



Corporate Ethics Committee
Social Contribution Committee
Committee Chairperson:
Shinobu Ichikawa,
Senior Managing Director

Looking Toward Pursuing the “Satisfaction” of All Shareholders in “Safe” and “Reassuring” Vehicle Manufacturing.

In order to provide vehicles that allow customers to feel “happiness” and “satisfaction,” I feel all employees must understand “Customer First” and be able to put this policy into practice. Although Toyota Auto Body is a manufacturing company, our base is comprised of people and personnel development is a most critical issue. Focusing on the development of our employees as summarized in our “mind-set” and “Our Priorities”, we aim to absorb and establish these in addition to our daily tasks.

We are promoting personnel development that provides a direct sense of self-growth through work.

Workplace Environment and Awareness Development Activities for Absorption and Establishment of “Our Priorities”

“Our Priorities,” which was established in 2003 and describes the mind-set for performing daily work, was revised in 2010 to include specific examples. Through things such as “Top Management Lectures” that communicate the experiences of executive management, daily activity announcements, and e-learning, we have targeted for all employees understand the spirit of our priorities and absorb and establish it across the Toyota Auto Body Group. In 2012, we expanded activities for all Toyota Auto Body group companies, including overseas consolidated subsidiaries, in addition to domestic wholly-owned consolidated subsidiaries.

【 Basic MAP : Our Priorities 】

Customer First

We provide products and services that deliver happiness and satisfaction through monozukuri (manufacturing) to our customers, who we consider first in taking action.

Work Processes

We always set our targets one rank higher and challenge new issues by ourselves without feeling satisfied with current conditions.

The work process PDCA Cycle (Plan-Do-Check-Action) is essential for achieving our targets.

An Energetic Workplace

We create a safe and healthy workplace in which all employees are happy.

Personnel development and teamwork, the base of the individual and the organization, are made solid.



1. Customer First

- Everything Serves Customer satisfaction
- Completing Your Own Process Role

2. Challenge (P)

- Benchmarks
- Challenges

3. Execute (D)

- Being Aware of Your Own Role
- Achieve Your Duty Speedily

4. Genchi Genbutsu (C)

- Monitoring by Genchi Genbutsu (On-site, hands on)
- Repeating “Why?” Five Times

5. Kaizen (A)

- Continuous Efforts for Kaizen
- Learning From Mistakes

6. Personnel Development

- Personnel Training
- Self-development

7. Teamwork

- Cooperation and Awareness of Roles
- Honesty and BAD NEWS First
- Willingness to Listen

8. A Safe and Healthy Workplace

- Safety Consciousness
- Follow the Rules
- Moral Consciousness



Click “Our Priorities”
(Revision issued December, 2012)

Customer Relations

Toyota Auto Body Places the Customer First in Delivering Fine Quality Products

We at Toyota Auto Body are aiming to manufacture the world's finest quality products that provide assurance and safety to our customers. "Quality is the lifeline of companies" is a motto shared by all Toyota Auto Body Group companies. We are incorporating the voice of the customer and combining it with promotion of kaizen and risk prevention activities to ensure confidence in our products and customer safety.

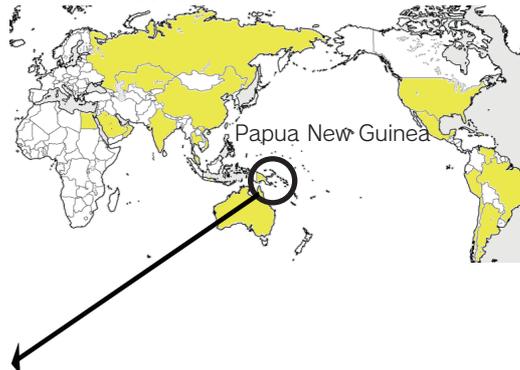
Building in Quality in New Product Development to Assure Customer Confidence and Safety

Efforts to Reflect Worldwide Customer Opinion in Product Development

The level of expectations worldwide for our products is further increasing with the diversified needs of our customers. Toyota Auto Body is aiming to assure the world's finest quality in order to meet these expectations. In order to achieve our aims, we must go beyond understanding the ways and regional environmental conditions in which our products have been used in the past by enhancing early information retrieval from customers worldwide through on-site surveying and overseas assignees. This information is then reflected in new product design and evaluation.

As an example, the mini-bus class Coaster has an almost 100% on-site market share in Papua New Guinea, where we are coordinating on-site surveying of the extreme environments in which the Coaster is used and reflecting this information in design and assessment.

<Yellow areas: Countries surveyed in 2011 and 2012>



Example of on-site surveying (Papua New Guinea) by Our Engineers



The Coaster used in Papua New Guinea as a share-ride bus (all buses are Coasters)



On-site road surface surveying (large depressions (potholes) in roads everywhere)

On-Site Surveying: Voice of the Person in Charge



Product Planning Center
Hisashi Takemoto

I confirmed opinions and needs directly from our on-site customers who use our buses in extreme environments, such as heat and poor road conditions. This information serves to build further trust from our customers.

<Vehicle Development Reflecting the Needs of Our Worldwide Customers>

Toyota Auto Body planned and developed the Land Cruiser through on-site surveys in Australia, Mongolia, and the Middle East. The surveys reflect the voices of customers who shared the opinion that "it would be great if only there were this kind of Land Cruiser."

We increased variations of our 70 Single pickup truck to increase passenger occupancy by adding a second row of seats in the back to accommodate five occupants. We also increased fuel tank size from 90 liters to 130 liters to lengthen range distance. (Developed in August, 2012)



Conditions for Australian users (Land Cruiser 70)



Surveying at a Mongolian mining operation (Land Cruiser 70)

Effective Development Using the Existing Vehicle Type

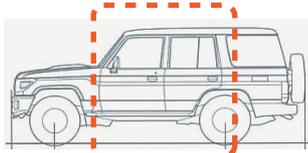
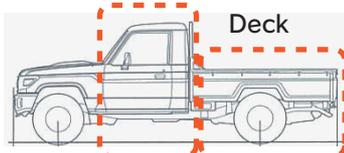
70 Pickup



70 Semi-Long

Single seat-row cabin

Cabin with two rows of seats



Land Cruiser 70
Double cab pickup

Social Aspects

Customer Relations

For Delivering Fine Quality Products to Our Customers

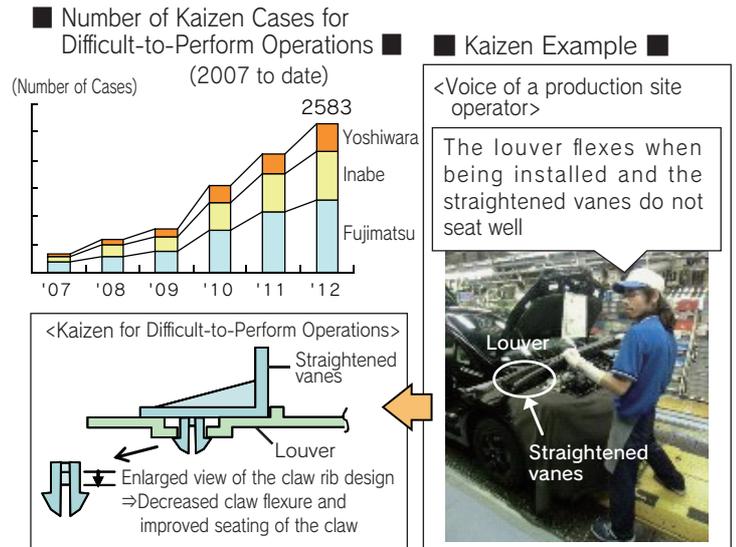
Achieving Customer First <Kaizen Activities for Difficult-to-Perform Operations to Prevent Quality Defects >

Quality assurance in mass production is based on following standard operations at production sites.

