

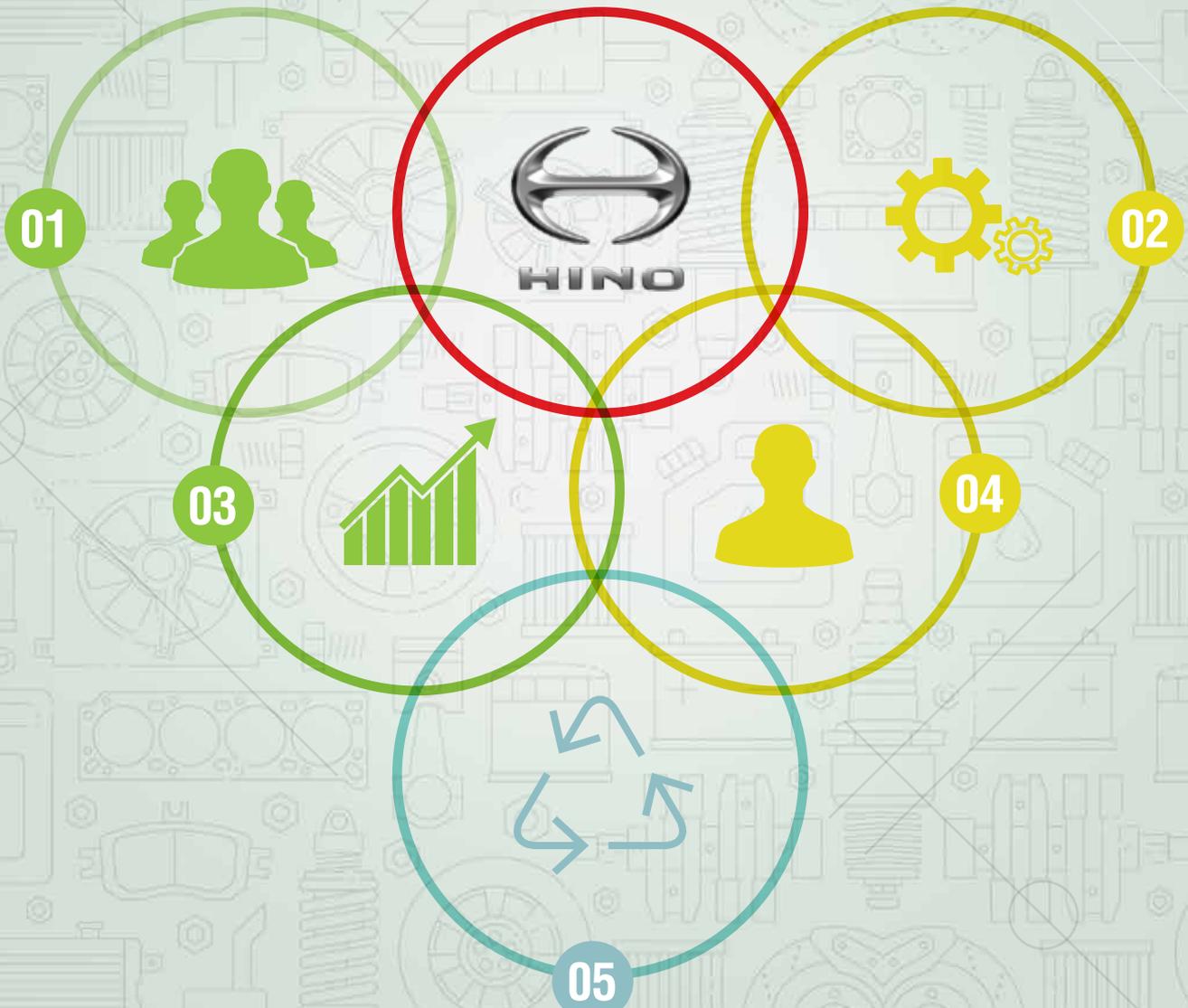


LET'S MAKE A DIFFERENCE

C O R P O R A T E

S O C I A L R E S P O N S I B I L I T Y

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 winning them through TOTAL SUPPORT and by offering value in terms of price, quality, safety and environmental impact.



