

Achieving Co-Existence with Local Communities

Committed to a Wide Range of Corporate Citizenship Activities that Benefit Local Communities

▶ Graph 1

Based on the Guiding Principles for Corporate Citizenship, Toyota Industries is committed to a wide range of social contribution activities that benefit local communities, mainly in the areas of social welfare, education of young people, and environmental conservation. These activities include the provision of human resources to welfare facilities and traffic safety activities, donations to welfare events, community programs for the education of young people, community events, sports events, environmental conservation activities, and provision of company facilities for use in various community activities.

Toyota Industries also continues to support the Toyota Commemorative Museum of Industry and Technology, Sculpture d' Esaka (art museum), and KARIYA TOYOTA General Hospital and is also involved in the management of these establishments.

The total amount of Toyota Industries' corporate citizenship activities in fiscal year 2007 was 622 million yen.

Guiding Principles for Corporate Citizenship

Basic Philosophy

Toyota Industries is respectful of the people, culture, and traditions of each region and country in which it operates. It also works to promote economic growth and social development in these regions and countries.

Basic Perspective

While achieving corporate development and longevity, Toyota Industries strives to fulfill its role as a good corporate citizen so that the regions that provide a foundation for its corporate activities and the life of its employees become more prosperous and more comfortable to live in. To accomplish this, Toyota Industries actively promotes cooperative support activities with the objective of contributing to local communities through the provision of human resources, facilities, and funds. Toyota Industries' employees also endeavor to be of service to the community through such means as volunteer activities.

Social Contribution Activity System

Toyota Industries and its affiliates at home and abroad are promoting social contribution activities at each location in accordance with local circumstances. For example, Heartful Group, a volunteer unit established in Toyota Industries' General Administration Department, drafts annual plans that aim to enhance voluntary activity planning, communication with local communities, and in-house education and enlightenment activities, among other initiatives.

In addition, Toyota Industries has been holding the Inter-affiliates Meeting on Corporate Citizenship twice a year since fiscal year 2005. This event provides us with an opportunity to examine and offer support for the action plans of our domestic affiliates while inviting their participation and collaboration in activities sponsored by Toyota Industries.

In order to promote social contribution activities throughout the Toyota Industries Group, including at our overseas affiliates, Toyota Industries established the Regional Society Contribution Subcommittee under the Corporate Code of Conduct Committee, the committee directly controlled by the President, in fiscal year 2006.

Toyota Industries Heartful Club – A Volunteer Organization Composed of the Toyota Industries Group's Current and Retired Employees and Their Families

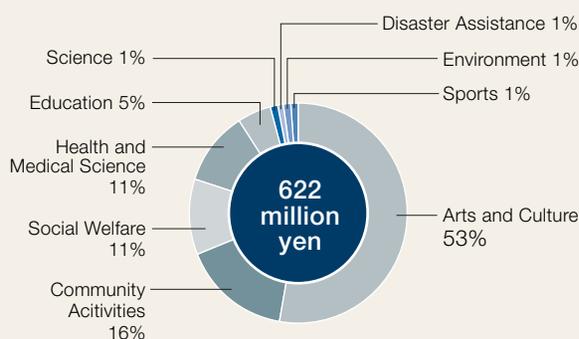
The Toyota Industries Heartful Club is a volunteer organization established by the company in 1997. Its members are current and retired employees (and their families) of Toyota Industries and its affiliates. The aim of the club is to spread the cause of volunteerism and to contribute to the building of a more prosperous society. The Club plans and organizes a variety of volunteer activities, such as taking residents of local welfare facilities out on clam digging expeditions, and a Social Welfare Festival at Toyota Industries' employee leisure and entertainment facility.

The Heartful Group in the General Administration Office, which is within the General Administration Department of Toyota Industries' Corporate Center, acts as the secretariat for the Heartful Club, assisting it with the administrative procedures necessary for the organization of these events. The company also subsidizes the costs of the activities. Details of the Heartful Club's activities can be found on the Toyota Industries website (<http://www.toyota-industries.com/csr/social/>).

