

Promotion of ESG Initiatives

Further promoting initiatives to sustain growth in the areas of the environment, society and governance

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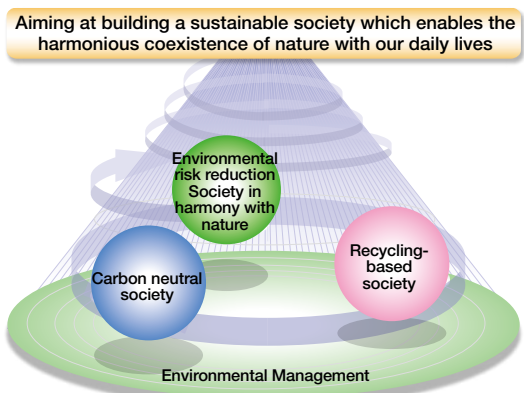
Promoting Environmental Management

We have been undertaking activities globally toward realizing our Environmental Vision 2050.

Global Environmental Commitment

As one tenet under our Basic Philosophy, Toyota Industries works to contribute to regional living conditions and social prosperity and also strives to offer products and services that are clean, safe and of high quality. Accordingly, we have established the Global Environmental Commitment, a specific environmental action guideline, to be shared and implemented throughout the Toyota Industries Group.

Our four main action themes are establishing a carbon neutral society; establishing a recycling-based society; reducing environmental risk and establishing a society in harmony with nature; and promoting environmental management, with the first three founded on the latter. Based on these pillars of action, the entire Toyota Industries Group will dedicate concerted efforts to realizing a prosperous life in harmony with the natural environment.



Notional Diagram of Global Environmental Commitment

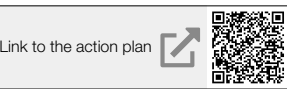
Environmental Vision 2050 and Environmental Action Plans

We have defined our Environmental Vision 2050 in relation to the four action themes specified in the Global Environmental Commitment to accelerate our environmental initiatives in anticipation of future society. As milestones toward achieving this vision, we formulate five-year environmental action plans, and the entire Toyota Industries Group works as one team to resolutely undertake activities in accordance with each plan.

The seventh plan (from fiscal 2022 to fiscal 2026) has defined action policies, specific actions and targets for each of the four action themes, and we are undertaking initiatives accordingly across the world. In fiscal 2024, we showed steady progress across the board toward achieving respective targets for fiscal 2026.

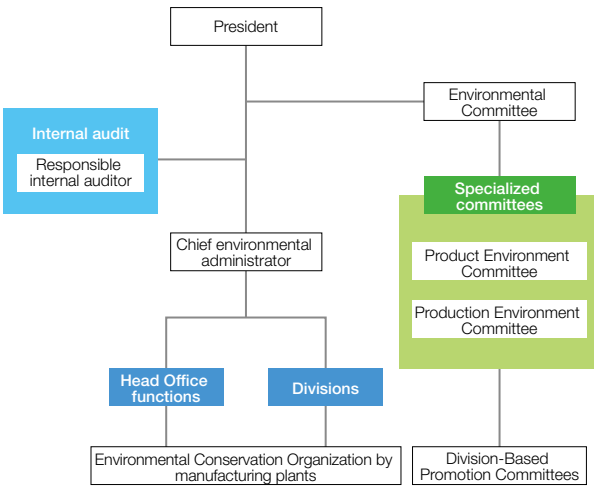
Environmental Vision 2050

- 1 Establishing a carbon neutral society
 - ➔ Globally take on challenge of establishing a zero CO₂ emissions society
- 2 Establishing a recycling-based society
 - ➔ Take on challenge of minimizing the use of resources
- 3 Reducing environmental risk and establishing a society in harmony with nature
 - ➔ Generate positive influence on biodiversity
- 4 Promoting environmental management
 - ➔ Enhance consolidated environmental management and promote enlightenment activities



Environmental Management Structure

We have set up a Company-wide environmental management system (EMS) with the president at the top to quickly reflect top management's decisions on business operations. On the basis of this environmental management structure, which is aligned with our business management structure, we have been reinforcing our environmental governance and promoting a further reduction of environmental impact resulting from product development and production activities.

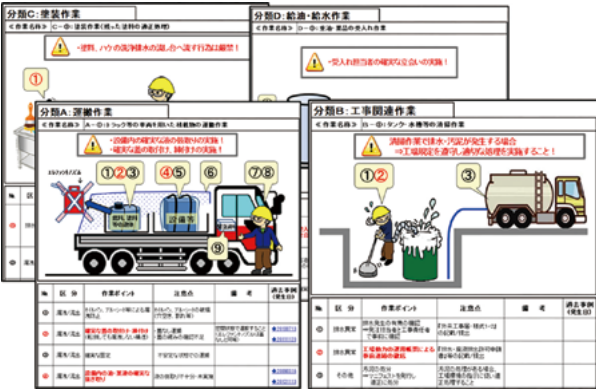


Enhancing Environmental Awareness and Education

Environmental Awareness

Designating every June as Environment Month, Toyota Industries undertakes various initiatives to deepen the interest and understanding of environmental conservation of employees and their families and provide opportunities to take environment-related actions.

As a new initiative in fiscal 2024, we created AP (Accident Pattern) Cards. They are a collection of environmental irregularities or potentially serious near-accidents that have occurred in the past and have a high tendency of recurrence. They also clarify the points to be noted during operations. We distribute these cards internally to raise awareness of each employee about the prevention of these incidents.



AP Cards

Environmental Education

Toyota Industries implements education programs matched to the environment-related knowledge and skills required for each job category and position. We intend to upgrade the level of environmental initiatives throughout Toyota Industries by providing a variety of environmental education programs, such as grade-based education, introductory courses for environmental management and environmental audits as well as education on environmentally friendly products.

For the department in charge of the environment within each business division, we periodically hold a study session on environment-related laws to increase their knowledge and awareness.



Periodic study session

Education on Energy Saving for Consolidated Subsidiaries

For achieving a carbon neutral society, Toyota Industries regards it essential to work with its consolidated subsidiaries to reduce CO₂ emissions. As part of this effort, we provided education on energy saving to our consolidated subsidiaries in fiscal 2024.

The program consisted of a lecture and hands-on education. The lecture aimed to raise awareness by showing the idea of *kaizen* (continuous improvement) in everyday situations and examples of specific measures. The on-site hands-on education particularly dealt with air leakage, which is an issue in saving energy, and let the participants actually experience how they can save energy by using a camera that visualizes air leakage. We also performed a rough calculation of the monetary effect of preventing air leakage, helping them recognize the importance of such an activity and encouraging them to sustainably continue prevention.



Observing air leakage using a camera

Reinforcement and Promotion of Consolidated Environmental Management

Holding an Environmental Liaison Meeting with Affiliated Companies in Japan

We periodically hold an environmental liaison meeting with affiliated companies in Japan to share information on revisions to the relevant laws and example initiatives of each company.

In fiscal 2024, the focused theme of the meeting was compliance with environmental laws and regulations, and we held a group discussion to share the status of each company in achieving legal compliance along with associated issues and talked about response measures.

We usually hold the meeting once a year. However, in fiscal 2024, we held an additional special meeting due to the environmental violations that occurred within the Group to prevent the occurrence of similar incidents in affiliated companies.

Going ahead, we will continue to enhance awareness and knowledge concerning relevant laws and regulations



Environmental liaison meeting with affiliated companies in Japan

and upgrade the level of environmental response of the entire Group by both promoting active communication throughout the Group and ensuring swift and adequate information sharing.

Conducting Environmental Risk Assessment at Consolidated Subsidiaries

The Toyota Industries Group recognizes that a violation of environmental laws that entails the suspension of production or other penalties may represent a direct risk to the supply of our products as well as our supply chain. In order to ensure compliance with environmental laws throughout the Group, we periodically conduct environmental risk assessments of our production subsidiaries.

Conventionally, we conducted an assessment of our production subsidiaries outside Japan for possibilities of legal violations based on laws in each region as well as each company's surrounding environment, business characteristics, mainly equipment and production processes, and environmental management structure.

In fiscal 2024, we enhanced our assessment by

extending its scope to our production subsidiaries in Japan and adding items, such as revisions to environmental laws and inspections by local government authorities, to the assessment list. We consequently found that certain regions have been revising their environmental laws frequently. With regard to production subsidiaries in these regions, we proactively collect relevant information while related bases and Toyota Industries' departments work together to ensure legal compliance.

We will continue to promote risk reduction in the entire Toyota Industries Group by identifying environmental risks within the Group and making responses matching each company.

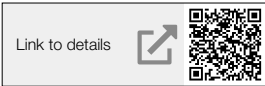
Environmental Audits

Toyota Industries implements annual internal environmental audits as well as external audits carried out by an independent third-party institute. In fiscal 2024, the external review identified no non-conformance issues. The review, however, pointed out some matters that could potentially constitute non-conformance. We have been making improvements regarding these matters and sharing details throughout our plants.

Meanwhile, focusing on topics such as "management of compliance with environmental laws and regulations" and "initiatives under our environmental policies and management of related competence," our internal audits were conducted on departments with high risk and those that have undergone changes in terms of key audit items. During the audits, we received many suggestions through in-depth discussions and were able to improve our EMS.

Acquisition of ISO Certification

In order to facilitate environmental initiatives in a more efficient and organized manner, Toyota Industries and its consolidated subsidiaries have been acquiring ISO 14001 certification, the international standard for environmental management systems.



Status of Compliance with Environmental Laws

With an eye to preventing violations of environmental laws, Toyota Industries takes measures against the recurrence of potentially serious near-accidents that may result in legal violations and performs environmental risk inspections at its plants.

In fiscal 2024, there were one case of violation of water

quality-related laws at one of our consolidated subsidiaries in Japan and two cases of violation of air quality-related laws at consolidated subsidiaries outside Japan. We have carried out appropriate action to counter them as per the instructions of the authorities and thoroughly implemented measures to prevent recurrence.

Soil and Groundwater Contamination Countermeasures

Toyota Industries carries out surveys and purification of soil and groundwater contaminated from the past use of trichloroethylene and other substances of concern. As a measure to prevent pollution from substances covered by the Soil Contamination Countermeasures Law as well

as from grease and oils, we conduct periodic checks on groundwater. We regularly report the survey results to local government authorities and provide information at local community meetings.

Verification by a Third Party

Toyota Industries obtains third-party verification in order to increase the credibility of its data on energy-derived CO₂ emissions, waste volume, water withdrawal and wastewater discharge. We will continue to utilize this third-party verification in making continuous improvements in our environmental activities and disclose data to our stakeholders in a highly reliable and transparent manner.



Verification by a third party

Establishing a Carbon Neutral Society

With regard to contributing to the prevention of global warming as one of our top-priority issues, we strive to reduce CO₂ emissions from product use and the amount of energy consumed in all activities of our business sites. Through these initiatives, we are striving to minimize CO₂ emissions throughout our supply chain.

Our Approach CSR Material Issue

For Toyota Industries, dealing with global warming is not just a "risk." It also presents "opportunities" in doing business to both differentiate ourselves by leveraging our technology-based product appeal and conduct eco-conscious production activities.

Meanwhile, we have set a goal of establishing a zero CO₂ emissions society on a global basis in our Environmental Vision 2050 and have been making efforts in various fields. In terms of product development, our activities are geared toward enhancing the environmental performance of our products in each of our businesses. These initiatives include electrifying car air-conditioning compressors and other products as well as increasing engines' fuel efficiency. In production activities, promoting thorough energy savings and utilizing renewable energy and hydrogen are the two pillars of our activities. As specific efforts, we have been striving to thoroughly eliminate wasteful use of energy in production processes and increase the efficient use of energy. We have also adopted solar and other renewable energy sources and have been effectively utilizing clean energy, such as hydrogen.

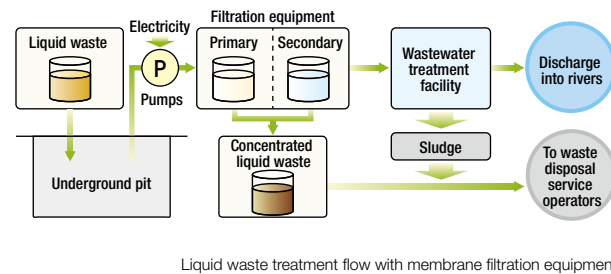
Case Example: Reducing CO₂ Emissions by Eliminating Liquid Waste Treatment Processes That Use Steam

The Kariya Plant, a production base of car air-conditioning compressors in Aichi Prefecture, has been striving to reduce CO₂ emissions by selecting its two plant buildings as a model for achieving carbon neutrality.

Reducing the use of city gas is essential to achieving carbon neutrality. To do so, it is necessary to abolish the co-generation system that uses city gas to create electricity and steam. The abolishment, however, will make the equipment using steam from the system unserviceable. Thus, the plant initiated efforts to eliminate the use of steam in its plant buildings as a first step.

In fiscal 2024, the plant turned one of the two buildings steamless by eliminating the corresponding processes. Previously, to reduce the amount of liquid waste from production processes, the plant used a concentrating device, which applies steam to heat liquid waste and cause moisture to evaporate. Instead, the plant adopted electric membrane filtration equipment, which efficiently filters and concentrates liquid waste without using steam.

To reduce the amount of liquid waste discharged from the production process, the plant had previously used concentrating equipment that heated the liquid waste with steam to evaporate the water content. In this case, the plant optimized the amount of chemicals used in a dehydrator to reduce the amount of sludge after dehydration and succeeded in eliminating the drying process and, hence, the use of steam. The building becoming steamless led to reduced steam transmission loss from the piping. As a result, the plant was able to reduce its annual CO₂ emissions by about 633 tons and abolish the co-generation system. In the future, the plant intends to continue its efforts to go steamless, such as applying electrification technology to similar steam-using devices, as it has done with the adoption of membrane filtration equipment.



(Left) **Hiroaki Watanabe**
Planning Office, Production Engineering
Dept., Compressor Div.

(Center) **Daiki Koyama**
Team leader, Kariya Power, Section
No. 1, Power Office, Plant Engineering
Dept.

(Right) **Takashi Sugimoto**
Kariya Environment Group,
Environment Office, Safety & General
Administration Dept., Compressor Div.

As of March 31, 2024

The important point in this project was that we identified processes with significant steam loss through a review of our future steam use plan. With the cooperation of multiple departments, we did out-of-the-box thinking and took bold steps to introduce the membrane filtration equipment and abolish the drying process in the wastewater treatment facility toward becoming a carbon neutral plant. We aim to eliminate the use of steam in the remaining buildings early for further reduction in CO₂ emissions.

Case Example: Saving Energy by Using Exhaust Heat from Air Compressors

Toyota Material Handling Manufacturing Sweden AB (TMHMS), a subsidiary manufacturing materials handling equipment in Sweden, has been working to save energy through its effective use.

Previously, TMHMS used thermal energy purchased from a district heating supplier to heat water for employees to wash their hands and take a shower. To reduce energy consumption for water heating, the company launched an initiative to replace the purchased thermal energy with exhaust heat from compressors that supply air in production processes.

TMHMS installed heat recovery equipment and heat storage tanks to collect exhaust heat from air compressors and store it in these tanks during hours with no demand for heated water. This has allowed TMHMS to use heat efficiently without wasting it. The company also updated the

air-conditioning system of the entire plant so that it can use the recovered heat as a source of heating when these tanks become full.

Through these efforts, TMHMS successfully reduced its annual consumption of thermal energy purchased from a district heating supplier by 185 MWh.



Heat storage tanks



Air-conditioning system

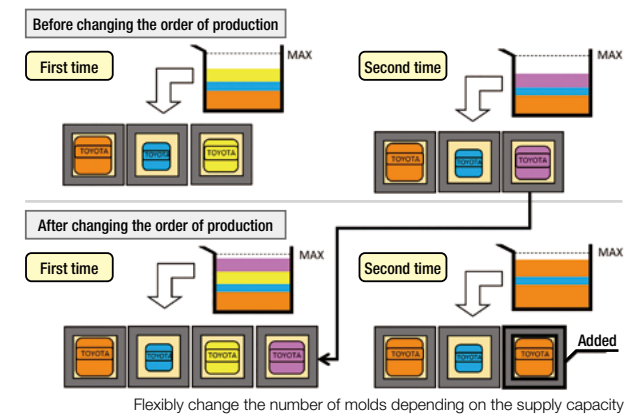
Case Example: Reducing Energy Consumption by Changing the Order of Production

North Vernon Industry Corporation (NVIC), a subsidiary manufacturing counterweights for lift trucks in North America, has actively been promoting energy-saving activities with a focus on heating equipment that consumes an especially large amount of energy in production processes.

In these processes, an industrial furnace uses a lot of energy for heating molten metal. Recognizing it as an issue, NVIC made efforts in fiscal 2024 to reduce its energy use by decreasing the number of heating instances applied to molten metals.

Conventionally, molten metal was heated and poured into three metal molds, and this heating was repeated 36 times per day on average. To reduce the number of repetitions, NVIC decided to flexibly change the number of molds to be filled with molten metal per heating, rather than fixing it to three, depending on the supply capacity of molten metal.

With the cooperation of the production management department, the company optimized the order of production and can now fill an average of 3.3 molds per heating.



This has enabled NVIC to reduce the average number of heating instances to 33 per day and cut down its annual CO₂ emissions by about 1,938 tons.

Case Example: Installing a Solar Power Generation System on a Plant's Idle Land

Toyota Industries has been pushing ahead with the introduction of renewable energy throughout the Group while taking into account the characteristics of the country or region in which each base is located.

Toyota Material Handling, Inc. (TMH), a subsidiary manufacturing materials handling equipment in the United States, has already been undertaking various activities, such as thorough energy saving in production processes and purchase of renewable electricity certificates. TMH, however, had not yet implemented renewable energy measures on its premises.

A parts warehouse in the premises conventionally used non-renewable electricity supplied by a local power company. TMH examined ways to replace it with renewable electricity and decided to introduce a solar power generation system on the idle land adjacent to the warehouse as it was large enough to install solar panels. TMH installed about 2,500 solar panels on 10,000 square meters of land in December

2023 and started operating the system in April 2024.

The system can generate 1,700 MWh of electricity annually, and TMH expects to reduce its annual CO₂ emissions by around 1,500 tons.



Solar panels installed on the idle land

Supporting the TCFD Recommendations and Disclosing Information Based on the Recommendations

In December 2019, Toyota Industries declared support for the Task Force on Climate-related Financial Disclosures (TCFD)^{*1} and its recommendations. Recognizing that climate change-related risks and opportunities represent an important management issue, we have been undertaking activities as one of our CSR material issues. In November 2021, we conducted scenario analysis and disclosed information on “governance,” “strategy,” “risk management” and “metrics and targets,” as recommended by the TCFD.

^{*1}: A task force established by the Financial Stability Board (FSB) in 2015 at the request of the G20 to explore how companies should disclose climate-related information and how financial institutions should respond to climate change.

[Link to details](#)



Establishing a Recycling-Based Society

To establish a recycling-based society, we have been striving to reduce and recycle waste and minimize the usage of and environmental impact on water resources.

Waste: Our Approach CSR Material Issue

Mass consumption, if continued on the back of the expanding world population and economic growth, will eventually deplete natural resources. Toyota Industries believes it is essential to promote 3R (reduce, reuse and recycle) design for effective resource utilization and the recycling of waste as resources.