Shareholders

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



Business Partners

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



Employees

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



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





Customers

Customer Get Togethers

Believing in maintaining long term relationship with customers is one of the priorities at Hinopak. In line with 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 customer. The objective of gatherings is to attend to customer feedback in order to deliver product and services that meet customers' expectations.



Service And Parts Department Of The Year Award 2017

In recognition of hardwork and dedication of Customer Service Department, the Hino Motors Limited, Japan, awarded "The service and Parts department of the year 2017" shield.



Knocking the Door Project

Hinopak believes in facilitating customers and continuously enhancing customer satisfaction. To keep this spirit alive, we started "Knocking the door project" in the year 2012 and to date we have visited over 12,000 customers in collaboration with our dealers, jointly meet the customers at their doorstep to provide them with better transportation solutions.

Eco drive Training for Customers

Hinopak has always actively promoted customer education 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 a total of 604 mechanics participated in this program and 16 training seminars were conducted.



Service Camps:

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

This year Customer Service Division had conducted 16 service camps countrywide. In these service camps 401 persons were trained and 607 vehicles were attended for free service. At the end of every session, customer feedback has been recorded for future development.





Employees

Hinopak 32nd Anniversary Celebrations

CBA members invited all management and non-management employees on cake cutting ceremony on Hinopak's 32nd anniversary on 1 February 1, 2018, at Chassis Assembly Plant.



Merit-based Scholarships to 152 Workers' Children

In order to promote quality education and reinforce labour management relationship Hinopak has awarded merit based scholarships to the total of 152 workers' children this year. This initiative aimed to encourage education among the society.

Local and Foreign Trainings for Employees

To enhance the knowledge and skills of its employees, Hinopak provides un-paralleled learning opportunities to its employees by organizing various in-house and external training programs.

This year, total 22,000 training hours were achieved. The training programs mainly focused on lean manufacturing, Kaizen and Six Sigma, product, compliance, systems, customer services, leadership and safety trainings.



Laptops Distribution

With an objective to endorse the awareness of latest technologies and to help their children compete in the competitive environment, the company continued its practice and distributed 9 laptops amongst permanent workers.



Summer Camp for Hinopak Employees' Children

To foster personal growth in a highly supportive environment, where children are engaged in different productive activities, Hinopak organized summer camp for its employees' children. The three days camp started from July 17, 2017, where 300 children participated.



Awareness Sessions In Safety Dojo Training Center:

Safety Dojo Training Center is developed in order to promote Safety Education among vendors and dealers through "Learning by Doing". This year, we have given training to 170 participants of dealers, vendors and contactors. This is a very new concept in which employee is given "First Hand Feel" of work place hazards through 3D safety simulators.

Promoting Health Programs:

As per our HSE objective, we arrange different health awareness sessions to ensure that our employees are well aware of health issues related to their job, as well as other health problems. Last year, following sessions were organized to educate employees about health issues.

Health Awareness Sessions	Employees
• Importance of Physiotherapy	97
• Chikungunya	415
• Obesity and overweight	198
• Workplace Stress and related Heart diseases	75
• Workplace related eye injury and prevention	350



More over employees were sent for different medical tests to ensure they are fit for job. These awareness sessions and tests not only educate employees, but also give a clear picture of their existing health conditions. This will help in improving their quality of life.

3rd position in OHS&E Award

Every year, Employers Federation of Pakistan (in Collaboration with ILO) held OHS&E Award competition among its member companies. The objective of this event is to promote HSE activities in the organizations and to give recognition to those who are following best HSE practices in their organizations.

This year, we have achieved 3rd position in the Overall category. This prestigious award depicts our overall commitment, seriousness, and dedication towards safety culture and reflection of management's pledge for continual improvement in field of Occupational Health, Safety & Environment.

