

# Corporate Governance

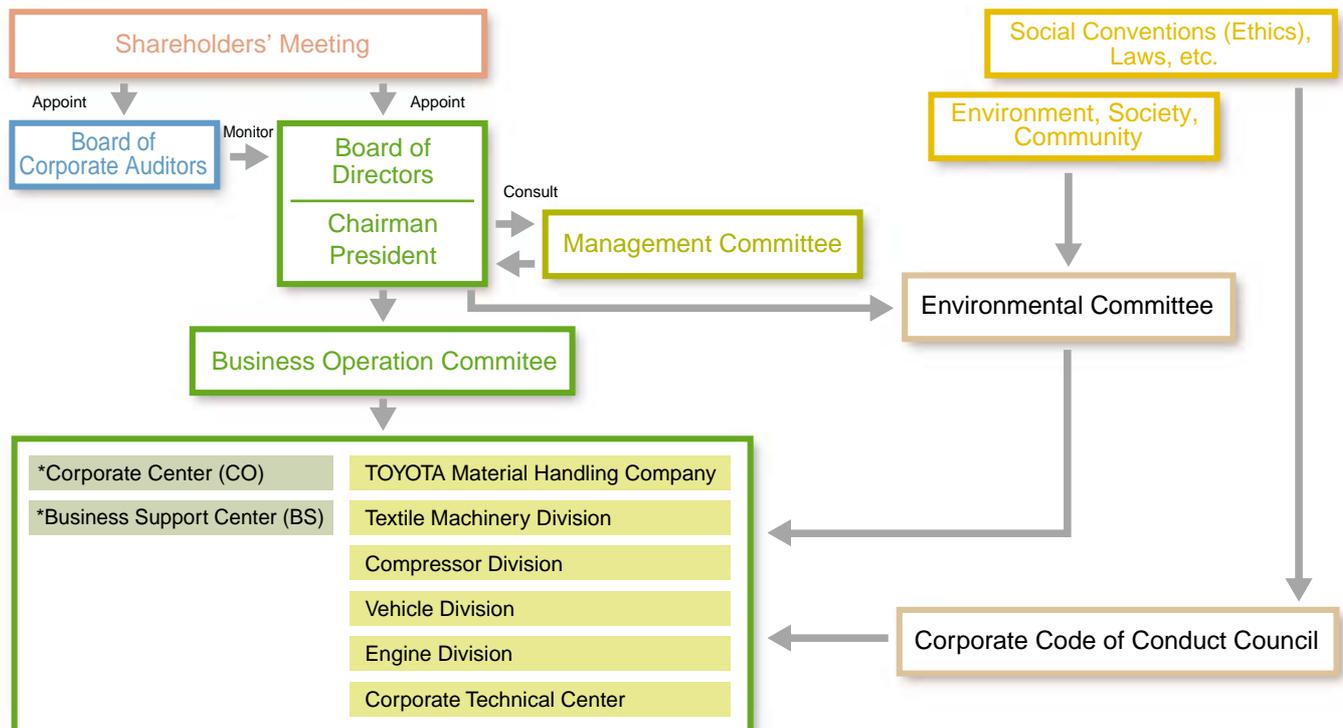
## Building an organizational framework and management system that is responsive to changes in the management environment

Toyota Industries has placed a strong emphasis on the need to build and maintain an organizational framework with the quickness and flexibility to respond to changes in the management environment, together with a fair management system that emphasizes its shareholders. Aiming to fulfill its social responsibilities, these efforts are consistent with the goals of achieving transparent and efficient management, while maintaining the healthy financial state of the company and effectively implementing corporate governance.

### Description of Corporate Governance Activities

Board of Directors and Management Organization	Improved Auditing System	Corporate Code of Conduct Council
<p>The board of directors meets every month to decide on major issues and monitor the company's ongoing performance. Toyota Industries is implementing various measures in an effort to ensure a timely and efficient business management system, while establishing and operating an internal system for control. These measures include setting up a Management Committee to advise the president, and efforts to broaden the process used in determining the company's management strategy. Toyota Industries also established a Business Operation Committee in order to remain up-to-date on the performance of its various businesses.</p>	<p>At the company's annual shareholders' meeting held in June 2003, a resolution was passed to add one additional outside auditor for a total of five corporate auditors. Toyota Industries has also enhanced its auditing capabilities by creating an Audit Department.</p>	<p>The Corporate Code of Conduct Council was established in 1991 in order to oversee and monitor the state of employee and workplace compliance with the corporate code throughout the company. The council is comprised of a chairman, and other high-ranking directors. It is responsible for preventing ethical and legal transgressions within the company and deliberating new issues faced by the company.</p>

### Framework for Corporate Governance



\*In January 2002, the headquarters of Toyota Industries was reorganized into a CO/BS to realize a division according to function and role.