We set a goal of minimizing the use of resources in our Environmental Vision 2050. Accordingly, we have been making various efforts, including extending the life of components as well as reducing their size and weight in the area of product development. In production activities, implementing measures to reduce resource consumption at the source, ensuring the maximum resource recycling within a plant and reducing waste by using leading-edge technologies are the three pillars of our activities.

Case Example: Reducing Waste by Reusing Coolant

The Higashiura Plant, a production base of car air-conditioning compressors in Aichi Prefecture, has been proactively working to reduce its waste generation volume.

Polishing, a process in the manufacture of compressor parts, generates a large volume of grinding sludge, which is a mixture of polishing dust and coolant (cooling liquid used to reduce thermal damage and abrasion). The plant examined the grinding sludge discharged into a recovery container and found that it contained about 1.4 kg/h of coolant. The plant accordingly launched a project based on the idea that reducing the discharge of the coolant might lead to less grinding sludge.

In order to solely recover the coolant from the grinding sludge, the plant first added a coolant discharging drain and coolant recovery container to the grinding sludge recovery container. It then installed a liquid collector in the coolant

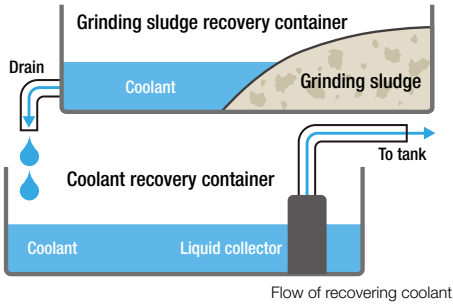
recovery container so that the coolant, which had been discarded with the grinding sludge, would be returned to a tank for reuse. The liquid collector takes power from a coolant supply pump used in the existing equipment and does not need additional energy for air suction. As a result, the process was able to reduce its monthly waste by about 1.2 tons without increasing CO₂ emissions.



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Safe Environment Oversight Group,
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As of March 31, 2024

When I was previously in charge of this process, I never thought about recovering the coolant from the sludge for reuse. As I was assigned to another environment-related group, I gained awareness and knowledge about waste and came up with this improvement idea. I also learned that many types of waste can be reduced, including those we naturally thought would be difficult to reduce. I would like to continue activities to reduce waste from various perspectives.



Case Example: Reducing Use of Resources by Unifying Skids

Kirloskar Toyota Textile Machinery Pvt. Ltd. (KTTM), a textile machinery production subsidiary in India, has been promoting production activities to minimize its use of resources.

KTTM uses skids, a type of pallet, to make it easy to handle and carry cargo by lift trucks when shipping products. Previously, it used a total of eight types of skids with different

shapes and sizes, four metal ones for exporting and four wooden ones for transportation within India.

Wooden skids are prone to defects during assembly. Compared to metal skids, they are also difficult to reuse, thus consuming a large amount of resources. Coupled with the need for a large space to store these multiple types of skids, KTTM started examining the possibility of integrating the

eight types into one metal type.

The results showed that the unification of the existing skids was difficult due to their structures and from the perspective of the efficiency of loading onto containers. KTTM thus decided to design a new, general-purpose metal skid for both export and domestic shipping. The company also asked its customers in India to switch from non-reusable wooden skids to the new metal skids. Consequently, KTTM

abolished the use of wooden skids and reduced its annual use of wood materials by 13.7 tons, achieving less use of natural resources overall.



Newly designed metal skid

Water Resources: Our Approach CSR Material Issue

Water is the basis of all life on the earth and is an irreplaceable and valuable resource. Every year, however, we have been witnessing the increasingly severe impacts of droughts, floods and other natural disasters resulting from climate change as well as shortages in drinking water and agricultural water caused by the growth in the world's population. Many of the processes of Toyota Industries use water for washing and painting products, and we regard the water supply crunch caused by climate change and population growth as a significant risk to our business activities.

Accordingly, we have set a goal of minimizing the environmental impact on water resources and have been monitoring water input and output in each country and region and promoting the recycling of water and reduction of water withdrawal.

Case Example: Achieving Zero Wastewater from Production Processes by Recycling Wastewater

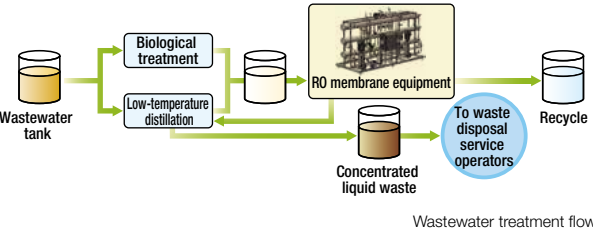
In July 2023, TD Automotive Compressor Kunshan Co., Ltd. (TACK), a compressor production subsidiary in China, completed the construction of a new plant to increase its production capacity of electric compressors. The new plant has implemented a range of environmental measures to ensure legal compliance and reduce its environmental impact. One such measure is to promote the effective use of water resources.

The plant's wastewater treatment system applies biological treatment or low-temperature distillation depending on the type of wastewater discharged from various production processes. The wastewater is then treated through a reverse osmosis (RO) membrane process for recycling in these processes. In this way, the plant achieved zero wastewater from production processes.

TACK also applies the RO process to remove impurities from tap water and recycles wastewater from the process

as supplementary water for a cooling tower, leveraging it to reduce the use of supplementary water.

Through these efforts, TACK expects to reduce its annual water consumption by about 16,930 m³. In addition to reducing the use of water resources, these efforts have led to a lower risk of contaminating the local environment with wastewater from production processes.



Case Example: Reducing the Dependence on Local Water Resources by Increasing the Use of Rainwater

KTTM has also been promoting production activities that consider the local environment concerning water resources.

KTTM has already built a pond on the plant premises to lower its dependence on local water resources and has used rainwater stored in the pond in production processes. However, since rainwater alone was not sufficient to satisfy the demand from these processes, KTTM purchased groundwater from a local water supplier. KTTM was concerned that the continued use of groundwater may cause lower groundwater levels and that the installation of wells may also impact the natural environment. In response, the company more than doubled the capacity of the pond

from 600 kl to 1,250 kl. This has allowed KTTM to secure a sufficient amount of rainwater needed for production and reduce its dependence on local water resources.



Before expansion



After expansion

Reducing Environmental Risk and Establishing a Society in Harmony with Nature

We endeavor to conserve biodiversity and use natural resources in a sustainable manner through our business activities and seek to achieve harmony between these activities and biodiversity. At the same time, we aim to minimize environmental risk by working not to generate substances of concern because of our business activities.

Substances of Concern: Our Approach

Currently, air pollution by chemical substances has become a global issue having equal importance as global warming. As such, countries around the world are adopting more stringent environmental regulations each year. How Toyota Industries responds to these regulations will have a significant impact on the business activities we undertake in each country. Based on this perception, we have been taking a forward-looking approach, anticipating fuel efficiency and emissions regulations to be enforced by each country and region, and promoting product development accordingly. In production activities, we have been working to minimize the use of substances of concern such as volatile organic compounds (VOC), which are causal substances of photochemical oxidants that generate smog.

Case Example: Promoting VOC Countermeasures at a Production Subsidiary in China

TACK has installed VOC collection and treatment equipment in its new plant completed in July 2023. These devices, which were used in the processes to wash completed products and recycled products, were created by modifying the dust collectors used in the previous plant for hydroalcoholic washing. Thus, the initiative ensured the effective reuse of the existing devices and a reduction of the

environmental impact. In the process of washing parts, the company also switched to washing with pure water and discontinued the use of VOC-containing cleaning agents. Through these efforts, TACK expects to reduce its annual VOC discharge by about 5.6 tons.



VOC collection and treatment equipment



Health & Safety
Environment Dept., TACK

(Left)
Yan Shipu
Section manager
(Second from left)
Ma Jinsong
Manager
(Right)
Li Fengshi

Energy Section,
Manufacturing Dept.,
TACK

(Second from right)
Fu Guangqing
Section manager

As of March 31, 2024

The Chinese government has been promoting a variety of policies for reducing air pollution. The initiative was one example of our proactive response to these policies and environmental problems. TACK will continue making concerted efforts to become an eco-friendly plant while achieving corporate growth.

Conservation of Biodiversity: Our Approach CSR Material Issue

Deforestation is now proceeding in various parts of the world, causing the fragmentation of the habitats of living organisms. In order for humankind to live in harmony with nature, it is essential to conserve nature in each region. In our Environmental Vision 2050, we set a goal of generating a positive impact on biodiversity and have been conducting various business activities while continuously paying attention to their influence on the natural environment. We have also formulated the biodiversity policy and have been promoting initiatives accordingly. The policy clearly stipulates that we seek to reduce the impact of our business activities on biodiversity and work with local communities for the conservation of biodiversity.

Initiatives to Facilitate an Understanding of Conservation of Biodiversity among Employees

Toyota Industries provides opportunities for all employees to participate in activities to conserve biodiversity to help them gain a deeper understanding and take voluntary actions. For example, we provide workshop-style education during introduction training for new employees to encourage each to relate to the matter by thinking about how their behavior and Toyota Industries' activities impact biodiversity and what benefits we receive from it. We also conduct activities that engage employees of the Higashichita Plant, such as coloring decoys of terns for the Higashichita Birdpia, which we created within the plant.



Event to color decoys

TOPIC Tours of Our Biodiversity Sites for Elementary School Children

Toyota Industries conducts tours of its Higashiura Animal Path and Higashichita Birdpia for local elementary school children to familiarize them with the idea of biodiversity and help them understand the importance of conserving it.



Tour in the Higashichita Birdpia

TOPIC Our Biodiversity Sites Certified as "Sites in Harmony with Nature" by the Ministry of the Environment

The Birdpia within the Higashichita Plant and the Biotope at the East of Obu Station created and managed by Toyota Industries have been certified as "sites in harmony with nature" by Japan's Ministry of the Environment. The certification system was launched by the ministry in fiscal 2024 to certify "sites where biodiversity is conserved through private sector efforts" as part of the larger initiative to achieve a global target called "30 by 30²."

²: A target set in the 2021 G7 summit to effectively conserve at least 30% of the earth's land and sea by 2030 to conserve healthy ecosystems



Logo of "sites in harmony with nature" certified by the Ministry of the Environment

Relationship with Our Customers

We strive to create a system that ensures proper manufacturing in the correct way to deliver safe and reliable products to customers.

Basic Perspective

Quality Vision	Each and every member of the Toyota Industries Group complies with laws and regulations while thinking and acting from the perspective of customers at their workplaces and positions to supply appealing products/services that exceed the expectations of customers around the world, with safe and reliable quality.
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In response to the incident of our legal violations in engine certification in Japan, we have reexamined the Quality Vision, which specifies our basic perspective on quality. To ensure legal compliance and deliver safe and reliable products to customers, everyone at Toyota Industries is going back to the basics and making all-out efforts to rebuild our Company-wide quality management system (QMS) so that we can offer our products to customers with confidence in quality and reassure people that Toyota Industries has been transformed in a better way.

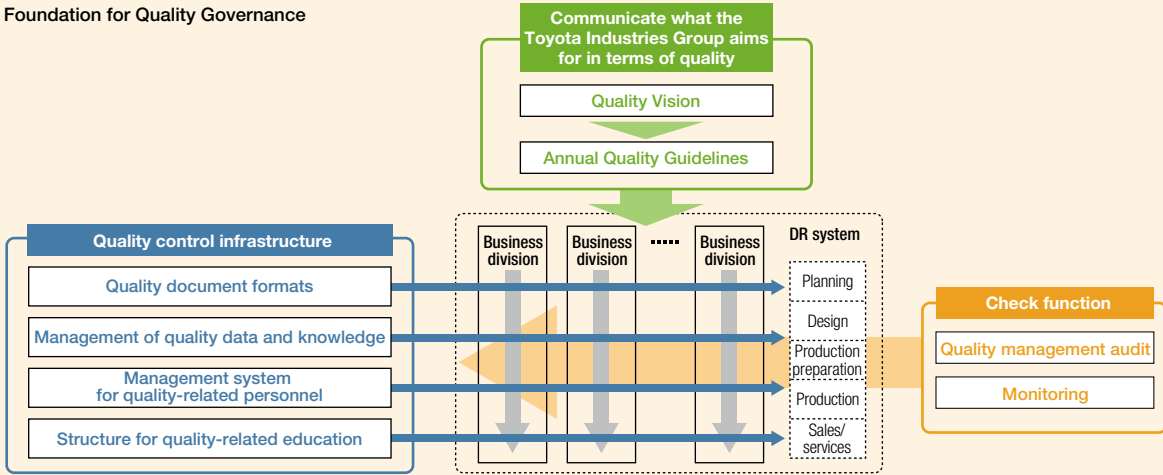
Establishing a Foundation for Quality Governance

In January 2023, we reorganized the Quality Control Department into the Quality Management Department in order to reinforce the horizontal alignment of our quality functions. Under the Chief Quality Officer (CQO), a newly established position in January 2024, the Quality Management Department has been taking the lead in establishing a quality control infrastructure and strengthening our check function for our business divisions.

With regard to the quality control infrastructure, we will establish quality-related document formats, a system to manage quality data and knowledge, a management system for quality-related personnel and a structure to provide quality-related education. The Engine Division will spearhead the effort to revamp the existing standards and provide rules and standards for important processes needed to ensure compliance with laws and regulations. These activities will then be extended throughout the Company. As for a design review (DR), which serves as the basis of our new product development, we have reexamined the Company-wide rules and initiated the process of redefining divisional rules. We are also reviewing our quality control education to again cultivate quality compliance awareness.

As for strengthening our check function for business divisions, we have set up lines of reporting related to quality issues and started conducting quality management audits as a function to monitor business divisions.

Foundation for Quality Governance



Setting up a Structure to Enhance Quality Awareness of the Entire Company

Aiming for a Robust Quality Governance Structure

For reorganizing and reinforcing our quality governance structure, Toyota Industries will promote the establishment of a new, more robust quality governance structure consisting of three check lines.

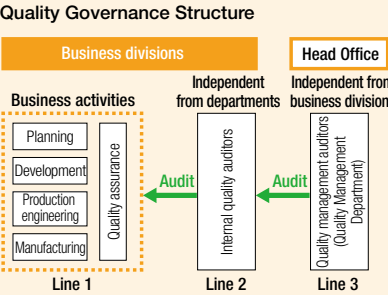
In addition to the conventional quality assurance structure of each business division (Line 1), we will set up an

internal quality audit function independent of departments within each business division (Line 2). The Quality Management Department in the Head Office will audit Line 2 from a position independent of business divisions (Line 3). With these three lines, we aim for a structure invulnerable to risks.

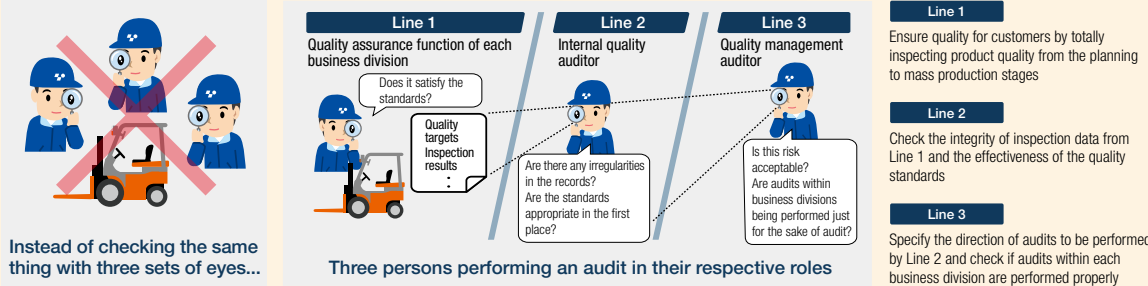
Focusing on Product Quality through Quality Management Audits

We ensure product quality while engaging all departments, from planning to development and production. One role of audit is to check this process from a third-party viewpoint to identify risks. Its scope, however, goes beyond just checking if we meet the requirements of laws, regulations and standards. It includes examining if quality-related systems and rules, which each department should follow, are working effectively and if the existing standards are appropriate as is. Additionally, by having the Head Office further check the results of internal quality audits of each business division, we expect that an appropriate check function will be exercised for prevention and timely discovery of problems.

Our newly launched quality management audits intend to enhance quality awareness of the entire Company by providing greater opportunities for more functional organizations and employees to regard product quality seriously and by encouraging everyone to become more keenly aware of the link between their work and product quality.



Structure of a Quality Management Audit



Preventing Occurrence and Recurrence of Defects

If a defect is found in a product after its launch, the Quality Assurance Department of the responsible business division takes the lead in making a swift response to eliminate the concerns of customers quickly and implementing measures to ensure the non-recurrence of the same defect. In particular, a defect causing considerable inconvenience to customers is recorded as a critical quality issue and reported to the president. At the same time, we have in place a system to follow through on customer response as well as measures to prevent recurrence. Accordingly, we examine

and identify the cause by going back to its development process. We implement countermeasures both from the process and technological aspects and revise our new product development process as necessary. Through these measures, we strive to thoroughly avoid the recurrence of the defect in subsequent models. Additionally, we make efforts to prevent the occurrence of defects in all products we develop and manufacture in the future by taking measures throughout Toyota Industries.

Providing Support to Suppliers

Since improving the quality of our products requires concerted efforts with our suppliers in and outside Japan, we are strengthening joint quality assurance activities with major suppliers.

Quality Audit

In each annual quality audit, we check each business partner's quality control status, suggest items that should be reinforced based on the results and cultivate a deeper

understanding of *kaizen* (improvement). In fiscal 2024, following the government's downgrading of COVID-19 classification to Class 5, we gradually shifted from remote audits to conventional *genchi genbutsu* (go and see for yourself) inspections and continued to check the status of quality assurance activities of each company both through a quality assurance system and on-site quality control.

Promoting Human Resources and Workplace Development

Toyota Industries provides systematic quality education to all employees to help them acquire quality assurance skills needed in actual operations. We have been developing human resources who think, learn and act on their own while understanding that complying with laws and regulations forms the basis of our activities.

■ QC Circle Activities

For our quality control (QC) circle activities, in which all employees participate, we have garnered many awards, as we presented the results of our activities at QC circle conventions across Japan. For example, in fiscal 2024 we received an encouragement award under the QC Circle Kaoru Ishikawa Award program for three consecutive years (for the 12th time in total). The award is given to QC circles for their distinctive activities and contribution to widespread, more active and better QC circle activities. Fiscal 2024 marked our first milestone with three of our QC circles receiving the award at the same time.

Our production bases outside Japan are also proactive in promoting QC circle activities. We assist them in undertaking independent activities by nurturing and certifying global QC circle trainers at each base. Even though the COVID-19 pandemic affected QC circle activities of all bases outside Japan, these trainers have devised creative solutions to promote, maintain and resume their initiatives. As for the Global QC Circle Convention held as a venue for presenting activity results, we hosted a video session for three years up to fiscal 2023 because of the pandemic but started holding it in Japan again in fiscal 2024. Among the Regional QC Circle Conventions hosted in respective regions, the ones in North America, Europe and China were also resumed in person in fiscal 2024 to share the accomplishments made by respective bases.