Inauguration of Hinopak Data Centre

The data center is a repository that houses computing facilities like servers, routers, switches and firewalls, as well as supporting components like backup equipment, fire suppression facilities and air conditioning. Recently inaugurated Hinopak Data Center is now fully capable to provide services like (ERP) software, fastest network connectivity Network Monitoring System and more.



Celebration of Safety Conference:

Every year, we organized two Safety Conferences on bi-annual basis. The main purposes of these conferences are to involve all stakeholders in contributing towards safety. The participants are briefed about the overview of Safety Activities and achievements of the last six months, including the no. of accidents happened so far in the year and different safety kaizens taken place during this tenure.

In order to involve and motivate our workers, safety initiatives taken in the plant side is presented by senior lead-man.





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 2017-18. 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 2017-18. 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".



Communities

Monthly Donations to "Dar-ul-Sukun"

We don't believe in 'disabled' we believe in 'differently abled'. Hinopak salutes the work of Dar-ul-Sukun, which is not only home for special children, but also provides support to displaced women and senior citizens.

Hinopak contributes in their mission on monthly, basis so that they can have a chance to live and became an asset to the country.



Tree Plantation at Hinopak by the Top Management

"He who plants a tree, plants a hope". Continuing with practice of environmental preservation, this year 22 trees were planted by the Top Management at Hinopak.



Hinopak wins 1st Prize in 67th Pakistan Horticulture Competition 2018

Hinopak always contribute its share in environment friendly activities and we make sure that our gardens are well maintained and ready before spring. This year Hinopak won 1st prize in the office industrial garden competition which was organized by Horticulture Society of Pakistan in February, 2018.

Independence Day Celebrations at Dar-ul-Sukun

Independence Day brings happiness and unity in Nation and to enhance this occasion of happiness, a CSR event was organized by Hinopak in Dar-ul-Sukoon.

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.

KCCA Cricket Tournament 2017-18

Hinopak has always played a proactive role in the development of sports. To promote and develop the sports infrastructure, Hinopak sponsored the 21st Hinopak Trophy KCCA Interdepartmental Cricket League. The tournament was participated by 32 teams from around the city and won by K-Electric.



Winter and Summer Internship Program 2017-18

Students are the builders of future. Therefore, internship opportunity has been provided to young generation to join us in their vacation so that they can see the business world outside their books. This program helps them to gain experience even before stepping out of their institutions.

We encourage them to participate in various projects that are specifically designed for them so that they can see practical implementation of different business methods and can enhance their skills.

This year interns were inducted on various technical and non-technical projects in the company.

Students' Industrial Visits

To help the future generation in getting deeper knowledge, Hinopak always welcomes children and instructors to visit its different facilities. This year we had invited 1,200 students and teachers belonging to different academic institutes of Pakistan to visit our assembly and manufacturing plants.

This initiative aimed at giving the students an opportunity to observe and learn about the internal working environment of Hinopak and to bridge gap between classroom and real world.



Scholarships Given to Ten Engineering Students of N.E.D. University of Engineering & Technology

Education is a basic right and should be accessible to all. Through our scholarship program, we help deserving students with scholarships so that they can continue their education and could work for betterment of Pakistan.

This year 10 engineering students of NED University of Engineering & Technology were granted scholarships.

Enhancing Environmental Conservation Activities

Every year, different environmental conservation programs are organized to develop next generation as environmental conservation leaders. It is also our corporate social responsibility to bring positive environmental change in the society. Top management commitment towards conservation can be seen by their tree plantation activity on World Environment Day. Employees were given awareness through banners and posters, which were posted at prominent locations in both the plants.

This year on March 22, 2018, Hinopak celebrated World water day & closing of Tree Plantation campaign with the students and teachers of SITE Model School.

This event includes multimedia presentations, speeches, tableau and symbolic tree plantation. We have also closed our tree plantation campaign of FY 2017-18 by symbolic tree plantation at Site Model School. 1,200 Trees have been planted this year by Hinopak in different government schools.





