TOYOTA AUTO BODY

# CSR Report 2012

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## Editorial Policy

In 1999, Toyota Auto Body Co., Ltd. first published an Environment Report that later became the Environment and Social Report. In 2010, the report name was changed to CSR Report, and this is the 14th yearly report that Toyota Auto Body has published.

In this year' s report, special features of our CSR activity efforts have been organized by theme, and convey our activities in a more compact, easier to understand format.

Detailed data is available from the main report text for those interested in learning in more depth about our activities.

We at Toyota Auto Body welcome all opinions concerning this report and our activities through an electronic survey on the last page of this report.

## Report Scope and Period of Reporting

**Report Scope:**

Toyota Auto Body Co., Ltd. and consolidated companies

**Period of Reporting:**

In principle, this report covers from April 2011 through March 2012; however, reporting is extended beyond March 2012 for certain efforts in progress which are thought to provide a deeper understanding of our activities.

## Vehicle on the cover

Special purpose Hiace
(Toyota Auto Body original: Long, wide 5-door wagon that seats 10 people and is equipped with long sliding seats for four people.

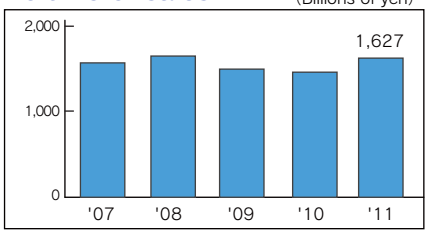
Very small electric vehicle "COMS Concept"
(Exhibited at the Tokyo Motor Show 2011)

# Toyota Auto Body Profile

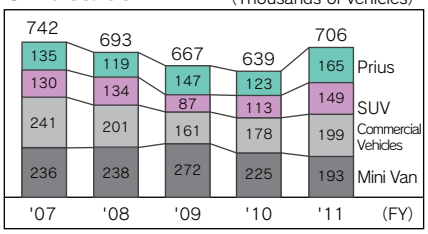
## Overview

| | |
|---|---|
| Company Name | Toyota Auto Body Co., Ltd. |
| Head Office | 100, Kanayama Ichiriyama-cho, Kariya City, Aichi Prefecture, Japan |
| Established | August 31, 1945 |
| Representative | President, Takuji Amioka |
| Paid-in Captal | 10.371 billion yen |
| Total sales | 1,627 billion yen (FY2011 consolidated) |
| Number of employees | 17,445 (End of March 2011 consolidated) |
| Manufacturing facilities | Head Office ／ Fujimatsu Plant Inabe Plant、Yoshiwara Plant、Kariya Plant、Kotobuki New Development Center |

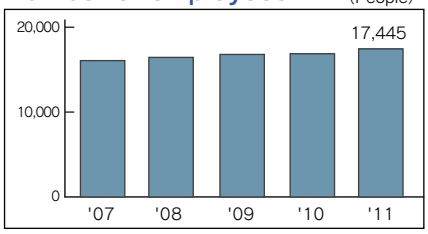
**Volume of sales** (Billions of yen)




**Unit sales** (Thousands of vehicles)




**Number of employees** (People)




Related Information

click Company Outline

click Product Lineup

## Main Products

### Mini Van

Alphard

Vellfire

Estima

Voxy

Noah

### Commercial Vehicles / commuter

Hiace

Coaster

### SUV

Land Cruiser 200

Land Cruiser 70
Pickup (Export model)

### Sedan

Prius

### Welfare Vehicles (WelCab)

Wheelchair-accessible Vehicle (Rear Lift type)

Side Lift-up Seat Vehicle

Wheelchair-accessible Vehicle (Rear Slope type)

Well Carry (Special Purpose Friend-Matic Vehicle)

### Special Purpose Vehicles

Freezer & Refrigerator vehicle

# Main Business Sites

## Production Bases

### Head Office/Fujimatsu Plant

100, Kanayama Ichiriyama-cho
Kariya City,Aichi Prefecture

**Main Products**

Estima、Estima HV
Voxy、Noah、Prius

### Inabe Prant

10,Ichinohara Inabe-cho,Inabe City,
Mie Prefecture

**Main Product**

Alphard、Vellfire
Hiace、Regius Ace
Hiace for Europe（Export model）

### Yoshiwara Plant

25,Kamifujiike Yoshiwara-cho,
Toyota City, Aichi Prefecture

**Main Product**

Land Cruiser 200
Lexus LX570（Export model）
Land Cruiser 70（Export model）
Coaster

### Kariya Plant

2-1,Showa-cho,Kariya City,
Aichi Prefecture

**Main Product**

Welfare vehicles (Welcab)