■ Nurturing and Certifying Internal Auditors at Suppliers

To foster voluntary quality improvement efforts of suppliers, we are nurturing and certifying internal auditors at suppliers satisfying our criteria. Through these activities, we foster a culture in which suppliers work autonomously to maintain and improve their quality assurance systems and foster quality assurance on their own.

■ Activities to Promote Creative Ideas among Employees

All employees are striving for *kaizen* in their day-to-day operations through creative ideas. With regard to such ideas, we received 11 awards in fiscal 2024 in the Creativity category in the Commendation for Science and Technology by Japan's Minister of Education, Culture, Sports, Science and Technology. These awards are given to those who have shown notable ingenuity and contributed to technology improvement.

■ Nurturing Human Resources Who Can Take a Scientific Approach

As part of our basic education on quality management, we teach the basics of statistical quality control (SQC) and machine learning. In order to increase the practical application of machine learning, we have been nurturing core human resources through problem solving in the workplace. We have held the TICO SQC Convention for 40 years to share best practices of each business division and hone collective skills.

CSR Material Issue

> Rate of eligible employees receiving training to promote quality education (non-consolidated): 92%

■ Nurturing Human Resources Who Can Perform Risk Assessment of Product Safety

In order to provide products that are safe for customers to use, each business division conducts risk assessments during a DR to identify all risks. We are also providing Company-wide specialized risk assessment education to promote the development of human resources who can assess two factors integral to risk assessment, namely, the likelihood of an occurrence of a hazard and the severity of damage caused by it.



Global QC Circle Convention

Relationship with Our Business Partners

Toyota Industries encourages open procurement and seeks co-existence and co-prosperity with our business partners (suppliers) based on mutual trust. We also facilitate environmentally preferable purchasing, human resources development, fair trade, disaster prevention activities assuming earthquakes and various other disasters and more efficient purchasing.

Basic Perspective

Procurement Policies	● Fair and equitable business transactions based on an open door policy ● Co-existence and co-prosperity based on mutual trust ● Reducing environmental impact through environmentally preferable purchasing ● Localization of business for good corporate citizenship ● Legal compliance
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Fair and Equitable Business Transactions Based on an Open Door Policy

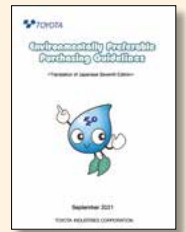
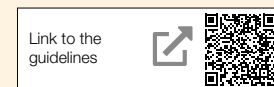
We provide fair and equitable opportunities to all potential suppliers. In selecting suppliers, we comprehensively evaluate them based on factors such as quality, price, adherence to delivery times, safety, business stability and technology development capabilities. We also assess whether they fulfill their social responsibilities, including legal compliance, respect for human rights and environmental protection activities, as we strive for fair and equitable business transactions.

Co-Existence and Co-Prosperity Based on Mutual Trust

We strive to realize co-existence and co-prosperity with our suppliers based on mutual trust. Every year, we hold procurement policy meetings and workshops for managers of major suppliers to facilitate mutual understanding and cooperation. In addition, as full-year efforts for major suppliers, we implement quality control through quality audits and the development of internal auditors and provide programs such as technical skills training, guidance directed toward *kaizen* at their production sites and safety and health education.

Reducing Environmental Impact through Environmentally Preferable Purchasing

We procure parts, raw materials and equipment while using environmental friendliness as one important assessment criterion when selecting suppliers. The seventh edition of our Environmentally Preferable Purchasing Guidelines contains our Environmental Vision 2050, including the establishment of a carbon neutral society. Accordingly, we have been strengthening environmental management so as to promote environmental protection activities in our entire supply chain. Efforts include giving consideration to the entire product lifecycle as early as the development stage.



Environmentally Preferable Purchasing Guidelines

Sustainability Guidelines for Suppliers

To work together throughout the supply chain to realize a sustainable society, we distribute the Sustainability Guidelines for Suppliers, which describe our requirements for suppliers related to safety, human rights, labor practices, the environment, compliance and other topics, to suppliers while thoroughly informing them about the content. In May 2023, we made revisions to the guidelines, such as adding provisions on cybersecurity. We inspect suppliers' compliance with the guidelines by performing checks, encouraging them to perform a self-inspection using a checklist and following up on their efforts. Through these

checks, we have confirmed that all suppliers comply with the guidelines. Moreover, through a periodic check on commodity items of concern, such as conflict minerals, we strive to maintain healthy transactions and reinforce a related structure throughout the supply chain.

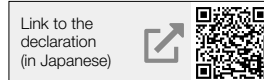


Sustainability Guidelines for Suppliers

Reinforcing Relationships with Suppliers

Declaration of Partnership Building

We publicly announced our Declaration of Partnership Building in September 2021 and have been striving to form a good relationship with our suppliers. The declaration clarifies that we make corporate and focused efforts to realize co-existence and co-prosperity with our entire supply chain, start new forms of collaboration regardless of company size and corporate group affiliations, and observe the preferred trade practices between a parent business operator and its subcontractors (included in the business promotion criteria of the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises). The October 2023 revision to the declaration also states that we proactively communicate with subcontractors so that we can capture difficulties they are facing, hold negotiations while taking into consideration various cost fluctuations and maintain written records of the results of such negotiations.



Hotline for Suppliers

In 2016, we set up a hotline for our suppliers to report and inquire about possible compliance violations in Toyota Industries' procurement activities to ensure early detection and the prevention of problems.

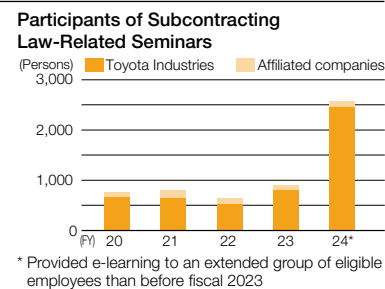
Toward Achieving Carbon Neutrality in Our Supply Chain

Toyota Industries holds sessions to explain carbon neutrality to its major suppliers. In fiscal 2024, we conducted a survey on the CO₂ emissions of suppliers and asked them to implement activities to reduce their emissions. Jointly with suppliers, we will continue to step up our efforts toward achieving carbon neutrality throughout our supply chain.

Human Resources Development to Enhance Procurement Knowledge

We proactively provide personnel in charge of procurement at Toyota Industries and affiliated companies with education to enhance procurement knowledge. In fiscal 2024, we provided education mainly on Japan's Subcontracting Law as well as topics related to sustainability such as human rights and the environment. We also utilize e-learning to thoroughly inform personnel in charge of procurement, those responsible for price negotiations for the entire Company and their managers about our response to the Japanese government's

activities to prevent the unjust use of a superior bargaining position as stipulated in antitrust laws as well as initiatives and guidelines aimed at ensuring fair subcontracts.



Safety and Health Activities for Suppliers

We hold sessions for our major suppliers to explain our Occupational Safety and Health Policies. Based on the analysis of accidents that occurred in the previous fiscal year and information on legal revisions, we promote safety and health activities for the next fiscal year for the prevention of similar accidents through these sessions.

With a view to seeking zero accidents (fires and explosions), industrial accidents and disorders on the premises of Toyota Industries, we have established the Safety and Health Council with subcontractors located on our premises. When an accident or industrial accident does occur, we ask them to report it to us and investigate the cause in accordance with the rules and procedures stipulated

by Toyota Industries. Also, we jointly create a comfortable working environment by sharing information on accidents and disorder prevention activities of Toyota Industries.

Using past accident cases as a reference, we periodically share various information, including matters that should be observed to prevent similar accidents, with subcontractors of outsourced work. We also request the cooperation of subcontractors located on our premises to perform risk assessment in the construction work planning stage to identify associated risks. In addition, we encourage them to always discuss in advance a safe work method with the departments of Toyota Industries planning a construction project.

Business Continuity Management (BCM)

In further promoting BCM, we are making concerted efforts with suppliers to reduce associated risks by implementing specific measures. In fiscal 2022, to deal with frequent natural disasters in recent years, we rebuilt a system to identify disaster-induced damage to suppliers.

Previously, we had conducted an impact survey on suppliers by concurrently using multiple systems for various customers. In place of these systems, we adopted a new,

unified system, which has enabled us to perform the impact survey in a more efficient and timely manner and contribute to their BCM.

Moreover, in order to recover quickly and maintain production, we continued to reinforce our earthquake and flood control measures at each base while at the same time reevaluating an appropriate level of inventories and examining ways to decentralize suppliers and production bases.

Relationship with Our Shareholders and Investors

We aim to facilitate an understanding of the Toyota Industries Group and obtain an appropriate company valuation in stock markets through information disclosure based on fair disclosure rules as well as proactive dialogue with shareholders and investors.

Basic Perspective and Implementation Structure

Toyota Industries continually carries out information disclosure based on fair disclosure rules for shareholders and investors. In this way, we raise management transparency and increase an understanding of the Toyota Industries Group so that we obtain an appropriate company valuation in stock markets.

Our investor relations (IR) activities are supervised by an executive in charge of IR. We also strive to engage in proactive and constructive dialogue with shareholders and investors by establishing a dedicated department.

Communication with Shareholders and Investors

We hold our annual general shareholders' meeting early to avoid the date on which many companies hold their respective shareholders' meetings so that more shareholders can attend. We are further facilitating the exercise of voting rights of our shareholders by allowing them to exercise such rights via the Internet and by joining the electronic voting platform for institutional investors.

We held our 145th General Shareholders' Meeting on June 9, 2023, in which 195 shareholders participated. At the meeting, we explained the status of our businesses and items on the agenda and received a variety of questions from shareholders on our businesses, governance and

environment-related topics. With regard to the exercise of voting rights, we encouraged shareholders to use the Internet and other online means. All resolutions were passed at the meeting.

For institutional investors and analysts, we held financial results briefings by management, while the Investor Relations Office conducted individual interviews, mainly via telephone and the Internet. In addition, we actively participated in conferences hosted by securities companies and held dialogue with many investors from Japan and overseas. Through these opportunities, we exchanged opinions on a range of topics, including market conditions in each of the Lift Truck Business and Logistics Solutions Business and our response; production and sales status in our automobile-related businesses; direction of business over the medium to long term; and our approach to and initiatives for the environment, social and governance (ESG) issues.

For individual investors, we held web-based company information sessions to explain Toyota Industries' businesses, characteristics and strengths and answered many questions.

Through such communications with shareholders and investors, we successfully promoted a deeper understanding of Toyota Industries' entire businesses. Opinions and requests obtained through these communications are fed back to executives and relevant business divisions as necessary to reflect them in our future business activities.



145th General Shareholders' Meeting

Returning Profits to Shareholders

Toyota Industries regards ensuring shareholder benefits as one of the most important management policies. In returning profits to shareholders, we emphasize stable cash dividends. Accordingly, we strive to continue paying dividends at the consolidated dividend payout ratio of roughly 30% and meet the expectations of shareholders upon comprehensively taking into consideration such factors as business results and demand for funds.

For fiscal 2024, Toyota Industries increased annual cash dividends by ¥50.0 from the previous fiscal year and paid annual cash dividends per share of ¥240.0 (interim cash dividend per share of ¥100.0 and year-end cash dividend per share of ¥140.0).

We will continue to make efforts to enhance shareholder return based on the environment surrounding Toyota Industries and the situations we are facing.

Relationship with Our Associates

We undertake initiatives to enable associates to work safely and with peace of mind and to allow diverse human resources to exercise their potential and play active roles.

Human Resources Management and Labor Management

Basic Perspective

Toyota Industries undertakes a range of initiatives based on our basic perspective to develop and leverage the capabilities of associates and the organization to the fullest by promoting the creation of a highly motivated team.

Toward Fostering Open Workplace Culture

It is essential to create an open workplace so that individual associates can fully demonstrate their abilities in their own ways and find their work rewarding and meaningful. At Toyota Industries, supervisors and more experienced associates have been taking the lead in creating a workplace culture that allows members to freely share opinions and suggestions. They also work to establish a relationship so that they can sincerely work to solve difficulties or troubles faced by members.

As for building a relationship that allows anyone to talk about anything in a timely manner, which is a focused, common theme of labor and management, we are making Company-wide efforts and holding labor-management discussions throughout the year.

We also conduct an annual morale survey throughout the Company covering various aspects, including workplace

culture perceived by each associate, an individual's willingness to grow and growth achieved and supervisors' management of subordinates. The survey results are fed back to associates, and each department head is leading efforts to create a better workplace.

In order to help promote personal and trust relationships among associates outside work hours, we are also keen to conduct activities to facilitate communication, including internal *ekiden* long-distance relay races and summer evening festivals.

Morale Survey Results

	FY2024
Percentage of associates who are proud of the Company	89.9%
Percentage of associates finding their work rewarding	75.1%

Nurturing Human Resources and Promoting Active Roles

It is crucial to build a flexible and robust organization that can adapt to future uncertainties and various changes. Accordingly, we strive to nurture human resources who can trigger changes in the surrounding environment and themselves and back up associates tackling challenges.

On-the-Job Training (OJT)

We engage in human resources development in each workplace with a focus on the OJT cycle consisting of three steps: setting a role and theme for each associate, giving guidance and providing performance evaluation and feedback.

The basis of our human resources development is one-on-one dialogue held semiannually between a supervisor and subordinate to discuss the subordinate's growth and aspired role (career plan) and to review his or her capabilities. Based on the results of the dialogue, we formulate a departmental development plan for each member and share it with him or her to increase work motivation and encourage further growth and greater roles.

Moreover, we place emphasis on human resources development through a broad range of experiences and have proactively taken measures to provide various opportunities for active engagement, including a system of overseas training, an internal job posting system and a job rotation system in which associates will eventually return to their

original positions after assignment to different workplaces for a certain period of time.

We assign one senior member in the workplace to each new associate to help them learn the basic rules as a working person and ensure smooth assimilation. After one year from the posting, the department head interviews each new associate to eliminate difficulties and convey growth expectations.

As a tool to support OJT and supervisors' management of subordinates, we implement a 360-degree feedback system designed to provide an opportunity for them to reflect on their actions and facilitate behavioral change.

For leader positions, we have a succession plan system, which specifies successor candidates for each of the department head positions as well as executive officer positions at affiliated companies in and outside Japan. The system also validates required qualities and formulates development plans. Through the system, we assign roles and opportunities to those who may assume positions that are strategically important in our management to facilitate their development.

Off-the-Job Training (Off-JT)

We provide various training programs that are practical and useful in the workplace, including induction training for new associates, training for newly promoted associates and

Rank-Based Training

	Office associates	Production associates	
Directors	Training for newly promoted directors		Directors
Managers	Training for newly promoted managers		Managers
Senior staff (SS)	TICO Business Practices training III	Training for newly promoted CX	Chief experts (CX)
	Training for newly promoted SS		
Middle staff (MS)	TICO Business Practices training II	Training for newly promoted SX	Senior experts (SX)
	Training for newly promoted MS		
Junior staff (JS)	TICO Business Practices training I	Training for newly promoted EX	Experts (EX)
		Production associate training III	
Clerical staff (CS)	Induction training for new associates	Production associate training II	Associates
		Induction training for new associates	

training to gain specialized knowledge or capabilities.

These programs are also made available to associates of affiliated companies in Japan.

<Nurturing Young Engineers>

We operate the Toyota Industries Technical Training School, an in-house training school, to nurture future core human resources in manufacturing operations having basic skills and a strong commitment. Graduates of the school, who have acquired knowledge, skills and mindset/physical training for one year, play active roles at the forefront of our manufacturing operations.

Our annual in-house skills contest is a venue for young associates from within Toyota Industries and affiliated companies to hone their skills. It also serves as an opportunity to nurture practical leaders in *monozukuri* (manufacturing). The purpose is to maintain and improve the basic skills underpinning the foundation of *monozukuri*, increase engineers' motivation and facilitate skills exchange among business divisions.

Through participation in the National Skills Competition, we also nurture human resources with skills, knowledge and excellent personality, thus contributing to the growth of *monozukuri* within the Company as well as Japan.

<Education to Managers>

We provide the following training programs to facilitate an understanding of the responsibilities and roles expected of associates who will be assigned to managerial positions in and outside Toyota Industries.

- Training for executives of affiliated companies in and outside Japan (director's responsibilities, compliance, labor management, accounting and financial affairs and public relations)
- Training for newly promoted group leaders (group leader's roles, building a trust relationship with group members, empowering diverse members and human resources development)

<Nurturing Globally Capable Human Resources>

We focus on the following three pillars.

- Global leader training
- People-to-people exchange (temporary overseas assignment, overseas training and Intra-Company Transferee (ICT) system*1)
- Training to be held at Group companies outside Japan to cultivate a sense of value shared across the Toyota

Industries Group (Toyoda Precepts, business practices, giving guidance to subordinates and roles of each job level)

At the Global Human Resources Conference, in which human resources representatives of affiliated companies outside Japan participate, we discuss these initiatives, formulate medium-term plans every three years and promote related activities.

*1: A system to accept associates of Group companies outside Japan for a certain period



Global Human Resources Conference



Associates participating in a National Skills Competition

Support for Personal Development

We provide opportunities and venues for personal development and voluntary study to increase associates' willingness to expand their knowledge and perspective and to learn independently. We also provide financial aid to support their personal development.

Appropriate Work Hour Management and Flexible Work Styles

On the basis of labor management, compliance with laws concerning work hours, break time and leave systems, we have been striving to create an environment where associates can maintain their health and work with peace

of mind through labor-management communication. To enhance productivity, we have also introduced systems to enable associates to work flexibly without time or place constraints to offer more diverse work style options. Such systems include a flex time system without core-hour requirements, satellite offices, a discretionary work system and a telecommuting system.

Supporting Active Roles of Diverse Human Resources

To generate new value by flexibly responding to the changing business environment and diversifying customer needs, we aim to create an organization that allows human resources that are diverse and proactive to exercise their abilities to the fullest and make accomplishments through co-creation.

We are promoting initiatives to realize a corporate culture in which associates accept and respect each other's differences, including gender, age, nationality, race, religion, sexual orientation, gender identity, sexual expression, disabilities, experience, sense of value or any other invisible difference.

Empowerment of Female Associates

We aspire to let individual associates take active roles regardless of gender. Accordingly, we have been undertaking a range of initiatives from various aspects, such as changing the mindsets of associates, providing career support for female associates and promoting flexible working practices.

In seeking to ensure that female associates engaging in production operations fully work and take active roles until an older age, we also hold a work style seminar for female production associates and a training program on women's empowerment for newly promoted production associates.

As health support for women, we have implemented initiatives such as providing basic knowledge videos for all associates and setting up a health consultation service with specialty doctors.

As a result of these efforts, Toyota Industries received Japan's "Eruboshi" certification and an "Excellent Company" award under Aichi Prefecture's "Female-Friendly Company" certification program.

Fair Evaluation

Toyota Industries respects diverse values and attributes and implements measures so that each associate is empowered to demonstrate their abilities. At the same time, we conduct fair evaluations based on communication between supervisors and subordinates and provide support for their even greater engagement.

