

# Corporate Social Responsibility

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

# CSR Charter



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

**02** **Customers**  
We meet our customers' expectations by winning them through TOTAL SUPPORT and by offering value in terms of price, quality, safety and environmental impact.

**03** **Employees**  
We respect individual employee by providing them a stable working environment with equal opportunity for learning and personal growth.

**04** **Shareholders**  
We work hard to protect and provide value to shareholders' investment by continuously improving the quality of our products and services through differentiation.

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

**06** **Communities**  
We strive to fulfill our role as a responsible corporate citizen and seek to invest in lasting benefits for the community and aim to create economic and social development.

# CSR Highlights

**Donations** to Hospital and Support centre

**Eco drive** seminar 2016-17



**Hino** Genuine Oil CI-4 Agreement

**Vendor's** convention 2016 - 17

# Customers



## Service Camps:

Customer satisfaction is the company's top priority. Keeping our customers at the forefront and understanding their various requirements are the main features. As a regular practice, Hinopak once again organized free service camps for its customers.

During this year, Hinopak successfully conducted 8 service camps in 13 cities across the country which includes Karachi, Multan, Faisalabad, Sukkur, Larkana, Hyderabad, Islamabad, Gilgit, Swat, Peshawar, Sargodha, Gujrat and Lahore.



## Hino Genuine Oil CI-4 Agreement Signing Ceremony with TOTAL:

To boost "Total Support" concept among customers, this year Hinopak planned to introduce CI-4 oil in its oil series and has already signed an agreement with Total Parco Pakistan Limited. The oil has a longer durability and will reduce maintenance cost of vehicles.



## ECO Drive Seminar 2016-17:

This year Hinopak organized the 12th ECO Drive Seminar across the country. The seminar will help our customers to:

- Reduce operational cost by fuel saving;
- Maximize vehicle uptime;
- Improve driving skill & protect environment;
- Enhance vehicle life by proper maintenance;
- Reduce accident ratio by safe driving; and
- Support customers for profitable transport business.



## Training for Customers 2016-17:

To ensure the safety of our customers and to promote customer training, Hinopak, organized a number of training programs for its customers. A total of 99 trainings were conducted in which a total number of 1,033 customers participated. These included:

- 12 ECO Drive Seminar/Training were conducted and 218 of our customers participated.
- 37 Driver Training were conducted and 275 KAZAY customers participated.
- Training through Mobile Training Units was organized in which 126 people participated and a total of 12 trainings were conducted.
- 29 driving trainings during Camps/Survey were conducted in which a total of 334 people participated.
- 7 Chargeable Driver Trainings were conducted in which there was a participation of 67 customers.
- 2 Mechanical Trainings were conducted in which 13 customers participated.



# Employees



### Hinopak 31st Anniversary Celebrations

Hinopak celebrated its 31st Anniversary on 2nd February, 2017 at Chassis Assembly Plant. The CBA members invited all the management & non-management employees in the cake cutting ceremony to celebrate the occasion.



### Sports and Recreation

During the year, 8th Hinopak Inter-Departmental Cricket Tournament was organized in which six teams, belonging to various divisions, participated very enthusiastically. The tournament was won by Eagles.



### Awareness Sessions at Safety Dojo Training Center:

At Hinopak it is our utmost duty to ensure the safety of our employees, contractors and visitors. This year, as per the directive of Managing Director & CEO, various safety awareness sessions were organized for both the management and non-management employees. The main objective of these safety simulators sessions was to impart awareness against work related hazards. To date, around 949 Hinopak's Employees & 38 Dealers/Contractors have received this training.



### Promoting Health Programs

Following health awareness sessions were conducted this year:

- Causes and preventions of diabetes;
- Work Stress;
- Heart Diseases; and
- Eye diseases

These sessions were conducted to educate employees and to help them deal with these issues.

Moreover, comprehensive medical checkups and audiometric testing and consultation for employees working in high noise area were conducted during the year.



### Strengthening Labour Management Relationships

Marking another milestone for ideal labour management relationship, Hinopak distributed 9 laptops amongst permanent workers through lucky draw.



### Local and Foreign Trainings for Employees

Hinopak strongly believes in development of its employees. This year a total of 23,982 training man-hours were achieved. This year the training activities were focused on team building and leadership skills while institutional, technical, foreign and in-house trainings were conducted same as every year.



### Awards & Achievements

In order to promote and accord recognition of Health, Safety & Environment activities in organizations every year, the Employers' Federation of Pakistan (in collaboration with ILO) holds OHS&E Award Competition among its member companies. This year, Hinopak, achieved 3rd position in the overall category. This prestigious award depicts our overall commitment, seriousness and dedication towards the safety culture and is also a reflection of our management's pledge for continual improvement in field of Occupational Health, Safety & Environment.



### Service Department of The Year 2016 & Parts Department of The Year 2016

In the year 2016-17, Service Division & Parts Division have received 02 international awards from Hino Motors Ltd., Japan, one for Service Department of the Year 2016 & the second for Parts Department of the Year 2016.