## Development Bases

### Development Center

Inside Head office / FujimatsuPlant

### Production Technology Center

Inside Head office / FujimatsuPlant

### kotobuki
### New development Center

1-36-1, Kotobuki-cho, Toyota City,
Aichi Prefecture

# Domestic and Overseas Consolidated Subsidiary Companies

## Domestic Consolidated Subsidiary Companies / Production Company

### Gifu Auto Body Co., Ltd.
(Kakamigahara City, Gifu Pref.)

### Tokai Utility Motor Co., Ltd.
(Anjyo City, Aich Pref.)

### Toyota Body Seiko Co., Ltd.
(Takahama City Aichi Pref.)

### Ace Industry Co., Ltd.
(Kariya City, Aichi Pref.)

### Tokai Parts Industry Co., Ltd
(Kariya City, Aichi Pref.)

# Toyota Auto Body Profile

## Domestic Consolidated Subsidiary Companies / Others

### TABMEC Co., Ltd.
(Kariya City, Aichi Pref.)

### Toyota Auto Body R&D Co., Ltd.
(Kirishima City, Kagoshima Pref.)

### Life Service & Security Corporation
(Kariya City, Aichi Pref.)

### Inatec Co., Ltd
(Inabe City, Mie Pref.)

### Life Creation Co., Ltd.
(Toyota City, Aichi Pref.)

### Life Support Co., Ltd.
(Anjyo City, Aichi Pref.)

## Overseas Consolidated Subsidiary Companies / Production Company

### P.T.Sugity Creatives
(Indonesia)

### Chun Shyang Shin Yeh Industry Co., Ltd.
(Republic of China (Taiwan))

### Thai Auto Conversion Co., Ltd.
(Thailand)

### PT.TOYOTA AUTO BODY-TOKAI EXTRUSION
(Indonesia)

### TOYOTA AUTO BODY(MALAYSIA) SDN. BHD.
(Malaysia)

### Auto Parts Manufacturing Mississippi Inc.
(U.S.A.)

## Overseas Consolidated Subsidiary Companies / Other

### Tab Minth Mobility Equipment Co., Ltd.
(China)

| Related Information | click Overseas Subsidiary |
|---|---|

# Contributing to Society Through Vehicle Manufacturing That Satisfies Customer Expectations

Takuji Amioka
President,
Toyota Auto Body Co., Ltd.

網岡 卓二

## The Direction Toyota Auto Body Should Pursue

In the automotive industry, tough competition is spreading to survive by strengthening business and developing environmental technology in newly emerging markets, which is based on structural changes in the world economy and heightened environmental awareness on a world scale that includes nations on the rise.

Growth and expansion of Toyota Auto Body in the future will require the ability to swiftly handle changes in these times. We view the most important management challenge for Toyota Auto Body to be the need to always stand with the viewpoint of society and our customers and further enhance our environmental technologies in order to build business bases early that provide products sought after in the market globally.

In calling for our Toyota Auto Body 2020 vision, we are coordinating efforts with Toyota Motor Corporation in "aiming to be a comprehensive manufacturer from development through production of minivans, commercial vehicles, and SUVs, and include special purpose vehicles and welfare vehicles."

Despite exhibiting our strengths in capturing a fixed domestic market share of products as the company most responsible for the development and production of those products within the Toyota Group, many regions abroad of expected growth in the future still exist that we have not yet entered.

Approaching such challenges requires Toyota Auto Body to swiftly expand operations in mainly planning and developing products that meet market needs, and to further strengthen our ability to fulfill this need, from January 2012, Toyota Auto Body made a new start as a wholly owned subsidiary of Toyota Motor Corporation. We at Toyota Auto Body acknowledge that fiscal year 2012 is an important year in making the significant step in accelerating toward making our 2020 vision a reality.

## Making Full Efforts Toward Global Environmental Conservation

In March 2011, we established and announced our mid-term implementation plan which is our fifth "Toyota Auto Body Environmental Action Plan."
Toyota Auto Body activities to be carried out between fiscal years 2011 and 2015 "contribute to sustainable expansion of society and our planet through providing vehicle manufacturing and products that harmonize with the global environment." We have begun efforts toward achieving these activities over this five-year period, and these activities serve as the starting point of our environmental conservation activities.

In the "Toyota Auto Body Environmental Action Plan", concerning our environmental activity efforts, we have presented the framework of three important themes as "A Low-Carbon Society," "A Recycle-Oriented Society," and "Environmental Conservation and a Society that Coexists With Nature."
Also in this plan, we are promoting revolutionary vehicle weight reductions and recycle design to meet tougher mid- and long-term environmental regulations, as well as uniting our efforts to manufacture plants that coexist with our communities and harmonize with nature.