Through standard operations, we are making efforts to prevent quality defects by creating measures that trace back to product design, and we value opinions from production sites that certain operations are difficult to perform.

In addition, in the event that a quality defect does arise, we progress by pursuing the root cause through inquiry analysis to implement thorough countermeasures to prevent recurrence.

Through such activities, our efforts are to view that one valued vehicle of each customer from the vantage point of the customer.



Education and Enlightenment Activities That Stress Customer First

Stressing Customer First Through *Jikotei-Kanketsu* (Defect-Free Process Completion) Activities

Based on the thinking that fine products are created from the practice of placing the customer first, Toyota Auto Body is making efforts toward activities to put into practice enlightenment for awareness of "customer first" and improved work quality at production sites and also among administrative and engineering staff.

Specifically, we are expanding company-wide *Jikotei-Kanketsu* activities that aim to "not burden the customer (through subsequent processes)" and "be able to assess immediately one's work results."

Stressing Customer First and Enlightenment Awareness

In order to stress "customer first" and "quality first" to all employees, we are holding regular Quality Lectures and Quality Case Example Exhibits in addition to stratified education on quality.

In fiscal year 2012, we established a new, permanent Quality Exhibit to allow viewing of lessons from past case examples of desired results not achieved in past stages of production that include development, production preparation, and mass production.

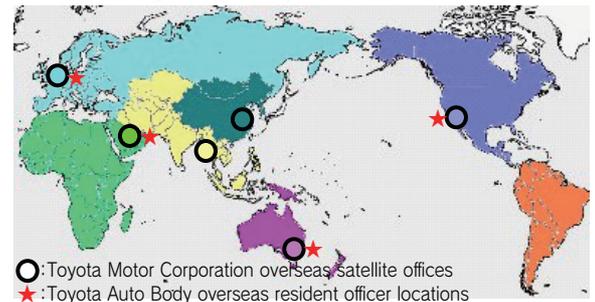
These teachings are being used in progressing with our work on new products and certain product changes.



Permanent exhibit showing real items as examples and also teaching through case examples of past failures

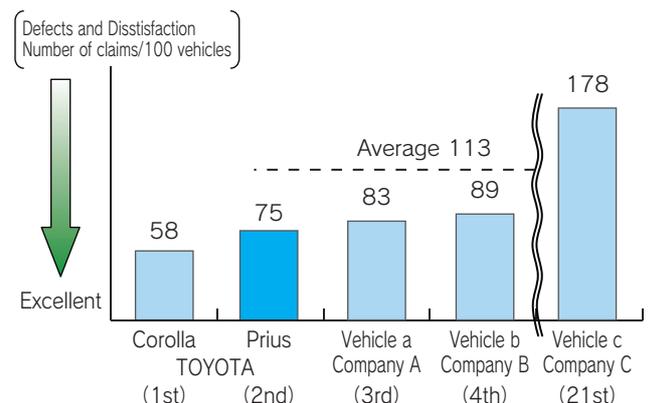


Deployment of resident on-site staff for surveying and utilizing customer information



American JP Powers IQS Assessment

<Compact Car Segment: 21 vehicles compared>



Promoting Early-Stage Kaizen Based on Customer Information

Closely coordinating with Toyota Motor Corporation, we at Toyota Auto Body are introducing [EDER*] activities that aim to the fastest at information and solution seeking in the automotive industry for reflecting valuable quality-related information of our customers.

For our overseas customers, we deploy resident on-site staff in each region of the globe to achieve swift surveying and conveying of root causes by performing genchi-genbutsu (on-site, hands on).

*EDER: Early Detection and Early Resolution
EDER is a communication system for quickly detecting quality issues, immediately resolving issues, and swiftly providing results of rectification and *kaizen* feedback to customers.

Receiving Top Acclaim Internationally

We are progressing with our efforts to achieve quality assurance at Toyota Auto Body with the same approach for all our mass-produced vehicles. As a result of our efforts, the Prius received similar high praise from our customers as was received by the Corolla in the "Compact Car Segment" by customer evaluation in the IQS (Initial Quality Survey) of the American company JD Powers.

A Great Sense of Security Through Our Pursuit of Safety

Toyota Auto Body is aiming to achieve safety performance at the top of their class in all countries by promoting “collision safety” for minimizing accident injuries and also “preventive safety” to greatly reduce potential accidents.

These efforts allow us to deliver vehicles to our customers that are safe and offer a sense of security.

Efforts With Toyota Motor Corporation to Coordinate Enhanced Safety Functions [Preventive Safety].

<Pre-Crash Safety System (CT200h)>

When the pre-crash system judges a crash imminent, the pre-crash brake assist and pre-crash brake are activated and collision speed is reduced. Concurrently, this system contributes to reduced collision injury by restraining the driver by tightening the seatbelt. We are making efforts to utilize superior safety functions jointly developed with Toyota Motor Corporation.

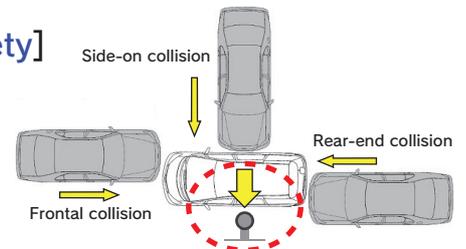


Pre-Crash Safety System (Millimeter-wave radar type)

Minimizing Damage in Case of an Accident [Collision Safety]

<Occupant protection (Collision-absorbing vehicle body)>

We at Toyota Auto Body consider maintaining collision space to be most important in assuring occupant protection. Our efforts to strengthen vehicle cabins include withstanding frontal side-on and rear-end collisions, and also possible collisions with poles, such as telephone poles and trees if the vehicle were to side slip. Through collision testing and assessment, Toyota Auto Body is making efforts to significantly strengthen the cabin by a collision-absorbing construction that dispenses load on pillars, doors, floor members, and the roof. Concurrently, we are also making efforts to protect rear-seat occupants based on side-on collision assessment.



