



Corporate Managing Headquarters
Corporate Ethics Committee
Committee Chairperson:
Vice President,
Shinobu Ichikawa.

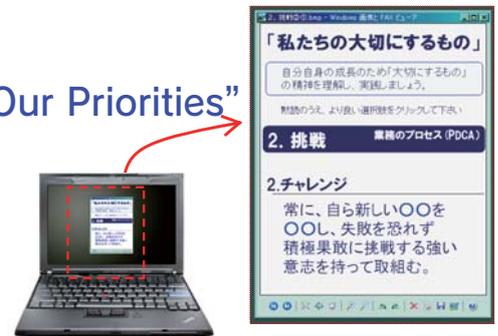
Aiming to Develop Employees and Create a Workplace Focused on “Creating Ever-Better Cars”

In order for Toyota Auto Body to provide “Ever-better cars” that will allow our customers to feel “happiness” and “satisfaction”, we consider it important for each and every employee to grow continuously, doing spirited work in an vibrant, easy-to-work environment. At Toyota Auto Body, our efforts in employee development and workplace creation are based on this thought process.

Employee development and workplace creation begin with a reform of individual awareness, and we at Toyota Auto Body have compiled the “mindset” for performing our daily tasks into “Our Priorities”, which we aim to establish and put into practice in order to facilitate personal growth through work.

Workplace Culture and Mindset Innovation Activities for Absorption and Establishment of “Our Priorities”

To firmly deepen the understanding and establish “Our Priorities,” we practice daily action declaration and e-learning.



Example of e-learning screen (confirmed at startup of a computer)

【 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 experience)
- 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)

Developing Employees

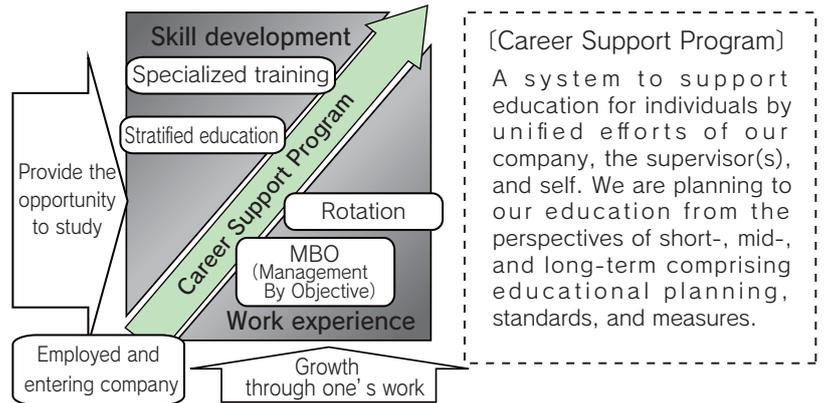
Developing Self-Sustaining Employees with Positive Spirit to Challenge in Their Global Endeavors

We at Toyota Auto Body are making continuous efforts toward “independent employees” , who are capable of thinking and acting independently. We have constructed a human resource education system from perspectives of the mid-to long-term. In addition, in looking toward new growth, we are making efforts to enhance on the education of professional personnel capable of being active globally.

Fundamental Approaches to Human Resource Development

At Toyota Auto Body, we focus on educating “self-sustaining employees” that allows every single employee to have the vision and goal for the future, and sufficiently work with positive spirit. We are promoting individual development with “Career Support Program” which is designed to support employee development accordingly to their plans.

System for Promoting Individual Growth and Support for Employees



Training Professional Personnel

Technical Development of Professional Personnel

Our training of engineers involves lecture rooms, educational exhibits, and CAD educational settings to have our engineers learn while experiencing through *Genchi Genbutsu* (go and see; actual site and actual object) in order to utilize their skills.

After one year of new member training program, entry-level employees go to another three years of OJT beginner's level training. After their fifth year, engineers move on to receive intermediate level training of group leader management training. Our intention is to strengthen our development ability through this step-up training system.