Business Partners

Vendor Convention

This year Vendors' Convention was held on December 13, 2017. It was attended by 102 participants belonging to 88 vendors and supplier companies. The theme of the event was set as "Achieving global standards" to stress the criticality of meeting global quality challenges for business sustainability. The special thing about this year's event was the presence of Vice Chancellor of NED University Mr. Sarosh Hashmat Lodhi. In his speech, he stressed the need of close liaison between industry and academia for mutual benefit. The event was concluded with the awards distribution to vendors on quality, cost, delivery and over all excellence."



Dealers Trainings

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. For this objective 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 where single training was conducted and 13 mechanics participated.



Vendors and Suppliers Trainings

The performance of vendors and suppliers is a key to success. Hinopak offers different trainings throughout the year for them so that vendors and suppliers can get chance to develop their skills and can contribute better in development of Hinopak. The ultimate brand quality success of Hinopak is based on the quality of product, and on the ability to continually improve vendor's performance. To work towards the development of vendors and suppliers, trainings on various topics were conducted throughout the year.



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 at Avari Towers, Karachi.

The contest had two phases, a written test and practical test. All the 24 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..



Chassis Assembly Plant (Reporting Year 2017-18)

Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged [m ³ /month]	-	-	1/m	2358	1870	2140
Water discharged [m ³ /day]	-	-	1/m	93.0	74.0	83.9
pH	6~9	6.8~7.4	1/m	7.25	7.02	7.11
BOD [mg/l]	80	70	1/m	40	9.9	30.3
COD [mg/l]	400	300	1/m	88	24	65.8
SS [mg/l]	200	100	1/m	91	20	31.9
Oil [mg/l]	10	5	1/m	2.9	1.16	2.5
TDS[mg/l]	3500	3000	1/m	1120	635.4	809

Air Release (NO_x [mg/Nm³])

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	600mg/Nm ³	100	4/Year	41.98	4.185	31.7
Top Coat Oven	Natural Gas	600mg/Nm ³	100	4/Year	24	4.32	18.3
Boiler	Natural Gas	600mg/Nm ³	100	4/Year	84	48.64	59.5

Air Emission (SO_x [mg/Nm³])

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
ED Oven	Natural Gas	1700mg/Nm ³	100	4/Year	8.49	5	6.5
Top Coat Oven	Natural Gas	1700mg/Nm ³	100	4/Year	5.27	4.36	4.9
Boiler	Natural Gas	1700mg/Nm ³	100	4/Year	0	0	0.0

Body Manufacturing Plant (Reporting Year 2017-18)

Water Release

Items	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
				MAX	MIN	AVG
Water discharged [m ³ /month]	-	-	1/m	1175	799	980
Water discharged [m ³ /day]	-	-	1/m	45	36.0	41.7
pH	6~9	6.8~7.4	1/m	7.3	6.92	7.09
BOD [mg/l]	80	70	1/m	32	15	23.6
COD [mg/l]	400	300	1/m	70	32	51.8
SS [mg/l]	200	100	1/m	82	12	26.9
Oil [mg/l]	10	5	1/m	2.7	1.6	2.1
TDS[mg/l]	3500	3000	1/m	779	510	607

Air Release (NO_x [mg/Nm³])

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
Parts primer baking oven	Natural Gas	600mg/Nm ³	100	4/Year	37.62	8.59	26.9
Paint baking oven	Natural Gas	600mg/Nm ³	100	4/Year	34	11.19	27.6
Parts primer baking oven 2	Natural Gas	600mg/Nm ⁴	100	4/Year	41.37	5.614	28.5

Air Emission (SO_x [mg/Nm³])

Facilities	Fuel type	Official Regulation	Voluntary Regulation	Measurement	Actual condition		
					MAX	MIN	AVG
Parts primer baking oven	Natural Gas	1700mg/Nm ³	100	4/Year	14.81	7.18	11.3
Paint baking oven	Natural Gas	1700mg/Nm ³	100	4/Year	23.47	7	11.6
Parts primer baking oven 2	Natural Gas	600mg/Nm ⁴	100	4/Year	5.29	2.63	4.5

Environment Key Parameter Indicators' Results 2017 - 2018

