

Messages from Outside Directors

(As of March 31, 2021)



Shuzo Sumi

Two business pillars of Toyota Industries are the automobile-related businesses and the lift truck/logistics solutions businesses, and the Company has globally strengthened areas in these businesses as required to adapt to changes in society or needs, such as the move toward electrification and automation. In the logistics solutions field, in particular, the Company has extended the scope of its business by utilizing M&As as well. While M&As represent one effective means of accelerating corporate growth, achieving more fruitful results requires respecting each other's corporate culture, understanding individual strengths and weaknesses and sharing a common goal. Toyota Industries recognizes this point and has been successfully making steady progress in this regard. Going forward, the task for the future will be to aim for the maximization of the outcomes.

Recently, environmental initiatives have gained significance on a global scale, as seen in efforts toward carbon neutrality. Toyota Industries has already been working to develop environment-conscious products and improve production processes. It is crucial that the Company moves forward in this regard, bearing in mind to contribute to society from stakeholders' perspectives.

In order to render corporate governance fully functional, a company has to do more than just setting up a governance posture at a superficial level. What is important is to hold thorough discussions at meetings of the Board of Directors or other similar occasions where a managerial decision is made. The Company's Board has an open atmosphere that makes it easy to bring up a difficult subject, and I hope this corporate culture will be passed on into the future. I myself intend to contribute to management through vigorous discussion based on my own experience.



Kenichiro Yamanishi

Toyota Industries and Mitsubishi Electric Corporation, for which I serve as Executive Corporate Adviser, share a characteristic in that both run diverse businesses on a global scale. Having various business divisions might cause employees in each division to solely focus on their own business and not be concerned about growth in other fields.

In Toyota Industries, however, there is an atmosphere that encourages friendly competition and deeper collaboration, as seen in its annual *Aozora Ichiba* event, which is a venue for business divisions, affiliated companies and business partners to present and share best practices mainly in the development and production fields. The same atmosphere is felt in the lively exchange of opinions at the Board meetings. Internal newsletters effectively convey the Company's open culture as well. It takes a long time to build such a culture, and I hope that its value will be shared and fostered even more throughout the entire Toyota Industries Group.

Logistics solutions represent one of the important fields in order for Toyota Industries to grow over the medium term. The Company has been strengthening this business amid growing logistics needs driven by the expanding e-commerce in recent years. Going forward, I hope that Toyota Industries will further clarify its vision, maximize synergies, make sure to capture market growth and translate these efforts into its growth.

Although in a different industry, I have long engaged in the manufacturing sector. Based on my successes and failures in the past, I would like to carry out more in-depth discussions about the medium- to long-term direction Toyota Industries should take from the standpoint of an outside director and contribute to its sustainable growth.



Mitsuhsa Kato

Toyota Industries' Basic Philosophy is based on a concept to provide products that are needed by society. Textile machinery, which constituted its founding business, was developed for the very purpose of helping society. Not being content with the success of textile machinery, the Company has leveraged its technology and know-how and expanded its business domains into automobiles, materials handling equipment and logistics solutions, thereby creating a well-balanced business portfolio. Putting it differently, Toyota Industries, which started out as a manufacturer of a mechanical product, has adapted to the changing times and moved forward with electrification and automation while keeping and improving its strengths in manufacturing, such as safety and quality. This comprehensive capability is another strength of the Company.

Even though the trends in society and needed technologies may change, the foundation of manufacturing will continue to remain important. What underpins it, to state the obvious, is people. In pursuing business growth in the future, I hope that Toyota Industries will also turn its eyes to outside the Company and navigate through difficult challenges by accepting human resources from and reinforcing exchange with other companies both in and outside the Toyota Group.

Toyota Industries is a global operator of various businesses. As such, discussion will be more invigorating if the Company provides opportunities for its subsidiaries outside Japan to directly report on local situations at the Board meetings. In the rapidly changing world situations and needed technologies, I place my expectation on Toyota Industries to leverage diverse perspectives in management, make swift and accurate response to changes and continue to grow further.