Toyota Auto Body is also making efforts to develop next-generation electric vehicles. In the Tokyo Motor Show held from November to December in 2011, we exhibited our very small EV concept car "COMS."

In the very near future, we believe that types of travel will be divided into short distances requiring use of very small EV, mid-range distances requiring use of PHV, and long distances requiring use of fuel-cell vehicles.

Currently, we are progressing with preparation to deliver at the earliest date our new model COMS to be on the market domestically around the summer of 2012. We have taken great care in developing COMS as an original Toyota Auto Body "car."

## Aiming to Expand Welfare-Vehicle Business Globally

Through tremendous efforts Toyota Auto Body is dedicating from development through production and on to selling of welfare vehicles and devices to provide "comfortable freedom of movement and happiness" to the elderly and even the mentally and physically challenged, we have captured 70% of the domestic market. In utilizing technologies we have until now fostered, we are expanding our welfare vehicle business globally to be available to customers abroad in countries, such as China and the United States, where in the future aging of the population will continue.

As a concrete step toward expanding our welfare vehicle business, in China, we are beginning activities to raise awareness and spread the Toyota Auto Body name in the welfare vehicle market. In March 2011 we established a joint venture company Tab Minth Mobility Equipment Co., Ltd. in China which will be responsible for equipping and selling welfare equipment. Also in 2011, Toyota Auto Body jointly participated with that joint venture company and we were allowed to provide the torch relay escort vehicle for the China Paralympic Games held in October. Also in the same year, we exhibited welfare vehicles, such as the Hiace, at the Beijing Welfare Exhibition held in November.

In order to make welfare vehicles and devices of Toyota Auto Body available to customers throughout the world, we are building our global business base.

It is said that industry is the public institution of society, however, for Toyota Auto Body to be an entity that truly benefits society, we look to continue providing vehicles expected of us, and we believe in continuing to be a corporation needed by society.

In order to have everyone understand CSR activity efforts at Toyota Auto Body, we compiled this report and we look forward to receiving all opinions concerning our efforts.

May 2012

President Amioka standing alongside the Toyota Auto Body original brand "COMS" concept car
(Exhibited at the Tokyo Motor Show 2011)

# Corporate Philosophy

## Fundamental Principles

(Created in 1995、revised in 2004)

1. Toyota Auto Body is a corporation that contributes to building a plentiful society and also gains trust from the international community, which are both based on open and fair corporate ethics in harmony with the environment.
2. Toyota Auto Body will provide “fine products” to enrich our living environment through research and manufacturing, while placing priority on the customer.
3. Toyota Auto Body will invigorate the organization and its workers, and also create a corporate climate of creative power and energy for growth of the enterprise and happiness of company employees.
4. Toyota Auto Body will build relationships of trust with our business partners and make efforts to strengthen management practices, thereby creating prosperous coexistence and long-term stable growth.

## CSR Policy

### “Contribution Towards Sustainable Development”

Since 2009, Toyota Motor Corporation and Toyota Auto Body have shared a CSR policy, which we at Toyota Auto Body are aiming to share and carry out with our consolidated subsidiary companies, support the purpose of CSR policy with our suppliers, and act based on this support.

click “CSR Policy”

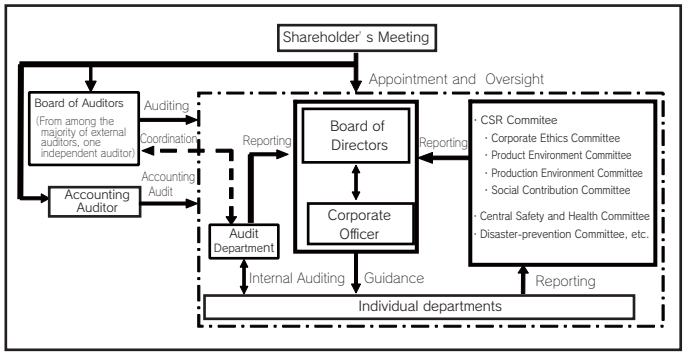
CSR Policy

# Corporate Governance

## Fundamental Thinking

We at Toyota Auto Body, in raising our fundamental principles of open and fair business activities, look to improve corporate value through strengthening competition and continuous business growth, and we also aim to contribute to society which trusts us. To realize these principles, we place importance on achieving and strengthening corporate governance and we are making efforts toward personnel development in constructing a sound corporate culture and pursuing continuous improvement of the system that secures proper business execution.

