

# Relations With Business Partners

## Mutual Trust and Mutual Prosperous Coexistence

The Toyota Auto Body Group strictly observes market rules and pursues fair transactions. For each transaction, we are in full compliance for basic contract agreements. We are also making efforts to ensure openness and fairness along with rationale, and we are creating fair opportunities for entry for domestic and overseas suppliers who desire to have new transactions. In addition, we are strengthening consolidation with suppliers to build relationships of mutual trust and mutual prosperity.

Basic Policy

We at Toyota Auto Body are acting with a basic policy of the speediest procurement of the very best materials at the lowest cost based on the fundamental principle of “realizing mutual prosperous existence and secure, long-term growth in working to strengthen mutual management with the opening of transactions and mutual trust with suppliers serving as a foundation.”

Activity Status

### Mutual Prosperous Coexistence With Suppliers

#### ■ Procurement Policy Presentation Meeting

Every year in April, we hold a procurement policy presentation meeting to communicate the important policies of Toyota Auto Body. In April 2009, 196 suppliers participated in the meeting.

This fiscal year, along with sudden changes in the economic environment, we have called for even further close communication with our suppliers and have explained the following:

1. Gaining firm ground by tireless improvement in areas such as safety, quality, and CSR,
2. Strengthening the constitution of Toyota Auto Body by promoting profit improvement activities,
3. Strengthening technological capabilities in looking toward the future.

In addition, every year we clarify issues concerning quality and cost with our suppliers and we have improvement activities. Also, we present a certificate of appreciation to suppliers who carry out excellent activities in all fields.

#### ■ Worksite-Centered profit improvement Research Meeting

In FY2009, in order to achieve profit improvement, we confirmed worksite efforts of each company, and while learning what efforts are beneficial, we have begun activities that serve to strengthen the quality of our business.

The top management and persons responsible at each of our companies participated in these research meetings and the efforts introduced by each company helped us discover hints that have led to strengthening the quality of our business.



Procurement Policy Presentation Meeting

## Mutual Prosperous Coexistence With Suppliers

### ■ Mutual Research and Exchange of the *Kyowakai*

The *Kyowakai* comprises a Toyota Auto Body voluntary group of 115 parts supply companies for the purpose of deepening mutual research and exchanges. Departmental meetings and research meetings serve as the pillars of our *Kyowakai* activities.

The departmental meetings are divided into equipment departmental meetings and parts departmental meetings. We are aiming to conduct exchanges and research by using meetings for mutual reporting, attending lectures, and planning tours of outstanding production plants at other companies. We aim to improve mutual research and deepen understanding of all companies at the *Kyowakai* by having the companies join in discussion for opinion exchanges and also present their efforts.

In FY2009, we began promoting practical research by *genchi genbutsu* (visual confirmation at the worksite) in three fields- management, cost, and quality. In February of 2009, we held an “Outstanding Case Example Exhibit.”

At the presentation meeting, among 84 case examples, 10 were selected as outstanding case examples and each safety and quality-related member company had a chance to promote its daily research results.

### ■ Establishment of a Safety and Health Liaison Meeting

In May of 2009, with the aim of strengthening prevention of disasters, we established a Safety and Health Liaison Meeting.

Centering on construction companies within our production plants, we implemented independent safety patrols and presented practical activities and self-directed thinking for self-initiated safety while also holding lectures.



Outstanding Case Example Exhibit