Anticipated pole collision with trees or telephone poles

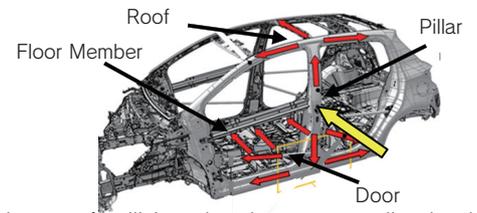
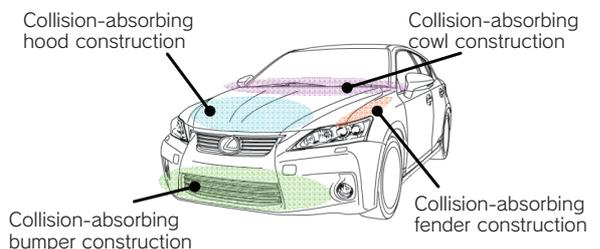


Image of collision absorbance spreading load in a side-on collision

<Protecting Pedestrians (Vehicle body that lessens pedestrian injuries)>

To prevent serious injury to pedestrians, Toyota Auto Body is using a collision-absorbing construction*1 in our bumpers, hoods, fenders, and cowls to lessen impact to the legs and head of a pedestrian.

*1 Collision-absorbing construction: As an example, construction that absorbs impact by maintaining space to the hood and engine while the hood deforms during collision impact.



Achievements of Safe Vehicle Manufacturing Efforts

For all vehicles we developed, Toyota Auto Body is being highly evaluated internationally in crash-safety assessment in Europe, Australia, America, and Japan.

In fiscal year 2012, the LEXUS ES we jointly-developed with Toyota Motor Corporation was awarded the highest-rating by receiving the American N-CAP Five Star Award.



LEXUS ES



Acquired the highest-rating of five stars

Collision-Safety Performance Assessment:



Voice of the Person in Charge

Collision Safety Laboratory Department
Masakazu Tsutsui

As for my expectation for customer safety, I'm sensing much more that we are heading toward achieving comprehensive safety, which includes pedestrian protection and preventive safety. I look to further our efforts to meet customer expectations by our efforts to coordinate design and CAE.



"Achievements of Safe Vehicle Manufacturing Efforts"

Social Aspects

Customer Relations

Aiming to Become a Company Able to Support Convenient Living of Our Customers and Contribute to Creating a Better Society Through Welfare Special Purpose Vehicles

Toyota Auto Body is contributing to the “lifestyles” of many with our special purpose vehicles that meet the needs of more people and we are providing “satisfaction” and “freedom of movement” to more people with our welfare vehicle

Providing Comfortable Freedom of Movement to All

Activities for Promoting Our Welfare Products

Our efforts to promote welfare products involves interacting directly with customers, visiting welfare facilities, and exhibiting our products at welfare events held throughout Japan.



An explanation at a live demonstration of our products (International Home Care & Rehabilitation Exhibition 2012)

Proposals for Diversified Lifestyles

Activities for Promoting Our Special Purpose Vehicles

We are making efforts that allow proposals for diversified lifestyles through exhibiting our products at various events



Our first exhibit at the “Japan Camping Car Show 2013”

Camper Planning: Voice of the Person in Charge



Tokai Utility Motor Co., Ltd.
Planning and Development Dept.
Kazumasa Tsutsui

Using knowledge acquired in creating vehicles that move, I challenged myself to make vehicles that customers enjoy. I listen to our customers and work to make further improvements.

Providing “Satisfaction” and “Freedom of Movement” to Overseas Customers

We at Toyota Auto Body are expanding our welfare vehicle business globally to include overseas customers.

Promotion Activities in China

In May of 2011, we established a joint-venture company Tab Minh Mobility Co., Ltd. (TA-MI) that installs and sells welfare equipment in China. The creation of this welfare vehicle business allows us to provide products to customers in China.

Toyota Auto Body participated in the 2011 China Paralympic Games and we also displayed our products at a welfare exhibit. Participation in both spread awareness and promoted our products, and we progressed with market research and enlightenment activities through sales efforts



A Hiace used as a support vehicle for the China Paralympic Games torch runners.



Introducing our welfare vehicles to Chinese customers. (Beijing “Care & Rehabilitation Expo China”)



At the exhibit hall during the China Paralympic Games A Chinese government dignitary also visited and experienced our welfare products

Chinese Welfare: Voice of the Person in Charge



TA-MI
President,
Chiaki Mukai

An aging society is also an issue in China, where the concept of “welfare” is not well established. Elders and people with disabilities tend not to go out of their homes. Though our introduction of the “Welfare Vehicle Unit”, we are providing for the welfare of the physically weak by contributing to their ability to interact with others in society.

Contributing to Society Through Excellent Vehicle Manufacturing With Our Business Partners

We at Toyota Auto Body make better vehicles through procurement efforts that aim to promote open and fair transactions and prosperous coexistence extending from mutual trust with our business partners.

Our Fundamental Approach to Procurement

To achieve open and fair competition, Toyota Auto Body provides fair and equal entry opportunity for all of business partners, domestic and foreign, that desire transactions with us without discriminating based on nationality, company size, and transaction achievements.

This aim is set forth through the below three points of our Basic Procurement Policy.

We are expanding and executing our procurement activities globally with our business partners.

1. Fair and open competition based on industrial action
2. Mutual prosperity based on mutual trust
3. Promotion of localization to promote strengthening ties with good corporate citizens.

Achieving Open and Fair Transactions and Mutual Trust

Sharing Information With Our Valued Business Partners

In order to achieve open and fair transactions and also mutual trust, sharing our one-year procurement activity policy and policy approach with business partners is important. We therefore hold an annual Procurement Policy Presentation Meeting in March for all supplier parts, equipment, and materials.

At this meeting, we present a Certificate of Appreciation to well performing business partners that achieve annual results to improve quality and reduce costs.

In addition, by holding new technology exhibits and giving thematic presentations, we at Toyota Auto Body are working to develop business partners with extensive competitiveness that include suppliers without previous transaction achievements.

Promoting Activities Aiming for Prosperous Coexistence With Our Valued Suppliers

Introducing Our Supplier CSR Guidelines

Toyota Auto Body is creating Supplier CSR Guidelines to clarify our expectations for suppliers.

Within globalization of business activities, the boundaries and content of social responsibility expected of us at Toyota Auto Body change annually. We therefore perform timely review of the newest developments.



Sharing fiscal year 2013 efforts (policy) with our business partners



President Amioka presents a Certificate of Appreciation to a supplier that achieved quality and cost reductions throughout the year



A new technology exhibit held by Mie Prefecture companies

Social Aspects

Business Partner Relations

Promoting Activities Aiming for Prosperous Coexistence With Our Valued Suppliers

Promoting Procurement Activities

In looking to build a low-carbon society, recycle-oriented society, and a society that coexists with nature, as Toyota Auto Body, we want to promote the issuance of our Green Purchasing Guidelines in progressing with vehicle manufacturing that is kind to the environment.

Toyota Auto Body is Actively Promoting On-Site Production by Collaborating With Overseas Suppliers

From December of 2012, Toyota Auto Body began vehicle production in Thailand and Indonesia, a large step forward for us as a comprehensive vehicle manufacturer.

In strictly observing laws and transactions practices in all countries in which we do business, we are making efforts toward high quality product manufacturing with our on-site suppliers. Through such efforts, we are also contributing to the development of local communities through working to expand transactions with those suppliers.

Cooperative Meetings by Our Suppliers

In our Shatai-Kyowakai, a cooperative meeting of suppliers, we are conducting research meetings for management issues on the themes of quality, safety, labor compliance, and cost, and we also have working group meetings that aim to further mutual study of parts and equipment.