Toyota Auto Body Corporate Governance




## System to Enhance Administrative Transparency

In order to expedite swift decision making in business strategy development and operations, we have introduced an Executive Member System. In addition, we are fulfilling our social responsibility to enhance administrative transparency by establishing within Toyota Auto Body various committees, which implement deliberations and monitor the present state of corporate activities and management methods.

# Compliance

## Improving Awareness and Thoroughness of Compliance

The “Corporate Ethics Committee”, established as a subordinate CSR committee, Unifies Toyota Auto Body Group corporate action by ensuring strict observance of ordinances and also implements deliberations and the direction of activities for building sound corporate culture. In addition, we are making continuous efforts to achieve “Our Promise (Group Action Plan)” in education and training for our employees to practice thorough compliance.

click Toyota Auto Body Group Action Plan (Issued March, 2005)

## Revision and Impact of “ Our Priorities” and Rooting of Activities

In order to establish and more deeply spread “Our Priorities” (2010 revised), which indicates our attitude toward performing daily tasks, Toyota Auto Body introduced daily announcements from worksite managers for action to be take, the sending of messages that appear when a PC is started up, and also holding “Top Management Discussion Lectures” to communicate the spirit of “Our Priorities” through actual experiences of our top management.

## Establishment of a Corporate Ethics Advisory Service

We at Toyota Auto Body have a system that allows for appropriate handling of matters challenging to consult with superiors and colleagues concerning labor issues, compliance, and issues of concern. In addition, we have established an external legal advisory“ Compliance Hotline”.

# Risk Management

## Fundamental Thinking

In order to minimize diversified risk, the Toyota Auto Group is making appropriate efforts to reinforce sound risk management as a part of internal control. In addition, we evaluate and specify risks impacting management and are progressively establishing preventive measures and initial response measures.

## Enhancing Measures for Risks in Confidential Information Management

Toyota Auto Body held a "Confidential Information Management Seminar" in which by externally contracted instructors implemented pseudo-incidents and practiced taking action for incidents involving information leaked and inspection activities on a set for disaster risk countermeasures and information management. This seminar coincided with Toyota Group Companies Confidential Information Management Enhancement Month Activities.

In the discussion-style seminar, externally contracted instructors provided participants a deeper understanding of the importance of managing confidential information and points to be checked through subject matter involving incidents of information being leaked.

Information Leak Prevention Seminar by discussion with an externally contracted instructor

## Training Meeting Held Concerning Internal Controls

In July 2011, an "Internal Control Training Meeting" was held for all division general managers, Toyota Auto Body executives, and the top management of consolidated subsidiary companies.

At the training meeting, for "enhancing internal controls and the role of managers," the participants were instructed by Megumi Komikado of KPMG, who introduced past case examples of scandals and actions taken, while also lectured on responsibilities as managers and the importance of internal controls.

Internal controls training meeting given my Mr. Komikado of KPMG.

## Large-Scale Earthquake Disaster Comprehensive Disaster Measure Training

From fiscal year 2009, we have been conducting comprehensive disaster measure training in unison at all plants and business sites. This year, however, we conducted comprehensive disaster measure training that included Gifu Auto Body Co., Ltd., which possesses the same manufacturing Function as Toyota Auto Body plants involved in comprehensive vehicle manufacturing, and also Toyota Body Seiko Co., Ltd., which is estimated receive tidal wave damage in a large-scale earthquake disaster.

Below are some examples of this year's training which involved practical training.

- We recorded distances of employees who would have difficulty returning home who commute over 20 kilometers. On-site drills were conducted for taking action during a disaster.
- High-ground evacuation drills and outdoor meals preparation drills were conducted at Toyota Body Seiko Co., Ltd. plant located along a coastal area where tsunami damage is expected.
- The first nighttime evacuation drill was conducted at Gifu Auto Body Co., Ltd., which has comprehensive vehicle manufacturing capabilities.

Drilling for employees having difficulty reaching their homes

Toyota Body Seiko Co., Ltd.

Outdoor food preparation drills

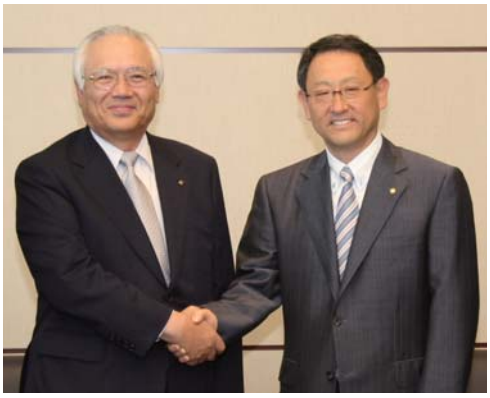
Tsunami damage search preparation・Readying rescue boats

Gifu Auto Body Co., Ltd.