Targets and Major Initiatives for Promoting Active Roles of Female Associates	
CSR Material Issue	
Target 1	Ratio of female managers: Double the ratio to 2.4% in fiscal 2025 and triple it to 3.6% in fiscal 2031 compared with fiscal 2015 when the target was defined
Result	2.0%, or 1.7 times the fiscal 2015 level (as of March 31, 2024)
Example efforts	Training for newly promoted group leaders; training for career development for female associates; career development support through dialogue; formulating and implementing individual career plans; role model exchange meetings; pre-maternity leave seminars
Target 2	Ratio of female graduate recruits: 40% in office work positions and 10% in engineering positions
Result	53% in office work positions and 3% in engineering positions (among new hires in April 2024)
Example efforts	Recruitment events for female students; participating in initiatives of the Toyota Female Engineer Development Foundation
Target 3	Ratio of male associates taking parental leave: 30% in fiscal 2026
Result	45.6% (fiscal 2024)
Example efforts	Providing videos describing systems for supporting work-life balance for expectant mothers, their spouses and supervisors; communicating relevant systems through a parental leave handbook for male associates



Link to the action plan (in Japanese)





Training for newly promoted group managers

Road Map for Promoting Active Roles of Female Associates

	Phase 1	Phase 2	Phase 3
	Establishing and enhancing work-life balance support systems to instill related practices	Cultivating a culture to encourage more active roles	Undertaking initiatives to promote even greater roles
Promoting active roles	2002–	2008–	2015–2019–
		Cultivating a culture - Opening a diversity-related page on the intranet - Female associate exchange meetings - Holding lectures	Project to promote more active roles for female associates in office work and engineering positions - Awareness-raising seminars for managers, career training for female associates, etc. - Working group for promoting active roles of female production associates - Seminar for cultivating female associates for experts
Supporting work-life balance	Enhancing support systems - Extending the period of parental leave - Introducing a leave system to allow parental care of children with illnesses	- Introducing a shorter work-hour system for childcare - Establishing on-site day care center - Introducing a "welcome-back" system (allowing associates who have left work for specific reasons to get reinstated)	- Introducing a financial aid system for day care costs - Introducing a system of leave for fertility treatment - Installing delivery lockers (receiving delivery of online supermarket services)

Initiatives for Persons with Disabilities

We respect the idea of people with and without disabilities working together and sharing life and work values. Under this basic policy, we continue to employ persons with disabilities every year. Before hiring, we offer them the opportunity to gain work experience (internship) so that they can feel reassured about joining Toyota Industries. After employment, we implement various measures to ensure that they receive fair opportunities for achieving growth and taking active roles. These include dispatching sign language interpreters when they receive training, providing tools to support communication, such as Boogie Board digital writing pads and UD Talk (a real-time speech-to-text app), having supervisors and senior members pay special attention to them and assigning counseling staff in the General Affairs Department at each plant, bachelors dormitories and the Human Resources Department in the Head Office. Through these efforts, we have established a system to support their workplaces.

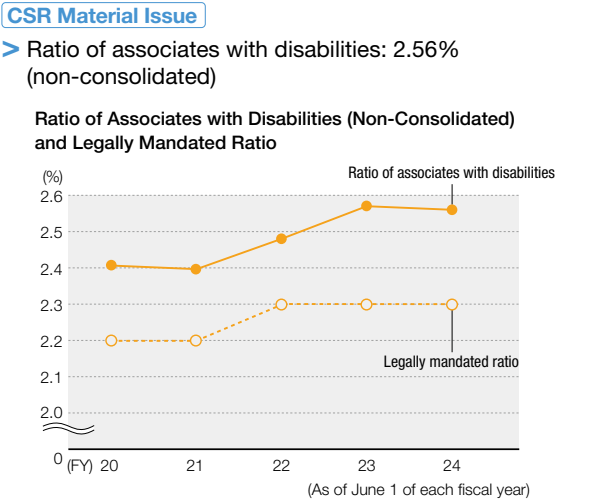
Moreover, we invite persons with disabilities as lecturers to each of our grade-based training programs to foster a deeper understanding of persons with disabilities and nurture a supportive workplace culture.



Associates using the tool in the workplace



Boogie Board tool to support communication



Creating an Age-Inclusive Workplace

We provide practical digital skills education for experienced associates, who have broad work experience and perspectives, to learn the knowledge on digital technologies and know-how to use them through themed practical work in the workplace. They contribute to the workplace by actively promoting the use of digital technologies after finishing their education.

The ratio of older associates (ages 50–64) working in manufacturing departments reached about 70% (or 1,200 persons) at the end of fiscal 2024, and we expect that the percentage will continue to rise. In order to enable them to work and take active roles in production operations, we have been creating better, less physically stressful production lines for them. Efforts include setting up standards for the handling of heavy objects and a work environment that makes it easier for older associates to work, and improvement in processes using digital technologies. The number of processes updated in a worker-friendly way reached 2,200, and we plan to continue undertaking further improvements.



Practical digital skills education for experienced associates

Efforts to Support Work-Life Balance

We back up active roles of associates balancing work with family life by enhancing our support to individual associates in various life stages and creating an environment where they can work with peace of mind. As for childcare, in particular, we have been working to foster a culture that allows associates to take parental leave more easily and have already created an environment where all associates wishing to take such leave can do so. As a result of these efforts, Toyota Industries received Japan's "Platinum Kurumin" certification and won a "Family-Friendly Company" award from the Aichi prefectural government.

We also provide support for associates balancing work with fertility treatment or family care by providing a system of leave and financial aid.



Support During Pregnancy, Childbirth and Childcare

Pregnancy	Handbook for Balancing Work with Nursing Care On-demand pre-maternity leave seminars
Childbirth	Leave system for spouses whose wife is giving birth Providing childbirth gift money
Return to work	Interview with supervisor before returning to work to discuss how to work after being reinstated
Work-life balance	Shorter work hours for childcare In-house daycare centers (mutually available among five bases) Financial aid for childcare costs (for using babysitters, travel by family members and daycare center fees) Leave system to allow parental care of children with illnesses
Other	"Welcome-back" system (for associates who have left work to accompany their spouses for a job transfer or to provide child or family care) Inviting family members to Company events (plant tours, sports days, summer festivals, etc.)

Support for Family Care

Leave system for family care Handbook for Balancing Work with Family Care Providing newsletters on family care On-demand seminars on family care Nursing home with care services operated by a Group company
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Support for Fertility Treatment

Leave system for fertility treatment Financial aid for the costs of fertility treatment
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■ Working with Colleagues from Different Countries

Currently, some 53,000 associates are working at bases outside Japan, accounting for about 70% of all associates of the Toyota Industries Group. To foster a mutual understanding among associates working in different countries and regions, Toyota Industries actively dispatches associates to production bases and offices outside Japan on temporary assignments and as trainees. We also operate the Intra-Company Transferee (ICT) system to accept associates of overseas bases at Toyota Industries for a certain period.

Number of Associates Sent Overseas
(Temporarily Assigned, Expatriates and Trainees)

	March 2022	March 2023	March 2024
Associates temporarily assigned overseas and expatriates	179	163	155
Trainees receiving training outside Japan	4	9	11

Number of Associates Registered or Accepted under ICT System

	March 2022	March 2023	March 2024
Associates registered under ICT system	8	4	19
Associates accepted under ICT system	0	2	16

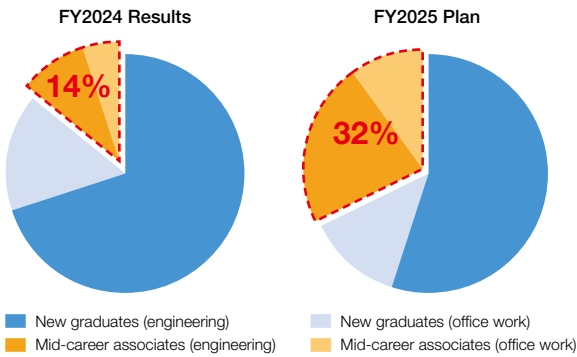
■ Efforts for Mid-Career Recruitment

We have been reinforcing mid-career recruitment to incorporate external knowledge. For office work and engineering positions, in particular, we have reinforced the recruitment of young persons with a few years of work experience to bring out their potential and plan to adopt a referral recruitment system*2 in addition to our conventional recruitment of work-ready persons with specialized knowledge. In fiscal 2025, we plan to increase the ratio of mid-career associates in office work and engineering positions to 32% of all main career track associates. In fiscal 2024, mid-career associates accounted for 14% of all new hires. They are assigned to their desired business divisions or job categories and after finishing induction training, take active roles in each workplace.

For our production floors, we actively promote short-term workers to full-time associates to ensure stable production by securing excellent human resources.

*2: A system of recruitment to receive referrals of potential associates from Toyota Industries associates

Breakdown of New Hires



■ Safety and Health

Basic Perspective

Based on the idea of building “a homelike atmosphere at work that is warm and friendly” as stated in the Toyoda Precepts, we formulated the Safety Vision in 2013 after holding repeated discussions on the “basic stance on safety” and “optimal safety we seek.” The vision has been instilled at all bases in the Toyota Industries Group.

Safety Vision

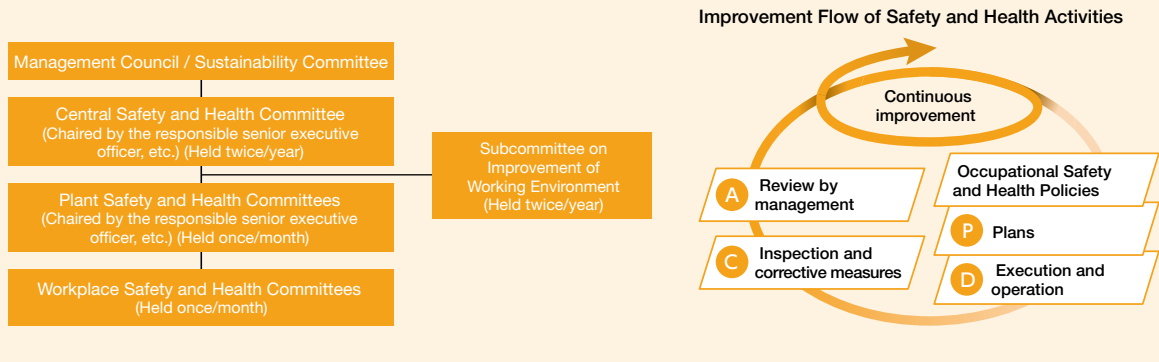
Each and every associate in the Toyota Industries Group, guided by the spirit of our corporate creed, aims to create a corporate culture that places a top priority on maintaining safety in all areas and focuses on mutual courtesy and safety as well as realizing workplaces where associates work each day with a sense of happiness and pride.

■ Structure for Promoting Safety and Health

Under our basic policy of placing a top priority on safety and health, we have been striving to eliminate accidents and occupational disorders. As part of such efforts, we have established the necessary committees, including the Central Safety and Health Committee and the Plant Safety and Health Committees.

■ Occupational Safety and Health Management System

In accordance with the concept of an Occupational Safety and Health Management System (OSHMS/ISO 45001), we have established a required management structure in each plant (or business division) headed by the chair of each Plant Safety and Health Committee (responsible senior executive officer) and have been achieving improvements in safety and health activities on an ongoing basis from human, object and administrative standpoints based on risk assessment.



Prevention of Accidents and Disorders through Safety and Health Education

In order to cultivate knowledge, awareness and the skills necessary to prevent accidents and disorders, Toyota Industries proactively provides safety and health education, including education required by law to cultivate relevant knowledge and skills and to raise safety and health awareness, in addition to grade-based education and job-category-based education. Through these efforts, we are promoting the development of human resources and workplaces that place the highest priority on safety.

Purpose	Major Initiatives
Acquire qualifications (cultivate personal skills)	Licenses; skills seminars; special education; repeated education for capability improvement
Raise safety and health awareness	Education to improve ability to predict hazards; education to actually experience hazards (safety <i>dojo</i>)
Prepare for roles associated with positions/grades	Induction training; training for production associates; training for newly promoted senior experts and chief experts; training for newly promoted experts; safety and health manager education
Prepare for job categories and business characteristics	Education on emergency measures; education on equipment lockout; education for equipment safety inspectors; risk assessment education

Prevention of Occurrence and Recurrence of Accidents and Disorders

Since the occurrence of a serious accident in 2019, we have been working to eliminate accidents related to powered machinery and constantly upgrading our physical and administrative measures. Specifically, we have incorporated into our new and existing equipment a mechanism that cuts off power whenever an operator accesses a machine with its safety device disabled. We have also rebuilt our equipment safety assurance system. The system includes a visualization

of which parts of the equipment are shut down, the control category under which it is operating and safety feature checks by qualified equipment safety inspectors. Moreover, to make further efforts toward zero accidents, we believe that it is important to prevent accidents caused by the unsafe behavior of operators themselves, including taking a shortcut, omitting a step in a particular work process or showing disregard for safety. Since fiscal 2023, as part

of human-related measures, we have been undertaking an initiative to quantitatively assess the tendencies of individuals, namely risk perception and risk-taking attitude*3.

In fiscal 2024, we laid down internal rules to consider individuals' behavioral tendencies when selecting personnel for implementing emergency measures to deal with irregularities that may lead to very serious accidents and have thus reinforced our efforts to prevent accidents related to powered machinery.

We will continue to work toward the development of safe workplaces and safety-oriented human resources based on an approach to always shut down a machine (cutting power) when something is wrong and make sure to prevent accidental operation by others (enforcing lockout) while taking fundamental measures to remove the root cause.

Health

Basic Perspective

As a task for the medium term, we are promoting health improvement of associates, mainly focusing on the prevention of lifestyle diseases and mental health support activities, to counter risks of health problems associated with aging and greater stress. To enable associates to work and take active roles over the long term, we provide support toward the cultivation of an autonomous health-oriented culture in which associates care about their own health and take action voluntarily and willingly.

Major Health Promotion Events in Fiscal 2024

Stop smoking awareness event	World No Tobacco Day: One-day no smoking (May 31) No Smoking Days: Half-day no smoking (9 days/year)
Walking events	Held jointly with health insurance association in spring and fall (3,046 participants)
Early detection	Providing financial aid for various examinations (used by 1,189 associates)

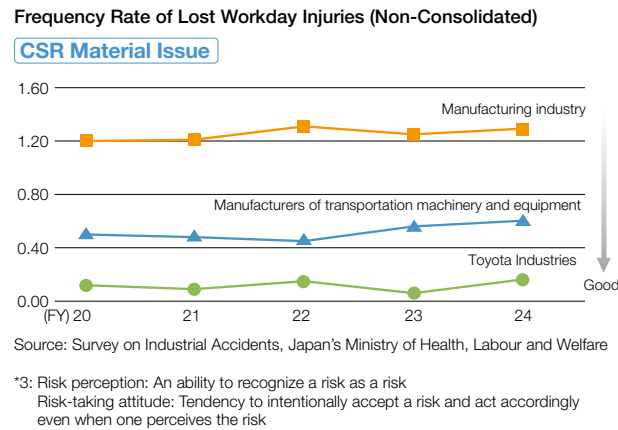
Formulation of Philosophy of Health Management

Based on the basic perspective, we have formulated the Toyota Industries Group Declaration of Health Commitment. Centered on the idea that the health of associates and their families will vitalize the Company and lead to our sustainable growth, we will make Company-wide efforts to establish the foundation for health and productivity management.

Structure for Promoting Health

To further reinforce our health and productivity management*7, we have established the Subcommittee for Promoting Health Creation, for which the Safety & Health Promotion Department and our health insurance association serve as an administrative office. The subcommittee, in which related departments and our workers' union are participating, formulates medium- to long-term health targets and a strategy map (policy) for health and productivity management while exchanging views concerning associates' health. It also creates improvement plans and continuously provides support for enhancing the health of associates.

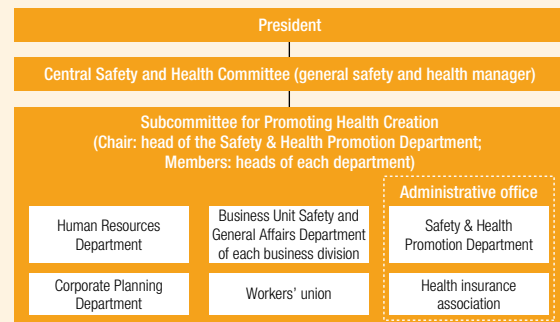
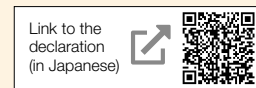
*7: Health and productivity management is a registered trademark of the NPO Kenkeokei



Major Activity Indicators

	FY2022	FY2023	FY2024
Participants of age-based health education*4	1,139 persons	2,576 persons	2,856 persons
Average score of KENKO Challenge 8*5	5.54	5.58	5.67
Rate of undergoing a stress check	99%	99%	99%
Overall assessment of the stress check results (National average: 3)*6	3.27	3.27	3.28

*4: Held only during the period from July to December in FY2022.
*5: Average score at which associates are practicing the eight lifestyle habits (1. Desirable weight, 2. Breakfast, 3. Snacks, 4. Sleep, 5. Exercise, 6. Alcohol consumption, 7. No smoking, 8. Stress level) (Scale of 1 to 8)
*6: Assessed using the conversion table of raw scores of the Brief Job Stress Questionnaire (1: High stress; 3: National average; and 5: Low stress on a five-point scale)



Prevention of Lifestyle Diseases

Milestone Health Class

As a collaborative initiative of Toyota Industries, its workers' union and health insurance association, we conduct periodic age-based health education for all associates (every five years, from the age of 30) and offer a Milestone Health Class as part of this education. To provide motivation for better health, we provide feedback to associates on the results of an annual health checkup along with advice to improve lifestyle habits. In fiscal 2020, we started providing such information as physical fitness propensity scores and countermeasures, physical fitness for work, assessment of physical fitness age and recommended exercises to increase motivation for promoting physical fitness.



Milestone Health Class

KENKO Challenge 8

Since fiscal 2022, we have continuously been promoting the "KENKO Challenge 8 (8 Challenges for a Healthier Lifestyle)" initiative to promote the cultivation of appropriate lifestyle habits in daily lives by defining eight lifestyle habits and giving each a score. To instill the initiative among associates and increase their health literacy*8, we provide the results of a KENKO Challenge 8 survey and health-related information to encourage behavior change. Additionally, in fiscal 2024, we analyzed



the correlation between lifestyle habit scores and work performance and motivation and, based on the findings, held a lecture by an industrial physician at a meeting of the Plant Safety and Health Committee. With a declining labor force and aging society, it is essential to maintain the physical fitness of associates. However, the score for "Exercise" was lower than other lifestyle habit items defined in the initiative. In the future, we will promote various efforts and initiatives to encourage associates to exercise during a break or after work.

*8: Knowledge, willingness and ability to obtain, understand and utilize health-related information

Weight Reduction Program

To prevent and ameliorate metabolic syndrome, we implement a new weight reduction program that uses a body composition analyzer (BCA), in addition to providing the Milestone Health Class and health guidance to associates whose body mass index (BMI) is above 25.0. The program has led to reductions in the body-fat percentage and visceral fat level as well as behavior change among the participating associates. Some participants noted the use of a BCA makes it easier to see a difference (or a positive effect) as it visualizes their body shape. We plan to use a BCA in annual health checkups and health guidance to raise associates' interest in changing themselves and provide better motivation for their behavior change.