Activities to Strengthen Mutual Trust

We have established a manual for regulating procurement staff actions, and we are implementing education within the Purchasing Division to develop trusted procurement staff.

In aiming to have open and fair transactions and further strengthen mutual trust, we have our suppliers assess our purchasing activities, for which we will reflect assessments in future purchasing activities.

Additionally, to have each Toyota Auto Body employee, not only procurement staff, practice open and fair transactions, we are expanding enlightenment activities throughout our company to include leadership study meetings and e-learning of regulations pertaining to subcontract law within Toyota Auto Body.



Considerations for *genbutsu* (on-site work) with our suppliers in order to achieve quality (Thailand)



Mutual study meetings in working group

On-site safety checks done through a Safety Research Meeting at all companies



Kyowakai Lecture on labor compliance



Leadership Study Meeting to promote observance of subcontract law that includes participation of consolidated subsidiary companies.

Community Relations

Promoting Manufacturing Plants Created to Harmonize With Nature and Coexist With the Community

All of us share our lives with nature and many living things. In order to maintain our community environment in which we coexist with nature, Toyota Auto Body is making efforts to coordinate with members of the community in making factories that harmonize with nature.

Toyota Auto Body established the a walking road we call the Fujimatsu Area Four Seasonal Path of Ponds and Flowers.

From fiscal year 2009, we coordinated the creation of this path with people in the local community. This path allows visitors to study the history of the area while interacting with nature when walking around the area around our Fujimatsu Plant. In fiscal year 2012, we installed a Kanayama Water Pumping Historical Sign to coincide with the 100th year of the flowing of Kanayama pumped water. In addition, we have held path walking events and other events with people in the community.

Walking path course information signs (2010)

Elementary school students search for the plate they drew and also participate in a quiz rally while walking the shorter path around the pond

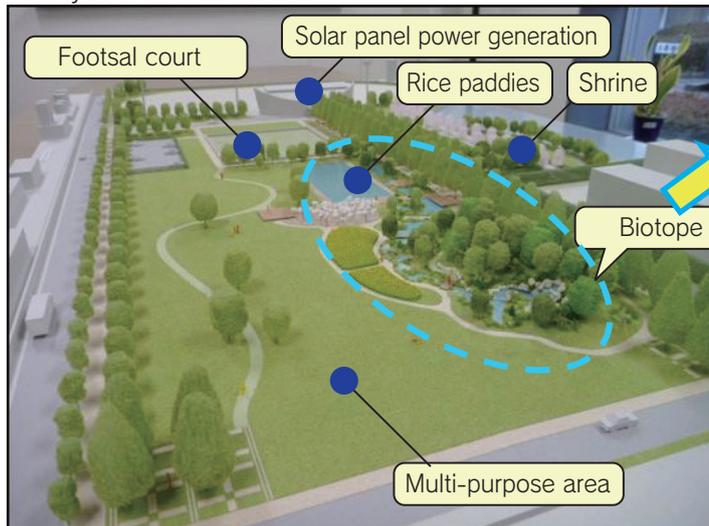
Along the pond are picture plates drawn by local elementary school students (2011)

Sign providing the history of Kanayama Water Pumping

Start of the Establishment of Our Kariya Fureai Park *

On February 5th, 2013, a Shinto ceremony for purifying the building site was held at the outset of establishing our Kariya Fureai Park to serve as hub for environmental study and resting. Based on the concept of "Harmony of Humans and Nature," this park is established as a place to enjoy various activities including sports, environmental study, and interaction with nature. We are progressing to establish a biotope (space for life) for contributing to create a network of green tracks of land and surrounding green tracks of land as one facet of a biodiversity strategy in Aichi Prefecture. A facility to experience farming, a multi-purpose area, and a biotope meant to resemble a *satoyama* (managed natural area) are scheduled for completion next spring.

<Kariya Fureai Park model>



<Biotope Plan>



Kariya Fureai Park Establishment: Voice of the Person in Charge



PE Environment Div. Yoshihiro Moriyama
Multiple living creatures inhabit the park and one is able to relax along the waterfronts and wooded areas. We are continuing with our aim to establish a biotope that will become part of the community..

Community Relations

Promoting Social Contribution Activities by Company Volunteers

We are introducing various measures to support Toyota Auto Body employee awareness of contributing to society from the perspectives of developing human resources, places of interaction, and activity systems in order to coexist with our communities and fulfill our social responsibility as good corporate citizens.

Human Resource Development

Developing Volunteers That Satisfy Our Communities and Further Strengthens the Bond of Empathy

Toyota Auto Body holds 60 lectures annually from introductory courses on motivation to lectures for developing activity leaders as our education efforts for developing activity volunteer staff. Such volunteers, appreciated by the community, further strengthen common empathy for contributing to society and the community. We are holding study and exchange meetings with Denso Co., Ltd. on the theme of learning from advanced companies as core development, which involves activities and the introductory course lecture given by Mayo Syono entitled "Each Individual's Responsibility." In addition, we are holding new employee hands-on lectures that should raise awareness through on-site volunteer activities that combine classroom study with hands-on training.



Introductory lecture by Mayo Syono



Leadership development lecture



Hands-on type lecture interspersed with new employee training

Hands-on Training: Voice of the Person in Charge



Yoshiwara plant Quality Control Division
Engineering Service Dept. Kei Inoue

Hands-on training was held at a facility for those with disabilities, who lightened my spirits with their smiling faces and cheerful answers.

Activities to Create Places of Interaction

Maintaining Forests and Creating Places of Interaction in Our Region Bases

From fiscal year 2012, seven Toyota Auto Body group companies*1 began forest thinning and maintenance activities in prefectural forests. From last fiscal year in Mie Prefecture, companies in Inabe began efforts to rejuvenate satoyama (managed natural areas) and wildlife by performing maintenance of forests to achieve coexistence with nature.

*1: Toyota Auto Body, Tokai Utility Motor Co., Ltd., Toyota Body Seiko Co., Ltd., Ace Industry Co., Ltd., TABMEC Co., Ltd., Tokai Parts Industry Co., Ltd., and Life Service and Security Corporation



Seven Toyota Auto Body Group companies performing forest maintenance in Toyota City, Aichi Prefecture



Planting activity and maintenance of forests in Inabe City, Mie Prefecture
· Opening ceremony (below)
· A mushroom planting event (above)

In Kagoshima and Gifu Prefectures, two Toyota Auto Body Group companies are performing forest maintenance activities. From 2006 in Indonesia, our five-year plan was completed and from 2011, we have been jointly planting one million mangrove trees with two on-site affiliate companies*2.



Forest maintenance in Kirishima City, Kagoshima Prefecture
Toyota Auto Body R&D Co., Ltd



Forest maintenance in Mino-Shirakawa, Gifu Prefecture
Gifu Auto Body Co., Ltd.