### Enhancing Environmental Conservation Activities:

Hinopak believes that, bringing positive environmental changes in the society is its Corporate Social Responsibility. Hinopak organizes activities on different events regarding conservation of natural resources to create its awareness. Our top management's commitment towards conservation can be seen by their active participation in tree plantation activity on World Environment Day. Other events such as World Water Day, Earth Day and Beach cleaning activities were also organized with school children.



### Winter Camp for Hinopak Employees' Children

A four days winter camp was organized from 26th to 29th December 2016, which was participated by total of 373 children. The children thoroughly enjoyed various games, storytelling, character building, safety sessions, Hinopak plant visit, magic show and other activities.



# 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 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 stakeholders 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 2016-17. The Board reviewed and approved company's business plan and operating results of the company.

## Audit Committee

An Independent audit committee has been established by the Board for monitoring the 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 2016-17. 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 most important ways 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



## Vendor's Convention 2016

The Vendors' Convention was held on 25th November 2016, which was attended by 102 participants belonging to 82 vendors & suppliers. The chief guest on the occasion was Chairman Pakistan Association of Automotive Parts & Accessories Manufacturers (PAAPAM). The event was illuminated by the awards distribution to vendors on quality, cost, delivery and overall performance by the top management. A notable development in this year's event was the announcement of Quality grades A, B & C awarded to each vendor based on its quality performance (PPM Count) during the preceding year.



## 2016 Hinopak Skills Contest

Hinopak Skills Contest 2016-17 was an eventful experience for Hinopak. Last year we successfully conducted this competition in service section only. However, this year we extended the contest for both Service and Spares sections.



The one day event was supervised by Service Division and Parts Division autonomously. The entire team played its role very enthusiastically and was appreciated from all the corners. The total participants were 23, out of which 12 were technicians and 11 were parts in-charge / Managers from HPML's dealers all over Pakistan.

## Dealer Conference 2016-17

The Annual Dealer's Conference 2016-17 was held at Pearl Continental Hotel, Karachi under the flag of One Team One Pledge. Hino Dealers from all over Pakistan participated actively. The main objective of the

conference was to appreciate dealers' annual performance and also to develop strategy for further improvement in 2017-18.

## Training for Dealers 2016-17:

In order to make our manufacturing industry strong and to raise the level of our vendors in the field of technology, quality and cost, various training programs were organized by the company. Training programs included the following:

- KAZAY training in which there were 21 participants and 2 trainings were conducted.
- A service advisor course / salesman course was conducted which was participated by 14 participants.
- DX diagnosis training / common rail was conducted where there were a total of 40 participants and 4 trainings were conducted.
- Elementary training where 4 trainings were conducted and 43 mechanics participated.
- Intermediate training where 3 trainings were conducted in which 30 mechanics took part.
- Rehearsal training for service technicians and parts staff was conducted in which a total of 21 mechanics participated.



## Dealership Network Expansion at Hino Taxila

As a part of increasing its presence at strategically vital remote location; Hinopak introduced a new dealership in main city of Taxila by the name of "Hino Taxila" in March 2017.



# Communities

## Donation to Hospitals and Support Centers

Being a good corporate citizen, Hinopak has always fulfilled its social responsibility by contributing towards the wellbeing of the society. This year the top management visited several hospitals and donated upto PKR 3.9 million. Donations were given to PNS Rahat Hospital, Burns Centre and Civil Hospital - Poor Patients Aid Society.

Hinopak donated Suzuki Bolan Hi-Roof to Pakistan Eye Bank Society to be used for free eye check-up and necessary treatments in order to prevent and cure eye diseases in under privileged areas.

Further, Hinopak also provided donation to Pakistan Disabled Foundation for renovation of thier bus to provide better transport facility to disabled persons and to develop affective cooperation and understanding between the disabled and ordinary society.



## Independence Day Celebrations at SOS Village & Darul Sukun

On the occasion of Independence Day of Pakistan, a CSR event dedicated to the orphans and special children was organized at SOS Children's Village and Darul Sukun. The core idea behind this activity was to commemorate the festival with the orphans and special people to overcome their loneliness and share happiness with these special ones. Hinopak's management also visited "Darul Sukun" to support them in bearing monthly medical expense coverage throughout the year.