Guidance using a BCA

Mental Health Support

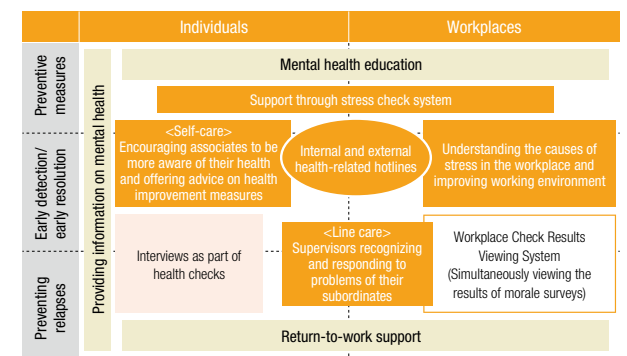
As part of mental health support activities, we have in place a system to offer early consultation through a health-related hotline. Other activities include upgrading our self-care/line-care education to prevent new cases of mental health problems and operating a return-to-work support program for persons on long-term leave for the prevention of relapses. We have successfully achieved positive results through these activities.

As for activities for early detection, we have been continuously reinforcing line care by associates' immediate supervisors and seeing an increase in cases seeking advice from the internal hotline while a problem is still in the mild stage. Since associates with milder mental health problems aim to recover while still on the job, we assist them in taking action themselves to restore their conditions as well as support the workplace in improving its work processes and environment.

Additionally, we have been conducting an annual stress check on all associates since fiscal 2017. We feed back the check results to all participants and workplaces with suggestions for improvement while setting up an individual

interview with a doctor for those wishing to do so, including making an individual recommendation to associates showing a high level of stress and those found to have tendencies of problems through the internal check, and providing improvement support to individual workplaces.

Improving Mental Health Support System



Relationship with Our Local Communities

To contribute to the harmonious and sustainable development of the earth and society, we actively undertake social contribution activities while respecting the culture, traditions and history of each country.

Basic Perspective

Based on the Sustainability Policy and as a global company, Toyota Industries seeks to contribute broadly to society through all its corporate activities conducted in each country and region. Simultaneously, we aim to realize a sustainable society and the growth of local communities with an emphasis on the areas of social welfare, youth development, environmental protection and community contribution. While providing cooperation and support through personnel, facilities, funds and know-how, we undertake initiatives to promote employees' participation in social contribution activities.

■ Implementation Structure

We have established the Social Contribution Group within the General Administration Department in the Head Office. Each plant and Group company of Toyota Industries around the world collaborates with each other and promotes social contribution activities matched to the local characteristics and needs while cooperating with NPOs and interacting with local community members.

Enlightenment Activities

We promote a range of activities for employees of Toyota Industries and its Group companies to increase their interest in social issues and cultivate a mindset to always think about what they can do to address these issues. Such activities include donating one item per person to help welfare facilities hold a charity bazaar; social welfare, youth development and environmental protection activities of employee associations*1; providing information on volunteer activities via the intranet; and presenting examples of social contribution activities of Group companies across the world. In this way, we provide various opportunities and venues to participate in social contribution activities.

*1: Voluntary organizations formed by employees at each job level



Cooperating in a Christmas party in a welfare facility (employee associations)

Dialogue with Local Communities

We hold local community meetings for the purpose of sharing and resolving various issues in each community. These meetings are attended by local community representatives and responsible persons of Toyota Industries in the general administration, environment and other relevant departments. Depending on the theme of the meeting, representatives from the local government also join. Participants exchange opinions not only on our business activities and associated environmental risks but also on local events and activities for crime/disaster prevention and traffic safety.



Local community meeting

Major Social Contribution Activities of Toyota Industries and Group Companies

Theme	Activities	Theme	Activities
Social welfare	Events to interact with persons with disabilities (Japan) "Welfare Festival," farming experience, Walk Rally (orienteering) and other events	Environmental protection	Providing environmental education program for children (worldwide)
	Donating and leasing free of charge of materials handling equipment (worldwide)		Donating benches that made effective use of thinned wood (Japan)
Youth development	Christmas donations (worldwide)	Community contribution	Tree-planting activities to curb global warming (worldwide)
	Partnership with an employment transition support facility (U.S.A.) p. 63		Cleanup activities (worldwide)
Youth development	Providing monozukuri workshops (worldwide)	Other	Education to raise children's environmental awareness (Brazil) p. 63
	Holding plant tours and work experience events (worldwide)		Participation in traditional events (Japan, India, Germany)
Youth development	Holding mini concerts at elementary schools (Japan)	Other	Volunteer activities to give back to local communities (Japan, U.S.A.)
	Dream Project (India) p. 63		Repair of welfare facilities, tree pruning, park maintenance, etc.
Youth development		Other	Cooperating in disaster prevention and fire-fighting activities (Japan, U.S.A., Germany)
			Blood donation (worldwide) p. 63
Youth development		Other	Holding charity concert (Japan)
			Disaster relief and humanitarian support (worldwide)

Activity Examples of Toyota Industries Group

U.S.A.	Partnership with an Employment Transition Support Facility Cascade Corporation (Cascade)	Social welfare
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For more than 40 years, Cascade has been partnering with the Kay Service Center*2, an employment transition support facility, to help persons with disabilities to be themselves and live comfortably in the community with meaningful jobs. Together with Cascade employees, they engage in activities to support production. The experience of working and communicating with various people, both with and without disabilities, helps them grow further. In June 2023, Cascade made a donation under the Cascade Corporate Giving Program.

*2: A facility supporting adults with disabilities to develop a maximum level of independence in the community

India	Dream Project—Aiming for Community Development via Educational Support Toyota Industries Engine India Pvt. Ltd. (TIEI)	Youth development
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TIEI promotes its Dream Project based on the belief that education forms the foundation for all people. While working with the local government, TIEI has created excellent educational infrastructure by rebuilding an old elementary school with digitalized "smart" classes and eco-friendly facilities. On November 29, 2023, community residents, teachers and students attended a ceremony to officially pass the new building over to the government's educational agency. From fiscal 2025 onward, TIEI plans to support study sessions for teachers and initiatives for children's growth (learning, sports and cultural activities) to improve the quality of education. TIEI intends to contribute to the comprehensive growth of children and the development of local communities together with local governments and community members.



Ceremony to hand over the new school building

Brazil	Education to Raise Children's Environmental Awareness Toyota Material Handling Mercosur Indústria e Comércio de Equipamentos Ltda (TMHM-B)	Environmental protection
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In cooperation with the environmental agency of the local government, TMHM-B, which engages in the sales and servicing of materials handling equipment, hosted an event for children to plant multiple plants in a flowerpot made by reusing plastic waste. The 50 children first created flowerpots by adding rabbit ears and faces to plastic containers and then planted their favorite flowers and herbs. In September 2023, TMHM-B conducted an environmental awareness lecture at school to spread awareness of the importance of protecting trees and forests, which was attended by 60 students and teachers.



Children showing off their original flowering pots

Worldwide	Blood Donation	Community contribution
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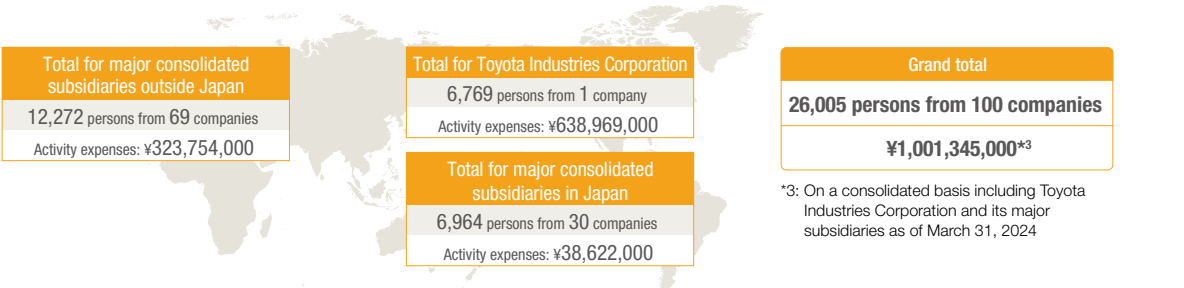
In fiscal 2024, 1,034 members of Toyota Industries and 11 Group companies in five countries donated blood. We cooperate with the Red Cross through blood and other donations and volunteer activities and by lending our products.

Toyota Material Handling (TMH) worked jointly with the American Red Cross and supported their development through the completion of a new bloodmobile. The vehicle can accommodate four donors simultaneously, with an annual collection capacity of approximately 6 million ml of blood. It is designed with built-in measures to counter infectious diseases and is the first in the United States equipped with solar panels.



New bloodmobile built with TMH's support

■ Status of Social Contribution Activities in Fiscal 2024 CSR Material Issue



*3: On a consolidated basis including Toyota Industries Corporation and its major subsidiaries as of March 31, 2024

Corporate Governance Structure

Toyota Industries strives to enhance its corporate value in a stable manner over the long term and maintains society’s trust by earnestly fulfilling its social responsibilities in accordance with its Basic Philosophy. To that end, Toyota Industries endeavors to further enhance its corporate governance in its efforts to maintain and improve management efficiency and the fairness and transparency of its corporate activities.

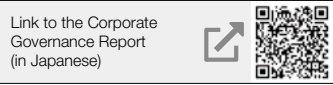
Basic Perspective on Corporate Governance

Toyota Industries regards the most important managerial task is to earn trust broadly from society and enhance our corporate value on a stable, long-term basis. We aim to do this task based on our Basic Philosophy and by earnestly fulfilling our social responsibilities. Our basic focus is on contributing to the creation of an enriched society through business activities, and we believe it is essential to cultivate good relationships with stakeholders, including shareholders, customers, business partners, creditors, local communities and employees.

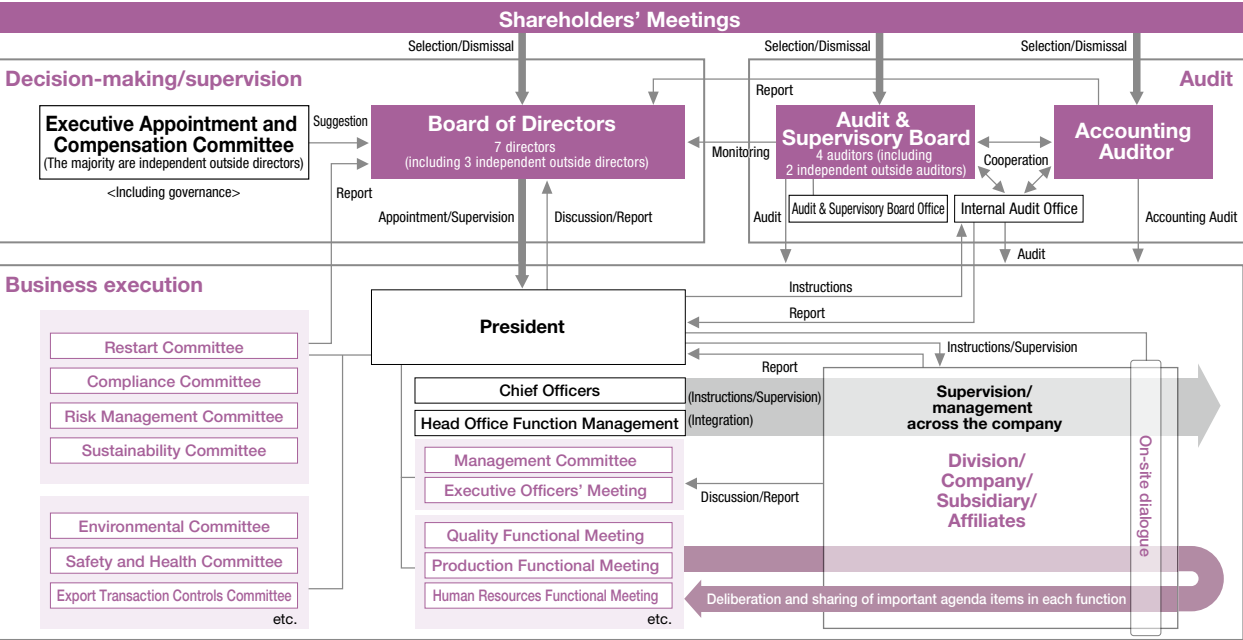
Accordingly, we strive to enhance our corporate governance in order to maintain and improve management efficiency, fairness and transparency. For example, we have established a structure to quickly and flexibly respond to changes in the business environment and have been working to augment management oversight and ensure the timely disclosure of information.

- More specifically, the following basic policies drive our initiatives.
- (1) We seek to ensure shareholders’ rights and equality.
 - (2) We seek to promote appropriate collaboration with stakeholders other than shareholders (including customers, business partners, creditors, local communities and employees).
 - (3) We seek to conduct appropriate information disclosure and ensure transparency.
 - (4) We seek to perform the roles and duties of the Board of Directors appropriately in order to make decisions in a transparent, fair, quick and resolute manner.
 - (5) We seek to promote a constructive dialogue with shareholders.

Implementation Structure



Toyota Industries convenes monthly meetings of the Board of Directors to resolve important management matters and monitor the execution of duties by directors. We appoint outside directors who have a wealth of experience and knowledge such as business management. They attend meetings of the Board of Directors and give opinions and ask questions as deemed necessary based on their individual, wide-ranging experience and insights related to the management of globally operating companies and *monozukuri* (manufacturing). Through this supervisory function of outside directors, we ensure the legality and validity of the Board’s decisions as well as the directors’ execution of duties from an objective perspective. Moreover, a variety of issues concerning important management matters, such as our corporate vision, management policies, medium-term business strategies and major investments, as well as crucial projects in each business



(As of June 11, 2024)

division, are discussed by the Management Committee, which is composed of the president, executive vice president, chief officers and audit & supervisory board members as well as relevant senior executive officers and other executives, prior to deliberation by the Board of Directors.

At the Executive Officers’ Meeting, the president, executive vice president, chief officers and senior executive officers convene to report and confirm the monthly status of business operations and discuss business and functional issues.

In addition, issues pertaining to quality, production and human resources are discussed at the corresponding functional meetings. We have also put in place committees to deliberate on more specific matters, such as compliance, risk management, sustainability, the environment, safety and health as well as export transaction controls. These functional meetings and committees discuss important matters and action themes in respective areas.

Furthermore, in response to the engine certification issue, we established a Restart Committee to promote recurrence prevention measures.

Moreover, we strive to maintain and improve internal

Initiatives for Enhancing Corporate Governance

1971	Introduced a divisional organization system
2006	Reduced the number of directors (from 30 to 17) Introduced a managing officer system
2010	Appointed independent members of management
2016	Established the Executive Appointment Committee and Executive Compensation Committee Reduced the number of directors (from 17 to 11)
2017	Conducted an evaluation of the effectiveness of the Board of Directors
2019	Revised executive management structure and reduced the number and rank of executives
2022	Revised the composition of the Board of Directors (independent outside directors accounting for a third or more of the total number of members)
2023	Reorganized the Executive Appointment Committee and Executive Compensation Committee into the Executive Appointment and Compensation Committee, with its chairperson position now assigned to an independent outside director
2024	Established chief officer (CxO) positions Appointed a female director

controls by establishing the Internal Audit Office and conducting internal audits of Toyota Industries’ business divisions and departments as well as our subsidiaries.

Selection and Dismissal of Senior Management and Appointment of Director and Audit & Supervisory Board Member Candidates

Policies and Procedures for Selection (and Dismissal) of Senior Management and Appointment of Director and Audit & Supervisory Board Member Candidates

We appoint candidates from the viewpoint of placing the right persons in the right positions. As director candidates, we appoint persons capable of making sound and quick decisions about corporate management in general, managing risk appropriately and monitoring the execution of business operations. In appointing audit & supervisory board member candidates, we ensure a balance among the financial, accounting and legal insights, knowledge of our business fields and the diversity of perspectives on corporate management. We also select senior management members from the viewpoint of placing the right

positions, while considering a balance of their abilities to cover each function and business division of Toyota Industries in executing business operations. We will consider dismissal if a certain situation precludes sufficient execution of duties.

Based on these policies, we review proposals, exchange views and confirm details at the Executive Appointment and Compensation Committee, which is chaired by an independent outside director and a majority of which comprising independent outside directors, and then submit these proposals to the Board of Directors for resolution.

Experience and Expertise of Directors and Audit & Supervisory Board Members

		CEO or equivalent position of business enterprise	Knowledge of industries			Technology development, manufacturing	IT and digital technologies	Finance and accounting	Legal affairs and risk management	ESG	Internationality
			Materials handling equipment	Automobile	Textile machinery						
Directors	Shigeki Terashi	○		○		○	○		○	○	○
	Koichi Ito	○	○		○		○	○	○	○	○
	Akira Onishi	○	○	○	○				○	○	○
	Shuzo Sumi	○				○	○	○	○	○	○
	Junichi Handa	○				○	○	○	○	○	○
	Kazunari Kumakura			○		○	○		○	○	○
	Takako Shimizu						○	○	○	○	○
Audit & supervisory board members	Toru Inagawa		○				○	○	○	○	○
	Toru Watanabe			○				○	○	○	
	Akihisa Mizuno	○				○	○		○	○	○
	Masanao Tomozoe	○		○			○		○	○	○

Appointment of Independent Members of Management

As a publicly listed company, Toyota Industries strives to ensure the fairness and transparency of management. Following the Securities Listing Regulations stipulated by the Tokyo Stock Exchange and Nagoya Stock Exchange, respectively, to further enhance our corporate governance,

Toyota Industries has appointed as independent members of management three outside directors and two outside audit & supervisory board members who are deemed to have no conflicts of interest with our shareholders.

Top Message

Domestic Engine Certification Issue and Initiatives for Preventing Recurrence

Value Creation

Business Activities

Promotion of ESG Initiatives

Corporate and Financial Information

Corporate Governance

Corporate Governance Structure

Determination of Compensation for Directors and Audit & Supervisory Board Members

Matters Related to Policy for Determining Individual Compensation for Directors

Basic Perspective

We ensure fairness and transparency.

We emphasize incentives for achieving better business performance and sustainable growth, link compensation with the business performance of Toyota Industries and reflect individual duties and performance.

Compensation Structure

Compensation for directors consists of fixed compensation (basic compensation) and performance-linked compensation (bonuses and restricted share compensation).

However, non-executive directors such as outside directors are paid only fixed compensation as they are independent of the execution of business operations.

Method of Determining Individual Compensation

We have established the Executive Appointment and Compensation Committee consisting of Toyota Industries' president and independent outside directors.

To ensure the Committee's objectivity and transparency, we have a rule that independent outside directors serve as a chairman and make up half or more of the total number of its members.

The Executive Appointment and Compensation Committee deliberates on a policy for determining individual compensation for directors, proposed compensation for each director and important matters related to compensation.

The Board of Directors votes on the policy based on the results of deliberations made at the Executive Appointment and Compensation Committee.

From the standpoint of determining directors' individual compensation amounts flexibly and swiftly, the Board of Directors delegates the related decision-making authority to the president (or to the chairman).

The president (or the chairman) determines the directors' individual compensation amounts based on the policy and the results of deliberations made at the Executive Appointment and Compensation Committee.

Composition Ratio

The ratio of fixed compensation and performance-linked compensation (bonuses and restricted share compensation) for directors, excluding non-executive directors such as outside directors, is approximately 50:50. However, Toyota Industries is not precluded from using a ratio different from the above, depending on the circumstances of the consolidated operating profit amount and others.