Mangrove planting in Indonesia
Toyota Auto Body and two on-site companies

*2: P.T. Sugity Creatives and PT. Toyota Auto Body -Tokai Extrusion

Social Aspects

Community Relations

Creating Places of Interaction

Our Kariya Block of volunteers has worked with the community to clean nature trails, polish path-picture plates along our ponds, clean wheelchairs at welfare facilities, as well as donate handmade Girls' Festival dolls, Boys' Festival carp, and Christmas trees to local kindergartens. Also, we are making efforts toward greenification activities through planting seedlings of ornamental foliage plants and distributing them at local events. Our Inabe Block and Toyota Block are working in conjunction with their communities and local companies in community cleaning activities.

We are making efforts with those in the community for environmental conservation and beautification activities throughout the year with such participation of employees in volunteer activities.

Community Sports Support Activities

We are providing sports classes taught by our handball and volleyball club members and also providing support for youth soccer competitions as activities we have made important for interacting with community youth.

The Great East Japan Earthquake Disaster Area Support Activities

(Toyota Group Disaster Area Recovery Support Activities)

Toyota Auto Body assistance for early recovery includes maintaining tracts of land along roadsides, and also removal of rubble in fields and along train tracks in the Kesen District of Iwate Prefecture.



Kariya Block: Four Seasonal Path of Ponds and Flowers cleaning and path-picture plate polishing (above) and also wheelchair cleaning at welfare facilities (right)



Production Engineering Group, Donating Girls' Days Dolls



Development Group distributing seedlings



Inabe Block: cleaning activity (gathering litter)



Toyota Block: "Wakazono Fureai Day" Removing weeds and litter gathering



Toyota Auto Body Cup Youth soccer competition

< Rikuzentakada City >

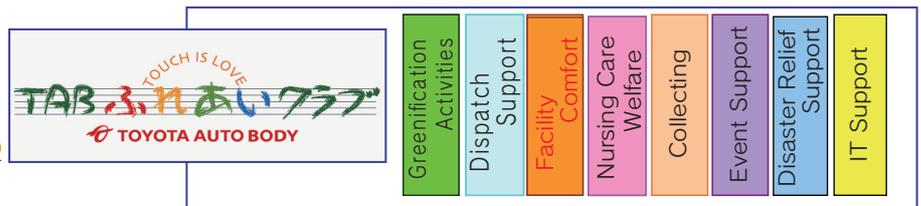


Roadside gutter sludge removal and weed picking

Support for making "Everyone's Home"

Circle Club Activities of Our Employee Volunteer Organization "TAB Fureai Club"

In extending beyond the framework of the organization, we are involved in community volunteer activities in which those gather who share common interests and concerns.



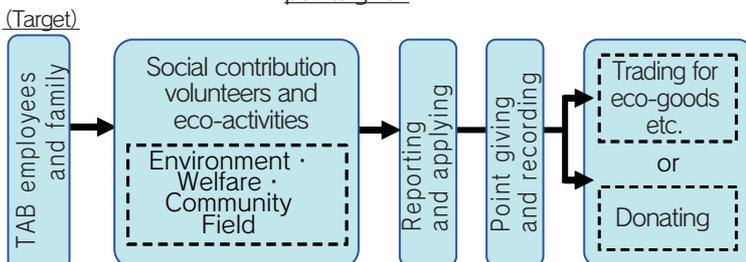
Rejuvenation and Sustainable System Creation

Our "Point System" Supporting Volunteer Activities

We are introducing a Toyota Auto Body's own system for allotting points that vary by activity content. Our unique point system allows employees and families to feel free to actively be part of volunteer activities and eco-activities. Depending on the activity, accumulated points may be traded for Toyota Auto Body specified environmental goods, fair-trade merchandise, or goods that contribute to employment advancement at welfare facilities. Volunteer points may be given to any desired cause. From fiscal year 2012, in admiration for employees satisfying the standard points for volunteer activities, we have been presenting memorial goods (hat with one's name on it and a pin badge). (71 recipients in 2012)

< Volunteer and System of Eco-Points >

Social contribution activities (Target) → Activity reporting and points given → Points restored



Comment from a Volunteer Who Received a Hat and Pin Badge



Vehicle Evaluation & Engineering Div. Indoor safety Laboratory Dept
Kazuaki Sakai

Through volunteering I've met many people and my efforts pleased the community. I think volunteering leads me to grow. Moreover, the company recognizes my efforts and I'm honored. This encourages me to volunteer more in the future.

Employee Relations

Promotion of a “ Safe and Comfortable Workplace” As Dialog Activities for Mutual Enlightenment

We at Toyota Auto Body are promoting activities to achieve zero accidents by having employees and business partners make personal efforts to play a central role in safety activities.

We are always diligently performing *kaizen* from the vantage point of our employees and affiliate suppliers, all of whom we are having participate in our safety activities.

All Employees Pledge Zero Accidents and Awards Presented From President Amioka for Outstanding Workplace Safety Activities

At our company-wide Safety Rally, Toyota Auto Body executives, department and sectional managers, and top management of our affiliated companies pledged the slogan “Achieve Basic Safety Rules” in chorus to have no accidents. In addition, we are raising awareness of excellent safety efforts throughout Toyota Auto Body through awards presented by President Amioka to those in the company that have achieved outstanding results and processes throughout the year.



Safety Rally(July, 2012)



President Amioka and outstanding section managers(April, 2013)

Time Dedicated to Safety

Every week on Monday morning and for one hour every day after our noon break, managers and supervisors enter worksites in a company-wide, unified time specifically put aside to observe operations and hear opinions from plant operating staff.

(Crane operator)
When lowering the press mold, I have to turn it and it's difficult to perform the operation.



Safety comes first.
Avoid difficult-to-perform operations. Use a special hand tool and after stopping the press mold, perform the next step in the operation.

Observance of press process operations and the airing process

Operators Play a Central Role in Safety Activities

In each work group, an appointed safety leader plays the central role in taking responsibility in bottom-up activities in implementing kaizen proposals provided by operators. This safety leader takes on such challenges in acting an intermediary between managers and operators.

Voice of a Safety Leader



Yoshiwara plant Final Assembly Div. Assembly Sect. NO.2
Takatori Ooishi

With all safety leaders working in concert, we have a personal sense of responsibility as decision-makers to change our own worksites by participating in mutual brainstorming activities and submitting of issues to our sectional Safety and Health Committee.

I almost fell!
What a shock!



Experiencing a near-miss slip and potential fall

Near-Miss Experience Activities for Office and Technical Staff

Based on the approach of first knowing the importance of fear in *Kiken Yochi*, to our previous education efforts on human safety for technical worksites we now include education for office staff.

Activities for Zero Accidents in Our Facilities for Non-Working Day Construction Work and Truck Cargo Delivery and Handling

Based on our desire to have zero shipping-related accidents in our facilities, We are promoting activities to improve safety management by confirming (through a pep rally) construction safety over extended, successive company holidays, and also coordinating with externally contracted construction workers and shipping agents.



Pep rally for work safety during an extended, successive company holiday (Left)

Activities Aiming to Achieve Zero Accidents in Overseas Operations

Toyota Auto Body is promoting periodic on-site safety guidance that aims to improve skills of on-site safety staff and construction workers as part of our activities to improve safety management of each operation and construction work safety in setting up our overseas vehicle production plants.