Nighttime evacuation drills

# Topics

## Toyota Auto Body entered an agreement to become a wholly owned subsidiary of Toyota Motor Corporation (January 2012)



Handshake after concluding the agreement

On July 13, 2011, Toyota Auto Body entered an agreement with Toyota Motor Corporation to become a wholly owned subsidiary in share exchange effective January 1, 2012.
On the same day, July 13th, a press conference was held and President Amioka made an ironclad commitment that “with this systemic overhaul, Toyota Auto Body will carry through our proactive role and responsibility from planning and development on to production of minivans, commercial vehicles, and SUVs. Overseas, as part of the Toyota global strategy, we will expand further in concentrating on Asia and newly emerging countries than in the past.
This is one great step toward the future with our 2020 vision, and with this opportunity, we will look to further refine our business structure and we desire to realize this global vision together with Toyota Motor Corporation.

## The First Toyota Auto Body Parts Base in North America (APMM) Production Started November 2011

APMM Outline

Location / Guntown, Lee County, Mississippi State, United States
Company established / August 2007
Production capacity / 150,000 vehicles annually
Number of employees / 340
Production items / Vehicle press parts, welded parts, resin parts

Chairman Mizushima’s greeting speech at the production kickoff ceremony

A production kickoff ceremony was held on November 18th, 2011 at the first Toyota Auto Body North American parts production base, Auto Parts Manufacturing Mississippi (APMM).
APMM manufactures parts for the Corolla such as bumpers and sheet-metal parts for the suspension, which are supplied to Toyota Motor Manufacturing Mississippi (TMMMS).

## Establishment of the joint venture company Tab Minth Mobility Equipment Co., Ltd., which operates selling and equipping welfare vehicles in China. (May 2011)

Concluding an agreement for purchasing and technical support
( Minth Chairman 泰 (Qin) and Toyota Auto Body President Amioka)

## Cooperation at the China Paralympic Games (October 2011)

At the 8th China Paralympic Games held in October 2011, in conjunction with our joint venture partner company Tab Minth Mobility Equipment Co., Ltd., we loaned our welfare vehicle Hiace to be used as the torch relay escort vehicle.

# Topics

## Toyota Auto Body exhibited the very small EV "COMS Concept Car" as a "Kind Car to Humans and the Earth" at the Tokyo Motor Show 2011 (held from November 30th to December 11th)

President Amioka explaining the appeal and concept of the COMS

The single-seater EV COMS went on sale in 2000 as an original Toyota Auto Body product that has come to be used mainly in the delivery business. As the next-generation model COMS concept, both our P・COM, made for personal use, and the B・COM, equipped with a delivery box for business use, were exhibited at the Tokyo Motor Show 2011.

## Men's Handball Club Wins Its First All-Japan Championship

The Toyota Auto Body Handball Club won for the first time at the 63rd All Japan Handball Championships in December 2011. This is first remarkable achievement for the club in the 45 years since it was founded.

## Recognized on Make A Change Day *1 Received The Great East Japan Earthquake Disaster Special Encouragement Award

After the Great East Japan Earthquake, Toyota Auto Body recruited 200 employees to volunteer, and 20 among them used evacuation sites in Rikuzentakata City as a starting point for 15 days from June to July and from there provided assistance to disaster victims for shopping and moving to temporary housing. The original assistance activities of Toyota Auto Body were recognized and we received the "Great East Japan Earthquake Disaster Special Encouragement Award."

*1:This one day once a year is a day for all volunteer and civic activities occur concurrently throughout Japan (and potentially overseas).

## The Women's Volleyball Club Won Second Place at the Emperor's Cup and Empress' Cup All-Japan Volleyball Championship

In December 2011, our women's volleyball team took second place at the Emperor and Empress' Cup All-Japan Volleyball Championship. The team defeated last year's V League champion to enter the championship for the first time in three years and triumphantly took second place.

## At the Aichi Prefectural Citizen's Competition, the "Toyota Auto Body Community Support Team" (Yoshiwara Area Anticrime Patrols Team) Was Awarded by the Prefectural Governor.

The "Toyota Auto Body Community Support Team", formed to perform anticrime activities in the community, comprises a team of approximately 70 volunteers. The team cooperates with residents in the area around our Yoshiwara Plant to mainly conduct night patrols.