The ratio of bonuses to restricted share compensation in the performance-linked compensation is approximately 70:30.

Policy for Determining Fixed Compensation, Bonuses (together, "Cash Compensation") and Restricted Share Compensation

[Cash Compensation]

The cash compensation paid to directors after

combining fixed compensation and bonuses is determined to be ¥700 million or less per year (including ¥150 million or less per year for outside directors).

[Fixed Compensation]

Fixed compensation for directors consists of monthly salaries, which are paid periodically while in service.

We determine a reasonable level of individual compensation amounts while giving consideration to other companies' compensation levels as well as the rank and duties of each director.

[Bonuses]

We pay a bonus at a certain time after the end of the General Shareholders' Meeting in each fiscal year.

The bonus is determined by using the consolidated operating profit as the indicator and is approximately 70% of the total amount of performance-linked compensation calculated for each rank based on the amount of consolidated operating profit for the previous fiscal year. The bonus will be 100% of the total amount of performance-linked compensation if there is a reason for not providing directors with restricted share compensation.

In determining the total amount of performance-linked compensation, we give comprehensive consideration to dividends, employees' and other companies' bonus levels, past records of bonus payments and execution of duties and assigned work.

[Restricted Share Compensation]

Restricted share compensation is paid at a certain time after the end of the General Shareholders' Meeting in each fiscal year. If there is a reason for not providing directors with restricted share compensation, all of their performance-linked compensation is paid as a bonus and restricted share compensation is not paid.

Compensation paid to provide restricted share units is a pecuniary claim, and the total amount is ¥200 million or less per year separate from the director's fixed compensation and bonus. The class of shares allotted is common share (with a transfer restriction attached to the allotment contract), which is issued or transferred, and the total number is 60,000 shares or less per year (if the total number of Toyota Industries' outstanding shares has changed due to a share split or reverse share split, including the allotment of shares without contribution, the ceiling amount is adjusted according to the ratio), as per the resolution approved at the 146th Ordinary General Meeting of Shareholders.

The restricted share compensation is determined by using the consolidated operating profit as the indicator and is approximately 30% of the total amount of performance-linked compensation calculated for each rank based on the amount of consolidated operating profit for the previous fiscal year.

Restricted share compensation is provided on the condition that an allotment contract, which includes the following provisions, is concluded.

A transfer restriction is attached to the shares allotted for a period between three years and 30 years from the date of allotment, which is determined in advance by the Board of Directors, and the restriction will be lifted at the expiration of the period. The transfer

restriction will be lifted if a director has retired from their position due to the expiration of their term of office, death or other legitimate reasons.

If a director violates a law or any of the events specified by the Board of Directors occurs during the period of transfer restriction, Toyota Industries may acquire all or part of the shares allotted for no consideration.

Compensation for Audit & Supervisory Board Members

Compensation for audit & supervisory board members is fixed remuneration only, and is determined through discussions among audit & supervisory board members in accordance with certain standards established by Toyota Industries.

Compensation for Directors and Audit & Supervisory Board Members

Executive category	Total compensation (¥ million)	Total compensation by type (¥ million)		No. of applicable executives
		Fixed compensation (Basic compensation)	Bonuses (Compensation linked to business performance)	
Director (Of which, outside director)	350 (36)	216 (36)	133 (—)	8 (3)
Audit & supervisory board member (Of which, outside audit & supervisory board member)	91 (27)	91 (27)	— (—)	4 (2)
Total	442	308	133	12

Notes:

The figures include two directors (of whom one outside director) who resigned at the conclusion of the 145th General Shareholders' Meeting held on June 9, 2023.

Bonuses show the amounts approved by resolution of the Board of Directors meeting held on May 17, 2024.

At the 132nd General Shareholders' Meeting held on June 23, 2010, it was determined that the compensation for audit & supervisory board members is to be within ¥15 million per month.

Efforts for Undertaking Management Conscious of Capital Cost and Stock Prices

To enhance our corporate value over the medium to long term, Toyota Industries focuses on management conscious of capital cost while working to provide products and services that anticipate market needs and benefit society.

Specifically, we aim for a return on equity (ROE) of 6% in around 2026 or 2027. In the medium to long term, we will seek an even higher ROE and greater corporate value with a focus on increasing profitability, reducing shareholders' equity by trimming stock holdings, which include cross-shareholdings, and investing in infrastructure. Other key efforts

are growth-oriented research and development, proactive M&A investment, shareholder returns through dividends and flexible share buyback and dialogue with the market.

Please refer to the following for details.

Link to the presentation material for fiscal 2024

Effectiveness of the Board of Directors and Its Evaluation

With regard to the effectiveness of the Board of Directors, we conduct questionnaire surveys and interviews mainly with outside directors and audit & supervisory board members and hold discussions with them to increase effectiveness. The following summarizes the results of their evaluation.

Evaluation

1) The Board holds lively and constructive discussion with its atmosphere welcoming open opinions.

2) The Board discloses issues and risks associated with business execution openly to outside directors and is operated in a sound manner.

3) The Board is functioning effectively in terms of appropriate decision-making and management oversight as it has been made customary to report and deliberate on important matters several times to make sure that these matters are thoroughly discussed prior to the resolution.

2) The Board should increase reporting on post-project assessment of M&As and investments, in addition to business and financial strategies aimed at growth over the medium to long term.

3) For important topics, it is recommended to provide opportunities, separate from the Board meetings, to invite the heads of respective business divisions for casual discussion.

As shown above, Toyota Industries' Board of Directors has been evaluated as effective. Nonetheless, we will undertake efforts to further increase the effectiveness on a continuous basis.

Meetings of the Board of Directors and Relevant Committees

Meeting body	No. of meetings held per year	Average attendance rate
Board of Directors	13	99% (Directors and audit & supervisory board members)
Audit & Supervisory Board	14	100% (Audit & supervisory board members)

67

Audit & Supervisory Board Members and Audit & Supervisory Board

Toyota Industries has four audit & supervisory board members, two of whom are full-time members and two of whom are outside members.

The four members attend meetings of the Board of Directors and provide their opinions as appropriate. The full-time members also attend other important meetings and receive reports on the execution of duties by directors and other responsible persons. They work to monitor and provide advice on the management status through on-site audits at the Head Office, major business sites and subsidiaries, thereby contributing to the maintenance and improvement of internal controls. They also collaborate appropriately with the

accounting auditor and the Internal Audit Office.

Meetings of the Audit & Supervisory Board are held every month to share information on audits conducted by full-time members with outside members, to receive reports on important business statuses from Board members and responsible persons, and to receive reports from the accounting auditor regarding how key audit matters have been examined and determined.

At these meetings, the members also discuss and make decisions on important matters, such as audit policies and plans, the audit method used by the accounting auditor and the appropriateness of their audit results.

Cross-Shareholdings

Policy on Cross-Shareholdings

Toyota Industries' basic policy is not to own cross-shareholdings unless there is a rational reason to do so. On the other hand, collaboration, such as maintaining and reinforcing business relationships with business partners, is essential to sustainably enhance our corporate value. We thus hold shares as needed based on our business strategies.

Verifying Appropriateness of Cross-Shareholdings

Each year, the Board of Directors verifies if the purpose of cross-shareholdings is appropriate and if associated benefits and risks are commensurate with capital cost.

More specifically, we annually conduct a survey on the significance of cross-shareholdings with responsible departments to pick out less significant investee companies and examine whether to sell their shares. At the same time,

we carry out verification based on quantitative information, such as profitability indicators of investee companies and investment returns compared to capital cost. If those investee companies are found to be below our criteria as a result of the verification, we again examine the significance of holding their shares and consider selling these shares.

In fiscal 2024, we sold shares of two investee companies.

Exercise of Voting Rights

While respecting the management policies of individual investee companies, we determine how we exercise our voting rights by checking each item on the agenda from

the perspectives of medium- to long-term enhancement of corporate value, policy concerning shareholder returns, corporate governance and social responsibility.

Internal Control System

In accordance with the Companies Act, in May 2006 Toyota Industries' Board of Directors adopted the Basic Policies for the Establishment of an Internal Control System (Basic Policies) to ensure compliance, risk management as well as the effectiveness and efficiency of business operations by incorporating these policies into each business segment's

annual policies and day-to-day routine management. However, following our legal violations related to engine certification in Japan, we initiated efforts to prevent recurrence while going back to the basics and making a fresh start, vowing never to commit such misconduct again. At the same time, we decided to revise our Basic Policies, and the decision was approved by

resolution of the Board of Directors in April 2024.

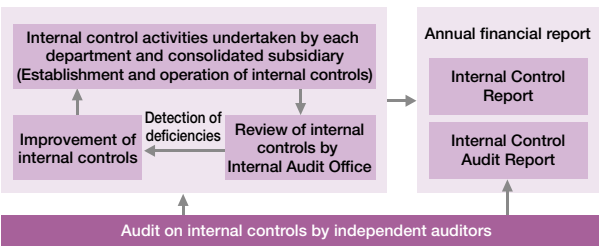
In order to never repeat the same mistake, we will foster a culture of noticing and always pausing when something is wrong and make improvements by engaging all employees. We will also establish an organization and system to respond to risk appropriately and make optimum allocation of management resources. In executing actual business operations, we will remain sincere and conduct proper manufacturing, incorporate a mechanism, including a check function, into our corresponding processes, and simultaneously work to nurture human resources to practice such sincere, proper manufacturing.

We assess the implementation status at the end of each fiscal year and determine actions for the coming year, including reviewing the implementation structure and enhancing day-to-day operational management.

Furthermore, based on the Financial Instruments and Exchange Law (so-called Japanese Sarbanes-Oxley Act (J-SOX)), we have established and appropriately operated an internal control system to maintain the reliability of financial reporting. The system's status and progress are reviewed by

the Internal Audit Office and audited by independent auditors. We determine which Toyota Industries Group companies fall within the scope of J-SOX based on the degree of impact on the reliability of financial reporting. We determined that our internal controls over financial reporting as of the end of fiscal 2024 were effective, and accordingly, submitted an Internal Control Report in June 2024. The report was reviewed by independent auditors and judged fair in their Internal Control Audit Report.

Internal Control Assessment System (Based on J-SOX)



Sustainability Implementation Structure

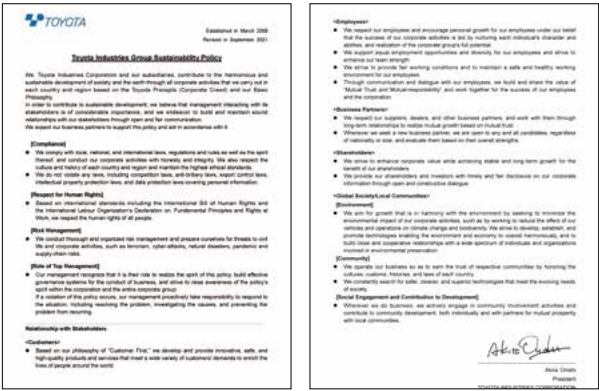
Based upon our belief that the realization of the Toyoda Precepts (corporate creed) and Basic Philosophy makes a contribution to a sustainable society, Toyota Industries has established the CSR Committee to determine the directions for Group-wide activities in accordance with the Toyota Industries Group Sustainability Policy, approve action plans and evaluate the results and has undertaken relevant activities. To focus on sustainability-related activities, we reorganized the committee into the Sustainability Committee (chairperson: executive in

charge of enterprise risk and compliance management) on April 1, 2024.

The Sustainability Committee deliberates and makes decisions on the Group-wide issues concerning sustainability and risk, including the CSR Materiality. These issues are also, as deemed necessary, reported to and deliberated on by the Board of Directors. Each division and Group company incorporates these decisions into their specific activities and carries them out.

Sustainability Committee (Formerly CSR Committee)

Frequency	Generally once a year (and as necessary)
Chairperson	Executive in charge of enterprise risk and compliance management
Members	Chairman, president, executive vice president, general managers of each business division, administrative manager, executive in charge of human resources, executive in charge of accounting, executive in charge of the environment, senior technical executives, related senior executive officers/executive officers, full-time audit & supervisory board members, and external experts
Office	Enterprise Risk and Compliance Management Department
Main Agenda	- Approve action plans on sustainability, encompassing CSR Materiality, and targets (medium term and full year) and evaluate activity results - Determine the direction of our approach to sustainability that captures the opinions of stakeholders and social trends - Revise the Sustainability Policy



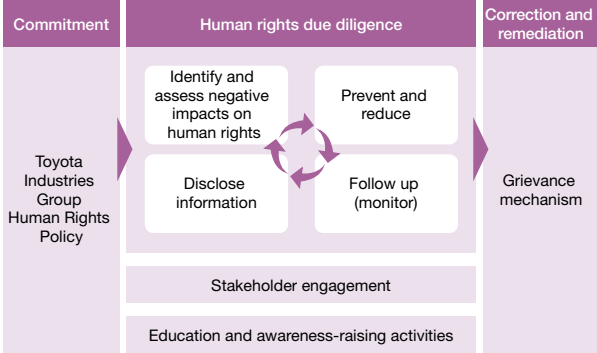
Respect for Human Rights

Basic Perspective

Toyota Industries endeavors to make the earth a better place to live and enrich society based on the Toyoda Precepts (corporate creed). We recognize that in order for us to continuously contribute to the harmonious and sustainable development of the earth and society, it is essential not only to ensure legal compliance but also respect the human rights of all people involved in our corporate activities. Under this recognition, we have been promoting our initiatives to respect human rights in accordance with the United Nations Guiding Principles on Business and Human Rights.

Toyota Industries Group’s Framework for Promoting Respect for Human Rights

Under the framework for promoting respect for human rights, which has been formulated based on the United Nations Guiding Principles on Business and Human Rights, Toyota Industries is working to ensure respect for the human rights of all stakeholders (employees, suppliers, business partners, local community members, including indigenous peoples, and customers) throughout the value chain concerning the Group’s businesses.



Human Rights Policy

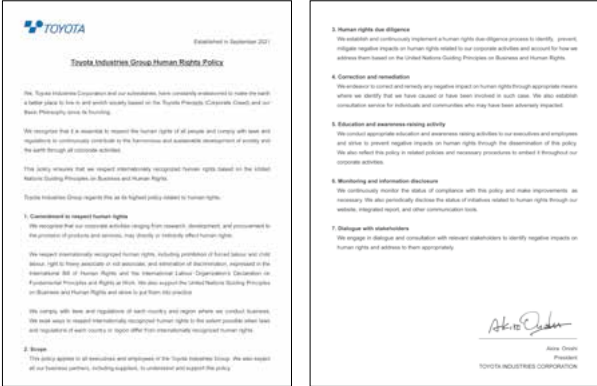
Toyota Industries has formulated the Toyota Industries Group Human Rights Policy (“Human Rights Policy”) under the belief that we should step up our ongoing human rights initiatives.

While giving consideration to the opinions and information provided by external experts and other parties, the Human Rights Policy was formulated after discussions and approval by the CSR Committee (currently the Sustainability Committee). It is positioned as the highest-level policy related to human rights within the Toyota Industries Group.

In our Human Rights Policy, we declare that we respect internationally recognized human rights (prohibiting forced labor and child labor, ensuring the right to freedom of association and eliminating discrimination, etc.) as specified in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. We also endorse the United Nations Guiding Principles on Business and Human Rights and pledge to make efforts to practice these principles.

Human Rights Issues Covered by the Toyota Industries Group Human Rights Policy

Wages (minimum wage, living wage); excessive or inappropriate work hours; occupational safety and health; social security; harassment; immigrant labor, forced labor and other modern slavery; child and young labor; discrimination (against race, nationality, gender, LGBTQ+, persons with disabilities and discriminated communities, etc.); diversity, equity and inclusion; restrictions on the freedom to choose and change residence (corporate activities forcing local residents to leave their homes, forcing employees to accept job relocations); freedom of association; human rights issues related to technology and AI; privacy; consumers’ safety and right to know; freedom of expression; indigenous peoples and local residents (health of local residents, conservation of the environment in communities, land rights, access to water, noise reduction, etc.); the environment and climate change; intellectual property rights; acts of corruption; supply chain management; access to remediation, etc.



Implementation Structure

Toyota Industries recognizes that the Group’s corporate activities, from research and development to procurement and provision of products and services, may directly or indirectly impact human rights. To respond to various human rights issues, we have established the Human Rights Task Team, which is led by the Human Resources Department and

consists of the relevant departments, including the Enterprise Risk and Compliance Management, Purchasing and Legal departments. In accordance with the Human Rights Policy, the team engages in various activities, such as sharing each department’s initiatives and the latest social trends related to human rights and creating action plans.

Human Rights Due Diligence

We conduct human rights due diligence to specify, prevent and mitigate negative impacts on human rights caused by the Toyota Industries Group’s corporate activities.

The Human Rights Task Team has evaluated human rights issues relevant to the corporate activities of the Toyota Industries Group, which were identified based on

the handbooks of Japan’s Ministry of Justice and the Japan Federation of Economic Organizations (Keidanren) as well as checking items defined by external rating agencies. Consequently, we have specified two priority human rights issues, namely immigrant labor and raw material procurement, and have been undertaking related activities.

Major Initiatives

Immigrant Labor (Forced Labor of Non-Japanese Workers)

Amid the growing attention to protecting and respecting the human rights of non-Japanese workers, Toyota Industries regards forced labor of non-Japanese trainees working under Japan’s Technical Intern Training Program as one of its priority human rights issues.

External experts have pointed out that there is possibly a risk of forced labor when accepting trainees from overseas through local brokers, as these brokers may charge exorbitant placement fees to trainees, who end up coming to Japan with a huge debt.

Toyota Industries periodically conducts a survey to check trainee enrollment and appropriate operation of the program at its consolidated subsidiaries and major suppliers in Japan. In the most recent survey, we found that 212 companies have accepted trainees under the program. The largest number of trainees was from Vietnam, accounting for 40% of all trainees.

At our consolidated subsidiaries, we have further surveyed the fees charged to these Vietnamese trainees. As a result,

we have confirmed that no trainees have been charged fees in excess of the upper limit specified in Vietnam’s domestic law. Our efforts in the future will be geared toward reviewing fee charging, which could lead to forced labor of non-Japanese trainees. In fiscal 2024, we joined the Japan Platform for Migrant Workers towards Responsible and Inclusive Society (JP-MIRAI)*1. By collaborating with the external stakeholder, we have set up a consultation hotline for non-Japanese trainees working under the program.

*1: Organization with a total membership of more than 700 diverse stakeholders, including private-sector companies, local governments, NPOs, scholars and lawyers



- <Major activities>
- Provide information (in multiple languages) about daily lives and work via a portal site and smartphone app
 - Operate a multilingual consultation hotline
 - Provide a system to settle matters out of court through the Dispute Resolution Center of the Tokyo Bar Association

Raw Material Procurement (Minerals)

As another initiative to respect human rights, Toyota Industries has formulated the Policies and Approaches to Responsible Mineral Sourcing based on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Under the policies, we have been conducting procurement activities excluding minerals that may involve human rights abuses, such as funding armed groups, child labor, forced labor and working under poor conditions.