In particular, we are expanding and placing great importance on safety guidance with on electrocution accident prevention resulting from careless handling of electricity and falls from high places.



Indonesia Construction Safety Consultative Meeting (Explaining the importance of wearing helmets at a morning meeting)



Instruction for methods of using voltage detectors (Confirmation that electricity does not flow)

Social Aspects

Employee Relations

Aiming for Both Physical and Mental Health of Employees

Toyota Auto Body considers the health of our employees the most important asset of both individuals and our company. By implementing various measures, we are making efforts to have each employee, and his or her family, improve and acquire sustainable healthy living habits.

Raising Health Awareness

Toyota Auto Body is promoting activities for our employees and their families to practice self-initiated health awareness. We designated October as Labor Health Month, in which we hold mental health and metabolic syndrome prevention lectures and exhibits at each plant. In addition, the health association holds a bi-annual Health Walk in the spring and fall for employees and their families.



"Health Festa" conduct health assessments of employees and their families



Employees and their families on a Health Walk

Annual Health Guidance for All Employees

In accordance with Labor Safety and Health Laws, we are making efforts to raise health awareness by providing annual health guidance in addition to standard health checkups. Such health guidance involves nurses provide individualized health guidance to our employees that suits the living habits of each employee.



Health guidance during a health checkup



Mental health consultation services introduced on the Toyota Auto Body intranet

Immediate Handling of Employee Anxiety

Toyota Auto Body is promotes improving the degree of employee mental health by posting a clinical psychotherapist at each company health office for employees to consult immediately on various stress-related issues.

Guidance for Improving Living Habits

In collaboration with the Health Insurance Association, we are making efforts to provide guidance for employees to improve living habits through things such as eating well and exercising to counter metabolic syndrome.

For employees over 35 years old who are diagnosed with metabolic syndrome, we are providing individualized guidance by a health nurse for a period of six months to improve their living habits.



Text providing guidance for improving living habits



Receiving individualized metabolic syndrome guidance

Stop-Smoking Support Activities

Toyota Auto Body is collaborating with the Health Insurance Association to promote have even one among many of our employees be able to stop smoking through receiving stop-smoking treatment at our in-company clinics.

From fiscal year 2012, the company physician directs the person giving guidance, public health nurses, and nurses to differentiate those receiving guidance based on their health condition, and stop-smoking classes are being given within the workplace.



A company physician gives stop-smoking lectures at each plant

Voice of an Outpatient Smoker Who Kicked the Habit



Employee Relations

Promoting a “Healthy Workplace” Through Education and Training to Observe Rules

Compliance

We are making efforts for creating a system for Toyota Auto Body Group compliance activities. Such activities include deliberation and direction setting for activities toward building sound corporate culture, and also the establishment of the “Corporate Ethics Committee”, established as a CSR subcommittee, to ensure strict observance of ordinances.

In addition, we established compliance with the aim to continue thoroughly spreading compliance to our employees through education and training in “Our Priorities”(G Action Policy)

 Toyota Auto Body Group Action Policy (issued March, 2005)

Further Enhancement of Corporate Ethics Advisory Service

We have established the “Honto Com Net” direct advisory service system by email and other communication mediums and also the “Corporate Ethics Hotline”, an external advisory legal service to appropriately handle challenging matters, such as labor issues, for consulting with superiors and colleagues.

In addition, from January 2013, we have further elaborated handling of matters too difficult to discuss within the company by setting up the “Toyota Consolidated Hotline” that allows one to directly consult with Toyota Motor Corporation.

Risk Management

We in the Toyota Auto Body Group are making efforts to further enhance risk management as one aspect of internal control. We should minimize diversified risk, and we are progressing with establishing initial responses and risk prevention measures, and also we assessing and specifying risks that impact the running of our company. In 2012, we made efforts to avoid risks of internet trouble.

Establishing and Introducing “Knowledge for Using Social Media”

The number of social media users has grown in recent years with the risk increasing of employees being involved in network trouble and also the potential for company information leaks. In looking to avoid such risks, we established “Knowledge for Using Social Media” in November of 2012 that we have introduced throughout the company through in-house reporting, workplace meetings, presentation meetings in-house and for our suppliers and consolidated subsidiary companies. Our efforts contributed to risk prevention by deepening the understanding of employees about such risks and the features of social media.

Conducting Comprehensive Disaster Drills Vital for a Large-Scale Earthquake

In 2012, we coordinated with all our places of business and also our consolidated subsidiary Toyota Body Seiko Co., Ltd. in conducting highly practical, comprehensive disaster drill training in preparation for a sudden large-scale earthquake.

Our disaster drill training allowed us to raise disaster-prevention awareness as follows:

- Unannounced evacuation drill scheduling for office and technical staff was conducted for when performing work at various places and under various conditions when an earthquake hits.
- At our plants, the plant manager headed training conducted at night



Production Engineering Group evacuation drill

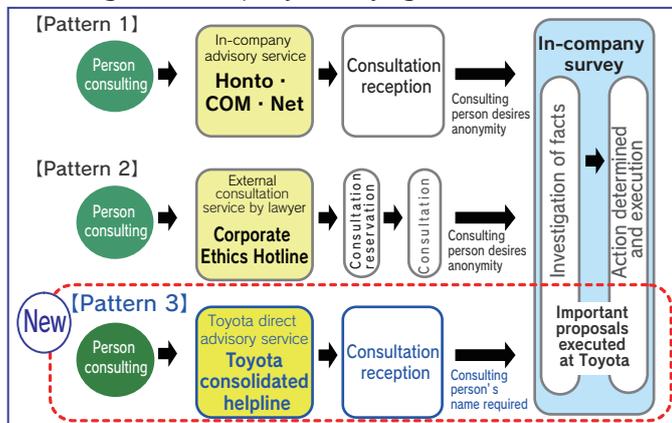


Rescue drills using a rescue shoot



Confirming evacuation status by using nighttime emergency power lighting

Three Patterns of Corporate Ethics Advisory Service Leading to In-Company Surveying



Social media is a tool for information exchange over the internet

Social Media
Blogs, bulletin boards,
Visual image posting sites

SNS※
facebook,
twitter, mixi etc.

※SNS(*): Mostly memberships (facebook policy requires real names)
(*): Abbreviation for Social Network Service

Concept of “knowledge for using social media”

I .Responsibility	Acknowledgement of the risk of personal responsibility resulting from posting inappropriate information
II .Mindset	Acknowledgement that once posted, those contents will be spread widely and may remain as semi-permanent
III .Cautionary items	<ul style="list-style-type: none"> · No sharing of private information of others · Avoidance of emotional statements easily misinterpreted · Concealing of one's origin without promoting the company and/or its products

Employee Relations

“Personnel Development and Career Support” Aims to Achieve Self-Realization Through Work and Exhibit Individual Employee Creativity

We at Toyota Auto Body are making continuous efforts toward developing “independent human resources” capable of independent action and individual thought in building a system of personnel development from a mid-to long-term view. We are also progressing with continuous efforts to “strengthen *monozukuri* (manufacturing) capabilities” and also place emphasis on strengthening development of overseas personnel and special-skill training in looking to renewed growth.

