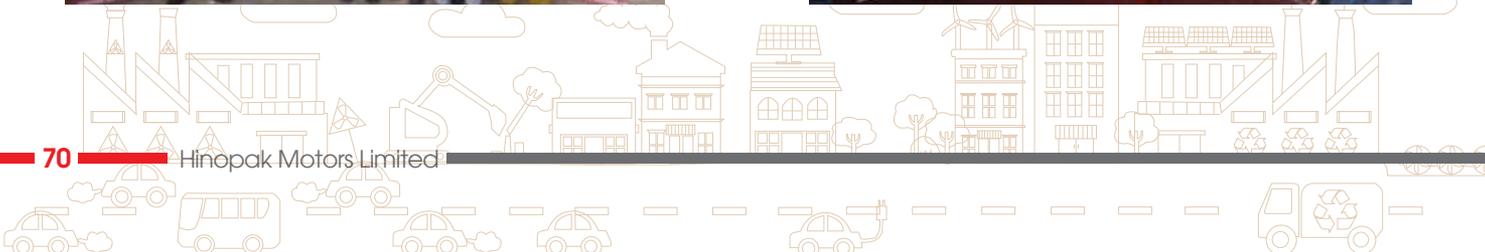
Every year Hinopak offers summer and winter internship programs to students of various universities. This year company enrolled 182 students on various technical and non-technical projects throughout the company.

The internship program contributes for human development in the society through information sharing and provides the students an experience of a practical working environment to enhance their marketability after graduation.

Scholarships Given to N.E.D. University Students



Continuing with the company's commitment in contributing to the society for enhancement of technical education, this year a total of 10 engineering students of N.E.D. University of Engineering & Technology were granted scholarships after merit assessment. The students belonged to Mechanical, Industrial & Manufacturing and Automotive technologies disciplines.



### Donations to Dar-ul-Sukun Hospital

Continuing the practice of serving the community and contribution in the field of education, health and development, this year Hinopak's management visited "Dar-ul-Sukun" (home for mentally & physically disabled people). Hinopak's management supported them by bearing their medical expenses throughout the year.



Moreover, the management also celebrated the Independence Day and World Autism Awareness Day at Dar-ul-Sukun and spread awareness about such special people, especially children and highlighted the need to help and improve the quality of life of those children and adults. Afterwards, gifts and goodie bags along with food were also distributed amongst the children.



### Activities at SITE Model School

During the year two activities were conducted at SITE Model School i.e. Graffiti Paint Work and 3 months learning workshop.



Hinopak reclaimed the walls of SITE Model school by painting them with cheerful academic designs aimed at bringing a positive outlook for students and masses in general. These walls were painted beautifully by students & teachers, employees and local artists. Moreover, a 3-months program titled "Learning Ka Wheel" was also organized. This program

integrated real-life projects for earning money, serving community, health and learning improvement. The purpose of this program was the development of students including better understanding of self and others, better financial and entrepreneurial skills, quality learning and health conscious mindset.



### Earthquake Relief Activities

In the wake of the devastating earthquake that was triggered in October 2015 in the northern areas of Pakistan, the management of Hinopak in collaboration with Pakistan Army conducted an earthquake relief activity. The management of Hinopak handed over winter jackets and quilts to the Pakistan Army for distribution amongst the earthquake victims.



### Sponsorship for cricket tournaments

Supporting and acknowledging the talent of disabled people has been a practice of Hinopak. During the year, Hinopak sponsored "National Cricket Tournament for the Blinds 2016" which was organized by Pakistan Association of the Blind Sindh (PAB). Moreover, Company also sponsored the Karachi Cricket Club Association (KCCA) inter-firm cricket tournament in which a total of 32 teams participated.



## Reducing environmental Burden through Environmental Management Systems:

We believe growth is only sustainable if it is achieved with respect to the environment and we have continued to improve and consolidate our contribution in this area. Our standards and guidelines for better environmental performance motivate us to consistently improve our efforts to create a cleaner and healthier world. We are fully complying with all applicable legal and other requirements and have not received any neighbouring complain last year. We are reporting our main key Environmental Parameters, CO2 Reduction, Water Conservation and Material Discard to our principal Hino Motors Limited, Japan.

### Chassis Assembly Plant (Reporting year April to March 2015-16) Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged (m3/month)	-	-	1/m	2510	1980	2223.6
Water discharged (m3/day)	-	-	1/m	118	77	93.7
pH	6~9	6.8~7.4	1/m	7.25	6.58	7.06
BOD (mg/l)	80	70	1/m	40	18.9	29.7
COD (mg/l)	400	300	1/m	85	35.6	63.3
SS (mg/l)	200	100	1/m	30	15	22.6
Oil (mg/l)	10	5	1/m	3.9	2.19	3.2
TDS(mg/l)	3500	3000	1/m	1210	820	942.5

### Air Release (NOx (mg/Nm3))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	600mg/Nm3	100	4/Year	3.85	1	1.92
Top Coat Oven	Natural Gas	600mg/Nm3	100	4/Year	5.27	1	2.4
Boiler	Natural Gas	600mg/Nm3	100	4/Year	35	1.98	20.2

### Air Emission (SOx (mg/Nm3))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0
Top Coat Oven	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0
Boiler	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0

# Body Manufacturing Plant (Reporting year April to March 2015-16)

## Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged [m3/month]	-	-	1/m	1470	941	1217.3
Water discharged [m3/day]	-	-	1/m	63	43	53.6
pH	6~9	6.8~7.4	1/m	7.35	6.97	7.15
BOD [mg/l]	80	70	1/m	43	18	28.0
COD [mg/l]	400	300	1/m	70	40	56.7
SS [mg/l]	200	100	1/m	58	15	25.5
Oil [mg/l]	10	5	1/m	5.26	1.5	2.9
TDS[mg/l]	3500	3000	1/m	1506	480	763.7

## Air Release (NOx (mg/Nm3))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
Parts primer baking oven	Natural Gas	600mg/Nm3	100	4/Year	5.19	1	2.5
Paint baking oven	Natural Gas	600mg/Nm3	100	4/Year	2.83	1	2.2
Parts primer baking oven 2	Natural Gas	600mg/Nm3	100	4/Year	3.1	1	1.4

## Air Emission (SOx (mg/Nm3))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
Parts primer baking oven	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0
Paint baking oven	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0
Parts primer baking oven 2	Natural Gas	1700mg/Nm3	100	4/Year	0	0	0.0

## Environment Key Parameter Indicators' Results 2015~2016