As one specific effort, we support the purpose of the Responsible Minerals Initiative (RMI)*2, an organization leading global efforts related to conflict minerals, and have been using the RMI’s survey form, which is the industry’s standard, to periodically perform a minerals survey and

exercise due diligence throughout the supply chain. In fiscal 2024, 97% of our suppliers returned the survey form, and the results showed no significant risk. If we do find a significant risk in our supply chain, we will implement risk mitigation measures, including requesting the relevant supplier to take corrective action. Going ahead, we will continue to cooperate with our suppliers and engage in responsible mineral sourcing throughout the supply chain.

> Rate of performing an annual survey on conflict minerals at applicable suppliers (non-consolidated): 97%

*2: An organization leading efforts concerning conflict minerals, in which more than 300 companies and organizations take part globally

Results of Exercise of Due Diligence on Smelters by Metal

	Tin	Tantalum	Tungsten	Gold	Total
Number of white smelters*3	64	34	32	90	220

*3: Smelters in conformance with the Responsible Minerals Assurance Process (RMAP) offered by the RMI

Policies and Approaches to Responsible Mineral Sourcing

Toyota Industries Corporation and its subsidiaries promote the acquisition of materials with full deliberation and care to avoid the procurement or usage of materials which are unlawful or which are obtained through unethical or otherwise unacceptable means.

We recognize that the situation surrounding conflict minerals originating in Covered Countries is a significant social issue in supply chains. We pursue procurement and usage that are free from conflict minerals originating in Covered Countries and relating to illegal conduct including human rights infringement.

We also recognize that human rights abuses such as child labor in the procurement of cobalt, etc., are a serious social problem, and we pursue procurement activities that do not include minerals that are suspected of being involved in such abuses.

To achieve such procurement and usage, we conduct inquiries tracing back through our supply chains and confirm if such minerals are used. In addition, we take appropriate steps to discontinue procurement of materials that can cause social problems such as human rights violations or financing of armed groups, if such usage is detected. Based on mutually beneficial relationships, we ask our suppliers to understand our policies and approaches and to conduct responsible material procurement.

Policies and Approaches to Responsible Mineral Sourcing

Link to the policies



Child Labor

In its Human Rights Policy, Toyota Industries declares that it will prohibit child labor, which deprives children of an opportunity to receive education and forces them to work at

an early age, hindering their sound growth.

In addition, our work regulations prohibit the recruitment of persons below the age of 15.

Harassment

Toyota Industries seeks to provide an environment for all employees to work with peace of mind. We do not tolerate any form of harassment, sexual or otherwise, as well as acts that harm the dignity of individuals.

As specific efforts, we clearly state in our work

regulations that we prohibit harassment and apply disciplinary punishments to those who commit it. In addition, our Code of Conduct clearly states that we will not engage in any conduct that may cause discomfort to others, including acts of harassment.

Wages

Toyota Industries complies with wage-related laws and regulations and pays wages as specified in advance in the labor contract and work regulations. The full amount*4 in the corresponding currencies is directly paid to employees one or more times per month on a predetermined day. We work to ensure that our wage level conforms to the legally mandated minimum wage level and provides sufficient living

wage to satisfy the basic needs of employees and their families.

In Japan, we treat regular employees and non-regular employees equally and in a balanced manner based on the principle of equal pay for equal work to avoid unreasonable differences in their treatment.

*4: Excluding deductions made in accordance with legally mandated procedures

Unstable Employment

We are committed to providing as much employment stability as possible to develop a highly competent human resources pool with a deep understanding of our values.

In addition, we strive to employ fixed-term workers under

appropriate working conditions in accordance with the labor laws and customs of each region in order to respond to fluctuations in demand due to the external environment and seasonal reasons.

Correction and Remediation (Setting Up a Grievance Mechanism)

In each region, the Toyota Industries Group operates a whistle-blower system (helpline) that allows our employees, suppliers and other relevant parties to report and seek advice on compliance-related matters. We also accept reports and consultation requests on harassment, discrimination and other matters related to human rights through law firms and external websites. If the matter is deemed to have impacts on human rights, we remedy the affected parties.

We also have rules to protect the confidentiality of information on persons making reports and prohibit negative

treatment as a result of seeking advice or cooperating in an investigation. We thus have a system that allows anyone to report or seek advice with a sense of security.

In fiscal 2024, we received reports and consultation requests about harassment and discrimination. As a result of factual investigations, none constituted a serious infringement of human rights that will lead to a significant impact, and we made an appropriate response to each case in accordance with their respective situations.

Education and Awareness-Raising Activities

To remain a company committed to respecting the human rights of all people involved in our corporate activities, we participate in lectures hosted by the government and human rights organizations and joint study sessions with other Toyota Group companies. We also hold training sessions for consolidated subsidiaries, in which their top management participates. Our education and awareness-raising activities target executives and all employees and aim to cultivate a correct knowledge of human rights in general and encourage

them to put the idea into practice. Along with providing induction training for new employees, grade-based training and other conventional programs, we have been making proactive efforts, such as designating a particular week as "Human Rights Week" and utilizing e-learning programs. As for harassment, we provide education once a year to instill knowledge on harassment in everyone, from executives and directors to managers and shop floor leaders.

Training to Raise Human Rights Awareness

Target	Description	Aim
Top management & managers of affiliated companies	External human rights awareness training	Cultivate knowledge of and sensitivity to human rights as a manager; gain skills to support awareness-raising activities
	Training for managers	
Newly promoted managers	Training for newly promoted managers	Cultivate knowledge of and sensitivity to human rights as a leader
	Training for newly promoted GM	
Newly promoted shop floor leaders	Training for newly promoted EX	
All employees	External human rights awareness training External Human Rights College series of seminars (only for those nominated) Delivery of a special message during Human Rights Week	Raise awareness of human rights
Newly joined employees	Induction training for newly joined employees	Gain knowledge of human rights

Training on Harassment

Target	Description
Executives and directors (about 500 persons)	Facilitate an understanding of the importance of eliminating harassment; learn examples of inappropriate remarks and behavior; harassment cases frequently found in the workplace and responses to each
Managers and shop floor leaders (about 1,700 persons)	

Stakeholder Engagement

Toyota Industries promotes dialogue with various internal and external stakeholders and works with its top management and the relevant departments to reflect such dialogue in its future corporate activities.

At the Global Human Resources Conference held in

January 2024, 24 human resources managers from 12 countries conducted group discussions and presentations on the theme of respect for human rights. They discussed and shared points that the Toyota Industries Group should focus on and work on.

Communication Channels

Employees	Labor-management round table meetings, annual labor-management meetings, hotline
Shareholders and investors	Toyota Industries Reports, Toyota Industries' official website, ESG dialogue
Business partners	Procurement policy meetings, hotline
Local community	Inviting residents to Toyota Industries' events, participating in local events, local community meeting



Global Human Resources Conference

Compliance

Basic Perspective

We believe that compliance means both adhering to laws and regulations as well as ethics and social norms. As such, it is vital to promote compliance throughout the Toyota Industries Group under the leadership of top management.

Previously, we established the CSR Committee and its subordinate organization, the Compliance Subcommittee, to undertake relevant activities. On April 1, 2024, we reorganized the two and established the Compliance Committee as an organization managing and promoting compliance throughout the Group, including consolidated subsidiaries. The new committee is chaired by the Global Chief Compliance Officer (GCCO), and its specific activities span formulating compliance policies for the entire Group, collecting information on important compliance risks, such as new laws and possible legal revisions, monitoring changes in society and making appropriate and timely response. We have also set up a system to swiftly report significant incidents involving the Group, including a violation of certification-related, anti-bribery, anti-corruption or antitrust laws, to the GCCO and the Compliance Committee.

[CSR Material Issue](#) > Number of serious compliance violations in the Toyota Industries Group: 1

Formulating the Code of Conduct and Fully Educating and Instilling the Code

Toyota Industries has formulated and distributed to executives and all employees the Code of Conduct, which serves as conduct guidelines that should be observed by employees. It covers such topics as compliance (prevention of bribery, corruption and conflict of interest, conformance to antitrust laws and others), respect for human rights, safety and health as well as environmental conservation. Accordingly, we have been working to instill the Code through group training and other means. Consolidated subsidiaries in and outside Japan have formulated their own Code of Conduct appropriate to their respective business lines and corporate cultures and have been implementing Company-wide awareness-raising and educational activities once a year.

Following our legal violations related to engine certification in Japan, the Special Investigation Committee noted in its investigation report the failure of managers to exercise their functional responsibilities. Taking the matter seriously, we launched a compliance training program for managers in February 2024 in response. It provides practical training for the manager-level employees about their roles to promote compliance and two-way communication needed in workplace management. We are considering expanding the scope from office work and engineering positions to production positions in the future.

As another effort, we have created and disseminated e-learning materials on 50 topics (adding “Introduction to its legally required certification” and “Antitrust laws (relationships

with customers and suppliers)” in fiscal 2024) and compliance mini quizzes on 48 topics in order to cultivate a deeper understanding of compliance among employees of Toyota Industries and our consolidated subsidiaries in Japan and to create an environment in which employees learn about compliance on their own.

> Execution rate of the Code of Conduct enlightenment and educational activities by Toyota Industries and consolidated subsidiaries in and outside Japan: 100%

Example Topics of e-Learning Materials

Compliance; Legally mandated certification; Antitrust laws (cartels, relationships with customers and suppliers); Prevention of bribery; Human rights; Various types of harassment; Safety behavior; Occupational accidents; Mental health; Environmental protection; Management of confidential information; Traffic safety; Product liability; Accounting process, etc.

Code of Conduct

Link to Code of Conduct

A card distributed to each employee that includes information such as a QR code to the Code of Conduct and contact information for the whistle-blower hotline

Efforts for Prevention of Bribery

To prohibit and prevent bribery, in 2014 Toyota Industries formulated the Global Guidelines for Bribery Prevention (or individual rules in countries high on the Corruption Perceptions Index in accordance with their respective, applicable laws) and has been conducting activities to familiarize employees with them in each country and region.

In March 2023, we formulated the Toyota Industries Group Anti-Bribery Policy to clarify our stance both within and outside the Toyota Industries Group. We have positioned the

policy above our Global Guidelines for Bribery Prevention and have been working to communicate and thoroughly implement the policy in each region and country.

Link to the policy

Global Guidelines for Bribery Prevention

Efforts for Ensuring Compliance with Antitrust Laws

As for antitrust laws, we operate a system to conduct a check and review before and after employees of Toyota Industries contact competitors and have been cultivating awareness among employees for not acting in a manner that may possibly constitute a violation of antitrust laws. Moreover, we have designated a particular month as “Antitrust Law Compliance Month” since fiscal 2016 to carry out enlightenment activities at relevant departments for clarifying our relationships with competitors and ensuring fair

transactions with business partners (e.g., the need to hold sincere dialogue with business partners to deal with changes in the business environment caused by rises in various costs).

Consolidated subsidiaries in and outside Japan have also been working to educate and raise awareness of employees to prevent violations of antitrust laws, such as forming cartels, in accordance with local laws and regulations.

Early Detection and Prevention of Issues via Whistle-Blower System

The Toyota Industries Group operates a whistle-blower system (helpline) in each region, through which employees and suppliers can anonymously report and seek consultation on compliance-related matters at their convenience. We also accept reports and inquiries through law firms and dedicated external websites. In fiscal 2024, we received 245 reports and inquiries from within Toyota Industries and from its consolidated subsidiaries in and outside Japan on such matters as labor management, work environment and ethics. Of these, 74% were concerned with labor management

and the work environment. The department in charge of the whistle-blower system and other relevant parties investigated and responded to each case based on the internal rules while thoroughly protecting the privacy of persons reporting and prohibiting retaliation against them.

We will continue our ongoing efforts to communicate about and improve our whistle-blower system as well as ensure the early discovery and prevention of issues to become a “company on which society places greater trust.”

TOPIC Establishing a Compliance Officer Hotline

In February 2024, we established a compliance officer hotline that enables employees to directly communicate with Hiroshi Fukagawa, the Senior Executive Officer and Global Chief Compliance Officer (GCCO).

It is a new employee hotline, separate from the existing whistle-blower system, through which employees make compliance-related inquiries directly to the GCCO, either providing their names or remaining anonymous. To those who provide their names, the GCCO directly returns an e-mail.

Additionally, to cultivate greater compliance awareness, we distribute newsletters entitled “Windows to Compliance,” describing the GCCO’s approaches to compliance.

GCCO Hiroshi Fukagawa

Contact point for those providing their names
For those wishing to communicate directly with the GCCO

Contact point for those wishing to remain anonymous
For those wishing to seek consultation without being identified

“Window to Compliance”
Newsletters distributed to describe GCCO Hiroshi Fukagawa’s approach to compliance

Screen image of the hotline on the intranet

Compliance Awareness Survey

Toyota Industries periodically conducts an employee compliance awareness survey to check how compliance activities have taken root among employees and how well they know about the Code of Conduct and whistle-blower system. By identifying the actual status and adding

improvements, we have been working to make our compliance structure more effective. Starting from April 1, 2024, we have expanded the scope of the survey and increased its frequency from once every three years.

Activities in the Toyota Industries Group

Each consolidated subsidiary of the Toyota Industries Group has set up a compliance committee (in Japan) and appointed a compliance officer (outside Japan) to lead and promote autonomous activities in respective communities. In North America, Europe, China and Asia/Oceania, compliance officers regularly hold conferences and facilitate collaborative activities within each region.

In fiscal 2024, compliance officers from nine bases in China attended the Compliance Officer Conference held in the country. They shared information about the compliance activities of each company and updates to relevant laws, reflected on compliance activities in China and exchanged views. After the conference, these bases have been conducting activities in a mutually coordinated manner.



Compliance Officer Conference in China

Main Compliance Officers

Europe
Toyota Material Handling Europe AB
Andreas Lundh

Brazil
Toyota Material Handling Mercosur Indústria e Comércio de Equipamentos Ltda
Júlio César Macedo

United States
Toyota Industries North America, Inc.
Kim Parker

Vanderlande Group
Vanderlande Industries Holding B.V.
Carl Messemaeckers

China
Toyota Industries Management (China) Co., Ltd.
Zhu Lingling

Tax Governance

Basic Perspective

The Toyota Industries Group regards the most important managerial task is to earn trust broadly from society and enhance its corporate value on a stable, long-term basis in accordance with our Basic Philosophy and by earnestly fulfilling our social responsibilities. We strive to contribute to society and maintain and enhance corporate value by complying with the applicable tax laws and regulations of each country and region, where we undertake business activities, as well as by paying the appropriate level of taxes.

Tax Policy

Under the basic perspective, Toyota Industries has formulated the Toyota Industries Group Tax Policy.

The Toyota Industries Group will educate its employees as necessary through tax and accounting training and e-learning programs so that we are able to pay the appropriate level of taxes and take the proper tax measures in accordance with the Code of Conduct.

Toyota Industries Group Tax Policy

What is the policy?

What are the objectives?

What are the principles?

What are the measures?

What are the responsibilities?

What are the consequences?

Link to the policy

Information Security

Basic Perspective

We recognize that the personal information of customers, employees and business partners as well as information concerning our technologies and sales activities are assets that need to be protected. Accordingly, with the aim of safeguarding our information assets and strengthening their management, we have formulated the Basic Policies for Information Security.

Basic Policies for Information Security

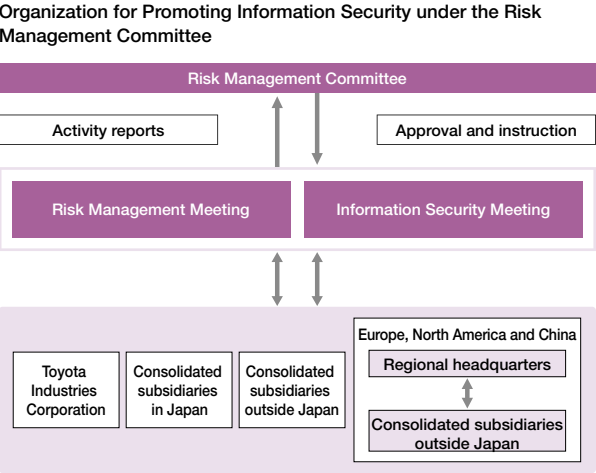
- (1) Legal compliance**
We comply with laws and regulations related to information security while fostering awareness of them among employees.
- (2) Maintaining a stable business foundation**
We safeguard and manage information assets appropriately, carry out information security-related education and enlightenment activities on an ongoing basis and seek to maintain a stable business foundation.
- (3) Providing safe products and services**
We provide safe products and services to customers and society by implementing information security measures in our business activities, including the development, design and manufacture of products and services.
- (4) Information security management**
We build a governance structure to enforce and manage information security and continue to promote and refine the structure.

Implementation Structure

Toyota Industries has set up the Risk Management Committee (led by a risk supervisor^{*1}) as a subordinate organization to the Information Security Meeting (chaired by an executive in charge of promoting information technology (IT) and digitalization) to reduce information security risks.

To thoroughly implement the initiatives adopted by the Information Security Meeting, we appoint Confidentiality Management Champions^{*2} and Confidentiality Management Supporters^{*3} at each department of Toyota Industries.

For consolidated subsidiaries around the world, we regularly hold meetings of IT managers in each region to share information on security incidents and countermeasures both in and outside the Toyota Industries Group and to disseminate relevant policies. Through these and other measures, we are increasing the levels of security and security awareness throughout the Group.



^{*1}: Executive in charge of enterprise risk and compliance management
^{*2}: Head of each department
^{*3}: A person within the department, appointed by the head

Information Security Management

Information Security Monitoring and Incident Response

To ensure the early detection of and prompt action against cyberattacks, we have in place systems to monitor the security of PCs and all other terminals used within the Toyota Industries Group and to respond to incidents 24 hours a day, 7 days a week. We also share threat information with our

consolidated subsidiaries in and outside Japan to swiftly alert each company.

CSR Material Issue > Number of serious incidents occurred: 0

Strengthening Information Security Governance within the Group

In accordance with the All Toyota Security Guidelines (ATSG)^{*4}, we annually inspect the implementation status of information security at Toyota Industries and our consolidated subsidiaries and affiliates around the world in order to maintain and improve the level of information security on a continuous basis.

We are also promoting the achievement of a uniform, more sophisticated level of security in all Group companies

by sharing information on related initiatives through liaison meetings of affiliated companies in Japan and the TICO Group Cyber Security Summit meetings. We also visit individual Group companies to support their efforts.

^{*4}: Security guidelines of the Toyota Group, which conform to the Cyber Security Framework of the National Institute of Standards and Technology (NIST CSF) and ISO 27000 series of standards for information security management systems

Enhancing Our Response to New Work Styles

To be prepared for risks emerging from teleworking and regular use of cloud services, we have introduced a new AI system that monitors diversifying paths through which internal information is taken off the premises. We are

also working to create rules and a management system to prevent confidential information (personal information) leakage and ensure the safe use of cloud services.

Reinforcing Efforts to Enhance Information Security Awareness

To create an organization that autonomously manages risks according to the operations of each department, we provide enhanced education to Confidentiality Management Champions and Confidentiality Management Supporters who lead such risk management activities.

In increasing the information security awareness of each employee, we continuously provide relevant information via various channels using original characters to facilitate an understanding and widespread familiarization of the importance of information security.