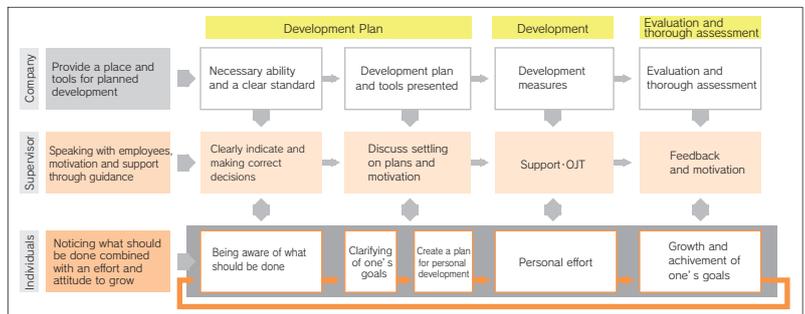
Fundamental Approach for Personnel Development

With the aim to develop “independent human resources” capable of independent action and individual thought, we are building a “Career Support Program” as a system that unifies individual employees, the company, and supervisors for developing personnel over the mid- to long-term.

Achieving Global Human Resources

For Toyota Auto Body Group companies to expand business overseas, we are making efforts toward achieving global human resources.

System for Promoting and Supporting Individual Growth (Career Support Program)



Assigning Overseas Personnel Development

From fiscal year 2011, we launched a personnel development assignment system for providing early training to allow young employees to swiftly handle overseas business developments.

In fiscal year 2011, we sent five employees to the United States and in fiscal year 2012, we expanded to send seven assignees in Asia. In 2013, we plan further promotion of young employee personnel development by sending 10 trainees overseas.

Fiscal year 2011 (First term trainees)
Accounting Department Megumi Tao



One-year term from January, 2012
Assigned to APMM
(Person commenting at the front, left)

At first I struggled to convey nuances in meaning, but the smiles and kindness of on-site staff encouraged me to get beyond the language barrier.

Fiscal year 2011 (First term)
Yoshiwara Production Engineering Department Shinsaku Fujita



One-year assignment from April, 2012
Assigned to TEMA
(Comment from person on the right)

We built friendly relations with local staff in making efforts “face to face” working toward the same goal. I want young employees in our company to also further challenge such personnel development training assignments.

(Supervisor's comment)

Trainees expanded their perspectives and I feel that they grew significantly. Hereafter, I expect them to take a leading role in our accounting department.

Fiscal year 2012 (Second term students)
Human Resources Division Taiki Nakata



One-year assignment from January, 2013
Assigned to APMM
(Comment from person on the left)

We are broadening our perspectives by challenging ourselves to add a completely new business routine to our current tasks, for which we are already responsible in Japan. Despite many concerns, such work is rewarding because much can be gained.

Fiscal year 2012 (Second term)
Production Management Consulting Division Kohei Yamamoto



One-year term from January, 2013
Assigned to PT Sugity Creatives Co., Ltd.
(Comment from person on the far left)

At Toyota Auto Body's largest overseas operation, PT Sugity Creatives Co., Ltd., we are learning how to progress with work overseas by ensuring active communication with local staff.

Social Aspects

Employee Relations

Achieving Global Human Resources

Educating Local Trainers Overseas

In order to have Japanese *monozukuri* (manufacturing) also spread overseas, we are accepting trainees from overseas subsidiary companies to be educated as local trainers, who can teach occupational basic skills on-site. Trainers give instruction that includes bumper-coating surface polishing and inspection as well as vehicle body jig setting.



Acquiring basic skills
(Indonesian trainee)



Acquiring vehicle body jig setting skills
(Malaysian subsidiary company trainee)

Improving English Communication Ability

In looking to improve our linguistic skill to accommodate business needs and also raise our level of linguistic skill that serves as the base of globalization, we are giving classroom English instruction which matches the linguistic skill level of the students.



English training

Developing Professional Human Resources

Further Enhancing Development Engineer Education

We at Toyota Auto Body are aiming toward developing personnel that “mature to professional skill in three years” by introductory level education in the third year and also worksite on-the-job training after the first year of new employee training.

We are aiming to enhance managerial education, mid-level employee intermediate education, and education to enhance skills of development engineers who created the system of development.

Development engineer education involves coherent on-hands education that closely simulates actual tasks on-site and actual work that are conducted at the Development Center Education Area. Together at this one center are deliberation rooms, an educational exhibit, and a space for giving CAD instruction.



Actual work items in new employee
education of the Development Division



CAD education

Enhancing Specialized Education for Vehicle Development and Production Engineering

We established our Engineering Jyuku (preparatory school) in 2008 to promote kaizen for education materials and spaces for providing specialized education for vehicle development and production engineering. In aiming to manufacture the world’s best minivans and commercial vehicles, we teach even better vehicle construction and engineering manufacturing methods within our education for vehicle dismantlement.

In addition, our education teaches “look, touch, and feel” by *genchi genbutsu* (on-site, hands on) evaluation of actual products in their process) in the first year, especially for first-year employees, that includes actual training for *monozukuri* and also teaches mechanisms and theory. In the second year, work methods and the perspective(s) of one’s superiors are learned, and our aim is early learning of tactical skill for the student to become “a master-skilled technician in the third year.”



Vehicle dismantlement education



Equipment skill education

Social Aspects

Employee Relations

Developing Professional Human Resources

Education for Professional Monozukuri (Manufacturing)

Our customers should have a peace of mind and trust us to build in quality in our manufacturing. We are making efforts to enhance *monozukuri* (manufacturing) by having employees brainstorm, pass on skills, and acquire technical skills that continue from the time of entry into Toyota Auto Body into mid-management ranks

<Entry-Level Employee Training and Skill Transfer>

Toyota Auto Body provides “Fundamental Skill and Knowledge Education” taught by our dedicated trainees. We are aiming at an early stage to develop and train our employees, around which our worksites will center in the future, by holding the “Specialized High-Level Skill Transfer Course (National Skill Olympics)”.



National Skill Olympics Auto Body Sheet-Metal Working Competition

<Mid-Level Engineer Education (Skill Acquisition Training)>

Toyota Auto Body is providing “Skill Training and Technical Knowledge Education” taught by our dedicated trainers for eight types of skill qualification, depending on employee qualification, that include press, welding, painting, forming, assembly, and maintenance.

In maintenance related work, we are enhancing educational training in transport control and robotics in aiming for further improved productivity and allow swift action to be taken to maintain our more complex, sophisticated equipment from recent years.

In addition, we are implementing “Skill Qualification” and holding a “Skill Competition” as the places to confirm results of one’s own efforts, leading to improved knowledge, skill, and the motivation to challenge.



Skill Competition Auto Body Worker Handwork Skill

Voice of a Skill Olympiad

Fighting-Spirit Award Winner
Technical Skill Training Dept.
Shou Kimura



I learned the importance of carrying through. I will pass on this experience and skills learned to subordinates.

(Spreading Domestic and Overseas Skill Competitions Globally)

We are making efforts to improve skills in the Toyota Auto Body Group. Three companies from domestic and overseas subsidiary companies participated in our Skill Competition for the first time.