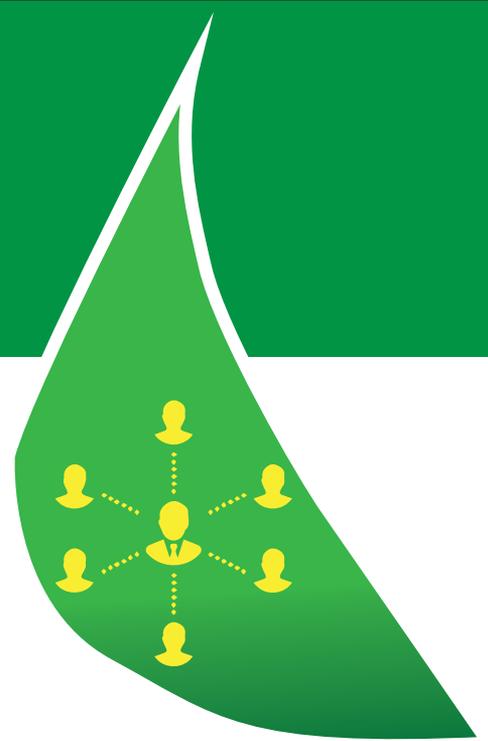
## Renovation & Inauguration Ceremony of Kindergarten Facility at SITE Model School

Hinopak supported SITE Model School to renovate their kindergarten section. The objective of this project was to develop a well-equipped range of facilities and resources for the students of kindergarten and to help them achieve a well-rounded education in a child-friendly atmosphere. The vision was to provide the students with the best possible learning environment. Kindergarten section was inaugurated by Hinopak Top Management.



## School Supplies Donated to School Affected by Earthquake in Swat Upper Dir.

Hinopak provided school supplies to school affected by earthquake in Swat Upper Dir. In the month of April, 2016, total of 195 bags, 120 lunch boxes, 120 water bottles, 120 pencil boxes, 600 stationary items and 26 sports items were given to school children.



### Workplace Safety Orientation at Hino Frontier Motors

To promote the concept of "zero accident tolerance" and "green environment", Hinopak conducted workplace safety orientation at Hino Frontier Motors. 35 participants became a part of this orientation.



### Hinopak wins 2nd Prize in 66th Pakistan Horticulture Competition 2017

Every year, Hinopak actively participates in the horticultural activities and our horticultural team ensures that our gardens are well maintained and ready before spring. This year Hinopak won 2nd prize in the office industrial garden competition which was organized by Horticulture Society of Pakistan in February, 2017.



### Students' Industrial Visits

This year 633 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.



### NED Formula Car Development Project

Every year we sponsor technical projects of engineering students under CSR program. This year a project titled "Formula Auto1 SAE" was sponsored by Hinopak. The idea was to support students by providing technical assistance in body fabrication of vehicle that travels farthest distance using least amount of energy.



## 66 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, CO<sub>2</sub> Reduction, Water Conservation and Material Discard to our principal Hino Motors Limited, Japan.

### Chassis Assembly Plant (Reporting year April to March 2016 -17) Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged (m <sup>3</sup> /month)	-	-	1/m	2470	1780	2090
Water discharged (m <sup>3</sup> /day)	-	-	1/m	96	69	86.2
pH	6~9	6.8~7.4	1/m	7.95	7.01	7.23
BOD (mg/l)	80	70	1/m	38	16	29
COD (mg/l)	400	300	1/m	78	32	61.4
SS (mg/l)	200	100	1/m	31.8	7.86	21.4
Oil (mg/l)	10	5	1/m	3.4	1.08	2.5
TDS(mg/l)	3500	3000	1/m	1057	610	820

### Air Release (NO<sub>x</sub> (mg/Nm<sup>3</sup>))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	600mg/Nm <sup>3</sup>	100	4/Year	17.61	1.392	10.5
Top Coat Oven	Natural Gas	600mg/Nm <sup>3</sup>	100	4/Year	31.81	1.67	10.1
Boiler	Natural Gas	600mg/Nm <sup>3</sup>	100	4/Year	44.65	3.016	21.0

### Air Emission (SO<sub>x</sub> (mg/Nm<sup>3</sup>))

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	1700mg/Nm <sup>3</sup>	100	4/Year	20.45	20.45	5.1
Top Coat Oven	Natural Gas	1700mg/Nm <sup>3</sup>	100	4/Year	0	0	0.0
Boiler	Natural Gas	1700mg/Nm <sup>3</sup>	100	4/Year	0	0	0.0

# Body Manufacturing Plant (Reporting year April to March 2016 -17)

## Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged [m3/month]	-	-	1/m	1370	940	1110
Water discharged [m3/day]	-	-	1/m	57	43.0	48.7
pH	6~9	6.8~7.4	1/m	7.4	7.05	7.18
BOD [mg/l]	80	70	1/m	40	20	30.0
COD [mg/l]	400	300	1/m	82	42	64.6
SS [mg/l]	200	100	1/m	31.7	10	18.8
Oil [mg/l]	10	5	1/m	2.9	1.19	2.3
TDS[mg/l]	3500	3000	1/m	804	504	677

## 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	19.94	2.5	12.0
Paint baking oven	Natural Gas	600mg/Nm3	100	4/Year	23.57	1.416	14.5
Parts primer baking oven 2	Natural Gas	600mg/Nm3	100	4/Year	27.94	1.145	14.3

## 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	8.57	8.57	2.1
Paint baking oven	Natural Gas	1700mg/Nm3	100	4/Year	7.81	7.81	2.0
Parts primer baking oven 2	Natural Gas	1700mg/Nm3	100	4/Year	16.58	16.58	4.1

## Environment Key Parameter Indicators' Results 2016 - 2017