Development Engineer Training System (Step-climbing training table)

	Entry-level employees	Beginner Level Engineers (up to 3 years)	Intermediate Engineers (up to 8 years)	Manager
Improve sensitivities and senses of managers				Manager Training
From parts to vehicle development			Intermediate Training	1. Study from group leader handbook (At time of being newly posted) 2. Learning through reflecting ...and others
One engineer continues every 3 years	New employee training	Beginner Level Training 1. Anti-rust design 2. Welding and joining techniques No.2 ...others	1. vibration noise 2. collision safety 3. human engineering ...and others	



Training involving use of on-site work for entry-level employees



New employee CAD * training
* CAD : Computer Aided Design



Special skill learning in intermediate-level training

Production Engineering Professional Personnel

To become the world-leading minivan and commercial vehicle manufacturer, engineering school teaches manufacturing technologies thoroughly. In the first year, students are taught about things such as vehicle dismantlement training on *Genchi-Genbutsu* study. In the second year, students are accompanied by their mentors to learn how to perform their tasks and mentality to become useful resource in an early stage. In addition, those young employees, who have gone through experience, are placed on mid-level employee education to enhance production skills.



Vehicle dismantlement training for entry-level employees



Mid-level employee training (control technology)

Developing Employees and Creating the Workplace

Developing Employees

Training Professional Personnel

Production Professionals

To manufacture vehicles that satisfy our customers and to acquire the skills to build in quality, Toyota Auto Body is actively working on passing down the skills by practicing technical education training including high-level technical study.

Educating New Employees

We are implementing "Fundamental Skill and Knowledge Education" by a dedicated instructor.

In addition, for early development of resource that will become the core of our worksites, we are working on "Specialized High-Level Skill Transfer Course" in the National Skill Olympics.

Mid-Level Employee Education

We are implementing "Practical Skill and Knowledge Training" for certification in eight categories, which are press, body, paint, injection, assembly, logistics, maintenance and inspection. To give an opportunity to study, skill competition allows participation from domestic and overseas subsidiary companies with the intention of skill improvement of overall Toyota Auto Body Group.

< New employee basic skill training >



Guidance from a dedicated instructor

< National Skill Olympics >



National Skill Olympics Competition
Automotive Sheet Metal Working
(2013 Chiba competition)

By sticking in there and continuing, new employees are learning the depth of technical skill.

< Company-wide Technical Competition >



Body work :
(Fujimatsu Plant Body Section)



Logistics work :
(Domestic subsidiary company)



Molding work :
[Overseas subsidiary company
(Indonesia)]

Professional Human Resource Development in Overseas

In order to pervade Japan's *Monozukuri* (manufacturing) to overseas as well, we are sending technical trainers from Japan to overseas subsidiary plants to develop on-site trainers that are able to teach each fundamental skills, including press surface inspection of steel metal parts, and jig set among other skills.



Acquiring knowledge and skill for press parts
(U.S.A. subsidiary trainees)



New employee education
by an on-site employee trainer
(U.S.A. subsidiary company)

For Kaizen and Teamwork Improvement

We are working on strengthening our workplace capability to create the workplace with employees with ability to resolve issues with strong teamwork.

Toyota Auto Body QC Circle Competition (Globalization of activities)

Every year, more and more domestic and overseas group companies are participating in the "Toyota Auto Body Ground QC Circle Competition" and it is becoming a place to "learn and grow together."

In the year 2013, with a base of 556 circle activities, selected circles announced their activities which led to invigoration of activities.

External QC Circle Competition (All Japan QC Circle Conference)

In the year 2013, at the External QC Circle Competition, in two circles we won the "Director's Award First Prize", and this is the third consecutive year for the Inabe Plant to win, which is a first-time feat in Japan.

< All Japan QC Circle Conference >



AGV Circle
(Inabe Plant Final Assembly Div.
Plastics Molding Sect.)



Sunshine Circle
(Fujimatsu Plant Body Manufacturing Div.
Body Manufacturing Logistics Sect.)

Developing Employees and Creating the Workplace

Developing Employees

Training Professional Personnel

Global Human Resource Development

We are working on global human resource development to expand our overseas operation for the entire Toyota Auto Body Group.

Loaning Employees for Overseas Development Training

As an early measure for development training for overseas operations expansion, we have introduced our assignment system for young employees to conduct development training. As of today, 19 young employees have been sent overseas on loan assignments for development training. Since their return to Japan, they are using their experience by being involved in overseas related task to expand their place to shine.

<Third-Phase assignee in Training From January 2014>

Body Assembly Engineering Div. Kazuo Tachibana
(Thailand: On assignment to TAW)



A meeting for on-site procurement for the Hiace.
(Comment from person farthest to the left)

I was uncertain whether my skills would be acceptable at the training, but I've now become accustomed to conversation and I am learning how to create a process that allows precision assurance with equipment that differs from the ones in Japan.