Primary Activity Examples

Activities in fiscal 2024

- Holding the TICO Group Cyber Security Summit
- Introducing a system to detect leakage of internal information
- Confirming the status of the use of cloud services
- Incorporating security measures in the system planning stage
- Creating a structure to promote product security and reinforcing conformance to laws and regulations
- Enhancing education for Confidentiality Management Champions and Confidentiality Management Supporters
- Disseminating awareness-raising information using original characters
- Revamping our cybersecurity intranet
- Individually visiting affiliated companies engaging in manufacturing operations in Japan to support their efforts
- Enhancing security services for affiliated companies in Japan



Education provided at a base



"CyberNow" cybersecurity awareness website

Risk Management

Basic Perspective

Based on the Basic Policies for the Establishment of an Internal Control System in compliance with the Companies Act, Toyota Industries is working to strengthen regulations and a structure to promote risk management. We regard the following aspects as the basics of risk management and implement initiatives accordingly.

- (1) Incorporating measures to prevent and reduce potential risks into daily routines and following up on the progress of implementation
- (2) Ensuring quick and precise actions to minimize the impact on business and society when a risk becomes apparent

Implementation Structure

Business divisions and other departments at the Head Office develop and promote annual action policies that integrate measures to prevent and control risks related to quality, safety, the environment, personnel, export transactions, disasters and information security. Progress is assessed and followed up by each functional management entity. Previously, the CSR Committee was responsible for risk management of the entire Company. However, in order to further strengthen our risk management efforts, we newly established the Risk Management Committee, chaired by the risk supervisor (executive in charge of enterprise risk and compliance management), on April 1, 2024.

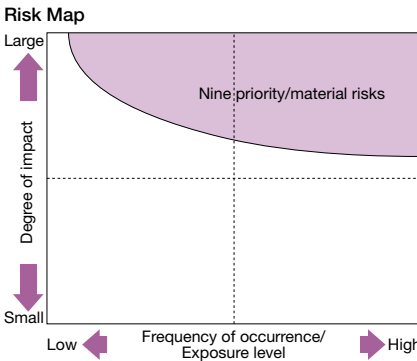
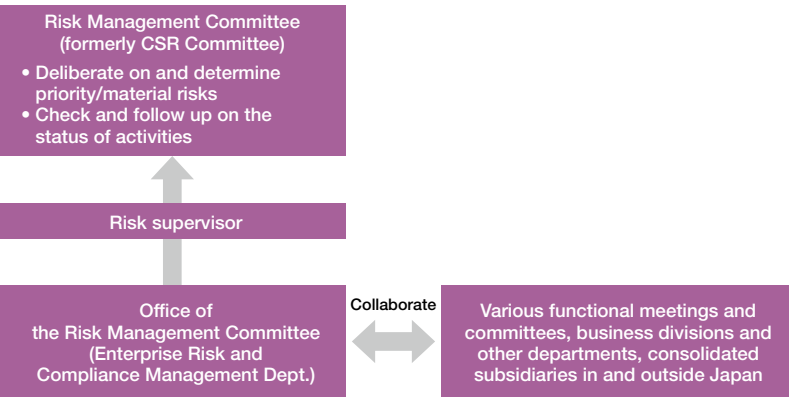
The Risk Management Committee promotes activities to identify priority/material risks from among risks concerning Toyota Industries as a whole and make sure to implement measures at each functional management entity as well as measures to counter emerging risks spanning multiple functions.

At the same time, functional departments at the Head

Office such as those responsible for safety, quality and the environment formulate rules and regulations and create manuals from a Group-wide perspective, encompassing consolidated subsidiaries. By confirming and following up on the progress through operational audits and workplace inspections, they provide support for raising the level of risk management, including the ability to respond to the identified priority/material risks, at each business division and consolidated subsidiary.

We have also formulated the Risk Response Manual, which defines basic rules for risk management activities under normal circumstances and for our initial response to an emergency when a risk becomes evident. The aim is to ensure quick reporting to top management, perform an accurate assessment of the impact on society and business activities and minimize damage through appropriate actions. The content of the manual is reviewed and revised as deemed necessary in response to changes in businesses and the surrounding environment.

Risk Management Structure



Response to Possible Major Earthquake

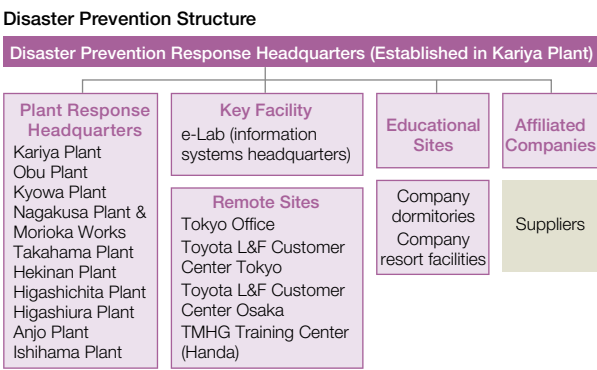
We consider the impact of a major earthquake as one of the most significant risks and have accordingly formulated a business continuity plan. Based on the three basic policies of placing maximum priority on human life, placing top priority on the recovery of local communities and

ensuring the quickest possible recovery, we are making Company-wide efforts in three relevant areas, specifically, "precautionary, pre-disaster mitigation," "initial response to be followed immediately after the disaster" and "restoration of production."

Disaster Prevention Structure

We strive to reinforce our disaster prevention structure to enable a smooth transition from the initial response stage to the production restoration stage.

The Disaster Prevention Response Headquarters, consisting of representatives from the functional departments at the Head Office, is responsible for collecting information from plants and other relevant parties and making Company-wide decisions based on the information collected.



Promoting Disaster Prevention at Home and Related Enlightenment Activities

Starting from fiscal 2017, we have been undertaking enlightenment activities for employees and their families as a measure to promote disaster prevention and avoid disaster-inflicted damage at home. Specifically, we encourage them to take three actions: preventing the overturning of furniture and securing an evacuation route; deciding how to contact and where to meet with family members in a disaster; and stockpiling emergency goods, food and other necessities.

Following the Noto Peninsula Earthquake that occurred on January 1, 2024, we will once again emphasize the importance of making preparations in advance and convey the message to our employees on an ongoing basis.

Efforts to Cultivate Personnel to Engage in Disaster Prevention Activities

1. Training at Disaster Prevention Response Headquarters

One important role assigned to the Disaster Prevention Response Headquarters that oversees Company-wide disaster response is to collect information on damages to both inside and outside the company premises, swiftly make decisions and disseminate these decisions throughout Toyota Industries. In fiscal 2024, we conducted a practical drill with a focus on equipment operations for the departments at the Head Office comprising the Disaster Prevention Response Headquarters. Activities included setting up an emergency network (mobile routers and outdoor Wi-Fi service) for use during a disaster and using electrified vehicles (HEVs, BEVs and FC buses) of each plant as part of our emergency power source. We will continue to train ourselves, assuming a disaster could occur at any time, to act smoothly under any circumstances.

2. Simultaneous All-Company Disaster Prevention Training

Since fiscal 2023, we have extended the duration of our training and expanded its scope to conduct more effective, simultaneous all-Company disaster prevention training.

The training at the Kariya Plant assumed a shutdown of operations. Participants checked the situation in the surrounding area and chose to either go home or stay at an evacuation site. We will continuously conduct training to ensure higher safety and security for our colleagues and customers while dealing with new issues found through the training.

3. Utilization of New Technologies

The Higashichita Plant and Hekinan Plant, located in coastal areas, face disaster risks of tsunamis and tidal waves induced by earthquakes and typhoons. As such, the two plants have implemented measures to reduce such risks by utilizing a variety of technologies. In fiscal 2024, they introduced drones, which will enable them to check the conditions of broad areas around the plants from the sky during a disaster and make a quick and accurate decision for the next step. Each of Toyota Industries' plants will continue to utilize new technologies and examine preparations needed in their respective environments.



Aerial view of the Higashichita Plant

Training for flying a drone

Future Activities

In the face of frequent wind and water-related disasters and earthquakes in recent years, we believe it is important to be prepared to make a smooth initial response and maintain the function of the Disaster Prevention Response Headquarters

no matter when or how much we sustain damage from a disaster. Based on this belief, we will continue our ongoing efforts to increase the effectiveness of our disaster prevention scheme.

Activities Related to Intellectual Properties

Basic Perspective

One tenet of the Toyoda Precepts, which serves as our corporate creed, states “Always be studious and creative, striving to stay ahead of the times.” Under this tenet, Toyota Industries proactively makes investments in research and development, protects and uses the resulting intellectual properties, such as inventions and know-how, and leverages them in the strategies of each business. In addition, we make sure to acquire rights on intellectual properties both in and outside Japan and seek to prevent infringement of these rights while working to increase our corporate value by holding intellectual properties.

Implementation Structure and the Number of Patent Applications

Toyota Industries' businesses span various fields from textile machinery to materials handling equipment and automobile-related products. In accordance with business strategies tailored to the characteristics of each business, we comprehensively analyze information on our own and other companies' intellectual properties, covering our position in the respective markets and competitive relationships, and based on the results, formulate an intellectual property strategy.

At our internal Invention Review Meeting between the technical department and IP department of each business division and on other occasions, we identify and encourage inventions that pay attention to certain technological domains. At the same time, we operate a system to survey risks of infringing other companies' intellectual properties, report the survey results to a meeting of the Review and Approval Committee for Research and Development held during each development phase and have the responsible executives review and approve each development project. We also make joint efforts with consolidated subsidiaries in and outside Japan possessing the development function to build an asset pool of intellectual properties and avoid risks of infringement, both from the viewpoint of Toyota Industries Group as a whole.

Under this implementation structure, we filed some 700 patent applications in fiscal 2024. As of March 31, 2024, Toyota Industries holds about 5,700 patents across the world.

Intellectual Property-Related Activities in the Development of Automation Technologies for Materials Handling Equipment

Toward resolving the issue of chronic labor shortages in the logistics industry, Toyota Industries has been focusing on the development of automation technologies for materials handling equipment, such as lift trucks and towing tractors. Autonomous driving requires technologies to precisely estimate the vehicle's own position, while automated loading and unloading operations need technologies to detect the accurate positions of objects such as trucks, cargo and pallets. As an effort to protect our rights, we have already filed more than 50 patent applications in each of these technology fields.

For autonomous lift trucks and towing tractors, we have conducted feasibility tests of each at customer facilities, including warehouses and airport facilities (See Figures 1 and 2). We have been promoting activities to link the technological issues found while operating the equipment in practice to the patent applications (See Figure 3). Toyota Industries will continue to strive for competitive superiority through the strategic acquisition and utilization of intellectual property rights for its automation technologies.

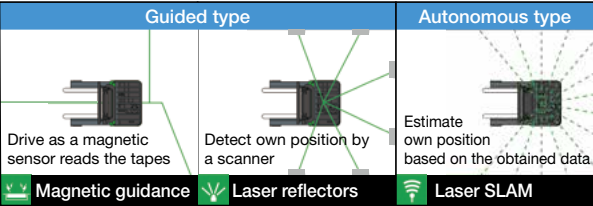


Figure 3. Methods of estimating own position, for which we have filed patent applications



Figure 1. Autonomous lift truck



Figure 2. Autonomous towing tractor

Directors, Audit & Supervisory Board Members, Vice President, Senior Executive Officers and Executive Officers

(As of June 30, 2024)

Directors

Chairman

Shigeki Terashi



Apr. 1980

Joined Toyota Motor Corporation (TMC)

Jun. 2008

Managing Officer of TMC

May 2011

President and Chief Operating Officer of Toyota Motor Engineering & Manufacturing North America, Inc.

Apr. 2013

Senior Managing Officer of TMC

Jun. 2013

Member of the Board of Directors and Senior Managing Officer of TMC

Jun. 2015

Executive Vice President of TMC

Apr. 2017

Member of the Board of Directors and Executive Vice President of TMC

Apr. 2020

Member of the Board of Directors and Operating Officer of TMC

Jan. 2021

Member of the Board of Directors and Executive Fellow of TMC

Jun. 2021

Executive Fellow of TMC

Apr. 2024

Company Advisor of Toyota Industries Corporation

Jun. 2024

Chairman (current)

President

Koichi Ito



Apr. 1986

Joined Marubeni Corporation

Jun. 1998

Joined Toyota Industries Corporation

Jun. 2012

Managing Officer

Jun. 2019

Senior Executive Officer

Jun. 2023

President (current)

Director

Akira Onishi



Apr. 1981

Joined Toyota Industries Corporation

Jun. 2005

Director

Jun. 2006

Managing Officer

Jun. 2008

Senior Managing Officer

Jun. 2010

Senior Managing Director

Jun. 2013

President

Jun. 2023

Vice chairman

Jun. 2024

Director (current)

Director
(Outside, independent)

Shuzo Sumi



Apr. 1970

Joined The Tokio Marine & Fire Insurance Co., Ltd. (Tokio Marine)

Jun. 2000

Director and Chief Representative in London of Tokio Marine

Jun. 2002

Managing Director of Tokio Marine

Oct. 2004

Managing Director of Tokio Marine & Nichido Fire Insurance Co., Ltd. (Tokio Marine & Nichido)

Jun. 2005

Senior Managing Director of Tokio Marine & Nichido

Jun. 2007

President and Chief Executive Officer of Tokio Marine & Nichido

Jun. 2007

President and Chief Executive Officer of Millea Holdings, Inc. (now Tokio Marine Holdings Inc. (Tokio Marine Holdings))

Jun. 2013

Chairman of the Board of Tokio Marine & Nichido

Jun. 2013

Chairman of the Board of Tokio Marine Holdings

Jun. 2014

Director of Toyota Industries Corporation (current)

Apr. 2016

Counselor of Tokio Marine & Nichido (current)

Jun. 2019

Retired as Chairman of the Board of Tokio Marine Holdings

Director
(Outside, independent)

Junichi Handa



Apr. 1979

Joined Toa Nenryo Kogyo K.K.

Feb. 2002

Representative Director of Booz Allen and Hamilton (Japan)

Apr. 2005

CEO of Management Wisdom Partners, Japan Inc.

Apr. 2005

Project Researcher of Manufacturing Management Research Center, the University of Tokyo

Jun. 2013

Corporate Officer and Head of HR, Takeda Pharmaceutical Company Limited

Jun. 2015

Outside Director of Mitsui Sugar Co., Ltd. (now Mitsui DM Sugar Holdings Co., Ltd.)

Jul. 2015

CEO of Management Wisdom Partners, Japan Inc. (current)

Apr. 2016

Project professor of the Graduate School of Economics (Management) and member of the Office of the Global Leadership Program, the University of Tokyo

Apr. 2022

Lecturer of the Graduate School of Economics, the University of Tokyo

Jun. 2022

Director of Toyota Industries Corporation (current)

Director

Kazunari Kumakura



Apr. 1985

Joined Toyota Motor Corporation (TMC)

Jun. 2016

Managing Officer of Toyota Industries Corporation

Jun. 2019

Operating Officer

Mar. 2020

Retired from Operating Officer

Apr. 2020

Deputy Chief Officer, Purchasing Group of TMC

Jul. 2020

Chief Officer, Purchasing Group of TMC (current)

Jun. 2023

Director of Toyota Industries (current)

Director
(Outside, independent)

Tokiko Shimizu



Apr. 1987

Joined Bank of Japan (BOJ)

Jul. 2010

General Manager of the Takamatsu Branch of BOJ

May 2012

Principal Examiner, Financial System and Bank Examination Department of BOJ

Jun. 2014

Deputy Director-General for Asian Affairs, International Department of BOJ

Jul. 2016

General Manager for Europe and Chief Representative of BOJ

Apr. 2018

General Manager of the Nagoya Branch of BOJ

May 2020

Assistant Governor of BOJ

May 2024

Retired as Assistant Governor of BOJ

Jun. 2024

Director of Toyota Industries Corporation (current)

Audit & Supervisory Board Members

Full-Time Audit &
Supervisory Board Member

Toru Inagawa



Apr. 1982

Joined Toyota Industries Corporation

Jun. 2008

General Manager of TMHG Planning Dept.

Jan. 2009

General Manager of Corporate Planning Dept. of TMHG, Toyota Material Handling Company

Jan. 2013

General Manager of TMHG Management Dept., Toyota Material Handling Company

Jun. 2014

Managing Officer

Jun. 2016

Senior Managing Officer

Jun. 2019

Executive Officer

Jun. 2021

Audit & Supervisory Board Member (current)

Full-Time Audit &
Supervisory Board Member

Toru Watanabe



Apr. 1983

Joined Toyota Industries Corporation

Jun. 2016

General Manager of Accounting & Finance Dept.

Jan. 2017

Project General Manager of Accounting & Finance Dept.

Jun. 2020

Audit & Supervisory Board Member (current)

Audit & Supervisory Board
Member
(Outside, independent)

Akihisa Mizuno



Apr. 1978

Joined Chubu Electric Power Co., Inc. (Chubu Electric Power)

Jun. 2008

Director, Senior Managing Executive Officer and General Manager of Corporate Planning & Strategy Div. of Chubu Electric Power

Jun. 2009

Representative Director and Executive Vice President of Chubu Electric Power

Jun. 2010

General Manager of Corporate Planning & Strategy Div. and General Manager of Affiliated Business Planning & Development Dept.

Jun. 2010

President & Director of Chubu Electric Power

Jun. 2015

Chairman of the Board of Directors of Chubu Electric Power

Jun. 2016

Audit & Supervisory Board Member of Toyota Industries Corporation (current)

Apr. 2020

Director & Advisor of Chubu Electric Power

Jun. 2020

Advisor of Chubu Electric Power (current)

Audit & Supervisory Board
Member
(Outside, independent)

Masanao Tomozoe



Apr. 1977

Joined Toyota Motor Sales Co., Ltd.

Jun. 2005

Managing Officer of Toyota Motor Corporation (TMC)

Apr. 2011

Senior Managing Officer of TMC

Apr. 2011

Senior Vice President of Toyota Motor North America, Inc.

Jun. 2012

President and Representative Director of Toyota Motor Sales & Marketing Corporation

May 2015

Advisor of Central Japan International Airport Company, Limited

Jun. 2015

President and CEO of Central Japan International Airport

Jun. 2019

Audit & Supervisory Board Member of Toyota Industries Corporation (current)

Jun. 2019

Advisor of Central Japan International Airport

Jun. 2021

Special Advisor of Central Japan International Airport

Jun. 2023

Retired as Special Advisor of Central Japan International Airport

Senior Executive Officers

Executive Vice President

Yojiro Mizuno



Senior Executive Officers

Masahiro Kawaguchi



Kazunari Masuoka



Toshihiko Shimizu



Brett Wood



Norio Wakabayashi



Hiroaki Matsuda



Sotaro Kumazawa



Ken Suito



Hiroshi Fukagawa



Hisashi Ichijo



Hisanori Miyajima



Shinya Mizutani



Keitaro Hara



Yoichiro Yamazaki



Executive Officers

Hiroya Akatsuka

Tomoji Tarutani

Takashi Kubooka

Haruhiko Kimata

Hiromichi Asao

Hiroyasu Takagi

Hiroshi Kobayashi

Taeko Kojima

Naomori Suzuki

Takehiko Oishi

Hiroyuki Taniguchi

Motoki Takahashi

Shigeru Sawaki

Toru Suzuki

Kenichi Katae