In our long years of devotion to manufacturing, certain skilled workers have been selected to receive the “Aichi Master Craft Worker” and “Mie Master Craft Worker” awards. These awards have, in turn, increased the motivation of our employees.

(In FY2012, award recipients numbered two in Aichi Prefecture, and one in Mie Prefecture)

Voice of a Participant in the Skill Competition



Skill Competition Finishing Work
Recipient of the highest award
(Intermediate Skills Level 2)
Chun Shyang Shih Yeh Industry Co., Ltd.
Republic of China (Taiwan)
CHEN JIAN HONG

I realized that I have much to learn. I'll work to orient myself toward the kinds of required skills I experienced in the competition to introduce them into my own work.

Efforts Toward Improving Worksite Kaizen

QC Circle Activities

Through QC circle activities, Toyota Auto Body is aiming to contribute to society and improve customer satisfaction through making workplaces positive, active, and rewarding places that allow our employees to have a sense of achievement and grow.

(Spreading Domestic and Overseas QC Circle Activities Globally)

Our annually held “Toyota Auto Body Group QC Circle Competition” serves as a place to “learn and grow together” and each year more and more domestic and overseas group companies are participating in this competition.

In fiscal year 2012, we invigorated our QC activities by presenting outstanding awards. Toyota Auto Body, with a base of 558 circle activities, selected circles that announced their activities, and an outstanding award was given for each theme of “Circle Kaizen”, “Managers and Supervisors”, and “Domestic and Overseas Companies”.

In addition, our higher placing 2 Circle “Circle Kaizen” will go on to compete at the All-Japan Invitational Competition

External Announcement Results (All Japan QC Circle Conference, and others)

In fiscal year 2012, at the External QC Circle Competition, 12 outstanding awards were received, and in particular, we received the “Director’s Award First Prize” for two consecutive years.

(First time receiving the Director’s Award First Prize for two consecutive years)



Overseas subsidiary QC circle kaizen announcement (Toyota Auto Body Group QC Competition)



HAPPY Circle announcement at the All Japan QC Circle Conference (Inabe Plant Body Manufacturing Div.)
Director’s Award First Prize

Employee Relations

Promoting a Sense of Unity and Harmonious Worksites That Support Individual Employee Happiness

In order to create harmonious workplace culture, we are aiming to create a sense of unity in creating both large and small workplaces ranging from company size down to a worksite, and also achieve active communication unrestricted by the boundaries of the workplace and one's position in the company

Enhancing Communication Activities

Company-Wide Communication

We are holding sports competitions as a way to invigorate and promote a sense of unity throughout Toyota Auto Body by challenging to be No.1 in the Toyota Auto Body Group and No.1 in the Toyota Group.



Company-wide sports competition
Toyota Auto Body Group
Futsal Competition

Voice of a Participant in Our Futsal Competition



Futsal Competition
Winning team
Inabe plant Body
Manufacturing Div.
Stamping Plant
Maintenance Sect.
Jyunpei Nogami

Through good daily teamwork, we achieved two consecutive victories. Colleagues root for us and the competition served to unify our workplace

Communication at Different Workplaces

Once a year, each place of work in our companies holds their own festival as a place for employees, their families, and residents in our communities to interact. At these festival events, employees set up booths and attractions in actively progressing to create places that serve to deepen good relations and help to create an opportunity to relate to one another.



Head Office Fujimatsu Plant event:
"Grade-B Gourmet Cooking Contest"



Inabe Plant event:
"Handmade Mikoshi
(miniature shrine) Contest"

Communication by Group and Workplace

In aiming to create positive and active workplaces, Toyota Auto Body is supporting self-initiated recreational activities in each department. We are holding events at the change of each season and also events for displaying one's special abilities, as well as workplace sporting events to create a spirit of rivalry. We aim to invigorate communication by having recreational activities that display the special abilities of each division.



Production Engineering Div.
Seasonal Event
"Handmade Girl's Day Dolls"



Development Div.
Cultural Event "Music Festa"

In addition, at sporting venues for each of our sports clubs, such as handball and volleyball, we are aiming to create a sense of workplace unity through supporting athletes from one's own workplace.



Athletes being rooted for by
workplace colleagues during a game



Workplace colleagues
rooting for a sports club team

Employee Relations

Creating an Easy to Work Environment and Awareness for Being Good Citizens

Toyota Auto Body is working toward creating awareness for being good citizens and good company employees through our deepening human rights awareness and extensive efforts for traffic safety awareness. In addition, we are making efforts toward enhancing multiple measures to create an easy to work environment that at the same time respects the various lifestyles and statuses of employees.

For Being Good Citizens

Deepening Human Rights Awareness

In looking toward achieving "Respect of Individuals" we are providing in-house education for entering employees and office organization on various human rights topics and also issues such as antidiscrimination, gender equality, and the rights of foreigners. Also, we are progressing with resolving human rights issues by aiming to train personnel who provide guidance in in-house human rights enlightenment activities. Those personnel who are to provide guidance partake in external agency training and lectures, and also attend the "Aichi Prefecture Human Rights Enlightenment Industrial Liaison Meeting." Along with education for entering employees and office organization or new postings of employees, we are progressing with discussions and enlightenment activities in our "Human Rights Week" held in both May and December that address workplace related human rights, which include both power and sexual harassment in our plants and each workplace.



Human rights education (training involving office organization for new postings of employees)



Human rights enlightenment activities (Panels exhibited at our Inabe Plant)

Our Extensive Efforts for Traffic Safety

As an automobile manufacturer, we place great emphasis on efforts to create traffic safety awareness among employees. In fiscal year 2012, patrolling activities coordinated with all of our plants and their communities aimed to spread awareness further among employees about traffic safety. In addition, a lecture was given by the police department's Traffic Safety Section Chief to communicate thorough understanding of the importance of defensive driving. Also, a lecture was given by bereaved families of those deceased in traffic accidents in order to teach accident prevention to young people.



Patrols calling for traffic safety awareness



Using a bicycle, the Traffic Safety Section Chief gives a lecture

Creating an Environment That Supports Diverse Ways of Working

Supporting Methods of Employment for the Elderly

In 2001, we introduced our Mandatory Retirement Re-Employment System that allows those employees who have developed high skills and have extensive experience to pass on their abilities and skills to employees who will succeed them at our company. From April of 2013, we are responding by having re-employment of skilled seniors become obligatory. Hereafter, we are introducing measures toward creating an environment in which it is easy to work by supporting awareness, health, and physical conditioning in looking to secure wealth in one's post-retirement years.



Mutual Day Care Facility
"Tacchi-chi House Fujimatsu"
(Fiscal year 2012 number of infants increased to 45)



 "Support for Pregnancy From Childbirth to Child Rearing"

Achieving Child Raising Support

As a supportive measure for achieving a balance between work and child rearing, we established our in-house day care center "Tacchi-chi House", and we are making efforts to achieve a work life balance by our "Short Work Time System" and "Maternal Leave System" that both aim to go beyond established law

Please share your opinions and anything that you think is needed concerning this report

 <https://www.toyota-body.co.jp/english/csr/contacts/enquete2013.html>

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