The Regional Society Contribution Subcommittee Starts Working towards the Promotion of Global Activities

Toyota Industries' Regional Society Contribution Subcommittee is studying medium-term actions that the entire Toyota Industries Group can take to promote corporate citizenship on a global scale and is also considering key activities that will improve our corporate value. In fiscal year 2007, the Subcommittee began a survey of the status of corporate citizenship activities at our affiliates throughout Japan and around the world and also conducted interviews with employees who had worked overseas to develop a Group Social Contribution Action Plan. It has also worked on exchange and

▶ Graph 1 Breakdown of Social Contribution Activities in FY 2007



collaboration with non-governmental organizations (NGOs) and non-profit organizations (NPOs), as well as local community groups in Japan and overseas to expand the circle of its activities.

So far, Toyota Industries and the eight affiliates involved in the annual Inter-affiliates Meeting on Corporate Citizenship have collected ruined postcards and donated them to the Kariya City Welfare Council to assist in UNESCO's World Terakoya Movement*1. They also collect spent prepaid cards, unused stamps, and foreign currency notes to support Hunger-Free World*2.

In addition to these activities, a new activity adopted by Toyota Industries in fiscal year 2006 was its participation in the Present from the Forest Program*3 run by the international environmental NGO, FoE Japan, with the aim of protecting the world's forests. Volunteers from Toyota Industries' workforce have assembled wooden benches made of forest thinnings from the Yahagi River basin and donated them to 10 childcare centers in Kariya City and 8 nursery schools in Obu City. In December 2006, we also started to support the making and spread of Friendly Pallet, wooden cargo pallets made from these same forest thinnings.



Friendly Pallet

- *1 World Terakoya Movement: A movement that aims to create the best environment to teach illiterate people around the world how to read and write.
- *2 Hunger-Free World: An NGO dedicated to eradicating starvation and poverty around the world.
- *3 Present from the Forest Program: A program to preserve Japan's forests by using lumber from forest thinnings, thus limiting the use of imported wood and helping to preserve the world's forest resources.

In-House Employee Education and Enlightenment Activities

To increase employee awareness of social contribution activities and to encourage their positive participation in volunteer programs, Toyota Industries provides employees with education aimed at increasing their understanding of a company's social responsibilities and the meaning of activities for social responsibility.

Information about volunteer activities and recruitment is provided to all employees through Toyota Industries' intranet.

Communication with Local Communities

To realize a harmonious co-existence with local residents and communities, Toyota Industries holds regular meetings with the members of the local community for the purpose of exchanging opinions and sharing information and solutions to various problems. The participants in the meetings are representatives of the local communities and people from the related departments at Toyota Industries, such as General Administration, Environment, Public

Affairs, and Human Resources. Administrators and legislators also attend the meetings whenever necessary. The subjects discussed include Toyota Industries' business activities, environmental risks, community events, crime and disaster prevention, and traffic safety.



Discussions with Local Residents

In addition, Toyota Industries participates in an annual event entitled "Let's visit production sites". This event offers people in local communities the opportunity to tour the factories of the seven companies comprising the Toyota Group, including Toyota Industries, based in Kariya City, Aichi Prefecture.

Social Welfare Activities

Participation in the Management of KARIYA TOYOTA General Hospital*

Toyota Industries and six other Toyota Group companies located in Kariya City established the TOYOTA-KAI Medical Corporation. KARIYA TOYOTA General Hospital, which is operated by TOYOTA-KAI Medical Corporation, opened in 1963. Since then, the hospital has played a leading public role in providing emergency medical and other services, and has worked to become a central hospital for the area that is trusted by and well-loved by the local community. In a national ranking of hospitals (overall evaluation, published in March 2004) by Japan's foremost business daily newspaper, Nihon Keizai Shimbun, Kariya General Hospital was ranked 8th nationally.

Toyota Industries provides 69 million yen in donations to the hospital every year and also sends two employees to work in the hospital.