Human Resources Div. Takeshi Ando
(North America: On assignment to APPM)



Meeting concerning personnel policy
(Comment from the third person from the right)

At first, I had difficulty communicating as I had intended, but I've now overcome the language barrier. Hereafter, I would like to fully learn the differences in personnel management of both Japan and America, then bring the knowledge back to Japan.

<Activity After Returning to Japan (2013: Second-Phase)>

Accounting Div. Yuka Suzuki
(North America: APMM assignee for one year from January 2013)



On assignment to North America for auditing

Shortly after my return to Japan, I went to my training site, APMM, for an assignment. Having been at APMM five months earlier, my work went smoothly upon my return to APMM and I realized the importance of skills and relationships I have gained in my experience in one year.

Operations Management Consulting Div. Kouhei Yamamoto
(Indonesia: PT Sugity Creatives assignee for one year from January 2013)



Improving Overseas Communication Ability

Using my experience and knowledge from the training, I am currently in charge of process Kaizen guidance. I am able to understand my objectives, and the awareness of whether I should be allowed to progress comes naturally now. I feel my growth within myself.

Enhancing Overseas Communication Skills

At Toyota Auto Body, we have introduced a "Global Personnel Education/Certification System" and English training is being provided to allow all overseas support assignees to progress directly with on-site staff and operations.

From this fiscal year, training will be expanded to include engineers who provide guidance to on-site local staff.



Improving English skills through conversation with native English instructors



English training for engineers

Developing Employees

Promoting Open and Fair Transactions and Purchasing Activities Aimed at Mutual Trust

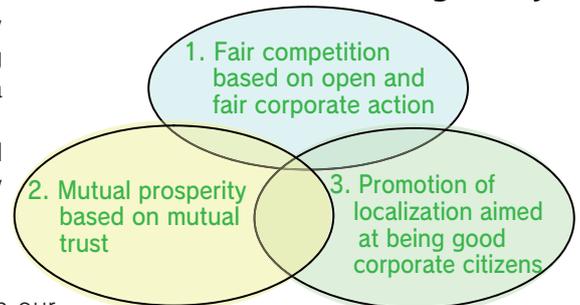
We at Toyota Auto Body are promoting open and fair transactions and superior vehicle manufacturing by putting into practice purchasing activities which aim for mutual prosperity based on mutual trust with our business partners.

Fundamental Approaches to Purchasing

In order to achieve open and fair competition, we at Toyota Auto Body provide equal opportunity to all domestic and overseas suppliers seeking transactions with us regardless of nationality, company size, and whether a company has a previous transaction record.

For this purpose we have established our Toyota Auto Body "Fundamental Purchasing Policy" and are developing our purchasing activities globally and promoting "Customer First" together with our business partners.

<Fundamental Purchasing Policy>



Sharing Information with Our Business Partners

Sharing our annual purchasing activity policy and approaches with our business partners over a one-year period is important. and therefore in March of each year we hold a "Purchasing Policy Presentation Meeting" annually in March for all business partners dealing with parts, equipment and materials. At this annual meeting, we present a Certificate of Appreciation to those business partners with accomplishments in efforts to increase quality and reduce cost. In addition, we have clarified our expectations for our business partners by creating and disseminating our "Supplier CSR Guidelines" and "Green Purchasing Guidelines."



Sharing efforts (policy) with our business partners in FY2014

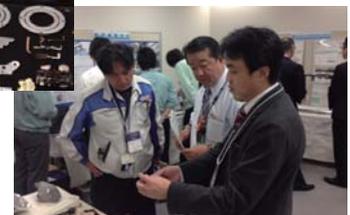
Presenting a Certificate of Appreciation to one of our business partners

Opening the Door to New Business Partners

We at Toyota Auto Body are working to create widespread opportunities with business partners by holding exhibits for vehicles to which model changes are planned. In addition, we are making efforts overseas toward producing products of high quality while observing ordinances and the customs for doing transactions in all countries. By working to expand transactions with local suppliers, we are also contributing to the development of local communities.

Reviewing Basic Business Agreements with Our Business Partners

Due to changes in society and in the business environment (stipulations for bribery prevention, cartel prevention, stipulations for elimination of organized crime and well as for rescinding contracts in event of violations of terms, stipulations for respecting human rights in the supply chain, etc.), we conduct explanatory meetings for our business partners before entering into contract.