* KARIYA TOYOTA General Hospital: Toyota, the name of the medical corporation that manages the hospital, was added to the hospital's former name (Kariya General Hospital) in April 2006 to better reflect the corporate citizenship philosophies of the TOYOTA-KAI Medical Corporation.

Support to the Special Olympics

Toyota Industries is a sponsor of the Special Olympics (SO), an international organization that gives individuals with intellectual disabilities an opportunity to have daily training in sports and to show the training results at annual athletics meets, thereby assisting them to participate in society. We also volunteer our athletic grounds and gymnasium facilities for use at these meets, as well as make donations to SO and support its activities and events.

Community Activities

Traffic Safety Activities Aiming to Achieve the Goal of Zero Traffic Accidents

As an automotive-related manufacturer, Toyota Industries is working to set a positive example and achieve the goal of zero traffic accidents by pouring efforts into providing its employees with traffic safety-related educational programs and cooperating with local traffic safety activities.

Toyota Industries' Central Traffic Safety Committee, comprised of both labor union and management representatives, outlines a safety action policy each fiscal year while working to familiarize every workplace with their plant's traffic safety committee. Monthly meetings, attended primarily by members of traffic safety promotion committees, are held at each workplace in order to check activity progress and advance countermeasures. Activities in fiscal year 2007 were based on two policies: elimination of traffic accidents and promotion of the Yellow Stop Campaign. Workshops were held to re-familiarize participants with the things to be aware of while driving or commuting, and also the necessity of wearing seatbelts in all seats. Inspections and other measures are also implemented to ensure that the above cautions are being properly carried out at each workplace.

In addition to the Yellow Stop Campaign, which is carried out in cooperation with the Toyota Group and local governments, we conducted a traffic safety campaign with all 14,000 employees from November 2006 to March 2007. During the morning commute time, participants stood in areas around the factories and raised awareness of traffic safety by making appeals such as, "Yellow Stop" and "Use seatbelts" to employees and also ordinary passersby.

Providing Facilities for Community Activities

Toyota Industries volunteers the use of its athletic grounds, gymnasium facilities, tennis courts, judo halls, and training rooms for various sports activities, school club activities, and other community activities. We also offer our corporate buses for social welfare programs and lend trucks for environmental conservation activities to support these community activities.

Educational and Cultural Activities

▶ Table 1

Supporting Invention Clubs for Boys and Girls* to Help Youth Education

To help foster the healthy education of our youth, Toyota Industries utilizes a variety of means to support invention clubs for boys and girls in Kariya, Obu, Takahama, Handa, Anjo, and Hekinan, where our plants are located. For example, we provide donations to the Obu Invention Club for Boys and Girls to assist with administrative expenses, as well as providing financial assistance, volunteer helpers (Toyota Industries employees), and the loan of buses for the various events organized by the Club. The Kariya Invention Club for Boys is operated by the Toyota

Institute of Physics and Chemistry, which is supported by Toyota Industries and ten other companies in the Toyota Group.

* Invention Clubs for Boys and Girls: A program launched by the Japan Institute of Invention and Innovation in 1974. Clubs have been formed in various parts of Japan with the cooperation of local governments, boards of education, schools, and companies.

Contributing to the Development and Promotion of Amateur Sports

Toyota Industries continues to contribute to the development and promotion of sports activities through donations to and sponsorship of sports promotion organizations and sports meets that are mainly in the local area. The Kariya Club, a local rugby club team consisting primarily of former members of the Toyota Industries Rugby Team, runs a rugby school for local children at the Toyota Industries Rugby Ground every year.

▶ Table 1 Major Sponsorships in FY 2007

Sponsorship of Sports Events	2006 FEMALE WRESTLING TOYOTA WORLD CUP NAGOYA
	Toyota International Youth Football Championship
	National Invitational University and Business Sumo Tournament in Kariya
	Higashiura Marathon Race
	All Japan Pro-Am Windsurfing Events 12th OKINAWA CUP

Participation in Program for School Teacher Training at Private-Sector Companies

In fiscal year 2006, Toyota Industries began participating in a program run by the Keizai Koho Center (Japan Institute for Social and Economic Affairs) for school teachers to receive training at private-sector companies.