New technology exhibit held by our suppliers (companies in Mie Prefecture)

Efforts Supporting Purchasing Activities

Reviewing Purchasing Activities via Survey of Our Business Partners

For the purpose of improving open and fair transactions and mutual trust, we have received assessments of our purchasing activities from approximately 350 of our business partners, and are reflecting their opinions and needs into future purchasing activities.

Educational Activities via Study Groups with Participation of All Employees as well as Suppliers

We are engaged in educational activities through research meeting activities including study groups and our "Shatai Kyowakai" cooperative committee with our suppliers to ensure that each and every employee experiences open and fair activities.



Mutual study by a safety research meeting

Creating the Workplace

Promoting “Creating a Healthy Workplace” via Education and Training

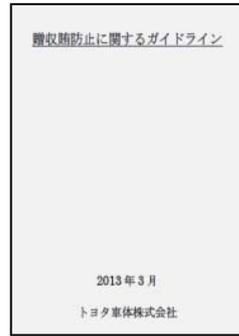
Aiming to Improve Compliance Awareness for All Employees

We have established a “Corporate Ethics Committee” as a subcommittee of the CSR Committee and have carried out discussions and set a direction for activities aimed at enhancing legal compliance and building a healthy corporate culture, and are endeavoring to improve the compliance awareness of the entire Toyota Auto Body Group. Additionally, we are aiming to continue to enforce compliance to our employees via opportunities for education and training of “Our Promise” (Toyota Auto Body Group Action Policy).

Toyota Auto Body Group Action Policy (Issued March 2005)

Bribery Prevention Efforts

With Competition Laws concerning bribery and cartels becoming more stringent due to the recent globalization of business, we established the “Bribery Prevention Guidelines” in March 2013 to deepen the understanding of bribery and strengthen our preemptive prevention systems and have disseminated them internally as well as to our domestic and international subsidiaries and business partners.



Bribery Prevention Guidelines (Established 2013)

<Bribery Prevention Tools>



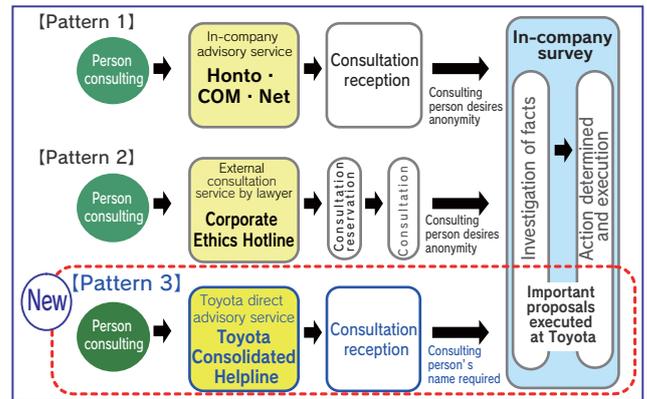
Awareness and education by in-company reporting



Posters spread awareness and educate at overseas subsidiary companies

Further Enhancement of Corporate Ethics Consulting Services

To provide a system for proper handling of labor problems and other topics that are difficult to discuss with supervisors and/or colleagues, we have established the “Honto COM Net” direct email consulting service as well as the external legal consulting service “Corporate Ethics Hotline.” Additionally, in January of 2013 we established the “Toyota Consolidated Helpline”, which allows direct consultation with the Toyota Motor Corporation for matters too difficult to present to internal consulting services, to provide even further detailed response.



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

Aiming for Practical Risk Management

Diversified risks should be minimized, and we in the Toyota Auto Body Group are making efforts towards enhancing and strengthening risk management as one aspect of our internal control. We assess and identify any risks that could impact company operations, and establish preventive measures and initial response measures.

Conducting Comprehensive Disaster Drills Vital for a Large-Scale Earthquake

In 2013, we incorporated highly realistic drills at all of our offices and subsidiary companies. These drills included “non-notification of drill schedules”, “potential cases of certain evacuation routes being blocked”, and outdoor evacuation of small groups, which form easily and can act swiftly”.



Evacuees in two, single-file lines in 2013



Small group evacuation in 2014



Blocking a thoroughfare after beginning highly realistic training



Gathering of individual small groups at an outdoor evacuation site → Summary of safety status and results reported to the captain of the disaster prevention corps (Safety summary panel used standing near the outdoor evacuation site)

Moving in small groups

Creating the Workplace

Promoting “Creating a Safe Workplace” through Mutually-Enriching Dialog Activities

We are promoting activities and aiming for zero disasters and safety first for each employee, business partner, and all overseas subsidiary companies.