In this program, teachers from elementary, junior high, and senior high schools are invited to attend training during the school summer holidays to increase their awareness of industry and corporate activities by experiencing them for themselves. 88 companies around Japan participate in the program. From August 23 to 25, Toyota Industries welcomed four teachers from the Takacho Board of Education in Hyogo Prefecture and helped them to increase their understanding of issues such as health and safety education, environmental conservation activities, and personnel and human resources development systems.



School Teacher Training

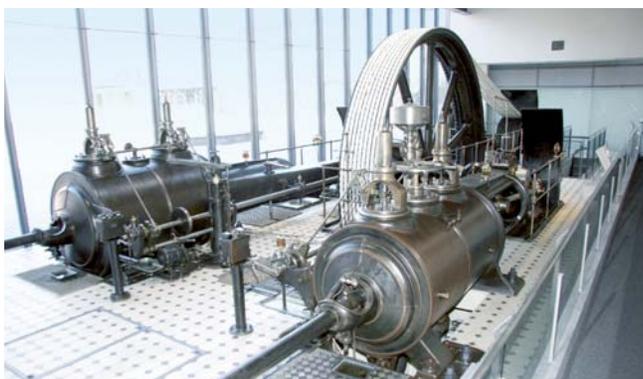
Participating in the Management of the Toyota Commemorative Museum of Industry and Technology

The Toyota Commemorative Museum of Industry and Technology was jointly founded by 13 companies of the Toyota Group.

The museum utilizes the building of the former Toyoda Automatic Weaving Co., which has been designated as an important building of the cityscape by Nagoya City.

Its purpose is to increase the understanding of young people about the “spirit of being studious and creative”, and the importance and wonder of “making things”. Since January 2007, the museum has put a steam engine, which was the driving force of the industrial modernization, on permanent exhibition.

Toyota Industries provides the museum with personnel, funds for covering management costs and exhibits, and also participates in its management.



Steam Engine on Permanent Exhibition

Environmental Conservation Activities

Community Cleanup Events

Every year in September, Toyota Industries conducts a company-wide environment beautification campaign to clean the areas surrounding its plants. Group companies are also encouraged to participate, and in fiscal year 2007, about 4,200 employees, including those from sixteen affiliates, volunteered.

The company's Managers' Councils* also conduct environmental beautification activities, while the Toyota Industries Council of Retired



Community Cleanup

Employees (an organization comprising retired Toyota Industries employees) takes part in cleanup events in the areas around public facilities, such as parks and train stations.

* Managers' Councils: Groups of employees arranged by work position and funded by membership fees with the aim of self-development and exchange. They include groups such as the “General Managers Council” and “Team Leaders Council”. Membership is voluntary for employees and their families.

Participation in the Adopt-an-Area Program

The Adopt-an-Area Program is a new type of town beautification program implemented by citizens, businesses, and the local government. Under this program, citizens and businesses “adopt” a certain public area and clean and beautify that area as its “foster parents”. The local government supports the program by, among other means, providing cleaning equipment and taking away the rubbish collected. At each area selected for “adoption”, a signboard showing the name of the “foster parents” is displayed, helping to inform citizens about the program.

Toyota Industries has four “adopted areas” in Handa and Obu, where Managers' Councils and other groups of employee volunteers carry out cleanup and beautification activities during their lunch hours and at other times. This activity was extended to the Kariya area from June 2006.

Aid to Disaster-Stricken Areas

Disaster Volunteer Net

Thirteen companies in the Toyota Group have formed the Toyota Group Disaster V (Volunteer) Net to help the victims of natural disasters and disaster-stricken areas get back on their feet and restore and rebuild their communities themselves. Toyota Industries currently has 96 employees registered with the Disaster V Net.

The Disaster V Net has set up an information network to enable appropriate action to be taken to assist restoration and rebuilding efforts, and it also conducts regular seminars. At times of disaster, the organization liaises with the regional volunteer headquarters set up by local governments and assists them by advertising for volunteers and in other ways.



Disaster Volunteer Seminar