Achieving Safety First for All Employees

At our company-wide Safety Rally, Toyota Auto Body executives, department and section managers, and top management of our affiliated companies pledged the slogan “We Value Basic Safety Activities” in chorus, with an aim to have zero dangerous incidents. Additionally, at all workplaces we have put up a safety flag, on which employees wrote their own safety pledges.



Company-wide safety rally in July 2013

Safety pledges gathered from employees at all workplaces

Open Dialog Between Supervisors and Their Subordinates

Every day for one hour, our managers and supervisors throughout the company enter worksites in a time dedicated specifically to observing operations and listen to honest opinions, which are linked to kaizen efforts

Open dialog with a crane operator



Dedicated safety time at a Machinery Engineering workplace

Creating a Company-Wide Workplace Culture of Warning Others of Danger

We are making efforts aiming to create a company culture of employees who warn their colleagues who are unaware or ignorant of safety risks around them. We call these activities “Po-ke-te-na-shi” *1, for which each part of these five parts corresponding to set, basic safety activities. Each part is easy for anyone to judge, and these parts are explained as follows:

- *1 “Po” : “Do not put your hands in your pockets while walking”
- “ke” : “No use of a keitai (cellular phone) while walking”
- “te” : “Hold a tesuri (railing) while climbing and/or descending stairs”
- “na” : “No naname (at an angle) crossing of a street or road”
- “shi” : “Be certain to shisakoshou (point and call out when one intends to cross a street or road)”



Activities for awareness and spreading of these five basic actions



Putting Safety First for our Business Partners

Based on our own intention to have zero shipping related accidents in our facilities, we are coordinating these efforts with externally contracted construction companies and shipping agents. For construction safety during extended shutdowns (when accidents are especially likely to occur, we are promoting safety checks (rallies) and other activities to improve our safety management.



A construction safety rally prior to an extended, successive company holiday

Putting Safety First in Overseas Operations

At each workplace, employees are given an opportunity to experience injuries on the job by use of injury-simulation equipment. This training experience allows our employees to enhance their sensitivity to recognizing danger, and we are also introducing this experience at our overseas subsidiary companies.



Support for safety training experiences at APMM in the United States (Experiencing fear of falling objects)

Developing Employees and Creating the Workplace

Creating the Workplace

“Promoting Health” Both Physically and Mentally for Employees and Their Families

Toyota Auto Body considers the health of our employees the most important asset for both individuals and our company, and we are implementing various measures in making efforts to have each employee and their families, improve their living habits to live a continuously healthy lifestyle.

For the Health of Our Employees and Their Families

Toyota Auto Body is aiming to develop employees capable of further progressing in self-initiated efforts to maintain their own health. We are achieving this aim by providing health education with a three-pillar approach of maintaining mental health, improving lifestyles (prevention of metabolic syndrome), and smoking cessation activities. We provide such education by giving lectures and visiting worksites. In addition, we have coordinated with our labor union and the Health Insurance Association to hold events that also allow for family participation.



Three-Pillar approach to health activities - mental health, metabolic syndrome, and smoking cessation

Aiming for Easily Approachable Consultation Offices

Toyota Auto Body has posted a clinical psychotherapist at our Fujimatsu, Inabe, and Yoshiwara plants to allow our employees to consult openly. To create a comfortable, easy-to-consult atmosphere, we have also introduced direct consulting services of a clinical psychotherapist at health events and individual worksite education workshops.



Introduction of consulting services that create an easy-to-consult atmosphere (Health event)



Serious efforts toward mental health education with a clinical psychotherapist

Creating Opportunities to Improve Living Habits at Family Events

In order to provide opportunities to review one's living habits, we are holding family walking events coordinated with the Health Insurance Association. In addition, we are distributing health support tools (books for promoting good health) to give all of our employees awareness of their health and have been assisting them in promoting their good health.



Walking event



Using the book for individual guidance

Top Management Setting an Example in Smoking Cessation

Top management has generated excitement in spearheading smoking cessation efforts by holding lectures related to workplace management and their own first-hand experiences with quitting smoking.

Additionally, we are progressing with the creation of smoke-free environments by, as a basic rule, prohibiting smoking in buildings at our Inabe Plant.



Vice President Iwase, speaking on his success in quitting smoking by doing it stages, setting goals and doing self-management



Eagerly attentive listeners in the audience

[Progress Status of Creation of smoke-free environments]

	Until FY2012	By FY2013	By FY2014
Smoking prohibited in buildings	Head Office	Inabe Plant	Fujimatsu / Yoshiwara plant

Creating the Workplace

Communication Activities for “Creating a Vibrant Workplace”

In order to create a vibrant workplace culture that supports the happiness of each individual employee and the development of the company, we are attempting to breed a sense of unity by creating various opportunities for invigorating communication that exceeds the framework of the workplace and rank.

Targeting a Workplace with Open Communication

(Formal activities)

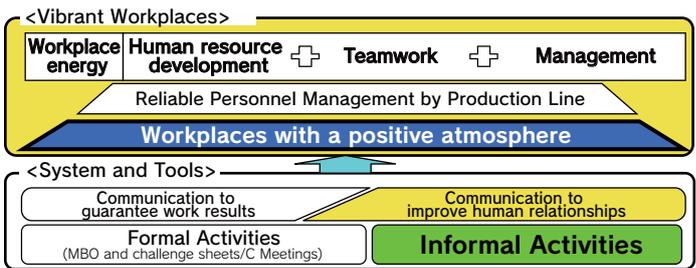
We are enhancing communication through things such as daily workplace meetings, interviews with superiors, and small group activities.

Aiming for Cheerful, Fun, and High-Spirited Workplace

(Informal activities)

We are enhancing communication and breeding a sense of unity through company-wide, office-wide, and intra-division events held away from work.

Creating Vibrant Workplaces via Communication Activities



[Company-wide]



Toyota Auto Body Group Sports Competition
“Toyota Auto Body Group Football Tournament”



Toyota Auto Body Sports Competition
“Big Holiday Preliminary Competition”



Award ceremony



Giant jump rope

[All Toyota Group]

“All Toyota Big Holiday”

[Intra-office]



Head Office/Fujimatsu Plant event
“Grade B Gourmet Contest”



Yoshiwara Plant event
“Slipper Catch Contest”

[Intra-division]



Fujimatsu Plant Division event
“Tricycle Endurance Race”



Sports Club Support as
Worksite Recreation

Domestic Top League Sports Club Activities

Men’s Handball Club :
Japan League 2nd Place (2014)

Women’s Volleyball Club :
V Premier League 4th Place (2014)
Kurowashiki All Japan Volleyball Tournament
National Invitational Champions (2014)



Men’s Handball Club



Women’s Volleyball Club

Developing Employees and Creating the Workplace

Creating the Workplace

Creating Awareness and Easy-to-Work Environments to be “Good Members of Society”

We are striving to create awareness for being good members of society by doing things such as deepening awareness of human rights and enhancing awareness of traffic safety. In addition, we are making efforts to enrich various measures for creating easy-to-work environments for our employees.

Being Good Members of Society

Deepening Awareness of Human Rights

Aiming to improve awareness of “Respect for Individuals” we are providing internal training for all employees concerning various human rights issues, including social integration issues and humans rights for women and foreigners.



A human rights lecture for our executives



Human rights education (training for those newly appointed)

Enhancing Awareness of Traffic Safety

Looking to improve traffic safety awareness, we held a “Life Message Exhibit” at which participants were educated for eliminating traffic accidents by posting details of the accidents and messages from the families on a life-size panel of those who died in traffic accidents.

Additionally, there were also lectures given by the surviving family members in which candidly expresses the sadness of being left behind by a deceased loved one.



Lectures and message exhibits by accident-victim families

Creating Environments to Support Various Ways of Working

Supporting Older Employees Ways of Working

Aiming to have all people be able to continue working healthily, we are promoting the creation of easy-to-perform processes to reduce operational burden.

Additionally, we are holding an “Awareness Seminar” for employees in their 40s and 50s, where guidance is provided for building body strength.



Height increase to reduce task burden (Tire attaching process)

” Creation of easy-to-perform operations”
Body position for operations adjusted to reduce burden for up and down movements

Enriching Support for Child Rearing

We are making efforts to realize a work-life balance for support measures that allow the coexistence of work and child rearing by creating systems that go beyond established laws, such as establishing the internal “Tacchi-chi House” , a short working shift system, a maternity leave system, and others.



Guidance for building body strength at a body awareness seminar



Joint day care facility “Tacchi-chi House Fujimatsu”



“Support for Pregnancy and Childbirth Through Child Rearing”